

ALZHEIMER'S DISEASE RESEARCH FOUNDATION D/B/A CURE ALZHEIMER'S FUND

(A Non Profit Organization)

Audited Financial Statements

December 31, 2015 and 2014

NOTIFICATION TO THIRD PARTY USERS OF THIS REPORT

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ALZHEIMER’S DISEASE RESEARCH FOUNDATION
D/B/A CURE ALZHEIMER’S FUND
(A Non Profit Organization)

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Alzheimer's Disease Research Foundation
d/b/a Cure Alzheimer's Fund

We have audited the accompanying financial statements of **Alzheimer's Disease Research Foundation d/b/a Cure Alzheimer's Fund** (A Non Profit Organization), which comprise the statements of financial position as of December 31, 2015 and 2014, and the related statements of activities and cash flows – direct method, for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 of error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

To the Board of Directors
Alzheimer's Disease Research Foundation
d/b/a Cure Alzheimer's Fund
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Opinion

In our opinion, the financial statements referred to above, present fairly, in all material respects, the financial position of **Alzheimer's Disease Research Foundation d/b/a Cure Alzheimer's Fund**, as of December 31, 2015 and 2015, and the changes in its net assets and its cash flow – direct method, for the years then ended in accordance with accounting principles generally accepted in the United States of America.

GRAY, GRAY & GRAY, LLP

Gray, Gray & Gray, LLP

Canton, MA
March 17, 2016

ALZHEIMER'S DISEASE RESEARCH FOUNDATION
D/B/A CURE ALZHEIMER'S FUND
(A Non Profit Organization)
STATEMENTS OF FINANCIAL POSITION
December 31, 2015 and 2014

ASSETS

	2015	2014
ASSETS		
Cash and cash equivalents	\$ 10,034,605	\$ 10,279,770
Restricted cash, documentary program project funds (temporarily restricted)	95,015	104,857
Restricted cash, Global Family Reunion project funds (temporarily restricted)	-	3,150
Contributions receivable, un-deposited funds	293,115	714,161
Pledges receivable (temporarily restricted)	1,938,653	3,124,815
Deposits - donor advised funds	8,997	8,784
Equipment, net	8,392	7,932
Other assets	45,948	30,923
	<u>12,424,725</u>	<u>14,274,392</u>
TOTAL ASSETS	\$ 12,424,725	\$ 14,274,392
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable and accrued expenses	\$ 166,819	\$ 224,089
	<u>166,819</u>	<u>224,089</u>
TOTAL LIABILITIES	166,819	224,089
NET ASSETS		
Unrestricted	10,224,238	10,817,481
Temporarily restricted:		
Pledges receivable	1,938,653	3,125,175
Global Family Reunion project	-	3,150
Documentary program project	95,015	104,497
	<u>2,033,668</u>	<u>3,232,822</u>
TOTAL NET ASSETS	12,257,906	14,050,303
TOTAL LIABILITIES AND NET ASSETS	\$ 12,424,725	\$ 14,274,392

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

ALZHEIMER'S DISEASE RESEARCH FOUNDATION
D/B/A CURE ALZHEIMER'S FUND
(A Non Profit Organization)
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
Years Ended December 31, 2015 and 2014

	2015	2014
UNRESTRICTED NET ASSETS		
Revenue and other support:		
Contributions	\$ 10,486,909	\$ 9,984,159
Net assets released from restrictions (pledges)	1,250,000	750,000
Donated services	14,118	21,360
Investment income	764	383
Realized (loss) gain on sale of stocks	(4,202)	11,037
Unrealized gain on donor advised funds	375	1,842
Other income	3,150	-
Net assets released from restrictions (documentary program project)	89,482	87,231
Net assets released from restrictions (Global Family Reunion project)	620,977	-
	<u>12,461,573</u>	<u>10,856,012</u>
TOTAL REVENUE AND OTHER SUPPORT		
Expenditures:		
Program expenses:		
Research distributions	10,022,663	5,351,659
Documentary program project expenses	89,482	87,231
Global Family Reunion project expenses	620,977	-
Operating program expenses	1,210,808	997,247
	<u>11,943,930</u>	<u>6,436,137</u>
Management and general	517,419	470,925
Fundraising	593,467	405,114
	<u>13,054,816</u>	<u>7,312,176</u>
TOTAL EXPENDITURES		
(DECREASE) INCREASE IN UNRESTRICTED NET ASSETS	<u>(593,243)</u>	<u>3,543,836</u>
TEMPORARILY RESTRICTED NET ASSETS		
Pledges contributions, net	63,478	2,653,450
Documentary program project contributions	80,000	-
Global Family Reunion project contributions	617,827	3,150
Net assets released from restrictions	(1,960,459)	(837,231)
	<u>(1,199,154)</u>	<u>1,819,369</u>
(DECREASE) INCREASE IN TEMPORARILY RESTRICTED NET ASSETS		
CHANGES IN NET ASSETS	<u>(1,792,397)</u>	<u>5,363,205</u>
NET ASSETS AT BEGINNING OF YEAR	<u>14,050,303</u>	<u>8,687,098</u>
NET ASSETS AT END OF YEAR	<u>\$ 12,257,906</u>	<u>\$ 14,050,303</u>

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

ALZHEIMER'S DISEASE RESEARCH FOUNDATION
D/B/A CURE ALZHEIMER'S FUND
(A Non Profit Organization)
STATEMENTS OF CASH FLOWS - DIRECT METHOD
Years Ended December 31, 2015 and 2014

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts:		
Contributions	\$ 12,851,382	\$ 11,259,070
Investment income	764	383
Other income	3,150	-
	<u>-</u>	<u>-</u>
Total receipts	12,855,296	11,259,453
Expenditures:		
Program:		
Research distributions	(10,022,663)	(5,351,659)
Documentary program project expenses	(89,482)	(87,231)
Global Family Reunion project expenses	(620,977)	-
Operating program expenses	(1,240,486)	(1,070,752)
Management and general	(527,378)	(466,247)
Fundraising	(607,509)	(349,624)
	<u>-</u>	<u>-</u>
Total expenditures	(13,108,495)	(7,325,513)
NET CASH (USED) PROVIDED BY OPERATING ACTIVITIES	(253,199)	3,933,940
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of equipment	(4,958)	(6,322)
NET CASH (USED) BY INVESTING ACTIVITIES	(4,958)	(6,322)
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(258,157)	3,927,618
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	10,387,777	6,460,159
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 10,129,620	\$ 10,387,777

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

**ALZHEIMER'S DISEASE RESEARCH FOUNDATION
D/B/A CURE ALZHEIMER'S FUND**

(A Non Profit Organization)

STATEMENTS OF CASH FLOWS - DIRECT METHOD

Years Ended December 31, 2015 and 2014

	2015	2014
RECONCILIATION OF EXCESS OF REVENUES OVER EXPENSES TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
(Decrease) increase in net assets	<u>\$ (1,792,397)</u>	<u>\$ 5,363,205</u>
Adjustments to reconcile (decrease) increase in net assets to net cash (used) provided by operating activities:		
Contribution of stocks	(2,543,661)	(1,890,025)
Proceeds from sale of contributed stocks	2,539,834	1,902,903
Depreciation	4,498	1,617
Realized loss (gain) on sale of stocks	4,202	(11,037)
Unrealized (gain) on donor advised funds	(375)	(1,842)
Changes in operating assets and liabilities		
Contributions receivable, un-deposited funds	421,046	348,122
Grant receivable	-	183,333
Pledges receivable	1,186,162	(1,903,090)
Deposit - donor advised funds	(213)	-
Other assets	(15,025)	(22,933)
Accounts payable and accrued expenses	(57,270)	113,687
Unexpended authorizations	<u>-</u>	<u>(150,000)</u>
TOTAL ADJUSTMENTS	<u>1,539,198</u>	<u>(1,429,265)</u>
NET CASH (USED) PROVIDED BY OPERATING ACTIVITIES	<u>\$ (253,199)</u>	<u>\$ 3,933,940</u>

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

ALZHEIMER'S DISEASE RESEARCH FOUNDATION
(A Non Profit Organization)
STATEMENTS OF FUNCTIONAL EXPENSES
Years Ended December 31, 2015 and 2014

	2015				2014			
	Program	Management	Fundraising	Total	Program	Management	Fundraising	Total
PERSONNEL								
Salaries	\$ 429,573	\$ 189,937	\$ 287,904	\$ 907,414	\$ 302,079	\$ 179,962	\$ 160,681	\$ 642,722
Payroll taxes and fringe benefits	57,769	21,934	39,252	118,955	52,168	31,079	27,749	110,996
TOTAL PERSONNEL	487,342	211,871	327,156	1,026,369	354,247	211,041	188,430	753,718
SUPPLIES, MATERIALS, AND OTHER EXPENSES								
Advertising	1,720	-	30,930	32,650	2,344	-	22,918	25,262
Catering Expense	32,213	-	-	32,213	44,309	-	5,385	49,694
Conferences, conventions and meetings	9,685	-	35	9,720	13,726	-	759	14,485
Consulting expenses	149,500	51,820	29,500	230,820	142,846	3,738	41,000	187,584
Computer expense	7,029	3,107	4,709	14,845	4,811	2,126	3,222	10,159
Credit card fees	-	788	11,332	12,120	-	449	39,867	40,316
Depreciation	-	4,498	-	4,498	-	1,617	-	1,617
Research distributions	10,022,663	-	-	10,022,663	5,351,659	-	-	5,351,659
Global Family Reunion project expenses	620,977	-	-	620,977	-	-	-	-
Documentary program project expenses	89,482	-	-	89,482	87,231	-	-	87,231
Dues and Subscriptions	19,005	4,433	-	23,438	12,442	15,473	-	27,915
Equipment Rental	-	4,270	-	4,270	-	3,056	-	3,056
Facility Expense	21,491	-	-	21,491	20,811	-	1,597	22,408
Fundraising expense	-	-	6,941	6,941	-	-	9,978	9,978
Gift processing	-	325	49,968	50,293	-	220	11,166	11,386
Government relations	72,665	-	-	72,665	50,639	-	-	50,639
Grant writing	-	-	19,500	19,500	-	-	-	-
Honoraria	28,500	-	-	28,500	13,500	-	-	13,500
Information and awareness	11,500	-	-	11,500	14,910	-	-	14,910
Insurance	-	2,786	-	2,786	-	1,158	-	1,158
Marketing materials	18,810	-	-	18,810	10,196	-	-	10,196
Miscellaneous	13,352	26,181	735	40,268	208	8,480	443	9,131
Office supplies	-	15,417	5,201	20,618	-	8,160	-	8,160
Office rent	30,486	13,474	20,421	64,381	20,546	9,081	13,762	43,389
Postage and shipping	73,170	1,463	16,662	91,295	41,818	-	18,491	60,309
Printing and reproduction	62,527	4,944	41,530	109,001	85,374	-	29,967	115,341
Professional services	-	139,057	-	139,057	-	175,800	-	175,800
Public relations	22,300	-	-	22,300	30,506	-	-	30,506
Social Media	60,270	-	976	61,246	66,392	-	-	66,392
State registration	-	-	5,082	5,082	626	-	5,032	5,658
Taxes	-	33	-	33	-	133	-	133
Telephone	4,436	1,960	2,971	9,367	3,354	1,483	2,247	7,084
Travel	84,807	17,292	19,818	121,917	63,642	11,202	10,850	85,694
Website	-	13,700	-	13,700	-	17,708	-	17,708
TOTAL SUPPLIES, MATERIALS, AND OTHER EXPENSES	11,456,588	305,548	266,311	12,028,447	6,081,890	259,884	216,684	6,558,458
TOTAL FUNCTIONAL EXPENSES	\$ 11,943,930	\$ 517,419	\$ 593,467	\$ 13,054,816	\$ 6,436,137	\$ 470,925	\$ 405,114	\$ 7,312,176

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

**ALZHEIMER'S DISEASE RESEARCH FOUNDATION
D/B/A CURE ALZHEIMER'S FUND**

(A Non Profit Organization)

NOTES TO FINANCIAL STATEMENTS

NOTE 1: BUSINESS

Principal Business Activity: Alzheimer's Disease Research Foundation d/b/a Cure Alzheimer's Fund ("CAF") is a non-profit organization that was incorporated on September 3, 2004 to promote, support, and further the funding of medical and scientific research with the potential to identify the causes of, and potential cures for, Alzheimer's and Alzheimer's related diseases. CAF pursues its mission by awarding grants to fund Alzheimer's-related research.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates: The preparation of 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 and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents: Cash and cash equivalents include cash on hand and money market funds which have original maturities of three months or less.

The cash balances may fluctuate during the year and can exceed the Federal Deposit Insurance Corporation's (FDIC) coverage limit of \$250,000.

Contributions Receivable, Un-Deposited Funds: Contributions received subsequent to December 31, but designated as the prior year's donations, are recorded as income and the related receivable is reflected in the financial statements in the period stipulated by the donor.

Pledges Receivable: The Organization records an allowance for estimated uncollectible pledges in an amount approximating anticipated losses. Individual uncollectible pledges were written off against the allowance when collection of the individual pledge appeared doubtful. At December 31, 2015 and 2014, management determined that no allowance for doubtful accounts was required.

Pledges receivable that are expected to be collected within one year are recorded at their net realizable value. Pledges receivable that are expected to be collected in future years are recorded at the present value of estimated future cash flows. The discount on these amounts is computed using an appropriate discount rate commensurate with the risks involved. Amortization of the discount is included in contributions revenue.

Equipment: Equipment is recorded at cost and is depreciated using the straight-line method over the estimated useful lives of the assets (3 – 5 years). Expenditures for routine repairs and maintenance are charged to operations as they are incurred, while those which significantly improve or extend the lives of existing assets and are in excess of \$1,000 are capitalized.

ALZHEIMER'S DISEASE RESEARCH FOUNDATION

D/B/A CURE ALZHEIMER'S FUND

(A Non Profit Organization)

NOTES TO FINANCIAL STATEMENTS

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Depreciation expense for the years ended December 31, 2015 and 2014 amounted to \$4,498 and \$1,617, respectively.

Advertising: Advertising and marketing costs are expensed when incurred.

Contributions: Contributions are received primarily from individuals and private foundations to support the purposes of CAF. Contributions received and unconditional promises to give are classified as unrestricted, temporarily restricted or permanently restricted depending on the existence and/or nature of any donor restrictions. Restricted contributions are classified as unrestricted if the restrictions are satisfied in the same reporting period in which the contributions are received. Restricted net assets are transferred to unrestricted net assets upon satisfaction of the time or purpose restrictions.

Unconditional promises to give, that are expected to be collected within one year, are recorded at net realizable value. Unconditional promises to give, that are expected to be collected in future years, are recorded at the present value of the estimated future cash flows. The discounts on those amounts are computed using the current year's risk-free interest rates.

Contributions of donated services are recorded at their fair values in the period received. Other services have been donated. However, no value has been assigned, as their value is not determinable.

Donated Services: Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. Volunteers also provided services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria were not met.

Functional Allocation of Expenses: The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities and changes in net assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited, based on an analysis of the related activities.

Income Taxes: CAF was determined to be exempt from federal income tax under provisions of Section 501(c)(3) of the Internal Revenue Code of 1986 (IRC) and has been classified as an organization that is not a private foundation as defined in Section 509(a)(3) of the IRC. Accordingly, no provisions for federal or state income taxes are required.

**ALZHEIMER'S DISEASE RESEARCH FOUNDATION
D/B/A CURE ALZHEIMER'S FUND**

(A Non Profit Organization)

NOTES TO FINANCIAL STATEMENTS

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

CAF is required to recognize the financial statement impact of a tax position when it is more likely than not that the position will be sustained upon examination. Any interest and penalties recognized associated with a tax position would be classified as component of income tax expense in CAF's financial statements.

Currently, the tax years ended December 31, 2012, 2013, and 2014 are open and subject to examination by the Internal Revenue Service and the Massachusetts Department of Revenue. However, CAF is not currently under audit nor has CAF been contacted by any of these jurisdictions.

Based on the evaluation of CAF's tax positions, management believes all positions taken would be upheld under an examination. Therefore, no provision for the effects of uncertain tax positions has been recorded for the years ended December 31, 2015 and 2014.

Research Distributions: Research distributions are recommended by the board-appointed Scientific Advisory Board and recorded when they are approved by the executive committee of the Board of Directors.

Concentrations of Credit Risk: Financial instruments which potentially subject CAF to concentrations of credit risk consist principally of cash and cash equivalents and contributions receivable. Concentrations of credit risk with respect to contributions receivable are limited due to the number of donors.

Reclassifications: Certain reclassifications have been made, none of which affect the changes in net assets, to the 2014 Statement of Functional Expenses to conform to the 2015 presentation. Specifically the 2014 amounts reported under program expenses, management and general, and fundraising related to computer expenses, office rent and telephone were changed.

NOTE 3: PLEDGES RECEIVABLE (TEMPORARILY RESTRICTED)

Pledges receivable (temporarily restricted) consists of the following at December 31:

	2015	2014
Pledges receivable (temporarily restricted) before unamortized discounts	\$ 2,000,000	\$ 3,250,000
Less unamortized discount at 1.68% and 1.85% for 2015 and 2014	<u>(61,347)</u>	<u>(125,185)</u>
Net pledges receivable	<u>\$ 1,938,653</u>	<u>\$ 3,124,815</u>

ALZHEIMER'S DISEASE RESEARCH FOUNDATION
D/B/A CURE ALZHEIMER'S FUND
(A Non Profit Organization)
NOTES TO FINANCIAL STATEMENTS

NOTE 3: PLEDGES RECEIVABLE (TEMPORARILY RESTRICTED) (CONTINUED)

Pledges receivable is expected to be received as follows:

Less than one year	\$ 750,000
One to five years	<u>1,250,000</u>
	<u><u>\$ 2,000,000</u></u>

NOTE 4: RELATED PARTY TRANSACTIONS

Board members/founders of CAF and their foundations contributed a total of \$4,114,103 and \$3,336,476 for years ended December 31, 2015 and 2014, respectively.

NOTE 5: PROGRAM EXPENSES GRANTS

Program expenses grants is comprised of the following at December 31:

	2015	2014
Total grant distributions	\$ 10,022,815	\$ 5,359,027
Unspent funds returned from a previous grant	<u>(152)</u>	<u>(7,368)</u>
Program expenses grants	<u><u>\$ 10,022,663</u></u>	<u><u>\$ 5,351,659</u></u>

In 2015 CAF has provided \$300,000 to a private company to support research of a combinatorial therapy for neurodegenerative disorders. This research met the criteria that CAF determines for all grant distributions. CAF has been issued convertible notes receivable from this private company in exchange for the \$300,000 that CAF expects to convert into stock. Since the private company will need to achieve certain milestones to raise additional capital and the commercial viability is unknown, CAF has recorded this amount as research distributions.

**ALZHEIMER'S DISEASE RESEARCH FOUNDATION
D/B/A CURE ALZHEIMER'S FUND**

(A Non Profit Organization)

NOTES TO FINANCIAL STATEMENTS

NOTE 6: TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets consist of the following at December 31:

	2015			
	<u>Balance</u>		<u>Released</u>	<u>Balance</u>
	<u>1/1/2015</u>	<u>Contributions</u>	<u>from</u>	<u>12/31/2015</u>
			<u>Restrictions</u>	
Pledges receivable	\$ 3,125,175	\$ 63,478	\$ (1,250,000)	\$ 1,938,653
Documentary project	104,497	80,000	(89,482)	95,015
Reunion Fund	3,150	617,827	(620,977)	-
	<u>\$ 3,232,822</u>	<u>\$ 761,305</u>	<u>\$ (1,960,459)</u>	<u>\$ 2,033,668</u>
	2014			
	<u>Balance</u>		<u>Released</u>	<u>Balance</u>
	<u>1/1/2014</u>	<u>Contributions</u>	<u>from</u>	<u>12/31/2014</u>
			<u>Restrictions</u>	
Pledges receivable	\$ 1,221,725	\$ 2,653,450	\$ (750,000)	\$ 3,125,175
Documentary project	191,728	-	(87,231)	104,497
Reunion Fund	-	3,150	-	3,150
	<u>\$ 1,413,453</u>	<u>\$ 2,656,600</u>	<u>\$ (837,231)</u>	<u>\$ 3,232,822</u>

The Documentary project is an independent series of short documentaries about how families cope with Alzheimer's disease (the "Project"). The series' creator and executive producer is David Shenk, a writer and producer of Alzheimer's-related films, books and articles. The total budget will be funded through contributions from MetLife Foundation. The Project's expenditures will be dispersed to contractors by CAF at David Shenk's direction. The restricted cash of \$95,015 and \$104,857 represents the unspent Project funds at December 31, 2015 and 2014, respectively.

CAF was the fiscal agent for the Global Family Reunion project, highlighted by an event that took place in New York City on June 6, 2015. The Global Family Reunion was a fundraiser for Alzheimer's care and research, created by author A.J. Jacobs. Proceeds of the event were shared between CAF and the Alzheimer's Association of New York City (AANYC).

**ALZHEIMER'S DISEASE RESEARCH FOUNDATION
D/B/A CURE ALZHEIMER'S FUND**

(A Non Profit Organization)

NOTES TO FINANCIAL STATEMENTS

NOTE 7: EMPLOYEE BENEFIT PLAN

CAF sponsors a defined-contribution plan under Section 403(b) of the IRC covering all eligible employees. Employer contributions of \$17,559 and \$17,584 were made to the plan during the years ended December 31, 2015 and 2014, respectively.

NOTE 8: COMMITMENTS

CAF amended its existing lease agreement on January 2, 2015 to rent office space through April 30, 2017. The original lease provided for lease payments of \$3,338 per month plus escalation costs. Rent expense amounted to \$64,381 and \$43,389 for the years ended December 31, 2015 and 2014, respectively. The amended lease provides for lease payments of \$5,338 per month plus escalation costs.

The future minimum lease payments are \$64,056 in 2016, and \$21,352 in 2017.

In 2016, CAF committed to research distributions in the amount of \$8.3 million to be paid in 2016.

NOTE 9: REVENUE RECONCILIATION

Reconciliation of the audited financial statement to Form 990 is as follows:

Audited financial statement revenue/expenditures from the statements of activities and changes in net assets (see Page 4):

	2015	2014
Unrestricted net assets		
Revenue and other support	\$ 12,461,573	\$ 10,856,012
Temporarily restricted net assets	(1,199,154)	1,819,369
Unrealized (gain) on donor advised funds	(375)	(1,842)
	11,262,044	12,673,539
Total revenue per financial statements	11,262,044	12,673,539
Less donated services not required for Form 990	(14,118)	(21,360)
	\$ 11,247,926	\$ 12,652,179

**ALZHEIMER'S DISEASE RESEARCH FOUNDATION
D/B/A CURE ALZHEIMER'S FUND**

(A Non Profit Organization)

NOTES TO FINANCIAL STATEMENTS

NOTE 9: REVENUE RECONCILIATION (CONTINUED)

Program expenses:		
Grants	\$ 10,022,663	\$ 5,351,659
Documentary program project expenses	89,482	87,231
Global Family Reunion project expenses	620,977	-
Other program expenses	1,210,808	997,247
	<u>11,943,930</u>	<u>6,436,137</u>
Management and general expenses	517,419	470,925
Fundraising expenses	593,467	405,114
Less donated services not required for Form 990	(14,118)	(21,360)
	<u>579,349</u>	<u>383,754</u>
Total expenses per Form 990, Page 1 Line 18	<u>\$ 13,040,698</u>	<u>\$ 7,290,816</u>

NOTE 10: SUBSEQUENT EVENTS

The date to which events occurring after December 31, 2015, the date of the most recent financial position, have been evaluated for possible adjustments to the financial statements or disclosures is March 17, 2016, which is the date the financial statements were available to be issued.