

**MYOTONIC DYSTROPHY FOUNDATION AND AFFILIATE**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**December 31, 2016 and 2015**

# MYOTONIC DYSTROPHY FOUNDATION AND AFFILIATE

## CONTENTS

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT	1 - 2
CONSOLIDATED FINANCIAL STATEMENTS	
Consolidated Statements of Financial Position	3
Consolidated Statements of Activities	4 - 5
Consolidated Statements of Functional Expenses	6
Consolidated Statements of Cash Flows	7
Notes to Consolidated Financial Statements	8 - 12
SUPPLEMENTARY INFORMATION	
Consolidating Statements of Financial Position	13
Consolidating Statements of Revenue, Expenses and Changes in Net Assets	14

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Myotonic Dystrophy Foundation and Affiliate  
San Francisco, California

We have audited the accompanying consolidated financial statements of Myotonic Dystrophy Foundation (a nonprofit organization) and Affiliate, which comprise the consolidated statements of financial position as of December 31, 2016 and 2015, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these consolidated 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.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Myotonic Dystrophy Foundation and Affiliate as of December 31, 2016 and 2015, 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.

## **Report on Supplementary Information**

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary information on pages 13 - 14 is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

*Propp Christensen Caniglia LLP*

June 6, 2017  
Roseville, California

MYOTONIC DYSTROPHY FOUNDATION AND AFFILIATE  
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
December 31, 2016 and 2015

ASSETS

	2016	2015
Current assets:		
Cash and cash equivalents	\$ 3,496,900	\$ 3,949,139
Pledges receivable, current portion	106,764	71,540
Other receivables	50,697	49,263
Prepaid expenses and deposits	31,798	26,159
Total current assets	3,686,159	4,096,101
Pledges receivable, net of current portion	-	10,000
Total assets	\$ 3,686,159	\$ 4,106,101

LIABILITIES AND NET ASSETS

Current liabilities:		
Accounts payable	\$ 2,771	\$ 29,443
Accrued liabilities	61,315	48,311
Credit card liabilities	3,226	9,729
Grant obligations, current portion	1,805,463	840,000
Total current liabilities	1,872,775	927,483
Grant obligations, net of current portion	412,500	300,000
Total liabilities	2,285,275	1,227,483
Net assets:		
Unrestricted	1,170,834	2,481,313
Temporarily restricted	230,050	397,305
Total net assets	1,400,884	2,878,618
Total liabilities and net assets	\$ 3,686,159	\$ 4,106,101

The accompanying notes are an integral part  
of these financial statements.

MYOTONIC DYSTROPHY FOUNDATION AND AFFILIATE

CONSOLIDATED STATEMENTS OF ACTIVITIES  
For the Years Ended December 31, 2016 and 2015

	2016		
	Unrestricted	Temporarily Restricted	Total
<b>Revenue:</b>			
Contributions - annual campaign	\$ 120,807	\$ 15,551	\$ 136,358
Contributions - major donors	691,243	128,590	819,833
Contributions - grassroots fundraising	31,126	36,597	67,723
Grant revenue	125,636	102,580	228,216
Government grants	695,358	-	695,358
Major events	473,170	1,500	474,670
Interest revenue	6,602	-	6,602
In-kind donations	3,432	-	3,432
Other income	35,347	-	35,347
Net assets released from restriction	452,073	(452,073)	-
<b>Total revenue</b>	<b>2,634,794</b>	<b>(167,255)</b>	<b>2,467,539</b>
<b>Expenses:</b>			
<b>Program expenses:</b>			
Care programs	645,872	-	645,872
Research programs	2,393,945	-	2,393,945
Advocacy and communications	405,801	-	405,801
<b>Total program expenses</b>	<b>3,445,618</b>	<b>-</b>	<b>3,445,618</b>
Management and general expenses	144,809	-	144,809
Fundraising expenses	252,134	-	252,134
<b>Total expenses</b>	<b>3,842,561</b>	<b>-</b>	<b>3,842,561</b>
Foreign currency translation loss	(102,712)	-	(102,712)
<b>Change in net assets</b>	<b>(1,310,479)</b>	<b>(167,255)</b>	<b>(1,477,734)</b>
Net assets, beginning of year	2,481,313	397,305	2,878,618
<b>Net assets, end of year</b>	<b>\$ 1,170,834</b>	<b>\$ 230,050</b>	<b>\$ 1,400,884</b>

The accompanying notes are an integral part  
of these financial statements.

MYOTONIC DYSTROPHY FOUNDATION AND AFFILIATE  
CONSOLIDATED STATEMENTS OF ACTIVITIES (CONTINUED)  
For the Years Ended December 31, 2016 and 2015

	2015		
	Unrestricted	Temporarily Restricted	Total
Revenue:			
Contributions - annual campaign	\$ 128,395	\$ 36,659	\$ 165,054
Contributions - major donors	3,494,536	112,404	3,606,940
Contributions - grassroots fundraising	42,699	63,172	105,871
Grant revenue	331,662	75,000	406,662
Interest revenue	2,640	-	2,640
Other income	24,525	-	24,525
Net assets released from restriction	380,695	(380,695)	-
	4,405,152	(93,460)	4,311,692
Expenses:			
Program expenses:			
Care programs	351,251	-	351,251
Research programs	1,751,506	-	1,751,506
Advocacy and communications	341,728	-	341,728
	2,444,485	-	2,444,485
Total program expenses	2,444,485	-	2,444,485
Management and general expenses	186,809	-	186,809
Fundraising expenses	76,300	-	76,300
	2,707,594	-	2,707,594
Total expenses	2,707,594	-	2,707,594
Change in net assets	1,697,558	(93,460)	1,604,098
Net assets, beginning of year	783,755	490,765	1,274,520
Net assets, end of year	\$ 2,481,313	\$ 397,305	\$ 2,878,618

The accompanying notes are an integral part  
of these financial statements.

MYOTONIC DYSTROPHY FOUNDATION AND AFFILIATE  
CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES  
For the Years Ended December 31, 2016 and 2015

For the year ended December 31, 2016	Program Expenses					2016 Total
	Care Programs	Research Programs	Advocacy and Communication	Management and General	Fundraising	
Grants	\$ -	\$ 1,866,768	\$ -	\$ -	\$ -	\$ 1,866,768
Conferences and meetings	250,072	87,455	233	16,114	63,840	417,714
Employee expenses	282,110	280,543	176,844	49,230	112,537	901,264
Program and administrative expenses	15,212	31,401	4,739	20,349	37,379	109,080
Occupancy	15,797	10,359	9,908	2,667	6,304	45,035
Professional fees	82,681	117,419	214,077	56,449	32,074	502,700
<b>Total expenses</b>	<b>\$ 645,872</b>	<b>\$ 2,393,945</b>	<b>\$ 405,801</b>	<b>\$ 144,809</b>	<b>\$ 252,134</b>	<b>\$ 3,842,561</b>

For the year ended December 31, 2015	Program Expenses					2015 Total
	Care Programs	Research Programs	Advocacy and Communication	Management and General	Fundraising	
Grants	\$ -	\$ 1,228,287	\$ -	\$ -	\$ -	\$ 1,228,287
Conferences and meetings	121,326	91,877	1,654	11,734	1,233	227,824
Employee expenses	132,210	310,511	122,417	48,960	44,070	658,168
Program and administrative expenses	36,190	23,630	5,024	32,141	15,673	112,658
Occupancy	12,788	13,735	11,841	3,666	4,263	46,293
Professional fees	48,737	83,466	200,792	90,308	11,061	434,364
<b>Total expenses</b>	<b>\$ 351,251</b>	<b>\$ 1,751,506</b>	<b>\$ 341,728</b>	<b>\$ 186,809</b>	<b>\$ 76,300</b>	<b>\$ 2,707,594</b>

The accompanying notes are an integral part  
of these financial statements.



MYOTONIC DYSTROPHY FOUNDATION AND AFFILIATE

CONSOLIDATED STATEMENTS OF CASH FLOWS  
For the Years Ended December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Cash flows from operating activities:		
Change in net assets	\$ (1,477,734)	\$ 1,604,098
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Changes in operating assets and liabilities:		
Pledges receivable	(25,224)	(14,203)
Other receivables	(1,434)	9,637
Security deposit	(5,639)	(22,629)
Accounts payable	(26,672)	9,733
Accrued liabilities	13,004	26,937
Credit card liabilities	(6,503)	6,168
Grant obligations	<u>1,077,963</u>	<u>840,000</u>
Change in cash and cash equivalents	(452,239)	2,459,741
Cash and cash equivalents, beginning of period	<u>3,949,139</u>	<u>1,489,398</u>
Cash and cash equivalents, end of period	<u><u>\$ 3,496,900</u></u>	<u><u>\$ 3,949,139</u></u>

The accompanying notes are an integral part  
of these financial statements.

MYOTONIC DYSTROPHY FOUNDATION AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
December 31, 2016 and 2015

NOTE 1: ORGANIZATION

Myotonic Dystrophy Foundation (MDF) (the "Foundation") was formed in 2006 as a non-profit public benefit corporation and is located in San Francisco, California. The purpose of the Foundation is to engage in charitable, educational and scientific activities within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding provisions of any future United States internal revenue law that supports research to find a cure or acceptable treatment for myotonic dystrophy, supports those with the disease and their families, and educates the public about myotonic dystrophy.

Wyck Foundation (Wyck) (the "Affiliate") was incorporated on August 28, 2014 under the Companies Act of 2006 in the United Kingdom and received its charity status in April 2015. The purpose of Wyck Foundation is the preservation of health and the relief of sickness and need for the public benefit. This purpose is accomplished by supporting, commissioning or undertaking research into the prevention, treatment and cure of myotonic dystrophy conditions and publishing or disseminating the useful results of that research for public benefit; and by supporting other initiatives that provide or support the care and relief of sufferers of myotonic dystrophy conditions and their families.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*Basis of Accounting*

The consolidated financial statements of the Foundation and its affiliate have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

*Basis of Consolidation*

In determining the requirements for consolidation of related organizations, the Foundation follows the guidance provided in Financial Accounting Standards Board Accounting Standards Codification Topic 958, Subtopic 810, *Not-for-Profit Entities – Consolidation* (FASB ASC 958-810). FASB ASC 958-810 requires consolidation of nonprofit organizations that are financially related to one another by means of ownership or control and economic interest. The Foundation is the sole member of the Wyck Foundation. The consolidated financial statements of the Foundation include the accounts of the Wyck Foundation, and all inter-organizational balances and transactions have been eliminated.

*Basis of Presentation*

The Foundation and its affiliate present their consolidated financial statements in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 958, Subtopic 205, *Not-for-Profit Entities – Presentation of Financial Statements* (FASB ASC 958-205). Under FASB ASC 958-205, the Foundation and its affiliate are required to report information regarding their financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. In addition, the Foundation and its affiliate are required to present a statement of cash flows. Accordingly, net assets of the Foundation and its affiliate and changes therein are classified and reported as follows:

*Unrestricted Net Assets* – Net assets that are not subject to donor-imposed stipulations.

*Temporarily Restricted Net Assets* – Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Foundation and its affiliate and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

MYOTONIC DYSTROPHY FOUNDATION AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
December 31, 2016 and 2015

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

*Permanently Restricted Net Assets* – Net assets subject to donor-imposed stipulations that must be maintained permanently by the Foundation and its affiliate. Generally, the donors of these assets permit the Foundation and its affiliate to use all or part of the income earned on any related investments for general or specific purposes. There were no permanently restricted net assets as of December 31, 2016 and 2015.

Revenue Recognition

In accordance with the provisions of FASB ASC 958-605, *Not-for-Profit – Revenue Recognition*, unconditional contributions are generally recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. All contributions are available for unrestricted use unless specifically restricted by the donor. Conditional promises to give are recognized when the conditions on which they depend are substantially met. The receivable for the remaining payments and the corresponding revenue are recognized concurrently. Management considers receivables as of December 31, 2016 and 2015, to be fully collectible; accordingly, no allowance for uncollectible accounts is recorded.

Cash and Cash Equivalents

The Foundation and its affiliate consider all short-term investments with an original maturity of three months or less and money funds to be cash equivalents.

Income Taxes

The Foundation is exempt from federal and state income taxes under Internal Revenue Code Section 501(c)(3) and under Section 23701(d) of the California Revenue and Taxation Code. Therefore, no provision for income taxes has been made. After they are filed, the Foundation's exempt organization returns remain subject to examination by taxing authorities generally three years for federal returns and four years for state returns.

In April 2015, the Affiliate received its charity status from HM Revenue and Customs, and as of December 31, 2016 and 2015, was not required to file a tax return. Accordingly, no returns have been filed for the Affiliate.

Description of Programs

The Foundation works internationally with stakeholder groups that include affected families, industry professionals, academic institutions, and government agencies to carry out comprehensive programming in three areas:

*Care* – Education, support, and resource program distribution through channels that include the MDF website, newsletters, annual conference, publications, research programs, industry and academic meetings, social media, and phone and in-person outreach.

*Cure* – Funding and programs for basic, translational, and other research to advance disease understanding, accumulate additional data on disease genotype and phenotype, progression, severity and onset, and accelerate and expand therapy development efforts.

MYOTONIC DYSTROPHY FOUNDATION AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
December 31, 2016 and 2015

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Description of Programs (Continued)

*Advocacy and Communication* – Communication and programs with governmental funding and regulatory agencies, as well as social service and support agencies, to increase funding for myotonic dystrophy research, improve patient access to governmental services and support, and raise visibility of myotonic dystrophy with key audiences, including clinicians, researchers, industry, government, and the general public.

Donated Services, Supplies and Materials

Donated services are recognized as contributions in accordance with FASB ASC 958-605, if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Foundation.

Estimates

The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Marketing and Advertising

Marketing and advertising costs are expensed when incurred. The Foundation and its affiliate incurred advertising costs for the years ended December 31, 2016 and 2015, totaling \$3,528 and \$1,334, respectively.

Subsequent Events

Events and transactions have been evaluated for potential recognition or disclosure through June 6, 2017, the date that these financial statements were available to be issued.

NOTE 3: CONCENTRATION OF CREDIT RISK

The Foundation maintains its cash and cash equivalents in a single financial institution in excess of the \$250,000 per depositor Federal Deposit Insurance Corporation insured limits. At December 31, 2016 and 2015, the uninsured balances were \$1,406,121 and \$669,271, respectively.

The Affiliate maintains its cash and cash equivalents in international financial institutions. Using the exchange rate in effect on December 31, 2016, the amount insured by the Financial Services Compensation Scheme and Depositors' Compensation Scheme was \$92,520 and \$61,680, respectively, and the uninsured balance was \$1,670,453. Using the exchange rate in effect on December 31, 2015, the amount insured by the Financial Services Compensation Scheme and Depositors' Compensation Scheme was \$111,015 and \$74,010, respectively, and the uninsured balance was \$2,926,490.

The Foundation and its affiliate have not experienced any losses in such accounts and believe they are not exposed to any significant credit risk on cash and cash equivalents.

Amounts of foreign currencies held at year-end are expressed in U.S. dollars using the exchange rate in effect on December 31, 2016 and 2015.

MYOTONIC DYSTROPHY FOUNDATION AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
December 31, 2016 and 2015

NOTE 4: PLEDGES RECEIVABLE

Unconditional promises to give are recorded as receivables and revenue when the pledge is made. The Foundation and its affiliate distinguish between contributions received for each net asset category in accordance with donor-imposed restrictions.

Pledges are expected to be realized in the following periods:

	<u>2016</u>	<u>2015</u>
In one year or less	\$ 106,764	\$ 71,540
One to five years	-	10,000
	<u>\$ 106,764</u>	<u>\$ 81,540</u>

NOTE 5: GRANT OBLIGATIONS

The Foundation and its affiliate enter into contracts to provide grant funding to various clinical and scientific research programs. Grants authorized and awarded but unpaid at year end are reported as liabilities. The following is a summary of grants authorized and payable at December 31, 2016, summarized by year in which the amounts are due:

Year Ending December 31:		
2017	\$	1,805,463
2018		<u>412,500</u>
	\$	<u>2,217,963</u>

NOTE 6: TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets at December 31, 2016 and 2015, are available for the following purposes:

	<u>2016</u>	<u>2015</u>
Research-related activities	\$ 230,050	\$ 363,680
Fundraising activities	-	23,700
Care programs	-	<u>9,925</u>
Total	<u>\$ 230,050</u>	<u>\$ 397,305</u>

MYOTONIC DYSTROPHY FOUNDATION AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
December 31, 2016 and 2015

NOTE 6: TEMPORARILY RESTRICTED NET ASSETS (CONTINUED)

The following schedule shows the amounts released and restricted within temporarily restricted net assets for the years ended December 31, 2016 and 2015:

	<u>2016</u>	<u>2015</u>
Beginning balance of temporarily restricted net assets	\$ 397,305	\$ 490,765
Net assets temporarily restricted for research programs	231,318	271,135
Net assets temporarily restricted for care programs	53,500	16,100
Net assets released from restriction by qualifying expenditures	<u>(452,073)</u>	<u>(380,695)</u>
Ending balance of temporarily restricted net assets	<u>\$ 230,050</u>	<u>\$ 397,305</u>

SUPPLEMENTARY INFORMATION

MYOTONIC DYSTROPHY FOUNDATION AND AFFILIATE

CONSOLIDATING STATEMENTS OF FINANCIAL POSITION

December 31, 2016 and 2015

ASSETS

	2016			2015	
	MDF USA	Wyck	Eliminating Entry	Total	Total
Current assets:					
Cash and cash equivalents	\$ 1,672,247	\$ 1,824,653	\$ -	\$ 3,496,900	\$ 3,949,139
Pledges receivable, current portion	101,764	5,000	-	106,764	71,540
Due from affiliates	206,560	-	(206,560)	-	-
Other receivables	50,697	-	-	50,697	49,263
Prepaid expenses and deposits	31,798	-	-	31,798	26,159
Total current assets	<u>2,063,066</u>	<u>1,829,653</u>	<u>(206,560)</u>	<u>3,686,159</u>	<u>4,096,101</u>
Pledges receivable, net of current portion	-	-	-	-	10,000
Total assets	<u>\$ 2,063,066</u>	<u>\$ 1,829,653</u>	<u>\$ (206,560)</u>	<u>\$ 3,686,159</u>	<u>\$ 4,106,101</u>

LIABILITIES AND NET ASSETS

Current liabilities:					
Accounts payable	\$ 2,771	\$ -	\$ -	\$ 2,771	\$ 29,443
Due to affiliates	-	206,560	(206,560)	-	-
Accrued liabilities	61,315	-	-	61,315	48,311
Credit card liabilities	3,226	-	-	3,226	9,729
Grant obligations, current portion	75,000	1,730,463	-	1,805,463	840,000
Total current liabilities	<u>142,312</u>	<u>1,937,023</u>	<u>(206,560)</u>	<u>1,872,775</u>	<u>927,483</u>
Grant obligations, net of current portion	-	412,500	-	412,500	300,000
Total liabilities	<u>142,312</u>	<u>2,349,523</u>	<u>(206,560)</u>	<u>2,285,275</u>	<u>1,227,483</u>
Net assets:					
Unrestricted	1,690,704	(519,870)	-	1,170,834	2,481,313
Temporarily restricted	230,050	-	-	230,050	397,305
Total net assets	<u>1,920,754</u>	<u>(519,870)</u>	<u>-</u>	<u>1,400,884</u>	<u>2,878,618</u>
Total liabilities and net assets	<u>\$ 2,063,066</u>	<u>\$ 1,829,653</u>	<u>\$ (206,560)</u>	<u>\$ 3,686,159</u>	<u>\$ 4,106,101</u>

See independent auditor's report.



MYOTONIC DYSTROPHY FOUNDATION AND AFFILIATE

CONSOLIDATING STATEMENTS OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS  
For the Years Ended December 31, 2016 and 2015

	2016			2015	
	MDF USA	Wyck	Eliminating Entry	Total	Total
<b>Revenue:</b>					
Contributions - annual campaign	\$ 136,358	\$ -	\$ -	\$ 136,358	\$ 165,054
Contributions - major donors	762,683	57,150	-	819,833	3,606,940
Contributions - grassroots fundraising	67,723	-	-	67,723	105,871
Grant revenue	228,216	-	-	228,216	406,662
Government grants	-	695,358	-	695,358	-
Major events	474,670	-	-	474,670	-
Interest revenue	1,686	4,916	-	6,602	2,640
In-kind donations	3,432	-	-	3,432	-
Other income	206,241	-	(170,894)	35,347	24,525
<b>Total revenue</b>	<b>1,881,009</b>	<b>757,424</b>	<b>(170,894)</b>	<b>2,467,539</b>	<b>4,311,692</b>
<b>Expenses:</b>					
<b>Program expenses:</b>					
Care programs	645,872	-	-	645,872	351,251
Research programs	598,843	1,965,996	(170,894)	2,393,945	1,751,506
Advocacy and communications	405,801	-	-	405,801	341,728
<b>Total program expenses</b>	<b>1,650,516</b>	<b>1,965,996</b>	<b>(170,894)</b>	<b>3,445,618</b>	<b>2,444,485</b>
Management and general expenses	144,809	-	-	144,809	186,809
Fundraising expenses	252,134	-	-	252,134	76,300
<b>Total expenses</b>	<b>2,047,459</b>	<b>1,965,996</b>	<b>(170,894)</b>	<b>3,842,561</b>	<b>2,707,594</b>
Foreign currency translation loss	-	(102,712)	-	(102,712)	-
Change in net assets	(166,450)	(1,311,284)	-	(1,477,734)	1,604,098
Net assets, beginning of year	2,087,205	791,413	-	2,878,618	1,274,520
<b>Net assets, end of year</b>	<b>\$ 1,920,755</b>	<b>\$ (519,871)</b>	<b>\$ -</b>	<b>\$ 1,400,884</b>	<b>\$ 2,878,618</b>

See independent auditor's report.