FINANCIAL STATEMENTS

THE MYOSITIS ASSOCIATION

FOR THE YEAR ENDED DECEMBER 31, 2024
WITH SUMMARIZED FINANCIAL
INFORMATION FOR 2023

THE MYOSITIS ASSOCIATION

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CPAs & ADVISORS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
The Myositis Association
Columbia, Maryland

Opinion

We have audited the accompanying financial statements of The Myositis Association (TMA), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities and change in net assets, 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, the financial position of TMA as of December 31, 2024, and the change 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. 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 TMA 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 TMA'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, including omissions, 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 TMA'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 TMA'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 TMA's 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 11, 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.



September 8, 2025

THE MYOSITIS ASSOCIATION

STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2024
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2023

ASSETS

	2024	2023
CURRENT ASSETS		
Cash and cash equivalents	$ 461,156	$ 64,518
Investments	1,116,945	1,237,590
Grants and contributions receivable	46,737	43,000
Other receivables	18,732	-
Prepaid expenses and other	18,237	34,101
Total current assets	1,661,807	1,379,209
FIXED ASSETS		
Fixed assets, net	43,511	23,211
NONCURRENT ASSETS		
Security deposit	21,128	21,128
Right-of-use asset, net	287,007	355,976
Total noncurrent assets	308,135	377,104
TOTAL ASSETS	**$ 2,013,453**	**$ 1,779,524**

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Line of credit	$ 5,600	$ -
Accounts payable and accrued liabilities	145,133	98,484
Operating lease liability	77,331	72,191
Total current liabilities	228,064	170,675
NONCURRENT LIABILITIES		
Operating lease liability, net	241,415	318,745
Total liabilities	469,479	489,420
NET ASSETS		
Without donor restrictions	1,151,091	1,100,057
With donor restrictions	392,883	190,047
Total net assets	1,543,974	1,290,104
TOTAL LIABILITIES AND NET ASSETS	**$ 2,013,453**	**$ 1,779,524**

See accompanying notes to financial statements.

THE MYOSITIS ASSOCIATION

STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2024
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2023

	2024			2023
	Without Donor Restrictions	With Donor Restrictions	Total	Total
SUPPORT AND REVENUE				
Grants and contributions	$ 1,243,131	$ 301,551	$ 1,544,682	$ 840,753
Sponsorships	307,536	-	307,536	291,750
Conference and event income	159,121	-	159,121	141,433
Net investment return	57,852	-	57,852	153,593
Other revenue	9,952	-	9,952	15,319
Contributed services and materials	3,650	-	3,650	3,055
Net assets released from donor restrictions	98,715	(98,715)	-	-
Total support and revenue	1,879,957	202,836	2,082,793	1,445,903
EXPENSES				
Program Services:				
Patient Education and Support	137,790	-	137,790	195,312
Advocacy	138,986	-	138,986	135,607
Clinician Education	47,315	-	47,315	106,105
Research Funding	407,313	-	407,313	377,670
Annual Patient Conference	568,501	-	568,501	412,888
Total program services	1,299,905	-	1,299,905	1,227,582
Supporting Services:				
General and Administrative	361,709	-	361,709	533,052
Fundraising	167,309	-	167,309	148,572
Total supporting services	529,018	-	529,018	681,624
Total expenses	1,828,923	-	1,828,923	1,909,206
Change in net assets	51,034	202,836	253,870	(463,303)
Net assets at beginning of year	1,100,057	190,047	1,290,104	1,753,407
NET ASSETS AT END OF YEAR	**$ 1,151,091**	**$ 392,883**	**$ 1,543,974**	**$ 1,290,104**

See accompanying notes to financial statements.

THE MYOSITIS ASSOCIATION

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2023

	2024										2023
	Program Services						Supporting Services				
	Patient Education and Support	Advocacy	Clinician Education	Research Funding	Annual Patient Conference	Total Program Services	General and Administrative	Fundraising	Total Supporting Services	Total Expenses	Total Expenses
Professional fees	$ 17,703	$ 23,781	$ -	$ 11,575	$ 130,899	$ 183,958	$ 215,111	$ 68,551	$ 283,662	$ 467,620	$ 735,867
Salaries and benefits	76,992	76,067	16,578	33,298	102,557	305,492	87,947	57,762	145,709	451,201	320,664
Grants	-	-	-	316,132	-	316,132	-	-	-	316,132	228,536
Conference	1,905	1,361	14,176	31,875	250,800	300,117	159	2,930	3,089	303,206	327,918
Lease	15,648	15,460	3,369	7,322	20,844	62,643	14,652	11,740	26,392	89,035	87,114
Telecommunications	13,650	6,219	1,355	2,722	21,374	45,320	8,947	4,723	13,670	58,990	48,875
Travel	655	375	8,986	136	23,184	33,336	716	840	1,556	34,892	26,261
Other	1,142	482	323	164	697	2,808	25,524	854	26,378	29,186	15,568
Printing and publications	3,555	3,238	762	1,912	8,808	18,275	326	3,514	3,840	22,115	29,180
Equipment and supplies	1,536	1,915	814	630	3,987	8,882	2,272	1,242	3,514	12,396	15,955
Registration and filing fees	7	33	2	3	9	54	700	10,496	11,196	11,250	11,990
Postage and shipping	2,176	4,216	343	324	778	7,837	293	1,845	2,138	9,975	34,886
Depreciation and amortization	1,208	1,194	260	523	1,610	4,795	1,379	907	2,286	7,081	10,120
Dues and subscriptions	835	1,748	180	361	1,112	4,236	1,301	1,321	2,622	6,858	4,624
Insurance	778	768	167	336	1,224	3,273	2,382	584	2,966	6,239	3,669
Advertising and promotion	-	2,129	-	-	618	2,747	-	-	-	2,747	7,979
TOTAL	**$ 137,790**	**$ 138,986**	**$ 47,315**	**$ 407,313**	**$ 568,501**	**$ 1,299,905**	**$ 361,709**	**$ 167,309**	**$ 529,018**	**$ 1,828,923**	**$ 1,909,206**

See accompanying notes to financial statements.

THE MYOSITIS ASSOCIATION

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ 253,870	$ (463,303)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation and amortization	7,081	10,120
Unrealized gain	(36,185)	(175,274)
Realized (gain) loss	(1,503)	43,505
Amortization of right-of-use asset	68,969	66,181
Donated securities	-	20,014
Loss on disposal of assets	454	1,953
(Increase) decrease in:		
Grants and contributions receivable	(3,737)	100,427
Other receivables	(18,732)	-
Prepaid expenses and other	15,864	(5,208)
Security deposit	-	(14,400)
Increase (decrease) in:		
Accounts payable and accrued liabilities	46,649	(17,809)
Operating lease liability	(72,190)	(67,306)
Net cash provided (used) by operating activities	260,540	(501,100)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of fixed assets	(27,835)	(3,459)
Net sales of investments	158,333	303,620
Net cash provided by investing activities	130,498	300,161
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from line of credit	5,600	-
Net cash provided by financing activities	5,600	-
Net increase (decrease) in cash and cash equivalents	396,638	(200,939)
Cash and cash equivalents at beginning of year	64,518	265,457
CASH AND CASH EQUIVALENTS AT END OF YEAR	**$ 461,156**	**$ 64,518**

See accompanying notes to financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

Organization -

The Myositis Association (TMA) is a non-profit organization, incorporated in the Commonwealth of Virginia and located in Maryland. TMA's mission is to improve the lives of persons affected by myositis, fund innovative research, and increase myositis awareness and advocacy. TMA provides education, research, and support for those with idiopathic inflammatory myopathies while serving as a resource for families and physicians, advocating for patients, and promoting increased awareness of these rare diseases.

Program Services -

Patient Education and Support - Support and affinity groups offer members the chance to share their feelings and discuss their concerns with individuals and families in similar situations, within an atmosphere of communication and compassion. TMA’s website, publications, and resources present information on diagnosis, treatments, research news, and other relevant topics that help patients and care partners learn what they need to address their individual health care concerns. Ongoing education programs like webinars keep the community informed.

Advocacy - Public recognition of myositis, increased research funding, greater access to care, and better coverage and reimbursement for treatments are the goals for TMA programs like Myositis Awareness Month and World Myositis Day.

Clinician Education - TMA outreach to health care practitioners (physicians, nurses, physical therapists, occupational therapists, mental health professionals, and others) is vital to improving myositis care.

Research Funding - TMA provides funding to emerging and established researchers who are seeking answers to the mysteries surrounding myositis and its causes. TMA’s research initiatives reflect our commitment to increase understanding, find better treatments and, ultimately, a cure.

Annual Patient Conference - TMA’s Global Myositis Patient Conference brings together myositis patients with health professionals who specialize in myositis and related fields. This event features medical expert speakers and sessions on treatments, promising research, coping strategies, exercise techniques, and more.

Basis of presentation -

The accompanying financial statements are presented on the accrual basis of accounting, and in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) related to non-profit entities. As such, net assets are reported within two net asset classifications: without donor restrictions and with donor restrictions.

Descriptions of the two net asset categories are as follows:

- **Net Assets without Donor Restrictions -** Net assets available for use in general operations and not subject to donor restrictions are recorded as "net assets without donor restrictions". Net assets set aside solely through the actions of the Board are referred to as Board Designated and are also reported as net assets without donor restrictions.
- **Net Assets with Donor Restrictions -** Net assets may be subject to donor-imposed stipulations that are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Donor-imposed restrictions are released when the restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION (Continued)

Basis of presentation (continued) -

- **Net Assets with Donor Restrictions (continued) -** Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

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 generally accepted accounting principles. Accordingly, such information should be read in conjunction with TMA's financial statements for the year ended December 31, 2023, from which the summarized information was derived.

Cash and cash equivalents -

TMA considers all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents. Bank deposit accounts are insured by the Federal Deposit Insurance Corporation (“FDIC”) up to a limit of $250,000. At times during the year, TMA maintains cash balances in excess of the FDIC insurance limits. Management believes the risk in these situations to be minimal.

Investments -

Investments are recorded at their readily determinable fair value. Interest, dividends, realized and unrealized gains and losses are included in investment return, which is presented net of investment expenses paid to external investment advisors, in the accompanying Statement of Activities and Change in Net Assets.

Investments acquired by gift, such as donated securities, are recorded at their fair value at the date of the gift. TMA’s policy is to liquidate all gifts of investments as soon as possible after the gift.

Receivables -

Other receivables consist of amounts due within one year related to unused grant funds to be returned to TMA. Other receivables are recorded at their net realizable value which approximates fair value.

Grants and contributions receivable are recorded at fair value. Conditional promises to give are not included as support until the conditions are substantially met. All the contribution receivables are considered by management to be fully collectable and expected to be collected within one year after the balance sheet date. Accordingly, an allowance for doubtful accounts has not been established.

Fixed assets -

Fixed assets in excess of $1,000 are capitalized and stated at cost. Fixed assets are depreciated on a straight-line basis over the estimated useful lives of the related assets, generally three to five years. Leasehold improvements are amortized over the lesser of the useful life of the asset or the remaining life term of the lease. The cost of maintenance and repairs is recorded as expenses are incurred.

The capitalization and ongoing assessment of recoverability of website development costs incurred require considerable judgment by management with respect to certain external factors, including, but not limited to, technological and economic feasibility and estimated economic life.

Depreciation and amortization expense for the year ended December 31, 2024 totaled $7,081.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION (Continued)

Income taxes -

TMA is exempt from Federal income tax under Section 501(a) of the Internal Revenue Code ("IRC"), as an organization described in IRC Section 501(c)(3). Accordingly, no provision for income taxes has been made in the accompanying financial statements. TMA is not a private foundation.

Revenue from contracts with customers -

TMA's conference and event income are the most significant revenue streams that are treated as exchange transaction revenue following ASC Topic 606. Revenue from contracts with customers is recorded when the performance obligations are met. TMA has elected to opt out of all disclosures not required for nonpublic entities. Transaction price is based on cost and/or sales price. Amounts received in advance of satisfying performance obligations are recorded as deferred revenue. TMA's contracts with customers generally have initial terms of one year or less.

Meeting registrations are recognized as revenue during the period of time when the related events are held.

Support from grants and contributions -

TMA receives grants, contributions, and sponsorships from other private entities. Contributions are recognized in the appropriate category of net assets in the period received. These awards are for various activities performed by TMA. Grants and contributions are recognized in the appropriate category of net assets in the period received. TMA performs an analysis of the individual contribution agreement to determine if the funding stream follows the contribution rules or if it should be recorded as an exchange transaction depending upon whether the transaction is deemed reciprocal or nonreciprocal in accordance with ASC Topic 958.

For grants, contributions, and sponsorships qualifying under the contribution rules, support is recognized upon notification of the award and satisfaction of all conditions, if applicable. Conditional promises to give are not recognized until the conditions on which they depend are substantially met. Contributions, including grants and sponsorships qualifying as contributions, that are unconditional but have donor restrictions are recognized as "without donor restrictions" only to the extent of actual expenses incurred in compliance with the donor-imposed restrictions and satisfaction of time restrictions. Contributions with donor restrictions either in excess of expenses incurred or with time restrictions are shown as net assets with donor restrictions in the accompanying financial statements.

Conditional contributions contain a right of return and a measurable barrier. Contributions are recognized when conditions have been satisfied. Conditional contributions received in advance of meeting specified conditions established by donors are recorded as refundable advances. However, TMA had no refundable advances as of December 31, 2024.

In addition, TMA may obtain funding source agreements related to conditional contributions, which will be received in future years. However, TMA had no conditional contributions to be received in future years as of December 31, 2024.

Contributed services and materials -

Contributed services and materials consist of materials and services from businesses toward the annual charity event and general operations. Contributed services and materials are recorded at their fair value as of the date of the gift. For the year ended December 31, 2024, the fair value of contributed services and materials was $3,650.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION (Continued)

Use of estimates -

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

Grants expense -

TMA has approved research grants to be awarded to various investigators. These grants are subject to grantees fulfilling certain conditions, such as submission of research and financial reports, and often span multiple years. Once the specified conditions are met, TMA will recognize a liability and expense in the period in which the condition is substantially satisfied.

TMA's unrecognized conditional grants to be paid in future years totaled $453,645 as of December 31, 2024.

Functional allocation of expenses -

The costs of providing TMA’s programs and supporting services have been summarized on a functional basis in the Statement of Activities and Change in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses directly attributed to a specific functional area are reported as direct expenses within that functional area and expenses that benefited more than one functional area, such as personnel costs, were allocated based on estimated time and effort.

Risks and uncertainties -

TMA invests in various investment securities. Investment securities are exposed to various risks such as interest rates, 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 accompanying financial statements.

2. INVESTMENTS AND FAIR VALUE MEASUREMENTS

In accordance with FASB ASC 820, *Fair Value Measurement*, TMA has categorized its financial instruments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3).

If the inputs used to measure the financial instruments fall within different levels of hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument. Investments recorded in the Statement of Financial Position are categorized based on the inputs to valuation techniques as follows:

Level 1. These are investments where values are based on unadjusted quoted prices for identical assets in an active market TMA has the ability to access.

2. INVESTMENTS AND FAIR VALUE MEASUREMENTS (Continued)

Level 2. These are investments where values are based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, or model-based valuation techniques that utilize inputs that are observable either directly or indirectly for substantially the full-term of the investments.

Level 3. These are investments where inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Following is a description of the valuation methodology used for investments measured at fair value. There have been no changes in the methodologies used and there were no transfers between levels in the fair value hierarchy during the year ended December 31, 2024. Transfers between levels are recorded at the end of the reporting period, if applicable.

- *Mutual Funds* - Valued at the daily closing price as reported by the fund. Mutual funds held by TMA are open-end mutual funds that are registered with the SEC. These funds are required to publish their daily value and to transact at that price. Mutual funds held by TMA are deemed to be actively traded.

- *Exchange-Traded Funds* - Valued at the closing price reported on the active market in which the funds are traded.

The table below summarizes investments, which are measured at fair value on a recurring basis, by level within the fair value hierarchy as of December 31, 2024:

	Level 1	Level 2	Level 3	Total
Investments:				
Mutual Funds	$ 133,674	$ -	$ -	$ 133,674
Exchange-Traded Funds	983,271	-	-	983,271
TOTAL INVESTMENTS	**$ 1,116,945**	**$ -**	**$ -**	**$ 1,116,945**

Net investment return consisted of the following for the year ended December 31, 2024:

Interest and dividends	$ 30,656
Unrealized gain	36,185
Realized gain	1,503
Investment expenses provided by external investment advisors	(10,492)
NET INVESTMENT RETURN	**$ 57,852**

3. FIXED ASSETS

Fixed assets consisted of the following as of December 31, 2024:

Website development	$ 89,360
Furniture and equipment	11,404
Computer equipment	4,493
Leasehold improvements	9,442
Total fixed assets	114,699
Less: Accumulated depreciation and amortization	(71,188)
NET FIXED ASSETS	**$ 43,511**

4. LINE OF CREDIT

TMA is authorized to borrow $35,000 credit limit from Wells Fargo financial institution via credit card. Annual interest rate is 14.25% as of December 31, 2024, and may vary according to the terms of the agreement. The agreement does not require TMA to comply with certain covenants. The balance due on the line of credit totaled $5,600 as of December 31, 2024.

5. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following as of December 31, 2024:

Subject to expenditure for specified purpose:	
Research	$ 118,814
Conference scholarships	12,442
Patient support groups	15,232
Military Veterans	5,000
Women of Color	1,230
Meredith Thomas Research Fellowship	193,428
Subject to passage of time	46,737
TOTAL NET ASSETS WITH DONOR RESTRICTIONS	**$ 392,883**

The following net assets with donor restrictions were released from donor restrictions either by incurring expenses which satisfied the restricted purposes specified by the donors or through the passage of time during the year ended December 31, 2024:

Purpose restrictions accomplished:	
Research	$ 32,138
Conference scholarships	16,574
Patient support groups	9,116
Meredith Thomas Research Fellowship	32,887
Expiration of time restrictions	8,000
TOTAL NET ASSETS RELEASED FROM DONOR RESTRICTIONS	**$ 98,715**

6. LIQUIDITY AND AVAILABILITY

Financial assets available for use for general expenditures within one year of the Statement of Financial Position date comprise the following as of December 31, 2024:

Cash and cash equivalents	$ 461,156
Investments	1,116,945
Other receivables	18,732
Grants and contributions receivable	46,737
Subtotal financial assets available within one year	1,643,570
Less: Donor restricted funds	(392,883)
FINANCIAL ASSETS AVAILABLE TO MEET CASH NEEDS FOR GENERAL EXPENDITURES WITHIN ONE YEAR	**$ 1,250,687**

TMA has a policy to structure its financial assets to be available and liquid as its obligations become due. In addition, TMA has a line of credit agreement (as further discussed in Note 4) which allows for additional access to resources.

7. LEASE COMMITMENTS

TMA follows FASB ASC 842 for leases. TMA has elected the practical expedient that allows lessees to choose to not separate lease and non-lease components by class of underlying asset and is applying this expedient to all relevant asset classes. TMA has also elected to use a risk-free rate as the lease discount rate for all leases as allowed under FASB ASC 842.

TMA has an operating lease for office space in Columbia, Maryland that expires in September 2028. The office lease includes an escalation of base rentals which is being amortized on a basis to achieve straight-line rent expense over the life of the lease. TMA recorded an operating lease liability by calculating the present value using the discount rate of 4%.

The lease provides TMA with a conditional option to renew for an additional 7-year term. Additionally, TMA has a one-time right to terminate the lease effective May 21, 2026, by submitting a termination notice at least one year in advance. As of December 31, 2024, it is more likely than not that the tenant will not exercise either option. Consequently, these provisions have not been included in the lease calculations.

For the year ended December 31, 2024, total lease cost was $83,015 and is included in Lease in the Statement of Functional Expenses. Total cash paid was $86,236 for the operating lease.

The following is a schedule of the future minimum lease payments due under the operating lease, net of imputed interest, as of December 31, 2024:

Year Ending December 31,	
2025	$ 88,388
2026	90,600
2027	92,864
2028	71,193
Subtotal	343,045
Less: Imputed interest	(24,299)
Less: Current portion	(77,331)
LONG-TERM PORTION	**$ 241,415**

8. RETIREMENT PLAN

TMA provides retirement benefits to its employees through a Simple IRA defined contribution plan (the Plan). In accordance with the provisions of the Plan, TMA contributes three percent of a participant's salary to the Plan. TMA's contributions to the Plan totaled $4,987 for the year ended December 31, 2024, and have been included in Salaries and Benefits in the accompanying Statement of Functional Expenses.

9. COMMITMENTS

TMA is committed under agreements for conference space through the fiscal year ending 2026. The total commitments under the agreements are not determinable as it depends upon attendance and other unknown factors. There are cancellation penalties that would be due if the agreements were cancelled prior to the event date. The cancellation penalties increase through the date of the event.

10. SUBSEQUENT EVENTS

In preparing these financial statements, TMA has evaluated events and transactions for potential recognition or disclosure through September 8, 2025, the date the financial statements were issued.