

ANGELMAN SYNDROME FOUNDATION, INC.

**FINANCIAL STATEMENTS
AS OF SEPTEMBER 30, 2021 AND 2020**

TOGETHER WITH AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Angelman Syndrome Foundation, Inc.:

We have audited the accompanying financial statements of Angelman Syndrome Foundation, Inc. (the Foundation) (a non-profit organization) which comprise the statement of financial position as of September 30, 2021 and 2020, and the related statements of activities, cash flows and functional expenses 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 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 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 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.

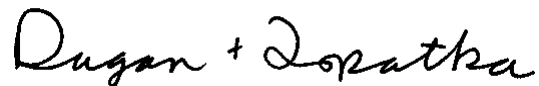
To the Board of Directors of
Angelman Syndrome Foundation, Inc.
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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Angelman Syndrome Foundation, Inc. as of September 30, 2021 and 2020, 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.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of expenditures by program services is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The 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 information is fairly stated in all material respects in relation to the financial statements as a whole.



DUGAN & LOPATKA

Warrenville, Illinois
December 22, 2021

ANGELMAN SYNDROME FOUNDATION, INC.
STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 2021 AND 2020

<u>A S S E T S</u>	<u>2021</u>	<u>2020</u>
CURRENT ASSETS:		
Cash and cash equivalents	\$ 918,772	\$ 895,023
Investments	897,812	774,762
Inventory	-	5,758
Prepaid expenses	21,321	7,156
Total current assets	<u>1,837,905</u>	<u>1,682,699</u>
PROPERTY AND EQUIPMENT, at cost:		
Office furniture, fixtures, and equipment	2,921	21,689
Display equipment	-	234
Computer hardware	11,216	34,819
Software	533,285	298,878
Website	24,000	24,000
Leasehold improvements	-	4,039
Less - Accumulated depreciation	<u>(267,142)</u>	<u>(176,035)</u>
Net property and equipment	<u>304,280</u>	<u>207,624</u>
OTHER ASSETS		
Security deposit	-	1,539
Total assets	<u>\$ 2,142,185</u>	<u>\$ 1,891,862</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES:		
Accounts payable	\$ 60,901	\$ 28,082
Accrued payroll expenses	<u>45,771</u>	<u>61,635</u>
Total liabilities	<u>106,672</u>	<u>89,717</u>
LONG-TERM LIABILITIES:		
Note payable	<u>87,000</u>	<u>87,000</u>
Total liabilities	<u>193,672</u>	<u>176,717</u>
COMMITMENTS		
NET ASSETS:		
Without donor restrictions	1,933,309	1,698,141
With donor restrictions	<u>15,204</u>	<u>17,004</u>
Total net assets	<u>1,948,513</u>	<u>1,715,145</u>
Total liabilities and net assets	<u>\$ 2,142,185</u>	<u>\$ 1,891,862</u>

The accompanying notes are an integral part of this statement.

ANGELMAN SYNDROME FOUNDATION, INC.
STATEMENT OF ACTIVITIES
FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020

	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
PUBLIC SUPPORT AND REVENUE:						
Contributions	\$ 1,035,667	\$ 341,661	\$ 1,377,328	\$ 977,403	\$ 199,505	\$ 1,176,908
Biennial conference	96,121	-	96,121	17,650	-	17,650
Special events, net of related expenses	667,500	-	667,500	642,762	-	642,762
Net investment return	125,990	-	125,990	13,232	-	13,232
Other income	11,552	-	11,552	8,066	-	8,066
Forgiveness of the Payroll Protection Program loan	87,000	-	87,000	-	-	-
Loss on disposal of fixed assets	(1,067)	-	(1,067)	-	-	-
Net assets released from restrictions - satisfaction of program restrictions	343,461	(343,461)	-	218,926	(218,926)	-
Total public support and revenue	<u>2,366,224</u>	<u>(1,800)</u>	<u>2,364,424</u>	<u>1,878,039</u>	<u>(19,421)</u>	<u>1,858,618</u>
FUNCTIONAL EXPENSES:						
Program services -						
Family Support	710,897	-	710,897	659,279	-	659,279
Research	739,010	-	739,010	562,811	-	562,811
Biennial Conference and Symposium	69,231	-	69,231	56,945	-	56,945
Total program services	1,519,138	-	1,519,138	1,279,035	-	1,279,035
Management and general	170,322	-	170,322	202,274	-	202,274
Fundraising	441,596	-	441,596	456,490	-	456,490
Total functional expenses	<u>2,131,056</u>	<u>-</u>	<u>2,131,056</u>	<u>1,937,799</u>	<u>-</u>	<u>1,937,799</u>
CHANGE IN NET ASSETS	235,168	(1,800)	233,368	(59,760)	(19,421)	(79,181)
NET ASSETS, Beginning of year	<u>1,698,141</u>	<u>17,004</u>	<u>1,715,145</u>	<u>1,757,901</u>	<u>36,425</u>	<u>1,794,326</u>
NET ASSETS, End of year	<u>\$ 1,933,309</u>	<u>\$ 15,204</u>	<u>\$ 1,948,513</u>	<u>\$ 1,698,141</u>	<u>\$ 17,004</u>	<u>\$ 1,715,145</u>

The accompanying notes are an integral part of this statement.

ANGELMAN SYNDROME FOUNDATION, INC.
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in total net assets	\$ 233,368	\$ (79,181)
Adjustments to reconcile change in total net assets to net cash provided by operating activities:		
Depreciation	136,684	55,092
Loss on disposal of fixed assets	1,067	-
Forgiveness of PPP loan	(87,000)	-
Net unrealized/realized investment (gain)	(115,920)	(1,477)
Change in assets and liabilities:		
(Increase) decrease in inventory	5,758	(5,758)
(Increase) decrease in prepaid expenses	(14,165)	33,017
Decrease in security deposits	1,539	-
Increase in accounts payable	32,819	14,350
Increase (decrease) in accrued payroll expenses	(15,864)	27,143
Net adjustments	(55,082)	122,367
Net cash provided by operating activities	178,286	43,186
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of investments	(7,129)	(7,696)
Purchase of property and equipment	(234,408)	(251,289)
Net cash (used in) investing activities	(241,537)	(258,985)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from note payable	87,000	87,000
NET CHANGE IN CASH AND CASH EQUIVALENTS	23,749	(128,799)
CASH AND CASH EQUIVALENTS, Beginning of year	895,023	1,023,822
CASH AND CASH EQUIVALENTS, End of year	\$ 918,772	\$ 895,023

The accompanying notes are an integral part of this statement.

ANGELMAN SYNDROME FOUNDATION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries and related benefits:				
Salaries and wages	\$ 130,630	\$ 104,111	\$ 163,178	\$ 397,919
Employee benefits and related taxes	12,324	12,008	17,598	41,930
 Total salaries and related benefits	 142,954	 116,119	 180,776	 439,849
Other expenses:				
Grants awarded and related expenses	707,206	-	-	707,206
Angelman Syndrome clinics & database	151,045	-	-	151,045
Biennial conference and symposium	24,186	-	-	24,186
Professional fees	71,458	32,767	49,871	154,096
Program expenses	211,537	-	-	211,537
Marketing and promotions	17,826	531	23,608	41,965
Website	25,907	3,829	20,455	50,191
Postage and printing	7,923	1,935	32,519	42,377
Supplies	271	1,078	1,064	2,413
Equipment rental	441	296	431	1,168
Rent and utilities	1,496	786	1,459	3,741
Telephone	1,639	860	1,596	4,095
Insurance	3,130	3,877	11,116	18,123
Walk	-	-	40,257	40,257
Travel	5,773	78	3,135	8,986
Board of directors	-	-	-	-
Fees	12,065	6,075	-	18,140
Cost of direct benefits to donors	-	-	59,536	59,536
Miscellaneous	-	1,247	14,214	15,461
Depreciation	134,281	844	1,559	136,684
 Total other expenses	 1,376,184	 54,203	 260,820	 1,691,207
 Total functional expenses	 \$ 1,519,138	 \$ 170,322	 \$ 441,596	 \$ 2,131,056

The accompanying notes are an integral part of this statement.

ANGELMAN SYNDROME FOUNDATION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries and related benefits:				
Salaries and wages	\$ 118,786	\$ 118,357	\$ 169,847	\$ 406,990
Employee benefits and related taxes	15,463	14,710	18,014	48,187
Total salaries and related benefits	<u>134,249</u>	<u>133,067</u>	<u>187,861</u>	<u>455,177</u>
Other expenses:				
Grants awarded and related expenses	494,929	-	-	494,929
Angelman Syndrome clinics	239,974	-	-	239,974
Biennial conference and symposium	27,512	-	-	27,512
Professional fees	86,675	35,792	71,175	193,642
Program expenses	130,996	-	-	130,996
Marketing and promotions	58,020	4,040	15,345	77,405
Website	22,243	4,239	27,922	54,404
Postage and printing	5,143	1,856	30,223	37,222
Supplies	1,182	226	1,072	2,480
Equipment rental	799	451	780	2,030
Rent and utilities	9,199	4,829	8,968	22,996
Telephone	1,639	860	1,599	4,098
Insurance	5,566	5,296	11,769	22,631
Walk	-	-	34,449	34,449
Travel	4,751	3,274	3,780	11,805
Board of directors	-	146	-	146
Fees	4,822	3,714	52,703	61,239
Cost of direct benefits to donors	-	-	-	-
Miscellaneous	-	3,332	6,240	9,572
Depreciation	51,336	1,152	2,604	55,092
Total other expenses	<u>1,144,786</u>	<u>69,207</u>	<u>268,629</u>	<u>1,482,622</u>
Total functional expenses	<u>\$ 1,279,035</u>	<u>\$ 202,274</u>	<u>\$ 456,490</u>	<u>\$ 1,937,799</u>

The accompanying notes are an integral part of this statement.

ANGELMAN SYNDROME FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021 AND 2020

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES:

Angelman Syndrome Foundation, Inc. (the Foundation) was incorporated as a not-for-profit organization in 1990, under the laws of the State of Florida. Its mission is to advance the awareness and treatment of Angelman Syndrome through education and information, research, advocacy, and support for individuals with Angelman Syndrome, their families, and other concerned parties.

The financial statements were available to be issued December 22, 2021, with subsequent events being evaluated through this date.

The following summarizes the significant accounting policies and practices reflected in the accompanying financial statements:

Basis of Presentation -

Financial statement presentation follows the recommendations of the Accounting Standards Codification (ASC), *Financial Statements for Not-for-Profit Organizations*. Under the ASC, the Foundation is required to report information regarding two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Without donor restrictions - Net assets that are not subject to donor-imposed stipulations and may be expensed for any purpose in performing the primary objectives of the Foundation. These net assets may be used at the discretion of management and the board of directors.

With donor restrictions - Net assets subject to donor-imposed stipulations. Some donor restrictions are temporary in nature; those restrictions will be met either by actions of the Foundation and/or the passage of time. Other donor restrictions are perpetual in nature, where the donor has stipulated the funds be maintained in perpetuity.

Basis of Accounting -

The accounting records of the Foundation are maintained on the accrual basis which recognizes revenue as earned and expenses as they are incurred.

Cash and Cash Equivalents -

For purposes of the statement of cash flows, the Foundation considers all highly liquid instruments with an original maturity of three months or less to be cash equivalents.

Concentrations of Credit Risk -

Financial instruments which potentially subject the Foundation to concentrations of credit risk consist principally of cash. The Foundation places its cash and deposits with high credit quality financial institutions; however, deposits exceeded the federally insured limits on September 30, 2021 and 2020.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES: (Continued)

Concentrations of Credit Risk - (Continued)

During the years ended September 30, 2021 and 2020, the Foundation received approximately 30% and 35%, respectively, of its non-investment income from the annual fundraising walk held nationally to show the commitment to making a difference in the lives of Angelman Syndrome individuals and their families. This source of revenue is contingent upon the continued success of this event and may cause disruption in program activities if not conducted or successful.

Property and Equipment -

Property and equipment are stated at cost. It is the Foundation's policy to capitalize expenditures for items in excess of \$1,000. Lesser amounts are expensed. Depreciation is provided on the double declining balance method at rates designed to depreciate the costs of assets over estimated useful lives ranging from three to seven years.

Investments -

Investments are carried at fair value. Net realized and unrealized gains and losses are reflected in the statement of activities.

Contributions and Grants -

The Foundation recognizes contributions when cash, securities, or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met. The Foundation reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the assets, or if they are designated as support for future periods. When a donor restriction expires; that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Donor-imposed contributions whose restrictions are met in the same reporting period are reported as net assets without donor restrictions.

Grant Award Recognition -

As a function of fulfilling its mission, the Foundation awards research grants that can be a one or two year grant. The second year of the award is conditional upon meeting measurable performance or other barriers set in the first year and therefore these amounts are not expensed until the barriers has been met.

Allocation of Expenses -

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and wages, professional fees, supplies and depreciation, which are allocated on the basis estimated of time and effort.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES: (Continued)

In-Kind Contributions -

In addition to receiving cash contributions, the Foundation receives in-kind contributions from various donors. It is the policy of the Foundation to record the estimated fair value of certain in-kind donations as an expense in its financial statements, and similarly increase donations by a like amount. For the years ended September 30, 2021 and 2020, the value of in-kind donations totaled \$73,086 and \$110,917, respectively. Of the in-kind donations, \$73,086 and \$110,917 are included in the direct benefit to participants in the special events of the Foundation in 2021 and 2020, respectively.

Estimates -

The Foundation prepares its financial statements according to generally accepted accounting principles that require the use of estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(2) INCOME TAXES:

The Foundation has been determined by the Internal Revenue Service to be exempt from income tax under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income tax has been established.

(3) INVESTMENTS:

The market value of investments for the years ended September 30 is as follows:

	<u>2021</u>	<u>2020</u>
Mutual funds	\$ <u>897,812</u>	\$ <u>774,762</u>

Investment return consists of the following:

	<u>2021</u>	<u>2020</u>
Interest and dividends	\$ 17,717	\$ 18,549
Net realized/unrealized gain	115,920	1,477
Investment fees	<u>(7,647)</u>	<u>(6,794)</u>
	<u>\$ 125,990</u>	<u>\$ 13,232</u>

(4) FAIR VALUE MEASUREMENTS:

The Accounting Standards Codification for Fair Value Measurements established 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 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1:

Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

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.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

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 methodology used for assets measured at fair value. There have been no changes in the methodology used on September 30, 2021 and 2020.

Mutual Funds: Valued at the closing price reported on the active market on which the individual securities are traded.

The preceding method described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Foundation believes its valuation method is 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.

(4) FAIR VALUE MEASUREMENTS: (Continued)

The following table sets forth by level, within the fair value hierarchy, the Foundation's assets at fair value:

<u>Description</u>	<u>Assets at Fair Value as of September 30, 2021</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds:				
Bond funds	\$ 537,069	\$ -	\$ -	\$ 537,069
International funds	116,745	-	-	116,745
Large cap blended funds	106,331	-	-	106,331
Large cap value funds	63,442	-	-	63,442
Real estate funds	28,289	-	-	28,289
Small cap blended funds	<u>45,936</u>	<u>-</u>	<u>-</u>	<u>45,936</u>
Total investments	<u>\$ 897,812</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 897,812</u>

<u>Description</u>	<u>Assets at Fair Value as of September 30, 2020</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds:				
Bond funds	\$ 448,442	\$ -	\$ -	\$ 448,442
International funds	103,277	-	-	103,277
Large cap blended funds	84,439	-	-	84,439
Large cap value funds	70,148	-	-	70,148
Real estate funds	23,391	-	-	23,391
Small cap blended funds	<u>45,065</u>	<u>-</u>	<u>-</u>	<u>45,065</u>
Total investments	<u>\$ 774,762</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 774,762</u>

(5) NOTES PAYABLE:

	<u>2021</u>	<u>2020</u>
Payroll Protection Program (PPP) loan payable to a bank as part of the Coronavirus Aid, Relief, and Economic Security (CARES) Act, interest at 1%, with the amount to be repaid in equal installments of principal and interest, beginning at the earlier of the date the SBA remits the loan forgiveness amount or 10 months after the end of the forgivable covered period, with the final payment due April 2022, consisting of interest and the entirety of the principal. As part of the loan agreement, all or a portion can be forgiven. The Foundation intends to maximize the forgivable portion of this loan. The Foundation has adopted ASC 470 to account for the PPP loan and will record a gain from the forgiven portion of the loan when it is forgiven. In 2021, the Foundation received notice from the Small Business Administration that the loan has been forgiven in full.	\$ -	\$ 87,000
Payroll Protection Program (PPP) loan payable to a bank as part of the Economic Aid Act, interest at 1%, with the amount to be repaid in equal installments of principal and interest, beginning at the earlier of the date the SBA remits the loan forgiveness amount or 10 months after the end of the forgivable covered period, with the final payment due April 2026, consisting of interest and the entirety of the principal. As part of the loan agreement, all or a portion can be forgiven. The Foundation intends to maximize the forgivable portion of this loan. The Foundation has adopted ASC 470 to account for the PPP loan and will record a gain from the forgiven portion of the loan when it is forgiven.	<u>87,000</u>	<u>-</u>
Less - Current portion	-	-
Long term portion	<u>\$ 87,000</u>	<u>\$ 87,000</u>

Aggregate maturities required on long-term debt as of September 30, 2021, are due in future years as follows:

<u>Years ending</u> <u>September 30,</u>	
2023	\$ 29,882
2024	23,499
2025	23,735
2026	<u>9,884</u>
	<u>\$ 87,000</u>

(6) NET ASSETS:

Net assets without donor restrictions for the years ended September 30, 2021 and 2020 consist of the following:

	<u>2021</u>	<u>2020</u>
Board Designated -		
Operating and strategic reserves	\$ 420,000	\$ 420,000
Clinics	400,000	400,000
Research	<u>627,655</u>	<u>627,655</u>
	1,447,655	1,447,655
Undesignated	<u>485,654</u>	<u>250,486</u>
	<u>\$ 1,933,309</u>	<u>\$ 1,698,141</u>

Net assets with donor restrictions for the years ended September 30, 2021 and 2020 are available for the following purposes:

	<u>2021</u>	<u>2020</u>
Education	\$ 3,858	\$ 3,858
Communication	11,346	11,346
CCK Camp	<u>-</u>	<u>1,800</u>
	<u>\$ 15,204</u>	<u>\$ 17,004</u>

(7) EMPLOYEE BENEFIT PLAN:

The Foundation has a 403(b) plan for all of its eligible employees that matches up to six percent of the participating employee's contribution. The Foundation contributed \$15,087 and \$15,929 for the years ended September 30, 2021 and 2020, respectively.

(8) LEASE COMMITMENTS:

The Foundation leases an operating facility under a non-cancellable operating lease arrangement that expired in October 2020. In October 2020, the Foundation choose not to renew their building lease and moved to virtual operations. The Foundation also leases office equipment on a quarter-to-quarter basis with a payment of \$297. Rental expense for the years ended September 30, 2021 and 2020 was \$3,741 and \$22,996, respectively.

(9) LIQUIDITY AND AVAILABILITY:

The Foundation manages its cash available to meet general expenditures following three guiding principles:

- Operating within a prudent range of financial soundness and stability,
- Maintaining adequate liquid assets, and
- Maintaining sufficient reserves to provide reasonable assurance that long term grant commitments and obligations under endowments with donor restrictions and quasi-endowments that support mission fulfillment will continue to be met, ensuring the sustainability of the Foundation.

The Foundation's Grant Committee (the Committee) meets semi-annually to review and approve grant requests. Due to this timing, the Foundation strives to maintain financial assets available to meet general expenditures at a level that represents 100% of annual expenses for administrative, general, and fundraising expenses plus an amount that represents the expected payment for grant commitments approved by the Committee.

The table below presents financial assets available for general expenditures within one year on September 30, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Financial assets at year-end:		
Cash and cash equivalents	\$ 918,772	\$ 895,023
Investments	<u>897,812</u>	<u>774,762</u>
Total financial assets	<u>1,816,584</u>	<u>1,669,785</u>
Less amounts not available to be used within one year:		
Donor-imposed restrictions	(15,204)	(17,004)
Board designated - Operating and strategic reserves	(420,000)	(420,000)
Board designated - Research Grants	<u>(627,655)</u>	<u>(627,655)</u>
Financial assets not available to be used within one year	<u>(1,062,859)</u>	<u>(1,064,659)</u>
Financial assets available to meet general expenditures within one year	<u>\$ 753,725</u>	<u>\$ 605,126</u>

(10) MANAGEMENT RESPONSE TO COVID:

In March 2020, the World Health Organization declared the novel strain of coronavirus (COVID-19) a global pandemic and recommended containment and mitigation measures worldwide. As part of these mitigation measures, the Foundation had to change their major fundraiser event to a smaller virtual event during the pandemic which had an impact on revenue stream. The Foundation has also had to reduce meetings with donors due to various travel restrictions. The Foundation has converted all of their operations to be run virtual and is in the process of developing other revenue events that can be completed virtual. Management cannot reasonably estimate the length or severity of this pandemic, or the extent to which the disruption may impact the operations and financial statements in fiscal year 2022.

ANGELMAN SYNDROME FOUNDATION, INC.
SCHEDULE OF EXPENDITURES BY PROGRAM SERVICES
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>Family Support</u>	<u>Research</u>	<u>Biennial Conference and Symposium</u>	<u>Total</u>
Salaries and wages	\$ 98,747	\$ 16,774	\$ 15,109	\$ 130,630
Employee benefits and related taxes	9,370	1,555	1,399	12,324
Grants awarded and related expenses	-	707,206	-	707,206
Angelman Syndrome clinics & database	151,045	-	-	151,045
Biennial conference and symposium	-	-	24,186	24,186
Professional fees	64,841	1,662	4,955	71,458
Program expenses	211,537	-	-	211,537
Marketing and promotions	11,289	2,661	3,876	17,826
Website	13,687	4,645	7,575	25,907
Postage and printing	1,384	27	6,512	7,923
Supplies	98	12	161	271
Equipment rental	331	70	40	441
Rent and utilities	1,122	187	187	1,496
Telephone	1,229	205	205	1,639
Insurance	2,396	474	260	3,130
Travel	3,338	1,606	829	5,773
Fees	6,638	1,686	3,741	12,065
Depreciation	133,845	240	196	134,281
	<u>\$ 710,897</u>	<u>\$ 739,010</u>	<u>\$ 69,231</u>	<u>\$ 1,519,138</u>
Total program expenses	<u>\$ 710,897</u>	<u>\$ 739,010</u>	<u>\$ 69,231</u>	<u>\$ 1,519,138</u>

ANGELMAN SYNDROME FOUNDATION, INC.
SCHEDULE OF EXPENDITURES BY PROGRAM SERVICES
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Family Support</u>	<u>Research</u>	<u>Biennial Conference and Symposium</u>	<u>Total</u>
Salaries and wages	\$ 93,253	\$ 11,389	\$ 14,144	\$ 118,786
Employee benefits and related taxes	12,737	1,275	1,451	15,463
Grants awarded and related expenses	-	494,929	-	494,929
Angelman Syndrome clinics	239,974	-	-	239,974
Biennial conference and symposium	-	-	26,971	26,971
Conferences not held by ASF	541	-	-	541
Professional fees	67,642	17,315	1,718	86,675
Program expenses	130,464	532	-	130,996
Marketing and promotions	26,429	25,692	5,899	58,020
Website	13,236	5,854	3,153	22,243
Postage and printing	4,073	1,041	29	5,143
Supplies	662	128	392	1,182
Equipment rental	599	100	100	799
Rent and utilities	6,899	1,150	1,150	9,199
Telephone	1,229	205	205	1,639
Insurance	3,682	614	1,270	5,566
Travel	4,213	508	30	4,751
Fees	3,148	1,530	144	4,822
Depreciation	50,498	549	289	51,336
	<u>\$ 659,279</u>	<u>\$ 562,811</u>	<u>\$ 56,945</u>	<u>\$ 1,279,035</u>