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**NEPHCURE KIDNEY INTERNATIONAL  
AND SUBSIDIARY**

**CONSOLIDATED FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION**

**DECEMBER 31, 2017**

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NEPHCURE KIDNEY INTERNATIONAL AND SUBSIDIARY

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## INDEPENDENT AUDITOR'S REPORT

May 4, 2018

To the Board of Directors  
NephCure Kidney International and Subsidiary  
King of Prussia, Pennsylvania

We have audited the accompanying consolidated financial statements of NephCure Kidney International and its subsidiary, which comprise the consolidated statement of financial position as of December 31, 2017, and the related consolidated statements of activities, functional expenses, and cash flows for the year 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 consolidated 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 audit. We conducted our audit 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.

To the Board of Directors  
NephCure Kidney International and Subsidiary

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 NephCure Kidney International and its subsidiary as of December 31, 2017, and the change in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### Report on Summarized Comparative Information

We have previously audited NephCure Kidney International and its subsidiary's December 31, 2016 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated April 11, 2017. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2016 is consistent, in all material respects, with the audited financial statements from which it has been derived.

#### Other Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplemental consolidating information 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.

*Barbacane, Thornton & Company LLP*

BARBACANE, THORNTON & COMPANY LLP

**NEPHCURE KIDNEY INTERNATIONAL AND SUBSIDIARY  
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2017 AND 2016**

<u>ASSETS</u>	<u>2017</u>	<u>2016</u>
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 666,876	\$ 1,427,354
Contributions receivable	776,744	355,403
Prepaid expenses and other assets	24,703	14,929
Asset held for resale	20,000	20,000
<b>TOTAL CURRENT ASSETS</b>	<u>1,488,323</u>	<u>1,817,686</u>
<b>NONCURRENT ASSETS</b>		
Fixtures and equipment, net of depreciation	27,461	37,532
Contributions receivable, net	-	333,333
<b>TOTAL NONCURRENT ASSETS</b>	<u>27,461</u>	<u>370,865</u>
<b>TOTAL ASSETS</b>	<u>\$ 1,515,784</u>	<u>\$ 2,188,551</u>
<b><u>LIABILITIES AND NET ASSETS</u></b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 274,189	\$ 72,329
Grants payable	20,522	68,166
Note payable	105,958	108,135
<b>TOTAL CURRENT LIABILITIES</b>	<u>400,669</u>	<u>248,630</u>
<b>NONCURRENT LIABILITIES</b>		
Note payable	<u>446,057</u>	<u>552,015</u>
Total Liabilities	<u>846,726</u>	<u>800,645</u>
<b>NET ASSETS</b>		
Unrestricted:		
Operating	372,499	891,847
Donor-advised funds	60,044	165,571
Total unrestricted	<u>432,543</u>	<u>1,057,418</u>
Temporarily restricted	236,515	330,488
Total Net Assets	<u>669,058</u>	<u>1,387,906</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 1,515,784</u>	<u>\$ 2,188,551</u>

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

**NEPHCURE KIDNEY INTERNATIONAL AND SUBSIDIARY  
CONSOLIDATED STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2017  
(With Summarized Comparative Totals for 2016)**

	Unrestricted	Temporarily Restricted	Totals	
			2017	2016
REVENUE AND OTHER SUPPORT:				
Contributions	\$ 1,222,798	\$ 56,667	\$ 1,279,465	\$ 2,555,382
In-kind services	247,092	-	247,092	136,615
Special event revenue, net of direct expenses of \$539,746 and \$467,786, respectively	1,806,981	-	1,806,981	1,586,362
Investment income	-	-	-	1,621
Symposia revenue	10,655	-	10,655	47,800
	<u>3,287,526</u>	<u>56,667</u>	<u>3,344,193</u>	<u>4,327,780</u>
Net assets released from restriction	150,640	(150,640)	-	-
	<u>3,438,166</u>	<u>(93,973)</u>	<u>3,344,193</u>	<u>4,327,780</u>
TOTAL REVENUE AND OTHER SUPPORT				
EXPENSES:				
Program services	3,525,307	-	3,525,307	3,167,002
Support services	537,734	-	537,734	438,446
	<u>4,063,041</u>	<u>-</u>	<u>4,063,041</u>	<u>3,605,448</u>
TOTAL EXPENSES				
CHANGE IN NET ASSETS	(624,875)	(93,973)	(718,848)	722,332
NET ASSETS, BEGINNING OF YEAR	<u>1,057,418</u>	<u>330,488</u>	<u>1,387,906</u>	<u>665,574</u>
NET ASSETS, END OF YEAR	<u>\$ 432,543</u>	<u>\$ 236,515</u>	<u>\$ 669,058</u>	<u>\$ 1,387,906</u>

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

**NEPHCURE KIDNEY INTERNATIONAL AND SUBSIDIARY**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**  
**(With Summarized Comparative Totals for 2016)**

	Program Services				Support Services			Totals	
	Research	Health and Education	NephCure	Total	Fund Raising	Management and General	Total Support Services	2017	2016
			Accelerating Cures Institute	Program Services					
Payroll and related costs	\$ 451,693	\$ 338,770	\$ -	\$ 790,463	\$ 141,154	\$ 9,410	\$ 150,564	\$ 941,027	\$ 1,041,535
Bank charges	743	743	-	1,486	743	47,300	48,043	49,529	37,170
Conferences and meetings	49,867	80,915	-	130,782	-	-	-	130,782	178,253
Consultants and professional fees	2,047	35,522	135,417	172,986	4,782	25,958	30,740	203,726	52,066
Contracted services	87,495	58,925	-	146,420	26,784	5,357	32,141	178,561	392,443
Depreciation	-	-	-	-	-	10,071	10,071	10,071	10,070
Insurance	-	-	-	-	-	8,717	8,717	8,717	9,697
Interest	-	-	-	-	-	11,865	11,865	11,865	10,150
Marketing	-	20,474	2,280	22,754	-	-	-	22,754	79,423
Occupancy	61,299	39,231	-	100,530	18,390	3,678	22,068	122,598	105,378
Office and program supplies	11,645	37,998	4,018	53,661	-	11,645	11,645	65,306	177,934
Research grants	684,433	-	1,217,463	1,901,896	-	-	-	1,901,896	1,005,622
Technology	23,230	33,185	-	56,415	6,637	3,319	9,956	66,371	166,174
Telephone	2,840	5,113	-	7,953	1,420	95	1,515	9,468	10,396
Travel	5,162	45,937	14,929	66,028	-	516	516	66,544	188,984
Other	10,953	62,980	-	73,933	62,980	136,913	199,893	273,826	140,153
<b>TOTAL EXPENSES</b>	<b>\$ 1,391,407</b>	<b>\$ 759,793</b>	<b>\$ 1,374,107</b>	<b>\$ 3,525,307</b>	<b>\$ 262,890</b>	<b>\$ 274,844</b>	<b>\$ 537,734</b>	<b>\$ 4,063,041</b>	<b>\$ 3,605,448</b>

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

**NEPHCURE KIDNEY INTERNATIONAL AND SUBSIDIARY  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

	2017	2016
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in net assets	\$ (718,848)	\$ 722,332
Adjustments to reconcile change in net assets to net cash (used) provided by operating activities:		
Depreciation	10,071	10,070
Discount on contributions receivable	16,667	9,525
Increase in contributions receivable	(104,675)	(230,016)
(Increase) Decrease in prepaid expenses and other assets	(9,774)	8,818
Increase in assets held for sale	-	(20,000)
Increase in accounts payable and accrued expenses	201,860	16,949
Decrease in grants payable	(47,644)	(459,822)
<b>NET CASH (USED) PROVIDED BY OPERATING ACTIVITIES</b>	<b>(652,343)</b>	<b>57,856</b>
 <b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Issuance of debt	-	725,000
Repayment of debt	(108,135)	(64,850)
<b>NET CASH (USED) PROVIDED BY FINANCING ACTIVITIES</b>	<b>(108,135)</b>	<b>660,150</b>
 <b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>(760,478)</b>	<b>718,006</b>
 <b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<b>1,427,354</b>	<b>709,348</b>
 <b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b>\$ 666,876</b>	<b>\$ 1,427,354</b>
 <b>SUPPLEMENTAL INFORMATION:</b>		
Interest paid	\$ 11,865	\$ 10,150
Taxes paid	\$ -	\$ -

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



NEPHCURE KIDNEY INTERNATIONAL AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE A PURPOSE OF THE ORGANIZATION

NephCure Kidney International and Subsidiary ("the Organization") is a nonprofit organization founded in 2000. The Organization's mission is to seek a cause and cure for Nephrotic Syndrome and Focal Segmental Glomerulosclerosis ("FSGS"). The Organization provides financial support for research, conducts advocacy and outreach initiatives, and provides educational programs for patient/families, physicians, and other medical professionals.

Effective December 21, 2015, the Organization founded NephCure Accelerating Cures Institute, LLC, a wholly-owned subsidiary. NephCure Accelerating Cures Institute, LLC operates the NephCure Accelerating Cures Institute.

NOTE B SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting.

Principles of Consolidation

The financial statements of NephCure Accelerating Cures Institute, LLC are consolidated with the financial statements of NephCure Kidney International. Interorganizational transactions and balances have been eliminated in consolidation.

Financial Statement Presentation

In accordance with the section of the Financial Accounting Standards Board Accounting Standards Codification ("FASB ASC") regarding financial statements of not-for-profit organizations, NephCure Kidney International is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. In addition, the Organization is required to present a statement of cash flows.

Contributions

In accordance with the section of the FASB ASC regarding accounting for contributions received and contributions made, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Such contributions are required to be reported as temporarily restricted support and are then reclassified to unrestricted net assets upon expiration of the time restriction. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor.

NEPHCURE KIDNEY INTERNATIONAL AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE B SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

In-kind Services

The Organization recognizes donated services that create or 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.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Contributions Receivable

Unconditional promises to give are recognized as revenues or gains in the period received. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Promises to make contributions which are expected to be paid over a period in excess of one year are discounted and recorded at their present value. Conditional promises to make contributions are recorded as support in the period the condition is met. Promises to give are charged to the allowance for uncollectible accounts when determined to be uncollectible by management. Management has not provided for an allowance for doubtful accounts since it believes all balances are fully collectible.

Fixtures and Equipment and Depreciation

Acquisitions of fixtures and equipment in excess of \$1,000 are capitalized. Fixtures and equipment are stated at cost if purchased. Donations of fixtures and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire equipment are reported as temporarily restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time. Expenditures for maintenance and repairs are charged to expense as incurred. Cost of renewals and betterments are capitalized. When assets are sold or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any gain or loss is included in the statement of activities.

The cost of fixtures and equipment is depreciated over the estimated useful lives of the related assets using the straight-line method. The estimated useful lives of fixtures and equipment for purposes of calculating depreciation are seven and five years, respectively.

NEPHCURE KIDNEY INTERNATIONAL AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE B SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Allocation of Functional Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Marketing Costs

The Organization markets to promote its various programs to the public. The marketing costs are expensed when incurred.

Comparative Amounts

The financial statements include certain prior year summarized comparative information in total but not by net assets class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2016, from which the summarized information was derived.

Certain prior year amounts have been reclassified for consistency with the current year presentation.

Use of Estimates in the Preparation of Financial Statements

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

NOTE C CONTRIBUTIONS RECEIVABLE

At December 31, 2017, contributions receivable have anticipated cash receipts of the following:

Less than one year	<u>\$ 776,744</u>
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NEPHCURE KIDNEY INTERNATIONAL AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE D GRANTS PAYABLE

Unconditional grants promised but unpaid at year-end are reported as liabilities. Grants authorized and payable were \$20,522 at December 31, 2017. All grants payable are due within one year or less.

NOTE E INCOME TAXES

NephCure Kidney International is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to the Organization's tax-exempt purpose may be subject to taxation as unrelated business income.

NephCure Accelerating Cures Institute, LLC is considered a disregarded entity for tax purposes. To the extent its activities are consistent with the charitable purposes of NephCure Kidney International, NephCure Accelerating Cures Institute, LLC is exempt from federal income tax.

Generally accepted accounting principles prescribe rules for the recognition, measurement, classification, and disclosure in the financial statements of uncertain tax positions taken or expected to be taken in the Organization's tax returns. Management has determined that the Organization does not have any uncertain tax positions or associated unrecognized benefits that materially impact the financial statements or related disclosures. Since tax matters are subject to some degree of uncertainty, there can be no assurance that the Organization's tax returns will not be challenged by the taxing authorities and that the Organization will not be subject to additional tax, penalties, and interest as a result of such challenge.

NOTE F FIXTURES AND EQUIPMENT

At December 31, 2017, fixtures and equipment consisted of the following:

Fixtures and Equipment	\$ 60,676
Less: accumulated depreciation	<u>(33,215)</u>
	<u>\$ 27,461</u>

Depreciation expense totaled \$10,071 for the year ended December 31, 2017.

NEPHCURE KIDNEY INTERNATIONAL AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE G RESTRICTIONS ON NET ASSETS

Temporarily restricted net assets at and for the year ended December 31, 2017 related to contributions received by the Organization are as follows:

	<u>2016</u>	<u>Additions</u>	<u>Released</u>	<u>2017</u>
Purpose restrictions:				
International Podocyte Conference	\$ 41,045	\$ -	\$ -	\$ 41,045
Time restrictions:				
Retrophin grants	283,333	56,667	150,000	190,000
Beneficial interest in charitable remainder trusts	<u>6,110</u>	<u>-</u>	<u>640</u>	<u>5,470</u>
Total	<u>\$ 330,488</u>	<u>\$ 56,667</u>	<u>\$ (150,640)</u>	<u>\$ 236,515</u>

NOTE H DONOR-ADVISED FUND

Unrestricted net assets include \$60,044 of donor-advised funds as of December 31, 2017. Although grant recommendations are accepted from the donors or other advisors of these funds, the Organization has variance power; that is, the ultimate discretion of the use of these funds lies with the Organization. As a result, these donor-advised funds represent unrestricted net assets of the Organization.

NOTE I CONCENTRATION OF CREDIT RISK

The Organization maintains multiple cash accounts. At December 31, 2017, these accounts are covered under the Federal Deposit Insurance Corporation ("FDIC") and are insured by the FDIC up to \$250,000. At December 31, 2017, the Organization had \$167,025 of uninsured balances. The Organization believes it is not exposed to any significant credit risk on cash and cash equivalents.

NOTE J RELATED PARTY TRANSACTIONS

The Organization entered into an agreement to borrow the principal sum of \$725,000 with interest on the outstanding principal balance at an interest rate of 2.00 percent per annum from a Board member on April 11, 2016. As of December 31, 2017, the outstanding balance of the note was \$552,015. The Organization owes \$105,958 in 2018 and \$446,057 in 2019. Interest expense for 2017 was \$11,865.

NEPHCURE KIDNEY INTERNATIONAL AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE J RELATED PARTY TRANSACTIONS (cont'd)

The Organization receives contributions from Old Florida Foundation, a non-profit organization which was established to raise funds to support the Organization. The Organization recorded \$350,000 in revenue from Old Florida Foundation in 2017, which is included in accounts receivable as of December 31, 2017 as the funds were raised and pledged in 2017 but remitted to the Organization in 2018.

NOTE K CONCENTRATIONS

At December 31, 2017, 95 percent of the outstanding contributions receivable of the Organization is due from two organizations in the form of pledges.

NOTE L DONATED SERVICES AND IN-KIND CONTRIBUTIONS

The Organization recognizes professional donated services and in-kind contributions at their fair value. All donated professional services recognized required specialized skills that would have been purchased if they were not donated.

The fair value of donated services and in-kind contributions included as support in the financial statements and the corresponding expenses for the year ended December 31, 2017 are as follows:

Symposium services	\$ 83,710
Special event donations	73,382
Marketing donations	<u>90,000</u>
Total	<u>\$ 247,092</u>

NOTE M 401(k) PLAN

All full-time employees who have completed one year of employment are eligible to participate in the Insperity 401(k) Plan, a defined contribution plan which is offered by Insperity, the Organization's professional employer organization. Eligible employees may make either pre-tax or Roth salary deferral contributions to the Plan, including catch-up contributions, from one percent to 80 percent of their eligible compensation each pay period. Contributions of up to six percent of eligible compensation are matched at 50 percent by the Organization. The Organization contributed \$12,204 to the Plan during 2017.

NEPHCURE KIDNEY INTERNATIONAL AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE N OPERATING LEASES

The Organization leases office space and a copier. The leasing arrangements expire in various years through 2020 and have varying renewal options. Rental payments for office space during 2017 totaled \$109,274 and are included in occupancy expense on the statement of functional expenses. Copier rental payments during 2017 totaled \$2,693 and are included in office and program supplies on the statement of functional expenses.

Future minimum payments are as follows:

<u>Year Ending December 31,</u>	
2018	\$ 112,472
2019	113,875
2020	<u>57,513</u>
	<u>\$ 283,860</u>

NOTE O SUBSEQUENT EVENTS

The Organization has evaluated all subsequent events through May 4, 2018, the date the financial statements were available to be issued.

## **CONSOLIDATING FINANCIAL STATEMENTS**



**NEPHCURE KIDNEY INTERNATIONAL AND SUBSIDIARY  
CONSOLIDATING STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2017**

	NephCure Kidney International	NephCure Accelerating Cures Institute, LLC	Eliminations	Consolidated Totals
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	\$ 666,876	\$ -	\$ -	\$ 666,876
Contributions receivable	776,744	-	-	776,744
Prepaid expenses and other assets	24,703	-	-	24,703
Asset held for resale	20,000	-	-	20,000
<b>TOTAL CURRENT ASSETS</b>	<b>1,488,323</b>	<b>-</b>	<b>-</b>	<b>1,488,323</b>
<b>NONCURRENT ASSETS</b>				
Fixtures and equipment, net	27,461	-	-	27,461
<b>TOTAL NONCURRENT ASSETS</b>	<b>27,461</b>	<b>-</b>	<b>-</b>	<b>27,461</b>
<b>TOTAL ASSETS</b>	<b>\$ 1,515,784</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,515,784</b>
<b>LIABILITIES AND NET ASSETS</b>				
<b>CURRENT LIABILITIES</b>				
Accounts payable and accrued expenses	\$ 274,189	\$ -	\$ -	\$ 274,189
Grants payable	20,522	-	-	20,522
Note payable	105,958	-	-	105,958
<b>TOTAL CURRENT LIABILITIES</b>	<b>400,669</b>	<b>-</b>	<b>-</b>	<b>400,669</b>
<b>NONCURRENT LIABILITIES</b>				
Note payable	446,057	-	-	446,057
<b>Total Liabilities</b>	<b>846,726</b>	<b>-</b>	<b>-</b>	<b>846,726</b>
<b>NET ASSETS</b>				
Unrestricted:				
Operating	372,499	-	-	372,499
Donor-advised funds	60,044	-	-	60,044
<b>Total unrestricted</b>	<b>432,543</b>	<b>-</b>	<b>-</b>	<b>432,543</b>
Temporarily restricted	236,515	-	-	236,515
<b>Total Net Assets</b>	<b>669,058</b>	<b>-</b>	<b>-</b>	<b>669,058</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 1,515,784</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,515,784</b>

**NEPHCURE KIDNEY INTERNATIONAL AND SUBSIDIARY  
CONSOLIDATING STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	NephCure Kidney International		NephCure Accelerating Cures Institute, LLC	Eliminations	Consolidated Totals
	Unrestricted	Temporarily Restricted	Unrestricted		
REVENUE AND OTHER SUPPORT:					
Contributions	\$ 774,298	\$ 56,667	\$ 536,298	\$ (87,798)	\$ 1,279,465
In-kind services	247,092	-	-	-	247,092
Special event revenue, net of direct expenses of \$539,746	1,806,981	-	-	-	1,806,981
Symposia revenue	10,655	-	-	-	10,655
	<u>2,839,026</u>	<u>56,667</u>	<u>536,298</u>	<u>(87,798)</u>	<u>3,344,193</u>
Net assets released from restriction	150,640	(150,640)	-	-	-
TOTAL REVENUE AND OTHER SUPPORT	<u>2,989,666</u>	<u>(93,973)</u>	<u>536,298</u>	<u>(87,798)</u>	<u>3,344,193</u>
EXPENSES:					
Program services	2,238,998	-	1,374,107	(87,798)	3,525,307
Support services	537,734	-	-	-	537,734
TOTAL EXPENSES	<u>2,776,732</u>	<u>-</u>	<u>1,374,107</u>	<u>(87,798)</u>	<u>4,063,041</u>
CHANGE IN NET ASSETS	212,934	(93,973)	(837,809)	-	(718,848)
NET ASSETS, BEGINNING OF YEAR	<u>219,609</u>	<u>330,488</u>	<u>837,809</u>	<u>-</u>	<u>1,387,906</u>
NET ASSETS, END OF YEAR	<u>\$ 432,543</u>	<u>\$ 236,515</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 669,058</u>

**NEPHCURE KIDNEY INTERNATIONAL AND SUBSIDIARY  
CONSOLIDATING STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	NephCure Kidney International	NephCure Accelerating Cures Institute, LLC	Eliminations	Consolidated Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Change in net assets	\$ 118,961	\$ (837,809)	\$ -	\$ (718,848)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:				
Depreciation	10,071	-	-	10,071
Discount on contributions receivable	16,667	-	-	16,667
Increase in contributions receivable	(104,675)	-	-	(104,675)
Increase in prepaid expenses and other assets	(9,774)	-	-	(9,774)
Increase in accounts payable and accrued expenses	201,860	-	-	201,860
Decrease in grants payable	(47,644)	-	-	(47,644)
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<u>185,466</u>	<u>(837,809)</u>	<u>-</u>	<u>(652,343)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>				
Repayment of debt	(108,135)	-	-	(108,135)
<b>NET CASH USED BY INVESTING ACTIVITIES</b>	<u>(108,135)</u>	<u>-</u>	<u>-</u>	<u>(108,135)</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	77,331	(837,809)	-	(760,478)
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>589,545</u>	<u>837,809</u>	<u>-</u>	<u>1,427,354</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 666,876</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 666,876</u>
<b>SUPPLEMENTAL INFORMATION:</b>				
Interest paid	\$ 11,865	\$ -	\$ -	\$ 11,865
Income taxes paid	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>