



ALS GOLDEN WEST

**FINANCIAL STATEMENTS
and
SUPPLEMENTARY INFORMATION**

JANUARY 31, 2024

A Trusted Nonprofit Partner

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
ALS Golden West

Opinion

We have audited the accompanying financial statements of ALS Golden West (a nonprofit organization), which comprise the Statement of Financial Position as of January 31, 2024, and the related Statements of Activities, Functional Expenses, and Cash Flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of ALS Golden West as of January 31, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of ALS Golden West and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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 Golden West's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

INDEPENDENT AUDITORS' REPORT

continued

Auditors' 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 auditors' 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 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, 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 Golden West's internal control. Accordingly, no such opinion is expressed.
- 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 Golden West'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.

INDEPENDENT AUDITORS' REPORT

continued

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Program Services Breakdown Schedule, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Report on Summarized Comparative Information

We have previously audited ALS Golden West's 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 14, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended January 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Harrington Group

Pasadena, California
November 12, 2024

ALS GOLDEN WEST

STATEMENT OF FINANCIAL POSITION

January 31, 2024

With comparative totals at January 31, 2023

	Without Donor Restrictions	With Donor Restrictions	2024	2023
ASSETS				
Cash and cash equivalents (Note 2)	\$ 10,203,864	\$ 1,513,428	\$ 11,717,292	\$ 11,392,398
Accounts receivable	257,042		257,042	288,301
Pledges receivable, net (Note 4)	347,303	301,757	649,060	852,074
Prepaid expenses	23,353		23,353	40,017
Investments (Note 5)	1,246,535		1,246,535	138,357
Right-of-use assets - operating leases (Note 7)	410,598		410,598	604,957
TOTAL ASSETS	\$ 12,488,695	\$ 1,815,185	\$ 14,303,880	\$ 13,316,104
LIABILITIES AND NET ASSETS				
LIABILITIES				
Accounts payable	\$ 221,634	\$ -	\$ 221,634	\$ 311,954
Accrued liabilities (Note 6)	331,087		331,087	553,672
Refundable advances			-	-
Lease liabilities - operating leases (Note 7)	432,351		432,351	619,625
Note payable (Note 8)	155,099		155,099	160,000
TOTAL LIABILITIES	1,140,171	-	1,140,171	1,645,251
NET ASSETS				
Without donor restrictions	11,348,524		11,348,524	9,301,541
With donor restrictions (Note 10)		1,815,185	1,815,185	2,369,312
TOTAL NET ASSETS	11,348,524	1,815,185	13,163,709	11,670,853
TOTAL LIABILITIES AND NET ASSETS	\$ 12,488,695	\$ 1,815,185	\$ 14,303,880	\$ 13,316,104

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

ALS GOLDEN WEST

STATEMENT OF ACTIVITIES

For the year ended January 31, 2024

With comparative totals for the year ended January 31, 2023

	Without Donor Restrictions	With Donor Restrictions	2024	2023
REVENUE AND SUPPORT				
Contributions	\$ 9,199,181	\$ 525,161	\$ 9,724,342	\$ 8,201,000
Special events income - net of expenses of \$617,876	1,250,718		1,250,718	1,251,054
Interest income	19,853		19,853	2,319
Gain on investments	21,831		21,831	227
In-kind donations			-	2,000
Change in amortization of discount on pledges receivable			-	-
Net assets released from restrictions (Note 10)	1,079,288	(1,079,288)	-	-
TOTAL REVENUE AND SUPPORT	11,570,871	(554,127)	11,016,744	9,456,600
EXPENSES				
Program services	8,309,251		8,309,251	7,634,183
Management and general	786,605		786,605	739,993
Fundraising	975,769		975,769	837,516
TOTAL EXPENSES	10,071,625	-	10,071,625	9,211,692
CHANGE IN NET ASSETS BEFORE OTHER INCOME	1,499,246	(554,127)	945,119	244,908
OTHER INCOME				
Other income (Note 11)	401,621		401,621	-
Employee retention credit (Note 12)	146,116		146,116	66,897
Paycheck protection program loan forgiveness			-	722,010
TOTAL OTHER INCOME	547,737	-	547,737	788,907
CHANGE IN NET ASSETS	2,046,983	(554,127)	1,492,856	1,033,815
NET ASSETS, BEGINNING OF YEAR	9,301,541	2,369,312	11,670,853	10,637,038
NET ASSETS, END OF YEAR	\$ 11,348,524	\$ 1,815,185	\$ 13,163,709	\$ 11,670,853

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

ALS GOLDEN WEST

STATEMENT OF FUNCTIONAL EXPENSES

For the year ended January 31, 2024

With comparative totals for the year ended January 31, 2023

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total Expenses</u>	
				2024	2023
Salaries	\$ 3,495,218	\$ 393,622	\$ 492,716	\$ 4,381,556	\$ 3,854,966
Payroll taxes and benefits	721,946	81,304	101,772	905,022	840,715
Total personnel costs	<u>4,217,164</u>	<u>474,926</u>	<u>594,488</u>	<u>5,286,578</u>	<u>4,695,681</u>
Outside contractors/providers	1,278,555	143,987	180,236	1,602,778	1,194,238
Clinic programs	847,549			847,549	737,500
Research, patient service, and program support - National office	460,555			460,555	763,354
Professional services/constituent support and advocacy	348,930	39,296	49,188	437,414	239,093
Constituent activities, conferences, and meetings	258,618	29,125	36,457	324,200	424,240
Rent and loan programs	221,224	31,999	31,186	284,409	258,978
Travel and mileage	132,397	14,910	18,664	165,971	180,068
Supplies and materials	115,673	13,027	16,306	145,006	304,693
Equipment purchases	80,622	9,079	11,365	101,066	77,412
Miscellaneous office expenses	74,161	8,347	10,454	92,962	48,433
Insurance	45,303	5,102	6,386	56,791	40,028
Telephone and internet	42,387	4,773	5,975	53,135	44,609
Licenses and fees	34,970	3,938	4,930	43,838	28,191
Outside services/clinical and equipment evaluations	38,288			38,288	35,078
Postage, shipping, and mailing	29,725	3,348	4,190	37,263	41,225
Communication devices, and other equipment	31,666			31,666	37,574
Printing	18,381	2,070	2,591	23,042	22,714
Dues and subscriptions	12,002	1,352	1,692	15,046	7,577
Advertising and publicity	8,085	910	1,140	10,135	14,577
Transportation services (persons with ALS)	9,300			9,300	6,348
Interest expense	3,696	416	521	4,633	10,081
TOTAL 2024 FUNCTIONAL EXPENSES	<u>\$ 8,309,251</u>	<u>\$ 786,605</u>	<u>\$ 975,769</u>	<u>\$ 10,071,625</u>	
TOTAL 2023 FUNCTIONAL EXPENSES	<u>\$ 7,634,183</u>	<u>\$ 739,993</u>	<u>\$ 837,516</u>		<u>\$ 9,211,692</u>

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

ALS GOLDEN WEST

STATEMENT OF CASH FLOWS

For the year ended January 31, 2024

With comparative totals for the year ended January 31, 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 1,492,856	\$ 1,033,815
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Forgiveness of refundable advance - paycheck protection program loan	-	(722,010)
(Gain) on sale of investments	(21,831)	(227)
Donated stock received	(1,000,000)	-
(Increase) decrease in operating assets:		
Accounts receivable	31,259	198,250
Pledges receivable	1,203,014	(20,646)
Prepaid expenses	16,664	45,412
Amortization of right-of-use assets - operating leases	194,359	188,703
Increase (decrease) in operating liabilities:		
Accounts payable	(90,320)	174,805
Reduction of lease liabilities - operating leases	(187,274)	(174,035)
Accrued liabilities	(222,585)	205,824
NET CASH PROVIDED BY OPERATING ACTIVITIES	1,416,142	929,891
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of investments	(1,086,347)	(6,850)
NET CASH (USED) BY INVESTING ACTIVITIES	(1,086,347)	(6,850)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Principle payments on note payable	(4,901)	-
NET CASH USED BY FINANCING ACTIVITIES	(4,901)	-
NET INCREASE IN CASH AND CASH EQUIVALENTS	324,894	923,041
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	11,392,398	10,469,357
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 11,717,292	\$ 11,392,398
NON-CASH FINANCING AND OPERATING ACTIVITIES:		
Right-of-use assets/liabilities from adoption of ASC 842	\$ -	\$ 793,660

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

ALS GOLDEN WEST

NOTES TO FINANCIAL STATEMENTS

1. Organization

ALS Golden West is dedicated to leading the fight to prevent, treat and cure amyotrophic lateral sclerosis (ALS) through global research and nationwide advocacy while maximizing quality of life, independence, and access to high quality care for people with ALS through comprehensive and compassionate programs and services for the ALS community.

Working on multiple fronts, ALS Golden West's primary goals are:

- To provide every person with ALS with the best coordinated medical care, as well as social, emotional, and concrete support – all at no cost to the person.
- To support global, cutting-edge research and coordinate the ALS research community to improve and expand ALS research.
- To lead the effort to generate awareness and promote public policy that directly benefits people with ALS and their families now and in the future.

ALS Golden West is committed to implementing highly effective services, cutting-edge research, and public policy initiatives that improve the lives of individuals and families living with ALS. ALS Golden West relies on the generosity of individuals, corporations, and philanthropic foundations to support its mission-critical activities and operations.

During the current fiscal year, the organization changed its name in September 2023, operating under the dba "ALS Golden West" until January 31, 2024. Following the fiscal year ending in January 2024, the organization submitted the necessary documentation to the California State Attorney General and officially changed its name to "ALS Network" effective May 2024.

2. Summary of Significant Accounting Policies

A summary of the significant accounting policies applied in the preparation of the accompanying financial statements is as follows:

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting.

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Without Donor Restrictions. Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

2. **Summary of Significant Accounting Policies**, continued

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 are 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.

Cash and Cash Equivalents

ALS Golden West has defined cash and cash equivalents as cash in banks and short-term certificates of deposit that are used for operations.

Contributions and Pledges Receivable

Unconditional promises to give that are expected to be collected within one year are recorded as net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at fair value, which is measured as the present value of their future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discount is included in contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met.

Investments

ALS Golden West values its investment at fair value. Unrealized gains or losses (including investments bought, sold, and held during the year) are reflected in the Statement of Activities as a gain on investments. Short-term highly liquid money market deposits that are not used for operations are treated as investments.

Fair Value Measurements

Generally accepted accounting principles provide guidance on how fair value should be determined when financial statement elements are required to be measured at fair value. Valuation techniques are ranked in three levels depending on the degree of objectivity of the inputs used with each level:

Level 1 inputs - quoted prices in active markets for identical assets

Level 2 inputs - quoted prices in active or inactive markets for the same or similar assets

Level 3 inputs - estimates using the best information available when there is little or no market

ALS Golden West is required to measure pledged contributions and in-kind contributions at fair value. The specific techniques used to measure fair value for these financial statement elements are described in the notes below that relate to each element.

2. Summary of Significant Accounting Policies, continued

Property and Equipment

Property and equipment are recorded at cost if purchased or at fair value at the date of donation if donated. Depreciation is computed on the straight-line basis over the estimated useful lives of the related assets. Maintenance and repair costs are charged to expense as incurred. Property and equipment are capitalized if the cost of an asset is greater than or equal to five thousand dollars and the useful life is greater than one year.

Concentration of Credit Risks

ALS Golden West places its temporary cash investments with high-credit, quality financial institutions. At times, such investments may be in excess of the Federal Deposit Insurance Corporation insurance limit. ALS Golden West has not incurred losses related to these investments.

Donated Materials and Services

Contributions of donated non-cash assets are measured on a non-recurring basis and recorded at fair value in the period received. Contributions of donated services that create or enhance non-financial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at fair value in the period received.

Income Taxes

ALS Golden West is exempt from taxation under Internal Revenue Code Section 501(c)(3) and California Revenue and Taxation Code Section 23701d.

Generally accepted accounting principles provide accounting and disclosure guidance about positions taken by an organization in its tax returns that might be uncertain. Management has considered its tax positions and believes that all of the positions taken by ALS Golden West in its federal and state exempt organization tax returns are more likely than not to be sustained upon examination. ALS Golden West's returns are subject to examination by federal and state taxing authorities, generally for three and four years, respectively, after they are filed.

Functional Allocation of Expenses

Costs of providing ALS Golden West's programs and other activities have been presented in the Statement of Functional Expenses. During the year, such costs are accumulated into separate groupings as either direct or indirect. Indirect or shared costs are allocated among program and support services by a method that best measures the relative degree of benefit. ALS Golden West uses salaries allocations to allocate indirect costs.

2. Summary of Significant Accounting Policies, continued

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect reported amounts of assets, liabilities, revenues, and expenses as of the date and for the period presented. Actual results could differ from those estimates.

Leases

ALS Golden West applies Accounting Standards Codification (“ASC”) 842, *Leases*, in determining whether an arrangement is or contains a lease at the lease inception. An arrangement is considered to include a lease if it conveys the right to control the use of identified property, plant, or equipment for a period of time in excess of twelve months in exchange for consideration. ALS Golden West defines control of the asset as the right to obtain substantially all of the economic benefits from use of the identified asset as well as the right to direct the use of the identified asset. ALS Golden West further determined some existing leases are operating leases, which are included in Right-of-Use (“ROU”) assets and lease liabilities in the Statement of Financial Position.

Revenue and Revenue Recognition

ALS Golden West recognizes contributions when cash, securities, or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return, are not recognized until the conditions on which they depend have been substantially met.

A portion of ALS Golden West’s revenue may be derived from cost-reimbursable state, county or local contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when ALS Golden West has incurred expenditures in compliance with specific contract or grant provisions.

3. Liquidity and Availability of Resources

ALS Golden West monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds.

ALS Golden West has a goal to maintain financial assets, which consist of cash and short-term investments, on hand to meet 180 days of normal operating expenses, which are, on average, approximately \$825,000/month. ALS Golden West has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

ALS GOLDEN WEST

NOTES TO FINANCIAL STATEMENTS

3. Liquidity and Availability of Resources, continued

ALS Golden West has \$12,054,744 of financial assets available within one year of the statement of financial position date to meet cash needs for general expenditures consisting of cash of \$10,203,864, accounts receivable of \$257,042, pledges receivable of \$347,303, and short-term investments of \$1,246,535. None of these financial assets are subject to donor or other contractual restrictions that would make them unavailable for general expenditure within one year of the statement of financial position date. The pledges receivable is subject to implied time restrictions but are expected to be collected as per each pledge agreement.

In addition to financial assets available to meet general expenditures over the next 12 months, ALS Golden West operates within a balanced budget and anticipates collecting sufficient revenue to cover general expenditures. Refer to the statement of cash flows which identifies the sources and uses of ALS Golden West's cash and shows positive cash for years ended January 31, 2024 and 2023.

ALS Golden West has various sources of liquidity at its disposal. As part of its liquidity management plan, ALS Golden West invests cash in excess of daily requirements in short-term investments, certificates of deposits, and money market funds.

4. Pledges Receivable

Unconditional promises to give (pledges receivable) that are expected to be collected in future years are measured on a non-recurring basis at the date of the pledge and recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the pledges are received. The discount rate used during the year ended January 31, 2024 was 4%. ALS Golden West has established an allowance for doubtful accounts, which is determined by considering a number of factors, including the length of time pledges receivable are past due, and the pledgers' current ability to pay its obligation owed to ALS Golden West. Pledges receivable at January 31, 2024 are expected to be collected as follows:

Within one year	\$402,034
One to five years	<u>301,757</u>
	703,791
Less: unamortized discount on pledges receivable	<u>(41,956)</u>
Subtotal	661,835
Less: allowance for uncollectible accounts	<u>(12,775)</u>
Net pledges receivable	<u>\$649,060</u>

5. Investments

Investments at January 31, 2024 was \$1,246,535, which consist of \$1,246,535 in money market funds.

All investment earnings and market value changes, less expenses, are recorded by ALS Golden West on a monthly basis.

continued

ALS GOLDEN WEST

NOTES TO FINANCIAL STATEMENTS

6. Accrued Liabilities

Accrued liabilities at January 31, 2024 consist of the following:

Accrued vacation	\$320,594
Deferred revenue	<u>10,493</u>
	<u>\$331,087</u>

7. Right-of-Use Assets and Lease Liabilities – Operating Leases

ALS Golden West evaluated current contracts to determine which met the criteria of a lease. The ROU assets represent ALS Golden West's right to use underlying assets for the lease term, and the lease liabilities represent ALS Golden West's obligation to make lease payments arising from these leases. The ROU assets and lease liabilities, all of which arise from operating leases, were calculated based on the present value of future lease payments over the lease terms. ALS Golden West has made an accounting policy election to use a risk-free rate in lieu of its incremental borrowing rate to discount future lease payments. The weighted-average discount rate applied to calculate lease liabilities as of January 31, 2024, was 3.25%.

ALS Golden West's operating leases consist primarily of real estate for office space located in Woodland Hills and Oakland, and copier leases for office operating.

For the year ended January 31, 2024, total short-term operating lease cost was \$90,320. As of January 31, 2024, the weighted-average remaining lease term for ALS Golden West's operating leases was approximately 41 months.

Cash paid for operating leases for the year ended January 31, 2024 was \$207,412. There were no noncash investing and financing transactions related to leasing.

Future maturities under operating leases are as follows:

<u>Year ending January 31,</u>	
2025	\$213,563
2026	116,352
2027	118,533
2028	9,864
Less: Present value discount	<u>(25,961)</u>
	<u>\$432,351</u>

The underlying ROU asset related to the above liability is as follows:

ROU asset balance at February 1, 2023	\$ 604,957
Less: amortization of lease	<u>(194,359)</u>
ROU asset balance at January 31, 2024	<u>\$ 410,598</u>

continued

ALS GOLDEN WEST

NOTES TO FINANCIAL STATEMENTS

8. Note Payable

In June 2020, ALS Golden West received a loan of \$160,000 from the Small Business Administration (“SBA”) with an annual interest rate of 2.75%. Monthly payments of \$641, covering both principal and interest, commenced in June 2022, 24 months after the note date as specified in the loan terms. The loan matures in June 2050. As of January 31, 2024, the loan balance was \$155,099, with \$4,255 in interest incurred and paid during the year.

9. Fair Value Measurements

The table below presents transactions measured at fair value on a non-recurring basis during the year ended January 31, 2024:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Pledge contributions - new	\$ <u> -</u>	\$ <u> -</u>	<u>\$220,000</u>	<u>\$220,000</u>

The fair value of pledged contributions - new is measured on a non-recurring basis based on the value provided by the donor at the date of pledge (Level 3 inputs).

10. Net Assets With Donor Restrictions

Net assets with donor restrictions at January 31, 2024 consist of the following:

Patient services – various	\$1,513,428
Pledges receivable – time restrictions	<u>301,757</u>
	<u>\$1,815,185</u>

For the year ended January 31, 2024, net assets released for program and time restrictions were \$1,079,288 of which \$825,048 were released from time restrictions and the remaining \$254,240 were released from purpose restrictions.

11. Other Income

Other Income of \$401,621 represents proceeds from the settlement of a dispute with the national association.

12. Employee Retention Credit

The CARES Act provides an employee retention credit (“ERC”), which is a refundable tax credit against certain employment taxes of up to \$5,000 per employee for eligible employers. The tax credit is equal to 50% of qualified wages paid to employees during a quarter, capped at \$10,000 of qualified wages per employee through December 31, 2020. Additional relief provisions were passed by the United States government, which extend and slightly expand the qualified wage caps on these credits through September 30, 2021. Based on these additional provisions, the tax credit was 70% of qualified wages paid to employees during a quarter, and the limit on qualified wages per employee was increased to \$10,000 of qualified wages per quarter. During the fiscal year January 31, 2024, ALS Golden West qualified for the tax credit under the CARES Act and recorded \$146,116 as revenue.

13. Commitments and Contingencies

Paycheck Protection Program Loan

While ALS Golden West believes that the loan forgiveness was based on meeting the eligibility criteria, the SBA reserves the right to review any loan in their discretion and the SBA will review a loan of any size at any time. Areas of review include eligibility, necessity, calculation of the loan amount, use of loan proceeds, and the calculation of the loan forgiveness amount. PPP loan documentation should be retained for six years after the date the loan is forgiven or repaid in full.

14. Subsequent Events

In May 2024, the organization officially changed its name to “ALS Network,” as recorded with the California Secretary of State. Additionally, in July 2024, the organization’s IRS 501(c)(3) determination letter was updated to reflect the new name, “ALS Network”.

As of August 2024, the organization began directly funding ALS research grants, an activity previously not contractually allowed under our position as a member of the ALS Association.

Management has evaluated subsequent events through November 12, 2024, the date which the financial statements were available for issue. Except as noted above, no other events or transactions have occurred during this period that appear to require recognition or disclosure in the financial statements.

SUPPLEMENTARY INFORMATION

ALS GOLDEN WEST

PROGRAM SERVICES BREAKDOWN SCHEDULE

For the year ended January 31, 2024

	<u>Care Services</u>	<u>Community Outreach</u>	<u>General Program</u>	<u>National Program</u>	<u>Total Program Services</u>
Salaries	\$ 1,687,398	\$ 1,051,749	\$ 756,071	\$ -	\$ 3,495,218
Payroll taxes & benefits	348,536	217,241	156,169		721,946
Subtotal	<u>2,035,934</u>	<u>1,268,990</u>	<u>912,240</u>	-	<u>4,217,164</u>
Outside contractors/providers	1,278,555				1,278,555
Clinic programs	847,549				847,549
office				460,555	460,555
Professional services/Constituent support and advocacy	348,930				348,930
Constituent activities, conferences, and meetings	103,447	64,655	90,516		258,618
Rent and loan programs	88,489	55,306	77,429		221,224
Travel and mileage	52,959	33,099	46,339		132,397
Supplies and materials	46,269	28,918	40,486		115,673
Equipment purchases	32,249	20,155	28,218		80,622
Miscellaneous office expenses	29,665	18,540	25,956		74,161
Insurance	18,121	11,326	15,856		45,303
Telephone and internet	16,955	10,597	14,835		42,387
Outside services/Clinical and equipment evaluations	38,288				38,288
Licenses and fees	13,988	8,743	12,240		34,971
communication devices, and equipment maintenance	31,666				31,666
Postage, shipping, and mailing	11,890	7,431	10,404		29,725
Printing	7,352	4,595	6,433		18,380
Dues and subscriptions	4,801	3,000	4,201		12,002
Transportation services (persons with ALS)	9,300				9,300
Advertising and publicity	3,234	2,021	2,830		8,085
Interest	1,478	924	1,294		3,696
Total	<u>\$ 5,021,119</u>	<u>\$ 1,538,300</u>	<u>\$ 1,289,277</u>	<u>\$ 460,555</u>	<u>\$ 8,309,251</u>

See independent auditors' report.