



November 12, 2018

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, 2018 and 2017, 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 engagements 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, 2018 and 2017
(See Accountant's Review Report)

<u>ASSETS</u>	<u>2018</u>	<u>2017</u>
Cash and cash equivalents	\$ 513,354	\$ 219,785
Accounts receivable	4,657	7,835
Marketable securities - NOTE B		
Equities	9,079,390	7,740,578
Bonds	2,259,883	2,646,288
TOTAL MARKETABLE SECURITIES	<u>11,339,273</u>	<u>10,386,866</u>
Lead trusts - NOTE C	140,000	273,824
Investments held in charitable remainder trusts - NOTES D AND E	4,170,900	5,234,731
Beneficial interest in remainder trust	13,401	13,274
Property and equipment:		
Computer equipment	6,880	6,880
Less accumulated depreciation	6,360	5,921
NET PROPERTY AND EQUIPMENT	<u>520</u>	<u>959</u>
TOTAL ASSETS	<u>\$ 16,182,105</u>	<u>\$ 16,137,274</u>
 <u>LIABILITIES AND NET ASSETS</u>		
<u>LIABILITIES</u>		
Grants payable	\$ 273,214	\$ 147,460
Gift annuities payable - NOTE F	288,214	333,998
Accrued IRA	202	0
Liabilities under charitable remainder trusts - NOTES D AND E	1,773,775	2,007,324
Agency funds	1,244,457	1,286,850
TOTAL LIABILITIES	<u>3,579,862</u>	<u>3,775,632</u>
 <u>NET ASSETS</u>		
Unrestricted	7,369,221	6,172,664
Temporarily restricted - NOTE G	5,144,222	6,106,528
Permanently restricted - NOTE H	88,800	82,450
TOTAL NET ASSETS	<u>12,602,243</u>	<u>12,361,642</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 16,182,105</u>	<u>\$ 16,137,274</u>

See accompanying notes to financial statements

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

THE GREATER ALLIANCE FOUNDATION, INC.

Year ended September 30, 2018
(See Accountant's Review Report)

	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>PERMANENTLY RESTRICTED</u>	<u>TOTAL</u>
REVENUE				
Gifts received	\$ 360,033	\$ 363,317	\$ 6,350	\$ 729,700
Investment income	396,326	100,433	0	496,759
Change in value of charitable trusts	0	246,036	0	246,036
Change in value of gift annuities	(7,789)	(136)	0	(7,925)
Trustee income	24,348	0	0	24,348
Rental income - NOTE J	25,000	0	0	25,000
Net assets released from restrictions	1,737,554	(1,737,554)	0	0
TOTAL REVENUE	2,535,472	(1,027,904)	6,350	1,513,918
OPERATING EXPENSES				
Grants	1,056,959	0	0	1,056,959
Salaries and wages	66,517	0	0	66,517
Payroll taxes	5,604	0	0	5,604
IRA expense	1,003	0	0	1,003
Marketing	2,356	0	0	2,356
Professional fees	39,351	0	0	39,351
Newsletter	9,825	0	0	9,825
Supplies	1,354	0	0	1,354
Office rent	4,400	0	0	4,400
Postage	1,273	0	0	1,273
Dues and subscriptions	3,418	0	0	3,418
Depreciation	439	0	0	439
State and local taxes	200	0	0	200
Foreign taxes	133	0	0	133
Insurance	4,366	0	0	4,366
Telephone	1,250	0	0	1,250
Utilities	1,123	0	0	1,123
Meals and entertainment	489	0	0	489
Printing	4,613	0	0	4,613
Miscellaneous	4,511	0	0	4,511
Building rent - ACC	48,000	0	0	48,000
Repairs and maintenance - ACC	10,065	0	0	10,065
Insurance - ACC	5,633	0	0	5,633
Miscellaneous - ACC	435	0	0	435
TOTAL OPERATING EXPENSES	1,273,317	0	0	1,273,317
CHANGES IN NET ASSETS	1,262,155	(1,027,904)	6,350	240,601
NET ASSETS				
Beginning of year	6,172,664	6,106,528	82,450	12,361,642
Transfers	(65,598)	65,598	0	0
End of year	\$ 7,369,221	\$ 5,144,222	\$ 88,800	\$ 12,602,243

See accompanying notes to financial statements

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS (CONTINUED)

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	(86,566)	86,566	0	0
End of year	<u>\$ 6,172,664</u>	<u>\$ 6,106,528</u>	<u>\$ 82,450</u>	<u>\$ 12,361,642</u>

See accompanying notes to financial statements

STATEMENTS OF CASH FLOWS

THE GREATER ALLIANCE FOUNDATION, INC.

Years ended September 30, 2018 and 2017

(See Accountant's Review Report)

	2018	2017
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Changes in net assets	\$ 240,601	\$ 757,965
Adjustments to reconcile changes in net assets to net cash used in operating activities:		
Depreciation	439	439
Noncash gifts received	(194,941)	(286,926)
Realized and unrealized appreciation in fair value of investments	(222,305)	(582,033)
Change in value of charitable trusts	(246,036)	(328,870)
Change in value of gift annuities	7,925	25,631
(Increase) decrease in accounts receivable	3,178	(272)
Increase in IRA payable	202	0
Increase (decrease) in grants payable	125,754	(70,293)
Increase (decrease) in agency funds	(42,395)	42,568
NET CASH USED IN OPERATING ACTIVITIES	(327,578)	(441,791)
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Purchase of investments	(3,739,683)	(2,665,747)
Proceeds from the sale of investments	4,189,147	2,418,805
Decrease in charitable lead trusts	133,824	141,747
Increase (decrease) in gift annuities payable	37,859	(55,784)
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	621,147	(160,979)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	293,569	(602,770)
<u>CASH AND CASH EQUIVALENTS</u>		
Beginning of year	219,785	822,555
End of year	\$ 513,354	\$ 219,785

See accompanying notes to financial statements