

**BRAIN INJURY ASSOCIATION OF
KANSAS AND GREATER KANSAS CITY**

**FINANCIAL STATEMENTS
with
INDEPENDENT AUDITOR'S REPORT**

December 31, 2022 and 2021

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INDEPENDENT AUDITOR'S REPORT

To Board of Directors and Management
Brain Injury Association of Kansas and Greater Kansas City
Overland Park, Kansas

Opinion

We have audited the accompanying financial statements of Brain Injury Association of Kansas and Greater Kansas City (the "Association") (a nonprofit organization), which comprise the statements of financial position as of December 31, 2022 and 2021, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Brain Injury Association of Kansas and Greater Kansas City as of December 31, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Association and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Change in Accounting Principle

As discussed in Note 2:E and Note 6 to the financial statements, the Association changed its method of accounting for the recognition of lease assets and lease liabilities by lessees for those leases classified as operating leases effective January 1, 2022 as required by the provisions of the Financial Accounting Standards Board's ("FASB") Accounting Standards Update ("ASU") 2016-02, *Leases* (Topic 842). Our opinion is not modified with respect to that matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Association's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

INDEPENDENT AUDITOR'S REPORT (continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Association's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Marr and Company

Marr and Company, P.C.
Certified Public Accountants

Kansas City, Missouri
February 16, 2024

BRAIN INJURY ASSOCIATION OF KANSAS AND GREATER KANSAS CITY

STATEMENTS OF FINANCIAL POSITION

As of December 31, 2022 and 2021

ASSETS	<u>2022</u>	<u>2021</u>
Cash	\$ 110,160	\$ 57,668
Grant receivable	191,773	71,211
Other receivable	800	8,050
Prepaid expenses	1,434	0
Operating lease right-of-use asset	34,706	0
Other Assets - deposits	<u>1,477</u>	<u>1,477</u>
TOTAL ASSETS	\$ <u>340,350</u>	\$ <u>138,406</u>
 LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable	\$ 18,624	\$ 3,704
Payroll withholdings	380	350
Accrued liabilities	0	5,495
Operating lease liability	<u>37,305</u>	<u>0</u>
Total Liabilities	56,309	9,549
Net Assets:		
Without donor restrictions net assets	261,389	102,904
With donor restricted net assets	<u>22,652</u>	<u>25,953</u>
Total Net Assets	<u>284,041</u>	<u>128,857</u>
TOTAL LIABILITIES AND NET ASSETS	\$ <u>340,350</u>	\$ <u>138,406</u>

See Accompanying Independent Auditor's Report and Notes to these Financial Statements.

BRAIN INJURY ASSOCIATION OF KANSAS AND GREATER KANSAS CITY

STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2022

	<u>Without Donor</u> <u>Restrictions</u>	<u>With Donor</u> <u>Restrictions</u>	<u>Total</u>
<u>SUPPORT, REVENUE & OTHER INCOME:</u>			
Contributions and grants	\$ 41,492	\$ 0	\$ 41,492
Government grants	231,861	0	231,861
Going the Distance fundraiser	100,084	0	100,084
Conference, seminars and training	60,420	0	60,420
Membership dues	7,930	0	7,930
Miscellaneous income	<u>899</u>	<u>0</u>	<u>899</u>
Total Support, Revenue & Other Income	442,686	0	442,686
 <u>EXPENSES:</u>			
Program Services:			
Education and awareness	143,282	0	143,282
Information and referral	38,481	0	38,481
Prevention	<u>15,368</u>	<u>0</u>	<u>15,368</u>
Total Program Services	197,131	0	197,131
 Supporting Activities:			
General and administrative	39,063	0	39,063
Fundraising	<u>51,308</u>	<u>0</u>	<u>51,308</u>
Total Supporting Activities	<u>90,371</u>	<u>0</u>	<u>90,371</u>
Total Expenses	287,502	0	287,502
 Net Assets Released from Restrictions	 <u>3,301</u>	 <u>(3,301)</u>	 <u>0</u>
 Change in Net Assets	 158,485	 (3,301)	 155,184
 NET ASSETS, BEGINNING OF YEAR	 <u>102,904</u>	 <u>25,953</u>	 <u>128,857</u>
NET ASSETS, END OF YEAR	<u>\$ 261,389</u>	<u>\$ 22,652</u>	<u>\$ 284,041</u>

See Accompanying Independent Auditor's Report and Notes to these Financial Statements.

BRAIN INJURY ASSOCIATION OF KANSAS AND GREATER KANSAS CITY

STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2021

	<u>Without Donor</u> <u>Restrictions</u>	<u>With Donor</u> <u>Restrictions</u>	<u>Total</u>
<u>SUPPORT, REVENUE & OTHER INCOME:</u>			
Contributions and grants	\$ 47,033	\$ 0	\$ 47,033
Government grants	21,092	0	21,092
Going the Distance fundraiser	80,192	0	80,192
Conference, seminars and training	39,335	0	39,335
Membership dues	5,435	0	5,435
Miscellaneous income	<u>64,337</u>	<u>0</u>	<u>64,337</u>
Total Support, Revenue & Other Income	257,424	0	257,424
<u>EXPENSES:</u>			
Program Services:			
Education and awareness	134,613	0	134,613
Information and referral	26,966	0	26,966
Prevention	<u>12,938</u>	<u>0</u>	<u>12,938</u>
Total Program Services	174,517	0	174,517
Supporting Activities:			
General and administrative	34,765	0	34,765
Fundraising	<u>34,838</u>	<u>0</u>	<u>34,838</u>
Total Supporting Activities	<u>69,603</u>	<u>0</u>	<u>69,603</u>
Total Expenses	244,120	0	244,120
Net Assets Released from Restrictions	<u>1,190</u>	<u>(1,190)</u>	<u>0</u>
Change in Net Assets	14,494	(1,190)	13,304
NET ASSETS, BEGINNING OF YEAR	<u>88,410</u>	<u>27,143</u>	<u>115,553</u>
NET ASSETS, END OF YEAR	\$ <u>102,904</u>	\$ <u>25,953</u>	\$ <u>128,857</u>

See Accompanying Independent Auditor's Report and Notes to these Financial Statements.

BRAIN INJURY ASSOCIATION OF KANSAS AND GREATER KANSAS CITY

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2022

	Program Services				Supporting Activities			
	Education & <u>Awareness</u>	Information & Referral	<u>Prevention</u>	Total Program <u>Services</u>	<u>General & Administrative</u>	<u>Fundraising</u>	Total Supporting <u>Activities</u>	<u>Totals</u>
Salaries and wages	\$ 64,725	\$ 12,404	\$ 5,248	\$ 82,377	\$ 12,454	\$ 13,978	\$ 26,432	\$ 108,809
Payroll taxes and fees	4,955	950	402	6,307	953	1,070	2,023	8,330
Employee benefits	9,092	1,742	737	11,571	1,750	1,964	3,714	15,285
Contract labor	826	145	41	1,012	351	124	475	1,487
Professional development	315	94	0	409	157	63	220	629
Special events	17,095	2,849	2,849	22,793	2,848	31,340	34,188	56,981
Conferences, seminars, & training	26,393	2,838	0	29,231	0	0	0	29,231
Awareness, referral & prevention	122	0	0	122	0	0	0	122
KDADS grant	1,271	1,272	0	2,543	0	0	0	2,543
Affiliation fees	1,581	1,581	1,355	4,517	0	0	0	4,517
Liability insurance	940	1,254	408	2,602	376	157	533	3,135
Telephone	449	1,796	150	2,395	300	299	599	2,994
Postage	54	163	14	231	14	27	41	272
Supplies	1,903	1,428	476	3,807	475	476	951	4,758
Accounting and bank fees	0	0	0	0	15,491	0	15,491	15,491
Facility rent	7,662	5,747	2,490	15,899	2,299	958	3,257	19,156
Repairs and maintenance	2,593	1,542	818	4,953	126	267	393	5,346
Equipment leases	1,541	1,370	171	3,082	172	171	343	3,425
Travel, meals and entertainment	807	628	90	1,525	179	90	269	1,794
Dues and subscriptions	600	200	0	800	902	300	1,202	2,002
Miscellaneous expense	<u>358</u>	<u>478</u>	<u>119</u>	<u>955</u>	<u>216</u>	<u>24</u>	<u>240</u>	<u>1,195</u>
Total expenses	<u>\$ 143,282</u>	<u>\$ 38,841</u>	<u>\$ 15,368</u>	<u>\$ 197,131</u>	<u>\$ 39,063</u>	<u>\$ 51,308</u>	<u>\$ 90,371</u>	<u>\$ 287,502</u>

See Accompanying Independent Auditor's Report and Notes to these Financial Statements.

BRAIN INJURY ASSOCIATION OF KANSAS AND GREATER KANSAS CITY

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2021

	<u>Program Services</u>			<u>Total Program Services</u>	<u>Supporting Activities</u>		<u>Total Supporting Activities</u>	<u>Totals</u>
	<u>Education & Awareness</u>	<u>Information & Referral</u>	<u>Prevention</u>		<u>General & Administrative</u>	<u>Fundraising</u>		
Salaries and wages	\$ 56,752	\$ 9,137	\$ 4,706	\$ 70,595	\$ 11,166	\$ 12,366	\$ 23,532	\$ 94,127
Payroll taxes and fees	4,251	684	353	5,288	836	927	1,763	7,051
Employee benefits	8,654	1,393	718	10,765	1,703	1,886	3,589	14,354
Contract labor	651	142	57	850	113	170	283	1,133
Professional development	255	76	0	331	128	51	179	510
Special events	9,323	1,554	1,554	12,431	1,554	17,092	18,646	31,077
Conferences, seminars, & training	38,319	60	0	38,379	0	0	0	38,379
Affiliation fees	1,844	1,844	1,581	5,269	0	0	0	5,269
Liability insurance	965	1,286	418	2,669	386	161	547	3,216
Telephone	435	1,737	145	2,317	289	289	578	2,895
Postage	40	120	10	170	10	20	30	200
Supplies	1,716	1,287	429	3,432	429	429	858	4,290
Accounting and bank fees	0	0	0	0	14,972	0	14,972	14,972
Facility rent	7,192	5,394	2,337	14,923	2,158	899	3,057	17,980
Repairs and maintenance	2,065	487	396	2,948	126	162	288	3,236
Equipment leases	1,497	1,331	166	2,994	166	166	332	3,326
Travel, meals and entertainment	65	51	7	123	14	7	21	144
Dues and subscriptions	403	134	0	537	603	201	804	1,341
Miscellaneous expense	<u>186</u>	<u>249</u>	<u>61</u>	<u>496</u>	<u>112</u>	<u>12</u>	<u>124</u>	<u>620</u>
Total expenses	\$ <u>134,613</u>	\$ <u>26,966</u>	\$ <u>12,938</u>	\$ <u>174,517</u>	\$ <u>34,765</u>	\$ <u>34,838</u>	\$ <u>69,603</u>	\$ <u>244,120</u>

See Accompanying Independent Auditor's Report and Notes to these Financial Statements.

BRAIN INJURY ASSOCIATION OF KANSAS AND GREATER KANSAS CITY

STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>		
Change in net assets	\$ 155,184	\$ 13,304
Changes in operating assets and liabilities:		
Grant receivable	(120,562)	(21,092)
Other receivable	7,250	(8,050)
Prepaid expenses	(1,434)	0
Operating lease asset and liability	2,599	0
Accounts payable	14,920	(636)
Payroll withholdings	30	52
Accrued liabilities	(5,495)	(1,591)
Deferred revenue	<u>0</u>	<u>(31,400)</u>
Net Cash Flows from Operating Activities	<u>52,492</u>	<u>(49,413)</u>
Net change in cash	52,492	(49,413)
CASH, BEGINNING OF YEAR	<u>57,668</u>	<u>107,081</u>
CASH, END OF YEAR	\$ <u>110,160</u>	\$ <u>57,668</u>
<u>NON-CASH INVESTING AND FINANCING ACTIVITIES:</u>		
Right-of-use asset obtained in exchange for operating lease liability	\$ <u>52,965</u>	\$ <u>0</u>

See Accompanying Independent Auditor's Report and Notes to these Financial Statements.

BRAIN INJURY ASSOCIATION OF KANSAS AND GREATER KANSAS CITY

NOTES TO FINANCIAL STATEMENTS

December 31, 2022 and 2021

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BRAIN INJURY ASSOCIATION OF KANSAS AND GREATER KANSAS CITY

NOTES TO FINANCIAL STATEMENTS

December 31, 2022 and 2021

NOTE 1: NATURE OF OPERATIONS

Brain Injury Association of Kansas and Greater Kansas City (the “Association”) is a 501(c)(3) nonprofit organization. As a chartered affiliate of Brain Injury Association of America, the Association is part of a network of Brain Injury Associations across the nation. The Association provides information, resources and support to survivors of brain injury and their families through the information and referral program. This program provides support to persons with brain injury and their family members by assisting them with identifying and utilizing local state and national resources to improve their quality of life. The Association also provides professional development for those working with survivors of brain injury, along with education on the prevention of brain injury.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting

The financial statements are presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States.

B. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates, and those differences could be material.

C. Accounts Receivable

Accounts receivable are stated at the amount management expects to collect. Management makes a regular assessment of the collectability of outstanding accounts and if deemed necessary, establishes an allowance for uncollectible accounts. As of December 31, 2022 and 2021, the Association considered all receivables fully collectible.

D. Capital Assets

Property and equipment are recorded at cost if purchased and fair value if donated. Such donations are reported as contributions without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Repairs and related maintenance are charged to operations as incurred. The Association has capitalized assets with a dollar amount above \$1,000 and a useful life greater than two years. Assets are depreciated using the straight-line method with estimated useful lives ranging from three to seven years.

Capital assets held by the Association are fully depreciated. Depreciation expense was \$0 for the years ended December 31, 2022 and 2021.

BRAIN INJURY ASSOCIATION OF KANSAS AND GREATER KANSAS CITY

NOTES TO FINANCIAL STATEMENTS

December 31, 2022 and 2021

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Leases

The Association has adopted FASB ASC 842, *Leases*, with a date of initial application of January 1, 2022. For leases with a lease term greater than one year, the Association recognizes a lease asset for its right to use the underlying leased asset and a lease liability for the corresponding lease obligation. The Association determines whether an arrangement is or contains a lease at contract inception. The Association includes in the determination of the right-of-use assets and lease liabilities any renewal options when the options are reasonably certain to be exercised. The weighted-average discount rate is based on the discount rate implicit in the lease. The Association has elected the option to use the risk-free rate determined using a period comparable to the lease terms as the discount rate for leases where the implicit rate is not readily determinable. The Association has applied the risk-free rate option to all classes of assets, including buildings.

The Association has elected the short-term lease exemption for all leases with a term of 12 months or less for both existing and ongoing operating leases to not recognize the asset and liability for these leases. Lease payments for short-term leases are recognized on straight-line basis. Operating leases with a duration greater than one year are included in operating lease right-of-use (“ROU”) assets and operating lease liabilities in the Association's statement of financial position as of December 31, 2022. Operating lease right-of-use assets and operating lease liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. In determining the present value of lease payments, the Association used the elected risk-free rate. The Association considers the lease term to be the noncancelable period that it has the right to use the underlying asset, including all periods covered by an option to (1) extend the lease if the Association is reasonably certain to exercise the option, (2) terminate the lease if the Association is reasonably certain not to exercise that option, and (3) extend, or not to terminate, the lease in which exercise of the option is controlled by the lessor.

The operating lease right-of-use assets also include any lease payments made and exclude lease incentives received or receivable. Lease expense is recognized on a straight-line basis over the expected lease term. Variable lease expenses are recorded when incurred.

F. Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor- or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets With Donor Restrictions – Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other purpose specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that the resources be maintained in perpetuity. The Association reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions.

BRAIN INJURY ASSOCIATION OF KANSAS AND GREATER KANSAS CITY

NOTES TO FINANCIAL STATEMENTS

December 31, 2022 and 2021

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. Net Assets (continued)

When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as restricted revenue when received and released from restrictions when the assets are placed into service. See Note 5 for detail.

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) imposed restrictions or law. These net assets may be used at the discretion of the Association’s management and the Association’s Board of Directors.

G. Revenue and Revenue Recognition

The Association recognizes contributions when cash, securities or other assets, an unconditional promise to give, or a notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

A portion of the Association’s revenue is derived from cost-reimbursable state grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Association has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position.

H. Deferred Revenue

Revenue received and promised for activities occurring in future periods are deferred and recognized over the periods in which the revenue relates.

I. In-Kind Contributions and Contributed Services

The Association records various types of in-kind contributions. Contributed services are recognized at fair value if the services received (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributions of tangible assets are recognized at fair value when received. The amounts reflected in the accompanying financial statements as contributions are offset by like amounts included in expenses. Donated items include food, supplies, and prizes for the Going the Distance for Brain Injury Run (“the Run”) and other program events totaled \$16,295 and \$10,293 for the years ended December 31, 2022 and 2021, respectively.

BRAIN INJURY ASSOCIATION OF KANSAS AND GREATER KANSAS CITY

NOTES TO FINANCIAL STATEMENTS

December 31, 2022 and 2021

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

J. Functional Expenses

Functional expenses which cannot readily be related to a specific program are allocated between program expenses and general and administrative expenses based on percentage relationships developed by management. The following is a brief description about the major program services.

Education and Awareness

Training, education and professional development events are held throughout the year for Association members and non-members. Events include an annual professional conference, Walk-for-Thought, survivor and family member seminars, and a national certification program.

Information and Referral

The Association provides resource materials in various media types including the “Red Book” publication, pamphlets, and internet to interested parties. A program director is utilized to receive phone calls regarding statewide area resources.

Prevention

Bicycle helmets are provided free to children in need. Children are educated on the importance of protecting their brains, fitted with the proper helmet and educated on helmet safety and wearing it correctly. Helmets are requested through website application, by phone or by mail. Children are fitted at school assemblies, bike rodeos, and community safety fairs.

K. Income Taxes

The Association is a nonprofit organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Association has been classified as a publicly-supported entity, which is not a private foundation under Section 509(a) of the Code. The Association’s policy is to record a liability for any tax provision that is beneficial to the Association, including any related interest and penalties, when it is more likely than not the position taken by management with respect to the transaction or class of transactions will be overturned by a taxing authority upon examination. Management believes there are no such positions as of December 31, 2022, and accordingly, no liability has been accrued.

L. Subsequent Events

Subsequent events have been evaluated up to February 16, 2024, which is the date the financial statements were available to be issued.

BRAIN INJURY ASSOCIATION OF KANSAS AND GREATER KANSAS CITY

NOTES TO FINANCIAL STATEMENTS

December 31, 2022 and 2021

NOTE 3: LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise of the following:

Cash	\$ 110,160
Receivables	<u>192,573</u>
Total financial assets	302,733
Less restrictions and designations	<u>(22,652)</u>
Net available financial assets	\$ <u>280,081</u>

NOTE 4: RECEIVABLES

Receivables consisted of the following at December 31, 2022 and 2021.

	<u>2022</u>	<u>2021</u>
ACL grant reimbursement	\$ 191,773	\$ 71,211
Membership dues	0	2,000
Promises to give	<u>800</u>	<u>6,050</u>
	\$ <u>192,573</u>	\$ <u>79,261</u>

NOTE 5: NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are available for the following purposes at December 31, 2022 and 2021.

	<u>2022</u>	<u>2021</u>
Bicycle helmets	\$ 12,919	\$ 12,919
CRM database software	4,840	5,308
Website redesign, marketing video	<u>4,893</u>	<u>7,726</u>
	\$ <u>22,652</u>	\$ <u>25,953</u>

Net assets released from restrictions for the following purposes during the years ended December 31, 2022 and 2021.

	<u>2022</u>	<u>2021</u>
Bicycle helmets	\$ 0	\$ 0
CRM database software	468	468
Website redesign, marketing video	<u>2,833</u>	<u>722</u>
	\$ <u>3,301</u>	\$ <u>1,190</u>

BRAIN INJURY ASSOCIATION OF KANSAS AND GREATER KANSAS CITY

NOTES TO FINANCIAL STATEMENTS

December 31, 2022 and 2021

NOTE 6: LEASE OBLIGATIONS

Office Equipment

On October 1, 2017, The Association entered into an operating lease for copier equipment. The term of the lease was October 1, 2017 through December 31, 2022 with monthly lease payments of \$217.

Office Space

The Association occupies its present location under a noncancellable lease that was renewed in November 2021. The previous lease term began September 1, 2018 for 39 months ending November 30, 2021 with escalating rent payments once each year and included three months of base rent of \$0. The current amended lease term began December 1, 2021 for 39 months ending February 28, 2025 with escalating rent payments at various intervals during term.

These leases are the only leases required to be included on the statement of financial position under FASB ASC 842. As a result, adopting FASB ASC 842 as of January 1, 2022 had no impact on the prior year financial position information. The lease asset and lease liability were calculated utilizing the risk-free discount rate (1.04% for 3-year terms and 1.37% for 5-year terms), according to the Association's elected policy.

Quantitative Disclosures

The lease cost and other required information for the year ended December 31, 2022 and 2021, are as follows:

	<u>2022</u>	<u>2021</u>
Lease cost included in facility rent and equipment leases	\$ 22,581	\$ 21,306
Other information:		
Cash paid for amounts included in the measurement of operating lease liability: Operating cash flows from the operating lease	\$ 2,603	\$ n/a
Weighted-average remaining lease term – operating lease	2.08 years	n/a
Weighted-average discount rate – operating lease	1.21%	n/a

The maturities of the lease liability and reconciliation to the statement of financial position as of December 31, 2022, are as follows for the fiscal years ending December 31:

2023	\$ 17,301
2024	17,545
2025	<u>2,931</u>
Total future undiscounted lease payments	37,777
Less interest	<u>(472)</u>
Present value of lease liability	\$ <u>37,305</u>

BRAIN INJURY ASSOCIATION OF KANSAS AND GREATER KANSAS CITY

NOTES TO FINANCIAL STATEMENTS

December 31, 2022 and 2021

NOTE 7: GOVERNMENT GRANT REVENUE

The Association was awarded a pass-through grant from the Administration for Community Living (ACL) and the Kansas Department for Aging and Disability Services (KDADS) in 2018 to create and strengthen a system of services and supports that maximizes the independence, well-being, and health of Kansans with Traumatic Brain Injury across the lifespan, their families, and their caregivers. During 2020, the Association was awarded an additional pass-through grant from the ACL and KDADS with a term that was to originally end on May 31, 2021. The Association was granted a no-cost extension (“NCE”) to extend the term to May 2023. The maximum grant award was \$217,868 that required \$123,608 in matching funds from the Association’s non-federal sources to receive the full allocation. During 2021, the Association was awarded an additional pass-through grant from the ACL and KDADS with annual terms from August 1st to July 31st. For the 12-month grant period ended July 31, 2022, the maximum grant award was \$176,730 and required \$100,089 in matching funds from the Association’s non-federal sources to receive the full allocation. For the annual grant period ended July 31, 2023, the maximum grant award was \$176,616 and required \$100,089 in matching funds from the Association’s non-federal sources to receive the full allocation. Grant revenue was \$231,861 and \$21,092 for the years ended December 31, 2022 and 2021, respectively. As of December 31, 2022 and 2021, the Association was owed \$191,773 and \$71,211 relating to these contracts, respectively.

NOTE 8: RELATED PARTY TRANSACTION

National Affiliation

The Association is affiliated with the Brain Injury Association of America. As part of the affiliation agreement, the Association is required to remit an annual fee to the national association which provides training, educational material, and other assistance for a twelve-month period effective from January 1st each year. The Association had expenses of \$4,516 and \$5,269, respectively, to the BIAA for the years ended December 31, 2022 and 2021.

NOTE 9: RETIREMENT PLAN

The Association maintains a defined contribution pension plan for all employees with one year of eligible service which is a qualified employee benefit plan under Internal Revenue Code Section 403(b). The Association contributes two percent (2%) of gross compensation. Employer contributions made to the plan during the years ended December 31, 2022 and 2021 were \$2,208 and \$1,828, respectively.