

**AMERICAN SOCIETY OF HAND THERAPISTS**  
**Financial Statements**  
**December 31, 2024**  
**With Independent Auditor's Report**

**American Society of Hand Therapists****Table of Contents****December 31, 2024**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
American Society of Hand Therapists:

### Opinion

We have audited the financial statements of the American Society of Hand Therapists (a nonprofit organization), which comprise the statement of financial position as of December 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 accompanying financial statements present fairly, in all material respects, the financial position of the American Society of Hand Therapists as of December 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 ("GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the American Society of Hand Therapists 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 the American Society of Hand Therapists' ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### Auditor's 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 auditor's 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 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 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 GAAS, 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 the American Society of Hand Therapists' 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 the American Society of Hand Therapists' 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.

#### **Report on Summarized Comparative Information**

The American Society of Hand Therapists' 2023 financial statements were previously audited by BBD, LLP who joined with WithumSmith+Brown, PC on April 1, 2024 and expressed an unmodified audit opinion on those audited financial statements in their report dated July 31, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023 is consistent, in all material respects, with the audited financial statements from which it has been derived.



August 14, 2025

**American Society of Hand Therapists**  
**Statement of Financial Position**  
**December 31, 2024 with Summarized Comparative Totals for 2023**

	<u>2024</u>	<u>2023</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 760,955	\$ 407,720
Accounts receivable	34,342	22,815
Prepaid expenses and other assets	78,446	73,293
Investments	1,013,640	1,355,169
Website development costs, net of accumulated amortization of \$265,202 in 2024 and \$230,619 in 2023	<u>56,317</u>	<u>29,195</u>
 Total assets	<u><u>\$ 1,943,700</u></u>	<u><u>\$ 1,888,192</u></u>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Accounts payable and accrued expenses	\$ 555,228	\$ 334,265
Deferred revenue		
Membership dues	286,469	268,324
Annual meeting and other	<u>54,025</u>	<u>76,442</u>
Total liabilities	<u>895,722</u>	<u>679,031</u>
 Net assets		
Without donor restrictions	992,545	1,152,632
With donor restrictions	<u>55,433</u>	<u>56,529</u>
Total net assets	<u>1,047,978</u>	<u>1,209,161</u>
 Total liabilities and net assets	<u><u>\$ 1,943,700</u></u>	<u><u>\$ 1,888,192</u></u>

The Notes to Financial Statements are an integral part of this statement.

# American Society of Hand Therapists

## Statement of Activities

**Year Ended December 31, 2024 with Summarized Comparative Totals for 2023**

	Without Donor Restrictions	With Donor Restrictions	<b>Totals</b>	
			<b>2024</b>	<b>2023</b>
<b>Revenue and support</b>				
Membership dues	\$ 779,051	\$ -	\$ 779,051	\$ 757,143
Annual meeting	795,241	-	795,241	898,516
Education	287,690	-	287,690	323,973
Contributions	-	4,586	4,586	19,725
Research	10,000	-	10,000	10,000
Other revenue	86,226	-	86,226	87,835
Investment income, net	108,862	-	108,862	145,390
Net assets released from restrictions	5,682	(5,682)	-	-
<b>Total revenue and support</b>	<b>2,072,752</b>	<b>(1,096)</b>	<b>2,071,656</b>	<b>2,242,582</b>
<b>Expenses</b>				
Program services				
Annual meeting	936,513	-	936,513	1,197,830
Education	417,958	-	417,958	379,284
Research	126,463	-	126,463	125,958
Practice	105,056	-	105,056	90,302
<b>Total program services</b>	<b>1,585,990</b>	<b>-</b>	<b>1,585,990</b>	<b>1,793,374</b>
Supporting services				
Management and general	465,287	-	465,287	494,384
Membership development	181,562	-	181,562	181,759
<b>Total expenses</b>	<b>2,232,839</b>	<b>-</b>	<b>2,232,839</b>	<b>2,469,517</b>
Change in net assets	(160,087)	(1,096)	(161,183)	(226,935)
<b>Net assets</b>				
Beginning of year	<u>1,152,632</u>	<u>56,529</u>	<u>1,209,161</u>	<u>1,436,096</u>
End of year	<u>\$ 992,545</u>	<u>\$ 55,433</u>	<u>\$ 1,047,978</u>	<u>\$ 1,209,161</u>

The Notes to Financial Statements are an integral part of this statement.

**American Society of Hand Therapists**  
**Statement of Functional Expenses**  
**Year Ended December 31, 2024 with Summarized Comparative Totals for 2023**

	Program Services				Supporting Services			Totals	
	Annual Meeting	Education	Research	Practice	Management and General	Membership Development	2024	2023	
Advertising and marketing	\$ 37,889	\$ -	\$ -	\$ -	\$ -	\$ 14,269	\$ 52,158	\$ 43,956	
Audiovisual expense	216,207	-	-	-	-	-	216,207	274,391	
Bank and credit card fees	20,504	7,762	-	-	2,267	20,477	51,010	50,693	
Board and committee expenses	9,385	-	-	-	45,804	-	55,189	51,275	
Amortization	13,868	5,250	41	40	1,535	13,849	34,583	33,878	
Education	4,630	139,819	-	2,069	-	-	146,518	118,807	
Honoraria	4,500	1,000	-	-	30,125	-	35,625	33,488	
Hotel, food and beverage	234,542	-	-	-	-	-	234,542	392,156	
Insurance	5,766	-	-	-	8,002	-	13,768	13,089	
Journal subscription expense	-	-	97,943	-	-	-	97,943	99,490	
Management fees	256,866	256,866	19,265	19,265	224,758	122,011	899,031	872,845	
Postage	2,316	-	-	-	10,104	-	12,420	18,367	
Printing, design and copies	30,918	7,261	-	-	44,980	-	83,159	97,191	
Professional fees	33,113	-	1,490	83,682	15,020	-	133,305	178,682	
Registration and dues	20,963	-	-	-	-	6,506	27,469	28,402	
Supplies	9,695	-	-	-	23,013	-	32,708	38,566	
Telecommunications	-	-	-	-	23,114	4,450	27,564	22,567	
Travel	23,942	-	-	-	15,273	-	39,215	53,637	
Website	11,409	-	-	-	4,042	-	15,451	22,467	
Miscellaneous	-	-	7,724	-	17,250	-	24,974	25,570	
<b>Total expenses</b>	<b>\$ 936,513</b>	<b>\$ 417,958</b>	<b>\$ 126,463</b>	<b>\$ 105,056</b>	<b>\$ 465,287</b>	<b>\$ 181,562</b>	<b>\$ 2,232,839</b>	<b>\$ 2,469,517</b>	

The Notes to Financial Statements are an integral part of this statement.

**American Society of Hand Therapists**  
**Statement of Cash Flows**  
**Year Ended December 31, 2024 with Summarized Comparative Totals for 2023**

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	<b>2024</b>	<b>2023</b>
<b>Operating activities</b>		
Change in net assets	\$ (161,183)	\$ (226,935)
Adjustments to reconcile change in net assets to net cash used in operating activities		
Net realized and unrealized gain on investments	(80,245)	(102,008)
Amortization	34,583	33,878
Change in operating assets and liabilities		
Accounts receivable	(11,527)	(6,954)
Prepaid expenses and other assets	(5,153)	65,314
Accounts payable and accrued expenses	220,963	(335,425)
Deferred revenue	(4,272)	(31,265)
Net cash used in operating activities	<u>(6,834)</u>	<u>(603,395)</u>
<b>Investing activities</b>		
Purchase of investments	(36,429)	(117,952)
Proceeds from sale of investments	458,203	207,232
Purchases of web development costs	(61,705)	(4,201)
Net cash provided by investing activities	<u>360,069</u>	<u>85,079</u>
Net change in cash and cash equivalents	353,235	(518,316)
<b>Cash and cash equivalents</b>		
Beginning of year	<u>407,720</u>	<u>926,036</u>
End of year	<u>\$ 760,955</u>	<u>\$ 407,720</u>

The Notes to Financial Statements are an integral part of this statement.

**American Society of Hand Therapists**  
**Notes to Financial Statements**  
**December 31, 2024 with Summarized Comparative Totals for 2023**

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**1. NATURE OF OPERATIONS**

The American Society of Hand Therapists (the "Society") is a nonprofit organization formed for the purpose of advancing the science of hand and upper extremity therapy through communication, education, advocacy, research and clinical standards.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Accounting**

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in United States of America ("GAAP"). As a result, revenues are recognized when earned and expenses are recognized when incurred.

**Basis of Presentation**

The Society reports information regarding its financial position and activities according to the following classes of net assets:

**Net assets without donor restrictions:** Net assets that are not subject to donor-imposed restrictions.

**Net assets with donor restrictions:** Net assets that are subject to donor-imposed restrictions that will be satisfied by actions of the Society and/or the passage of time. When a restriction is satisfied, 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.

Also included in this category are net assets subject to donor-imposed restrictions that require the net assets be maintained indefinitely while permitting the Society to expend the income generated in accordance with the provisions of the contribution. The Society had no net assets with donor restrictions to be maintained indefinitely at December 31, 2024 and 2023.

**Accounting Estimates**

In preparing the financial statements in conformity with GAAP, management makes estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reported period. Actual results could vary from those estimates. Significant estimates include the net realizable value of accounts receivable, the useful lives of web development costs, the fair value of investments and the functional allocation of expenses.

**Fair Value Measurements of Assets and Liabilities**

GAAP defines fair value as the price that would be received to sell an asset or paid to transfer a liability (i.e., the "exit price") in an orderly transaction between market participants at the measurement date. GAAP establishes a fair value hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are those that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Society. Unobservable inputs reflect the Society's assumptions about the inputs market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

The fair value hierarchy is categorized into three levels based on the inputs as follows:

**Level 1** - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Society has the ability to access.

**American Society of Hand Therapists**  
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*Level 2* - Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, Inputs other than quoted prices that are observable for the asset or liability and Inputs that are derived principally from observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

*Level 3* - Inputs to the valuation methodology are unobservable and significant to the fair value measurement. The Society had no assets or liabilities valued using Level 3 inputs as of December 31, 2024 and 2023.

*U.S. Treasury Securities, Municipal Bonds and Corporate Bonds:* Valued based on investment managers use of pricing services using market data.

*Exchange-Traded Funds and Mutual Funds:* Valued at quoted prices for identical assets or liabilities in active markets that the Society has the ability to access.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Society believes its valuation methods are appropriate and consistent, the use of different methodologies and assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

**Cash Equivalents**

For financial statement purposes, the Society considers all investments purchased with a maturity of three months or less to be cash equivalents.

**Accounts Receivable**

Accounts receivable represent unsecured noninterest bearing obligations and are carried at original invoice amounts less an estimate made for credit losses based on a review of all outstanding amounts on a monthly basis. Management determines the allowance for credit losses by identifying troubled accounts and performing a historical and future looking analysis including consideration of current and expected economic conditions. Receivables are written off when deemed uncollectible. Any uncollectible amounts would not be material to the financial statements. Management has determined that a provision for doubtful accounts is not necessary at December 31, 2024 and 2023. Accounts receivable totaled \$22,815 and \$15,861 as of January 1, 2024 and 2023, respectively.

**Investments and Investment Income**

Investments in equity securities with readily determinable fair values and all investments in debt securities are reported at fair value, with gains and losses included in the statement of activities. Interest income is recorded as earned.

The Society invests in a professionally-managed portfolio that contains various types of securities (see Note 3). Such investments are exposed to market and credit risk. Due to the level of risk associated with such investments, and the level of uncertainty related to changes in the value of such investments, it is at least reasonably possible that the amounts reported in the financial statements could change materially in the near term.

**Website Development Costs**

Website development costs are carried at cost if purchased and at fair value at the date of donation if contributed. Amortization is computed using the straight-line method over the estimated lives (3 years) of the assets.

**American Society of Hand Therapists**  
**Notes to Financial Statements**  
**December 31, 2024 with Summarized Comparative Totals for 2023**

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**Revenue Recognition**

The Society accounts for revenue from contracts with customers as exchange transactions in the statements of activities as revenue without donor restrictions.

In determining the appropriate amount of revenue to be recognized as it fulfills its obligations under its agreements, the Society performs the following steps in accordance with Topic 606: (i) identification of the promised goods or services in the contract; (ii) determination of whether the promised goods or services are performance obligations including whether they are distinct in the context of the contract; (iii) measurement of the transaction price, including the constraint on variable consideration; (iv) allocation of the transaction price to the performance obligations based on estimated selling prices; and (v) recognition of revenue when (or as) the Society satisfies each performance obligation.

Membership dues are invoiced based on fixed rate schedules at the beginning of the membership year, which creates a deferred revenue balance upon collection. Revenue from membership dues is recognized as revenue on a pro rata basis over the membership year as membership benefits are provided.

Annual meeting income is based on published fixed rates and collected either at the time of registration, in advance of the meeting resulting in a deferred revenue balance or at the time the meeting takes place and immediately recognized as revenue.

Education consists primarily of courses with prices that are fixed at the time of purchase based on published fixed rates. Customers typically pay at the time of purchase, but some customers are invoiced for purchases. Revenue from education is recognized in the period that the course is delivered to the customer or at the time of purchase. Education fees collected in advance of the course's applicable year are included in deferred revenue in the accompanying statement of financial position.

Deferred revenue at December 31, 2024 is expected to be recognized as revenue in 2025. Deferred revenue at January 1, 2024 of \$344,766 was recognized as revenue during the year ended December 31, 2024. Deferred revenue at January 1, 2023 of \$376,031 was recognized as revenue during the year ended December 31, 2023.

**Contributions**

Contributions received are recorded as net assets without donor restrictions or with donor restrictions depending on the absence or existence and nature of any donor restrictions. Donor-restricted contributions whose restrictions are satisfied in the same period are reported as net assets without donor restrictions.

Unconditional contributions are recognized as revenue when the related promise to give is received. Conditional promises to give, that is, those with a measurable performance or other measurable barrier, and a right of return or release, are not recognized in revenue until the conditions on which they depend have been substantially met.

**Advertising Costs**

The Society expenses advertising costs as incurred. Advertising expense was \$52,158 and \$43,956 during the years ended December 31, 2024 and 2023, respectively.

**Functional Allocation of Expenses**

The costs of providing the program and supporting services have been presented on a functional basis in the statements of activities and functional expenses. Expenses directly attributable to a specific functional area are reported as expenses of that functional area. Expenses not directly attributable to a specific functional area are allocated. Significant expenses that are allocated include management fees, depreciation, and bank and credit card fees which are allocated to functional areas based on estimates of time and effort.

**American Society of Hand Therapists**  
**Notes to Financial Statements**  
**December 31, 2024 with Summarized Comparative Totals for 2023**

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**Income Taxes**

The Society is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to the Society's tax-exempt purpose is subject to taxation as unrelated business income.

GAAP requires entities to evaluate, measure, recognize and disclose any uncertain income tax positions taken on their tax returns. GAAP prescribes a minimum recognition threshold that a tax position is required to meet in order to be recognized in the financial statements. The Society believes that there are no uncertain tax positions as defined in GAAP and, as a result, there is no impact on the financial statements.

**Summarized Prior-Year Information**

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the financial statements for the year ended December 31, 2023, from which the summarized information was derived.

**Concentrations of Credit Risk**

The Society has a significant cash balance at financial institution which throughout the year regularly exceed the amounts insured by either the Federal Deposit Insurance Corporation for up to \$250,000 or the Securities Investor Protection Corporation. Any loss incurred or lack of access to such funds could have a significant adverse impact on the Society's financial condition, change in net assets, and cash flows.

**3. INVESTMENTS**

Investments at December 31, 2024 and 2023 consisted of the following:

	<b>2024</b>	<b>2023</b>
<b>Level 1</b>		
Cash and cash equivalents	\$ 49,729	\$ 18,520
U.S. Treasury bonds	106,414	99,333
Exchange-traded funds		
Equity	224,361	312,788
Real assets	-	56,728
Fixed income	61,011	144,754
Mutual funds		
Equity	153,511	189,485
Fixed income	11,775	52,277
	<hr/> 606,801	<hr/> 873,885
<b>Level 2</b>		
Municipal bonds	406,839	445,672
Corporate bonds	-	35,612
	<hr/> 406,839	<hr/> 481,284
	<hr/> \$ 1,013,640	<hr/> \$ 1,355,169

**American Society of Hand Therapists**  
**Notes to Financial Statements**  
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Investment income, net for the years ended December 31, 2024 and 2023 was comprised of the following:

	<u>2024</u>	<u>2023</u>
Interest and dividends	\$ 36,820	\$ 50,615
Net realized and unrealized gain	80,245	102,008
Investment management fees	(8,203)	(7,233)
	<u>\$ 108,862</u>	<u>\$ 145,390</u>

**4. NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions are available for the following purposes:

	<u>Balance</u> <u>December 31,</u> <u>2023</u>	<u>Additions</u>	<u>Releases</u>	<u>Balance</u> <u>December 31,</u> <u>2024</u>
Awards and scholarships	\$ 38,551	\$ 522	\$ -	\$ 39,073
Annual meeting sessions	2,972	947	-	3,919
Public affairs and advocacy	15,006	3,117	(5,682)	12,441
	<u>\$ 56,529</u>	<u>\$ 4,586</u>	<u>\$ (5,682)</u>	<u>\$ 55,433</u>

**5. MANAGEMENT AGREEMENT**

The Society receives meeting and various administrative services from an association management company pursuant to a management agreement that expires December 31, 2025. Terms of the agreement include an annual fee to be paid to the management company as well as an incentive amount that is agreed upon annually. Either party can terminate the agreement with 120 days written notice. Management fees incurred by the Society were \$899,030 for 2024 and \$872,845 for 2023.

**6. JOURNAL SUBSCRIPTION AGREEMENT**

The Society entered into an agreement with a publisher to publish the Society's journal, which expires December 31, 2025. The publisher invoices the Society based on the number of copies mailed and pays the Society an honorarium and royalty each year. Journal subscription expense was \$97,943 and \$99,490 for the years ended December 31, 2024 and 2023, respectively.

**7. HOTEL COMMITMENTS**

The Society has entered into agreements with hotels providing room accommodations for its annual meeting through 2027. These agreements include a guarantee by the Society that a minimum number of rooms will be rented by attendees. The Society intends to hold the annual meeting at the scheduled hotels.

**American Society of Hand Therapists**  
**Notes to Financial Statements**  
**December 31, 2024 with Summarized Comparative Totals for 2023**

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**8. LIQUIDITY AND AVAILABILITY OF RESOURCES**

The following reflects the Society's financial assets available within one year of December 31, 2024 and 2023 for general expenditure:

	<b>2024</b>	<b>2023</b>
Cash and cash equivalents	\$ 760,955	\$ 407,720
Accounts receivable	34,342	22,815
Investments	<u>1,013,640</u>	<u>1,355,169</u>
Total financial assets	1,808,937	1,785,704
Less: Financial assets not available for general expenditures within one year		
Restricted by donor for specific purposes or periods	<u>(55,433)</u>	<u>(56,529)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 1,753,504</u>	<u>\$ 1,729,175</u>

**Liquidity Management**

As part of the Society's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Society invests in securities with sufficient marketability to provide for unexpected withdrawals.

**9. SUBSEQUENT EVENTS**

Management has evaluated subsequent events through August 14, 2025 the date on which the financial statements were available to be issued. No material subsequent events have occurred since December 31, 2024 that require recognition or disclosure in the financial statements.