ALZHEIMER'S DISEASE RESOURCE CENTER, INC.

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2022

GETTRYMARCUS

Alzheimer's Disease Resource Center, Inc.

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Year Ended June 30, 2022

Independent Auditor's Report

To the Board of Directors
Alzheimer's Disease Resource Center, Inc.
New York, NY

Opinion

We have audited the accompanying financial statements of Alzheimer's Disease Resource Center, Inc. (the "Organization"), which comprise the statement of financial position as of June 30, 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 Organization as of June 30, 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibility 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.

GETTRY MARCUS CPA, P.C.
GETTRYMARCUS.COM
201 Old Country Rd., Suite 202, Melville New York 11747
88 Froehlich Farm Blvd., 3rd Floor, Woodbury, New York 11797
1407 Broadway, 40th Floor, New York, New York 10018
T 631.777.1000
T 516.364.3390
T 212.302.6000

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

GETTRY MARCUS CPA, P.C.

Gettry Marcus CPA, P.C.
New York, New York
December 23, 2022

Alzheimer's Disease Resource Center, Inc.
Statement of Financial Position
Year Ended June 30, 2022

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
Assets			
Current assets			
Cash and cash equivalents	$ 670,212	$ 32,488	$ 702,700
Investments, at fair value	1,479,466	-	1,479,466
Grant receivable	56,250	-	56,250
Prepaid expenses and other assets	8,401	-	8,401
Total current assets	2,214,329	32,488	2,246,817
Other assets			
Property and equipment - net of accumulated depreciation of $39,735	10,731	-	10,731
Intangible assets - net of accumulated amortization of $1,329	2,292	-	2,292
Security deposits	13,233	-	13,233
Total other assets	26,256	-	26,256
Total assets	$ 2,240,585	$ 32,488	$ 2,273,073
Liabilities and Net Assets			
Current liabilities			
Accounts payable and accrued expenses	$ 15,569	$ -	$ 15,569
Net assets			
Without donor restrictions	2,225,016	-	2,225,016
With donor restrictions	-	32,488	32,488
Total net assets	2,225,016	32,488	2,257,504
Total liabilities and net assets	$ 2,240,585	$ 32,488	$ 2,273,073

Alzheimer's Disease Resource Center, Inc.
Statement of Activities
Year Ended June 30, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and support			
Contributions	$ 159,544	$ 60,000	$ 219,544
Grants	-	153,750	153,750
Special events, net	87,789	-	87,789
Program fees	12,450	-	12,450
Total revenue and support	259,783	213,750	473,533
Other income			
Gain on sale of the building	921,964	-	921,964
Paycheck Protection Program loan forgiveness	60,000	-	60,000
Insurance proceeds	46,779	-	46,779
Dividends and interests income - investments	1,361	-	1,361
Realized investment loss	(1,208)	-	(1,208)
Unrealized investment loss	(95,924)	-	(95,924)
Other income	10,082	-	10,082
Total other income	943,054	-	943,054
Net assets released from restrictions	212,529	(212,529)	-
Total revenue, support and other income	1,415,366	1,221	1,416,587
Functional expenses			
Program services	403,904	-	403,904
Supporting services			
Management and general	179,821	-	179,821
Fundraising	28,895	-	28,895
Total supporting services	208,716	-	208,716
Total functional expenses	612,620	-	612,620
Increase in net assets	802,746	1,221	803,967
Net assets - Beginning of year	1,422,270	31,267	1,453,537
Net assets - End of year	$ 2,225,016	$ 32,488	$ 2,257,504

Alzheimer's Disease Resource Center, Inc.
Statement of Functional Expenses
Year Ended June 30, 2022

	Program Services	Supporting Services: Management and General	Supporting Services: Fundraising	Supporting Services: Total Supporting Services	Total Functional Expenses
Salaries	$ 196,154	$ 34,948	$ 15,013	$ 49,961	$ 246,115
Payroll taxes	23,460	4,180	1,796	5,976	29,436
Employee benefits	11,362	2,025	870	2,895	14,257
Total salaries and related expenses	230,976	41,153	17,679	58,832	289,808
Professional fees	-	112,611	-	112,611	112,611
Rent	20,583	-	-	-	20,583
Travel	3,224	178	179	357	3,581
Telephone	7,627	1,359	584	1,943	9,570
Supplies and program expenses	12,095	-	-	-	12,095
Education and training	937	-	-	-	937
Insurance	21,274	5,318	-	5,318	26,592
Interest	3,032	758	-	758	3,790
Repairs and maintenance	1,846	462	-	462	2,308
Marketing	170	-	168	168	338
Information technology	37,221	6,632	2,849	9,481	46,702
Dues and subscriptions	662	255	102	357	1,019
Contracted Services	1,793	-	-	-	1,793
Postage and shipping	633	141	633	774	1,407
Advocacy	15,513	-	-	-	15,513
Office and miscellaneous expenses	15,876	2,829	1,215	4,044	19,920
Utilities	13,386	3,346	-	3,346	16,732
Bank and credit card processing fees	686	686	5,486	6,172	6,858
Depreciation and amortization	16,370	4,093	-	4,093	20,463
Total expenses	$ 403,904	$ 179,821	$ 28,895	$ 208,716	$ 612,620

Alzheimer's Disease Resource Center, Inc.
Statement of Cash Flows
Year Ended June 30, 2022

Cash flows from operating activities	
Increase in net assets	$ 803,967
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Depreciation and amortization	20,463
Gain on sale of building	(921,964)
Paycheck Protection Program loan forgiveness - other income	(60,000)
Net realized loss on investments	1,208
Net unrealized loss on investments	95,924
Changes in operating assets and liabilities:	
(Increase) decrease in operating assets:	
Grants receivable	425,250
Contributions receivable	3,900
Prepaid expenses and other assets	411
Security Deposits	(7,213)
Increase (decrease) in operating liabilities:	
Accounts payable and accrued expenses	(30,617)
Deferred revenue	(12,650)
Total adjustments	(485,288)
Net cash provided by operating activities	318,679
Cash flows from investing activities	
Proceeds from sale of investments	595,104
Purchases of investments	(2,171,702)
Proceeds from the sale of the building, net of related closing costs	2,006,280
Net cash provided by investing activities	429,682
Cash flows from financing activities	
Principal payments on mortgage payable	(188,239)
Net increase in cash and cash equivalents	560,122
Cash and cash equivalents - Beginning of year	142,578
Cash and cash equivalents - End of year	$ 702,700

Supplemental disclosures of cash flow information:

Cash paid during the year for:	
Interest	$ 3,790

Note 1 – Summary of Organization and Nature of Activities

Organization and Nature of Activities
Alzheimer's Disease Resource Center, Inc. (the Organization) is a non-profit organization incorporated in the state of New York in September 1983. The Organization's mission is to provide care, support and educational programs for families in need, and to be advocates for local families who are coping with Alzheimer's disease and other dementias.

The Organization is supported primarily through donor contributions and grants, as well as its annual event.

Description of Program and Supporting Services
The following program and support services are included in the accompanying financial statements:

Care, Support and Education
Provides a vital connection to diagnosed individuals and their loved ones through various services that include; a robust schedule of online music and art activities, individual care consultations, or meaningful support groups.

Management and General
Includes the functions necessary to ensure an adequate working environment and to manage the administrative, financial and budgetary responsibilities of the Organization.

Fundraising
Provides the structure necessary to encourage and secure financial support from individuals, foundations, corporations and government agencies.

Note 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 generally accepted accounting principles in the United States of America ("U.S. GAAP").

The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions: 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. The Board may designate assets without restrictions for specific operational purposes from time to time.

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, whereby the donor has stipulated the funds be maintained in perpetuity. When a restriction expires (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 restrictions.

Donated marketable securities are recorded as contributions at their fair value at the date of donation and are included in the appropriate class based upon the donor's stipulations.

Note 2 – Summary of Significant Accounting Policies (continued)

Contributions, Revenues and Expenditures
Unconditional contributions are recognized when pledged and 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. Conditional promises to give will be recognized when the conditions on which they depend are substantially met. Gifts of cash and other assets will be reported with donor restricted support if they are received with donor stipulations that limit the use of the donated assets. Revenues are reported as increases in net assets without donor restriction unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities will be reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor restrictions on the net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between applicable classes of net assets.

Government contracts and certain other grants are subject to audit by the government or granting agency, and as a result of such audit, adjustments to revenue and support could be required. In the opinion of management, no provision for potential liability was necessary at June 30, 2022.

Measure of Operations
The statement of activities reports all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to the Organization’s ongoing activities. Non-operating activities are limited to resources that generate return from investments, and other activities considered to be of a more unusual or nonrecurring nature.

Cash and Cash Equivalents
For financial statement purposes, the Organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents. The Organization maintains cash balances at a bank in the New York metropolitan area. Cash accounts at the bank are insured by the Federal Deposit Insurance Corporation subject to certain limits. At times, such cash balances may be in excess of the insured limits. The Organization has not experienced any losses in these accounts and does not believe it its exposed to any significant credit risk on its cash.

Contributions and Grants Receivable
Contributions and grants receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to an allowance for uncollectible accounts based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the allowance for uncollectible accounts and a credit to contributions receivable. There was no allowance for uncollectible accounts at June 30, 2022 and no bad debt expense for the year ended June 30, 2022.

Investments
Investments in marketable securities with readily determinable fair values are reported at their fair values in the Statement of Financial Position. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Investment transactions are recorded on a trade-date basis. Interest income is recorded using the accrual basis. Dividends are recorded on the ex-dividend date.

Note 2 – Summary of Significant Accounting Policies (continued)

Realized gains or losses on investments are determined by comparison of the average cost of acquisition to proceeds at the time of disposition. Unrealized gains and losses on investments held at the end of the year are included in the Statements of Activities.

Property and Equipment and Depreciation Methods
Property and equipment additions are recorded at cost if purchased. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed. Property and equipment is depreciated using the straight-line method over the estimated useful lives of the respective assets, which are as follows:

Office/computer equipment	5-7 years
Computer software	5-7 years

Intangible Assets
Intangible assets represent the Organization's cost to obtain trademarks and are being amortized on a straight-line basis over 15 years. At June 30, 2022, the trademark costs totaled $3,621 and accumulated amortization amounted to $1,329. Related amortization expense was $171 for the year ended June 30, 2022.

Impairment of Long-Lived Assets
The Organization evaluates whether events or circumstances have occurred that indicate the remaining estimated useful life of long-lived assets may warrant revision or that the remaining balance of an asset may not be recoverable. The measurement of possible impairment is based on the ability to recover the balance of assets from expected future operating cash flows on an undiscounted basis. Impairment losses, if any, would be determined based on fair value, using the present value of the cash flows with discount rates that reflect the inherent risk of the underlying business. No impairment was required to be recognized for the year ended June 30, 2022.

Deferred Revenue
Deferred revenue results from the Organization recognizing revenues from events in the period in which the related event is held. Accordingly, fees received in advance are deferred until the event occurs.

Contributed Services
During the year June 30, 2022, the value of contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded.

Tax-Exempt Status
The Organization has been notified by the Internal Revenue Service that it is exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code ("Code"). The Organization is further classified as an organization that is not a private foundation under Section 509(a)(3) of the Code. The Organization follows the guidance of Accounting Standards Codification (ASC) 740, *Accounting for Income Taxes*, related to uncertain income taxes, which prescribes a threshold of more likely than not for recognition and derecognition of tax positions taken or expected to be taken in a tax return. All significant tax positions have been considered by management. It has been determined that it is more likely than not that all tax positions would be sustained upon examination by taxing authorities. Accordingly, no provision for income taxes has been recorded.

Note 2 – Summary of Significant Accounting Policies (continued)

Functional Expense Allocations
The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities and in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the program and supporting services benefited, using appropriate measurement methodologies. Expenses related to more than one function are allocated among program and supporting services based on occupied space (including insurance, interest, repairs and maintenance, utilities, and depreciation and amortization) or estimated time spent by Organization staff (including salaries and related expenses, telephone, information technology, and office and miscellaneous expenses). Management and general expenses include those that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

Financial Instruments
The Organization’s financial instruments include cash and cash equivalent, investments, grants receivable, and accounts payable and accrued expenses. The recorded values of cash and cash equivalents, grants receivable, and accounts payable and accrued expenses approximates their fair values due to their short-term duration. The fair value of investments are described below.

Fair Value Measurement
Accounting standards established a three-level hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. 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). The three levels of the fair value hierarchy under accounting standards are as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2 – Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the assets or liabilities;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

  If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the assets or liabilities.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement. This includes certain pricing models, discounted cash flow methodologies, and similar techniques that use significant unobservable inputs.

The asset’s or liability’s fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Note 2 – Summary of Significant Accounting Policies (continued)

Fair values are based on quoted market prices when available (Level 1). When market prices are not available, fair value is generally estimated using current market inputs for similar financial instruments with comparable terms and credit quality, commonly referred to as matrix pricing (Level 2). In instances where there is little or no market activity for the same or similar instruments, estimates of fair value are made using methods, models and assumptions that management believes are relevant to the particular asset or liability. This may include discounted cash flow analysis or other income based approaches (Level 3).

These valuation techniques involve some level of management estimation and judgment. Where appropriate, adjustments are included to reflect the risk inherent in a particular methodology, model or input used and are reflective of the assumptions that market participants would use in valuing assets or liabilities.

Following is a description of the valuation methodologies used for investments measured at fair value:

Mutual Funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Organization are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value and to transact at that price. The mutual funds held by the Organization are deemed to be actively traded.

Stocks: These are securities that trade on major exchanges and valued based on quoted prices in active markets.

American Depositary Receipts ("ADRs"): Valued at the price of the foreign stock in its home market, adjusted to the ratio of the ADRs to foreign company shares which approximate fair value.

Exchange-traded funds ("ETFs"): Valued at the price the ETFs can be bought or sold on exchanges during trading hours which approximate fair value.

Closed-end Fund: Valued at the closing price reported on the active market on which the security is traded.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although 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.

Use of Estimates
The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates. Estimates are based on past experience and other assumptions that management believes are reasonable under the circumstances, and management evaluates these estimates on an ongoing basis. The significant estimates of the Organization include no allowance for uncollectible receivables, estimated lives of property and equipment, and expense allocations.

Note 2 – Summary of Significant Accounting Policies (continued)

Subsequent Events
Management has evaluated subsequent events and transactions for potential recognition or disclosure in the financial statements through December 23, 2022, the date the financial statements were available to be issued.

Accounting Standards Updates (“ASU”)
The Organization has reviewed recently issued ASU’s by the Financial Accounting Standards Board (“FASB”) and based on that review, has determined that those pronouncements, with the exceptions below, will not have a significant effect on the Organization’s financial statements.

In February 2016, FASB issued ASU No. 2016-02, *Leases (Topic 842)* (“ASU 2016-02”). ASU 2016-02 replaced all current U.S. GAAP guidance on this topic. Under ASU 2016-02:

- A lessee would account for both finance leases and operating leases by recognizing a right-of-use asset and a lease liability on the statement of financial position, with an exception for leases that commence at or near the end of the underlying asset’s economic life. Finance leases will recognize amortization of the right-of-use asset separately from interest on the lease liability, and operating leases will recognize the lease expense on a straight-line basis. Additionally, the ASU only allows for the capitalization of only those costs, as initial direct costs, that are incurred due to the successful execution of a lease.

- Allows for an optional transition method to adopt this ASU for comparative financial statement presentations. Under this transition method, an entity initially applies the new lease standard at the adoption date and recognizes a cumulative-effect adjustment to the opening balance of net assets (deficit) in the year of adoption. Consequently, an entity’s reporting for the comparative year presented in the financial statements in which it adopts the new lease standard, will continue to be in accordance with current U.S. GAAP (Topic 840, Leases) although it will not be consistently applied to both years.

The ASU, as amended, is effective for fiscal years beginning after December 15, 2021.

The Organization is evaluating the impact the adoption of this ASU, as amended, could have on its financial statements, but such impact is anticipated to be material to the Organizations financial statements and related disclosures.

In September 2020, FASB issued ASU No. 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The intention of this ASU is to increase transparency about nonfinancial gifts in kind, including how they are used and how they are valued. The ASU requires a separate line-item presentation of contributed nonfinancial assets in the statement of activities, apart from the contributions of cash or other financial assets. The ASU requires disclosure of the disaggregation of the amount of nonfinancial gifts in-kind received by category and the organization, and for each category, disclosure of: (i) qualitative information about whether the contributed nonfinancial assets were either monetized or utilized during the reporting period; (ii) the not-for-profit's policy about monetizing rather than utilizing contributed nonfinancial assets; (iii) a description of any related donor-imposed restrictions associated with the contributed nonfinancial assets; (iv) the valuation techniques and inputs used to arrive at a fair value measure; and (v) the principal market (or most

Note 2 – Summary of Significant Accounting Policies (continued)

Accounting Standards Updates ("ASU") (continued)
advantageous market) used to arrive at a fair value measure. The ASU is effective for annual reporting periods beginning after June 15, 2021, to be applied on a retrospective basis, and earlier application was permitted. The adoption of this accounting guidance had no impact on the Organization's financial statements.

Note 3 –Grant Receivable

Grant receivable consists of a conditional promise to give that is expected to be collected in the future. Donor restricted grants are reported as additions to the appropriate donor restricted net assets. Grant receivable balance at June 30, 2022 is from a New York State Department of Health ("DOH") grant - Alzheimer Work Plan (C37789GG).

The Organization was awarded a grant in the amount of $225,000 during the year ended June 30, 2022, which was included in New York State's final budget for fiscal year 2021-2022 and is being administered by the New York State DOH. The grant is a cost-reimbursement grant, whereby payments are disbursed to the Organization only after documentation of services rendered are submitted and approved by DOH. The Organization performed services and submitted documentation for $56,250 as of June 30, 2022, however, funding was not yet received, therefore, $56,250 is included in grant receivable on the Statement of Financial Position as of June 30, 2022.

In 2018, the Organization was notified that they were named as a charitable remainder beneficiary of a trust ("Trust") as well as the beneficiary of certain Individual Retirement Accounts ("IRA's") of the same donor. The owner of the Trust and the IRA's passed away on February 24, 2018. The funds received are to be used for the Organization's general charitable purposes. The Organization began receiving distributions of the assets pursuant to the terms of the Trust and the IRA's and the Organization has been recording the contributions as payments are received. During the year ended June 30, 2022, the Organization received approximately $115,000 as the final distribution from the Trust, which is included in contributions without donor restrictions in the Statement of Activities.

Note 4 – Investments and Fair Value Measurements

The Organization's investments at June 30, 2022 consist of mutual funds, stocks and ADRs and ETFs and closed-end funds. Fair values for investments are determined by references to quoted market values and other relevant information generated by market transactions.

Fair values and unrealized depreciation at June 30, 2022 are as follows:

	Cost	Fair Value	Unrealized Depreciation
Mutual funds	$ 573,022	$ 531,954	$ (41,068)
Stocks and ADRs	444,635	416,476	(28,159)
ETFs and closed-end funds	557,733	531,036	(26,697)
	$ 1,575,390	$ 1,479,466	$ (95,924)

Note 4 – Investments and Fair Value Measurements (continued)

The following table presents by level within the fair value hierarchy, the Organization's investments measured at fair value on a recurring basis as of:

	June 30, 2022			
	Level 1	Level 2	Level 3	Total
Mutual funds	$ 531,954	$ -	$ -	$ 531,954
Stocks and ADRs	416,476	-	-	416,476
ETFs and closed-end funds	531,036	-	-	531,036
	$ 1,479,466	$ -	$ -	$ 1,479,466

Note 5 – Net Assets – With Donor Restrictions

Donor restricted net assets as of June 30, 2022 were available to support the following:

Subject to expenditure for specified purpose:	
Research	$ 31,051
Art Expression Program	1,437
Total net assets with donor restrictions	$ 32,488

Net assets released from donor restrictions were for the following purposes for the year ended June 30, 2022:

Subject to expenditure for specified purpose:	
NYS Department of Health - Alzheimer Work Plan	$ 153,750
The Neuwirth Foundation for professional fees	50,000
Virtual Art and Music Program	8,779
Total releases from restrictions	$ 212,529

Note 6 – Property and Equipment

Property and equipment consisted of the following as of June 30, 2022:

Office/computer equipment	$ 29,531
Computer software	20,935
	50,466
Less: accumulated depreciation and amortization	(39,735)
	$ 10,731

Depreciation and amortization expense for the year ended June 30, 2022 amounted to $20,292.

Note 6 – Property and Equipment (continued)

On February 16, 2021, the Organization entered into an agreement to sell its building for $2,300,000, less $125,000 of agreed upon concession. The sale of the building closed on November 22, 2021 and the Organization recorded $921,964 as net gain on sale of the land and building, which is including the Statement of Activities for the year ended June 30, 2022. As part of the sale agreement, approximately $191,000 of the proceeds was used to pay off the Organization's existing mortgage and accrued interest (see Note 12). After the office building was sold, the Organization operated remotely until it entered into a new lease agreement for rented space in May 2022 (See Note 8).

Note 7 – Note Payable – Paycheck Protection Program

In December 2020, the CARES Act was amended by the Economic Aid Act ("EAA"). The EAA allows certain enterprises that previously received a PPP Loan, to apply for a "Second Draw" PPP Loan that contains similar general forgiveness terms as the original PPP Loan. However, the Second Draw contains additional qualifying criteria, such as that an organization must be able to demonstrate that they experienced a 25 percent reduction in gross receipts (as defined by the SBA) in a 2020 calendar quarter compared to the same quarter in 2019. The Organization applied for $60,000 in Second Draw PPP and received funding in March 2, 2021.

Management has determined that the PPP Loans should be accounted for as debt until forgiven. Accordingly, the forgiveness of the Loans will be recorded as other income entirely in the period that the Organization receives notification from the SBA that the Loans have been forgiven. In September 2021, management received notification from the SBA that the Organization's forgiveness application for the Second Draw PPP Loan was approved and the $60,000 Second Draw PPP Loan was considered to fully forgiven. Accordingly, the $60,000 is recorded as other income for the year ended June 30, 2022. Loan interest in total of $325 was also fully forgiven and was not recorded.

Note 8 – Commitments

Operating Leases
In March 2022, the Organization entered into a lease for office space in East Islip, New York under a noncancelable lease that expired April 30, 2027. The leases include a five-year renewal option, escalation provisions for real estate taxes, property taxes, and operating costs. In addition, the Organization also rents office space for $800 per month, which is set to expire on June 30, 2023. The future minimum lease payments for the next four years and in the aggregate thereafter are as follows:

Years Ending June 30,		
2023	$	74,925
2024		85,722
2025		97,718
2026		100,649
Thereafter		85,961
	$	444,975

Rent expense was $20,583 for the years ended June 30, 2022.

Note 9 – Special Events

Special events generate revenue for the Organization as well as raise awareness about the Organization's mission. Some events are annual and some are incidental to the Organization's central activities and do not happen regularly. Special events are recorded net of event expenses in the accompanying statement of activities. Changes in net assets without donor restrictions related to these events are as follows:

Special event revenue	$ 91,012
Less: event expenses	(3,223)
Increase in net assets without donor restrictions	$ 87,789

Note 10 – Concentrations

As of, and for the year ended June 30, 2022, one major donor makes up 100% of grants receivable and three donors make up 67% of total revenue and support.

Note 11 – Liquidity

As part of its liquidity management, the Organization established a goal to maintain financial assets on hand to meet 90 days of normal operating expenses. The Organization's goal is to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Organization does not have a line of credit available to assist with liquidity management.

The Organization's financial assets available within one year of the statement of financial position date for general expenditures are as follows:

Cash	$ 702,700
Investments, at fair value	1,479,466
Grants receivable	56,250
Total financial assets	2,238,416
Less: those unavailable for general expenditures within one year due to purpose restrictions	(32,488)
Financial assets available to meet cash needs for general expenditures within one year	$ 2,205,928

The Organization's financial assets have been reduced by amounts not available for general use because of donor imposed restrictions within one year of the statement of financial position date. In addition to financial assets available to meet general expenditures over the year, the Organization operates with a balanced budget and anticipates covering its expenditures through donor contributions, proceeds from annual fundraising events and by utilizing donor-restricted resources from current and prior years.

Note 12 – Mortgage Payable

The Organization had a mortgage note (“Note”) with TD Bank (“Bank”) in the original amount of $300,000. The note bore interest at 5.94% per annum, was payable in equal monthly installments of $2,154 covering interest and principal and collateralized by the land and building owned by the Organization. The note was set to mature on June 1, 2021, however, the maturity date on the mortgage was extended by the bank until the Organization closed on the sale of the property. The closing of the sale of the property took place on November 22, 2021 and the note was fully paid off at closing (See Note 6).

Note 13 – Simple IRA plan

Effective June 23, 2020, the Organization established a Simple IRA plan for employees who meet the requirements to participate in the plan. The Plan provides for a 1% employer matching contribution. Employees are always 100% vested in all Simple IRA money. For the year ended June 30, 2022 the employer matching contribution amounted to $1,384. This amount is included in employee benefits on the Statement of Functional Expenses.

Note 14 – Risk and Uncertainties

The Organization is dependent upon contributions from the public for its revenue. The ability of the Organization to continue to elicit this level of contribution is dependent upon current and future economic conditions as well as income tax efficiencies.

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

The coronavirus pandemic (“COVID-19”) has adversely impacted the United States and many other parts of the world. Accordingly, the Organization experienced reductions in contributions and grants from donors as well as special event income. Currently, the Organization has been materially impacted by these consequences (through the date of these financial statements) and there could be a significant adverse impact on the Organization’s future activities as it is impossible to predict the effect COVID-19 will have on the economy. In response to the COVID-19 outbreak, the Organization has implemented various long-term cost effective measures, cash flow improvement actions, and applied for and received assistance funds from the United States Small Business Administration (“SBA”) under the CARES Act (to provide aid in the form of loans and other potential debt relief options). The Organization has also successfully implemented virtual fundraising events. Given this uncertainty, the Organization is not able to estimate the potential effects of COVID-19 for near and long term purposes.