



Barth Syndrome
Foundation

***FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITORS' REPORT***

YEARS ENDED DECEMBER 31, 2025 AND 2024

THE BARTH SYNDROME FOUNDATION, INC.

Years Ended December 31, 2025 and 2024

CONTENTS

	<u>Page</u>
Independent Auditors' Report	1 - 2
Financial Statements:	
Balance Sheets	3
Statements of Activities	4
Statements of Cash Flows	5
Statements of Functional Expenses	6 - 7
Notes to Financial Statements	8 - 15

INDEPENDENT AUDITORS' REPORT

To The Board of Directors
The Barth Syndrome Foundation, Inc.
Larchmont, New York

Opinion

We have audited the accompanying financial statements of The Barth Syndrome Foundation, Inc. (a nonprofit organization), which comprise the balance sheets as of December 31, 2025 and 2024, and the related statements of activities, cash flows, and functional expenses 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 Barth Syndrome Foundation, Inc. as of December 31, 2025 and 2024, 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 Barth Syndrome Foundation, Inc. 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 Barth Syndrome Foundation, Inc.'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 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 Barth Syndrome Foundation, Inc.'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 Barth Syndrome Foundation, Inc.'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.

Dorfman Abrams Music, LLC

Saddle Brook, New Jersey

April 22, 2026

THE BARTH SYNDROME FOUNDATION, INC.

BALANCE SHEETS

ASSETS

	December 31,	
	2025	2024
Cash	\$ 397,009	\$ 720,374
Investments	5,518,390	4,885,260
Contributions receivable	24,400	100
Other receivables	29,270	
Prepaid expenses	54,480	34,906
Total assets	<u>\$ 6,023,549</u>	<u>\$ 5,640,640</u>

LIABILITIES AND NET ASSETS

Liabilities:		
Accounts payable and accrued expenses	\$ 179,106	\$ 163,444
Grants payable	299,055	256,910
Total liabilities	<u>478,161</u>	<u>420,354</u>
Net assets:		
Without donor restrictions	1,563,722	1,121,367
With donor restrictions	3,981,666	4,098,919
Total net assets	<u>5,545,388</u>	<u>5,220,286</u>
Total liabilities and net assets	<u>\$ 6,023,549</u>	<u>\$ 5,640,640</u>

THE BARTH SYNDROME FOUNDATION, INC.

STATEMENTS OF ACTIVITIES

	Year ended December 31, 2025			Year ended December 31, 2024		
	Without donor restrictions	With donor restrictions	Total	Without donor restrictions	With donor restrictions	Total
Operating activities:						
Support and revenue:						
Contributions of cash and other financial assets	\$ 1,107,418	\$ 122,742	\$ 1,230,160	\$ 1,252,134	\$ 124,108	\$ 1,376,242
Affiliates' donation for research grants		150,000	150,000		190,000	190,000
Contributions of nonfinancial assets				44,937		44,937
Grant income	30,001	200,000	230,001	8,500	100,000	108,500
Special event, net	296,241		296,241			
Other revenue	5,559		5,559	9,362		9,362
Interest and dividend income	175,316		175,316	141,114		141,114
Total support and revenue	1,614,535	472,742	2,087,277	1,456,047	414,108	1,870,155
Net assets released from restrictions	589,995	(589,995)		278,362	(278,362)	
Total support and revenue	2,204,530	(117,253)	2,087,277	1,734,409	135,746	1,870,155
Expenses:						
Program services:						
Communication and awareness	194,237		194,237	130,319		130,319
BSF Regional Meetings	1,575		1,575	377,289		377,289
Family services	42,073		42,073	132,306		132,306
Advocacy and awareness	386,587		386,587	273,870		273,870
Barth registry and repository	105,132		105,132	43,118		43,118
Research grants	512,458		512,458	322,746		322,746
Science and medicine	349,101		349,101	496,586		496,586
Total program services	1,591,163		1,591,163	1,776,234		1,776,234
Supporting services:						
Management and general	249,279		249,279	183,908		183,908
Fundraising	220,653		220,653	178,686		178,686
Total supporting services	469,932		469,932	362,594		362,594
Total expenses	2,061,095		2,061,095	2,138,828		2,138,828
Change in net assets from operations	143,435	(117,253)	26,182	(404,419)	135,746	(268,673)
Nonoperating activities:						
Realized and unrealized gains on investments, net	298,920		298,920	203,605		203,605
Total nonoperating activities	298,920		298,920	203,605		203,605
Change in net assets	442,355	(117,253)	325,102	(200,814)	135,746	(65,068)
Net assets, beginning of year	1,121,367	4,098,919	5,220,286	1,322,181	3,963,173	5,285,354
Net assets, end of year	\$ 1,563,722	\$ 3,981,666	\$ 5,545,388	\$ 1,121,367	\$ 4,098,919	\$ 5,220,286

See notes to financial statements.

THE BARTH SYNDROME FOUNDATION, INC.

STATEMENTS OF CASH FLOWS

	Year ended December 31,	
	2025	2024
Cash flows from operating activities:		
Change in net assets	\$ 325,102	\$ (65,068)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Contribution of stock	(38,224)	(7,602)
Realized and unrealized gains on investments, net	(298,920)	(203,605)
Changes in operating assets and liabilities:		
(Increase) decrease in:		
Contributions receivable	(24,300)	(100)
Other receivables	(29,270)	
Prepaid expenses	(19,574)	13,229
Increase (decrease) in:		
Accounts payable and accrued expenses	15,662	69,301
Deferred revenue		(27,183)
Grants payable	42,145	172,260
Net cash used by operating activities	(27,379)	(48,768)
Cash flows from investing activities:		
Purchases of investments	(948,961)	(666,556)
Proceeds from sale of investments	652,975	975,402
Net cash provided (used) by investing activities	(295,986)	308,846
Net change in cash	(323,365)	260,078
Cash, beginning of year	720,374	460,296
Cash, end of year	\$ 397,009	\$ 720,374

See notes to financial statements.

Years Ended December 31, 2025 and 2024

	Communication and awareness		BSF Regional Meetings		Family services		Advocacy and awareness		Barth registry and repository		Research grants		Science and medicine		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Salaries	\$ 88,826	\$ 53,189	\$	\$	\$ 19,895	\$ 78,006	\$ 225,587	\$ 115,579	\$ 43,927	\$ 8,555	\$	\$	\$ 288,866	\$ 310,568	\$ 667,101	\$ 565,897
Payroll taxes and benefits	14,835	6,543			4,749	16,641	41,767	18,613	5,193	896			36,663	36,120	103,207	78,813
Total salaries and related expenses	103,661	59,732			24,644	94,647	267,354	134,192	49,120	9,451			325,529	346,688	770,308	644,710
Research grant expense																
Contract and grant expenses																
Professional fees	56,721	52,250	1,575	62,000	280	26,196	66,113	50,000	46,801	32,794		512,458	7,795	110,000	512,458	322,746
Office and other expenses	8,691	6,909		32,250	9,751	9,360	2,188	3,370	5,000	128			10,510	16,803	46,801	110,000
Travel				192,197	5,900	1,194	47,864	84,218	2,691	1,520			2,823	9,070	137,484	240,043
Printing and publications				13,554	501		68							9,667	33,831	61,087
Dues and fees	21,164	7,428			910	403				745			2,444	21,733	58,107	287,276
Insurance														3,720	21,733	20,982
Telephone					87	506									3,354	4,868
Public relations															87	506
Audio visual	4,000	4,000		63,151			3,000	2,090						638		638
Event cost				14,137										7,000		69,241
Total expenses	\$ 194,237	\$ 130,319	\$ 1,575	\$ 377,289	\$ 42,073	\$ 132,306	\$ 386,587	\$ 273,870	\$ 105,132	\$ 43,118	\$ 512,458	\$ 322,746	\$ 349,101	\$ 496,586	\$ 1,591,163	\$ 1,776,234

6

THE BARTH SYNDROME FOUNDATION, INC.

STATEMENTS OF FUNCTIONAL EXPENSES

Years Ended December 31, 2025 and 2024

	Management and general		Supporting services		Total		Total expenses	
	2025	2024	2025	2024	2025	2024	2025	2024
Salaries	\$ 89,527	\$ 43,690	\$ 110,589	\$ 128,008	\$ 200,116	\$ 171,698	\$ 867,217	\$ 737,595
Payroll taxes and benefits	13,755	5,754	17,281	18,691	31,036	24,445	134,243	103,258
Total salaries and related expenses	103,282	49,444	127,870	146,699	231,152	196,143	1,001,460	840,853
Research grant expense								
Contract and grant expenses							512,458	322,746
Professional fees	82,993	79,452	57,748	5,200	140,741	84,652	46,801	110,000
Office and other expenses	41,837	39,466	26,750	22,484	68,587	61,950	278,225	324,695
Travel	4,643		5,452		10,095		102,418	123,037
Printing and publications			831	4,065	831	4,065	68,202	287,276
Dues and fees	6,905	6,868	152		7,057	6,868	22,564	25,047
Insurance	8,673	7,724			8,673	7,724	10,411	11,736
Telephone	946	954			946	954	8,673	7,724
Public relations				38		38	1,033	1,460
Audio visual			1,850	200	1,850	200	8,850	69,441
Event cost								14,137
Total expenses	\$ 249,279	\$ 183,908	\$ 220,653	\$ 178,686	\$ 469,932	\$ 362,594	\$ 2,061,095	\$ 2,138,828

See notes to financial statements.

THE BARTH SYNDROME FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

1. Nature of the Organization

The Barth Syndrome Foundation, Inc. (the Organization) is a not-for-profit organization incorporated under the laws of the State of Delaware on September 8, 2000 to be operated for the following purposes: a) to support and educate families with children suffering from Barth syndrome; b) to fund and facilitate research addressing the causes, diagnosis, treatments, and cure of Barth syndrome; and c) to raise physician awareness regarding Barth syndrome. The Organization has entered into licensing agreements with several not-for-profit entities dedicated to Barth syndrome in other countries. The agreements allow for each of these entities (the affiliates) to use The Barth Syndrome Foundation, Inc. brand in their various communications and to share in the Organization's programs including the biennial International Barth Syndrome Scientific, Medical and Family Conference, newsletters, websites and research and development initiatives, among others.

2. Summary of significant accounting policies

Basis of presentation

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles (U.S. GAAP), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the board of directors.

Net assets with donor restrictions - Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Measure of operations

The statement of activities reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to the Organization's ongoing services and interest and dividend income earned on investments. Nonoperating activities are limited to resources that generate return from investments and other activities considered to be of a more unusual or nonrecurring nature.

Estimates

The preparation of financial statements in conformity with 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 date of the financial statements and the reported amount of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Cash

Cash consist of demand deposit accounts. Cash and money market funds, held as a portion of the Organization's investment portfolio, are classified as investments and are not considered to be cash equivalents for purposes of the statement of cash flows.

THE BARTH SYNDROME FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

2. Summary of significant accounting policies (continued)

Investments

Investments are recorded at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values on the balance sheet. Unrealized gains and losses are included in the changes in net assets without donor restriction for the gains and losses that are unrestricted, and in the changes in net assets with donor restriction for the gains and losses that are restricted for the support of certain programs. Investment fees are netted against the investment income.

Fair value measurement

U.S. GAAP establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets and liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy are as follows:

Level 1 - Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that the Organization has the ability to access at the measurement date;

Level 2 - Inputs other than quoted prices that are observable for the assets or liability either directly or indirectly, including inputs that are not considered to be active;

Level 3 - Inputs that are unobservable.

Inputs are used in applying the various valuation techniques and broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad criteria data, liquidity statistics, and other factors. An investment's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. However, the determination of what constitutes "observable" requires significant judgment by the Organization. The Organization considers observable data to be that market data which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, provided by multiple, independent sources that are actively involved in the relevant market. The categorization of an investment within the hierarchy is based upon the pricing transparency of the investment and does not necessarily correspond to the Organization's perceived risk of that investment.

The following is a description of the valuation methodologies used for assets measured at fair value.

Fixed-income securities and equities - Valued at the closing price reported on the active market on which the individual securities are traded.

Convertible Promissory Note - There are no observable inputs and certain of the underlying investments are not publicly traded and there is no secondary market for such funds. These funds are valued by the managers of the underlying funds at the NAV of shares held by the Organization at year end or other pricing methodologies.

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 methods are 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.

THE BARTH SYNDROME FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

2. Summary of significant accounting policies (continued)

Contributions receivable

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Conditional promises to give are not included as support until the conditions are met.

All contributions receivable are expected to be collected within one year.

Other receivables

Other receivables consist of dividend income issued but not received by the end of the calendar year.

Allowance for doubtful accounts

The Organization uses the allowance method to account for uncollectible contributions receivable. The allowance for doubtful accounts is based on prior years' experience and management's analysis of possible bad debt. As of December 31, 2025 and 2024, the Organization determined that an allowance was not necessary.

Revenue recognition

The Organization recognizes contributions when cash, investments or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), 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. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met.

The Organization receives grants from its affiliate organizations to fund a portion of the grants the Organization pays to the grantees. This revenue is recognized when the grants are committed to being paid by the affiliate organizations.

The Organization recognizes revenue from conferences when the event takes place. Conferences are generally held every other year. Amounts received prior to the commencement of the conference, including deposits, are deferred to the applicable period.

Contribution of nonfinancial assets

The Organization receives donated services from specialized providers and other volunteers that create or enhance non-financial assets and allow the Organization to fulfill its mission. Donated specialized services have been recognized on the accompanying financial statements at their fair value at the date of donation and are reported as support without donor restrictions unless explicit donor stipulations specify how donated assets must be used. These donated services require professional skills, and would typically need to be purchased if not provided by donation. Such specialized donated services amounted to \$44,937 for the year ended December 31, 2024. There were no specialized donated services for the year ended December 31, 2025.

THE BARTH SYNDROME FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

2. Summary of significant accounting policies (continued)

Functional allocation of expenses

The costs of providing various programs and support services have been summarized on a functional basis in the statement of activities and in the statement of functional expenses. Accordingly, natural expenses attributable to more than one functional expense category are allocated using a variety of cost allocation techniques such as time and effort.

Income taxes

The Organization is a tax-exempt organization as defined by Section 501(c)(3) of the Internal Revenue Code, though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the Code. The Organization is also exempt from New York State income taxes. The Organization has procedures in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. The Organization has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

Reclassifications

Certain amounts in the 2024 financial statements have been reclassified to conform to the 2025 presentation.

3. Risks and uncertainties

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash, investments, contributions receivable and other receivables. The Organization maintains its cash in bank deposit accounts, the balances of which, at times, may exceed federally insured limits. Investments are exposed to various risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the value of investments will occur in the near term and that such changes could materially affect the amount reported on the financial statements. Concentrations of credit risk with respect to contributions and other receivables are limited due to the short payment terms the Organization has with its creditors. The Organization has not experienced, nor does it anticipate, any losses with respect to such accounts.

THE BARTH SYNDROME FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

4. Availability and liquidity

The following represents the Organization's financial assets at December 31, 2025:

Financial assets at year-end:

Cash	\$ 397,009
Investments	5,518,390
Contributions receivable	24,400
Other receivables	29,270
Total financial assets	5,969,069

Less amounts not available to be used within one year:

Investments held in convertible promissory note	25,000
Net assets with donor restrictions	3,981,666
Less net assets with purpose restrictions to be met in less than a year	
	(421,292)
	3,585,374

Financial assets available to meet cash needs for general expenditures within one year	
	\$ 2,383,695

The Organization's goal is generally to maintain financial assets to meet 90 days of operating expenses, net of in-kind (approximately \$515,000). As part of its liquidity plan, excess cash is invested in short-term investments, including money market accounts. In addition to their available financial assets, a significant portion of the Organization's annual expenditures will be funded by current year operating revenues including grants and contributions.

5. Investments

Investment securities are stated at fair value and summarized as follows at December 31:

	2025	2024
Cash and money market funds	\$ 857,336	\$ 483,147
Equities	1,755,319	1,748,677
Fixed income	2,880,735	2,628,436
Convertible promissory note	25,000	25,000
	\$ 5,518,390	\$ 4,885,260

The following schedule summarizes the investment return and its classification in the statement of activities for the years ended December 31:

	2025	2024
Investments:		
Interest and dividend income	\$ 175,316	\$ 141,114
Realized and unrealized gains, net	298,920	203,605
	\$ 474,236	\$ 344,719

THE BARTH SYNDROME FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

6. Fair value measurement

The classifications of the Organization's investment securities at fair value are as follows at December 31, 2025:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Cash and money market funds (at cost)	\$	\$	\$	\$ 857,336
Equities	1,755,319			1,755,319
Fixed income		2,880,735		2,880,735
Convertible promissory note			25,000	25,000
	<u>\$ 1,755,319</u>	<u>\$ 2,880,735</u>	<u>\$ 25,000</u>	<u>\$ 5,518,390</u>

The classifications of the Organization's investment securities at fair value are as follows at December 31, 2024:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Cash and money market funds (at cost)	\$	\$	\$	\$ 483,147
Equities	1,748,677			1,748,677
Fixed income		2,628,436		2,628,436
Convertible promissory note			25,000	25,000
	<u>\$ 1,748,677</u>	<u>\$ 2,628,436</u>	<u>\$ 25,000</u>	<u>\$ 4,885,260</u>

7. Grants payable

Grants payable consist of research grants payable and a commitment to support the establishment of a Dutch Center of Expertise for Barth Syndrome in the Netherlands.

Research grants payable as of December 31, 2025 and 2024 consists of amounts awarded but not paid, of \$189,055 and \$146,910, respectively. All are due to be paid within the next 12 months.

During September 2024, the Organization made a commitment of \$110,000 for funding of the Dutch Center of Expertise for Barth Syndrome. Funding will be made available by December 2026 and 2027.

The Organization is committed to research grants awarded subsequent to year-end, up to the amount of \$245,000, of which \$165,000 is committed to be funded by affiliates (see Note 11).

THE BARTH SYNDROME FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

8. Net assets

Net assets were as follows for the years ended December 31, 2025 and 2024:

	2025			2024		
	Without donor restrictions	With donor restrictions	Total	Without donor restrictions	With donor restrictions	Total
Undesignated	\$ 1,563,722	\$	\$ 1,563,722	\$ 1,121,367	\$	\$ 1,121,367
Specific purpose:						
Restricted for Arrhythmia					88,923	88,923
Science and Medicine		92,224	92,224		161,718	161,718
Family Services Fund		20,058	20,058		12,457	12,457
Research grants		35,000	35,000		6,250	6,250
Chan Zuckerberg Initiative -						
Rare as One Cycle 3		186,234	186,234		90,549	90,549
Therapy Fund		3,623,750	3,623,750		3,739,022	3,739,022
Passage of time		24,400	24,400			
Total net assets	<u>\$ 1,563,722</u>	<u>\$ 3,981,666</u>	<u>\$ 5,545,388</u>	<u>\$ 1,121,367</u>	<u>\$ 4,098,919</u>	<u>\$ 5,220,286</u>

Releases from net assets with donor restrictions are as follows at December 31:

	2025	2024
Satisfaction of purpose restrictions:		
Therapy fund	\$ 195,507	\$ 113,819
Research grants	121,250	83,750
Chan Zuckerberg Initiative – Rare as One Cycle 3	104,315	9,451
Restricted for Arrhythmia	88,923	21,227
Science and medicine	80,000	12,279
Family service fund		37,836
	<u>\$ 589,995</u>	<u>\$ 278,362</u>

9. Conditional contributions

During October 2024, the Organization and the Silicon Valley Community Foundation entered into a contribution agreement for the Chan Zuckerberg Initiative - Rare as One Cycle 3 RFA project with a potential maximum contribution of \$800,000. The Organization met the donor conditions and has recognized \$300,000 as contribution income through December 31, 2025. The remaining \$500,000 of the contribution is conditional to the performance of certain obligations that the Organization has to meet. This balance will be paid over a period of three years if conditions are met.

10. Major sources of support

During the year ended December 31, 2025, the Foundation received approximately 10% of its total support and revenues from one donor.

During the year ended December 31, 2024, the Foundation received approximately 23% of its total support and revenues from two donors.

THE BARTH SYNDROME FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2025 and 2024

11. Research grant expenses

The Organization, as part of its mission to fund and facilitate research addressing the causes, diagnosis, treatment, and cure of Barth Syndrome, commits to certain research grants which it records as grants payable on the balance sheet, upon approval of the award.

The related research grant award is reported on the statement of functional expenses to reflect the full grant expenditure amount of \$512,458 and \$322,746 for the years ended December 31, 2025 and 2024, respectively. From time to time, the Organization receives assistance from affiliated entities to cover portions of the research grant awards. These amounts have been recorded on the statement of activities as affiliate donation for research grant and were \$150,000 and \$190,000 for the years ended December 31, 2025 and 2024, respectively.

12. Retirement plan

The Organization has a 401(k) Plan covering all eligible employees upon hire. The Organization contributions are made on a per-pay period basis based on the amount of the employee's pre-tax and/or Roth contributions. The employer match is 100% of employee deferrals up to the first 3% of compensation for the period and 50% of the next 2% of compensation for the year, and is immediately vested. Contributions during the years ended December 31, 2025 and 2024 amounted to \$31,119 and \$23,308, respectively.

13. Subsequent events

The Organization has evaluated subsequent events through April 22, 2026 which is the date the financial statements were available to be issued. The Organization is not aware of any material subsequent events.