

**REFLEX SYMPATHETIC DYSTROPHY
SYNDROME ASSOCIATION OF AMERICA
FINANCIAL STATEMENTS
YEARS ENDED
DECEMBER 31, 2023 AND 2022**

REFLEX SYMPATHETIC DYSTROPHY SYNDROME ASSOCIATION OF AMERICA

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Beers, Hamerman, Cohen & Burger, PC
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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors of
Reflex Sympathetic Dystrophy Syndrome Association of America
Milford, Connecticut

We have reviewed the accompanying financial statements of Reflex Sympathetic Dystrophy Syndrome Association of America (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023 and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of entity 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, we do not express such an opinion.

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.

Accountant's Responsibility

Our 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 AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statement for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Reflex Sympathetic Dystrophy Syndrome Association of America and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying 2023 financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Report on 2022 Financial Statements

The 2022 financial statements were audited by us, and we have expressed an unmodified opinion on them in our report dated September 13, 2023. We have not performed any auditing procedures since that date.

Beers, Hamerman, Cohen & Burger, P.C.

New Haven, Connecticut
April 8, 2025

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REFLEX SYMPATHETIC DYSTROPHY SYNDROME ASSOCIATION OF AMERICA
STATEMENTS OF FINANCIAL POSITION

	December 31,	
	<u>2023</u>	<u>2022</u>
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 1,224,458	\$ 997,284
Promises to give	13,600	13,600
Investments	673,114	625,096
Prepaid expenses	<u>9,805</u>	<u>8,916</u>
Total Current Assets	1,920,977	1,644,896
Right of use asset	6,747	22,922
Security deposits	950	950
Office equipment, net	<u>3,069</u>	<u>4,064</u>
TOTAL ASSETS	<u>\$ 1,931,743</u>	<u>\$ 1,672,832</u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable and accrued expenses	\$ 18,356	\$ 17,954
Lease liability - current portion	<u>6,997</u>	<u>16,525</u>
Total Current Liabilities	25,353	34,479
Long-Term Liabilities		
Research grants payable	89,697	160,757
Lease liability, less current portion	<u>-</u>	<u>6,997</u>
Total Liabilities	<u>115,050</u>	<u>202,233</u>
Net Assets		
Without donor restrictions		
Unrestricted	1,173,542	970,710
Board designated - business plan	<u>-</u>	<u>43,528</u>
Total Net Assets Without Donor Restrictions	<u>1,173,542</u>	<u>1,014,238</u>
With donor restrictions		
Purpose restricted	<u>643,151</u>	<u>456,361</u>
Total Net Assets With Donor Restrictions	<u>643,151</u>	<u>456,361</u>
Total Net Assets	<u>1,816,693</u>	<u>1,470,599</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,931,743</u>	<u>\$ 1,672,832</u>

See accompanying notes to the financial statements.

REFLEX SYMPATHETIC DYSTROPHY SYNDROME ASSOCIATION OF AMERICA
STATEMENTS OF ACTIVITIES

	Year Ended December 31, 2023			Year Ended December 31, 2022		
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Operating Revenue and Other Support						
Contributions and grants	\$ 483,350	\$ 261,740	\$ 745,090	\$ 491,877	\$ 65,133	\$ 557,010
Investment income	19,742	-	19,742	10,837	-	10,837
Other income	<u>599</u>	<u>-</u>	<u>599</u>	<u>-</u>	<u>-</u>	<u>-</u>
Operating Revenue and Other Support						
Before Special Events	<u>503,691</u>	<u>261,740</u>	<u>765,431</u>	<u>502,714</u>	<u>65,133</u>	<u>567,847</u>
Special events	68,242	-	68,242	64,863	-	64,863
Less: cost of direct benefit to donors	<u>(13,029)</u>	<u>-</u>	<u>(13,029)</u>	<u>(23,933)</u>	<u>-</u>	<u>(23,933)</u>
Special Events, Net	<u>55,213</u>	<u>-</u>	<u>55,213</u>	<u>40,930</u>	<u>-</u>	<u>40,930</u>
Net assets released from restrictions						
Restrictions satisfied by payments	<u>74,950</u>	<u>(74,950)</u>	<u>-</u>	<u>163,301</u>	<u>(163,301)</u>	<u>-</u>
Total Operating Revenue and Other Support	<u>633,854</u>	<u>186,790</u>	<u>820,644</u>	<u>706,945</u>	<u>(98,168)</u>	<u>608,777</u>
Operating Expenses						
Program services	311,886	-	311,886	389,135	-	389,135
Management and general	111,089	-	111,089	104,598	-	104,598
Fundraising	<u>82,714</u>	<u>-</u>	<u>82,714</u>	<u>53,856</u>	<u>-</u>	<u>53,856</u>
Total Expenses	<u>505,689</u>	<u>-</u>	<u>505,689</u>	<u>547,589</u>	<u>-</u>	<u>547,589</u>
Change in Net Assets from Operations	128,165	186,790	314,955	159,356	(98,168)	61,188
Other Changes						
Realized and unrealized gain (loss) on investments	31,139	-	31,139	(36,889)	-	(36,889)
Loss on disposal of equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,697)</u>	<u>-</u>	<u>(2,697)</u>
Change in Net Assets	159,304	186,790	346,094	119,770	(98,168)	21,602
Net Assets, Beginning of Year	<u>1,014,238</u>	<u>456,361</u>	<u>1,470,599</u>	<u>894,468</u>	<u>554,529</u>	<u>1,448,997</u>
Net Assets, End of Year	<u>\$ 1,173,542</u>	<u>\$ 643,151</u>	<u>\$ 1,816,693</u>	<u>\$ 1,014,238</u>	<u>\$ 456,361</u>	<u>\$ 1,470,599</u>

See accompanying notes to the financial statements.

REFLEX SYMPATHETIC DYSTROPHY SYNDROME ASSOCIATION OF AMERICA
STATEMENTS OF FUNCTIONAL EXPENSES

	Year Ended December 31, 2023				Year Ended December 31, 2022			
	Program Services	Management and General	Fundraising	Total	Program Services	Management and General	Fundraising	Total
Salaries	\$ 120,999	\$ 55,846	\$ 9,307	\$ 186,152	\$ 119,499	\$ 55,153	\$ 9,192	\$ 183,844
Research	27,452	-	-	27,452	97,975	-	-	97,975
Awareness Campaign	52,858	-	28,073	80,931	64,291	-	2,202	66,493
Professional Fees	28,980	15,771	23,601	68,352	29,160	12,595	22,764	64,519
Office Supplies	26,237	12,109	2,018	40,364	19,640	9,065	1,510	30,215
Occupancy	10,920	5,040	840	16,800	10,758	4,965	827	16,550
Patient Assistance	15,398	-	-	15,398	11,101	-	-	11,101
Payroll Taxes	9,944	4,590	765	15,299	9,829	4,537	756	15,122
Bank Fees	-	-	11,931	11,931	-	-	12,217	12,217
Insurance	6,377	2,943	490	9,810	7,221	3,333	555	11,109
State Registration Fees	-	9,027	-	9,027	-	10,209	-	10,209
Dues and Subscriptions	4,146	1,913	319	6,378	1,953	901	150	3,004
Telephone	3,385	1,563	260	5,208	3,713	1,714	285	5,712
Postage	-	-	4,724	4,724	5,768	-	3,038	8,806
Equipment Rental and Maintenance	2,187	1,009	168	3,364	1,718	793	132	2,643
Employee Benefits	2,321	205	205	2,731	2,321	205	205	2,731
Depreciation	-	995	-	995	-	989	-	989
Travel	414	-	-	414	27	-	-	27
Property Tax	168	78	13	259	301	139	23	463
Conferences, Conventions and Meetings	100	-	-	100	3,860	-	-	3,860
	<u>\$ 311,886</u>	<u>\$ 111,089</u>	<u>\$ 82,714</u>	<u>\$ 505,689</u>	<u>\$ 389,135</u>	<u>\$ 104,598</u>	<u>\$ 53,856</u>	<u>\$ 547,589</u>

See accompanying notes to the financial statements.

REFLEX SYMPATHETIC DYSTROPHY SYNDROME ASSOCIATION OF AMERICA
STATEMENTS OF CASH FLOWS

	Year Ended December 31,	
	<u>2023</u>	<u>2022</u>
Cash Flows from Operating Activities		
Change in net assets	\$ 346,094	\$ 21,602
Adjustments to reconcile the change in net assets to net cash provided by operating activities:		
Realized and unrealized (gain) loss on investments, net	(31,139)	36,889
Loss on disposal of equipment	-	2,697
Depreciation expense	995	989
Amortization of right to use asset	16,175	16,497
Changes in operating assets and liabilities:		
Prepaid expenses	(889)	(1,040)
Promises to give	-	(100)
Lease liability	(16,525)	(15,897)
Accounts payable and accrued expenses	402	(2,125)
Research grants payable	<u>(71,060)</u>	<u>(54,882)</u>
Net Cash Provided by Operating Activities	<u>244,053</u>	<u>4,630</u>
Cash Flows from Investing Activities		
Purchase of investments	(21,444)	(9,618)
Sale of investments	4,565	7,782
Purchase of computer equipment	<u>-</u>	<u>(4,977)</u>
Net Cash Used by Investing Activities	<u>(16,879)</u>	<u>(6,813)</u>
Change in Cash and Cash Equivalents	227,174	(2,183)
Cash and Cash Equivalents, Beginning of Year	<u>997,284</u>	<u>999,467</u>
Cash and Cash Equivalents, End of Year	<u>\$ 1,224,458</u>	<u>\$ 997,284</u>
Supplemental Disclosure for Cash Flow Information		
Cash paid for lease liabilities	<u>\$ 16,200</u>	<u>\$ 15,950</u>

See accompanying notes to the financial statements.

REFLEX SYMPATHETIC DYSTROPHY SYNDROME ASSOCIATION OF AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The Reflex Sympathetic Dystrophy Syndrome Association of America (Organization) is a non-profit organization which was organized to heighten visibility and awareness of the reflex sympathetic dystrophy syndrome disorder (RSDS) and to promote research projects associated with the disorder.

Basis of Presentation

The financial statements of the Organization have been prepared in accordance with accounting principles generally accepted in the United States of America. Accordingly, the accounts of the Organization, are reported in the following net asset categories:

Net Assets Without Donor Restrictions:

Net assets without donor restrictions represent available resources other than donor-restricted contributions. These assets represent resources that may be expended at the discretion of the board of directors.

Net Assets With Donor Restrictions:

Net assets with donor restrictions represent resources that have donor-imposed restrictions as to purpose or time of expenditure.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect reported amounts and disclosures. Accordingly, actual results could differ materially from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include investments in highly liquid instruments with an initial maturity of three months or less.

The Organization maintains its cash with financial institutions. These balances from time to time may exceed the federally insured limits. As of December 31, 2023 and 2022, the Organization had cash in excess of the federally insured limits of \$712,322 and \$512,589, respectively.

Contributions

Contributions are recognized when the donor makes a promise to give that is, in substance, unconditional. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Contributions are recorded in net assets with donor restrictions or net assets without donor restrictions depending on the existence and/or nature of any restrictions. Contributions that are restricted by the donor are reported as increase in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, 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.

REFLEX SYMPATHETIC DYSTROPHY SYNDROME ASSOCIATION OF AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (CONTINUED)

Office Equipment

Office equipment is carried at cost. Depreciation is computed primarily under the straight-line method over the useful lives of the depreciable assets, determined to be five years. Expenditures for repairs and maintenance that materially increase the useful lives of assets are capitalized. The Organization's policy is to capitalize expenditures for those items in excess of \$1,000.

Research Grants

The Organization makes grants based on applications received from researchers and approved by the Board of Directors. The grants are included in research expenses in the statements of activities as of the award date. Grants are typically paid over the duration of the research period, and any unpaid balances on approved grants are included in research grants payable in the statements of financial position.

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. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Salaries and related costs, office supplies and rent are allocated based on estimates of actual time spent on program, management and general and fundraising activities.

Leases

The Organization leases its office space. The Organization determines if an arrangement is a lease at inception. As of June 1, 2021, the Organization has determined that its office lease is an operating-type lease and is reflected as a right of use asset and lease liability on the statement of financial position.

Right of use assets represent the Organization's right to use an underlying asset for the lease term and lease liabilities represent the Organization's obligation to make lease payments arising from the lease. Operating lease right of use assets and liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. The Organization utilizes the risk-free rate at the commencement date in determining the present value of lease payments (0.165%). Lease expense for lease payments is recognized on a straight-line bases over the lease term.

The lease agreement does not contain any material residual value guarantees or material restrictive covenants.

Donated Services

The Organization recognizes donated services that create or enhance nonfinancial assets or require specialized skills that would typically need to be purchased if not provided by donation. The Organization utilizes many volunteers for a variety of tasks that assist the Organization. These services, however, do not meet the criteria for recognition of donated services.

Income Taxes

The Organization qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. The Organization's income tax filings are subject to audit by various taxing authorities.

REFLEX SYMPATHETIC DYSTROPHY SYNDROME ASSOCIATION OF AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (CONTINUED)

Investments

Investments are recorded at fair value based on quoted market prices in an active market. Investment income and net appreciation or depreciation in the fair value of investments is included in the statement of activities.

Reclassifications

Certain prior year amounts have been reclassified to conform to the current year's presentation.

Subsequent Events

In preparing these financial statements, the Organization has evaluated subsequent events through April 8, 2025, which is the date the financial statements were available to be issued. The Organization entered into a two-year lease agreement for the use of office space with a term of May 1, 2024 through April 30, 2026 with monthly payments of \$1,200. The new lease agreement remains with the same unrelated third party.

NOTE 2 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

Liquidity

The operations and programs of the Organization are primarily funded through public support and the earnings on its investments. Public support revenue is unpredictable for the future; however, the Organization has a long history of support and is well established in its donor community.

Availability of Financial Assets

The following reflects the Organization's financial assets as of the statement of financial position date, reduced by amounts not available for general use within one year of the statement of financial position date because of contractual or donor-imposed restrictions or internal designations. Amounts available include donor-restricted amounts that are available for general expenditures in the following year.

	December 31,	
	<u>2023</u>	<u>2022</u>
Financial assets at year end:		
Cash and cash equivalents	\$ 1,224,458	\$ 997,284
Promises to give	13,600	13,600
Investments	<u>673,114</u>	<u>625,096</u>
	<u>1,911,172</u>	<u>1,635,980</u>
Less amounts not available for general expenditures within one year:		
Net assets with donor restrictions	643,151	456,361
Board designated net assets - business plan	<u>-</u>	<u>43,528</u>
	<u>643,151</u>	<u>499,889</u>
Financial assets available to meet general expenditures over the next 12 months	<u>\$ 1,268,021</u>	<u>\$ 1,136,091</u>

REFLEX SYMPATHETIC DYSTROPHY SYNDROME ASSOCIATION OF AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 3 - INVESTMENTS

GAAP defines fair value, establishes a framework for measuring fair value, and establishes a fair value hierarchy that prioritizes the inputs to valuation techniques. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability occurs in the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market. Valuation techniques that are consistent with the market, income or cost approach are used to measure fair value. The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value in three broad levels:

- Level 1: Inputs are based upon unadjusted quoted prices for identical instruments traded in active markets.
- Level 2: Inputs are based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets and liabilities.
- Level 3: Inputs are generally unobservable and typically reflect management's estimates of assumptions that market participants would use in pricing the asset or liability. The fair values are, therefore, determined using model-based techniques that include option pricing models, discounted cash flows models, and similar techniques. These inputs reflect the assumptions of management about assumptions market participants would use in pricing the investments.

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

	December 31,	
	2023	2022
<u>Description</u>	<u>Level 1</u>	<u>Level 1</u>
Equities	\$ 20,607	\$ 4,967
Mutual funds		
Short-term bonds	640,361	610,185
Equity	<u>12,146</u>	<u>9,944</u>
	<u>\$ 673,114</u>	<u>\$ 625,096</u>

NOTE 4 - JOINT COSTS

The costs incurred to produce the Organization's public awareness campaign, including the periodic newsletter are considered joint costs and have been allocated between program services and fundraising expenses in the statements of activities and functional expenses. During 2023, the Organization used an outside service provider to produce an online periodic newsletter. Prior to this, the Organization produced its periodic newsletter. For the years ended December 31, 2023 and 2022, the costs allocated for the newsletters and other communications were \$32,400 and \$16,378 respectively, with \$3,240 allocated to fundraising for each year. The remaining portion of these costs and are included in professional fees and postage in both years. This allocation was based on the nature of the content of the newsletters.

REFLEX SYMPATHETIC DYSTROPHY SYNDROME ASSOCIATION OF AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

NOTE 5 - OFFICE LEASE

The Organization leases office space in Milford, Connecticut under a non-cancelable operating lease agreement. The lease expires on May 31, 2024, and provides for renewal options. The lease payments increase by \$50 per month for each lease period. For the years ended December 31, 2023 and 2022, lease expense totaled 16,200 per year. The future minimum lease payment required for 2024 is \$6,997.

NOTE 6 - NET ASSETS WITH DONOR RESTRICTIONS

The Organization's net assets with donor restrictions consist of the following:

	December 31,	
	<u>2023</u>	<u>2022</u>
Research	\$ 458,923	\$ 229,955
Medical financial assistance	61,363	75,754
Externship	44,922	44,922
Conference	27,775	27,775
Camp Courageous	10,951	22,122
Marketing	11,085	11,085
National Support Group Expansion	10,547	10,547
Website design	-	10,384
Young Adult Retreat	8,992	8,992
Education initiatives	8,593	8,593
Pediatric video	-	6,232
	<u>\$ 643,151</u>	<u>\$ 456,361</u>

NOTE 7 - RELATED PARTY TRANSACTIONS

The Organization provides support to the International Research Consortium (IRC), a related 501(c)(3) entity with which it has board members in common, but no common control relationship between the Organization and the IRC exists. One of the qualifications for financial grants in the medical research community is a demonstrated ability to achieve a sufficient sample size of patient subjects. Complex Regional Pain Syndrome/Reflex Sympathetic Dystrophy Syndrome is an orphan disease whose potential patient subjects are low in number and widely dispersed making it difficult to achieve sample sizes to meet research grant requirements. Support provided is reported under research program expenses, and was \$20,000 and \$47,309 for the years ended December 31, 2023 and 2022, respectively.