

SUPERFICIAL SIDEROSIS RESEARCH ALLIANCE, INC.

AUDITED FINANCIAL STATEMENTS

For the Year Ended December 31, 2021

SUPERFICIAL SIDEROSIS RESEARCH ALLIANCE, INC.

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AUDIT REPORT

June 9, 2022

To the Board of Directors of
Superficial Siderosis Research Alliance, Inc.

We have audited the accompanying financial statements of the Superficial Siderosis Research Alliance, Inc. as of and for the year ended December 31st, 2021, which comprises of the statements of financial position, and the related statements of activities, change in net assets, functional expenses, cash flows, and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Professional Standards require that we adequately plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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 judgement, including the assessment of the risks of material misstatement on the financial statements, whether due to fraud or error. In assessing the risk, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements, to design audit procedures 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. I believe that the audit evidence we have obtained provides a reasonable assurance of such.

Auditor's Opinion

In our opinion, the accompanying financial statements are presented fairly, in all material respects, the financial position of the Superficial Siderosis Research Alliance, Inc., as of December 31st, 2021, and the changes in its net assets and its cash flows for the year ended December 31st, 2021, in accordance with accounting principles generally accepted in the United States of America.

Zokpia Olumese

June 9th, 2022

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SUPERFICIAL SIDEROSIS RESEARCH ALLIANCE, INC.
STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2021

	<u>FY21</u>
ASSETS	
Total Cash and Cash Equivalents	62,061
TOTAL ASSETS	<u><u>\$ 62,061</u></u>
LIABILITIES	
Grant Payable	25,000
Current Liabilities	<u>25,000</u>
Grant Commitments	20,000
LongTerm Liabilities	<u>20,000</u>
TOTAL LIABILITIES	<u><u>45,000</u></u>
NET ASSETS	
Net Assets Unrestricted	(12,139)
Net Assets Restricted	-
Change in Net Assets	29,200
TOTAL NET ASSETS	<u><u>17,061</u></u>
TOTAL LIABILITIES & EQUITY	<u><u>\$ 62,061</u></u>

SUPERFICIAL SIDEROSIS RESEARCH ALLIANCE, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021

<u>REVENUE</u>	<u>UNRESTRICTED</u>	<u>RESTRICTED</u>	<u>TOTAL</u>
Direct Public Support	40,734	-	40,734
Non-Financial Asset Support	59,610		59,610
TOTAL REVENUE	100,344	-	100,344
EXPENSES			
Operations	1,074		1,074
Advertising	52,765		52,765
Books, Subscriptions, Reference	1,485		1,485
Business Expenses	1,326		1,326
Business Registration Fees	84		84
Donations	4,250		4,250
Postage, Mailing, Service	151		151
Printing and Copying	15		15
Supplies	794		794
Travel and Meetings	104		104
Software Expense	7,700		
Insurance - Liability, D and O	1,396		1,396
			-
TOTAL EXPENSES	71,144	-	71,144
CHANGE IN NET ASSETS	\$ 29,200	-	\$ 29,200

SUPERFICIAL SIDEROSIS RESEARCH ALLIANCE, INC
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2021

CASH FLOWS FROM OPERATING ACTIVITIES

CHANGE IN NET ASSETS	29,200
Net cash provided (used) by operating activities	<u>29,200</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Net cash provided (used) by investing activities	<u>-</u>
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CASH FLOWS FROM FINANCING ACTIVITIES

Net cash provided (used) by financing activities	-
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Net increase (decrease) in cash and cash equivalents	<u><u>\$ 29,200</u></u>
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Cash and cash equivalents at beginning of year	<u>62,861</u>
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CASH AND CASH EQUIVALENTS AT END OF YEAR	<u><u>92,061</u></u>
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SUPERFICIAL SIDEROSIS RESEARCH ALLIANCE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2021

	Program Services	Management and General	Total Support
Operations		1,074	1,074
Books, Subscriptions, Reference		1,485	1,485
Business Expenses		1,326	1,326
Business Registration Fees		84	84
Donations	4,250		4,250
Postage, Mailing, Service		151	151
Printing and Copying		15	15
Supplies		794	794
Travel and Meetings		104	104
Insurance - Liability, D and O		1,396	1,396
Software		7,700	7,700
<u>Fundraising Expenses</u>			
Advertising		52,765	52,765
Sub Total	4,250	66,894	71,144
Allocation of M&G Expenses %	6%	94%	
Allocation of Overhead \$	3,996	62,897	
TOTAL	\$ 8,246	\$ 62,897	\$ 71,144

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1—NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Superficial Siderosis Research Alliance, Inc. is a 501(c)(3) not-for-profit organization located in Waukesha, Wisconsin, and incorporated in November 2019. The stated vision is a future where a Superficial Siderosis diagnosis is no longer a life-altering condition. The Superficial Siderosis Research Alliance's mission is education, advocacy, and to seek, raise, and provide funding support for all superficial siderosis medical research for the benefit of every person affected by this ultra-rare neurodegenerative disorder. The Organization's support come primarily from public donations, and it 100% volunteer operated.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Basis of Accounting and Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting. Accordingly, revenues are recognized when earned and expenses are recognized when incurred. Financial statement presentation follows the recommendations of The Financial Accounting Standards Board in its Statement of Financial Accounting (SFAS) No.117, Financial Statements of Not-for-Profit Organizations.

Cash

The Organization considers all highly liquid investments with maturities of three months or less, when purchased, to be cash equivalents. The Organization maintains its cash with a high-quality financial institution which is FDIC insured, up to \$250,000 per depositor, for each account ownership category.

Property and Equipment

Property and equipment are stated at cost, less accumulated depreciation. Depreciation is computed on the straight-line method over the estimated useful lives of assets.

The Organization capitalizes equipment with a useful life of more than 1 year and cost of more than \$1000 as an asset. Equipment with useful life under 1 year and/or cost of \$1000 or less is recorded as a supply expense.

Income Tax

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, except for taxes on unrelated business income. There was no unrelated taxable income for the year ended December 31, 2021. Accordingly, no provision for income taxes has been made in the accompanying financial statement.

Contributions and Grants

Contributions and grants are deferred and recognized over the periods to which the contribution relates. Contributions and grants with donor restrictions are recognized as unrestricted support only to the extent of actual expenses incurred in compliance with the donor-imposed restrictions.

NOTE 2— LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

SSRA has \$62,061 of financial assets available within one year of the statement of financial position date to meet cash needs for general operating expenditures. Financial assets consist solely of unrestricted cash.

NOTE 3 —GRANTS PAYABLE

Grants authorized but unpaid at year-end are reported as liabilities. The following is a summary of grants authorized and payable on December 31, 2021:

To be paid in 2022	\$	25,000
To be paid in 2023		20,000
		<hr/>
Gross grants authorized but unpaid		45,000
Less: Discount on long-term grants		(0)
		<hr/>
Net grants authorized but unpaid	\$	45,000

The Organization committed to donating \$100,000 to Massachusetts General Hospital to aid in the research of Superficial Siderosis. The commitment was approved and agreed upon in 2019 and is to be paid over four years in increments of \$25,000, ending in 2023. The organization gave an addition \$5,000 towards the grant during the year. The commitment has been honored each year since inception, and the remaining commitment as of 12/31/21 was \$45,000.

NOTE 4 —CONCENTRATION RISK

During 2021, the Organization received 100% of its total revenue from Public Support. The organization is seeking additional funding through qualifying grants. The organization is also operated 100% by volunteers.

NOTE 5 —DONATED SERVICES

Directors and officers have made a significant contribution of their time to develop the organization and its programs. No amounts have been recognized in the accompanying statement of activities and changes in net assets because the criteria for recognition of such efforts under GAAP have not been satisfied.

NOTE 6 —COST ALLOCATION

The costs of providing the various programs and supporting services have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the classification detail of expenses by function.

- All allowable direct costs are charged directly to programs, grants, activity, etc.
- Allowable direct costs that can be identified to more than one program are prorated individually as direct costs using a base most appropriate to the particular cost being prorated.
- All other allowable general and administrative costs (costs that benefit all programs and cannot be identified to a specific program) are allocated to programs, grants, etc. using a base that results in an equitable distribution.

NOTE 7 —RESTRICTED NET ASSETS

Grants and contracts from grantors who restrict the use of funds are recorded in separate funds during the year. The use of restricted gifts is linked to the purpose specified by the donor/grantor. A separate fund is to be established for each restricted funding source which utilizes line-item budgets. Expenses which fulfill the restrictions of the donor/grantor are recorded in that donor/grantor's fund. Separate bank accounts are not required for each restricted funding source unless required by the grantor. Internal financial statements are presented using a fund accounting format; year-end audited financial statements are presented on a Net Assets basis, using Unrestricted, Temporarily Restricted, and Permanently Restricted classes of Net Assets in accordance with FASB 117.

NOTE 8 —SUBSEQUENT EVENTS

The Organization evaluated events as of Dec 31, 2021, and up to the release date of this report, and affirmed that there are no conditions that did not exist as of Dec 31, 2021, that arose after, and up to the report release date that will require disclosure in these financial statements.

NOTE 9 —GIFTS-IN-KIND

	<u>FY21</u>
Advertising Expense	\$ 51,910
Software Expense	<u>7,700</u>
	<u>\$ 14,600</u>

The Organization's policy related to gifts-in-kind is to utilize the assets given to carry out the mission of the Organization. If an asset is provided that does not allow the Organization to utilize it in its normal course of business, the asset will be sold at its fair market value as determined by appraisal or specialist depending on the type of asset.

The Organization was provided a monthly Google Ads grant to create and run advertising campaigns through Google Ads. The advertisements were at no cost to the Organization, and its total value was \$51,910.

The Organization received 5 Microsoft Dynamics licenses, Azure Microsoft Cloud Services, and free year of Soapbox Engage as a donation, in order to improve its donation platforms, and back-office capabilities. The software was received at no cost to the Organization, and its total value was \$7,700.