

**The Zachary and Elizabeth M. Fisher  
Center for Alzheimer's Research  
Foundation**

Financial Statements

December 31, 2022

## Independent Auditors' Report

### Board of Trustees

**The Zachary and Elizabeth M. Fisher**  
**Center for Alzheimer's Research Foundation**

### Opinion

We have audited the accompanying financial statements of The Zachary and Elizabeth M. Fisher Center for Alzheimer's Research Foundation (the "Foundation") which comprise the statement of financial position as of December 31, 2022, 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, the financial position of the Foundation as of December 31, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Foundation 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.

### Change in Accounting Policy

As discussed in Note 2 to the financial statements, the Foundation adopted Accounting Standards Update, *Presentation and Disclosure by Not-for-Profit Entities for Contributed Nonfinancial Assets* (Topic 958) ("ASU 2020-07"). The Foundation used the effective date method with January 1, 2022, as the date of initial adoption. Our opinion is not modified with respect to this matter.

### 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 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 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 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.

### **Emphasis of Matter**

As discussed in Note 11 to the financial statements, management identified an overstatement of grant expenses previously reported for the year ended December 31, 2020 and a related understatement of net assets without donor restrictions as of December 31, 2020. This resulted in a prior period adjustment to decrease grants payable and increase net assets without donor restrictions as of December 31, 2021. Our opinion is not modified with respect to this matter.

**Board of Trustees**  
**The Zachary and Elizabeth M. Fisher**  
**Center for Alzheimer's Research Foundation**  
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***Report on Summarized Comparative Information***

We have previously audited the Foundation's December 31, 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 28, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2021 is consistent, in all material respects, with the audited financial statements from which it has been derived.

*PKF O'Connor Davies, LLP*

November 15, 2023

**The Zachary and Elizabeth M. Fisher  
Center for Alzheimer's Research Foundation**

Statement of Financial Position  
December 31, 2022  
(with comparative amounts at December 31, 2021)

	2022	2021 (Restated)
<b>ASSETS</b>		
Cash and cash equivalents	\$ 2,563,463	\$ 6,076,692
Pledges receivable from federated campaigns	249,173	277,890
Contributions receivable	709,366	1,229,862
Investments	26,554,595	33,173,796
Other assets	45,913	32,033
Security deposit	53,615	-
Furniture and equipment, net of accumulated depreciation of \$16,664 and \$12,263 in 2022 and 2021	20,143	12,158
	<b>\$ 30,196,268</b>	<b>\$ 40,802,431</b>
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities		
Accounts payable and accrued liabilities	\$ 156,698	\$ 143,669
Grants payable, net of discount	9,565,217	9,192,274
Total Liabilities	9,721,915	9,335,943
Net Assets		
Without donor restrictions	20,294,049	31,267,901
With donor restrictions	180,304	198,587
Total Net Assets	20,474,353	31,466,488
	<b>\$ 30,196,268</b>	<b>\$ 40,802,431</b>

See notes to financial statements

**The Zachary and Elizabeth M. Fisher  
Center for Alzheimer's Research Foundation**

Statement of Activities  
Year Ended December 31, 2022  
(with summarized totals for the year ended December 31, 2021)

	2022		2021 (Restated)	
	Without Donor Restrictions	With Donor Restrictions	Total	Total
<b>SUPPORT AND REVENUE</b>				
Contributions and grants	\$ 3,904,425	\$ 1,050,918	\$ 4,955,343	\$ 6,943,397
Bequests	2,430,555	-	2,430,555	1,359,530
In-kind contributions	136,531	-	136,531	222,050
Net assets released from restrictions	1,069,201	(1,069,201)	-	-
Total Support and Revenue	7,540,712	(18,283)	7,522,429	8,524,977
<b>EXPENSES</b>				
Program services	11,014,822	-	11,014,822	13,957,764
Management and general	914,012	-	914,012	963,405
Fundraising	484,116	-	484,116	290,433
Total Expenses	12,412,950	-	12,412,950	15,211,602
Deficiency of Support and Revenue				
Over Expenses Before Non-Operating Activity	(4,872,238)	(18,283)	(4,890,521)	(6,686,625)
<b>NON-OPERATING ACTIVITY</b>				
Interest and dividends, net of investment advisory fees	325,085	-	325,085	319,834
Realized and unrealized (depreciation) appreciation of investments	(6,426,699)	-	(6,426,699)	4,479,059
Total Non-Operating Activity	(6,101,614)	-	(6,101,614)	4,798,893
Change in Net Assets	(10,973,852)	(18,283)	(10,992,135)	(1,887,732)
<b>NET ASSETS, as restated</b>				
Beginning of year	31,267,901	198,587	31,466,488	33,354,220
End of year	\$ 20,294,049	\$ 180,304	\$ 20,474,353	\$ 31,466,488

See notes to financial statements

**The Zachary and Elizabeth M. Fisher  
Center for Alzheimer's Research Foundation**

Statement of Functional Expenses  
Year Ended December 31, 2022  
(with summarized totals for the year ended December 31, 2021)

	2022			2021	
	Program Services	Management and General	Fundraising	Total	Total
Grant expenses - research	\$ 10,112,943	\$ -	\$ -	\$ 10,112,943	\$ 13,302,276
Payroll and related benefits	491,165	163,912	266,489	921,566	664,391
Magazine publication and other contracted services	317,234	-	-	317,234	241,328
Office expenses and supplies	-	17,096	2,508	19,604	41,396
Legal	-	34,381	-	34,381	1,266
Professional fees (including \$50,000 of in-kind for 2021)	-	150,539	58,645	209,184	259,096
Temporary help	26,634	75,116	95,273	197,023	224,101
Telephone and internet	-	11,958	8,416	20,374	10,323
Occupancy (including \$22,600 of in-kind for 2021)	-	16,246	-	16,246	27,386
Postage	47,622	11,350	28,263	87,235	92,960
Travel, food and lodging	-	6,617	-	6,617	2,920
Advertising (including \$136,531 and \$149,450 of in-kind for 2022 and 2021)	-	283,992	8,114	292,106	231,830
Insurance	-	17,768	-	17,768	10,644
Subscription, representation and credit card processing fees	3,204	67,475	14,023	84,702	88,049
Depreciation	-	4,402	-	4,402	1,535
Donations	-	10,000	-	10,000	-
Bad debt expense	-	14,574	-	14,574	-
Miscellaneous	16,020	28,586	2,385	46,991	12,101
<b>Total Expenses</b>	<b>\$ 11,014,822</b>	<b>\$ 914,012</b>	<b>\$ 484,116</b>	<b>\$ 12,412,950</b>	<b>\$ 15,211,602</b>

See notes to financial statements

**The Zachary and Elizabeth M. Fisher  
Center for Alzheimer's Research Foundation**

Statement of Cash Flows  
Year Ended December 31, 2022  
(with comparative amounts for the year ended December 31, 2021)

	2022	2021 (Restated)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$(10,992,135)	\$ (1,887,732)
Adjustments to reconcile change in net assets to net cash from operating activities		
Bad debt expense	14,574	-
Depreciation	4,402	1,535
Donation of marketable securities	(139,917)	(271,756)
Realized and unrealized depreciation (appreciation) of investments	6,426,699	(4,479,059)
Discount to present value of grants payable	192,070	(247,724)
Changes in operating assets and liabilities		
Pledges receivable from federated campaigns	28,717	(48,474)
Contributions receivable	505,922	(786,591)
Prepaid expenses	-	1,000,000
Other assets	(13,880)	(10,180)
Security deposit	(53,615)	-
Accounts payable and accrued liabilities	13,029	(96,863)
Grants payable	180,873	7,235,000
Net Cash from Operating Activities	(3,833,261)	408,156
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale and maturity of investments	9,918,719	4,829,906
Purchases of investments	(9,269,111)	(5,385,367)
Change in investment cash	(317,189)	(240,913)
Purchase of furniture and equipment	(12,387)	(11,615)
Net Cash from Investing Activities	320,032	(807,989)
Net Change in Cash and Cash Equivalents	(3,513,229)	(399,833)
<b>CASH AND CASH EQUIVALENTS</b>		
Beginning of year	6,076,692	6,476,525
End of year	\$ 2,563,463	\$ 6,076,692

See notes to financial statements



**The Zachary and Elizabeth M. Fisher  
Center for Alzheimer’s Research Foundation**

Notes to Financial Statements  
December 31, 2022

**1. Organization and Tax Status**

The Zachary and Elizabeth M. Fisher Center for Alzheimer’s Research Foundation (the “Foundation”) was incorporated under the laws of the State of New York on October 24, 1995 and operates as a tax-exempt not-for-profit corporation under Section 501(c)(3) of the Internal Revenue Code. The Foundation is an exempt public foundation under Section 509(a)(1); accordingly, contributions made to the Foundation qualify for the maximum charitable deduction for federal income tax purposes.

***Program Services***

The Foundation was formed primarily to support research to be conducted at the Zachary and Elizabeth M. Fisher Center for Research on Alzheimer’s Disease at The Rockefeller University in New York City (the “Research Center”), for the purpose of finding the cause(s) and developing a cure for Alzheimer’s disease. In addition, the Foundation’s objectives are:

- To solicit support for its charitable purpose from the general public and governmental agencies; to receive, hold, and administer funds, securities, gifts and bequests; and to use, disburse or donate the income and principal thereof, exclusively for charitable, scientific and educational purposes.
- To provide a source of funding for research activities into the cause, cure and/or care of Alzheimer’s disease sufferers at other research facilities.

***Management and General***

Management and general expenses consist of the costs associated with the direction of the overall affairs of the Foundation, including finance, accounting and administrative services.

***Fundraising***

Fundraising expenses consist of the costs associated with the direct solicitation of contributions to the Foundation.

**2. Summary of Significant Accounting Policies**

***Basis of Accounting***

The accompanying financial statements have been prepared using the accrual basis of accounting and conform to accounting principles generally accepted in the United States of America (“U.S. GAAP”) as applicable to not-for-profit organizations.

**The Zachary and Elizabeth M. Fisher  
Center for Alzheimer’s Research Foundation**

Notes to Financial Statements  
December 31, 2022

**2. Summary of Significant Accounting Policies (continued)**

***Change in Accounting Policies***

***Contributed Nonfinancial Assets***

In September 2020, FASB issued Accounting Standards Update 2020-07, *Presentation and Disclosure by Not-for-Profit Entities for Contributed Nonfinancial Assets* (Topic 958) (“ASU 2020-07”), which is effective for fiscal years beginning after June 15, 2021, and is intended to improve transparency in the reporting of contributed nonfinancial assets, also known as gifts in-kind, for not-for-profit organizations. ASU 2020-07 requires a not-for-profit organization to present contributed nonfinancial assets as a separate line item in the statement of activities, apart from contributions of cash or other financial assets, along with expanded disclosure requirements. The Foundation adopted and implemented this pronouncement on January 1, 2022. The adoption of ASU 2020-07 did not result in a material change to the financial statements for the years ended December 31, 2022 and 2021.

***Use of Estimates***

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingencies, if any, at the date of the financial statements, and the reported amounts of support and revenue and expenses during the period then ended. Actual results could differ from those estimates.

***Fair Value Measurements***

The Foundation follows U.S. GAAP guidance on *Fair Value Measurements* which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

***Cash and Cash Equivalents***

The Foundation considers all cash deposited with banks and short-term investments with a maturity of three months or less at the time of purchase to be cash equivalents, except cash managed as a component of the Foundation’s investment portfolio.

***Measure of Operations***

The Foundation includes in its measure of operations all revenues and expenses that are an integral part of its program and supporting activities and excludes investment return including realized and unrealized gains and losses within the investment portfolio.

**The Zachary and Elizabeth M. Fisher  
Center for Alzheimer's Research Foundation**

Notes to Financial Statements  
December 31, 2022

**2. Summary of Significant Accounting Policies (continued)**

***Contributions and Pledges Receivable***

Contributions, including unconditional commitments to give, are recorded as made or pledged at their fair value using a present value technique. Pledges receivable represent contribution commitments made by various individuals who annually elect to participate in a payroll deduction program at their place of employment. The contributions are deducted from the employee payroll checks and remitted to the Foundation on a monthly basis. All pledges are expected to be received within the two year period following the year in which the pledge is made. All contributions are available for use without donor restrictions unless specifically restricted by the donor.

Contributions received and unconditional promises to give are measured at their net realizable values and are classified as support without or with donor restrictions. Unconditional promises to give due in subsequent years are recorded at their net present value of estimated future cash flows using present value techniques with risk-adjusted interest rates.

***Allowance for Uncollectible Pledges***

An allowance for uncollectible pledges is estimated based on a combination of collection history and aging analysis. Management has recorded bad debt expense for pledges where collections are doubtful. The remaining pledges receivable are considered collectible and accordingly no allowance for uncollectible pledges is deemed necessary at December 31, 2022 and 2021.

***Investments Valuation and Income Recognition***

Investments, other than certificates of deposit and temporary cash investments, are carried at fair value. Cash investments are valued at cost plus accrued interest. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis and dividends are recorded on the ex-dividend date. Realized and unrealized gains and losses are included in the determination of the change in net assets.

***Furniture and Equipment***

Furniture and equipment are carried at cost and depreciated on a straight-line basis over the estimated useful lives of the assets, which is generally five years. Purchases of \$400 or less are expensed. The Foundation charges repairs and maintenance to expense as incurred.

**The Zachary and Elizabeth M. Fisher  
Center for Alzheimer's Research Foundation**

Notes to Financial Statements  
December 31, 2022

**2. Summary of Significant Accounting Policies (continued)**

***Net Assets***

The Foundation's net assets and changes therein are classified as without or with donor restrictions based on the existence or absence of donor-imposed restrictions. Net assets without donor restrictions are those that are not subject to donor-imposed stipulations. Net assets with donor restrictions represent contributions with donor imposed stipulations that either expire by the passage of time or can be fulfilled and removed by actions of the Foundation pursuant to these stipulations. When a stipulated time restriction ends or a 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 restriction. Contributions received with restrictions that are met in the same reporting period are reported as revenue without donor restrictions and increases in net assets without donor restrictions.

***Functional Allocation of Expenses***

The Foundation allocates its expenses on a functional basis among its various programs and support services. Expenses that can be identified with a specific program or support service are recorded according to their natural expenditure classification; these expenses include grant expenses – research and magazine publication and other contracted services. Costs that are common to several functions are allocated among the program and supporting services based on time and effort records and estimates made by the Foundation's management; these include payroll and related benefits, and subscription, representation and credit card processing fees.

**The Zachary and Elizabeth M. Fisher  
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Notes to Financial Statements  
December 31, 2022

**2. Summary of Significant Accounting Policies (continued)**

***In-kind Contributions***

Contributions of donated non-cash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance non-financial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received. In-kind contributions consist of the following for the years ended December 31:

	2022	2021	Utilization in Programs/ Activities	Donor Restrictions	Valuation Techniques and Inputs
Advertising	\$ 136,531	\$ 149,450	Management and General	None	*
Occupancy	-	22,600	Management and General	None	*
Professional fees	-	50,000	Management and General	None	*
	<u>\$ 136,531</u>	<u>\$ 222,050</u>			

\* Donated services are valued at the estimated fair value based on current rates for similar services.

***Advertising Costs***

Advertising costs are expensed as incurred. Total advertising costs for 2022 and 2021 were \$292,106 and \$231,830.

***Accounting for Uncertainty in Income Taxes***

The Foundation recognizes the effect of income tax positions only if those positions are more likely than not to be sustained. Management has determined that the Foundation had no uncertain tax positions that would require financial statement recognition or disclosure. The Foundation is no longer subject to examinations by the applicable taxing jurisdictions for tax years prior to 2019.

***Subsequent Events***

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is November 15, 2023.

**The Zachary and Elizabeth M. Fisher  
Center for Alzheimer’s Research Foundation**

Notes to Financial Statements  
December 31, 2022

**2. Summary of Significant Accounting Policies (continued)**

***Prior Year Information***

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Foundation’s financial statements as of and for the year ended December 31, 2021 from which the summarized comparative information was derived.

**3. Credit Risk Concentration**

Financial instruments that potentially subject the Foundation to significant concentrations of credit risk consist primarily of cash and cash equivalents, investments, pledges and contributions receivable. Pledges and contributions receivable are expected to be collected in the normal course of business. Cash and cash equivalents held at financial institutions are insured by the Federal Deposit Insurance Corporation (“FDIC”) up to \$250,000. Investment holdings are insured by the Securities Investor Protection Corporation (“SIPC”) up to \$500,000 (\$250,000 for cash holdings). At times cash balances may exceed the FDIC and/or the SIPC limit. As of December 31, 2022 and 2021, the Foundation’s uninsured cash balances totaled approximately \$2,199,000 and \$5,011,000. As of December 31, 2022 and 2021, the Foundation’s uninsured investment holdings totaled approximately \$24,054,000 and \$29,673,000.

The Foundation received a bequest from one donor which accounted for approximately 15% of total support and revenue for the year ended December 31, 2022.

**4. Pledges Receivable from Federated Fund-Raising Agreements**

The Foundation has agreements with various federated campaigns across the United States to participate in solicitations for contributions from employees of businesses and industrial communities. The amount the Foundation recognizes as support from these federated campaigns is based primarily upon formulas contained in these agreements, net of the federated campaigns’ fundraising expenses.

During 2022 and 2021, \$180,304 and \$198,587 was estimated to be pledged through federated campaigns. These amounts have been recorded as contribution revenue in the statement of activities and are expected to be fully collected.

Pledges receivable from current and prior year federated campaigns at December 31, 2022 and 2021 amounted to \$249,173 and \$277,890 and are due within one year.

**The Zachary and Elizabeth M. Fisher  
Center for Alzheimer’s Research Foundation**

Notes to Financial Statements  
December 31, 2022

**5. Investments and Investment Return**

All of the Foundation’s investments, other than certificates of deposit and temporary cash investments, bought, sold and held were valued using Level 1 inputs under the fair value hierarchy. Investments consist of the following at December 31:

	2022	2021
Measured at Fair Value		
Equity securities	\$ 15,593,156	\$ 19,732,758
Fixed income securities	495,393	-
Mutual funds and exchange-traded funds	8,000,587	7,834,266
Real estate investment trusts	283,958	-
Total at Fair Value	24,373,094	27,567,024
Cash Investments, at Cost Plus Accrued Interest		
Temporary cash investments	966,205	649,016
Certificates of deposit	1,215,296	4,957,756
Total Investments	\$ 26,554,595	\$ 33,173,796

Investment return for 2022 and 2021 consists of the following:

	2022	2021
Interest and dividends	\$ 497,623	\$ 422,331
Net realized and unrealized (depreciation) appreciation	(6,426,699)	4,479,059
Direct investment advisory fees	(172,538)	(102,497)
	\$ (6,101,614)	\$ 4,798,893

**6. Grants Payable**

In October 2016, the Foundation entered into a gift agreement to provide \$5 million to The Research Center to establish the Paul Greengard Professorship in Neuroscience to recognize Nobel Laureate Dr. Paul Greengard, Director of the Fisher Center for Alzheimer’s Research. The purpose of the Greengard Professorship is to ensure a continued commitment to the outstanding research by the Fisher Center for Alzheimer’s Research Laboratory. The gift will be fulfilled over a seven year period, with the first payment made in 2017. The grant payable balance, net of discount at December 31, 2022 was \$710,000.

In 2021, the Foundation entered into several gift agreements to provide approximately \$13.5 million to The Rockefeller University and other grantees for various research initiatives, including continued funding for The Rockefeller University’s Laboratory, research for neurodegenerative diseases and neuroscience diseases in order to ensure continued commitment to the outstanding research by the Fisher Center for Alzheimer’s Research Laboratory. These gifts will be fulfilled over a four year period, with the first payments made in 2021. The grant payable balance, net of discount at December 31, 2022 was \$5,884,343.

**The Zachary and Elizabeth M. Fisher  
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Notes to Financial Statements  
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**6. Grants Payable (continued)**

In 2022, the Foundation entered into a gift agreement to provide \$5 million to The Rockefeller University for research for neurodegenerative diseases – drug discovery resource to ensure continued commitment to the outstanding research by the Fisher Center for Alzheimer’s Research Laboratory. This gift will be fulfilled over a three year period, with the first payment made in 2022. The grant payable, net of discount balance at December 31, 2022 was \$2,970,874

The Foundation has recorded grants payable, net of discounts to present value, for these commitments. Gross payments due in 2023 and later, were discounted to present value using a discount rate of 3.00%. Grants payable in the accompanying statements of financial position are due as follows at December 31:

	2022	2021 (Restated)
Less than one year	\$ 5,710,000	\$ 3,790,000
From one to four years	4,000,000	5,710,000
	9,710,000	9,500,000
Discount to present value	(144,783)	(307,726)
Total	\$ 9,565,217	\$ 9,192,274

**7. Net Assets With Donor Restrictions**

Changes in net assets with donor restrictions consist of the following during 2022 and 2021:

Purpose / Restriction	Balance at December 31, 2021	Additions	Releases	Balance at December 31, 2022
Research	\$ -	\$ 870,614	\$ (870,614)	\$ -
Time restrictions	198,587	180,304	(198,587)	180,304
	\$ 198,587	\$ 1,050,918	\$ (1,069,201)	\$ 180,304

Purpose / Restriction	Balance at December 31, 2020	Additions	Releases	Balance at December 31, 2021
Research	\$ -	\$ 417,547	\$ (417,547)	\$ -
Time restrictions	224,737	198,587	(224,737)	198,587
	\$ 224,737	\$ 616,134	\$ (642,284)	\$ 198,587



**The Zachary and Elizabeth M. Fisher  
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Notes to Financial Statements  
December 31, 2022

**8. Retirement Plan**

The Foundation has a 401(k) plan for all eligible full time employees. Plan expense for 2022 and 2021 amounted to \$39,340 and \$17,237.

**9. Liquidity and Availability of Financial Assets**

The Foundation’s financial assets and resources available to meet cash needs for general expenditures within one year of the date of the statement of financial position were as follows at December 31:

	2022	2021
Financial assets:		
Cash and cash equivalents	\$ 2,563,463	\$ 6,076,692
Pledges receivable from federated campaigns	249,173	277,890
Contributions receivable	709,366	1,229,862
Investments	26,554,595	33,173,796
Total Financial Assets	30,076,597	40,758,240
Less donor restricted amounts	(180,304)	(198,587)
Add next year’s release of donor restrictions	180,304	198,587
Financial Assets Available to Meet Cash Needs for General Expenditure Within One Year	\$ 30,076,597	\$ 40,758,240

The Foundation relies primarily on contributions and grants and investment income to cover annual expenses.

**10. Commitments and Contingencies**

***Operating Lease***

Subsequent to year end, the Foundation entered into a lease arrangement for office space in New York City and took possession of the property and commenced lease payments in April 2023 with a term of eleven years. Future minimum lease commitments for years one through five will be approximately \$239,000 per annum. Future minimum lease commitments for the remainder of the lease term will be approximately \$257,000 per annum.

**The Zachary and Elizabeth M. Fisher  
Center for Alzheimer's Research Foundation**

Notes to Financial Statements  
December 31, 2022

**11. Prior-Period Adjustment**

During 2022, the Foundation identified a \$1,000,000 grant prepayment that was recorded as an expense in 2020. This resulted in an overstatement of grant expense and understatement of a prepaid expense as of and for the year ended December 31, 2020.

The following reflects the prior period adjustment and the restated balances:

	Balance as Previously Reported as of <u>December 31, 2021</u>	Prior Period Adjustment	Balance Restated <u>December 31, 2021</u>
Grants payable, net of discount	\$ 10,192,274	\$ (1,000,000)	\$ 9,192,274
Net assets without donor restrictions	\$ 30,267,901	\$ 1,000,000	\$ 31,267,901

	Balance as Previously Reported as of <u>December 31, 2020</u>	Prior Period Adjustment	Balance Restated <u>December 31, 2020</u>
Net assets without donor restrictions	\$ 32,354,220	\$ 1,000,000	\$ 33,354,220
Grant expenses - research	\$ 4,959,013	\$ (1,000,000)	\$ 3,959,013
Prepaid expense	\$ -	\$ 1,000,000	\$ 1,000,000

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