

**ALS UNITED MID-ATLANTIC**

**FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITOR'S REPORTS**

**JANUARY 31, 2024 AND 2023**

**ALS UNITED MID-ATLANTIC**  
**TABLE OF CONTENTS**  
**JANUARY 31, 2024 AND 2023**

	<u>Page No.</u>
<b>Independent Auditor’s Report</b>	1
<b>Financial Statements</b>	
Statements of Financial Position	4
Statements of Activities	6
Statements of Functional Expenses	8
Statements of Cash Flows	10
Notes to Financial Statements	11
<b>Independent Auditor’s 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</b>	28
<b>Supplementary Information</b>	
Schedule of Expenditures of New Jersey Financial Assistance	31



BELFINT • LYONS • SHUMAN  
Certified Public Accountants

---

[www.belfint.com](http://www.belfint.com)

---

*Independent Auditor's Report*

To the Board of Directors  
ALS United Mid-Atlantic

**Report on the Audit of the Financial Statements**

***Opinion***

We have audited the accompanying financial statements of ALS United Mid-Atlantic formerly known as The ALS Association Greater Philadelphia Chapter (a nonprofit organization), which comprise the statements of financial position as of January 31, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of ALS United Mid-Atlantic, as of January 31, 2024 and 2023, 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.

***Basis for Opinion***

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. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of ALS United Mid-Atlantic and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Emphasis of Matter***

As discussed in Note 1 to the financial statements, prior to September 1, 2023, the organization operated under a chapter charter agreement with The ALS Association (National), a national nonprofit organization. Due to the organization's termination of rights and obligations under its previous charter with National, the Board of Director's voted to rename the organization from The ALS Association Greater Philadelphia Chapter to ALS United Mid-

To the Board of Directors  
ALS United Mid-Atlantic

Atlantic, reflecting its anticipated affiliation with the cooperative, ALS United. Our opinion is not modified with respect to this manner.

***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about ALS United Mid-Atlantic's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 ALS United Mid-Atlantic's internal control. Accordingly, no such opinion is expressed.

To the Board of Directors  
ALS United Mid-Atlantic

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about ALS United Mid-Atlantic's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

### ***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 New Jersey Financial Assistance 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 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, 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 October 22, 2024, on our consideration of ALS United Mid-Atlantic'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 effectiveness of ALS United Mid-Atlantic's 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 ALS United Mid-Atlantic's internal control over financial reporting and compliance.

*Belfint, Lyons & Shuman, P.A.*

October 22, 2024

Wilmington, Delaware

**ALS UNITED MID-ATLANTIC**  
**STATEMENT OF FINANCIAL POSITION**  
**JANUARY 31, 2024**

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	\$ 707,251	\$ 179,148	\$ 886,399
Investments	2,009,596	-	2,009,596
Pledges Receivable, Net	175,693	30,093	205,786
Grants Receivable	493,488	395,309	888,797
Other Receivables	1,895	-	1,895
Prepaid Expenses	129,486	-	129,486
<b>TOTAL CURRENT ASSETS</b>	<b>3,517,409</b>	<b>604,550</b>	<b>4,121,959</b>
<b>PROPERTY, PLANT, AND EQUIPMENT</b>			
Patient Transport Vehicles	20,295	-	20,295
Computers, Equipment, and Furniture	794,708	27,840	822,548
	815,003	27,840	842,843
Less: Accumulated Depreciation	674,605	27,840	702,445
<b>NET PROPERTY, PLANT, AND EQUIPMENT</b>	<b>140,398</b>	<b>-</b>	<b>140,398</b>
<b>OTHER ASSETS</b>			
Pledges Receivable, Net	128,812	43,652	172,464
Right-of-Use Asset - Finance Lease	21,576	-	21,576
Beneficial Interest in Perpetual Trust	-	428,021	428,021
<b>TOTAL OTHER ASSETS</b>	<b>150,388</b>	<b>471,673</b>	<b>622,061</b>
<b>TOTAL ASSETS</b>	<b>\$ 3,808,195</b>	<b>\$ 1,076,223</b>	<b>\$ 4,884,418</b>
<b>LIABILITIES AND NET ASSETS</b>			
<b>CURRENT LIABILITIES</b>			
Accounts Payable and Accrued Liabilities	\$ 345,040	\$ -	\$ 345,040
Current Maturities of Finance Lease Liability	12,022	-	12,022
<b>TOTAL CURRENT LIABILITIES</b>	<b>357,062</b>	<b>-</b>	<b>357,062</b>
<b>OTHER LIABILITIES</b>			
Finance Lease Liability - Net of Current Maturities	10,321	-	10,321
<b>TOTAL LIABILITIES</b>	<b>367,383</b>	<b>-</b>	<b>367,383</b>
<b>NET ASSETS</b>	<b>3,440,812</b>	<b>1,076,223</b>	<b>4,517,035</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 3,808,195</b>	<b>\$ 1,076,223</b>	<b>\$ 4,884,418</b>

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

**ALS UNITED MID-ATLANTIC**  
**STATEMENT OF FINANCIAL POSITION**  
**JANUARY 31, 2023**

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	\$ 13,863	\$ 200,636	\$ 214,499
Investments	2,770,248	-	2,770,248
Pledges Receivable, Net	141,449	21,459	162,908
Grants Receivable	474,482	224,517	698,999
Other Receivables	1,537	-	1,537
Prepaid Expenses	130,314	-	130,314
<b>TOTAL CURRENT ASSETS</b>	<b>3,531,893</b>	<b>446,612</b>	<b>3,978,505</b>
<b>PROPERTY, PLANT, AND EQUIPMENT</b>			
Patient Transport Vehicles	72,669	-	72,669
Computers, Equipment, and Furniture	752,014	27,840	779,854
	824,683	27,840	852,523
Less: Accumulated Depreciation	673,468	27,840	701,308
<b>NET PROPERTY, PLANT, AND EQUIPMENT</b>	<b>151,215</b>	<b>-</b>	<b>151,215</b>
<b>OTHER ASSETS</b>			
Pledges Receivable, Net	101,622	128,019	229,641
Right-of-Use Asset - Finance Lease	33,411	-	33,411
Right-of-Use Asset - Operating Lease	118,073	-	118,073
Beneficial Interest in Perpetual Trust	-	415,400	415,400
<b>TOTAL OTHER ASSETS</b>	<b>253,106</b>	<b>543,419</b>	<b>796,525</b>
<b>TOTAL ASSETS</b>	<b>\$ 3,936,214</b>	<b>\$ 990,031</b>	<b>\$ 4,926,245</b>
<b>LIABILITIES AND NET ASSETS</b>			
<b>CURRENT LIABILITIES</b>			
Accounts Payable and Accrued Liabilities	\$ 650,320	\$ -	\$ 650,320
Current Maturities of Finance Lease Liability	11,638	-	11,638
Current Maturities of Operating Lease Liability	119,608	-	119,608
<b>TOTAL CURRENT LIABILITIES</b>	<b>781,566</b>	<b>-</b>	<b>781,566</b>
<b>OTHER LIABILITIES</b>			
Finance Lease Liability - Net of Current Maturities	22,342	-	22,342
<b>TOTAL LIABILITIES</b>	<b>803,908</b>	<b>-</b>	<b>803,908</b>
<b>NET ASSETS, AS RESTATED</b>	<b>3,132,306</b>	<b>990,031</b>	<b>4,122,337</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 3,936,214</b>	<b>\$ 990,031</b>	<b>\$ 4,926,245</b>

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

**ALS UNITED MID-ATLANTIC**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED JANUARY 31, 2024**

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>REVENUES AND OTHER SUPPORT</b>			
Contributions and Special Events	\$ 3,410,530	\$ 888,385	\$ 4,298,915
Government Grants	-	1,538,974	1,538,974
Gain on Disposal of Vehicle	17,000	-	17,000
Net Investment Income	114,492	-	114,492
Other Income	457,207	-	457,207
Change in Beneficial Interest in Perpetual Trust	-	12,620	12,620
	3,999,229	2,439,979	6,439,208
Total Revenues			
Net Assets Released from Restrictions	2,353,787	(2,353,787)	-
	6,353,016	86,192	6,439,208
<b>TOTAL REVENUES AND OTHER SUPPORT</b>			
<b>EXPENSES</b>			
Program			
Education	690,871	-	690,871
Care Services	3,230,391	-	3,230,391
Research	461,320	-	461,320
	4,382,582	-	4,382,582
Total Program Expenses			
Management and General	642,457	-	642,457
Fundraising	1,019,471	-	1,019,471
	6,044,510	-	6,044,510
<b>TOTAL EXPENSES</b>			
<b>CHANGE IN NET ASSETS</b>	308,506	86,192	394,698
<b>NET ASSETS - Beginning of Year, As Restated</b>	3,132,306	990,031	4,122,337
<b>NET ASSETS - End of Year</b>	\$ 3,440,812	\$ 1,076,223	\$ 4,517,035

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



**ALS UNITED MID-ATLANTIC**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED JANUARY 31, 2023**

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>REVENUES AND OTHER SUPPORT</b>			
Contributions and Special Events	\$ 3,622,064	\$ 900,277	\$ 4,522,341
Government Grants	372,630	1,174,711	1,547,341
Net Investment Income	46,700	-	46,700
Change in Beneficial Interest in Perpetual Trust	-	(75,695)	(75,695)
	4,041,394	1,999,293	6,040,687
Total Revenues			
Net Assets Released from Restrictions	2,604,418	(2,604,418)	-
	6,645,812	(605,125)	6,040,687
<b>TOTAL REVENUES AND OTHER SUPPORT</b>			
<b>EXPENSES</b>			
Program			
Education	785,623	-	785,623
Care Services	3,114,687	-	3,114,687
Research	682,285	-	682,285
	4,582,595	-	4,582,595
Total Program Expenses			
Management and General	732,956	-	732,956
Fundraising	1,065,722	-	1,065,722
	6,381,273	-	6,381,273
<b>TOTAL EXPENSES</b>			
<b>CHANGE IN NET ASSETS</b>	264,539	(605,125)	(340,586)
<b>NET ASSETS - Beginning of Year</b>	2,867,767	1,595,156	4,462,923
<b>NET ASSETS - End of Year, As Restated</b>	\$ 3,132,306	\$ 990,031	\$ 4,122,337

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

**ALS UNITED MID-ATLANTIC  
STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED JANUARY 31, 2024**

	<u>Program</u>				<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
	<u>Education</u>	<u>Care Services</u>	<u>Research</u>	<u>Subtotal</u>			
<b>SALARIES, WAGES, AND BENEFITS</b>	\$ 450,561	\$ 1,788,589	\$ 136,559	\$ 2,375,709	\$ 330,531	\$ 638,140	\$ 3,344,380
<b>SPECIAL EVENTS</b>	837	-	-	837	-	258,125	258,962
<b>PROGRAM SERVICES</b>	165,346	1,050,592	186,099	1,402,037	-	-	1,402,037
<b>PROFESSIONAL FEES</b>	-	-	-	-	164,869	-	164,869
<b>OFFICE AND OCCUPANCY</b>	41,800	268,717	95,544	406,061	101,515	89,572	597,148
<b>DEPRECIATION</b>	4,574	29,406	10,456	44,436	11,108	9,802	65,346
<b>MISCELLANEOUS EXPENSES</b>	14,523	65,762	-	80,285	24,089	4,358	108,732
<b>REVENUE SHARING TO NATIONAL</b>	13,230	27,325	32,662	73,217	10,345	19,474	103,036
<b>TOTAL EXPENSES</b>	<u>\$ 690,871</u>	<u>\$ 3,230,391</u>	<u>\$ 461,320</u>	<u>\$ 4,382,582</u>	<u>\$ 642,457</u>	<u>\$ 1,019,471</u>	<u>\$ 6,044,510</u>
<b>PERCENT OF TOTAL EXPENSES</b>	11.4%	53.5%	7.6%	72.5%	10.6%	16.9%	100.0%

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

**ALS UNITED MID-ATLANTIC  
STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED JANUARY 31, 2023**

	<u>Program</u>				<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
	<u>Education</u>	<u>Care Services</u>	<u>Research</u>	<u>Subtotal</u>			
<b>SALARIES, WAGES, AND BENEFITS</b>	\$ 529,074	\$ 1,680,712	\$ 48,533	\$ 2,258,319	\$ 288,090	\$ 616,038	\$ 3,162,447
<b>SPECIAL EVENTS</b>	415	-	-	415	-	281,904	282,319
<b>PROGRAM SERVICES</b>	140,870	1,065,250	450,758	1,656,878	-	-	1,656,878
<b>PROFESSIONAL FEES</b>	-	-	-	-	271,210	-	271,210
<b>OFFICE AND OCCUPANCY</b>	49,580	202,826	31,551	283,957	99,160	67,609	450,726
<b>DEPRECIATION</b>	5,849	23,926	3,721	33,496	11,698	7,975	53,169
<b>MISCELLANEOUS EXPENSES</b>	-	18,389	-	18,389	16,013	4,122	38,524
<b>REVENUE SHARING TO NATIONAL</b>	59,835	123,584	147,722	331,141	46,785	88,074	466,000
<b>TOTAL EXPENSES</b>	<u>\$ 785,623</u>	<u>\$ 3,114,687</u>	<u>\$ 682,285</u>	<u>\$ 4,582,595</u>	<u>\$ 732,956</u>	<u>\$ 1,065,722</u>	<u>\$ 6,381,273</u>
<b>PERCENT OF TOTAL EXPENSES</b>	12.3%	48.8%	10.7%	71.8%	11.5%	16.7%	100.0%

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

**ALS UNITED MID-ATLANTIC**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED JANUARY 31, 2024 AND 2023**

	<b>2024</b>	<b>2023</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ 394,698	\$ (340,586)
Adjustments to Reconcile Change in Net Assets to Net Cash from Operating Activities		
Paycheck Protection Program	-	(416,340)
Depreciation	65,346	53,169
Provision for Uncollectible Pledges Receivable	(1,540)	5,261
Discount on Pledges Receivable	1,801	8,883
Donated Marketable Securities	-	(70,000)
Gain on Disposal of Vehicle	(17,000)	-
Unrealized (Gain) Loss on Investments	(11,908)	6,282
Change in Beneficial Interest in Perpetual Trust	(12,621)	75,695
Changes in		
Pledges Receivable	14,038	(47,962)
Grant Receivables	(189,798)	(199,098)
Other Receivables	(358)	56,034
Prepaid Expenses	828	(80,203)
Accounts Payable and Accrued Liabilities	(305,280)	63,522
Right-of-Use Asset - Operating Lease	118,073	116,015
Operating Lease Liability	(119,608)	(125,694)
	<b>(63,329)</b>	<b>(895,022)</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>		
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Property and Equipment	(42,694)	(88,731)
Proceeds from Sale of Vehicle	17,000	-
Amounts Drawn from Investments	875,000	-
Reinvested Interest and Dividends	(102,440)	(52,921)
	746,866	(141,652)
<b>NET CASH FROM INVESTING ACTIVITIES</b>		
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Principal Payments on Finance Lease Liability	(11,637)	(11,266)
	(11,637)	(11,266)
<b>NET CASH FROM FINANCING ACTIVITIES</b>		
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	671,900	(1,047,940)
<b>CASH AND CASH EQUIVALENTS - Beginning of Year</b>	214,499	1,262,439
<b>CASH AND CASH EQUIVALENTS - End of Year</b>	\$ 886,399	\$ 214,499
<b>NONCASH INVESTING AND FINANCING ACTIVITIES</b>		
Right-of-Use Asset Acquired Through		
Operating Lease Liability	\$ -	\$ 234,088
Right-of-Use Asset Acquired Through		
Finance Lease Liability	\$ -	\$ 45,246

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

**ALS UNITED MID-ATLANTIC**  
**NOTES TO FINANCIAL STATEMENTS**  
**JANUARY 31, 2024**

**NOTE 1: NATURE OF ACTIVITIES**

**Organization and Operations** - ALS United Mid-Atlantic (Organization), a Pennsylvania nonprofit corporation, formerly known as The ALS Association Greater Philadelphia Chapter (Chapter), represents eastern Pennsylvania, southern New Jersey, and Delaware in providing service to patients with Amyotrophic Lateral Sclerosis (ALS) and their families, providing education and information to the public about ALS, and funding research related to ALS.

Prior to September 1, 2023, the Organization operated under a chapter charter agreement with The ALS Association, a national nonprofit organization (National), and was exempt from federal income tax as a subordinate under a group exemption. During July 2021, the Chapter's Board of Directors was notified by National of its intent to absorb all members (the chapters) through merger, leaving only a local advisory committee remaining in each chapter territory. The Chapter, along with 14 additional chapters, opposed the merger, and in August 2023, through mediation, entered into an agreement to establish themselves as autonomous entities. The agreement terminated the Organization's rights and obligations, including its revenue share obligation, under its charter membership with National.

The agreement restricts National from fundraising, providing services, soliciting employees, and lobbying with the Organization's geographic territory through January 2025. The agreement also prohibits the Organization from fundraising in National's geographic territory through January 2025.

In August 2023, the Organization amended and restated its articles of incorporation with the State of Pennsylvania and received tax exempt status under Section 501(c)(3) of the Internal Revenue Code as an independent entity.

**Reporting Entity** - The financial statements reflect the financial position, results of activities, and cash flows of the Organization.

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**Revenue Recognition** - In accordance with the Financial Accountings Standards Board's Accounting Standards Codification (FASB ASC) Topic 606, *Revenue Recognition*, the Organization recognizes revenue resulting from exchange transactions when it satisfies its performance obligations by transferring control over a product or service to a customer. The following is a description of principal exchange transactions from which the Organization generates revenue:

**ALS UNITED MID-ATLANTIC**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**JANUARY 31, 2024**

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

***Revenue Recognition - Continued***

Special Events - The Organization recognizes special events revenue equal to the cost of direct benefits provided to the donor, and contribution revenue for the difference. Special event revenue equal to the cost of direct benefits provided to the donor is recognized at the point in time the benefit is delivered, generally when the event occurs. Contribution revenue resulting from special events is recognized immediately. Special event revenue subject to FASB ASC Topic 606 during the years ended January 31, 2024 and 2023, was \$18,975 and \$68,040, respectively.

The Organization holds annual walks, bike rides, and related events. Participants of these events raise funds that are donated to the Organization by the participant on or before the event date. Participants receive no direct benefit. As a result, the Organization recognizes revenue derived from these events as contribution revenue.

There were no contract assets, contract liabilities, or accounts receivable as of the beginning or end of the years ended January 31, 2024 and 2023.

The following is a description of principal activities from which the Organization generates revenue which fall outside the scope of Topic 606:

Contributions - The Organization recognizes contributions when cash, securities or other financial assets, an unconditional promise to give, or 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 substantially met.

Government Grants - The Organization receives state awards for the purpose of providing a societal benefit. Unconditional awards are recognized as revenue when notification of the award is received. Awards that contain a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

**ALS UNITED MID-ATLANTIC**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**JANUARY 31, 2024**

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

***Financial Statement Presentation*** - Financial statement presentation follows the recommendations of the FASB ASC 958, *Not-for-Profit Entities*. Under FASB ASC 958, net assets, revenues, gains and losses are classified based on the existence or absence of donor-or grantor-imposed restrictions. The Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. A description of the two net assets classifications is as follows:

*Net Assets Without Donor Restrictions* - Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions although their use may be limited by other factors such as by contract or board designation.

*Net Assets With Donor Restrictions* - Net assets subject to donor or certain grantor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions may be perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

***Use of Estimates*** - In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and revenues and expenses during the reporting period. Actual results could differ from those estimates.

***Cash and Cash Equivalents*** - Cash and cash equivalents consist of cash on hand and cash held in banks for use in operations; cash and short-term investments held in investment accounts are recognized as investments.

***Investments*** - Investments are reported at fair value. Donated securities are also reported at fair market value as of the date of receipt. All realized and unrealized gains and losses arising from fluctuations in market values, sales, or other disposition of assets are accounted for as increases or decreases in net assets without donor restrictions. Investment income is reported net of investment fees on the statements of activities.

***Pledges Receivable*** - Unconditional promises to give are recorded as pledges receivable and are reported at net realizable value if, at the time the pledge is made, payment is expected to be received in one year or less. Payments expected to be collected in more than one year are reported at fair value initially and in subsequent periods. The Organization provides for probable uncollectible amounts through a provision for uncollectible pledges receivable and an adjustment to a valuation account based on its assessment of the current status of individual accounts.

**ALS UNITED MID-ATLANTIC**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**JANUARY 31, 2024**

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

**Agency Transactions** - The Organization, at times, coordinates patient care with various outside organizations and support groups. Expenses paid by the Organization in connection with providing patient care are later billed and collected from these various organizations and groups. Accordingly, the transaction is classified as an “agency” transaction and no revenue or expense is reported by the Organization. As of January 31, 2024 and 2023, the Organization had no receivables resulting from agency transactions.

**Property, Plant, and Equipment** - The Organization records purchased property, plant, and equipment at cost. Vans are primarily used for the transportation of ALS patients and their caregivers. The Organization’s policy is to capitalize any contributed assets, purchases, or improvements over \$5,000.

Property, plant, and equipment are being depreciated using the straight-line method over the estimated useful life of the related asset. Estimated useful lives are as follows:

Vans and Motorized Wheelchairs	3 - 5 Years
Computers (Including Assistive Technology Devices)	3 - 5 Years
Office Equipment	7 Years

When assets are retired or otherwise disposed of the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is recognized in revenue in the period. The cost of maintenance and repairs is expensed as incurred; renewals and betterments are capitalized.

**Fair Value** - The Organization follows the provisions of FASB ASC 820, *Fair Value Measurements and Disclosures*, which defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. FASB ASC 820 establishes a fair value hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1 - Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the Organization has the ability to access. Since valuations are based on quoted market prices that are readily and regularly available in an active market, it does not entail a significant degree of judgment.

Level 2 - Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.



**ALS UNITED MID-ATLANTIC**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**JANUARY 31, 2024**

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

*Fair Value - Continued*

Level 3 - Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported in net assets without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported in net assets with donor restrictions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

Contributed materials and other nonfinancial assets are recognized at fair value as revenue when received and expense at the time the items are placed into service or distributed.

The Organization received no contributed nonfinancial assets during the years ended January 31, 2024 and 2023.

In accordance with FASB ASC 958, contributed services are recorded at the fair market value of those services only if they create or enhance nonfinancial assets, or if they require specialized skills and are performed by a person possessing those skills. For the years ended January 31, 2024 and 2023, the Organization did not recognize any amounts for contributed services.

The Organization receives contributed services from volunteers in support of special events, board support, and support for program services throughout the year which are not recognized in the financial statements because the recognition criteria under FASB ASC 958 were not met.

**ALS UNITED MID-ATLANTIC**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**JANUARY 31, 2024**

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

**Expense Allocation** - The costs of providing various programs and other activities have been summarized on a functional basis in the statements of activities and in the statements of functional expenses. The allocation methods utilized by the Organization are as follows:

Expense	Method
Salaries, Wages, and Benefits	Time and Effort
Special Events	Direct
Program Services	Direct
Professional Services	Direct
Office and Occupancy	Allocated based on each functional category's percentage of total expenses before Office and Occupancy and Depreciation costs.
Depreciation	Allocated based on each functional category's percentage of total expenses before Office and Occupancy and Depreciation costs.
Miscellaneous Expenses	Direct
Revenue Sharing to National	Allocated based on the percentage provided by National.

**Income Taxes** - The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and is also exempt from Pennsylvania state income tax. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2).

Income not related to the Organization's tax-exempt purpose may be subject to taxation as unrelated business income. Accounting principles generally accepted in the United States of America impose a threshold for determining when an income tax benefit can be recognized in regard to uncertain tax positions. The Organization has determined that no liability for uncertain tax positions is required to be accrued and included in the statements of financial position as of January 31, 2024 and 2023.

The federal and state information returns of the Organization for the years ended January 31, 2021, 2022, and 2023, are subject to examination by the tax authorities, generally for three years after they were filed.

**ALS UNITED MID-ATLANTIC**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**JANUARY 31, 2024**

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

*Subsequent Events* - The Organization's policy is to evaluate events and transactions subsequent to its year end for potential recognition in the financial statements or disclosure in the notes to the financial statements. Management has evaluated events and transactions through the date of the independent auditor's report, which is the date the financial statements were available to be issued.

**NOTE 3: AVAILABILITY AND LIQUIDITY**

The following reflects the Organization's financial assets as of January 31, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statements of financial position dates:

	2024	2023
Financial Assets as of January 31		
Cash and Cash Equivalents	\$ 886,399	\$ 214,499
Investments	2,009,596	2,770,248
Beneficial Interest in Perpetual Trust	428,021	415,400
Pledges Receivable, Net	378,250	392,549
Grants Receivable	888,797	698,999
Other Receivables	1,895	1,537
Total Financial Assets as of January 31	4,592,958	4,493,232
Less: Those Unavailable for General Expenditures		
Within One Year, Due to:		
Board-Designated Research Funding	86,831	-
Donor-Imposed Restrictions		
Restricted by Donor With Purpose Restrictions	124,081	248,493
Restricted by Grantor With Purpose Restrictions	395,309	224,517
Beneficial Interest in Perpetual Trust	428,021	415,400
Time-Imposed Restrictions		
Unrestricted Pledges Receivable, Due Greater Than One Year		
Unavailable for Expenditure Until Due	128,812	101,621
Financial Assets Available to Meet Cash Needs		
for General Expenditures Within One Year	\$ 3,516,735	\$ 3,503,201

The Organization's goal is generally to maintain financial assets to meet four months of operating expenses. The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

**ALS UNITED MID-ATLANTIC**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**JANUARY 31, 2024**

**NOTE 4: BENEFICIAL INTEREST IN PERPETUAL TRUST**

The Organization has a beneficial interest in a charitable perpetual trust, the assets of which are not in the possession of the Organization. This beneficial interest allows the Organization to receive quarterly distributions consisting of dividends and interest earned on trust assets restricted to research. The Organization's beneficial interest in this trust is irrevocable; therefore, the Organization measures their beneficial interest in the trust's assets at fair value. During the years ended January 31, 2024 and 2023, restricted gains (losses) on trust assets of \$12,620 and \$(75,695), respectively, are recorded in the statements of activities. The Organization's beneficial interest in the perpetual trust included in the statements of financial position as of January 31, 2024 and 2023, was \$428,021 and \$415,400, respectively. The net assets associated with the Organization's beneficial interest in the perpetual trust are reported as net assets with donor restrictions.

The Organization's management does not believe that beneficial interests in a charitable perpetual trust are within the scope of FASB ASC 958 in regard to required disclosures for endowments, because in contrast to donor-restricted endowment funds, no ongoing decisions about the investment of the trust or distributions from the trust are within the authority of the Organization.

**NOTE 5: PLEDGES RECEIVABLE**

Unconditional pledges receivable consisted of the following as of January 31:

	2024				Total
	Unrestricted	Subject to Time Restrictions	Restricted for Research	Restricted for Patient Services	
Due in Less than One Year	\$ 197,342	\$ -	\$ 7,000	\$ 35,502	\$ 239,844
Due in One to Five Years	-	100,500	-	26,000	126,500
Due in More than Five Years	-	50,000	25,000	-	75,000
Less: Discounts to Net Present Value	-	(5,178)	(2,136)	(7,364)	(14,678)
Less: Reserve for Uncollectible Accounts	(21,649)	(16,510)	(3,510)	(6,747)	(48,416)
Net Unconditional Pledges Receivable	<u>\$ 175,693</u>	<u>\$ 128,812</u>	<u>\$ 26,354</u>	<u>\$ 47,391</u>	<u>\$ 378,250</u>

**ALS UNITED MID-ATLANTIC**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**JANUARY 31, 2024**

**NOTE 5: PLEDGES RECEIVABLE - CONTINUED**

	2023				Total
	Unrestricted	Subject to Time Restrictions	Restricted for Research	Restricted for Patient Services	
Due in Less than One Year	\$ 158,878	\$ -	\$ 7,000	\$ 22,850	\$ 188,728
Due in One to Five Years	-	68,000	-	123,652	191,652
Due in More than Five Years	-	50,000	25,000	-	75,000
Less: Discounts to Net Present Value	-	(3,434)	(1,927)	(7,515)	(12,876)
Less: Reserve for Uncollectible Accounts	(17,429)	(12,945)	(3,510)	(16,071)	(49,955)
Net Unconditional Pledges Receivable	<u>\$ 141,449</u>	<u>\$ 101,621</u>	<u>\$ 26,563</u>	<u>\$ 122,916</u>	<u>\$ 392,549</u>

**NOTE 6: FAIR VALUE MEASUREMENTS**

Fair values of assets measured on a recurring basis as of January 31 were as follows:

	2024			
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Beneficial Interest in Perpetual Trust Investments	\$ 428,021 2,009,596	\$ - 2,009,596	\$ 428,021 -	\$ - -
Unconditional Pledges Receivable	378,250	-	-	378,250
Total Assets, at Fair Value	<u>\$ 2,815,867</u>	<u>\$ 2,009,596</u>	<u>\$ 428,021</u>	<u>\$ 378,250</u>

  

	2023			
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Beneficial Interest in Perpetual Trust Investments	\$ 415,400 2,770,248	\$ - 2,770,248	\$ 415,400 -	\$ - -
Unconditional Pledges Receivable	392,549	-	-	392,549
Total Assets, at Fair Value	<u>\$ 3,578,197</u>	<u>\$ 2,770,248</u>	<u>\$ 415,400</u>	<u>\$ 392,549</u>

**ALS UNITED MID-ATLANTIC**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**JANUARY 31, 2024**

**NOTE 6: FAIR VALUE MEASUREMENTS - CONTINUED**

***Beneficial Interest in Perpetual Trust*** - Fair values for the beneficial interest in the perpetual trust are determined based upon the underlying value of the trust's assets. The trust's assets consist of mutual fund portfolios consisting of fixed income and equity investments.

***Unconditional Pledges Receivable - Fair Value Election*** - Unconditional pledges receivable are reported at net realizable value if, at the time the pledge is made, payment is expected to be received in one year or less. Unconditional pledges receivable that are expected to be collected in more than one year are reported at fair value initially and in subsequent periods because the Organization elected the fair value option in accordance with generally accepted accounting principles. Management believes that the use of fair value reduces the cost of measuring unconditional pledges receivable in periods subsequent to their receipt and provides equal or better information to users of its financial statements than if those pledges were measured using historical discount rates.

When estimating the fair value of unconditional pledges receivable, management considers the relationship with the donor, the donor's past history of making timely payments, the donor's overall creditworthiness, general economic conditions in the geographic area in which the majority of the Organization's donors live, the Organization's policies concerning enforcement of pledges receivable, and market interest rate assumptions.

The table below presents information about the fair value measurements of unconditional pledges receivable as of January 31:

	2024			
	Due in Less than One Year	Due in One to Five Years	Due in More Than Five Years	Total
Pledges Receivable Measured at Fair Value				
Pledged Cash Flow	\$ 239,844	\$ 126,500	\$ 75,000	\$ 441,344
Carrying Amount	205,786	108,271	64,193	378,250
Fair Value Estimate	205,786	108,271	64,193	378,250
	2023			
	Due in Less than One Year	Due in One to Five Years	Due in More Than Five Years	Total
Pledges Receivable Measured at Fair Value				
Pledged Cash Flow	\$ 188,728	\$ 191,652	\$ 75,000	\$ 455,380
Carrying Amount	162,908	165,051	64,590	392,549
Fair Value Estimate	162,908	165,051	64,590	392,549

**ALS UNITED MID-ATLANTIC**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**JANUARY 31, 2024**

**NOTE 6: FAIR VALUE MEASUREMENTS - CONTINUED**

*Unconditional Pledges Receivable - Fair Value Election - Continued*

The table below presents information about the changes in unconditional pledges receivable for the years ended January 31:

	<u>2024</u>	<u>2023</u>
Beginning Balance	\$ 392,549	\$ 358,731
New Pledges Received	399,164	388,658
Collections	(413,200)	(340,698)
Change in Discount and Allowance	<u>(263)</u>	<u>(14,142)</u>
Ending Balance	<u>\$ 378,250</u>	<u>\$ 392,549</u>

**NOTE 7: NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions are available for the following purposes:

	<u>2024</u>	<u>2023</u>
Subject to Expenditure for Specified Purpose		
Patient Services	\$ 445,645	\$ 323,531
Net Pledges Receivable, the Proceeds from Which Have Been Restricted for:		
Patient Services	47,391	122,916
Research	<u>26,354</u>	<u>26,563</u>
	519,390	473,010
Subject to the Passage of Time		
Net Pledges Receivable That are Not Restricted by Donors but Which are Unavailable for Expenditure Until Due	128,812	101,621
Not Subject to Appropriation or Expenditure Beneficial Interest in Perpetual Trust	<u>428,021</u>	<u>415,400</u>
Total Net Assets With Donor Restrictions	<u>\$ 1,076,223</u>	<u>\$ 990,031</u>

**ALS UNITED MID-ATLANTIC**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**JANUARY 31, 2024**

**NOTE 8: NET ASSETS WITH BOARD DESIGNATIONS**

As of January 31, 2024 and 2023, the Organization's Board of Directors has designated \$86,831 and \$0, to be set aside for future contributions to organizations that undertake research for the cure of ALS.

**NOTE 9: EMPLOYEE BENEFIT PLAN**

The Organization sponsors a defined contribution plan (Plan) covering all employees, age 21 and older, with at least three months of service. Effective January 1, 2013, the Organization reinstated an employer match, matching participants' contributions to the Plan up to four percent of the individual participant's compensation. Additionally, the Organization may make a discretionary contribution to the Plan determined annually by the Board of Trustees. During the years ended January 31, 2024 and 2023, the Organization made no discretionary contributions. Total plan expense for the years ended January 31, 2024 and 2023, was \$42,422 and \$35,926, respectively.

**NOTE 10: CONCENTRATION OF CREDIT RISK**

The Organization maintains cash balances at a regional financial institution. As of January 31, 2024, all deposit accounts, including all non-interest-bearing deposit accounts, were insured up to the standard maximum amount of \$250,000 per institution. As of January 31, 2024 and 2023, uninsured balances totaled \$648,036 and \$35,847, respectively.

**NOTE 11: LEASE AGREEMENTS AS LESSEE**

During the year ended January 31, 2023, the Organization entered into an agreement to lease office equipment. The lease has been recognized in the financial statements as a finance lease. The lease expires in January 2026.

The Organization leased office space under an agreement classified as an operating lease. The lease expired in January 2024.

The Organization entered into an 89-month lease agreement for office space beginning February 1, 2024. On February 1, 2024, a right-of-use asset and lease liability will be recognized in the amount of \$792,505.



**ALS UNITED MID-ATLANTIC**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**JANUARY 31, 2024**

**NOTE 11: LEASE AGREEMENTS AS LESSEE - CONTINUED**

As of January 31, 2024, future minimum lease payments under noncancelable leases with terms greater than one year are as follows:

	Finance Lease
2025	\$ 12,570
2026	10,475
Total Future Minimum Lease Payments	23,045
Less: Amount Representing Imputed Interest	702
Present Value of Future Minimum Lease Payments	22,343
Less: Current Maturities	12,022
Lease Obligations - Net of Current Maturities	\$ 10,321

The following represents lease cost for the years ended January 31:

	2024	2023
Finance Lease Cost		
Amortization of Right-of-Use Assets	\$ 11,835	\$ 11,835
Interest on Lease Liability	932	1,304
Total Finance Lease Cost	12,767	13,139
Operating Lease Cost	119,263	118,781
Total Lease Cost	\$ 132,030	\$ 131,920

**ALS UNITED MID-ATLANTIC**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**JANUARY 31, 2024**

**NOTE 11: LEASE AGREEMENTS AS LESSEE - CONTINUED**

The following are required lease disclosures as of and for the years ended January 31:

	<u>2024</u>	<u>2023</u>
Cash Paid for Amounts in the Measurement of Lease Liabilities		
Operating Cash Flows for Operating Lease	\$ 119,263	\$ 118,781
Operating Cash Flows for Finance Lease	932	1,304
Finance Cash Flows from Finance Lease	<u>11,637</u>	<u>11,266</u>
 Total Cash Paid for Amounts in the Measurement of Lease Liabilities	 <u>\$ 131,832</u>	 <u>\$ 131,351</u>
 Right-of-Use Asset Obtained in Exchange for Finance Lease Liability	 <u>\$ -</u>	 <u>\$ 45,246</u>
 Right-of-Use Asset Obtained in Exchange for Operating Lease Liability	 <u>\$ -</u>	 <u>\$ 234,088</u>
 Weighted-Average Remaining Lease Term - Finance Lease	 1.92 Years	 2.92 Years
 Weighted-Average Remaining Lease Term - Operating Lease	 0.00 Years	 1.00 Year
 Weighted-Average Discount Rate - Finance Lease	 3.25%	 3.25%
 Weighted-Average Discount Rate - Operating Lease	 0.00%	 1.61%

The Organization has elected the short-term lease exemption for all leases with a term of 12 months or less for both existing and ongoing operating leases to not recognize the asset and liability for these leases. Lease payments for short-term leases are recognized on straight-line basis.

The Organization elected the practical expedient to not separate lease and non-lease components.

**NOTE 12: RELATED-PARTY TRANSACTIONS**

For the years ended January 31, 2024 and 2023, the Organization received contributions in the amount of \$210,000 and \$293,400, respectively, from organizations affiliated with members of the Organization's Board of Directors. Contributions totaling \$142,404 and \$107,169 were received during fiscal years ended January 31, 2024 and 2023, respectively, from members of the Organization's Board of Directors.

**ALS UNITED MID-ATLANTIC**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**JANUARY 31, 2024**

**NOTE 12: RELATED-PARTY TRANSACTIONS - CONTINUED**

The Organization was required to disburse research and revenue sharing payments to National while a chapter organization. Research payments disbursed to National totaled \$51,770 and \$322,181 during the years ended January 31, 2024 and 2023, respectively, and are included in program services on the statements of functional expenses. Revenue sharing payments disbursed to National during the years ended January 31, 2024 and 2023, totaled \$103,035 and \$466,000, respectively, and are classified as revenue sharing to National on the statements of functional expenses.

The Organization paid an annual fee along with fees based on monthly activity directly to National for the use of a fundraising platform. The amount of expense included in the statements of functional expenses totaled \$11,924 and \$116, for the years ended January 31, 2024 and 2023, respectively.

Amounts owed to National and included in accounts payable and accrued liabilities on the statements of financial position totaled \$0 and \$385,409, as of January 31, 2024 and 2023, respectively.

**NOTE 13: CONDITIONAL GRANTS**

Certain government grants are conditioned upon the completion of performance obligations and the incurrence of allowable expenses. As of January 31, 2024, conditional contributions of \$587,010, for which no amounts have been received in advance, have not been recognized in the accompanying financial statements. This amount will be recognized as revenue over time as specific qualifying expenses are incurred. The Organization anticipates incurring the qualifying expenses during the year ending January 31, 2025.

**NOTE 14: SUPPLEMENTAL CASH FLOW DISCLOSURES**

During the normal course of operations, the Organization receives donations of marketable securities. The Organization has a standing order with a financial institution to immediately liquidate marketable securities upon receipt and transfer the proceeds to the Organization. The Organization believes that recognition of the transferred proceeds as cash received from operations on the statements of cash flows more accurately depicts the nature of the transactions. Proceeds from donated marketable securities which are not immediately liquidated are recognized in the statements of cash flows as cash received from investing activities. Proceeds received by the Organization from immediate liquidation of donated marketable securities and included in the statements of cash flows as cash received from operations totaled \$0 and \$70,000 for the years ended January 31, 2024 and 2023, respectively.

**ALS UNITED MID-ATLANTIC**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**JANUARY 31, 2024**

**NOTE 15: PAYCHECK PROTECTION PROGRAM LOAN**

In March 2021, the Organization received proceeds in the amount of \$416,340 under the Paycheck Protection Program (PPP) administered by the Small Business Association (SBA). The PPP, established as part of the Coronavirus Aid, Relief, and Economic Security (CARES) Act, provides loans to qualifying organizations for amounts up to 2.5 times of the average monthly payroll expenses of the qualifying business. Loan and accrued interest amounts may be eligible for forgiveness as long as the borrower uses the loan proceeds during the covered period for eligible purposes, including payroll, benefits, rent and utilities, and maintains its employee and salary levels for a period of time after receipt of the loan funds.

During the year ended January 31, 2023, the loan was forgiven and recognized as revenue.

**NOTE 16: INVESTMENTS**

Investments consisted of the following as of January 31:

	2024	2023
Money Market Fund	\$ 1,879,715	\$ 2,654,861
Mutual Funds	129,881	115,387
Total Investments	\$ 2,009,596	\$ 2,770,248

**NOTE 17: COMMITMENTS AND CONTINGENCIES**

In the normal course of business there are various commitments and contingencies outstanding which are not reflected in these financial statements. In the opinion of management, the outcome of such events, if any, will not have a material effect on the Organization's financial position.

**ALS UNITED MID-ATLANTIC**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**JANUARY 31, 2024**

**NOTE 18: RESTATEMENT**

The Organization is restating its January 2023 financial statements to correct an overstatement of grants receivable as of January 31, 2023. The effect on the Organization's previously issued 2023 financial statements is summarized below.

	<u>As Previously Reported</u>	<u>Adjustment</u>	<u>As Restated</u>
<u>Statement of Financial Position as of January 31, 2023</u>			
Grants Receivable	\$ 773,150	\$ (74,151)	\$ 698,999
Net Assets Without Donor Restrictions	3,176,016	(43,710)	3,132,306
Net Assets With Donor Restrictions	1,020,472	(30,441)	990,031
<u>Statement of Activities for the Year Ended January 31, 2023</u>			
Government Grants	1,621,492	(74,151)	1,547,341
Change in Net Assets	(266,435)	(74,151)	(340,586)



BELFINT • LYONS • SHUMAN  
Certified Public Accountants

[www.belfint.com](http://www.belfint.com)

---

***Independent Auditor's 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***

To the Board of Directors  
ALS United Mid-Atlantic

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 ALS United Mid-Atlantic (a nonprofit organization), which comprise the statements of financial position as of January 31, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated October 22, 2024.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered ALS United Mid-Atlantic's internal control over financial reporting (internal control) as a basis for designing 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 ALS United Mid-Atlantic's internal control. Accordingly, we do not express an opinion on the effectiveness of ALS United Mid-Atlantic'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 a 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.

To the Board of Directors  
ALS United Mid-Atlantic

Our consideration of the 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.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether ALS United Mid-Atlantic'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 statements. 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 organization'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 organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Belfint, Lyons & Shuman, P.A.*

October 22, 2024

Wilmington, Delaware

**SUPPLEMENTARY INFORMATION**



**ALS UNITED MID-ATLANTIC**  
**SCHEDULE OF EXPENDITURES OF NEW JERSEY FINANCIAL ASSISTANCE**  
**YEAR ENDED JANUARY 31, 2024**

<u>State Grantor Department Program Title/Name</u>	<u>State Grant Award Number</u>	<u>Grant Award Period</u>	<u>Fiscal Year Grant Expenditures*</u>	<u>Total Grant Expenditures to Date</u>
New Jersey Department of Health	DCHS24ALS002	07/01/2023 - 06/30/2024	\$ 233,486	\$ 233,486
New Jersey Department of Health	DCHS23ALS002	07/01/2022 - 06/30/2023	287,227	430,070

\*Fiscal Year Grant Expenditures may not agree with fiscal year grant revenue reported in the statements of activities due to the following:

- 1) Timing differences between when grant expenditures are made and when grant awards are recognized as revenue in accordance with generally accepted accounting principles.
- 2) The Organization does not include amounts shared with affiliated organizations as revenues or expenses in their statements of activities.