CHRISTOPHER REEVE FOUNDATION
D/B/A CHRISTOPHER AND
DANA REEVE FOUNDATION

FINANCIAL STATEMENTS,
OTHER FINANCIAL INFORMATION AND
REPORTS RELATED TO OFFICE OF MANAGEMENT
AND BUDGET - UNIFORM GUIDANCE

DECEMBER 31, 2017 AND 2016

CHRISTOPHER REEVE FOUNDATION
D/B/A CHRISTOPHER AND DANA REEVE FOUNDATION

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WISS
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INDEPENDENT AUDITORS' REPORT

Board of Directors
Christopher Reeve Foundation
D/B/A Christopher and Dana Reeve Foundation
Short Hills, New Jersey

We have audited the accompanying financial statements of the Christopher Reeve Foundation, D/B/A Christopher and Dana Reeve Foundation (the "Foundation") which comprise the statements of financial position as of December 31, 2017 and 2016, and the related statements of activities and changes in net assets, functional expenses and 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.

Auditors' 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of 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 of 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 auditors' 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 entity'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 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 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 the Foundation as of December 31, 2017 and 2016, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

WISS & COMPANY, LLP

14 Penn Plaza, Suite 1010
New York, NY 10122
212.594.8155

354 Eisenhower Parkway, Suite 1850
Livingston, NJ 07039
973.994.9400

5 Bartles Corner Road
Flemington, NJ 08822
908.782.7300

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards on page 26, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) is presented for purposes of additional analysis and is not a required part of the financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The supplementary information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 20, 2018, on our consideration of the Foundation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Foundation's internal control over financial reporting and compliance.

Wiss & Company

WISS & COMPANY, LLP

Livingston, New Jersey
July 20, 2018

CHRISTOPHER REEVE FOUNDATION
D/B/A CHRISTOPHER AND DANA REEVE FOUNDATION

STATEMENTS OF FINANCIAL POSITION

	December 31,	
ASSETS	2017	2016
ASSETS:		
Cash and equivalents:		
Unrestricted	$ 1,299,786	$ 592,711
Restricted	234,886	992,371
Investments	145,460	144,061
Equity investment	965,330	984,051
Grants receivable	1,962,617	2,381,334
Contributions receivable, net	1,678,075	2,207,876
Split-interest agreement	4,591	18,992
Prepaid expenses	100,019	88,346
Security deposits and other	20,495	20,495
Intangible assets, net	91,863	120,123
Fixed assets, net	40,921	55,345
Total Assets	$ 6,544,043	$ 7,605,705

LIABILITIES AND NET ASSETS	2017	2016
LIABILITIES:		
Accounts payable	$ 147,918	$ 268,077
Accrued expenses	169,887	272,938
Quality of Life and other grants payable	371,307	721,425
Deferred revenue	433,618	287,970
Research contracts payable	2,406,069	1,589,550
Total Liabilities	3,528,799	3,139,960
NET ASSETS:		
Unrestricted	1,494,210	1,571,111
Temporarily restricted	1,521,034	2,894,634
Total Net Assets	3,015,244	4,465,745
Total Liabilities and Net Assets	$ 6,544,043	$ 7,605,705

See accompanying notes to financial statements.

CHRISTOPHER REEVE FOUNDATION
D/B/A CHRISTOPHER & DANA REEVE FOUNDATION

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

	Years Ended December 31,					
	2017			2016		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
SUPPORT AND REVENUES:						
Contributions	$ 3,498,616	$ 441,745	$ 3,940,361	$ 4,001,533	$ 638,672	$ 4,640,205
Grant revenue	8,149,586	-	8,149,586	7,674,496	-	7,674,496
Special events	2,073,078	-	2,073,078	1,721,403	-	1,721,403
Contributed services	-	-	-	95,298	-	95,298
Investment loss	(8,158)	-	(8,158)	(4,758)	-	(4,758)
Net unrealized/realized gain (loss) on investments	(1,467)	-	(1,467)	121,764	-	121,764
Net assets released from restrictions	1,815,345	(1,815,345)	-	844,123	(844,123)	-
Total support and revenues	15,527,000	(1,373,600)	14,153,400	14,453,859	(205,451)	14,248,408
EXPENSES:						
Program services:						
Research program	5,818,688	-	5,818,688	5,416,163	-	5,416,163
Public education	847,487	-	847,487	881,126	-	881,126
Quality of life	6,313,486	-	6,313,486	5,572,602	-	5,572,602
	12,979,661	-	12,979,661	11,869,891	-	11,869,891
Supporting services:						
Management and general	825,965	-	825,965	1,309,973	-	1,309,973
Fundraising	1,798,275	-	1,798,275	1,527,050	-	1,527,050
	2,624,240	-	2,624,240	2,837,023	-	2,837,023
Total expenses	15,603,901	-	15,603,901	14,706,914	-	14,706,914
CHANGE IN NET ASSETS	(76,901)	(1,373,600)	(1,450,501)	(253,055)	(205,451)	(458,506)
NET ASSETS, BEGINNING OF YEAR	1,571,111	2,894,634	4,465,745	1,824,166	3,100,085	4,924,251
NET ASSETS, END OF YEAR	$ 1,494,210	$ 1,521,034	$ 3,015,244	$ 1,571,111	$ 2,894,634	$ 4,465,745

See accompanying notes to financial statements.

CHRISTOPHER REEVE FOUNDATION
D/B/A CHRISTOPHER & DANA REEVE FOUNDATION

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR DECEMBER 31, 2017

	Program Services				Support Services			
	Research Program	Public Education	Quality of Life	Total	Management and General	Fund Raising	Total	Total Expenses 2017
Salaries and wages	$ 229,222	$ 367,829	$ 1,760,726	$ 2,357,777	$ 263,390	$ 856,932	$ 1,120,322	$ 3,478,099
Outsourced personnel	-	-	48,599	48,599	-	-	-	48,599
Other employee benefits	26,744	42,916	461,047	530,707	29,956	100,576	130,532	661,239
Payroll taxes	12,083	19,389	163,075	194,547	13,671	45,440	59,111	253,658
Total salaries and related expenses	268,049	430,134	2,433,447	3,131,630	307,017	1,002,948	1,309,965	4,441,595
Research - contracts and allocations	3,951,842	-	-	3,951,842	-	-	-	3,951,842
Research - Big Idea	1,484,062	-	-	1,484,062	13,106	-	13,106	1,497,168
Quality of life, health promotions and other grants and programs	-	-	2,139,969	2,139,969	-	-	-	2,139,969
Professional fees	10,425	182,486	594,785	787,696	99,881	102,056	201,937	989,633
Internet communications	-	2,980	169,045	172,025	745	3,726	4,471	176,496
Research contract reviewer fees	5,125	-	-	5,125	-	-	-	5,125
Supplies	1,362	2,185	31,350	34,897	1,587	5,121	6,708	41,605
Telephone	1,626	2,610	22,453	26,689	1,896	6,116	8,012	34,701
Postage and shipping	807	1,295	64,520	66,622	941	3,034	3,975	70,597
Office rent	15,069	24,181	223,960	263,210	17,569	56,671	74,240	337,450
Equipment rental and maintenance	1,176	1,887	19,954	23,017	1,371	4,422	5,793	28,810
Conferences, conventions and meetings	-	-	68,941	68,941	6,870	-	6,870	75,811
Printing	4,667	4,667	128,651	137,985	4,667	4,667	9,334	147,319
Dues, subscriptions and registration fees	-	23,223	10,934	34,157	34,834	-	34,834	68,991
Insurance	-	-	27,000	27,000	45,989	-	45,989	72,989
Library	-	-	22,821	22,821	-	-	-	22,821
Travel and lodging	19,224	16,872	165,469	201,565	43,548	21,019	64,567	266,132
Direct mail	18,357	73,429	-	91,786	-	214,169	214,169	305,955
Special events	15,212	45,636	-	60,848	223,531	243,393	466,924	527,772
Direct benefit to donor costs	-	-	-	-	-	120,300	120,300	120,300
Teams	-	-	-	-	-	93,205	93,205	93,205
Staff training	-	-	17,230	17,230	-	-	-	17,230
Advertising	-	11,545	79,082	90,627	-	3,848	3,848	94,475
Miscellaneous	17,268	17,269	84,456	118,993	17,263	17,269	34,532	153,525
Depreciation and amortization	4,417	7,088	9,419	20,924	5,150	16,611	21,761	42,685
Subtotal	5,818,688	847,487	6,313,486	12,979,661	825,965	1,918,575	2,744,540	15,724,201
Less: direct benefit to donor costs	-	-	-	-	-	(120,300)	(120,300)	(120,300)
Total expenses-2017	$ 5,818,688	$ 847,487	$ 6,313,486	$ 12,979,661	$ 825,965	$ 1,798,275	$ 2,624,240	$ 15,603,901
Percentage of total expense	37%	5%	40%	83%	5%	12%	17%	100%

See accompanying notes to financial statements.

CHRISTOPHER REEVE FOUNDATION
D/B/A CHRISTOPHER & DANA REEVE FOUNDATION

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR DECEMBER 31, 2016

	Program Services				Support Services			
	Research Program	Public Education	Quality of Life	Total	Management and General	Fund Raising	Total	Total Expenses 2016
Salaries and wages	$ 204,723	$ 349,016	$ 1,677,301	$ 2,231,040	$ 419,756	$ 633,007	$ 1,052,763	$ 3,283,803
Outsourced personnel	-	-	38,660	38,660	-	-	-	38,660
Other employee benefits	19,003	32,397	394,590	445,990	42,848	60,347	103,195	549,185
Payroll taxes	10,718	18,273	153,109	182,100	22,899	33,635	56,534	238,634
Total salaries and related expenses	234,444	399,686	2,263,660	2,897,790	485,503	726,989	1,212,492	4,110,282
Research contracts and allocations	4,914,492	-	-	4,914,492	-	-	-	4,914,492
Research - Big Idea	149,441	10,476	-	159,917	31,910	150	32,060	191,977
Quality of life, health promotions and other grants and programs	-	-	1,678,114	1,678,114	-	-	-	1,678,114
Professional fees	9,177	217,459	521,822	748,458	270,469	156,636	427,105	1,175,563
Internet communications	-	5,232	294,815	300,047	1,308	6,540	7,848	307,895
Research contract reviewer fees	3,500	-	-	3,500	-	-	-	3,500
Supplies	1,313	2,239	31,423	34,975	2,555	4,048	6,603	41,578
Telephone	1,579	2,692	21,825	26,096	3,072	4,868	7,940	34,036
Postage and shipping	1,163	1,982	60,342	63,487	2,262	3,584	5,846	69,333
Office rent	15,411	26,273	229,002	270,686	29,986	47,514	77,500	348,186
Equipment rental and maintenance	1,373	2,341	20,740	24,454	2,672	4,234	6,906	31,360
Conferences, conventions and meetings	-	-	49,841	49,841	-	746	746	50,587
Printing	4,804	4,804	33,329	42,937	4,804	4,804	9,608	52,545
Dues, subscriptions and registration fees	-	16,262	16,815	33,077	24,392	-	24,392	57,469
Insurance	-	-	27,000	27,000	55,890	-	55,890	82,890
Library	-	-	18,835	18,835	-	-	-	18,835
Travel and lodging	21,473	19,745	141,475	182,693	37,923	17,041	54,964	237,657
Direct mail	23,370	93,482	-	116,852	-	272,656	272,656	389,508
Special events	11,385	34,155	-	45,540	235,231	182,162	417,393	462,933
Direct benefit to donor costs	-	-	-	-	-	110,250	110,250	110,250
Teams	-	-	-	-	-	58,059	58,059	58,059
Staff training	-	-	21,166	21,166	-	-	-	21,166
Advertising	-	18,481	71,662	90,143	-	6,160	6,160	96,303
Contributed services	-	-	-	-	95,298	-	95,298	95,298
Miscellaneous	19,580	19,580	62,561	101,721	19,580	19,580	39,160	140,881
Depreciation and amortization	3,658	6,237	8,175	18,070	7,118	11,279	18,397	36,467
Subtotal	5,416,163	881,126	5,572,602	11,869,891	1,309,973	1,637,300	2,947,273	14,817,164
Less: direct benefit to donor costs	-	-	-	-	-	(110,250)	(110,250)	(110,250)
Total expenses-2016	$ 5,416,163	$ 881,126	$ 5,572,602	$ 11,869,891	$ 1,309,973	$ 1,527,050	$ 2,837,023	$ 14,706,914
Percentage of total expense	37%	6%	38%	81%	9%	10%	19%	100%

See accompanying notes to financial statements.

CHRISTOPHER REEVE FOUNDATION
D/B/A CHRISTOPHER & DANA REEVE FOUNDATION

STATEMENTS OF CASH FLOWS

	Year Ended December 31, 2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES:		
Changes in net assets	$ (1,450,501)	$ (458,506)
Adjustments to reconcile changes in net assets to net cash flows from operating activities:		
Depreciation and amortization	42,685	36,468
Change in contributions receivable discount	(32,857)	75,984
Change in value of split-interest agreement	14,401	12,998
Net unrealized/realized (gain) loss on investments	1,467	(121,764)
(Increase) decrease in assets:		
Restricted cash and equivalents	757,485	69,606
Grants receivable	418,717	(24,439)
Contributions receivable	562,658	221,496
Prepaid expenses, security deposits, and other	(11,674)	92,158
(Increase) decrease in liabilities:		
Accounts payable	(120,159)	71,647
Accrued expenses	(103,051)	162,590
Quality of Life and other grants payable	(350,118)	(14,057)
Deferred revenue	145,648	(353,559)
Research contracts payable	816,519	(521,441)
Net cash flows from operating activities	691,220	(750,819)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of investments	(308,744)	439,228
Proceeds from sale of investments	324,599	276,978
Purchase of fixed assets	-	(49,315)
Net cash flows from investing activities	15,855	666,891
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from borrowings	-	72,000
Repayment of borrowings	-	(72,000)
Net cash flows from financing activities	-	-
Net change in cash and equivalents	707,075	(83,928)
Cash and equivalents at beginning of year	592,711	676,639
Cash and equivalents at end of year	$ 1,299,786	$ 592,711

See accompanying notes to financial statements.

CHRISTOPHER REEVE FOUNDATION
D/B/A CHRISTOPHER AND DANA REEVE FOUNDATION

NOTES TO FINANCIAL STATEMENTS

Note 1 - Nature of the Organization and Summary of Significant Accounting Policies:

Nature of the Organization - In August 2005, the Christopher Reeve Paralysis Foundation changed its name to Christopher Reeve Foundation ("CRF" or the "Foundation"). Subsequently, on February 26, 2007, the Foundation registered with the State of New Jersey the name Christopher and Dana Reeve Foundation to be used as an alternate name for its business activities. The Foundation, a non-profit corporation, was formed on April 21, 1999 from the merger of the American Paralysis Association ("APA") and a previous entity named the Reeve Foundation.

The Foundation is dedicated to curing spinal cord injuries by funding innovative research, and improving the quality of life for people living with paralysis through grants, information, and advocacy. Toward this goal, CRF directs its public education program to increase public awareness of paralysis and CRF's involvement in finding a cure, along with efforts to educate the public about issues and solutions to improve the quality of life of those disabled as a result of spinal cord injuries and other forms of paralysis. Research contracts are granted after approval of the research program by the Board of Directors. Quality of Life grants undergo rigorous multi-stage review by panels of external merit reviewers and internal reviewers comprised of staff and members of the Board of Directors.

Effective September 30, 2001, CRF was awarded a $2,000,000 federal grant from the Centers for Disease Control ("CDC") to establish the Christopher and Dana Reeve Paralysis Resource Center. The Resource Center, which is part of CRF's Quality of Life Program, is a stand-alone facility that began operations in May 2002. It provides educational materials, referral services, and self-help guidance to people with paralysis, their families, and caregivers. It also awards Quality of Life grants to organizations working in the paralysis community. Effective June 1, 2016, CRF was awarded a $7,496,000 Administration for Community Living ("ACL") federal grant and effective June 1, 2017, CRF was awarded a $6,512,000 ACL federal grant, for the Resource Center to continue its operations. Since the inception of the program in 2001, CRF has been awarded federal grants from the CDC amounting to $61,648,507 to operate the Resource Center and $27,128,000 from the ACL.

In May 2007, the Foundation was awarded a two-year grant from the Department of Defense ("DOD") in the amount of $2,500,000 to support the North American Clinical Trials Network. In June 2008, the grant was amended and increased to $4,418,000 and was further amended and increased to $4,918,000 in October 2010. In July 2010, a new two-year grant totaling $5,468,500 was awarded to the Foundation. In May 2013, DOD issued a two-year cooperative agreement for $2,000,000. A one year no cost extension was awarded and ended in April 2016. In April 2016, DOD issued a two-year contract for $2,500,000, to continue support of the North American Clinical Trials Network. For calendar years 2017 and 2016, the Foundation reported revenue of $1,063,652 and $1,174,000, respectively, under this grant. From May 2007 through December 2017, the Foundation has reported revenue of $13,891,000 under the grant.

Basis of Presentation - The financial statement presentation follows the recommendations of FASB ASC 958-205 "Financial Statements for Not-for-Profit Organizations". The Foundation reports 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. Furthermore, information is required to segregate program service expenses from management and general expenses and fundraising.

The Foundation has adopted FASB ASC 958-605, "*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.

Note 1 - Nature of the Organization and Summary of Significant Accounting Policies (continued):

Basis of Accounting - The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Estimates and Uncertainties - 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 at the date of the financial statements and the reported amounts of net revenue and expenses during each reporting period. Actual results, as determined at a later date, could differ from those estimates.

Support and Revenues -

Unrestricted: All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Support that is restricted by the donor is reported as an increase in unrestricted net assets until the restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished in the reporting period in which the support is recognized.

Temporarily Restricted: Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted support that increases that net asset class. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities and Changes in Net Assets as net assets released from restrictions. As of December 31, 2017 and 2016 there was $1,521,034 and $2,894,634 of the Foundation's net assets considered temporarily restricted.

Permanently Restricted: Contributions/Support received that are to be held in perpetuity are reported as permanently restricted support that increases that net asset class. The Foundation has no permanently restricted net assets.

Cash and Equivalents - Cash and equivalents include money market accounts and all other highly liquid short-term investments purchased with maturities of three months or less.

Concentration of Credit Risk - The Foundation's cash balances in financial institutions are insured by the Federal Deposit Insurance Corporation up to $250,000 each. At times, such balances may be in excess of the FDIC insurance limit.

Investments - Investments are reported at fair values, generally based on current market quotations. All investment income is unrestricted as to use. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). All transactions are recorded on a trade-date basis. The cost of securities sold is determined using the specific identification method. The Foundation reviews its investments annually for impairment. Management has determined there are no other than temporary losses as of December 31, 2017.

The investments are protected by the Securities Insurance Protection Corporation (SIPC), which provides limited insurance in certain circumstances for securities. The insurance is limited to $500,000 and does not protect against investment losses. At times, such balances may be in excess of SIPC insured limits.

Note 1 - Nature of the Organization and Summary of Significant Accounting Policies (continued):

Investment gains and losses, net, include realized gains and losses on investments and changes in unrealized gains and losses on investments. Realized gains and losses are calculated based on the difference between the cost of the investments and the proceeds received from the sale of the respective investments. Changes in unrealized gains and losses, net, are calculated based on the change in the difference between the cost and fair values of investments at December 31 of the current year compared to the cost and fair values of investments at December 31 of the prior year. Gains and losses on investment transactions are reflected in changes in unrestricted net assets.

Equity Investment - Investee companies that are not consolidated, but over which the Foundation exercises significant influence, are accounted for under the equity method of accounting. Whether or not the Foundation exercises significant influence with respect to an Investee depends on the evaluation of several factors including, among others, representation on the Investee company's board of directors and ownership level, which is generally a 20% to 50% interest in the voting securities of the Investee company. Under the equity method of accounting, an Investee company's accounts are not reflected within the Foundation's Statements of Financial Position and Statements of Activities and Changes in Net Assets; however, the Foundation's share of the earnings or losses of the Investee company is reflected in the caption "Investment income/(loss)" in the Statements of Activities and Changes in Net Assets. Reeve Foundation – Presidio Partners NRT, L.P. ("NRT") is accounted for under the equity method of accounting. The Foundation's carrying value in an equity method Investee company is reflected in the caption "Equity Investment" in the Statements of Financial Position. Dividends under the equity method reduces the investment value.

When the Foundation's carrying value in an equity method Investee company is reduced to zero, no further losses are recorded in the Foundation's financial statements unless the Foundation guaranteed obligations of the Investee company or has committed additional funding. When the Investee company subsequently reports income, the Foundation will not record its share of such income until it equals the amount of its share of losses not previously recognized.

Grants Receivable - Grants receivable, all due within one year, represent amounts due from grantors, based on terms of the related grant agreements. The Foundation determines the need for an allowance based on history of write-offs, levels of past due accounts and its relationships with, and economic status of its grantors. No provision is made for uncollectible amounts since management expects to collect the entire grants receivable balance.

Contributions Receivable and Contribution Revenue - Contributions receivable are unconditional promises to give that are recognized as contributions when the promise is received. Contributions receivable are recorded at net present value using a present value discount rate established at the time the promise is received. Amortization of the resulting discount is recognized as additional contribution revenue. The allowance for uncollectible contributions receivable is determined based on management's evaluation of the collectability of individual promises. Based on contributor's history, collections, ability to pay and current credit conditions, accounts are written off when deemed uncollectible.

Contributions received, including unconditional promises to give, are recognized as revenue in the period received at their fair values. Contributions for which donors have not stipulated restrictions, as well as contributions for which donors have stipulated restrictions, but which are met within the same reporting period, are reported as unrestricted support. The fair value measurements also include consideration of the donor's credit risk.

NOTES TO FINANCIAL STATEMENTS

Note 1 - Nature of the Organization and Summary of Significant Accounting Policies (continued):

In the normal course of business, the Foundation receives donated services from volunteers, including officers and directors, and affiliated organizations to support fundraising and administrative activities. In accordance with authoritative guidance, the value of these contributed services is not reflected in the accompanying financial statements.

Split Interest Agreement - The Foundation has a receivable in an irrevocable charitable lead annuity trust administered by a third party. Under the terms of the agreement, the trustee will distribute $15,000 a year to the Foundation for the 10-year annuity period. The Foundation recorded the agreement in the accompanying statements of financial position at the present value of future distributions. The discount rate used was 5% in 2017 and 2016.

Intangible Assets - Website development costs representing website application, infrastructure and graphics development have been capitalized in accordance with *FASB ASC 350* and reported as Intangible assets in the Statements of Financial Position. These assets are being amortized using the straight-line method over its estimated useful life of 5 years. Intangibles had a balance of $91,863 and $120,123 as of December 31, 2017 and 2016, respectively. Amortization expense totaled $28,260 and $21,195 in 2017 and 2016, respectively. All other costs in the planning stage have been expensed.

Fixed Assets - The Foundation capitalizes all fixed asset acquisitions in excess of $5,000. Purchased equipment is recorded at cost. Depreciation on purchased equipment is provided on the straight-line method over an estimated useful life of five years. Leasehold improvements are amortized over the period of the respective lease using the straight-line method.

Long-Lived Assets - The Foundation evaluates all long-lived assets for impairment. Long-lived assets and intangible assets are evaluated for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. If the carrying amount is not fully recoverable, an impairment loss is recognized to reduce the carrying amount to fair value, and is charged to expense in the period of impairment. At December 31, 2017 and 2016 management has determined that these assets are not impaired.

Deferred Revenue and Grant Revenue - The Foundation recognizes grant revenue as grant expenses are incurred. The Foundation records restricted grants as a deferred revenue when cash is received until it is expended for the purpose of the grant or contract, at which time it becomes unconditional and is recognized as unrestricted support.

Research Contracts, Quality of Life Grants, and Health Promotion Awards - Research contracts, quality of life grants, and health promotion awards are expensed in the year the contract/grant/awards are approved and/or formally signed by CRF and the grantee. Contracts and awards are unconditional, but are subject to routine performance requirements by the recipient. Grants payable in more than one year are discounted to the present value of future payments, which approximates fair value. Any returns are recorded in the year the contract ends, which is when a determination of any unspent funds is made.

The Foundation has conditional commitments to give to several consultants and universities for the Big Idea. The Big Idea is an early feasibility study that evaluates the effectiveness of epidural stimulation in improving cardiovascular function, as well as the ability to facilitate standing and voluntary movements. Conditional commitments to give are not recorded as an expense until the research contract milestone are met. The total expense the Foundation expects to incur over the next remaining 4 years through 2021, based on milestones being met, amounts to approximately $7,900,000 as of December 31, 2017. There were no such conditional commitments to give as of December 31, 2016.

Note 1 - Nature of the Organization and Summary of Significant Accounting Policies (continued):

Special Events - Special events revenue is net of direct benefit to donor costs consisting of meals and entertainment totaling $120,300 and $110,250 for the years ended December 31, 2017 and 2016, respectively.

Income Taxes - The Foundation qualifies as a charitable organization as defined by Internal Revenue Code (the "Code") Section 501(c)(3) and, accordingly, is exempt from Federal income taxes under Section 501(a) of the Code. Additionally, since the Foundation is publicly supported, contributions to the Foundation qualify for the maximum charitable contribution deduction under the Code. The Foundation is also exempt from New Jersey State income tax.

Uncertain Tax Positions - Accounting principles generally accepted in the United States require management to evaluate uncertain tax positions taken by the Foundation. The financial statements effects of a tax position are recognized when the position is more likely than not, based on the technical merits, to be sustained upon examination by the IRS. Management has analyzed the tax positions taken by the Foundation and has concluded that as of December 31, 2017, there are no uncertain positions taken or expected to be taken. Other significant tax positions include its determination of whether any amounts are subject to unrelated business income tax (UBIT). Management has determined that the Foundation had no activities subject to UBIT in the years ended December 31, 2017 and 2016. The Foundation has recognized no interest or penalties related to uncertain tax positions. The Foundation is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Management believes it is no longer subject to federal or state income tax examinations for years prior to 2014 and 2013, for the State of New Jersey, respectively.

Functional Allocation of Expenses - The Foundation allocates salaries and indirect expenses into functional categories related to program and supporting services based on time spent in the various functions by the president and other Foundation personnel, and other appropriate bases of allocation.

Joint costs incurred in connection with mailing informational materials and performing other activities that include fundraising are allocated to program and supporting services on the basis of the content of the material.

Advertising Expenses - Advertising costs are expensed as incurred and totaled $94,475 in 2017 and $96,303 in 2016.

Recently Issued Accounting Pronouncements - In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2014-09, "Revenue from Contracts with Customers (Topic 606)," requiring an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The updated standard will replace most existing revenue recognition guidance in U.S. GAAP when it becomes effective and permits the use of either a full retrospective or retrospective with cumulative effect transition method. In August 2015, the FASB issued ASU 2015-14 which defers the effective date of ASU 2014-09 one year making it effective for annual reporting periods beginning after December 15, 2018. Management is currently evaluating the impact of this adoption on its financial statements.

Note 1 - Nature of the Organization and Summary of Significant Accounting Policies (continued):

In February 2016, the FASB issued ASU No. 2016-02, "Leases (Topic 842)," which replaces the existing guidance in ASC 840 - Leases. This ASU requires a dual approach for lessee accounting under which a lessee would account for leases as finance leases or operating leases. Both finance leases and operating leases will result in the lessee recognizing a right-of-use asset and a corresponding lease liability. For finance leases, the lessee would recognize interest expense and amortization of the right-of-use asset and for operating leases, the lessee would recognize a straight-line total lease expense. This ASU is effective for fiscal years beginning after December 15, 2019. The requirements of this standard include a significant increase in required disclosures. Management is currently evaluating the impact of this ASU on the financial statements.

In August 2016, the FASB issued ASU 2016-14, "Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities". The amendments in this ASU make improvements to the information provided in financial statements and accompanying notes of not-for-profit entities. The amendments set forth the FASB's improvements to net asset classification requirements and the information presented about a not-for-profit entity's liquidity, financial performance, and cash flows. The ASU will be effective for fiscal years beginning after December 15, 2017. Earlier application is permitted. The changes in this ASU should generally be applied on a retrospective basis in the year that the ASU is first applied. Management is currently evaluating the impact of this ASU on the financial statements.

Subsequent Events - Management has reviewed and evaluated all events and transactions from December 31, 2017 through July 20, 2018, the date that the financial statements are available for issuance. The effects of those events and transactions that provide additional pertinent information about conditions that existed at the statement of financial position date have been recognized in the accompanying financial statements.

Note 2 - Investment in Securities:

The fair market value of the investments are as follows:

	December 31, 2017	December 31, 2016
Marketable equity securities	$ 40,767	$ 41,733
Mutual funds	104,693	102,328
	$ 145,460	$ 144,061

	December 31, 2017	December 31, 2016
Investment Income (Loss)		
Investment loss	$ (8,158)	$ (4,758)
Net realized gains	269,585	105,445
Net unrealized gains (losses)	(271,052)	16,319
	$ (9,625)	$ 117,006

Investment fees for 2017 and 2016 were $0 and $14,242, respectively, and they represent management fees which are reported under unrealized gains (losses) on the statements of activities and changes in net assets.

Note 3 - Grants Receivable:

Grants receivable represent contractual expenses incurred and reimbursable under federal grants with the ACL and the DOD.

	December 31, 2017	December 31, 2016
Administration for Community Living	$ 1,518,287	$ 2,048,828
Department of Defense	444,330	332,506
	$ 1,962,617	$ 2,381,334

Note 4 - Contributions Receivable:

As of December 31, 2017 and 2016, contributions receivable included $1,220,000 and $1,280,000, respectively, of pledges receivable from members of the Foundation's Board of Directors. The Foundation's contributions receivable are due as follows:

	December 31, 2017	December 31, 2016
Less than one year	$ 1,451,343	$ 1,768,402
One to five years	860,000	1,105,000
	2,311,343	2,873,402
Less: Amount to reduce to present value (discount rates of 2.12% - 5.80%)	133,268	165,526
Allowance for uncollectible contributions	500,000	500,000
	633,268	665,526
	$ 1,678,075	$ 2,207,876

Note 5 - Fixed Assets:

Fixed assets, net are comprised as follows:

	December 31, 2017	December 31, 2016
Furniture, fixtures, equipment & software	$ 1,019,319	$ 1,019,319
Research equipment	188,580	188,580
	1,207,899	1,207,899
Less: Accumulated depreciation and amortization	1,166,978	1,152,554
Fixed Assets, net	$ 40,921	$ 55,345

Depreciation and amortization expense totaled $14,424 and $15,273 in 2017 and 2016, respectively.

NOTES TO FINANCIAL STATEMENTS

Note 6 - Direct Mail Program:

The Foundation conducts a Direct Mail Program (the "Program"), the purpose of which is to increase public awareness and support for the Foundation's mission to provide research to find a cure for spinal cord injuries and improve the quality of life of those affected. For the years ended December 31, 2017 and 2016, the Program generated revenues of $840,958 and $804,570, respectively, which are included in contributions on the statements of activities and changes in net assets, and expenses of $305,955 and $389,508, respectively, which are reported under direct mail on the statement of functional expenses.

Note 7 - Research Contracts Payable:

Research program expense includes those research contracts approved and/or formally signed by the Foundation and the grantee during the year. However, when certain research contracts are issued, the cash payment schedule may extend beyond one year. The details of research contracts expensed and payable are as follows:

	December 31, 2017	December 31, 2016
Research contracts payable, beginning of year	$ 1,589,550	$ 2,110,991
Research contracts awarded, net of returns	5,052,230	3,906,983
	6,641,780	6,017,974
Contract payments made and returns	(4,235,711)	(4,428,424)
Research contracts payable, end of year	$ 2,406,069	$ 1,589,550

At December 31, 2017, scheduled contract payments totaling $2,406,069 are payable during 2018.

Note 8 - Deferred Revenue:

Deferred revenue is comprised of the following:

	December 31, 2017	December 31, 2016
Corporate Giving (use of NACTN clinical data)	$ 10,000	$ -
Family Foundation (pass-through)	95,000	-
North American Clinical Trials Network for Treatment of Spinal Cord Injury	328,618	287,970
	$ 433,618	$ 287,970

Note 9 - Temporarily Restricted Net Assets:

Temporarily restricted net assets represent the portion of the net assets of the Foundation that has been designated either by time or purpose as to its use. The Foundation's temporarily restricted net assets have been restricted entirely by purpose. The Foundation's temporarily restricted net assets are restricted to the following purposes in the following amounts:

	December 31, 2017	December 31, 2016
The Big Idea	$ 1,521,034	$ 2,894,634

Temporarily restricted net assets were released from donor restrictions by incurring expenses satisfying the following restricted purposes:

	December 31, 2017	December 31, 2016
The Big Idea	$ 1,815,345	$ 601,433
Walkabout Foundation	-	242,690
	$ 1,815,345	$ 844,123

Note 10 - Functional Expense Allocations:

In 2017 and 2016, the Foundation conducted activities that included appeals for contributions as well as program and management and general components. Activities included direct mail campaigns and special events. Joint costs for those activities were allocated as follows:

	December 31, 2017	December 31, 2016
Program Services	$ 152,634	$ 162,392
Fundraising	457,562	454,818
	$ 610,196	$ 617,210

For the years ended December 31, 2017 and 2016, program services included $91,786 and $116,852 for direct mail, respectively, and $60,848 and $45,540 for special events, respectively. For the years ended December 31, 2017 and 2016, fundraising included $214,169 and $272,656 for direct mail, respectively, and $243,393 and $182,162 for special events, respectively.

Note 11 - Line of Credit:

On February 26, 2011, the Foundation entered into a $500,000 loan agreement with Bank of America to fund advances made, and to be reimbursed, under the DOD contract. In December 2012, at management's request, the loan line was reduced to $250,000. The line of credit is collateralized by investments the Foundation has on deposit with Merrill Lynch. Interest on the loan was 3.93875% and 3.13600% at December 31, 2017 and 2016, respectively. At December 31, 2017, the Foundation had not drawn down any amount from its line of credit.

Note 12 - Leases:

At December 31, 2017, minimum lease payments under noncancellable operating leases for the rental of office space and equipment are as follows:

Year Ending December 31,	Amount
2018	$ 335,823
2019	312,141
2020	285,187
2021	283,394
2022	283,394
2023 and thereafter	850,181
Total future minimum lease payments	$ 2,350,120

Total rental expense was $337,450 and $348,186 for 2017 and 2016, respectively. In January 2015 the Foundation renewed its lease through June 2025. The above table does not include renewal options or operating expense escalations. Additionally, the new lease states that if the Foundation does not receive governmental funding satisfactory for the Paralysis Resource Center to continue in business, it may on the dates specified and no less than 60 days notice, terminate the lease by up to forty percent of the rentable area.

The Foundation had sublet a lease for its former Life Rolls On location. On June 30, 2015, the Foundation agreed to a buyout of the lease and recognized rental income in the amount of $90,000. On March 1, 2016, the Foundation re-sublet the space and the minimum lease rentals to be received under a noncancellable lease are as follows:

Year Ending December 31,	Amount
2018	$ 17,226

Note 13 - Employee Benefit Plans:

The Foundation has a 401(k) pension plan for the benefit of its employees. Under the plan, the Foundation makes a mandatory contribution of 3% of an eligible employee's annual salary, which is vested immediately. The Foundation also has the option of making additional discretionary contributions which are subjected to a graduated vesting schedule, depending on the employee's length of service, of up to six years. For 2017 and 2016, the additional contribution was 1.5% of an eligible employee's annual salary. Employer contributions charged to operations were $136,762 and $104,556 in 2017 and 2016, respectively and are reported under other employee benefits on the statement of functional expenses.

Note 14 - Fair Value Measurements-Recurring:

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, Fair Value Measurements FASB ASC 820, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurement.) The carrying amounts of cash and equivalents, accounts receivable and accounts payable included in the accompanying statements of financial position approximated fair value at December 31, 2017 and 2016. These assets and liabilities are not presented in the following tables. The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Foundation has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2017 and 2016.

- *Marketable equity securities/Mutual Funds* - Valued at the closing price reported on the active market on which the individual securities are traded.

Note 14 - Fair Value Measurements-Recurring (continued):

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although management believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Foundation's assets at fair value as of December 31, 2017, and 2016:

	Assets at Fair Value as of December 31, 2017			
	Level 1	*Level 2*	*Level 3*	*Total*
Mutual funds:				
S&P Preferred Stock Index	$ 104,693	$ -	$ -	$ 104,693
Marketable equity securities:				
Industrials	40,767	-	-	40,767
Total	$ 145,460	$ -	$ -	$ 145,460

	Assets at Fair Value as of December 31, 2016			
	Level 1	*Level 2*	*Level 3*	*Total*
Mutual funds:				
S&P Preferred Stock Index	$ 102,328	$ -	$ -	$ 102,328
Marketable equity securities:				
Industrials	41,733	-	-	41,733
Total	$ 144,061	$ -	$ -	$ 144,061

Note 15 - Equity Investment:

The Foundation's investments in companies that are accounted for on the equity method of accounting consist of a 37.19% investment in Reeve Foundation – Presidio Partners NRT, L.P. ("NRT") purchased for $1,000,000 on October 31, 2016.

There are no conversion features or contingency issuances by NRT that would materiality affect the ownership interest in NRT.

The Foundation's investment in NRT is $965,330 and $984,051 as of December 31, 2017 and 2016, respectively.

Note 15 - Equity Investment (continued):

The Foundation has an investment in NRT, which is accounted for under the equity method of accounting. Listed below is the summarized financial information of NRT as of December 31, 2017 and 2016:

	December 31, 2017	December 31, 2016
Condensed income statement information:		
Net revenues	$ -	$ -
Gross margin	$ -	$ -
Net income (loss)	$ (53,182)	$ (40,038)
Foundation's equity in net income (loss) of affiliates	$ (18,721)	$ (15,949)
Condensed balance sheet information:		
Current assets	$ 2,963	$ 30,166
Noncurrent assets	2,615,000	2,440,000
Total assets	$ 2,617,963	$ 2,470,166
Current liabilities	$ 22,408	$ -
Noncurrent liabilities	-	-
Equity	2,595,555	2,470,166
Total liabilities and equity	$ 2,617,963	$ 2,470,166

The following tables illustrate the captions used in the Foundation's Statements of Financial Position and Statements of Activities and Changes in Nets Assets for its equity basis investments described above.

	December 31, 2017	December 31, 2016
Statement of Financial Position Presentation		
Equity Investment	$ 965,330	$ 984,051
Statement of Activities and Changes in Net Assets Presentation		
Investment loss	$ (18,721)	$ (15,949)

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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

INDEPENDENT AUDITORS' REPORT

Board of Directors
Christopher Reeve Foundation
Short Hills, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Christopher Reeve Foundation (the "Foundation"), which comprise the statement of financial position as of December 31, 2017, and the related statements of activities and changes in net assets, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated July 20, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Foundation's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Foundation's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

WISS & COMPANY, LLP

14 Penn Plaza, Suite 1010
New York, NY 10122
212.594.8155

354 Eisenhower Parkway, Suite 1850
Livingston, NJ 07039
973.994.9400

5 Bartles Corner Road
Flemington, NJ 08822
908.782.7300

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Foundation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Foundation's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Foundation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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WISS & COMPANY, LLP

Livingston, New Jersey
July 20, 2018

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

INDEPENDENT AUDITORS' REPORT

Board of Directors
Christopher Reeve Foundation
Short Hills, New Jersey

Report on Compliance for Each Major Federal Program

We have audited Christopher Reeve Foundation's (the "Foundation") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2017. The Foundation's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statues, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Foundation's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on major federal programs occurred. An audit includes examining, on a test basis, evidence about the Foundation's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Foundation's compliance.

WISS & COMPANY, LLP

14 Penn Plaza, Suite 1010
New York, NY 10122
212.594.8155

354 Eisenhower Parkway, Suite 1850
Livingston, NJ 07039
973.994.9400

5 Bartles Corner Road
Flemington, NJ 08822
908.782.7300

Opinion on Each Major Federal Program

In our opinion, the Foundation complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2017.

Report on Internal Control Over Compliance

Management of the Foundation is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Foundation's internal control over compliance with the types of requirements that could have a direct and material effect on a major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Foundation's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged by governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Wiss & Company

WISS & COMPANY, LLP

Livingston, New Jersey
July 20, 2018

CHRISTOPHER REEVE FOUNDATION
D/B/A CHRISTOPHER & DANA REEVE FOUNDATION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED DECEMBER 31, 2017

Funding Source/Federal Contract No./Program	Federal CFDA Number	Grant Program Awards	Passed through to Subrecipients	Total 2017 Reported Expenditures
United States Department of Health and Human Services:				
Administration for Community Living -				
The Paralysis Resource Center (June 1, 2016-May 31, 2017)	93.325	$ 7,495,783	$ 1,771,162	$ 3,766,333
The Paralysis Resource Center (June 1, 2017-May 31, 2018)	93.325	6,511,661	1,450,857	3,319,601
Total United States Department of Health and Human Services			3,222,019	7,085,934
United States Department of Defense				
Department of Army Research and Material Command -				
Military Medical Research and Development				
North American Clinical Trials Network (NACTN) for Treatment of Spinal Cord Injury (May 1, 2016 - April 30, 2018)	12.420	2,500,000	909,489	1,063,652
Total United States Department of Defense			909,489	1,063,652
Total			$ 4,131,508	$ 8,149,586

See accompanying Notes to Schedule of Expenditures of Federal Awards

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

1. Basis of Presentation:

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activities of the Foundation under programs of the federal government for the year ended December 31, 2017. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Foundation, it is not intended to and does not present the financial position, changes in net assets or cash flows of the Foundation.

2. Summary of Significant Accounting Policies:

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-122, *Cost Principles for Non-Profit Organizations*, or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The Foundation has elected to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

CHRISTOPHER REEVE FOUNDATION
D/B/A CHRISTOPHER & DANA REEVE FOUNDATION

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED DECEMBER 31, 2017

Section I - Summary of Auditors' Result

FINANCIAL STATEMENTS SECTION

Type of auditors' report issued:	Unmodified	
Internal control over financial reporting:		
Material weakness(es) identified?	____ Yes	X No
Significant deficiency(ies) identified?	____ Yes	X None reported
Non-compliance material to financial statements noted?	____ Yes	X No

FEDERAL AWARDS SECTION

Internal control over major programs:		
Material weakness(es) identified?	____ Yes	X No
Significant deficiency(ies) identified?	____ Yes	X None reported
Type of auditor's report issued on compliance for major programs:	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	____ Yes	X No

Identification of major programs:

Name of Federal Program or Cluster	CFDA No.	Amount
United States Department of Health and Human Services:		
Administration for Community Living -		
The Paralysis Resource Center	93.325	$ 7,085,934

Dollar threshold used to distinguish between Type A and Type B programs:	$750,000	
Auditee qualified as low-risk auditee?	X Yes	____ No

CHRISTOPHER REEVE FOUNDATION
D/B/A CHRISTOPHER AND DANA REEVE FOUNDATION

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED DECEMBER 31, 2017

Section II- Financial Statement Findings

NONE

Section III- Federal Award Findings and Questioned Costs

NONE

CHRISTOPHER REEVE FOUNDATION
D/B/A CHRISTOPHER AND DANA REEVE FOUNDATION

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED DECEMBER 31, 2017

There are no prior year audit findings or questioned costs.