

**The Mac Parkman Foundation for
Adolescent Concussive Trauma, Inc.**

Financial Statements

December 31, 2021

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors of
The Mac Parkman Foundation for Adolescent Concussive Trauma, Inc.
Anna Maria, Florida

We have reviewed the accompanying financial statements of The Mac Parkman Foundation for Adolescent Concussive Trauma, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of entity management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility 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; this includes 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.

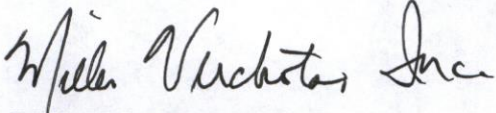
Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of The Mac Parkman Foundation for Adolescent Concussive Trauma, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

A handwritten signature in cursive script that reads "Miller Verchota, Inc.".

Miller Verchota, Inc.

Certified Public Accountants

Crystal Lake, Illinois

May 26, 2023

The Mac Parkman Foundation for Adolescent Concussive Trauma, Inc.
Statement of Financial Position
December 31, 2021

ASSETS

Current Assets	
Cash and cash equivalents	\$ 162,053
Investments	<u>31,406</u>
Total Current Assets	<u>193,459</u>
TOTAL ASSETS	<u><u>\$ 193,459</u></u>

LIABILITIES AND NET ASSETS

Current Liabilities	
Accounts payable	\$ 9,250
Net Assets Without Donor Restrictions	<u>184,209</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 193,459</u></u>

The Mac Parkman Foundation for Adolescent Concussive Trauma, Inc.
Statement of Activities
Year Ended December 31, 2021

	Without Donor Restrictions
Support and Revenue	
Contributions	\$ 283,566
Investment income/(loss)	(10,622)
Total Support and Revenue	272,944
 Expenses	
Program	56,835
Management and general	31,900
Total Expenses	88,735
 Change in Net Assets	 184,209
 Net Assets, Beginning of Year	 -
 Net Assets, End of Year	 \$ 184,209

The Mac Parkman Foundation for Adolescent Concussive Trauma, Inc.
Statement of Functional Expenses
Year Ended December 31, 2021

	Program	Management and General	Total
Administrative fees	\$ -	\$ 20,000	\$ 20,000
Professional marketing services	13,689	-	13,689
Research	13,430	-	13,430
Sponsorships	12,500	-	12,500
Office	-	6,087	6,087
Podcast	5,500	-	5,500
Marketing	5,490	-	5,490
Accounting	-	5,000	5,000
Merchandise	3,414	-	3,414
CRM	1,776	-	1,776
Registration fees	-	670	670
Membership fees	500	-	500
Press releases	399	-	399
Bank fees	-	143	143
Travel	86	-	86
Website	51	-	51
	\$ 56,835	\$ 31,900	\$ 88,735

The Mac Parkman Foundation for Adolescent Concussive Trauma, Inc.
Statement of Cash Flows
Year Ended December 31, 2021

Cash Flows from Operating Activities

Change in net assets	\$ 184,209
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Realized and unrealized loss on investments	10,005
Contributed investments	(267,865)
Increase in liabilities:	
Accounts payable	9,250
Net cash used for operating activities	(64,401)

Cash Flows from Investing Activities

Proceeds from investment sales	258,621
Investment purchased	(32,167)
Net cash provided by investing activities	226,454

Increase in cash and cash equivalents **162,053**

Cash and cash equivalents - beginning of year -

Cash and cash equivalents - end of year **\$ 162,053**

Supplemental disclosures of cash flow information:

Cash paid for interest	\$ -
Cash paid for income taxes	-

The Mac Parkman Foundation for Adolescent Concussive Trauma, Inc.
Notes to Financial Statements
Year Ended December 31, 2021

Note 1 – Summary of Significant Accounting Policies

Organization and Nature of Activities

The Mac Parkman Foundation for Adolescent Concussive Trauma, Inc. (the Organization), a not-for-profit organization, was incorporated under the laws of the State of Florida in 2021. The Organization is governed by a volunteer Board of Directors. The Organization's intent is to provide education and awareness of adolescent concussive trauma.

The Organization is supported by donations and the funds raised support research and public awareness initiatives.

Basis of Presentation

The financial statements of the Organization have been prepared on the accrual basis of accounting. The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions:

Net assets without donor restrictions – Net assets that are not subject to or are no longer subject to donor-imposed stipulations.

Net assets with donor restrictions – Net assets whose use is limited by donor-imposed time and/or purpose restrictions.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor restrictions on the net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets. The Organization has adopted a policy to classify donor restricted contributions as without donor restrictions to the extent that donor restrictions were met in the year the contributions were received.

Cash and Cash Equivalents

The Organization considers all highly liquid investments with maturity of three months or less when purchased to be cash equivalents. Cash and cash equivalents consist of bank demand deposits and cash investments.

The Mac Parkman Foundation for Adolescent Concussive Trauma, Inc.
Notes to Financial Statements
Year Ended December 31, 2021

Note 1 – Summary of Significant Accounting Policies (Continued)

Revenue Recognition

Contributions are recognized when cash, securities or other assets, or an unconditional promise to give is received. Conditional promises to give, 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 met. Contributions with donor restrictions are reported as contributions without donor restrictions if the restriction is released in the year received.

Contributions of donated noncash assets are recorded at their fair values in the period received. Contributions of donated services that enhance nonfinancial assets, or that require specialized skills, are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received.

Investments

Investments are stated at fair value. Fair value of marketable equity and debt securities is based on quoted market prices. Realized and unrealized gains and losses are included in the change in net assets in the accompanying statement of activities.

Fair Value of Financial Instruments

Unless otherwise indicated, the fair values of all reported assets and liabilities that are financial instruments approximate the carrying values of such amounts.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires us to make estimates and assumptions that affect the reported amounts of 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.

Functional Expense Allocations

The costs of providing the programs and supporting activities have been summarized on a functional basis in the statement of activities. The expenses are directly identified with the program or supporting service to which they relate and are charged accordingly.

The Mac Parkman Foundation for Adolescent Concussive Trauma, Inc.
Notes to Financial Statements
Year Ended December 31, 2021

Note 1 – Summary of Significant Accounting Policies (Continued)

Income Taxes

The Organization is a qualified nonprofit Section 501(c)(3) organization and is, therefore, exempt from federal income taxes under section 501(a) of the Internal Revenue Code. Accordingly, the financial statements contain no provision for federal income taxes. However, income from certain activities not directly related to the Organization's tax-exempt purpose is subject to taxation as unrelated business income. The Organization did not engage in any unrelated business activities during the fiscal year.

As of December 31, 2021, the Organization has not incurred any interest or penalties on its income tax returns. The Organization's tax returns are subject to possible examination by the taxing authorities. For federal income tax purposes, the tax returns essentially remain open for possible examination for a period of three years after the date on which those returns are filed.

Donated Services and Other Noncash Contributions

The Organization benefits from the services of staff and facilities provided by the Blue Light, LLC (Note 5). The use of daily office facilities and certain management are not accrued and included in the financial statements.

The Organization also receives donated services from a variety of unpaid volunteers and board members who make significant contributions of their time in conjunction with programs and events. No amounts have been recognized for these services because the criteria for recognition of such volunteer efforts as contributed services have not been satisfied.

Note 2 - Concentrations

Financial instruments which subject the Organization to concentrations of credit risk consist of receivables, cash and investments. The checking account is maintained in a financial institution that is insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC). At December 31, 2021, the balance was fully insured.

The Organization also uses a brokerage account in order to sell donated stock. The funds are not insured or guaranteed.

The Organization received significant contributions from members of the Board of Directors (Note 5).

The Mac Parkman Foundation for Adolescent Concussive Trauma, Inc.
Notes to Financial Statements
Year Ended December 31, 2021

Note 3 – Liquidity and Availability of Financial Assets

The Organization monitors its liquidity so it is able to meet its operating needs. The Organization has the following financial assets that could readily be made available within one year of the statement of financial position to fund expenses without limitations:

Cash and cash equivalents	\$ 162,053
Investments	<u>31,406</u>
	<u>\$ 193,459</u>

In addition to financial assets available to meet general expenditures over the year, the Organization anticipates covering its general expenditures with donations.

Note 4 – Fair Value and Investments

The Organization applies *Accounting Standards Codification* (ASC) 820, *Fair Value Measurements and Disclosures*, which defines fair value, establishes a framework for measuring fair value, and requires certain disclosures about fair value measurements. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three tiers of the fair value hierarchy are described as follows:

Level 1 – Quoted prices for identical assets or liabilities in active markets.

Level 2 – Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data.

Level 3 – Significant unobservable inputs that reflect a reporting entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

Valuation techniques used in fair value measurements need to maximize the use of observable inputs and minimize the use of unobservable inputs. A valuation method may produce a fair value measurement that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization believes its valuation methods are appropriate and consistent with those used by other market participants, the use of different methodologies or assumptions could result in different fair value measurements at the reporting date. There have been no changes in the methodologies used during the year ended December 31, 2021.

The Mac Parkman Foundation for Adolescent Concussive Trauma, Inc.
Notes to Financial Statements
Year Ended December 31, 2021

Note 4 – Fair Value and Investments (Continued)

The underlying investments are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain marketable securities, it is at least reasonably possible that changes in risks in the near term could materially affect account balances and the amounts reported in the statement of financial position and the statement of activities.

The following table sets forth, by level within the fair value hierarchy, amounts recorded in the Organization’s financial statements at fair value as of December 31, 2021:

	Fair Value	Level 1	Level 2	Level 3
Exchange traded and closed end funds	\$ 31,406	\$ 31,406	\$ -	\$ -

Realized and unrealized gains and losses are reported in the statement of activities. There have been no changes in valuation techniques.

Note 5 – Related Party Transactions

Members of the Board of Directors transferred stock to the Organization with a fair market value of \$267,865 at the time of transfer for the year ended December 31, 2021. Additional donations from related parties are \$10,482.

The President of the Board of Directors is an owner of Blue Light, LLC. Blue Light, LLC provides administrative, accounting and marketing services to the Organization. The amount paid to Blue Light, LLC for the year ending December 31, 2021, is \$15,000. In addition, Blue Light, LLC provides office facilities to the Organization. The value of these services has not been recorded as management has determined that they are immaterial to the financial statements.

Note 6 – Subsequent Events

In accordance with FASB ASC 855, the Organization has evaluated subsequent events through May 26, 2023, which represents the date the financial statements were available to be issued and has determined that there are no additional adjustments and/or disclosures required.