

**LUPUS AND ALLIED  
DISEASES ASSOCIATION, INC.  
VERONA, NY**

**FINANCIAL STATEMENTS  
AT SEPTEMBER 30, 2021**

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## **INDEPENDENT ACCOUNTANTS REVIEW REPORT**

To the Board of Directors  
Lupus and Allied Diseases Association, Inc.  
Verona, New York

I have reviewed the accompanying statements of financial position of Lupus and Allied Diseases Association, Inc. (a nonprofit corporation) as of September 30, 2021 and 2020, related statements of cash flows for the years then ended, and the related statement of activities and functional expenses for the years then ended in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, I do not express such an opinion.

### **Management's Responsibility for the Financial Statements**

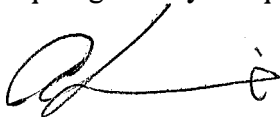
Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting principles generally accepted in the United States of America; this includes determining that the basis of accounting the Organization uses is an acceptable basis for the preparation of financial statements in the circumstances. Management is also responsible for designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Accountant's Responsibility**

My responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. Those standards require me to perform procedures to obtain limited assurance as a basis for reporting whether I am aware of any material modifications that should be made to the financial statements. I believe that the results of my procedures provided a reasonable basis for my conclusion.

### **Accountant's Conclusion**

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with the accounting principles generally accepted in the United States of America.



Andrew J. Lamirande, CPA, PC  
Fayetteville, New York  
January 31, 2022

LUPUS AND ALLIED DISEASES ASSOCIATION, INC.

STATEMENTS OF FINANCIAL POSITION  
SEPTEMBER 30, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 891,623	\$ 686,347
Short-term investments	510,476	334,996
Accounts receivable, net of bad debts	-	-
Prepaid expenses	-	-
Unconditional promises to give	-	-
Long-term investments	-	-
Contributions receivable	-	-
Property and equipment, net	<u>1,148</u>	<u>714</u>
<b>TOTAL ASSETS</b>	<u>\$ 1,403,247</u>	<u>\$ 1,022,057</u>
 <b>LIABILITIES</b>		
Accounts payable	\$ -	\$ -
Refundable Advances	-	-
Long-term debt	<u>-</u>	<u>-</u>
<b>TOTAL LIABILITIES</b>	-	-
 <b>NET ASSETS</b>		
Unrestricted		
Designated for new program development	-	-
Undesignated	1,403,247	1,022,057
Temporarily restricted	-	-
Permanently restricted	<u>-</u>	<u>-</u>
<b>TOTAL NET ASSETS</b>	<u>1,403,247</u>	<u>1,022,057</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>1,403,247</u>	<u>1,022,057</u>

See accompanying notes and accountants' report.

LUPUS AND ALLIED DISEASES ASSOCIATION, INC.

STATEMENT OF ACTIVITIES  
YEAR ENDED SEPTEMBER 30, 2021

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
REVENUES, GAINS, AND OTHER SUPPORT				
Contributions	\$ 540,544	\$ -	\$ -	\$ 540,544
NYS Awareness Grant	62,500	-	-	62,500
Special events	120,260	-	-	120,260
Investment return	10,186	-	-	10,186
Net assets released from restrictions	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL REVENUES, GAINS, AND OTHER SUPPORT	\$ 733,490	-	-	733,490
EXPENSES				
Direct donor benefit expenses - special events	24,468	-	-	24,468
Program services				
Advocacy	16,879	-	-	16,879
Awareness	4,881	-	-	4,881
Education	15,408	-	-	15,408
Research	287,620	-	-	287,620
Supporting services				
Management and general	2,550	-	-	2,550
Fundraising	494	-	-	494
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL EXPENSES	352,300	-	-	352,300
CHANGE IN NET ASSETS	381,190	-	-	381,190
NET ASSETS AT BEGINNING OF YEAR	<hr/> 1,022,057	<hr/> -	<hr/> -	<hr/> 1,022,057
NET ASSETS AT END OF YEAR	\$ 1,403,247	\$ -	\$ -	\$ 1,403,247

See accompanying notes and accountants' report.

## LUPUS AND ALLIED DISEASES ASSOCIATION, INC.

STATEMENT OF ACTIVITIES  
YEAR ENDED SEPTEMBER 30, 2020

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
REVENUES, GAINS, AND OTHER SUPPORT				
Contributions	\$ 538,939	\$ -	\$ -	\$ 538,939
Special events	106,530			106,530
Investment return	11,348	-	-	11,348
Net assets released from restrictions	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL REVENUES, GAINS, AND OTHER SUPPORT	\$ 656,817	-	-	656,817
EXPENSES				
Direct donor benefit expenses - special events	15,996			15,996
Program services				
Advocacy	25,832	-	-	25,832
Awareness	33,881	-	-	33,881
Education	33,105	-	-	33,105
Research	220,000	-	-	220,000
Supporting services				
Management and general	2,444	-	-	2,444
Fundraising	545	-	-	545
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL EXPENSES	331,803	-	-	331,803
CHANGE IN NET ASSETS	325,014			325,014
NET ASSETS AT BEGINNING OF YEAR	697,043	-	-	697,043
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NET ASSETS AT END OF YEAR	\$ 1,022,057	\$ -	\$ -	\$ 1,022,057

See accompanying notes and accountants' report.

LUPUS AND ALLIED DISEASES ASSOCIATION, INC.

STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED SEPTEMBER 30, 2021

	Program Services				Supporting Services	
	Advocacy	Awareness	Education	Research	Management and general	Special events
Compensation and related expenses: \$	-	\$ -	\$ -	\$ -	\$ -	\$ -
Conference and training	-	-	-	-	-	-
Depreciation	170	171	170	-	60	30
Food	-	-	-	-	-	-
Insurance	753	753	753	-	97	97
Interest	-	-	-	-	-	-
Information technology	591	591	592	-	99	98
Maintenance of equipment	-	-	-	-	-	-
Postage	-	-	-	-	-	-
Printing	-	-	-	-	-	-
Professional fees	-	-	-	-	1,750	-
Research Grants	-	-	-	287,620	-	-
Supplies	-	-	-	-	-	-
Office	1,616	1,616	1,616	-	269	269
Other	-	-	-	-	-	-
Telephone	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Fuel	-	-	-	-	-	-
Repairs and other	-	-	-	-	-	-
Other	13,749	1,750	12,277	-	275	-
	\$ 16,879	\$ 4,881	\$ 15,408	\$ 287,620	\$ 2,550	\$ 494

See accompanying notes and accountants' report.

LUPUS AND ALLIED DISEASES ASSOCIATION, INC.

STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED SEPTEMBER 30, 2020

	Program Services				Supporting Services	
	Advocacy	Awareness	Education	Research	Management and general	Special events
Compensation and related expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Conference and training	-	-	-	-	-	-
Depreciation	135	135	135	-	47	24
Food	-	-	-	-	-	-
Insurance	581	581	580	-	97	97
Interest	-	-	-	-	-	-
Information technology	552	551	551	-	92	92
Maintenance of equipment	-	-	-	-	-	-
Postage	-	-	-	-	-	-
Printing	-	-	-	-	-	-
Professional fees	-	-	-	-	1,750	-
Research grants	-	-	-	220,000	-	-
Supplies	-	-	-	-	-	-
Office	1,996	1,996	1,997	-	333	332
Other	-	-	-	-	-	-
Telephone	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Fuel	-	-	-	-	-	-
Repairs and other	-	-	-	-	-	-
Other	22,568	30,618	29,842	-	125	-
	\$ 25,832	\$ 33,881	\$ 33,105	\$ 220,000	\$ 2,444	\$ 545

See accompanying notes and accountants' report.

LUPUS AND ALLIED DISEASES ASSOCIATION, INC.

STATEMENT OF CASH FLOWS  
SEPTEMBER 30, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase in net assets	\$ 381,190	\$ 325,014
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	601	476
Unrealized gains on investments	-	-
(Increase) decrease in operating assets:		
Accounts receivable	-	-
Prepaid expenses	-	-
Unrestricted promises to give	-	-
Contributions receivable	-	-
Increase (decrease) in operating liabilities		
Accounts payable	-	-
Compensation	-	-
Refundable advances	-	-
Contributions restricted for long-term purposes:		
Contributions	-	-
Amortization of discount on unconditional promises to give	-	-
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>381,791</u>	<u>325,490</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Short-term investments, net	(175,415)	112,464
Purchases of long-term investments	-	-
Proceeds from maturity of long-term investments	-	-
Payments for property and equipment	-	-
Purchase of assets restricted to investment in property and equipment	(1,100)	-
Other	-	-
NET CASH USED BY INVESTING ACTIVITIES	<u>(176,515)</u>	<u>112,464</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Collections of contributions restricted for long-term purposes	-	-
Payments on loans	-	-
NET CASH PROVIDED BY FINANCING ACTIVITIES	<u>-</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS	205,276	437,954
BEGINNING CASH AND CASH EQUIVALENTS	<u>\$ 686,347</u>	<u>\$ 248,393</u>
ENDING CASH AND CASH EQUIVALENTS	891,623	686,347

See accompanying notes and accountants' report.



LUPUS AND ALLIED DISEASES ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

AT SEPTEMBER 30, 2021

NOTE A – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NATURE OF ACTIVITIES

Lupus and Allied Diseases Association, Inc. (the Organization) provides public, governmental, and private education and awareness to those interested in lupus and autoimmune diseases throughout the United States. The Organization also supports research and advocates for the advancement of treatment and cures for autoimmune diseases. The Organization is supported primarily through donor contributions, grants, and special events. Approximately 16% and 17% of the Organization's support for the years ended September 30, 2021 and 2020, respectively, came from special events.

BASIS OF ACCOUNTING

The Organization's policy is to prepare its financial statements on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America ("GAAP").

CONTRIBUTED SERVICES

During the years ended September 30, 2021 and 2020, the value of contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded. In addition, individuals volunteer their time and expertise to perform a variety of tasks that assist the Organization in their awareness and education efforts. For the year ended September 30, 2021, volunteer hours amounted to 8,200 total hours amounting to \$271,994 valued at the Independent Sector's State Values of Volunteer Time rate of \$33.17 per hour. For the year ended September 30, 2020, volunteer hours amounted to 8,900 total hours amounting to \$278,481 valued at the Independent Sector's State Values of Volunteer Time rate of \$30.29 per hour.

INCOME TAXES

The Organization has been classified by the Internal Revenue Service as a corporation described under 501(c)(3) of the Internal Revenue Code ("the Code") as exempt from federal income taxes under section 501(a) of the Code. The Organization is subject to a tax on income from any unrelated business.

CASH AND CASH EQUIVALENTS

For purposes of the statements of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

LUPUS AND ALLIED DISEASES ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS  
AT SEPTEMBER 30, 2021

CONCENTRATION OF CREDIT RISK

The Company's financial instruments that are exposed to concentration of credit risk consist primarily of cash and cash equivalents and certificates of deposit. The Company places its cash and temporary cash investments with high quality credit institutions. At times such investments may be in excess of the NCUA insurance limit. During the years ended September 30, 2021 and 2020 cash exceeded the federally insured amount by \$1,152,099 and \$542,558 respectively.

ESTIMATES

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

PROPERTY AND EQUIPMENT

The Organization capitalizes all property and equipment with a cost of \$500 if purchased or donated as a contribution on the date received, as well as all office equipment that is technological in nature. Donations of property and equipment are recorded as support at their estimated fair market value. Property and equipment are depreciated using the straight-line method.

FINANCIAL STATEMENT PRESENTATION

Under Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. The Organization has only received unrestricted assets in the year ending September 30, 2021.

CONTRIBUTIONS

Under SFAS No. 116, *Accounting for Contributions Received and Contributions Made*, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted net assets depending on the absence or existence and nature of any donor restrictions.

LUPUS AND ALLIED DISEASES ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS  
AT SEPTEMBER 30, 2021

INVESTMENTS

Under SFAS No. 124, *Accounting for Certain Investments Held by Not-for-Profit Organizations*, investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position.

NOTE B – RESTRICTIONS ON NET ASSETS

The Organization receives contributions from Individuals and Corporations that may be restricted as to use by the Organization determined by the donor. For the year ended September 30, 2021 the Organization was not in receipt of any assets that were restricted either temporarily nor permanently. All assets were received unrestricted as to use by the Organization.

NOTE C – INVESTMENTS

The Organization held certificates of deposit with Americu Credit Union with a maturity date of February 1, 2022. The value of these certificates of deposit at September 30, 2021 and 2020 were \$510,475 and \$106,210 respectively. The Organization also held certificates of deposit with a maturity date of March 4, 2021 with a value of \$45,697 through MainStreet Bank and March 4, 2021 with a value of \$183,088 through CFBank at September 30, 2020.

NOTE D – PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	<u>2021</u>	<u>2020</u>
Office Equipment	\$ <u>5,399</u>	\$ <u>4,979</u>
Accumulated Depreciation	<u>(4,251)</u>	<u>(4,265)</u>
	<u>\$ 1,149</u>	<u>\$ 714</u>

NOTE E – SUBSEQUENT EVENTS

Management has evaluated subsequent events as of January 31, 2022 which is the date the financial statements were available for issuance. No events have been noted.