



November 15, 2017

Board of Trustees
The Greater Alliance Foundation, Inc.
Alliance, Ohio

Independent Accountant's Review Report

We have reviewed the accompanying financial statements of The Greater Alliance Foundation, Inc. (a nonprofit corporation), which comprise the statements of financial position as of September 30, 2017 and 2016, and the related statements of activities and changes in net assets and cash flows for the years 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 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 modification 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.

Accountant's Conclusion

Based on our reviews, 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.

Hill, Barth & King LLC

Certified Public Accountants

STATEMENTS OF FINANCIAL POSITION

THE GREATER ALLIANCE FOUNDATION, INC.

September 30, 2017 and 2016
(See Accountant's Review Report)

<u>ASSETS</u>	2017	2016
Cash and cash equivalents	\$ 219,785	\$ 822,555
Accounts receivable	7,835	7,563
Marketable securities - NOTE B		
Equities	7,740,578	6,970,628
Bonds	2,646,288	2,509,664
TOTAL MARKETABLE SECURITIES	10,386,866	9,480,292
Lead trusts - NOTE C	273,824	383,247
Investments held in charitable remainder trusts - NOTES D AND E	5,234,731	4,644,629
Beneficial interest in remainder trust	13,274	13,685
Property and equipment:		
Computer equipment	6,880	6,880
Less accumulated depreciation	5,921	5,482
NET PROPERTY AND EQUIPMENT	959	1,398
TOTAL ASSETS	\$ 16,137,274	\$ 15,353,369
<u>LIABILITIES AND NET ASSETS</u>		
<u>LIABILITIES</u>		
Grants payable	\$ 147,460	\$ 217,751
Gift annuities payable - NOTE F	333,998	364,151
Liabilities under charitable remainder trusts - NOTES D AND E	2,007,324	1,829,227
Agency funds	1,286,850	1,338,563
TOTAL LIABILITIES	3,775,632	3,749,692
<u>NET ASSETS</u>		
Unrestricted	6,181,455	5,923,043
Temporarily restricted - NOTE G	6,097,737	5,600,829
Permanently restricted - NOTE H	82,450	79,805
TOTAL NET ASSETS	12,361,642	11,603,677
TOTAL LIABILITIES AND NET ASSETS	\$ 16,137,274	\$ 15,353,369

See accompanying notes to financial statements

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

THE GREATER ALLIANCE FOUNDATION, INC.

Year ended September 30, 2017
(See Accountant's Review Report)

	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>PERMANENTLY RESTRICTED</u>	<u>TOTAL</u>
REVENUE				
Gifts received	\$ 315,948	\$ 188,208	\$ 2,645	\$ 506,801
Investment income	619,468	206,676	0	826,144
Change in value of charitable trusts	773	328,097	0	328,870
Change in value of gift annuities	(25,631)	0	0	(25,631)
Trustee income	24,376	0	0	24,376
Rental income - NOTE J	3,000	0	0	3,000
Net assets released from restrictions	303,848	(303,848)	0	0
TOTAL REVENUE	<u>1,241,782</u>	<u>419,133</u>	<u>2,645</u>	<u>1,663,560</u>
OPERATING EXPENSES				
Grants	708,673	0	0	708,673
Salaries and wages	51,286	0	0	51,286
Payroll taxes	3,825	0	0	3,825
Marketing	4,704	0	0	4,704
Professional fees	39,889	0	0	39,889
Newsletter	15,084	0	0	15,084
Supplies	1,703	0	0	1,703
Office rent	4,800	0	0	4,800
Postage	1,355	0	0	1,355
Dues and subscriptions	3,525	0	0	3,525
Depreciation	439	0	0	439
State and local taxes	329	0	0	329
Insurance	4,225	0	0	4,225
Telephone	1,348	0	0	1,348
Utilities	1,044	0	0	1,044
Meals and entertainment	1,583	0	0	1,583
Miscellaneous	2,206	0	0	2,206
Building rent - ACC	19,999	0	0	19,999
Repairs and maintenance - ACC	31,100	0	0	31,100
Insurance - ACC	2,754	0	0	2,754
Utilities - ACC	2,287	0	0	2,287
Miscellaneous - ACC	3,437	0	0	3,437
TOTAL OPERATING EXPENSES	<u>905,595</u>	<u>0</u>	<u>0</u>	<u>905,595</u>
CHANGES IN NET ASSETS	<u>336,187</u>	<u>419,133</u>	<u>2,645</u>	<u>757,965</u>
NET ASSETS				
Beginning of year	5,923,043	5,600,829	79,805	11,603,677
Transfers	(77,775)	77,775	0	0
End of year	<u>\$ 6,181,455</u>	<u>\$ 6,097,737</u>	<u>\$ 82,450</u>	<u>\$ 12,361,642</u>

See accompanying notes to financial statements

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS (CONTINUED)

THE GREATER ALLIANCE FOUNDATION, INC.

Year ended September 30, 2016
(See Accountant's Review Report)

	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>PERMANENTLY RESTRICTED</u>	<u>TOTAL</u>
<u>REVENUE</u>				
Gifts received	\$ 1,657,806	\$ 28,850	\$ 0	\$ 1,686,656
Investment loss	517,906	159,669	0	677,575
Change in value of charitable trusts	(255,232)	521,173	0	265,941
Change in value of gift annuities	(45,207)	0	0	(45,207)
Trustee income	20,285	0	0	20,285
Net assets released from restrictions	276,799	(276,799)	0	0
TOTAL REVENUE	2,172,357	432,893	0	2,605,250
<u>OPERATING EXPENSES</u>				
Grants	755,705	0	0	755,705
Salaries and wages	42,189	0	0	42,189
Payroll taxes	3,176	0	0	3,176
Marketing	1,403	0	0	1,403
Professional fees	36,257	0	0	36,257
Newsletter	10,282	0	0	10,282
Supplies	881	0	0	881
Office rent	4,872	0	0	4,872
Postage	1,442	0	0	1,442
Dues and subscriptions	3,608	0	0	3,608
Depreciation	458	0	0	458
State and local taxes	633	0	0	633
Foreign taxes	36	0	0	36
Insurance	4,225	0	0	4,225
Telephone	1,338	0	0	1,338
Utilities	879	0	0	879
Meals and entertainment	619	0	0	619
Miscellaneous	3,492	0	0	3,492
TOTAL OPERATING EXPENSES	871,495	0	0	871,495
CHANGES IN NET ASSETS	1,300,862	432,893	0	1,733,755
<u>NET ASSETS</u>				
Beginning of year	4,622,181	5,167,936	79,805	9,869,922
End of year	<u>\$ 5,923,043</u>	<u>\$ 5,600,829</u>	<u>\$ 79,805</u>	<u>\$ 11,603,677</u>

See accompanying notes to financial statements

STATEMENTS OF CASH FLOWS

THE GREATER ALLIANCE FOUNDATION, INC.

Years ended September 30, 2017 and 2016
(See Accountant's Review Report)

	<u>2017</u>	<u>2016</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Changes in net assets	\$ 757,965	\$ 1,733,756
Adjustments to reconcile changes in net assets to net cash used in operating activities:		
Depreciation	439	458
Noncash gifts received	(286,926)	(1,336,822)
Realized and unrealized appreciation in fair value of investments	(582,033)	(435,270)
Change in value of charitable trusts	(328,870)	(265,941)
Change in value of gift annuities	25,631	45,207
Increase in accounts receivable	(272)	(2,669)
Decrease in grants payable	(70,293)	(208,918)
Increase in agency funds	42,568	95,559
NET CASH USED IN OPERATING ACTIVITIES	<u>(441,791)</u>	<u>(374,640)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Purchase of investments	(2,665,747)	(4,069,647)
Proceeds from the sale of investments	2,418,805	4,905,702
Decrease in charitable lead trusts	141,747	161,300
Decrease in gift annuities payable	(55,784)	(55,783)
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	<u>(160,979)</u>	<u>941,572</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(602,770)	566,932
<u>CASH AND CASH EQUIVALENTS</u>		
Beginning of year	822,555	255,623
End of year	<u>\$ 219,785</u>	<u>\$ 822,555</u>

See accompanying notes to financial statements