



The Buoniconti Fund to Cure Paralysis, Inc.

Financial Statements
May 31, 2022

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INDEPENDENT AUDITOR'S REPORT

The Buoniconti Fund to Cure Paralysis, Inc.
Miami, Florida

Opinion

We have audited the accompanying financial statements of The Buoniconti Fund to Cure Paralysis, Inc., which comprise the statement of financial position as of May 31, 2022, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Buoniconti Fund to Cure Paralysis, Inc. as of May 31, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of The Buoniconti Fund to Cure Paralysis, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about The Buoniconti Fund to Cure Paralysis, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

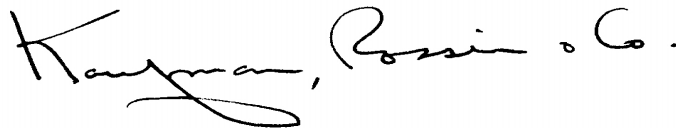
Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on these financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Buoniconti Fund to Cure Paralysis, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about The Buoniconti Fund to Cure Paralysis, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.



Kaufman, Rossin & Co., P.A.

October 24, 2022
Miami, Florida

THE BUONICONTI FUND TO CURE PARALYSIS, INC.
STATEMENT OF FINANCIAL POSITION
MAY 31, 2022

ASSETS

CURRENT ASSETS

Cash	\$ 1,069,294
Pledges receivable, net (Note 2)	658,762
Inventory	84,623
Prepaid expenses and other current assets	10,713
Total current assets	1,823,392

PLEDGES RECEIVABLE, NET (NOTE 2)	2,443,682
	\$ 4,267,074

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable and accrued expenses	\$ 15,239
Deferred revenue	108,915
Total current liabilities	124,154

CONTINGENCIES (NOTE 9)

NET ASSETS

Without donor restrictions	3,375,431
With donor restrictions (Note 5)	767,489
Total net assets	4,142,920
	\$ 4,267,074

See accompanying notes.

THE BUONICONTI FUND TO CURE PARALYSIS, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED MAY 31, 2022

	Net assets without donor restrictions	Net assets with donor restrictions	Total
EVENT REVENUES, PUBLIC SUPPORT AND OTHER INCOME (EXPENSE)			
Gross event revenues and public support:			
Contributions	\$ 4,006,688	\$ 291,944	\$ 4,298,632
Ticket sales	142,534	-	142,534
Auction proceeds	187,983	-	187,983
In-kind contributions	21,417	-	21,417
Total gross event revenues and public support	4,358,622	291,944	4,650,566
Reductions of gross event revenues and public support:			
Auction cost of sales	(101,061)	-	(101,061)
Direct event costs	(471,248)	-	(471,248)
Total reductions of gross event revenues and public support	(572,309)	-	(572,309)
Total event revenues and public support	3,786,313	291,944	4,078,257
Other income (expense):			
Interest	716	-	716
Amortization of discounts on pledges receivable	46,406	12,938	59,344
Total other income (expense)	47,122	12,938	60,060
Total event revenues, public support and other income (expense)	3,833,435	304,882	4,138,317
EXPENSES (NOTE 7)			
Program services	3,251,672	-	3,251,672
Supporting services	578,587	-	578,587
Total expenses	3,830,259	-	3,830,259
NET ASSETS RELEASED FROM RESTRICTIONS	250,000	(250,000)	-
CHANGE IN NET ASSETS (NOTE 3)	253,176	54,882	308,058
NET ASSETS - BEGINNING OF YEAR	3,122,255	712,607	3,834,862
NET ASSETS - END OF YEAR	\$ 3,375,431	\$ 767,489	\$ 4,142,920

See accompanying notes.

THE BUONICONTI FUND TO CURE PARALYSIS, INC.
STATEMENT OF CASH FLOWS
YEAR ENDED MAY 31, 2022

CASH FLOWS FROM OPERATING ACTIVITIES:

Change in net assets	\$ 308,058
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Amortization of discounts on pledges receivable	(59,344)
Changes in operating assets and liabilities:	
Pledges receivable	56,744
Inventory	20,421
Prepaid expenses and other current assets	(8,065)
Accounts payable and accrued expenses	(10,896)
Deferred revenue	24,837
Total adjustments	23,697
Net cash provided by operating activities, representing net increase in cash	331,755
CASH - BEGINNING	737,539
CASH - ENDING	\$ 1,069,294

Supplemental Disclosure of Cash Flow Information:

Interest paid	\$ -
Income taxes paid	\$ -

See accompanying notes.

THE BUONICONTI FUND TO CURE PARALYSIS, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 1. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The Buoniconti Fund to Cure Paralysis, Inc. (the “Fund”) is a not-for-profit organization incorporated under the laws of the State of Florida for the purpose of raising funds and promoting national awareness for The Miami Project to Cure Paralysis (“The Miami Project”), at the University of Miami School of Medicine. The Miami Project is a research center devoted to finding more effective treatments, and ultimately the cure, for paralysis induced by spinal cord injuries, and to provide information, education, and referral services to individuals with spinal cord injuries and their families and friends.

Basis of Presentation

The financial statements of the Fund are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Net assets, event revenues, public support, and other income are classified based on the existence or absence of donor-imposed restrictions as follows:

- *Net Assets Without Donor Restrictions* - Amounts that are not subject to usage restrictions based on donor-imposed requirements. This class also includes assets previously restricted where restrictions have expired or been met.
- *Net Assets with Donor Restrictions* - Amounts subject to usage limitations based on donor-imposed restrictions. These restrictions may be temporary or may be based on a particular use. Restrictions may be met by passage of time, be fulfilled or removed by actions of the Fund, pursuant to those stipulations. Certain restrictions may need to be maintained in perpetuity.

Revenue Recognition - Contributions, Donated Services and In-Kind Contributions

Contributions, including unconditional promises, are accounted for under Accounting Standards Update (ASU) No. 2016-14, *Not-for-Profit Entities (Topic 958)*, and are recognized as revenue when the donor's commitment is received. Contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as net assets with donor restrictions. When a temporary restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. The Fund records the value of donated services (in-kind contributions) when there is an objective basis available to measure their value. For the year ended May 31, 2022, the estimated value of donated services meeting the requirements for recognition in the financial statements amounted to approximately \$21,000.

NOTE 1. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES
(Continued)

Revenue Recognition - Exchange Transactions

The Fund recognizes revenue from exchange transactions in accordance with Financial Accounting Standards Board ("FASB") ASU No. 2014-09, *Revenue from Contracts with Customers (Topic 606)* ("ASC 606"). Revenue is recognized pursuant to a five-step model: (i) identify contract(s) with the customer; (ii) identify the performance obligation in the contract; (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations; (v) recognize revenue when (or as) each performance obligation is satisfied. Under ASC 606, revenue is recognized when a customer obtains control of promised goods or services in an amount that reflects the consideration the Fund expects to receive in exchange for those goods or services. In addition, ASC 606 requires disclosure of the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers.

The Fund's sources of revenue from exchange transactions subject to ASC 606 include ticket sales and auction proceeds. Ticket sales are recognized at a point in time when the event occurs. Auction proceeds are recognized at a point in time when auction sale takes place.

For the year ended May 31, 2022, contributions from one donor accounted for approximately 22% of total gross event revenues and public support.

Cash

Cash includes amounts with donor restrictions totaling approximately \$196,000 as of May 31, 2022.

Concentrations of Credit Risk

The Fund deposits excess cash with high-credit quality institutions. At times, such balances may be in excess of federally insured limits.

Pledges Receivable

Unconditional pledges receivable are recognized at the time when the respective donor makes the promise. Unconditional pledges receivable due in the next year are recorded at their net realizable value, which is considered a reasonable estimate of fair value. Unconditional pledges receivable that are expected to be collected in future years are recognized at fair value, using present value techniques and applicable discount rates. The discounts on the estimated future cash flows of pledges receivable are computed using risk-free interest rates applicable to the respective years in which pledges are expected to be received. Conditional pledges receivable are recognized when the conditions on which they depend are substantially met that is, when the conditional promise becomes unconditional.

NOTE 1. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES
(Continued)

Pledges Receivable (continued)

An allowance for uncollectible pledges receivable is provided based upon management's judgment, including such factors as prior collection history, type of contribution, and nature of fundraising activity. Pledges receivable are charged off against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote. As of May 31, 2022, management recorded an allowance for uncollectible pledges amounting to \$300,000.

At May 31, 2022, pledges receivable from three donors accounted for approximately 83% of total pledges receivable, net of discounts.

Inventory

Inventory consists primarily of auction items and event gifts stated at the lower of cost or net realizable value. Cost is determined by the first-in, first-out method.

Prepaid Expenses and Deferred Revenue

Prepaid expenses represent amounts paid in advance for special events to be held subsequent to year-end. Revenue from special event ticket sales received in advance for events is deferred until the period in which the event is held. The Fund considers the contribution portion of special event ticket sales to be conditional upon the event taking place; as such, it is recorded as deferred revenue along with the exchange portion of ticket sales.

Income Taxes

Income taxes are not provided for in the financial statements since the Fund is exempt from federal and state income taxes under Sections 501(c)(3) and 509(a)(1) of the Internal Revenue Code and similar state provisions. The Fund is not classified as a private foundation.

The Fund assesses its tax positions in accordance with "*Accounting for Uncertainties in Income Taxes*" as prescribed by the Accounting Standards Codification, which provides guidance for financial statement recognition and measurement of uncertain tax positions taken or expected to be taken in a tax return for open tax years (generally a period of three years from the later of each return's due date or the date filed) that remain subject to examination by the Fund's major tax jurisdictions.

The Fund assesses its tax positions and determines whether it has any material unrecognized liabilities for uncertain tax positions. The Fund records these liabilities to the extent it deems them more likely than not to be incurred. Interest and penalties related to uncertain tax positions, if any, would be classified as a component of income tax expense.

NOTE 1. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES
(Continued)

Income Taxes (continued)

The Fund believes that it does not have any significant uncertain tax positions requiring recognition or measurement in the accompanying financial statements.

Use of Estimates in the Preparation of Financial Statements

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

Management's estimate of the net realizable value of its unconditional pledges receivable are based upon historical collection rates, analysis of the collectability, and expected payment dates of individual pledges, valued using risk-free rates. This estimate may be subject to change as a result of potential amendments made to the terms of the individual pledges. Given the nature of this estimate, it is reasonably possible that the fair value of the Fund's pledges receivable could materially change in the near future.

NOTE 2. PLEDGES RECEIVABLE

At May 31, 2022, unconditional pledges receivable consisted of the following:

Current amounts due in:	
Less than one year	\$ 996,215
Less: unamortized discount	(37,453)
Less: allowance for uncollectible pledges receivable	(300,000)
Current pledges receivable, net	<u>658,762</u>
Long-term amounts due in:	
One to five years	2,550,000
Less: unamortized discount	(106,318)
Long-term pledges receivable, net	<u>2,443,682</u>
Total pledges receivable, net	<u>\$ 3,102,444</u>

The interest rate used in calculating discounts on the present value of estimated future cash flows ranges between 1.75% and 3.41%.

As of May 31, 2022, gross unrestricted pledges receivable from members of the Board of Directors amounted to \$2,650,000.

NOTE 3. CONTRIBUTIONS TO THE MIAMI PROJECT

In accordance with its specific purpose, the Fund, upon approval of its Board of Directors, makes periodic contributions to The Miami Project based on the availability of cash. The nature of the Fund’s activities is such that in any given fiscal year, significant unconditional pledge receivables can be promised, yet the cash related to these receivables is not collected until subsequent fiscal years. As a consequence, the Fund can have large fluctuations in its change in net assets and current activities from fiscal year-to-year, since the contributions to support The Miami Project are made at the discretion of the Fund’s Board of Directors as the cash becomes available from the collection of its unconditional pledge receivables. During the year ended May 31, 2022, the Fund contributed \$2,700,000 in support of The Miami Project.

NOTE 4. RELATED PARTY TRANSACTIONS

Several of the Fund’s officers and directors are employed by The Miami Project. The management and staff of The Miami Project are compensated by the University of Miami (the “University”). The Fund’s Miami office is operated by The Miami Project and the University is responsible for all expenses related to the office.

NOTE 5. NET ASSETS

At May 31, 2022, net assets with donor restrictions were available for the following purposes:

Clinical programs/trials	\$	576,858
Other		190,631
	\$	767,489

Clinical Programs/Trials

The Miami Project’s scientists have developed cell therapy strategies utilizing human Schwann cells (“hSC”) to promote reparative processes in spinal cord injury individuals. The Miami Project has completed a successful FDA approved subacute study and is now finalizing the results of a chronic spinal cord injury study. They are also using this innovative technology in people with severe peripheral nerve injuries with recent results showing significant benefits in motor and sensory function. The Miami Project has also received permission from the FDA to test hSC-derived extracellular vesicles as a novel delivery strategy to administer protective and reparative molecules to the injured nervous system. The Miami Project’s multicenter therapeutic hypothermia clinical trial is continuing to recruit acutely injured spinal cord subjects to determine the safety and functional benefits of this experimental treatment. The Miami Project expects to finalize this important trial and report results in 2023.

NOTE 5. NET ASSETS (Continued)

The Miami Project Clinical/Rehabilitation researchers and laboratories have been relocated to the new Christine E. Lynn Rehabilitation Center and new collaborations are being developed with the Departments of Physical Medicine and Rehabilitation, Physical Therapy, Neurology, and the Jackson Health System. Current studies are combining rehabilitation and neuromodulation approaches to improve motor and sensory function in SCI and stroke patients. Further studies are testing innovative strategies to treat quality-of-life issues such as neuropathic pain, spasticity, autonomic dysfunction, sexual function, bladder and bowel function, cardiometabolic health and muscular atrophy.

NOTE 6. LIQUIDITY

The Fund's financial assets as of May 31, 2022, that are available for general expenditure within one year of the statement of financial position date are as follows:

Total assets, at year-end	\$ 4,267,074
Less non-financial assets:	
Inventory	(84,623)
Prepaid expenses and other current assets	(10,713)
<hr/> Total financial assets	<hr/> 4,171,738
Less financial assets unavailable for general expenditures within one year, due to:	
Cash restricted by donor with purpose restriction	(196,049)
Current portion of pledge receivable restricted by donor with purpose restriction	(138,286)
Long-term pledge receivables, net	(2,443,682)
<hr/> Financial assets available to meet cash needs for general expenditure within one year	<hr/> \$ 1,393,721

As part of the Fund's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

NOTE 7. FUNCTIONAL EXPENSES

The indirect costs of holding and administering the Fund's events and other activities have been summarized on a functional basis. Indirect event costs and other expenses are allocated by management to program and supporting services based on the percentage of employee time spent, among other factors. The allocation of costs on a functional basis is based on management's estimates.

NOTE 7. FUNCTIONAL EXPENSES (Continued)

The costs of providing program services and supporting services for the year ended May 31, 2022, have been summarized on a functional basis in the table below:

	Program services		Supporting services		Total
	Contributions to The Miami Project	Awareness programs	Fundraising	Administrative and general	
Contributions to Miami					
Project	\$ 2,700,000	\$ -	\$ -	\$ -	\$ 2,700,000
Awards and gifts	-	-	656	139	795
Bank service charges	-	-	2,409	6,279	8,688
Equipment rental	-	-	-	5,775	5,775
Food and beverage	-	-	3,199	3,155	6,354
Insurance	-	-	-	20,647	20,647
Other	-	-	30,390	4,846	35,236
Postage	-	-	1,696	2,939	4,635
Printing	-	-	2,435	-	2,435
Professional services	-	225,000	249,854	70,059	544,913
Public relations	-	181,880	-	-	181,880
Salaries and fringe benefits	-	105,018	64,591	89,425	259,034
Supplies	-	-	3,858	7,248	11,106
Telephone and utilities	-	-	-	3,737	3,737
Wheelchairs	-	39,774	5,250	-	45,024
	\$ 2,700,000	\$ 551,672	\$ 364,338	\$ 214,249	\$ 3,830,259

NOTE 8. CHAPTERS OF THE BUONICONTI FUND TO CURE PARALYSIS, INC.

The Fund has established committees (“Chapters”) consisting of volunteers who seek to promote the national fund-raising efforts of the Fund and The Miami Project by hosting events in their respective cities. As of May 31, 2022, there are eight active chapters throughout Florida, South Carolina, Indiana, and Pennsylvania. Fund-raising activities are coordinated by the staff of the Fund and revenues and expenses related to all such activities are included in the accompanying financial statements.

NOTE 9. CONTINGENCIES

Economic Conditions

The Fund depends substantially on contributions and contributed services for its revenues. The ability of certain Fund donors to continue giving amounts comparable with prior years may be dependent upon current and future overall economic conditions and the continued deductibility for income tax purposes of contributions to the Fund. While the Fund's Board of Directors believe the Fund has the resources to continue its activities, its ability to do so and the extent to which it continues, may be dependent on the above factors.

NOTE 10. SUBSEQUENT EVENTS

The Fund has evaluated subsequent events through October 24, 2022, which is the date the accompanying financial statements were available to be issued.