

ANGELMAN SYNDROME FOUNDATION, INC.

**FINANCIAL STATEMENTS
AS OF SEPTEMBER 30, 2020 AND 2019**

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, 2020 and 2019, 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.

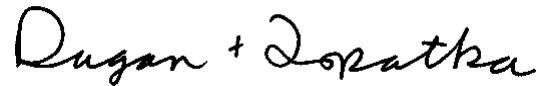
To the Board of Directors of
Angelman Syndrome Foundation, Inc.
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Opinion

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, 2020, and 2019, 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 18, 2020

ANGELMAN SYNDROME FOUNDATION, INC.
STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 2020 AND 2019

<u>A S S E T S</u>	<u>2020</u>	<u>2019</u>
CURRENT ASSETS:		
Cash and cash equivalents	\$ 895,023	\$ 1,023,822
Investments	774,762	765,588
Inventory	5,758	-
Prepaid expenses	7,156	40,173
Total current assets	<u>1,682,699</u>	<u>1,829,583</u>
PROPERTY AND EQUIPMENT, at cost:		
Office furniture, fixtures, and equipment	21,689	21,689
Display equipment	234	234
Computer hardware	34,819	29,092
Software	298,878	53,316
Website	24,000	24,000
Leasehold improvements	4,039	4,039
Less - Accumulated depreciation	<u>(176,035)</u>	<u>(120,942)</u>
Net property and equipment	<u>207,624</u>	<u>11,428</u>
OTHER ASSETS		
Security deposit	<u>1,539</u>	<u>1,539</u>
Total assets	<u>\$ 1,891,862</u>	<u>\$ 1,842,550</u>
 <u>LIABILITIES AND NET ASSETS</u> 		
CURRENT LIABILITIES:		
Accounts payable	\$ 28,082	\$ 13,732
Accrued payroll expenses	<u>61,635</u>	<u>34,492</u>
Total liabilities	<u>89,717</u>	<u>48,224</u>
LONG-TERM LIABILITIES:		
Note payable	<u>87,000</u>	<u>-</u>
Total liabilities	<u>176,717</u>	<u>48,224</u>
COMMITMENTS		
NET ASSETS:		
Without donor restrictions	1,698,141	1,757,901
With donor restrictions	<u>17,004</u>	<u>36,425</u>
Total net assets	<u>1,715,145</u>	<u>1,794,326</u>
Total liabilities and net assets	<u>\$ 1,891,862</u>	<u>\$ 1,842,550</u>

The accompanying notes are an integral part of this statement.

ANGELMAN SYNDROME FOUNDATION, INC.
STATEMENT OF ACTIVITIES
FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019

	2020			2019		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
PUBLIC SUPPORT AND REVENUE:						
Contributions	\$ 977,403	\$ 199,505	\$ 1,176,908	\$ 1,054,029	\$ 6,620	\$ 1,060,649
Donated professional services	-	-	-	73,500	-	73,500
Biennial conference	17,650	-	17,650	108,854	-	108,854
Special events, net of related expenses	642,762	-	642,762	1,005,519	-	1,005,519
Net investment return	13,232	-	13,232	13,549	-	13,549
Other income	7,933	-	7,933	5,072	-	5,072
Repayment of grant funds	133	-	133	63,060	-	63,060
Net assets released from restrictions - satisfaction of program restrictions	218,926	(218,926)	-	48,843	(48,843)	-
Total public support and revenue	<u>1,878,039</u>	<u>(19,421)</u>	<u>1,858,618</u>	<u>2,372,426</u>	<u>(42,223)</u>	<u>2,330,203</u>
FUNCTIONAL EXPENSES:						
Program services -						
Family Support	659,279	-	659,279	427,988	-	427,988
Research	562,811	-	562,811	553,300	-	553,300
Biennial Conference and Symposium	56,945	-	56,945	278,870	-	278,870
Total program services	1,279,035	-	1,279,035	1,260,158	-	1,260,158
Management and general	202,274	-	202,274	159,289	-	159,289
Fundraising	456,490	-	456,490	442,809	-	442,809
Total functional expenses	<u>1,937,799</u>	<u>-</u>	<u>1,937,799</u>	<u>1,862,256</u>	<u>-</u>	<u>1,862,256</u>
CHANGE IN NET ASSETS	(59,760)	(19,421)	(79,181)	510,170	(42,223)	467,947
NET ASSETS, Beginning of year	<u>1,757,901</u>	<u>36,425</u>	<u>1,794,326</u>	<u>1,247,731</u>	<u>78,648</u>	<u>1,326,379</u>
NET ASSETS, End 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>

The accompanying notes are an integral part of this statement.

ANGELMAN SYNDROME FOUNDATION, INC.
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in total net assets	\$ (79,181)	\$ 467,947
Adjustments to reconcile change in total net assets to net cash provided by operating activities:		
Depreciation	55,092	6,988
Net unrealized/realized investment (gain) loss	(1,477)	5,743
Change in assets and liabilities:		
(Increase) in inventory	(5,758)	-
Decrease in prepaid expenses	33,017	5,677
Increase (decrease) in accounts payable	14,350	(7,582)
Increase in accrued payroll expenses	27,143	8,204
Net adjustments	<u>122,367</u>	<u>19,030</u>
Net cash provided by operating activities	<u>43,186</u>	<u>486,977</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of investments	(7,696)	(20,732)
Proceeds from sale of investments	-	5,066
Purchase of property and equipment	(251,289)	(5,643)
Net cash (used in) investing activities	<u>(258,985)</u>	<u>(21,309)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from note payable	<u>87,000</u>	<u>-</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(128,799)	465,668
CASH AND CASH EQUIVALENTS, Beginning of year	<u>1,023,822</u>	<u>558,154</u>
CASH AND CASH EQUIVALENTS, End of year	<u>\$ 895,023</u>	<u>\$ 1,023,822</u>

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
AS clinics	239,974	-	-	239,974
Biennial conference and symposium	27,512	-	-	27,512
Professional fees	86,675	35,792	71,175	193,642
Donated professional services	-	-	-	-
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>
Less expenses included with revenue on statement of activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenses included in the expense section of the statement of activities	<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.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Program Services	Management and General	Fundraising	Total
Salaries and related benefits:				
Salaries and wages	\$ 122,446	\$ 79,987	\$ 118,598	\$ 321,031
Employee benefits and related taxes	14,927	8,896	14,478	38,301
Total salaries and related benefits	137,373	88,883	133,076	359,332
Other expenses:				
Grants awarded and related expenses	484,955	-	-	484,955
AS clinics	140,301	-	-	140,301
Biennial conference and symposium	223,471	-	-	223,471
Professional fees	25,176	43,872	13,341	82,389
Donated professional services	28,854	-	40,800	69,654
Program expenses	91,415	-	-	91,415
Marketing and promotions	30,597	3,378	38,922	72,897
Website	8,077	2,335	17,079	27,491
Postage and printing	54,711	2,363	30,293	87,367
Supplies	1,409	1,207	1,078	3,694
Equipment rental	591	296	458	1,345
Rent and utilities	7,613	4,786	9,354	21,753
Telephone	2,953	1,477	2,282	6,712
Insurance	2,996	4,216	885	8,097
Walk	-	-	122,078	122,078
Travel	7,170	-	8,720	15,890
Board of directors	-	3,045	-	3,045
Fees	8,867	1,942	12,848	23,657
Cost of direct benefits to donors	-	-	60,212	60,212
Miscellaneous	-	218	9,507	9,725
Depreciation	3,629	1,271	2,088	6,988
Total other expenses	1,122,785	70,406	369,945	1,563,136
Total functional expenses	1,260,158	159,289	503,021	1,922,468
Less expenses included with revenue on statement of activities	-	-	(60,212)	(60,212)
Total expenses included in the expense section of the statement of activities	\$ 1,260,158	\$ 159,289	\$ 442,809	\$ 1,862,256

The accompanying notes are an integral part of this statement.

ANGELMAN SYNDROME FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020 AND 2019

(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 18, 2020 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, 2020 and 2019.

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

Concentrations of Credit Risk - (Continued)

During the years ended September 30, 2020 and 2019, the Foundation received approximately 35% and 45%, 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.

New Accounting Pronouncement -

Effective July 1, 2019, the Foundation adopted ASU 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. This guidance is intended to clarify and improve the scope and the accounting guidance for contributions received and contributions made. Key provisions in this guidance include clarification regarding the accounting for grants and contracts as exchange transactions or contributions and improve guidance to better distinguish between conditional and unconditional contributions.

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

New Accounting Pronouncement - (Continued)

The adoption of this new standard did not result in a material impact to the Foundation's financial statements. There was no significant effect on the financial statements related to the adoption of this standard which would require a cumulative adjustment to net assets at the date of adoption under the modified retrospective method.

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.

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, 2020 and 2019, the value of in-kind donations totaled \$110,917 and \$268,979, respectively. Of the in-kind donations, \$110,917 and \$268,979 are included in the direct benefit to participants in the special events of the Foundation in 2020 and 2019, respectively.

Donated Services -

Contributions of services are required to be recognized if the services received (a) create or enhance non-financial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. During the year ended September 30, 2019, the Foundation received \$73,500 of donated services meeting these criteria. Of the donated services, \$3,846 are special events net of related expense in 2019. Throughout the year, a substantial number of volunteers donated their time toward the activities of the Foundation, the value of which was not required to be included in the financial statements.

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>2020</u>	<u>2019</u>
Mutual funds	<u>\$ 774,762</u>	<u>\$ 765,588</u>

Investment return consists of the following:

	<u>2020</u>	<u>2019</u>
Interest and dividends	\$ 18,549	\$ 30,314
Net realized/unrealized gain (loss)	1,477	(5,743)
Investment fees	<u>(6,794)</u>	<u>(11,022)</u>
	<u>\$ 13,232</u>	<u>\$ 13,549</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.

(4) FAIR VALUE MEASUREMENTS: (Continued)

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, 2020 and 2019.

Mutual Funds: Valued at the net asset value (NAV) of shares held by the Foundation at year end.

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.

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, 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>

<u>Description</u>	<u>Assets at Fair Value as of September 30, 2019</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds:				
Bond funds	\$ 420,280	\$ -	\$ -	\$ 420,280
International funds	100,067	-	-	100,067
Large cap blended funds	112,385	-	-	112,385
Large cap value funds	65,853	-	-	65,853
Real estate funds	26,720	-	-	26,720
Small cap blended funds	<u>40,283</u>	<u>-</u>	<u>-</u>	<u>40,283</u>
Total investments	<u>\$ 765,588</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 765,588</u>

(5) NOTES PAYABLE:

	<u>2020</u>	<u>2019</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.	\$ 87,000	\$ -

Aggregate maturities required on long-term debt as of September 30, 2020, are due in future years as follows:

<u>Years ending September 30,</u>	
2022	\$ 87,000

(6) NET ASSETS:

Net assets without donor restrictions for the years ended September 30, 2020 and 2019 consist of the following:

	<u>2020</u>	<u>2019</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>250,486</u>	<u>310,246</u>
	<u>\$ 1,698,141</u>	<u>\$ 1,757,901</u>

Net assets with donor restrictions for the years ended September 30, 2020 and 2019 are available for the following purposes:

(6) NET ASSETS: (Continued)

	<u>2020</u>	<u>2019</u>
Education	\$ 3,858	\$ 18,459
Communication	11,346	11,346
UNE Region	-	6,620
CCK Camp	<u>1,800</u>	<u>-</u>
	<u>\$ 17,004</u>	<u>\$ 36,425</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 \$15,929 and \$14,479 for the years ended September 30, 2020 and 2019, 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, 2020 and 2019 was \$22,996 and \$23,098, respectively.

Future minimum rental commitments as of September 30, 2020 for all noncancelable leases are as follows:

2021	\$ 1,835
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(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.

(9) LIQUIDITY AND AVAILABILITY: (Continued)

The table below presents financial assets available for general expenditures within one year on September 30, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Financial assets at year-end:		
Cash and cash equivalents	\$ 895,023	\$ 1,023,822
Investments	<u>774,762</u>	<u>765,588</u>
Total financial assets	<u>1,669,785</u>	<u>1,789,410</u>
Less amounts not available to be used within one year:		
Donor-imposed restrictions	(17,004)	(36,425)
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>(1,064,659)</u>	<u>(1,084,080)</u>
Financial assets available to meet general Expenditures within one year	<u>\$ 605,126</u>	<u>\$ 705,330</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 2021.

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

	Family Support	Education	Research	Biennial Conference and Symposium	Total
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
Donated professional services	-	-	-	-	-
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>\$ -</u>	<u>\$ 562,811</u>	<u>\$ 56,945</u>	<u>\$ 1,279,035</u>
Total program expenses					

ANGELMAN SYNDROME FOUNDATION, INC.
SCHEDULE OF EXPENDITURES BY PROGRAM SERVICES
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Family Support	Education	Research	Biennial Conference and Symposium	Total
Salaries and wages	\$ 69,756	\$ -	\$ 18,664	\$ 34,026	\$ 122,446
Employee benefits and related taxes	8,486	-	2,416	4,025	14,927
Grants awarded and related expenses	-	-	484,955	-	484,955
Angelman Syndrome clinics	140,301	-	-	-	140,301
Biennial conference and symposium		-		223,471	223,471
Professional fees	19,570	-	2,968	2,638	25,176
Donated professional services	9,921	-	7,772	11,161	28,854
Program expenses	65,014	-	26,401	-	91,415
Marketing and promotions	30,597	-	-	-	30,597
Website	4,841	-	3,167	69	8,077
Postage and printing	54,531	-	180	-	54,711
Supplies	875	-	294	240	1,409
Equipment rental	364	-	121	106	591
Rent and utilities	5,873	-	-	1,740	7,613
Telephone	1,812	-	604	537	2,953
Insurance	1,838	-	613	545	2,996
Travel	5,128	-	2,042	-	7,170
Fees	6,650	-	2,215	2	8,867
Depreciation	2,431	-	888	310	3,629
	<u>\$ 427,988</u>	<u>\$ -</u>	<u>\$ 553,300</u>	<u>\$ 278,870</u>	<u>\$ 1,260,158</u>
Total program expenses					