

PLAYERS PHILANTHROPY FUND

Financial Statements

For the Years Ended December 31, 2016 and 2015



and Independent Accountant's Review Report

PLAYERS PHILANTHROPY FUND

TABLE OF CONTENTS
For the Years Ended December 31, 2016 and 2015

	<i>Page</i>
Independent Auditor's Report.....	1
Financial Statements	
Statements of Financial Position	2
Statements of Activities	3
Statement of Cash Flows.....	4
Notes to Financial Statements.....	5-10

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of
Players Philanthropy Fund

We have reviewed the accompanying financial statements of Players Philanthropy Fund, which comprise the statements of financial position as of December 31, 2016, and the related statement of activities and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications 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 review, 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.

Other Matter

The financial statements of Players Philanthropy Fund as of December 31, 2015, were reviewed by other accountants whose report dated November 1, 2016, stated that based on their procedures, they are not aware of any material modifications that should be made to the financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Helfer & Company, LLC

Helfer & Company, LLC
Washington, DC
December 15, 2017

PLAYERS PHILANTHROPY FUND
STATEMENTS OF FINANCIAL POSITIONS
As of December 31, 2016 and 2015

	2016	2015
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 756,279	\$ 218,539
Investments, at fair value	222,122	271,258
TOTAL ASSETS	\$ 978,401	\$ 489,797
LIABILITIES & NET ASSETS		
Liabilities		
Current liabilities		
Accounts payable	\$ 30,048	\$ 43,494
Deferred revenue	-	23,000
TOTAL LIABILITIES	30,048	66,494
Net Assets – Unrestricted	948,353	423,303
TOTAL LIABILITIES AND NET ASSETS	\$ 978,401	\$ 489,797

See Independent Accountant's Review Report and accompanying notes to the financial statements.

PLAYERS PHILANTHROPY FUND
STATEMENTS OF ACTIVITIES
For the Years Ended December 31, 2016 and 2015

	2016	2015
OPERATING REVENUE		
Contributions	\$ 1,137,372	\$ 269,405
Fundraising income	291,240	52,982
Investment income	2,018	2,538
Other revenue	38,985	70
TOTAL OPERATING REVENUE	1,469,614	324,995
OPERATING EXPENSES		
Fundraising expenses	77,455	39,422
General and administration	164,844	63,260
Program service expenses	810,920	209,352
TOTAL OPERATING EXPENSES	1,053,219	312,034
Net Operating Revenue	416,395	12,961
NON-OPERATING REVENUE AND EXPENSES		
Realized gain on investments	67,708	33,899
CHANGE IN NET ASSETS	484,103	46,860
NET ASSETS – BEGINNING OF YEAR – UNRESTRICTED	423,303	376,443
Contra – FMV adjustment	10,067	
Prior period adjustment for deferred revenue	21,486	-
Unrealized gain on investments	9,393	
NET ASSETS – END OF YEAR – UNRESTRICTED	\$ 948,353	\$ 423,303

See Independent Accountant's Review Report and accompanying notes to the financial statements.

PLAYERS PHILANTHROPY FUND
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2016

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	\$ 484,104
Adjustments to reconcile change in net assets:	
Net cash used in operating activities:	
Prior Period Cash Adjustment	(2,500)
Accounts payable	48
Accrued expenses	<u>(12,508)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>469,144</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Increase in investments accounts	<u>68,596</u>
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>68,596</u>
NET CASH INCREASE FOR PERIOD	537,740
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	<u>218,539</u>
CASH AND CASH EQUIVALENTS, END OF PERIOD	<u><u>\$ 756,279</u></u>

See Independent Accountant's Review Report and accompanying notes to the financial statements.

PLAYERS PHILANTHROPY FUND

NOTES TO FINANCIAL STATEMENTS For the Years Ended December 31, 2016 and 2015

1. Organization and Summary of Significant Accounting Policies

Description of the Organization

Players Philanthropy Fund (“the Organization”) is a Section 501(c)(3) non-profit organization incorporated in the State of Maryland on May 10, 2010. The Organization’s mission is to provide professional athletes, celebrities and other high-profile philanthropists (collectively called “Philanthropists”) with a vehicle for collecting and distributing charitable assets in support of qualified causes through a simple, responsible and cost-effective platform. The Organization offers a charitable platform, either a Fiscal Sponsorship or Donor Advised Fund, to support your charitable mission. Philanthropists participate by making tax-deductible contributions to their accounts and have advisory rights to direct donations to various charities, subject to the review and approval of the Organizations Board of Trustees. The Philanthropies are also permitted to execute fundraising programs which also require approval by the Board of Trustees.

Basis of Accounting

The accompanying financial statements have been presented in accordance with the accrual basis of accounting that recognizes expenses when incurred and revenue when earned rather than when payment is made or received.

Financial Statement Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”). In the opinion of management, all adjustments considered necessary for a fair presentation have been included. All such adjustments are of a normal recurring nature.

The Organization is required to report information regarding its financial position and activities according to three classes of net assets as provided in Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) 958 Not-For-Profit Entities. As of December 31, 2016 and 2015, the Organization’s net assets were unrestricted.

Cash and Cash Equivalents

For the purposes of the statements, cash and cash equivalents consist of cash, money market accounts, short-term government bonds or Treasury bills, marketable securities and commercial paper, with maturities of three months or less.

Credit Risk

Cash and cash equivalents, as of December 31, 2016 and 2015, were invested in various bank interest bearing accounts and at a brokerage firm. Bank account deposits are insured by The Federal Deposit Insurance Corporation (FDIC) up to \$250,000, and brokerage accounts are insured by the Securities Investor Protection Corporation (SPIC) up to \$500,000, which includes a \$250,000 limit for cash. As of December 31, 2016 and 2015, all cash and cash equivalents are fully insured by the FDIC and SPIC.

Continued

- 5 -

See Independent Accountants’ Review Report

PLAYERS PHILANTHROPY FUND

NOTES TO FINANCIAL STATEMENTS For the Years Ended December 31, 2016 and 2015

1. Organization and Summary of Significant Accounting Principles (continued)

Investment Risk and Uncertainty

Investments are reported at fair value based on quoted market prices and are classified as available-for-sale securities. The Organization records the changes in the fair value of investments in the statements of activities in accordance with Fair Value Measurement (FASB ASC 820-10), which defines fair value, establishes a framework and hierarchy for measuring fair value, and expands disclosures about fair value measurements.

The Organization's investments are under the custody of a professional fund manager and include exchange traded funds, mutual funds and money market accounts. Such investments are exposed to various risks such as interest rate, credit and market volatility. Due to the level of risk associated with such investments, it is at least reasonably possible that changes in the value of investment securities will occur in the near-term and such changes could materially affect investment balances and the amounts reported in the financial statements.

Contributions and Revenues

Contributions received are either in cash or publicly traded stock recorded at their fair market value on the date of the gifts. The contributions are reported as unrestricted revenue. The Organization had no restricted contributions or net assets for the years ended December 31, 2016 and 2015.

Advertising

The Organization uses advertising to raise funds to pay general and administrative expenses. Advertising costs are expensed as incurred. Advertising expense for the years ended December 31, 2016 and 2015 was \$27,422 and \$38,609, respectively.

Income Taxes

The Organization is classified as a charitable organization under section 501(c)(3) of the Internal Revenue Code. Even though an organization is recognized as tax exempt, it still may be liable for tax on its unrelated business income. For most organizations, unrelated business income is income from a trade or business, regularly carried on, that is not substantially related to the charitable, educational, or other purpose that is the basis of the organization's exemption. An exempt organization that has \$1,000 or more of gross income from an unrelated business must file Form 990-T. An organization must pay estimated tax if it expects its tax for the year to be \$500 or more.

The income tax filings for tax years 2014-16 can be found on the Organization's website including the financial statements for tax years 2012-16.

The Organization had no net unrelated business income for the years ended December 31, 2016 and 2015 and thus no provisions for income taxes has been included in the accompanying financial statements.

Continued

- 6 -

See Independent Accountants' Review Report

PLAYERS PHILANTHROPY FUND

NOTES TO FINANCIAL STATEMENTS
For the Years Ended December 31, 2016 and 2015

1. Organization and Summary of Significant Accounting Principles (continued)

Use of Estimates

The preparation of the Organization's financial statements in accordance with GAAP in the United States of America requires management to make estimates that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosures of contingent assets and liabilities. The Organization bases these estimates on historical results and various other assumptions believed to be reasonable, all of which form the basis for making estimates concerning the carrying values of assets and liabilities that are not readily available from other sources. Actual results may differ from these estimates.

Date of Management's Review

The Organization has evaluated subsequent events through December 11, 2017, the date which the financial statements were available to be issued.

2. Investments

Investments stated at fair value as stated below at December 31, 2016 and 2015, respectively.

	<u>2016</u>	
	<u>Cost</u>	<u>Market</u>
Mutual funds – equity	<u>\$ 212,729</u>	<u>\$ 222,122</u>
Total Investments	<u>\$ 212,729</u>	<u>\$ 222,122</u>

	<u>2015</u>	
	<u>Cost</u>	<u>Market</u>
Mutual funds – equity	<u>\$ 281,325</u>	<u>\$ 271,258</u>
Total Investments	<u>\$ 281,325</u>	<u>\$ 271,258</u>

As of December 31, 2016 and 2015, all donor assets are unrestricted and undesignated. The components of total investment income from investments for the year are included in the statements of activities and are reflected below:

	<u>2016</u>	<u>2015</u>
Dividend income	\$ 1,067.67	\$ 1,444.70
Interest income	910.98	13.29
Capital gains distribution	39.04	1,080.12
Realized (gain) loss	<u>67,708</u>	<u>33,899</u>
Total Investment Return	69,725.69	36,437.11
Less: Operating Investment Return	<u>(3,630)</u>	<u>(2,538)</u>
Non-Operating Investment Return	<u>\$ 66,095.69</u>	<u>\$ 33,899.11</u>

Continued

- 7 -

See Independent Accountants' Review Report

PLAYERS PHILANTHROPY FUND

NOTES TO FINANCIAL STATEMENTS
For the Years Ended December 31, 2016 and 2015

2. Investments (continued)

Investment management fees were \$749 and \$1,195 for the years ended December 31, 2016 and 2015, respectively, and are included in general and administration expenses on the statements of activities.

3. Fair Value Measurement of Financial Instruments

Fair value measurement is determined based on the assumptions that market participants would use in pricing an asset or liability.

FASB ASC 820-10 established a fair value hierarchy for valuation inputs that gives the highest priority to quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The fair value hierarchy is as follows:

Level 1 Inputs – Unadjusted quoted prices in active markets for identical assets or liabilities that the Organization has the ability to access at the measurement date.

Level 2 Inputs – Inputs other than quoted prices in Level 1 that are observable for the asset or liability, either directly or indirectly. These might include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability (such as interest rates, discounts rates, volatilities, prepayment speeds, credit risks, etc.), or inputs that are derived principally from or corroborated by market data by correlation or other means.

Level 3 Inputs – Unobservable inputs for determining the fair values of assets or liabilities that reflect an entity’s own determination about the assumptions that market participants would use in pricing the assets or liabilities.

The following table summarizes investments measured at fair value by classifications within the fair value hierarchy as of December 31, 2016:

	<u>Total</u>	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Mutual funds:				
Equity	\$ <u>222,122</u>	\$ <u>222,122</u>	\$ -	\$ -
Total Investments at Fair Value	\$ <u>222,122</u>	\$ <u>222,122</u>	\$ -	\$ -

Continued

PLAYERS PHILANTHROPY FUND

NOTES TO FINANCIAL STATEMENTS
For the Years Ended December 31, 2016 and 2015

3. Fair Value Measurement of Financial Instruments (continued)

The following table summarizes investments measured at fair value by classification within the fair value hierarchy as of December 31, 2015.

	<u>Total</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Mutual funds:				
Equity	\$ <u>271,258</u>	\$ <u>271,258</u>	\$ <u>-</u>	\$ <u>-</u>
Total Investments at Fair Value	\$ <u><u>271,258</u></u>	\$ <u><u>271,258</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>

4. Related Party Transactions

During the year, members of the Organization's Board and their immediate families participated in the fund. The trustees' account balances consisted of the following as of December 31:

	<u>2016</u>	<u>2015</u>
Cash and cash equivalents	\$ 30,413	\$ 55,693
Investments, at fair value	<u>36,646</u>	<u>96,626</u>
Ending Account Value	\$ <u><u>67,059</u></u>	\$ <u><u>152,319</u></u>

Activity from these accounts consisted of the following for the years ended December 31:

	<u>2016</u>
Contributions	\$ <u>11,912</u>
Donations	\$ <u>104,029</u>
Subcontractor expenses	\$ <u>37,000</u>

Emanuel J. Kallina resigned from the Board on February 17, 2016. Mr. Kallina is a partner of Kallina & Associates. As of December 31, 2016, the Organization had an account payable of \$30,000 to Kallina & Associates. Kallina & Associates also provided bookkeeping services to the Organization and paid \$5,653 and \$1,734 for the years ended December 31, 2016 and 2015.

During the year ended December 31, 2016, the Organization paid rent of \$11,000 to Waverly Management, which is owned by a member of the Board of Trustees.

The Organization provided management and administrative services to PPF Benevolent Fund, an affiliate, for a monthly fee totaling \$38,340 for the year ended December 31, 2016.

Continued

- 9 -

See Independent Accountants' Review Report

PLAYERS PHILANTHROPY FUND

NOTES TO FINANCIAL STATEMENTS
For the Years Ended December 31, 2016 and 2015

4. Related Party Transactions (continued)

The Stover Family Foundation was created by a member of the Board. Approximately \$60,000 of funds from the foundation was used to pay program expenses, and general and administrative expenses for the Organization.

Eleanor Shriver Magee is a subcontractor for the Organization and is the sister of a member of the Board of Trustees.