



**GROSSMAN YANAK & FORD** LLP  
Certified Public Accountants and Consultants

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**THE RYR-1 FOUNDATION**

**Financial Statements as of and for the Years Ended December 31,  
2024 and 2023 and Independent Auditors' Report**

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## THE RYR-1 FOUNDATION

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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors  
of The RYR-1 Foundation

### **Opinion**

We have audited the accompanying financial statements of The RYR-1 Foundation (a nonprofit organization), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years 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 The RYR-1 Foundation as of December 31, 2024 and 2023, 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**

We conducted our audits 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 The RYR-1 Foundation and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. 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 RYR-1 Foundation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

## **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 The RYR-1 Foundation'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 The RYR-1 Foundation'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.

*Grossman Yanak + Ford LLP*

Pittsburgh, Pennsylvania  
November 13, 2025

## THE RYR-1 FOUNDATION

### STATEMENTS OF FINANCIAL POSITION DECEMBER 31, 2024 AND 2023

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<u>ASSETS</u>	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 404,586	\$ 335,965
Investments	2,320,845	2,030,529
Prepaid expenses	<u>6,500</u>	<u>6,500</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 2,731,931</u></b>	<b><u>\$ 2,372,994</u></b>
<u>LIABILITIES</u>		
Credit cards payable	\$ 3,752	\$ 706
Accrued salaries and withholdings	4,505	4,408
Deferred revenue	<u>16,847</u>	<u>-</u>
<b>Total</b>	<b><u>25,104</u></b>	<b><u>5,114</u></b>
<u>NET ASSETS</u>		
Without donor restrictions	2,106,153	1,844,636
With donor restrictions	<u>600,674</u>	<u>523,244</u>
<b>Total</b>	<b><u>2,706,827</u></b>	<b><u>2,367,880</u></b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 2,731,931</u></b>	<b><u>\$ 2,372,994</u></b>

See accompanying notes to the financial statements.

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## THE RYR-1 FOUNDATION

### STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024			2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE:						
Donations and contributions	\$ 267,518	\$ 274,655	\$ 542,173	\$ 407,779	\$ 109,842	\$ 517,621
Contributions - non financial assets	4,500	1,000	5,500	4,500	500	5,000
Donated securities	30,856	-	30,856	-	-	-
Investment activity, net	144,460	-	144,460	131,559	-	131,559
Miscellaneous income	291	-	291	5,860	-	5,860
Releases from restriction	<u>198,225</u>	<u>(198,225)</u>	<u>-</u>	<u>211,072</u>	<u>(211,072)</u>	<u>-</u>
Total support and revenue	<u>645,850</u>	<u>77,430</u>	<u>723,280</u>	<u>760,770</u>	<u>(100,730)</u>	<u>660,040</u>
EXPENSES:						
Program	195,185	-	195,185	212,300	-	212,300
Support and administrative	131,846	-	131,846	127,535	-	127,535
Development	<u>57,302</u>	<u>-</u>	<u>57,302</u>	<u>14,201</u>	<u>-</u>	<u>14,201</u>
Total expenses	<u>384,333</u>	<u>-</u>	<u>384,333</u>	<u>354,036</u>	<u>-</u>	<u>354,036</u>
INCREASE (DECREASE) IN NET ASSETS	261,517	77,430	338,947	406,734	(100,730)	306,004
NET ASSETS, BEGINNING OF YEAR	<u>1,844,636</u>	<u>523,244</u>	<u>2,367,880</u>	<u>1,437,902</u>	<u>623,974</u>	<u>2,061,876</u>
NET ASSETS, END OF YEAR	<u>\$ 2,106,153</u>	<u>\$ 600,674</u>	<u>\$ 2,706,827</u>	<u>\$ 1,844,636</u>	<u>\$ 523,244</u>	<u>\$ 2,367,880</u>

See accompanying notes to the financial statements.

## THE RYR-1 FOUNDATION

### STATEMENT OF FUNCTIONAL EXPENSES FOR THE YEAR ENDED DECEMBER 31, 2024

	Family Conference	Research Grants	SAB	Research Workshop	Other Programs	Total Programs	Support and Administra- tive Services	Develop- ment	Total
Advertising and marketing	\$ 3,290	-	-	-	-	\$ 3,290	\$ 371	\$ 600	\$ 4,261
Bank, credit card processing and brokerage fees	21	\$ 2,911	-	-	\$ 52	2,984	2,372	-	5,356
Business expenses	-	-	-	-	13	13	226	17	256
Education	-	42	-	-	751	793	563	-	1,356
Grants and contributions	-	125,420	-	-	-	125,420	-	-	125,420
Honorariums	-	-	\$ 6,000	-	-	6,000	-	-	6,000
Insurance	-	-	-	-	-	-	13,499	-	13,499
Legal and accounting	-	704	-	-	190	894	21,607	195	22,696
Meals and entertainment	-	-	-	-	1,122	1,122	419	70	1,611
Media and communications	-	-	-	-	1,270	1,270	-	-	1,270
Other program expenses	-	-	-	-	924	924	-	-	924
Miscellaneous	-	-	-	-	-	-	256	55	311
Office supplies	-	-	-	-	377	377	12,850	-	13,227
Payroll	7,198	16,606	3,248	\$ 2,304	12,809	42,165	68,224	49,584	159,973
Payroll taxes	651	1,301	260	260	1,041	3,513	5,911	4,165	13,589
Postage	-	-	-	-	4	4	276	1,367	1,647
Printing and copying	-	-	-	-	-	-	582	1,249	1,831
SIMPLE IRA match	-	-	-	-	-	-	4,690	-	4,690
Sponsorships	-	-	-	-	4,934	4,934	-	-	4,934
Travel and conferences	-	-	-	-	1,482	1,482	-	-	1,482
Total expenses	<u>\$ 11,160</u>	<u>\$ 146,984</u>	<u>\$ 9,508</u>	<u>\$ 2,564</u>	<u>\$ 24,969</u>	<u>\$ 195,185</u>	<u>\$ 131,846</u>	<u>\$ 57,302</u>	<u>\$ 384,333</u>

See accompanying notes to the financial statements.

## THE RYR-1 FOUNDATION

### STATEMENT OF FUNCTIONAL EXPENSES FOR THE YEAR ENDED DECEMBER 31, 2023

	Research <u>Grants</u>	<u>SAB</u>	Research <u>Workshop</u>	Other <u>Programs</u>	Total <u>Programs</u>	Support and Administra- tive Services	Develop- ment	Total
Advertising and marketing	-	-	-	\$ 457	\$ 457	\$ 1,375	\$ 913	\$ 2,745
Bank, credit card processing and brokerage fees	\$ 259	\$ 150	\$ 192	-	601	2,065	-	2,666
Business expenses	-	-	-	261	261	121	-	382
Education	715	-	-	399	1,114	2,169	-	3,283
Grants and contributions	170,863	-	-	-	170,863	-	-	170,863
Honorariums	-	6,500	-	-	6,500	-	-	6,500
Insurance	-	-	-	-	-	13,166	-	13,166
Legal and accounting	-	-	-	-	-	13,738	1,235	14,973
Meals and entertainment	-	940	-	879	1,819	136	-	1,955
Media and communications	-	-	-	788	788	936	-	1,724
Other program expenses	-	-	-	5,385	5,385	7	-	5,392
Miscellaneous	-	-	-	-	-	193	-	193
Office supplies	-	-	-	80	80	4,276	860	5,216
Payroll	1,430	3,452	761	8,368	14,011	79,658	8,533	102,202
Payroll taxes	88	265	88	973	1,414	6,715	707	8,836
Postage	-	-	-	-	-	165	1,089	1,254
Printing and copying	-	-	-	994	994	66	864	1,924
SIMPLE IRA Match	-	-	-	-	-	2,749	-	2,749
Sponsorships	-	-	-	5,571	5,571	-	-	5,571
Travel and conferences	-	-	-	2,442	2,442	-	-	2,442
Total expenses	<u>\$ 173,355</u>	<u>\$ 11,307</u>	<u>\$ 1,041</u>	<u>\$ 26,597</u>	<u>\$ 212,300</u>	<u>\$ 127,535</u>	<u>\$ 14,201</u>	<u>\$ 354,036</u>

See accompanying notes to the financial statements.



## THE RYR-1 FOUNDATION

### STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

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	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase in net assets	\$ 338,947	\$ 306,004
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Unrealized gain on investments	(41,290)	(59,589)
(Increase) decrease in:		
Pledges receivable	-	35,000
Prepaid expenses	-	(6,500)
Increase in:		
Credit cards payable	3,046	473
Accrued salaries and withholdings	97	974
Deferred revenue	<u>16,847</u>	<u>-</u>
Net cash provided by operating activities	<u>317,647</u>	<u>276,362</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of investments	(1,708,238)	(1,193,444)
Proceeds from sale of investments	<u>1,459,212</u>	<u>983,239</u>
Net cash used in investing activities	<u>(249,026)</u>	<u>(210,205)</u>
NET INCREASE IN CASH	68,621	66,157
CASH AND CASH EQUIVALENTS, BEGINNING	<u>335,965</u>	<u>269,808</u>
CASH AND CASH EQUIVALENTS, ENDING	<u>\$ 404,586</u>	<u>\$ 335,965</u>

See accompanying notes to the financial statements.

## THE RYR-1 FOUNDATION

### NOTES TO FINANCIAL STATEMENTS

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#### 1. ORGANIZATION, PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*Organization, Purpose and Operations* - The RYR-1 Foundation (the "Organization") is a charitable nonprofit organization whose mission is to support research leading to effective treatment or a cure for RYR-1-related diseases (RYR-1-RD). They seek to achieve these goals by providing research support, physician education, and patient/family support and advocacy. Funds raised by the Organization will support both patient outreach, basic science and clinical research of RYR-1-RD. The Organization is supported by foundation grants, government grants, and other organizations as well as individual and business contributions. The Organization does not contemplate pecuniary gain or profit, incidental or otherwise, to its members, directors, or other persons.

*Financial Statement Presentation* - The Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. Net assets without donor restrictions are the net assets that are not restricted by donor imposed stipulations. Net assets with donor restrictions are subject to donor stipulations that either expire by the passage of time or can be fulfilled and removed by actions of the Organization pursuant to those stipulations.

*Use of Estimates* - The preparation of financial statements in conformity with U.S. generally accepted accounting principles 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 dates of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

*Cash and Cash Equivalents* - The Organization considers all monies available for current use in checking, savings and certificates of deposit with initial maturities of three months or less to be cash equivalents. The Organization maintains, at financial institutions, cash which at times may exceed federally insured limits and which may at times exceed statement of financial position amounts due to outstanding checks.

*Availability of Financial Assets* - The Organization's financial assets available for general expenditures within one year of the statements of financial position at December 31, 2024 and 2023 are as follows:

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 404,586	\$ 335,965
Investments	2,320,845	2,030,529
Less: Donor restricted net assets	<u>(600,674)</u>	<u>(523,244)</u>
Total	<u>\$ 2,124,757</u>	<u>\$ 1,843,250</u>

The Organization hosts a large family conference periodically which generates a significant amount of contributions leading up to the conference. The Organization also funds various research grants to further medical advancements for RYR-1-RD. The Organization's policy related to managing assets is to fund research grant payments, operational costs, liabilities and other obligations as they come due. Funds received for a specific purpose are utilized to fund those respective expenses.

*Investments* - Investments in marketable securities are reflected at carrying value using quoted market prices in active markets. Investments in treasury bills are reflected at fair value. Interest (net of fees), dividends and unrealized gains and losses are included as investment activity in the statements of activities.

*Contributions* - Contributions received are recorded as support with donor restrictions or support without donor restriction depending on the existence and/or nature of any donor restrictions. For the year ended December 31, 2024, approximately 16% of total support and revenue was contributed by one donor and for the year ended December 31, 2023, approximately 34% of total support and revenue was contributed by two donors.

*Revenue Recognition* - Family Conference registration fees and sponsorships are recognized once the Family Conference has occurred. When these fees are received in advance of the period to which they apply, they are classified as deferred revenue on the statements of financial position.

*Functional Expenses* - Expenses are allocated based upon their functional classification as either program or supporting services. Expenses that are attributable to both program and supporting services require allocation on a reasonable basis that is consistently applied. Allocable expenses including payroll, payroll taxes, administrative support and legal are primarily allocated based on an estimate of time and effort in performing the services.

*Contributed Nonfinancial Assets* - Contributed services and materials are recorded at fair value at the time of receipt to the extent an objective basis is available to measure the value of the services or materials. These contributions are recognized as both support and expenses or assets in the financial statements. Contributed assets, materials and services are used to advance program service by the Organization.

For the years ended December 31, 2024 and 2023, contributed nonfinancial assets recognized within the statement of activities related to Scientific Advisory Board ("SAB") Honorium fees of \$5,500 and \$5,000, respectively.

In addition, the Organization is highly dependent upon the time and effort of volunteers through fundraising and management activities. These donated services are not reflected in the financial statements since the services do not require specialized skills.

*Advertising* - Advertising costs are expensed as incurred. Advertising expenses were \$4,261 and \$2,745 for the years ended December 31, 2024 and 2023, respectively.

*Fair Value Measurements* - The Organization has adopted the guidance included in U.S. generally accepted accounting principles which establish a framework for measuring fair value of financial assets and expands disclosures about fair value measurements. The fair value hierarchy for disclosure of fair value measurements is as follows:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - Inputs, other than quoted prices in active markets, that are observable either directly or indirectly; and
- Level 3 - Unobservable inputs that reflect the reporting entity's own assumptions.

The Organization's assets measured at fair value consist of mutual funds, U.S. Treasury bills and a U.S. Treasury note based on their quoted prices (level 1 inputs); money market funds, and certificates of deposit based on estimated redemption value (level 2 inputs).

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 Organization believes its valuation method is appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

*Income Taxes* - The Organization meets the requirements to be treated as an organization exempt from income tax under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for federal income tax is required.

Management believes there is no liability related to uncertain tax positions at December 31, 2024 or 2023. The Organization is no longer subject to tax examinations for the years before December 31, 2021.

*Subsequent Events* - The Organization has analyzed subsequent events for recognition and disclosure purposes through November 13, 2025, the date the financial statements were available to be issued.

## **2. INVESTMENTS**

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

	<u>2024</u>	<u>2023</u>
U.S. Treasury securities	\$ 829,811	\$ 586,167
Money market funds	1,164,610	1,068,946

Certificate of deposit	-	\$ 99,961
Mutual funds	<u>\$ 326,424</u>	<u>275,455</u>
Total	<u>\$ 2,320,845</u>	<u>\$ 2,030,529</u>

The Organization holds eight U.S. Treasury securities at December 31, 2024. The following describes the maturity date and carrying amount at December 31, 2024:

	<u>Carrying Amount</u>	<u>Fair Value</u>
Treasury bill - due January 14, 2025	\$ 99,299	\$ 99,859
Treasury bill - due October 02, 2025	96,095	96,932
Treasury bill - due November 15, 2025 (2.25%)	96,812	98,281
Treasury bill - due February 15, 2026 (4%)	200,316	199,469
Treasury bill - due March 15, 2026 (4.625%)	102,471	100,422
Treasury bill - due November 15, 2026	46,141	46,129
Treasury bill - due January 15, 2027 (4%)	99,204	99,516
Treasury note - due August 31, 2028 (1.125%)	<u>88,953</u>	<u>89,203</u>
Total	<u>\$ 829,291</u>	<u>\$ 829,811</u>

The Organization holds four U.S. Treasury securities at December 31, 2023. The following describes the maturity date and carrying amount at December 31, 2023:

	<u>Carrying Amount</u>	<u>Fair Value</u>
Treasury bill - due April 18, 2024	\$ 95,541	\$ 98,450
Treasury bill - due July 11, 2024	285,409	292,471
Treasury bill - due October 3, 2024	94,979	96,387
Treasury note - due May 31, 2024 (2.5%)	<u>96,855</u>	<u>98,859</u>
Total	<u>\$ 572,784</u>	<u>\$ 586,167</u>

### 3. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions, all of which are restricted for purpose, consisted of the following at December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Research	\$ 163,953	\$ 190,165
Prevalence study	210,092	150,000
Restricted salaries	116,554	120,730
Family conference	81,575	55,720
Scientific meetings	27,500	5,000

Dr. Nicol Voerman's research	\$ -	\$ 446
Fundraising dinner	-	183
Clinical care guidelines	<u>1,000</u>	<u>1,000</u>
Total	<u>\$ 600,674</u>	<u>\$ 523,244</u>

#### 4. NET ASSETS RELEASED FROM RESTRICTIONS

Net assets were released from donor restrictions by incurring expenses and satisfying the restricted purposes or by occurrence of other events specified by donors, which consisted of the following for the years ended December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Research	\$ 125,420	\$ 122,960
Dr. Nicol Voerman's research	446	34,500
Restricted Salaries	72,176	44,270
Clinical care guidelines	-	4,342
Other	183	-
Staff Expansion	<u>-</u>	<u>5,000</u>
Total	<u>\$ 198,225</u>	<u>\$ 211,072</u>

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