

Neurological Health Foundation



ANNUAL REPORT

2015



Neurological Health Foundation (NHF) is a 501(c)(3) public charity committed to educating and empowering parents to have healthy children free of chronic health disorders who realize their full neurological potential.

IN 2015, THE NHF TEAM REACHED THE FOLLOWING GOALS:

- 1** Successfully developed *The Healthy Child Guide Program* to educate and empower parents on how to have healthier pregnancies and healthier babies
- 2** Began developing *The Science Behind the Healthy Child Guide*, a white paper to offer scientific insight into the recommendations in *The Healthy Child Guide*
- 3** Filmed and launched the NHF YouTube Channel to give the public the opportunity to hear from the NHF Scientific Advisory Board
- 4** Began developing *PregnancyKitchen.org*, a companion program to *The Healthy Child Guide* (to be launched in Fall of 2016)
- 5** Designed and launched the newly improved NHF multimedia website with sophisticated backend databases to encourage the general public to join the NHF Community www.neurologicalhealth.org

And...NHF did all this with the financial support of generous donors like you.

In 2016 and beyond...NHF will move forward with programs and research to improve the lives of many families through healthier pregnancies that result in more children free of chronic neurological health disorders.



The Healthy Child Guide

Science Behind the Healthy Child Guide



A MESSAGE FROM NHF'S LEADERSHIP TEAM

.....

The Neurological Health Foundation is on the path to transform the lives of parents and children through healthier pregnancies that lead to healthy babies who grow up to realize their full neurological potential. Our team of parents, medical research professors, practicing M.D.s, Ph.D.s and nutritionists have invested many years researching and studying best practices that lead to parents having kids who grow up healthy and free of chronic health conditions.

Through social media outreach, innovative programs like The Healthy Child Guide and Pregnancy Kitchen (to be launched in Fall of 2016), the NHF Team is marching toward a magnificent goal...to positively influence the lives of over 1 million children. We are also currently raising funds to utilize NHF's programs and web-based platform to do a large scale research study to better educate the general public on the importance of carefully planning a healthy pregnancy and baby...beginning preconception.

Our promise to our sponsors and ambassadors is an important one...that your donated time and financial resources will be invested prudently in worthwhile programs and research that produce positive, measurable results.



James B. Adams

Professor James B. Adams, Ph.D.
Chair of the Scientific Advisory Board
Neurological Health Foundation



Chris Willhite

Chris Willhite
Chairman of the Board of Directors
Neurological Health Foundation



Dr. James B. Adams, NHF YouTube channel



Shazi Visram, NHF YouTube channel



Dr. Rich Frye, NHF YouTube channel



.....

“We now have 5.5+ million children who have been diagnosed with Attention Deficit Hyperactivity Disorder (ADHD) in the U.S. That is nearly one in ten school age children with an ADHD diagnosis—a million more children than in 2003.”

—National Center for Health Statistics,
CDC.gov



The Healthy Child Guide

.....

"In my twenty years as a Pediatrician, I have seen many changes in the health of our children. Early in my career as a Pediatrician, my patient appointments were primarily for school physicals, colds, and flus. These children were generally healthy and recovered quickly from their illnesses. However, children's health status has declined over time. Now, I have a specialty clinic full of children with chronic neurological and physical health problems. These children suffer throughout their lives with illnesses such as autism, ADHD, asthma, allergies, and chronic pain. Many parents growing up had not seen children with these chronic health problems and never expected to parent a child with one.

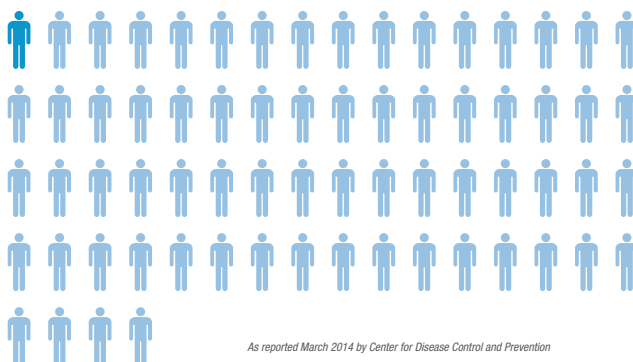
Because of the declining health of our children, I began researching prevention of these illnesses. The research repeatedly steered me toward risk factors from the mother that influenced the health of her child. I began writing and teaching women about these risk factors to their health before conception. It has been wonderful to see healthy pregnancies and healthy children come from this education. By taking charge of their own health, I have seen women become empowered knowing that they are doing their best for the health of their future child."



Debby Hamilton, MD, MSPH, Pediatrician

Author of "Preventing Autism & ADHD: Controlling Risk Factors Before, During & After Pregnancy"

NHF Scientific Advisory Board & Teaching Physician



NUMBER OF
CHILDREN
IDENTIFIED
WITH AUTISM

1 in 68

As reported March 2014 by Center for Disease Control and Prevention

NHF Scientific Advisory Board

.....



The Neurological Health Foundation (NHF) has formed a Scientific Advisory Board composed of practicing medical doctors, nutritionists, neuroscientists as well as professors at major universities to develop specific, evidence-based regimens and recommendations that women and couples can follow utilizing *The Healthy Child Guide* and Pregnancy Kitchen (to be launched in Fall of 2016).

The Board is composed of a group of distinguished academics and clinicians with a diverse set of expertise:

JAMES B. ADAMS, PH.D.

Director of Autism/Asperger's Research Program, Arizona State University

RODNEY DIETERT, PH.D.

Professor of Immunotoxicology in the Department of Microbiology and Immunology at Cornell University

STUART FREEDENFELD, M.D.

Family Practice Physician, Stockton Family Practice, Stockton, NJ

RICHARD E. FRYE, M.D., PH.D.

Associate Professor, College of Medicine, Department of Pediatrics, University of Arkansas Medical School

JOHN GREEN, M.D.

Physician, The Evergreen Center, Oregon City, Oregon

DEBBY HAMILTON, M.D., MSPH

Pediatrician at Holistic Pediatric Consulting in Denver, Colorado and author of Preventing Autism & ADHD: Controlling Risk Factors Before, During and After Pregnancy

LYNNE HEILBRUN, MPH

Faculty Associate, Department of Family and Community Medicine, The University of Texas School of Medicine at San Antonio

VICKI KOBLINER, MS RDN, CD-N

Registered Dietitian Nutritionist, Owner of Holcare Nutrition in Wilton, CT

DANA LAAKE, RDH, MS, LDN

Licensed Nutritionist

PAMELA J. LEIN, PH.D.

Professor of Neurotoxicology and Vice-Chair at University of California, Davis

ELIZABETH LIPSKI, PH.D., CCN, CHN, CNS, LD/N

Director of Academic Development, Nutrition and Integrative Health programs at Maryland University of Integrative Health

SHARON MCDONOUGH-MEANS, M.D.

Developmental Pediatrician

JESSICA MITCHELL, ND

Associate Dean of Clinical Education, Southwest College of Naturopathic Medicine

ROBERT K. NAVIAUX, M.D., PH.D.

Professor of Genetics, Biochemical Genetics, and Metabolism, University of California, San Diego School of Medicine

NANCY O'HARA, M.D.

Pediatrician, Center for Integrative Health

RAYMOND PALMER, PH.D.

Associate Professor of Family and Community Medicine, University of Texas Health Science Center at San Antonio

KATHRYN RECORDS, PH.D., RN, FAAN

Hubert C. Moog Endowed Professor, College of Nursing at University of Missouri-St. Louis

.....

Statement of Scientific Policy – The Neurological Health Foundation (NHF) has developed Pregnancy Kitchen and The Healthy Child Guide to address the concerning increase in the number of children diagnosed with developmental neurological disabilities (autism, cognitive disabilities, ADHD, etc.) as well as chronic health problems and diseases (diabetes, rheumatic diseases, asthma, childhood leukemia, brain cancer, food allergies, etc.). The recommendations provided by the NHF Scientific Advisory Board in The Healthy Child Guide integrate current scientific research findings with an emphasis on behaviors that lead to better health outcomes for parents and for children. NHF recommends what is “standard of care” according to the American Academy of Pediatrics (AAP) as well as the American College of Obstetricians and Gynecologists (ACOG) with an emphasis on healthier choices.

Disclaimer – The information provided by NHF, The Healthy Child Guide, The NHF Scientific Advisory Board and our contributors is provided for educational purposes only. The information provided on our websites and in our digital media is not intended as a substitute for the advice provided by your physician or health care provider. As the individual needs of every person vary, it is recommended you consult with your health care provider regarding any personal health care issues. There is no guarantee that 100% of the parents who follow the NHF Scientific Advisory Board recommendations will be assured or guaranteed a healthy child without any health issues; thus, working consistently with your health care provider is advised.

NHF Board of Directors

The Board of Directors is composed of distinguished individuals with a diverse set of expertise. Neurological Health Foundation (NHF) was founded in 2010 and obtained 501(c)(3) public charity status from the IRS effective March of 2011. **NHF is audited by an independent CPA firm (for the past four years – 2012, 2013, 2014 and 2015).**

DR. JAMES ADAMS, PH.D. is a father of a daughter with autism, diagnosed in 1994, and that is what led him to eventually shift much of his research emphasis to neurological illness in children, focusing on biological causes and treatments. He is currently a President's Professor at Arizona State University, where he directs the ASU Autism/Asperger's Research Program. Dr. Adams is a sought after speaker and researcher on the subject of preventing neurological illness in children.

Professor Adams has authored over 150 scientific articles in peer-reviewed publications, including *30 on autism*.

Dr. Adams will serve as the primary point of contact for the Foundation to craft a strategy to prevent neurological illness in children and to recruit talented doctors and researchers to join in our efforts.

Autism-Related Service and Awards:

- *Director and Founder, Arizona State University, Autism/Asperger's Research Program, 2000 - present*
- *President, Autism Society of Greater Phoenix, 2000 - present*
- *President and founder, Autism Conferences of America, 2005 - present*
- *Evening of Champions Award (for research and service) from national Autism Society of America, 2007*
- *Autism Service Award, Greater Phoenix Chapter of the Autism Society of America, 2008*
- *Daniel Jankowski Legacy Award 2009 for teaching, research, and service to ASU*
- *Board of Directors, Autism Research Institute, 2007 - 2009*
- *Co-Leader, Science Advisory Committee, Autism Research Institute, 2008 - present*
- *Board of Directors, Autism Society of America, 2009 - 2010*
- *President's Professor, Arizona State University, 2010 - present*

SHAZI VISRAM is Founder, CEO and Chief Mom of Happy Family, a leading provider of organic meals and snacks for babies, toddlers and beyond, in the US and 30 countries worldwide. Considered by President Obama to be "not only an outstanding businesswoman, but also a leader that all of us can emulate." Shazi is a food activist who has made it her mission to create a socially-responsible business that positively impacts the health of our children, gives back to those in need all while supporting sustainable agriculture.

A 2004 graduate of the Columbia School of Business (MBA), her accomplishments have earned her the respect and admiration of her peers, including being

named one of the World Economic Forum's Young Global Leaders, Ernst and Young Entrepreneur of the Year and Crain's New York Business 40 Under 40.

Shazi lives in Connecticut with her husband, Joe, their son, Zane, and dog Willy. While she considers Happy Family to be her first "baby," motherhood is what Shazi loves the most in the world.

CHRIS WILLHITE is a Certified Public Accountant and graduated with honors from Baylor University in 1991 with a BBA in Accounting. He started his career in public accounting in Houston where he was a Tax Senior for Arthur Andersen as well as an auditor for Ernst & Young. Chris is involved with multiple business. After working as the Financial Controller of a publicly traded company, he joined Robert Half international back in March of 2000. He is currently a Senior Vice President of Staffing at Robert Half International (www.RobertHalf.com). He is also a Principal and Head of the Investment Committee for Titus Capital LLC, a real estate investment firm headquartered in Dallas, Texas (www.TitusCapital.com). Chris is the Founder and Chairman of the Board of Directors of Neurological Health Foundation (NHF) and lives in Dallas, Texas with his wife, Hailee, and their two children.

KENNETH L. WATSON is a Senior Vice President – Financial Advisor with RBC Wealth Management. He helps high net worth individuals and their families achieve their financial goals by creating and implementing comprehensive wealth management plans that focus on accumulating, protecting and transferring wealth. Ken graduated from Southern Methodist University in 1988 as a University Scholar with a Bachelor of Science degree in economics with finance applications. Ken lives with his wife and three children in Kerrville, Texas.

JUSTIN JONES is a member of the founding family of The Neurological Health Foundation. He is a graduate of Southern Methodist University and has a Masters in Business Administration from Rice University. Justin began his career as a Strategy Consultant with Deloitte Consulting and is now the President of Espree Animal Products, a privately held manufacturer and distributor of premium organic animal health care products.

KENNETH W. SMITH is a Managing Director with RR Advisors, LLC – RCH Energy in Dallas, Texas. Prior to joining RCH Energy Mr. Smith spent nearly five years with Hayman Capital Management as a Managing Director. Hayman is an alternative investment management company based in Dallas, Texas. Prior to joining Hayman Capital Management Mr. Smith spent

over five years with Smith Group Asset Management, an institutional asset manager focusing on traditional and alternative investment strategies, based in Dallas, Texas. At Smith Group, he was a Partner, Director of Marketing and responsible for investor relations.

Prior to joining Smith Group, Mr. Smith was the Director of Marketing for Ranger Capital Group, an alternative investment advisor located in Dallas, Texas. While at Ranger Mr. Smith was responsible for the marketing efforts of the firm in addition to investor relations. Prior to Ranger, Mr. Smith was a Principal and the Director of Marketing for John McStay Investment Counsel (JMIC), an institutional asset manager. Mr. Smith began his career as a Vice President for Smith Barney and focused on institutional and corporate clients. Mr. Smith was a member of the 401(k) Advisory Board and the Blue Chip Council. Mr. Smith earned a BBA in Finance from Dallas Baptist University and an MBA from Southern Methodist University, graduating with Honors (Beta Gamma Sigma).

CRAIG FISCHER is a Partner with KPMG LLP. He joined KPMG in 1995, and specializes in audit and risk advisory services for companies in the industrial, electronics, software, and healthcare industries. Mr. Fischer also serves as a national and international instructor at KPMG, having taught accounting and auditing classes for KPMG in several countries throughout Europe and Asia. Mr. Fischer holds a B.S. and M.S. in Accounting from The University of North Texas.

RED BOSWELL An entrepreneur takes the vision of an idea and turns it into reality. Red Boswell has been doing just that all his life. Eighteen years ago, Red founded a successful service company in Dallas. A few years later, he expanded it to a nationwide chain of 148 franchises. After selling his franchise organization to HomeTask, Red launched a franchise and marketing consulting firm. Now he's leading the expansion of Expense Reduction Analysts across North and Central America as SVP of Franchising and Business Development.

As an experienced franchisor, CEO, Certified Franchise Executive, consultant, entrepreneurial business builder, and passionate executive focused on scaling organizations. Red now gets to fuel his passion for helping people break out of the grind and limitations of a unfulfilling job by sharing the ERA opportunity with successful executives.

Red still resides in the Dallas area and has been married to Shell for 16 years. Together they have 3 middle-schoolers, a dog, and 8 turtles.

NEUROLOGICAL HEALTH FOUNDATION

**FINANCIAL STATEMENTS WITH
INDEPENDENT AUDITOR'S REPORT**

December 31, 2015 and 2014

CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT	1
FINANCIAL STATEMENTS:	
STATEMENTS OF FINANCIAL POSITION	3
STATEMENTS OF ACTIVITIES AND NET ASSETS	4
STATEMENTS OF CASH FLOWS	5
NOTES TO FINANCIAL STATEMENTS	6



TEAGUE MARQUESS & ASSOCIATES

A Professional Corporation

Certified Public Accountants & Management Consultants

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
of Neurological Health Foundation
Dallas, Texas

We have audited the accompanying financial statements of Neurological Health Foundation (the Foundation), which comprise the statements of financial position as of December 31, 2015 and 2014, and the related statements of activities and net assets and of cash flows for the years then ended and the related notes to the financial statements.

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.

Auditor's Responsibility

Our responsibility is to express an opinion on these 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Foundation's preparation and fair presentation of the 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 Foundation'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 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 financial statements referred to above present fairly, in all material respects, the financial position of Neurological Health Foundation, as of December 31, 2015 and 2014, and the results of its operations and changes in its cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

The Foundation's activities have been focused on organizational and developmental matters since inception. The continuation of the Foundation is dependent upon obtaining recurring funding, donations and grants from public and private sources, including ongoing contributions from members of the board.

A handwritten signature in cursive script that reads "Zaque Marquess + Associates". The signature is written in black ink and is positioned centrally below the "Emphasis of Matter" section.

Dallas, Texas
July 11, 2016

NEUROLOGICAL HEALTH FOUNDATION
STATEMENTS OF FINANCIAL POSITION

	December 31,	
	<u>2015</u>	<u>2014</u>
ASSETS		
CURRENT ASSETS:		
Cash	\$ 21,030	\$ 23,703
Promises to give	7,860	-
Prepaid expenses	841	-
	<u>29,731</u>	<u>23,703</u>
OTHER ASSETS:		
Program materials	48,125	-
Promises to give, noncurrent	<u>53,501</u>	<u>-</u>
Total assets	<u>\$ 131,357</u>	<u>\$ 23,703</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Accounts payable	\$ 710	\$ -
NET ASSETS:		
Unrestricted	<u>130,647</u>	<u>23,703</u>
Total liabilities and net assets	<u>\$ 131,357</u>	<u>\$ 23,703</u>

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

NEUROLOGICAL HEALTH FOUNDATION

STATEMENTS OF ACTIVITIES AND
NET ASSETS

	December 31,	
	2015	2014
SUPPORT AND REVENUE:		
Contributions:		
Cash	\$ 45,015	\$ 30,500
Services	129,486	7,600
	<u>174,501</u>	<u>38,100</u>
Total Support and Revenue		
	<u>174,501</u>	<u>38,100</u>
OPERATING EXPENSES:		
Audit fees	10,000	7,700
Bank fees	372	120
Bookkeeping fees	250	300
Conference expenses	4,439	1,526
Consulting fees	-	2,000
Healthy child guide program	6,650	-
Office supplies	-	14
Post office box	323	252
Professional writer	750	1,369
Research support	10,000	-
Website development costs	6,689	2,125
Video expense	26,921	-
Virtual office	1,163	-
	<u>67,557</u>	<u>15,406</u>
Total Expenses		
	<u>67,557</u>	<u>15,406</u>
EXCESS OF REVENUES OVER EXPENSES	106,944	22,694
NET ASSETS, BEGINNING OF YEAR	<u>23,703</u>	<u>1,009</u>
NET ASSETS, END OF YEAR	<u>\$ 130,647</u>	<u>\$ 23,703</u>

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

NEUROLOGICAL HEALTH FOUNDATION
STATEMENTS OF CASH FLOWS

	December 31,	
	<u>2015</u>	<u>2014</u>
EXCESS OF REVENUES OVER EXPENSES	\$ 106,944	\$ 22,694
Adjustments to reconcile the excess of revenues over expenses to net cash (used in) provided by operating activities:		
Increase in promises to give	(61,361)	-
Donation of program materials	(48,125)	-
Increase in prepaid expenses	(841)	-
Increase in accounts payable	710	-
	<u>(109,617)</u>	<u>-</u>
Net cash (used in) provided by operating activities	(2,673)	22,694
CASH, BEGINNING OF YEAR	<u>23,703</u>	<u>1,009</u>
CASH, END OF YEAR	<u>\$ 21,030</u>	<u>\$ 23,703</u>

SUPPLEMENTAL DISCLOSURE OF NONCASH OPERATING ACTIVITIES:

In 2015 and 2014, the Foundation received donated services with a fair value of \$129,000 and \$7,600, and in 2015, received donated program materials included on its website of \$48,125 (Note C).

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

Neurological Health Foundation

NOTES TO FINANCIAL STATEMENTS

December 31, 2015 and 2014

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of Neurological Health Foundation (the Foundation), is presented to assist in understanding the Foundation's financial statements. The financial statements and notes are representations of management, who is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America (GAAP) and have been consistently applied.

History and Business Activity

The Neurological Health Foundation (the Foundation) is a 501(c)(3) not-for profit organization incorporated in Texas in March 2011. The Foundation is committed to the prevention of neurological illness in children, as well as educating and empowering parents to have healthy children free of chronic health disorders who realize their full potential. Together, with leading experts in the areas of diet and nutrition, the mission of the Foundation is to prevent neurological illness.

The Foundation's activities are focused on developmental efforts towards its platform and programs. During 2015, the Foundation added the Healthy Child Guide program (the Guide), to its website with the objective of affecting the trend of children who have developmental neurological disabilities, such as autism, cognitive disabilities and ADHD, and chronic health problems and diseases, such as diabetes, rheumatic diseases, asthma and food allergies. The Guide incorporates the scientific recommendations of the Foundation's Scientific Advisory Board, who developed a research study to document these recommendations. The completion of these efforts is subject to the Foundation's obtaining recurring funding, sources of financing and/or attaining profitable operations.

The Foundation is not a private foundation.

Basis of Accounting

The accompanying financial statements have been prepared using GAAP for non-profit organizations. Information regarding financial position and activities is reported considering three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets. The classification of net assets is determined by the nature of donor imposed restrictions, if any.

- Unrestricted net assets represent expendable funds available for operations which are not limited by donor restrictions.
- Temporarily restricted net assets consist of contributed funds subject to specific donor-imposed restrictions contingent upon specific occurrence of a future event or a specific passage of time before the Foundation may spend the funds.
- Permanently restricted net assets are subject to irrevocable donor restrictions requiring that the assets be maintained in perpetuity, usually for the purpose of generating investment income to fund current operations.

As of December 31, 2015 and 2014, there were no temporarily or permanently restricted net assets.

Neurological Health Foundation

NOTES TO FINANCIAL STATEMENTS

December 31, 2015 and 2014

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Statement of Cash Flows

For the purpose of the statement of cash flows, the Foundation considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. There were no cash equivalents at December 31, 2015 and 2014.

Contributions

Contributions are recognized as revenue when they are received or unconditionally pledged.

Contributions are recorded as unrestricted, temporarily restricted or permanently restricted support depending on the existence and nature of donor restrictions. All contributions are considered to be available for unrestricted use in the appropriate time period, unless specifically restricted by the donor.

Amounts restricted for future periods or restricted for specific purposes are reported as temporarily restricted or permanently restricted support. When a donor-stipulated time restriction ends or a purpose restriction is accomplished, the restricted net assets are reclassified to unrestricted net assets and reported as satisfactions of program restrictions and net assets released. If a restriction is fulfilled in the same time period in which the contribution is received, the contribution is reported as unrestricted.

Donated Services

Donated services which require specific expertise or enhance a non-financial asset are recorded in the financial statements at fair value. Beginning in 2015, Arizona State University's Autism Research Program (ASU) committed to an in-kind donation of support, labor and personnel time aggregating \$80,000 over a period of 8 years. In addition, the Foundation's Scientific Advisory Board (the Advisory Board), with expertise in child development has donated time and technical expertise in the Guide's development efforts. Other individuals have contributed time to organizational development and other efforts. The value of their time is not reflected in these financial statements as it is not susceptible to definitive measurement or valuation.

Tax-exempt Status

The Foundation is exempt from federal income taxes under Section 501 (c)(3) of the United States Internal Revenue Code (IRC). Since inception, the Foundation has not produced income from unrelated business activities. Therefore, no provision has been made for federal income taxes in the accompanying financial statements.

The Foundation's income tax returns are subject to examination by the Internal Revenue Service, generally for three years from the date they were filed. As of December 31, 2015, tax years ended 2012 through 2014 remain subject to examination.

Neurological Health Foundation

NOTES TO FINANCIAL STATEMENTS

December 31, 2015 and 2014

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

New Accounting Guidance

In 2014, the Financial Accounting Standards Board issued Accounting Standards Update No. 2014-10 which eliminated certain reporting requirements, such as labeling an entity a developmental stage entity, presentation of certain inception – to-date information on the statements of activities and net assets and cash flows effective for years beginning after December 15, 2015. The foundation has elected to adopt this update for 2015 and 2014.

NOTE B - PROMISES TO GIVE

In 2015, the Foundation has received a promise to give as an in-kind donation of support, labor and personnel time of \$80,000 from ASU payable over 8 years, of which \$10,000 was recognized in 2015. The remaining commitment, at present value, is recorded as a promise to give receivable as follows:

Year ended <u>December 31,</u>	
2016	\$ 7,860
2017	8,350
2018	8,420
2019	8,714
2020	9,019
2021 - 2024	<u>18,997</u>
	<u>\$ 61,361</u>

NOTE C – DONATED SERVICES

For the years ended December 31, 2015 and 2014, the Foundation received donated specialized services of approximately \$20,000 and \$7,600, respectively, which were recorded as revenue and expense for specialized services.

During the years ended December 31, 2015 and 2014, the Advisory Board reviewed research studies on how to maximize the probability of having a healthy child free of chronic neurological health disorders and developed The Healthy Child Guide (the Guide), which contains over 50 scientifically-based recommendation for parents to increase the likelihood of healthier children free of chronic health problems. In 2015, the members of the Advisory Board donated approximately 500 hours of their time valued at approximately \$48,000 to the Foundation in developing the Guide for use by the Foundation, which is reflected as a program materials asset and contribution of services. This program material was placed in use in late 2015, and will be amortized over 4 years.

The Foundation has also received audit and tax services from a certified public accounting firm valued at \$10,000 and \$7,700 for 2015 and 2014, respectively, and an in-kind donation from ASU valued at \$71,361 as of December 31, 2015.

Neurological Health Foundation

NOTES TO FINANCIAL STATEMENTS

December 31, 2015 and 2014

NOTE D – RELATED PARTY TRANSACTIONS

During the years ended December 31, 2015 and 2014, the Foundation received contributions from two members of the Board of Directors totaling \$25,000 and \$5,000, respectively and an in-kind donation of support, labor and personnel time of \$10,000 in 2015 from an organization associated with one of its board members. Contributions are unrestricted and are used to fund general activities and expenses, including postage, bookkeeping, bank fees and the Foundation's conferences and meetings.

NOTE E – SUBSEQUENT EVENTS

As of July 11, 2016, the Foundation has completed internal financial reports as of and for the three months ended March 31, 2016. Subsequent events were evaluated through July 11, 2016, which is the date the financial statements were available to be issued.

The Healthy Child Guide is being promoted and offered to help families have healthy pregnancies and healthy children. In 2016, families have joined the Research Registry, a research study focused on families who use the Guide. The formal research study is dependent on future fund raising.



**Neurological
Health
Foundation**

Neurological Heath Foundation
11700 Preston Rd., Suite 660-109 | Dallas, TX 75230
469-620-5100
neurologicalhealth.org | pregnancykitchen.org