

**GBS / CIDP FOUNDATION
INTERNATIONAL**

FINANCIAL STATEMENTS

(AND INDEPENDENT AUDITOR'S REPORT)

YEAR ENDED DECEMBER 31, 2024





Independent Auditor's Report

To the Board of Directors of
GBS / CIDP Foundation International
Conshohocken, Pennsylvania

We have audited the accompanying financial statements of GBS / CIDP Foundation International (a Pennsylvania nonprofit corporation), (the "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 financial statements referred to above present fairly, in all material respects, its financial position of GBS / CIDP Foundation International as of December 31, 2024, and the changes in 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization 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 Organization's 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 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 Organization'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 Organization'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.

Report on Summarized Comparative Information

We have previously audited GBS / CIDP Foundation International's 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated May 22, 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.

Isdamer & Company, LLC

May 13, 2025

 **ISDANER & COMPANY**_{LLC}

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GBS / CIDP FOUNDATION INTERNATIONAL
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2024
(WITH COMPARATIVE INFORMATION AS OF DECEMBER 31, 2023)

ASSETS		
	<u>2024</u>	<u>2023</u>
Current assets:		
Cash	\$ 1,200,095	\$ 1,065,523
Investments, at fair value	10,339,660	9,139,138
Contributions receivable	177,760	58,948
Prepaid expenses	<u>119,354</u>	<u>59,022</u>
Total current assets	11,836,869	10,322,631
Investments, at fair value - board designated	3,842,550	3,676,103
Furniture and equipment, net of accumulated depreciation of \$84,539 and \$66,166 in 2024 and 2023, respectively	79,271	77,108
Deposits	14,226	14,226
Right-of-use assets - operating lease	<u>941,850</u>	<u>1,033,368</u>
	<u><u>\$ 16,714,766</u></u>	<u><u>\$ 15,123,436</u></u>
 LIABILITIES AND NET ASSETS		
Liabilities:		
Current liabilities:		
Accounts payable and accrued expenses	\$ 84,187	\$ 37,164
Deferred revenue	10,000	-
Grants payable	533,057	647,123
Operating lease liability, current portion	<u>103,715</u>	<u>101,824</u>
Total current liabilities	730,959	786,111
Long-term liabilities:		
Operating lease liability, net of current portion	<u>838,135</u>	<u>935,958</u>
Total liabilities	<u>1,569,094</u>	<u>1,722,069</u>
Net assets:		
Without donor restrictions:		
Undesignated	11,303,122	9,725,264
Board designated - research	1,814,513	1,801,623
Board designated - fellowship	<u>2,028,037</u>	<u>1,874,480</u>
Total net assets	<u>15,145,672</u>	<u>13,401,367</u>
	<u><u>\$ 16,714,766</u></u>	<u><u>\$ 15,123,436</u></u>

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

GBS / CIDP FOUNDATION INTERNATIONAL
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024
(WITH COMPARATIVE INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2023)

	Without Donor Restrictions	With Donor Restrictions	Totals	
			2024	2023
Support and revenue:				
Grants and contributions	\$ 3,257,301	\$ 486,989	\$ 3,744,290	\$ 4,855,183
Special events	757,381	-	757,381	707,386
Less direct costs of special events	(79,748)	-	(79,748)	(76,876)
Dividends and interest, net	318,618	-	318,618	261,732
	<u>4,253,552</u>	<u>486,989</u>	<u>4,740,541</u>	<u>5,747,425</u>
Net assets released from restrictions	<u>486,989</u>	<u>(486,989)</u>	<u>-</u>	<u>-</u>
Total support and revenue	<u>4,740,541</u>	<u>-</u>	<u>4,740,541</u>	<u>5,747,425</u>
Expenses:				
Program	3,928,505	-	3,928,505	3,921,904
Management and general	301,305	-	301,305	240,838
Fundraising	321,981	-	321,981	218,630
	<u>4,551,791</u>	<u>-</u>	<u>4,551,791</u>	<u>4,381,372</u>
Change in net assets from operations	188,750	-	188,750	1,366,053
Loss on disposal of asset	-	-	-	3,614
Net realized and unrealized gain on investments	<u>1,555,555</u>	<u>-</u>	<u>1,555,555</u>	<u>1,536,461</u>
Change in net assets	1,744,305	-	1,744,305	2,898,900
Net assets at beginning of year	<u>13,401,367</u>	<u>-</u>	<u>13,401,367</u>	<u>10,502,467</u>
Net assets at end of year	<u><u>\$ 15,145,672</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 15,145,672</u></u>	<u><u>\$ 13,401,367</u></u>

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

GBS / CIDP FOUNDATION INTERNATIONAL
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2024
(WITH COMPARATIVE INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2023)

	2024				2023
	Program	Management and General	Fundraising	Total	Total
Salaries	\$ 1,467,497	\$ 204,706	\$ 198,774	\$ 1,870,977	\$ 1,347,613
Payroll taxes and employee benefits	272,461	36,767	32,863	342,091	268,385
Total salaries and related expenses	1,739,958	241,473	231,637	2,213,068	1,615,998
Research grants	757,575	-	-	757,575	798,327
Patient assistance funding	250,000	-	-	250,000	400,000
Board expenses	49,210	-	-	49,210	32,635
Chapter expenses	57,373	-	-	57,373	3,759
Contracted service	202,852	3,311	17,710	223,873	181,168
Depreciation	15,136	963	2,275	18,374	16,653
Dues and subscriptions	3,142	-	-	3,142	7,308
Equipment rental and supplies	11,974	762	1,799	14,535	24,061
Insurance	22,025	1,401	3,310	26,736	27,735
Postage and delivery	27,788	563	13,754	42,105	72,925
Printing	73,600	-	20,127	93,727	144,997
Professional expenses	14,337	24,653	479	39,469	37,375
On-demand education program	258,750	-	-	258,750	143,062
Public relations	20,386	216	511	21,113	121,435
Rent and utilities	147,531	9,385	22,171	179,087	142,975
Supplies and other	40,486	17,838	1,493	59,817	29,144
Telephone	8,958	566	1,336	10,860	8,823
Travel and meetings	227,424	174	5,379	232,977	572,992
Total functional expenses reported in statement of activities	3,928,505	301,305	321,981	4,551,791	4,381,372
Special event production, facility and other direct costs	-	-	-	79,748	76,876
Total functional expenses and direct costs of special events	\$ 3,928,505	\$ 301,305	\$ 321,981	\$ 4,631,539	\$ 4,458,248

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

GBS / CIDP FOUNDATION INTERNATIONAL

STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2024

(WITH COMPARATIVE INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2023)

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities:		
Change in net assets	\$ 1,744,305	\$ 2,898,900
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	18,374	16,653
Loss on disposal of asset	-	3,614
Right-of-use asset - operating lease adjustment	(4,414)	(11,825)
Net realized and unrealized gain on investments	(1,555,555)	(1,536,461)
Changes in operating assets and liabilities:		
Prepaid expenses	(60,332)	68,553
Contributions receivable	(118,812)	129,381
Accounts payable and accrued expenses	47,023	(29,979)
Deferred revenue	10,000	(175,000)
Grants payable	<u>(114,066)</u>	<u>(118,600)</u>
Net cash provided by (used in) operating activities	<u>(33,477)</u>	<u>1,245,236</u>
Cash flows from investing activities:		
Purchase of furniture and equipment	(20,537)	(62,431)
Purchase of investments	(1,255,691)	(2,462,921)
Proceeds from sale of investments	<u>1,444,277</u>	<u>1,451,579</u>
Net cash provided by (used in) investing activities	<u>168,049</u>	<u>(1,073,773)</u>
Net increase in cash	134,572	171,463
Cash, beginning of year	<u>1,065,523</u>	<u>894,060</u>
Cash, end of year	<u><u>\$ 1,200,095</u></u>	<u><u>\$ 1,065,523</u></u>
Supplemental schedule of non-cash investing and financing activity:		
Right-of-use assets - operating lease recognition	<u>\$ -</u>	<u>\$ 1,033,368</u>
Lease liability recognition	<u>\$ -</u>	<u>\$ 1,037,782</u>

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

GBS / CIDP FOUNDATION INTERNATIONAL
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024
(WITH COMPARATIVE INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2023)

(1) NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

GBS / CIDP Foundation International (the “Organization”) was incorporated under the laws of the Commonwealth of Pennsylvania as a nonprofit corporation. The Organization seeks to improve the quality of life for individuals and families affected by Guillain-Barré Syndrome (“GBS”), Chronic Inflammatory Demyelinating Polyneuropathy (“CIDP”), and variants. It provides patient support, research sponsorship, and lay and professional educational programs worldwide. The Organization receives the majority of its support from individual, corporate, and foundation contributions.

Basis of Presentation

The financial statements of the Organization are prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”) as described in Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic 958, *Not-for-Profit Entities*.

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 U.S. GAAP. Accordingly, such information should be read in conjunction with the Organization’s financial statements for the year ended December 31, 2023, from which the summarized information was derived.

Resources in the financial statements are classified for accounting and reporting purposes into classes of net assets according to the existence or absence of donor-imposed restrictions, as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor-imposed restrictions. The governing board has designated, from net assets without donor restrictions, net assets for research and fellowship grants.

Net Assets With Donor Restrictions – Net assets subject to donor-imposed restrictions that will be satisfied by actions of the Organization 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. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. The Organization did not have any net assets to be held in perpetuity as of December 31, 2024 or 2023.

Grants and Contributions

Grants and contributions revenue is recognized when cash, unconditional promises to give, or notifications of a beneficial interest is received. Conditional promises to give are not recognized until conditions on which they depend have been substantially met. Unconditional promises to give that have not been received are recorded as contributions receivable in the statement of financial position. At December 31, 2024 and 2023, the Organization considers all contributions receivable to be fully collectible, and accordingly, no allowance for credit losses has been recorded.

GBS / CIDP FOUNDATION INTERNATIONAL
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024
(WITH COMPARATIVE INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2023)

Special Events and Deferred Revenue

Revenue from special events is recognized in the period the event takes place. At times support for special events is received prior to the event being held, and amounts not yet earned by the end of the year are recorded as deferred revenue in the statement of financial position.

Cash

Cash is primarily held in operating accounts at major financial institutions insured by the Federal Deposit Insurance Corporation (“FDIC”) up to \$250,000 per institution. At times, the balances of these accounts may be in excess of federally insured limits. No losses have been incurred to date.

Investments

Investments consist of domestic corporate bonds, mutual funds, and money market funds that are carried at fair value (See Note 3). Net appreciation (depreciation) in the fair value of investments, which consists of realized and unrealized gains or losses on those investments, is shown in the statement of activities.

Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of financial position.

Furniture and Equipment

Furniture and equipment are recorded at cost. Expenditures with a cost in excess of \$1,000 and a useful life in excess of one year are capitalized. Depreciation is provided on a straight-line basis over the estimated useful lives of the assets ranging from five to fifteen years.

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. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The allocation to program, management and general, and fundraising is based on the estimated activities of personnel and the usage of materials and services.

Tax Status

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC). ASC Topic 740, *Income Taxes*, clarifies the accounting for uncertainty in income taxes recognized in an entity’s financial statements and prescribes a recognition threshold of *more-likely-than-not* to be sustained upon examination by the appropriate taxing authority. Measurement of the tax uncertainty occurs if the recognition threshold has been met. ASC Topic 740 also provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, and disclosure. No liability for uncertain tax positions was recorded as of December 31, 2024 or 2023.

GBS / CIDP FOUNDATION INTERNATIONAL
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024
(WITH COMPARATIVE INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2023)

Leases

The Organization determines if an arrangement is a lease at inception. Right-of-Use (“ROU”) assets represent the Organization's right to use an underlying asset for the lease term and lease liabilities represent the Organization's obligation to make lease payments arising from the lease. ROU assets – operating lease and operating lease liabilities are recognized at the commencement date based on the present value of variable lease payments over the remaining lease term. For the office space lease (See Note 6), the Organization used an estimated incremental borrowing rate of 8.5% based on prime rate information available at the commencement date in determining the present value of lease payments, as the lease did not provide an implicit rate. The Organization does not have any finance leases.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires the use of estimates and assumptions that effect amounts and disclosures based on management’s knowledge and experience. Actual results could differ from those estimates.

Subsequent Events

Management has evaluated subsequent events through May 13, 2025, which is the date the financial statements were available to be issued.

(2) MAJOR DONORS

Four donors accounted for 67% of total support in 2024 and three donors accounted for 48% of total support in 2023. Contributions receivable from major donors for the years ended December 31, 2024 and 2023 was \$177,760 and \$58,948, respectively.

(3) FAIR VALUE MEASUREMENTS

ASC Topic 820, *Fair Value Measurements and Disclosures*, defines fair value, establishes a framework for measuring fair value in accordance with U.S. GAAP, and expands disclosures about fair value measurements. The Organization applies the provisions to all its assets and liabilities that are being measured and reported on a fair value basis. The standard requires that each asset and liability carried at fair value be classified into one of the following fair value hierarchy categories:

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

Level 2: Observable market based inputs or unobservable inputs that are corroborated by market data.

Level 3: Unobservable inputs that are not corroborated by market data.

The following table sets forth the Organization’s investments carried at fair value measured on a recurring basis within the hierarchy as of December 31, 2024 and 2023:

GBS / CIDP FOUNDATION INTERNATIONAL

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

(WITH COMPARATIVE INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2023)

Assets at Fair Value as of December 31, 2024				
	Level 1	Level 2	Level 3	Total
Domestic corporate bonds	\$ -	\$ 3,858,967	\$ -	\$ 3,858,967
Mutual funds				
Domestic large cap	6,597,905	-	-	6,597,905
Domestic mid cap	1,047,276	-	-	1,047,276
Domestic small cap	956,314	-	-	956,314
International developed countries	1,049,410	-	-	1,049,410
Total mutual funds	9,650,905	-	-	9,650,905
Money market funds	672,338	-	-	672,338
 Total assets at fair value	 \$ 10,323,243	 \$ 3,858,967	 \$ -	 \$ 14,182,210

Assets at Fair Value as of December 31, 2023				
	Level 1	Level 2	Level 3	Total
Domestic corporate bonds	\$ -	\$ 2,236,050	\$ -	\$ 2,236,050
Mutual funds				
Domestic large cap	5,999,814	-	-	5,999,814
Domestic mid cap	1,024,779	-	-	1,024,779
Domestic small cap	939,719	-	-	939,719
International developed countries	1,206,362	-	-	1,206,362
Total mutual funds	9,170,674	-	-	9,170,674
Money market funds	1,408,517	-	-	1,408,517
 Total assets at fair value	 \$ 10,579,191	 \$ 2,236,050	 \$ -	 \$ 12,815,241

Investment management fees of \$82,304 and \$66,651 for the years ended December 31, 2024 and 2023, respectively, have been accounted for as a reduction of dividend and interest income.

(4) GRANTS PAYABLE

Grants payable represents all unconditional grants that have been authorized prior to year-end, but remain unpaid as of December 31, 2024 and 2023.

(5) ENDOWMENT FUNDS

The Organization's endowment includes funds without donor restriction that are designated by the board for future fellowships to fund professional training and for future research.

The Organization has adopted investment and spending policies for endowment assets that focus on total return to achieve growth through asset appreciation and income generation. The Organization targets a diversified asset allocation of mutual funds, fixed income securities and cash.

GBS / CIDP FOUNDATION INTERNATIONAL

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

(WITH COMPARATIVE INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2023)

The Organization's spending policy provides for the disbursement of funds related to fellowships and research projects upon board authorization.

	Board- Designated, Fellowship	Board- Designated, Research	Total Endowment Assets
Endowment net assets, January 1, 2024	\$ 1,874,480	\$ 1,801,623	\$ 3,676,103
Investment fees	(12,102)	(11,780)	(23,882)
Net appreciation	291,210	243,000	534,210
Contributions and transfers	7,000	225,172	232,172
Expenditures	<u>(132,551)</u>	<u>(443,502)</u>	<u>(576,053)</u>
Endowment net assets, December 31, 2024	<u>\$ 2,028,037</u>	<u>\$ 1,814,513</u>	<u>\$ 3,842,550</u>

(6) LEASES

The Organization leases office space under an operating lease expiring on July 1, 2031. In addition to minimum rentals, the Organization is required to pay a pro-rata share of utility costs and operating expenses. Rent expense for the years ended December 31, 2024 and 2023 was \$179,087 and \$142,975, respectively.

Future minimum rentals under the material operating lease having an initial remaining term in excess of one year at December 31, 2024 are as follows:

2025	\$ 179,825
2026	182,851
2027	185,878
2028	188,904
2029	191,931
Thereafter	309,712
Total future minimum lease payments	<u>1,239,101</u>
Less imputed interest	<u>(297,251)</u>
Total lease liabilities	941,850
Less current portion	<u>(103,715)</u>
Lease liability, noncurrent	<u>\$ 838,135</u>

GBS / CIDP FOUNDATION INTERNATIONAL
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024
(WITH COMPARATIVE INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2023)

(7) LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or board restrictions limiting their use, within one year of the statement of financial position date, are comprised of the following:

Cash	\$ 1,200,095
Operating investments	10,339,660
Contributions receivable	177,760
	<u>\$ 11,717,515</u>

As part of its liquidity management plan, the Organization has a goal to maintain financial assets, which consist of cash and investments, on hand to meet normal operating expenses. GBS recognizes that potential volatility and regulatory pressures in the current market environment may influence future liquidity.

(8) EMPLOYEE BENEFIT PLAN

The Organization sponsors a 403(b) profit-sharing plan covering eligible employees. Employer contributions to the Plan are discretionary as determined by the Board of Directors and amounted to \$76,853 and \$59,685 for the years ended December 31, 2024 and 2023, respectively.