

**AMERICAN SYRINGOMYELIA
ALLIANCE PROJECT, INC.**

FINANCIAL STATEMENTS

May 31, 2015

AMERICAN SYRINGOMYELIA ALLIANCE PROJECT, INC.
STATEMENT OF FINANCIAL POSITION
May 31, 2015

ASSETS

Cash and cash equivalents	\$ 859,392
Event revenue receivable	5,440
Prepaid expenses	11,352
Property and equipment, net of accumulated depreciation	10,339
Condominium timeshare	17,423
	\$ 903,946
Total Assets	\$ 903,946

LIABILITIES AND NET ASSETS

Liabilities

Accounts payable	\$ 3,878
Accrued wages and related taxes	2,674
Unearned event revenue	1,220
	7,772
Total Liabilities	7,772

Net Assets

Unrestricted	764,588
Temporarily Restricted	131,586
Total Net Assets	896,174
Total Liabilities and Net Assets	\$ 903,946

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

AMERICAN SYRINGOMYELIA ALLIANCE PROJECT, INC.
STATEMENT OF ACTIVITIES
For the Year Ended May 31, 2015

	Unrestricted	Temporarily Restricted	Total
Unrestricted Net Assets			
Support			
Contributions	\$ 91,032	\$ 18,825	\$ 109,857
Special events	42,559	24	42,583
Annual conference	39,482	-	39,482
Investment income	6,532	-	6,532
Oil & gas royalty income	190,598	-	190,598
Merchandise sales	4,675	-	4,675
Net assets released from restriction - Expiration of purpose restriction	59,562	(59,562)	-
Total Unrestricted Support	434,440	(40,713)	393,727
Expenses and Losses			
Program services			
Information services and research	237,774	-	237,774
Supporting services			
Management and general	54,414	-	54,414
Fundraising	36,509	-	36,509
Total Expenses	328,697	-	328,697
 Increase (Decrease) in Net Assets	 105,743	 (40,713)	 65,030
 Net Assets at Beginning of Year	 658,845	 172,299	 831,144
 Net Assets at End of Year	 \$ 764,588	 \$ 131,586	 \$ 896,174

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

AMERICAN SYRINGOMYELIA ALLIANCE PROJECT, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended May 31, 2015

	Program Services		Supporting Services		Total
	Information Services and Research	Management and General	Fundraising		
Salaries	\$ 77,528	\$ 17,301	\$ 10,823	\$	105,652
Payroll taxes and benefits	6,337	1,410	884		8,631
Total salaries & related expenses	83,865	18,711	11,707		114,283
Annual convention expenses	57,436	-	-		57,436
Development expenses	7,209	1,146	5,998		14,353
Dues & subscriptions	994	29	-		1,023
Equipment lease & maintenance	3,654	-	-		3,654
Governance	-	267	-		267
Insurance	2,277	2,400	220		4,897
Investment expenses	-	1,893	-		1,893
Merchandise & resource materials	784	-	1,900		2,684
Office supplies & expenses	1,359	-	18		1,377
Postage	8,320	94	238		8,652
Printing	5,126	35	-		5,161
Professional fees & outside services	96	20,167	-		20,263
Rent	2,792	900	-		3,692
Research grants	59,562	-	-		59,562
Special event expenses	-	-	16,428		16,428
Telephone & internet	4,178	-	-		4,178
Travel	122	348	-		470
Total expenses before depreciation	237,774	45,990	36,509		320,273
Depreciation	-	8,424	-		8,424
Total Expenses	\$ 237,774	\$ 54,414	\$ 36,509	\$	328,697

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

AMERICAN SYRINGOMYELIA ALLIANCE PROJECT, INC.
STATEMENT OF CASH FLOWS
For the Year Ended May 31, 2015

Cash Flows From Operating Activities	
Increase in net assets	\$ 65,030
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	8,424
(Increase) decrease in operating assets:	
Trust distribution receivable	68,868
Event revenue receivable	(6,836)
Prepaid expenses	3,039
Increase (decrease) in operating liabilities:	
Accounts payable	(1,116)
Accrued wages and related taxes	821
Unearned event revenue	4,111
	<u>142,341</u>
Net Cash Provided by Operating Activities	<u>142,341</u>
Net Increase in Cash and Cash Equivalents	142,341
Beginning Cash	<u>717,051</u>
Ending Cash	<u><u>\$ 859,392</u></u>

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

AMERICAN SYRINGOMYELIA ALLIANCE PROJECT, INC.
NOTES TO FINANCIAL STATEMENTS
May 31, 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of American Syringomyelia Alliance Project, Inc. is to assist in understanding the Organization's financial statements. The financial statements and notes are representations of the Organization's management, who is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

Nature of the Organization

American Syringomyelia Alliance Project, Inc. is a nonprofit corporation established in 1988 to help those challenged by syringomyelia, Chiari malformations and related disorders. The Organization provides written information, videotapes of prominent neurosurgeons, annual conferences, and a bimonthly newsletter. Through the American Syringomyelia Alliance Project, Inc., members can network and gain peer support.

The American Syringomyelia Alliance Project, Inc. was founded in an effort to learn more about the condition, to promote research and to bring together others diagnosed with syringomyelia. It was the first national support organization for syringomyelia. The American Syringomyelia Alliance Project, Inc. has evolved into an internationally recognized nonprofit organization with a membership in excess of 5,000 individuals.

The American Syringomyelia Alliance Project, Inc. has a medical advisory board and funds specific research projects. The Organization has earned credibility and respect within the research and medical community through its hard work and leadership. The Medical Advisory Board includes specialists in the field of syringomyelia and Chiari malformations who assist in guiding the research mission. The Medical Advisory Board is also instrumental in disseminating new information about the treatment and management of syringomyelia.

The Organization helps people connect with each other through a variety of programs. Throughout the country, local support groups have been formed where the members are able to provide emotional support and information.

Since 1989, The American Syringomyelia Alliance Project, Inc. has held an annual conference to bring together those diagnosed with syringomyelia and Chiari malformations and medical professionals who specialize in the disorders. They are held at different locations throughout the country in an attempt to reach as many of the members as possible. The four day conference format has evolved over the years to a mix of information by leading medical experts, practical and emotional support, organizational awards and information.

Basis of Accounting

The financial statements of American Syringomyelia Alliance Project, Inc. have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

Basis of Presentation

The Organization is required to report information regarding its financial position and activities according to three classes of net assets, as follow:

Unrestricted net assets - Net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that expire either when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

AMERICAN SYRINGOMYELIA ALLIANCE PROJECT, INC.
NOTES TO FINANCIAL STATEMENTS
May 31, 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Permanently restricted net assets - Net assets subject to donor-imposed stipulations that require the principal to be maintained permanently, but may permit the Organization to use all or part of the income earned from the investments for general or specific purposes.

There were no permanently restricted net assets as of May 31, 2015.

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Property and Equipment

All acquisitions of property and equipment in excess of \$500 and all expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight line method over useful lives ranging from 3 to 7 years.

Promises to Give

The Organization provides grants and fellowships to various research centers involved in medical research concerning syringomyelia and Chiari malformation disorders. The contracts contain a number of performance conditions and other stipulations which cause them to be classified as "conditional promises to give".

In accordance with generally accepted accounting principles, the Organization recognizes a liability and related expense for such grants and fellowships in the period in which the conditions they depend on are substantially met.

Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Concentration of Credit Risk

The Organization maintains cash balances in a financial institution located in Longview, Texas. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. At May 31, 2015, the Organization's uninsured cash balances totaled \$332,733.

The Organization also maintains an investment in the Merrill Lynch Funds for Institutions Institutional Fund, which is an open-end mutual fund investing in a diversified portfolio of U.S. dollar denominated money market securities. This fund is cash-equivalent and uninsured. The balance in this fund at May 31, 2015, was \$277,691.

AMERICAN SYRINGOMYELIA ALLIANCE PROJECT, INC.
NOTES TO FINANCIAL STATEMENTS
May 31, 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Activities and the Statement of Functional Expenses. Accordingly, costs have been allocated by an appropriate method among the programs and supporting services benefited.

Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are charged to programs and supporting services based upon estimated time studies. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

Income Tax Status

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2). There was no unrelated business income during the year ended May 31, 2015. The Organization's federal Returns of Organization Exempt from Income Tax (Form 990) for tax years 2011, 2012 and 2013 are subject to examination by the IRS, generally for a period of three years after they are filed.

Restricted and Unrestricted Revenue

Contributions that are restricted by the donor are reported as increases in unrestricted net assets 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 temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

NOTE B - PROPERTY AND EQUIPMENT

A summary of changes in property and equipment for the year is as follows:

	Beginning Balance	Additions	Dispositions	Ending Balance
Office furniture and equipment	\$ 30,096	\$ -	(7,425)	\$ 22,671
Less: accumulated depreciation	(11,333)	(8,424)	7,425	(12,332)
Totals	\$ 18,763	\$ (8,424)	\$ -	\$ 10,339

Depreciation expense for the year was \$8,424.

AMERICAN SYRINGOMYELIA ALLIANCE PROJECT, INC.
NOTES TO FINANCIAL STATEMENTS
May 31, 2015

NOTE C - RESEARCH GRANTS AND COMMITMENTS

At May 31, 2015, the Organization had awarded and partially funded certain research grants. The amounts and recipients of those grants are as follow:

	Award Amount	Cumulative Funded Amount	Expired/ Unused Award	Remaining Commitment
University of Wisconsin - Bermans J. Iskandar	\$ 220,000	\$ 172,500	\$ -	\$ 47,500
Washington University - David Limbrick	25,000	24,296	704	-
University of Akron - Bryn A. Martin	53,568	35,355	-	18,213
Children's National Medical Center - Alan Siu	12,025	8,017	-	4,008
Children's National Medical Center - Mark Quigley	21,000	14,000	-	7,000
VCA SouthPaws Veterinary Specialty and Emergency Center - Lawrence Talarico	57,000	18,810	-	38,190
			<u>\$</u>	<u>114,911</u>

The University of Wisconsin and the Children's National Medical Center - Siu grants were not funded during the year ended May 31, 2015. Awards to Washington University, University of Akron, Children's National Medical Center - Quigley and VCA SouthPaws Veterinary Specialty were partially funded during the year.

NOTE D - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets were restricted by donors for research activities.

NOTE E - CONTINGENCIES

The Organization owns certain mineral interests in North Dakota. A controversy and dispute exists with respect to ownership of the mineral interests in and under the Knight Unit and the Maston Unit associated with the near shore region up to the ordinary high water mark of the Missouri River in the subject Units. The North Dakota Board of University and School Lands claims a greater portion of the minerals in the Knight Unit and the Maston Unit as a result of a relocation of the ordinary high water mark based upon a new survey of the area. As a result, certain producers of the wells in the Knight Unit and the Maston Unit have suspended payments to interest owners resulting from production in those Units, and the matter is currently in litigation. The Organization's interest in and claim on proceeds of past, current, and future production from those Units will be directly affected by the resolution of the dispute. The potential financial impact on the Organization cannot be determined at this time.

NOTE F - SUBSEQUENT EVENTS

Subsequent events were evaluated through March 2, 2016, which is the date the financial statements were available to be issued.