

**International Society for Bipolar Disorders**  
**Audited Financial Statements**  
**Years Ended December 31, 2022 and 2021**

International Society for Bipolar Disorders

Audited Financial Statements

Years Ended December 31, 2022 and 2021

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Independent Auditors' Report

Board of Directors  
International Society for Bipolar Disorders  
Pittsburgh, Pennsylvania

**Opinion**

I have audited the financial statements of the International Society for Bipolar Disorders (a nonprofit Pennsylvania corporation) which comprise the statements of financial position as of December 31, 2022 and 2021, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the International Society for Bipolar Disorders as of December 31, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for Opinion**

I conducted my audits in accordance with auditing standards generally accepted in the United States of America (GAAS). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of the International Society for Bipolar Disorders and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audits. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 the International Society for Bipolar Disorders' ability to continue as a going concern for one year after the date that the financial statements are issued.

**Auditor's Responsibilities for the Audit of the Financial Statements**

My 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 auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but not

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absolute assurance, and therefore is not a guarantee that an audit conducted in accordance with Generally Accepted Auditing Standards (GAAS) 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, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

In performing an audit in accordance with GAAS, I:

- 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 the International Society for Bipolar Disorders' 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 my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the International Society for Bipolar Disorders' ability to continue as a going concern for a reasonable period of time.

I am 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 I identified during the audit.

*Beerman, Piper and Associates, LLC*

Pittsburgh, Pennsylvania  
May 10, 2023

International Society for Bipolar Disorders

Statements of Financial Position

	December 31	
	2022	2021
<b>Assets</b>		
Cash and cash equivalents	\$ 584,421	\$ 555,392
Investments	1,367,501	1,551,685
Prepaid expenses and other assets	37,094	14,188
Office equipment, net of accumulated depreciation of \$10,725 and \$10,461 at December 31, 2022 and 2021, respectively	338	602
<b>Total assets</b>	<u>\$ 1,989,354</u>	<u>\$ 2,121,867</u>
<b>Liabilities and net assets</b>		
Accounts payable	\$ 13	\$ 2,107
Deferred revenue	392,935	311,000
<b>Total liabilities</b>	392,948	313,107
<b>Net assets</b>		
Without donor restrictions	1,596,406	1,808,760
<b>Total liabilities and net assets</b>	<u>\$ 1,989,354</u>	<u>\$ 2,121,867</u>

See notes to financial statements.

International Society for Bipolar Disorders

Statements of Activities

	Year Ended December 31	
	2022	2021
<b>Revenue and support</b>		
Membership dues	\$ 101,247	\$ 98,750
Conferences	208,575	280,731
Royalties	13,102	71,705
Contributions	18,228	215,665
Interest and dividends	15,410	89,175
Realized gain on sale of investments	22,140	66,894
Unrealized gain (loss) on investments	(224,227)	21,961
Total revenue and support	<u>154,475</u>	<u>844,881</u>
<b>Expenses</b>		
Program services	255,268	531,687
Support, management, and general	111,561	110,858
Total expenses	<u>366,829</u>	<u>642,545</u>
Increase (decrease) in net assets	(212,354)	202,336
Net assets at beginning of year	1,808,760	1,606,424
Net assets at end of year	<u>\$ 1,596,406</u>	<u>\$ 1,808,760</u>

See notes to financial statements.

International Society for Bipolar Disorders

Statement of Functional Expenses

Year Ended December 31, 2022

	Program Services	Support, Management, and General	Total
Salaries	\$ 99,623	\$ 42,695	\$ 142,318
Employee benefits	8,339	3,574	11,913
Payroll taxes	8,672	3,717	12,389
Pension plan contributions	3,985	1,708	5,693
Awards and honorarium	2,743	-	2,743
Bank and contract services	-	9,007	9,007
Professional fees	-	27,448	27,448
Investment management fees	-	11,358	11,358
Conferences	125,106	-	125,106
Office expenses	-	9,280	9,280
Telephone	-	2,400	2,400
Travel and meals	-	110	110
Journal	6,800	-	6,800
Depreciation	-	264	264
Total	<u>\$ 255,268</u>	<u>\$ 111,561</u>	<u>\$ 366,829</u>

See notes to financial statements.

International Society for Bipolar Disorders

Statement of Functional Expenses

Year Ended December 31, 2021

	Program Services	Support, Management, and General	Total
Salaries	\$ 95,176	\$ 40,789	\$ 135,965
Employee benefits	8,112	3,476	11,588
Payroll taxes	8,406	3,602	12,008
Pension plan contributions	3,807	1,631	5,438
Awards and honorarium	204,516	-	204,516
Bank and contract services	-	9,084	9,084
Professional fees	-	26,380	26,380
Investment management fees	-	12,596	12,596
Conferences	194,910	-	194,910
Office expenses	-	10,343	10,343
Telephone	-	2,500	2,500
Travel and meals	-	50	50
Journal	16,760	-	16,760
Depreciation	-	407	407
Total	<u>\$ 531,687</u>	<u>\$ 110,858</u>	<u>\$ 642,545</u>

See notes to financial statements.



International Society for Bipolar Disorders

Statements of Cash Flows

	Year Ended December 31	
	2022	2021
<b>Cash flows from operating activities:</b>		
Increase (decrease) in net assets	\$ (212,354)	\$ 202,336
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities:		
Depreciation	264	407
Unrealized (gain) loss on investments	224,227	(21,961)
Changes in operating assets and liabilities:		
Accounts receivable	-	6,000
Prepaid expenses and other assets	(22,906)	50,880
Accounts payable	(2,094)	(1,780)
Deferred revenue	81,935	(254,525)
Net cash provided (used) by operating activities	69,072	(18,643)
<b>Cash flows from investing activities:</b>		
Investments	(40,043)	(146,888)
Net cash used by investing activities	(40,043)	(146,888)
Increase (decrease) in cash and cash equivalents	29,029	(165,531)
Cash and cash equivalents at beginning of year	555,392	720,923
Cash and cash equivalents at end of year	\$ 584,421	\$ 555,392

See notes to financial statements.

# International Society for Bipolar Disorders

## Notes to Financial Statements

December 31, 2022 and 2021

### **Note 1—Organization**

The International Society for Bipolar Disorders is a nonprofit organization whose purpose is to become the internationally recognized forum to foster ongoing international collaboration on education and research with an objective to advance the treatment of all aspects of bipolar disorders, resulting in improvements in outcomes/quality of life for those with bipolar disorder and their significant others.

The Society is open to the entire spectrum of mental healthcare professionals including basic and clinical researchers, psychiatrists, pharmacologists, psychologists, social workers, students, trainees, and interested lay groups and individuals.

The objectives of the organization are as follows:

- to create an information network among mental health professionals interested in bipolar disorders.
- to provide role models and international collaboration in the field of bipolar disorders.
- to promote awareness of this condition in society at large.
- to promote awareness and education about this condition among mental healthcare professionals, and
- to foster research in all aspects of bipolar disorder.

### **Note 2—Summary of Significant Accounting Policies**

#### **Basis of Accounting and Presentation**

The financial statements are presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Accordingly, revenues are recognized when earned and expenses are recognized when incurred. Resources for various purposes are classified for accounting purposes in accordance with activities or objectives specified by donors.

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

*Net Assets Without Donor Restrictions*—Net assets available for use in general operations and not subject to donor-imposed stipulations. From time to time, the Organization's Board of Directors may designate from net assets for particular purposes and objectives.

International Society for Bipolar Disorders

Notes to Financial Statements

December 31, 2022 and 2021

**Note 2—Summary of Significant Accounting Policies (continued)**

**Basis of Accounting and Presentation (continued)**

*Net Assets With Donor Restrictions*—Net assets subject to donor-imposed stipulations that will be met either by actions of the Organization and/or passage of time. These balances represent the unexpended portion of donor-restricted contributions and investment return to be used for specific programs and activities as directed by the donor. The balances also included net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization (e.g., endowment funds). Generally, the donors of these assets permit the Organization to use all or part of the income earned on related investments for general or specific purposes.

**Cash and Cash Equivalents**

Cash and cash equivalents include all short-term highly liquid investments with maturities from the date of purchase of three months or less. The Organization maintains its cash balances in one financial institution located in Pittsburgh, Pennsylvania. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. The cash balances fluctuate from time to time. At December 31, 2022, the Organization had no uninsured balances.

**Investments**

Investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at their fair value in the statement of financial position.

Net appreciation (decline) in the fair value of investments, which consists of both the realized gains and losses and the unrealized appreciation (decline) of those investments, is reported in the statement of activities. Interest income is accrued as earned and reported net of all investment advisory and transaction fees. Security transactions are recorded on a trade date basis.

The Organization has some exposure to investments risks, including interest rate, market, and credit risks, for both marketable and non-marketable securities. Due to the level of risk exposure, it is possible that near-term valuation changes for investment securities may occur to an extent that could materially affect the amounts reported in the accompanying financial statements.

International Society for Bipolar Disorders

Notes to Financial Statements

December 31, 2022 and 2021

**Note 2—Summary of Significant Accounting Policies (continued)**

**Office Equipment**

Office equipment is recorded at cost. The Organization capitalizes office equipment purchases which are valued at \$500 or more. Expenses for maintenance and repairs that do not extend the life of the assets are charged to expense as incurred. Depreciation of office equipment is computed on the straight-line method over the estimated useful life of the asset.

**Income Taxes**

The Organization is exempt from federal income taxes pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986 (the Code) and has been classified as an organization which is not a private foundation under Sections 509 (a)(1) and 170 (b)(1)(A)(vi) of the Code. As such, no provision for federal income tax has been made in the financial statements.

U.S. GAAP requires that a tax position be recognized or derecognized based on a “more likely than not” threshold. This applies to positions taken or expected to be taken in a tax return. The Organization does not believe its financial statements include any uncertain tax positions for the open tax years of 2021, 2020, and 2019.

**Functional Allocation of Expenses**

The costs of providing the Organization’s various programs and supporting services have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

**Fair Value Measurements**

The Organization carries various assets and liabilities at fair value. The accounting standard for fair value provides a framework for measuring fair value, clarifies the definition of fair value and expands disclosures regarding fair value measurements. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (an exit price) in an orderly transaction between market participants at the reporting date.

The accounting standard establishes a three-tier hierarchy, which prioritizes the inputs used in the valuation methodologies in measuring fair value:

Level 1 – Quoted prices in active markets for identical assets or liabilities.

International Society for Bipolar Disorders

Notes to Financial Statements

December 31, 2022 and 2021

**Note 2—Summary of Significant Accounting Policies (continued)**

**Fair Value Measurements (continued)**

Level 2 – Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The carrying values of financial instruments consisting of cash and cash equivalents, accounts receivable, notes receivable, prepaid expenses and accounts payable approximate their fair values due to the short-term nature of such instruments. The Company's cash and cash equivalents are classified in the Level I hierarchy.

Financial instruments consisting of investments in mutual funds are considered Level 1 assets in the fair value hierarchy and are reported at fair value based on quoted prices in active markets for identical assets at the measurement date.

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Subsequent Events**

The Organization has evaluated subsequent events through May 10, 2023, the date the financial statements were available to be issued, and has concluded that no recognized subsequent events have occurred since the year ended December 31, 2022.

International Society for Bipolar Disorders

Notes to Financial Statements

December 31, 2022 and 2021

**Note 3—Investments**

Investments of the Organization are comprised of the following:

	December 31, 2022		December 31, 2021	
	Fair Value	Cost	Fair Value	Cost
Mutual funds	\$1,367,501	\$1,332,007	\$1,551,685	\$1,291,964

The components of investment return are summarized as follows for the years ended December 31, 2022 and 2021.

	2022	2021
Interest and dividends	\$ 15,263	\$ 89,175
Realized gain (loss)	22,140	66,894
Unrealized gain (loss)	(224,227)	21,961
	<u>(\$186,824)</u>	<u>\$ 178,030</u>

**Note 4—Retirement Plan**

The Organization maintains a qualified retirement plan under Section 401(k) of the Internal Revenue Code which covers all eligible employees. Contributions to the plan by the Company are discretionary. Total contributions to the plan totaled \$5,438 and \$5,693 for the years ended December 31, 2022 and 2021, respectively.

International Society for Bipolar Disorders

Notes to Financial Statements

December 31, 2022 and 2021

**Note 5—Fair Value Measurements**

The following summarizes assets measured at fair value by classification within the fair value hierarchy on a recurring basis as of December 31, 2022 and December 31, 2021.

	<u>December 31, 2022</u>	<u>Fair Value Measurements Using</u>		
		<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Mutual funds	\$ 1,367,501	\$ 1,367,501	-	-
	<u>\$ 1,367,501</u>	<u>\$ 1,367,501</u>	<u>\$ -</u>	<u>\$ -</u>

	<u>December 31, 2021</u>	<u>Fair Value Measurements Using</u>		
		<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Mutual funds	\$ 1,551,685	\$ 1,551,685	-	-
	<u>\$ 1,551,685</u>	<u>\$ 1,551,685</u>	<u>\$ -</u>	<u>\$ -</u>

**Note 6—Liquidity and Availability of Financial Resources**

Looking forward, the financial assets available for general expenditure with one year of the statement of financial position date as of December 31, 2022 totals \$1,596,068. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditures within one year of the statement of financial position. As part of its liquidity management, the Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations become due. In addition, the Organization invests cash in excess of daily requirements in short-term investments and money market funds.