

**National Alliance for Research on
Schizophrenia and Depression, Inc.**
(d/b/a Brain & Behavior Research Foundation)
and NARSAD Research Institute, Inc.

Consolidated Financial Statements
and Supplementary Information
Year Ended December 31, 2024

The report accompanying these financial statements was issued by
BDO USA, P.C., a Virginia professional corporation, and the U.S. member
of BDO International Limited, a UK company limited by guarantee.



**National Alliance for Research
on Schizophrenia and Depression, Inc.
(d/b/a Brain & Behavior Research Foundation)
and NARSAD Research Institute, Inc.**

Consolidated Financial Statements and Supplementary Information
Year Ended December 31, 2024

National Alliance for Research on Schizophrenia and Depression, Inc.
(d/b/a Brain & Behavior Research Foundation)
and NARSAD Research Institute, Inc.

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Independent Auditor's Report

The Board of Directors
National Alliance for Research on Schizophrenia and Depression, Inc.
(d/b/a Brain & Behavior Research Foundation)
and NARSAD Research Institute, Inc.
New York, New York

Opinion

We have audited the consolidated financial statements of the National Alliance for Research on Schizophrenia and Depression, Inc. (d/b/a Brain & Behavior Research Foundation) and NARSAD Research Institute, Inc. (collectively, the Foundation), which comprise the consolidated statement of financial position as of December 31, 2024, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Foundation as of December 31, 2024, 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 (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated 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.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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 consolidated financial statements are available to be issued.



Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 GAAS 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 consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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.



Other Matter

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on those consolidated financial statements as a whole. The accompanying supplemental information is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The supplemental information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplemental information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Report on Summarized Comparative Information

We have previously audited the Foundation's 2023 consolidated financial statements and our report, dated May 17, 2024, expressed an unmodified opinion on those audited consolidated financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

BDO USA, P.C.

May 9, 2025

National Alliance for Research on Schizophrenia and Depression, Inc.
(d/b/a Brain & Behavior Research Foundation)
and NARSAD Research Institute, Inc.

Consolidated Statement of Financial Position
(with comparative totals for 2023)

<i>December 31,</i>	2024	2023
Assets		
Current Assets		
Cash and cash equivalents (Note 2)	\$ 38,084,529	\$ 26,905,317
Investments, at fair value, current portion (Notes 2 and 4)	11,991,311	14,629,688
Contributions receivable (Notes 2 and 6)	96,425	415,480
Pledges receivable, current portion (Notes 2 and 7)	4,895	7,470
Prepaid expenses and other assets	302,557	230,236
Total Current Assets	50,479,717	42,188,191
Pledges Receivable, Net , less current portion (Notes 2 and 7)	9,738	9,738
Assets Held in Charitable Remainder Trust (Note 8)	2,300,206	1,885,836
Fixed Assets, Net (Notes 2 and 10)	8,085	9,684
Investments, at fair value , less current portion (Notes 2 and 4)	8,947,449	8,947,449
Right-of-Use Asset (Note 15)	716,139	125,457
Total Assets	\$ 62,461,334	\$ 53,166,355
Liabilities and Net Assets		
Current Liabilities		
Accounts payable and accrued expenses	\$ 52,931	\$ 75,069
Grants payable (Note 2)	15,014,698	14,887,604
Operating lease liability, current portion (Note 15)	342,373	148,179
Accrued compensation	71,023	48,077
Annuities payable (Note 8)	970,084	826,641
Charitable gift annuities payable (Note 9)	12,780	13,599
Total Current Liabilities	16,463,889	15,999,169
Operating Lease Liability, Net , less current portion (Note 15)	528,260	-
Total Liabilities	16,992,149	15,999,169
Commitments and Contingency (Notes 2, 3, 5, 8, 9, 11, 12, 15, and 16)		
Net Assets (Notes 2, 3, and 11)		
Without donor restrictions	34,274,112	26,492,489
With donor restrictions	11,195,073	10,674,697
Total Net Assets	45,469,185	37,167,186
Total Liabilities and Net Assets	\$ 62,461,334	\$ 53,166,355

See accompanying notes to consolidated financial statements.

National Alliance for Research on Schizophrenia and Depression, Inc.
(d/b/a Brain & Behavior Research Foundation)
and NARSAD Research Institute, Inc.

Consolidated Statement of Activities
(with comparative totals for 2023)

Year ended December 31,

	Without Donor Restrictions	With Donor Restrictions	Total	
			2024	2023
Support and Revenue				
Contributions (Note 2)	\$ -	\$ 15,589,932	\$ 15,589,932	\$ 14,613,749
Special events (net of direct cost to donors of \$117,434 in 2024)	-	42,878	42,878	89,157
Non-financial contributions (Note 14)	-	2,054,955	2,054,955	2,048,285
Bequests (Note 2)	3,472,060	-	3,472,060	5,022,129
Net realized and unrealized gains on investments (net of investments fees of \$103,221)	2,357,868	1,340,646	3,698,514	3,929,558
Net appreciation of assets held in charitable remainder trust	414,370	-	414,370	184,399
Dividend and interest income (Note 2)	1,294,626	167,947	1,462,573	908,154
Net assets released from restrictions (Note 11)	18,675,982	(18,675,982)	-	-
Total Support and Revenue	26,214,906	520,376	26,735,282	26,795,431
Expenses				
Program services:				
Research grants and awards	10,722,382	-	10,722,382	9,232,426
Scientific advancement	2,397,371	-	2,397,371	2,309,627
Program support	2,513,497	-	2,513,497	2,352,532
Total Program Services	15,633,250	-	15,633,250	13,894,585
Supporting services:				
Fundraising*	989,718	-	989,718	897,389
Administration*	1,810,315	-	1,810,315	1,629,752
Total Supporting Services	2,800,033	-	2,800,033	2,527,141
Total Expenses	18,433,283	-	18,433,283	16,421,726
Change in Net Assets	7,781,623	520,376	8,301,999	10,373,705
Net Assets, beginning of year	26,492,489	10,674,697	37,167,186	26,793,481
Net Assets, end of year	\$ 34,274,112	\$ 11,195,073	\$ 45,469,185	\$ 37,167,186

* All fundraising and administration expenses are funded by specially designated grants.

See accompanying notes to consolidated financial statements.

National Alliance for Research on Schizophrenia and Depression, Inc.
(d/b/a Brain & Behavior Research Foundation)
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Consolidated Statement of Functional Expenses
(with comparative totals for 2023)

Year ended December 31,										
	Program Services				Supporting Services			Total		
	Research Grants and Awards	Scientific Advancement	Program Support	Total	Fundraising*	Administration*	Total	2024	2023	
Grants, scientific advancement, and awards	\$ 10,722,382	\$ 342,416	\$ 471,569	\$ 11,536,367	\$ -	\$ -	\$ -	\$ 11,536,367	\$ 9,996,224	
Research events, symposia, and publications	-	-	312,538	312,538	-	-	-	312,538	286,158	
Staff expenses	-	-	1,287,162	1,287,162	643,581	1,287,162	1,930,743	3,217,905	2,987,915	
Professional fees	-	-	212,546	212,546	136,526	153,464	289,990	502,536	378,015	
Non-financial contributions expense	-	2,054,955	-	2,054,955	-	-	-	2,054,955	2,048,285	
Office and other expenses	-	-	229,682	229,682	209,611	369,689	579,300	808,982	725,129	
Total	\$ 10,722,382	\$ 2,397,371	\$ 2,513,497	\$ 15,633,250	\$ 989,718	\$ 1,810,315	\$ 2,800,033	\$ 18,433,283	\$ 16,421,726	

* All fundraising and administration expenses are funded by specially designated grants.

See accompanying notes to consolidated financial statements.

National Alliance for Research on Schizophrenia and Depression, Inc.
(d/b/a Brain & Behavior Research Foundation)
and NARSAD Research Institute, Inc.

Consolidated Statement of Cash Flows
(with comparative totals for 2023)

<i>Year ended December 31,</i>	2024	2023
Cash Flows from Operating Activities		
Change in net assets	\$ 8,301,999	\$ 10,373,705
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	4,477	3,792
Realized gains on investments	(2,205,516)	(827,334)
Unrealized gains on investments	(1,594,751)	(3,196,736)
Donated investments	(3,215,938)	(2,661,886)
Decrease (increase) in:		
Contributions receivable	319,055	1,786,662
Pledges receivable	2,575	182,807
Non-cash lease expense	286,864	298,669
Prepaid expenses and other assets	(72,321)	(5,199)
Assets held in charitable remainder trust	(414,370)	(184,399)
Increase (decrease) in:		
Accounts payable and accrued expenses	(22,138)	(20,202)
Grants payable	127,094	(634,591)
Principal reduction in operating lease liability	(155,092)	(350,292)
Accrued compensation	22,946	7,301
Annuities payable	143,443	47,997
Charitable gift annuities payable	(819)	(129,319)
Net Cash Provided by Operating Activities	1,527,508	4,690,975
Cash Flows from Investing Activities		
Purchases of fixed assets	(2,878)	(6,592)
Purchases of investments	(3,441,951)	(3,300,683)
Proceeds from sale of investments	13,096,533	6,461,751
Net Cash Provided by Investing Activities	9,651,704	3,154,476
Increase in Cash and Cash Equivalents	11,179,212	7,845,451
Cash and Cash Equivalents, beginning of year	26,905,317	19,059,866
Cash and Cash Equivalents, end of year	\$ 38,084,529	\$ 26,905,317
Supplemental Disclosure of Cash Flow Information		
Right-of-use assets acquired through operating leases	\$ 877,547	\$ -

See accompanying notes to consolidated financial statements.

**National Alliance for Research on Schizophrenia and Depression, Inc.
(d/b/a Brain & Behavior Research Foundation)
and NARSAD Research Institute, Inc.**

Notes to Consolidated Financial Statements

1. Nature of the Organization

The National Alliance for Research on Schizophrenia and Depression, Inc. (d/b/a Brain & Behavior Research Foundation) (BBRF) is a not-for-profit corporation organized in 1981 under the Commonwealth of Kentucky Not-For-Profit Corporation Act. BBRF is committed to alleviating the suffering caused by mental illness by awarding grants that will lead to advances and breakthroughs in scientific research. BBRF raises and provides funding for scientific research to discover better treatments and cures for depression, schizophrenia, bipolar disorder, autism, anxiety disorders, obsessive-compulsive disorder, and post-traumatic stress disorder.

In September 1997, NARSAD Research Institute, Inc. (the Institute) was organized under Section 501(c)(3) of the New York Not-for-Profit Corporation Law. All contributions received by the Institute are available to BBRF for grant distribution. As BBRF demonstrates both control over and economic interest in the Institute, the accounts of BBRF and the Institute (collectively, the Foundation) have been consolidated for presentation in these consolidated financial statements.

In July 2015, the Pardes Humanitarian Prize, Inc. (Pardes Prize), a nonstock corporation in Delaware, was organized under Section 501(c)(3) of the Internal Revenue Code (IRC) and determined to be a Type II supporting organization under IRC 509(a)(3), which will be supervised or controlled in connection with BBRF. Pardes Prize received its tax-exempt determination letter from the Internal Revenue Service (IRS) in 2016 and has had no activity. Pardes Prize will be furthering BBRF's purpose by sponsoring the Pardes Humanitarian Prize in order to broaden attention to and understanding of the burden of mental illness on individuals and on society.

2. Summary of Significant Accounting Policies

Principles of Consolidation

The accompanying consolidated financial statements include BBRF and the Institute, which are related through common board membership, financial control, and identical management. Intercompany accounts and transactions have been eliminated in consolidation.

Basis of Presentation

The consolidated financial statements of the Foundation have been prepared on the accrual basis of accounting and conform to accounting principles generally accepted in the United States of America (GAAP). In the consolidated statement of financial position, assets and liabilities are presented in order of liquidity or conversion to cash and their maturity resulting in the use of cash, respectively.

Net Asset Classification

The classification of a not-for-profit organization's net assets and its support, revenue, and expenses is based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of the two classes of net assets—with donor restrictions and without donor restrictions—be displayed in a statement of financial position and that the amounts of change in each of those classes of net assets be displayed in a statement of activities.

National Alliance for Research on Schizophrenia and Depression, Inc.
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Notes to Consolidated Financial Statements

These classes are defined as follows:

With Donor Restrictions - Net assets with donor restrictions consist of assets whose use is limited by donor-imposed, time, and/or purpose restrictions. BBRF reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as unrestricted support. When a donor restriction expires—that is, when a stipulated time restriction ends, or purpose restriction is accomplished—the net assets are reclassified as net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from restrictions.

Some net assets with donor restrictions include a stipulation that assets provided be maintained permanently (perpetual in nature) while permitting the Foundation to expend the income generated by the assets in accordance with the provisions of additional donor-imposed stipulations or a Board of Directors (Board) approved spending policy.

See Note 11 for more information on the composition of net assets with donor restrictions and the release of restrictions.

Without Donor Restrictions - Net assets without donor restrictions are available for use at the discretion of the Board and/or management for general operating purposes.

Cash and Cash Equivalents

Cash and cash equivalents represent short-term investments with original maturities of three months or less. GAAP requires entities to show the changes in the total of cash, cash equivalents, restricted cash, and restricted cash equivalents in the consolidated statement of cash flows. As a result, entities will no longer present transfers between cash and cash equivalents and restricted cash and restricted cash equivalents in the consolidated statement of cash flows. The Foundation has no restricted cash at December 31, 2024.

Investment Valuation and Income Recognition

Professional standards establish a framework for measuring fair value and expand the disclosures about fair value measurements. GAAP defines fair value as 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 in a principal or most advantageous market. Fair value is a market-based measurement that is determined based on inputs, which refer broadly to assumptions that market participants use in pricing assets or liabilities. These inputs can be readily observable, market corroborated, or unobservable. GAAP established a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value in three broad levels. The standard requires that assets and liabilities be classified in their entirety based on the level of input that is significant to the fair value measurement. Assessing the significance of a particular input may require judgment considering factors specific to the asset or liability and may affect the valuation of the asset or liability and their placement within the fair value hierarchy.

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Notes to Consolidated Financial Statements

The Foundation classifies fair value balances based on the fair value hierarchy defined by GAAP, as follows:

Level 1 - Valuation is based on quoted market prices in active markets for identical assets or liabilities at the measurement date.

Level 2 - Valuations are based on: (a) quoted prices for similar assets or liabilities in active markets, (b) quoted prices for identical or similar assets or liabilities in inactive markets, (c) inputs other than quoted prices that are observable for the asset or liability, and (d) 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 asset or liability.

Level 3 - Valuation is based on inputs that are unobservable and reflect management's best estimate of what market participants would use as fair value.

The Foundation's holdings consist principally of U.S. government debt securities and equity funds carried at their stated unit values provided by the investment managers of the funds. Each of these investment managers provides observable detailed information about the underlying securities, all of which are publicly traded securities (equities and treasuries). The valuation of these investments is based on Level 1 inputs within the hierarchy used in measuring fair value.

Investment income is recognized when earned and consists of interest, dividends, and realized and unrealized gains and losses. Dividends are recorded on the ex-dividend date. Purchases and sales are recorded on a trade-date basis. Net realized and unrealized gain and losses is net of direct external investment expenses.

Risks and Uncertainties - Investments

The Foundation's investments consist of a variety of investment securities and investment funds. Investments in general are exposed to various risks, such as interest rate, credit, and overall market volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the value of the Foundation's investments will occur in the near term and that such changes could materially affect the amounts reported in the accompanying consolidated financial statements.

Depreciation and Amortization

The cost of furniture, fixtures, and equipment are stated at their original cost or at their value on the date of donation and are depreciated over the estimated useful lives of the assets using the straight-line method. The estimated useful lives of the assets are as follows:

Asset Category	Estimated Useful Lives (Years)
Furniture, fixtures, and equipment	5
Proprietary information systems	5
Leasehold improvements	Over the term of lease

Repairs and maintenance are charged to operations in the period incurred.

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Notes to Consolidated Financial Statements

It is the Foundation's policy to capitalize all fixed-asset purchases greater than \$1,000.

Impairment of Long-Lived Assets

GAAP requires the Foundation to review long-lived assets, such as fixed assets, for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized by the amount by which the carrying amount of the asset exceeds the fair value of the asset. There were no impairments in 2024.

Income Taxes

The Foundation was incorporated in the state of Kentucky and is exempt from federal and state income taxes under Section 501(c)(3) of the IRC and, therefore, has made no provision for income taxes in the accompanying consolidated financial statements. In addition, the Foundation has been determined by the IRS not to be a "private foundation" within the meaning of Section 509(a) of the IRC.

Under GAAP, an organization must recognize the tax liability associated with tax positions taken for tax return purposes when it is more likely than not that the position will not be sustained upon examination by a taxing authority. The Foundation does not believe there are any material uncertain tax positions and, accordingly, it will not recognize any liability for unrecognized tax benefits. The Foundation has filed for and received income tax exemptions in the jurisdictions where it is required to do so. Additionally, the Foundation has filed IRS Form 990 information returns, as required, and all other applicable returns in jurisdictions where so required. The Foundation is subject to routine audits by a taxing authority. As of December 31, 2024, the Foundation was not subject to any examination by a taxing authority.

Grants Payable

The Foundation records appropriations for research grants as an expense and liability for the first year of the commitment after initial approval by the Board, based upon (i) the recommendations, guidance, and input of the Foundation's Scientific Council who serve on grant review committees specializing in mental health research, and (ii) the availability of funding. For multi-year commitments, the second year of the research grants is recorded as an expense and liability in the subsequent year, based upon the availability of funding.

Contributions and Bequests

Contributions and promises to give are recorded as revenue when either unsolicited cash is received or when donors make a promise to give. Contributions and promises to give are classified as either with or without donor restrictions. Income from trusts and estates is recorded as bequests revenue when the probate courts declare the wills valid and the proceeds are measurable. Contributions to be received over periods longer than one year are discounted at interest rates commensurate with the risk involved.

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Notes to Consolidated Financial Statements

Allowance for Uncollectible Pledges

The Foundation provides an allowance for pledges receivable for the pledges that are specifically identified as to their uncertainty in regard to collectability. At December 31, 2024, there was no allowance for pledges receivable.

Use of Estimates

In preparing consolidated financial statements in conformity with GAAP, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and revenues and expenses during the reporting period. Actual results could differ from those estimates.

Functional Allocation of Expenses

The majority of expenses can generally be directly identified with program or supporting services to which they relate and are allocated accordingly. Other expenses have been allocated among program and supporting service classifications, as determined by management. These expenses include depreciation and amortization, utilities, information technology, and facilities operations and maintenance. Depreciation and amortization are allocated based on square footage. Costs of other categories were allocated on estimates of time and effort.

Comparative Financial Information

The consolidated financial statements include certain prior-year summarized comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the prior year's consolidated financial statements, from which the summarized information was derived. With respect to the consolidated statement of activities, the prior-year information is not presented by net asset class. With respect to the consolidated statement of functional expenses, the prior-year functional expenses are presented in total, but not by functional classification.

Net Asset Classification

Effective March 25, 2010, the state of Kentucky enacted the Uniform Prudent Management of Institutional Funds Act (UPMIFA), the provisions of which apply to endowment funds existing on or established after that date. This law sets standards for endowment spending and preservation of the original gift in accordance with donor intent. Based on its interpretation of the provisions of UPMIFA, the Foundation is required to act prudently when making decisions to spend or accumulate donor-restricted endowment assets and, in doing so, consider a number of factors, including the duration and preservation of its donor-restricted endowment funds. As a result of this interpretation, the Foundation classifies as net assets with donor restrictions the original value of gifts donated to be held in perpetuity. Additionally, net assets with time restrictions are classified within net assets with donor restrictions until those amounts are appropriated for expenditure by the Foundation.

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Notes to Consolidated Financial Statements

3. Liquidity and Availability of Resources

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

Year ended December 31, 2024

Total current assets	\$ 50,479,717
Less amounts unavailable for general expenditures within one year, due to:	
Prepaid expenses and other assets	(302,557)
With donor restricted net assets	(11,195,073)
Total Financial Assets Available to Management for General Expenditures Within One Year	\$ 38,982,087

Liquidity Management

As part of the Foundation's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Foundation invests cash in excess of daily requirements in short-term investments. To help manage unanticipated liquidity needs, the Foundation has a committed line of credit in the amount of \$2,000,000, which is further described in Note 13.

4. Investments, at Fair Value

Below sets forth a table of assets measured at fair value:

December 31, 2024

	Level 1	Total
Equities	\$ 15,550,000	\$ 15,550,000
Fixed income	5,388,479	5,388,479
Total in Fair Value Hierarchy	\$ 20,938,479	20,938,479
Privately held company*		281
Total Investments, at fair value		\$ 20,938,760

* Certain investments that are measured at fair value using the net asset value (NAV) per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy table. The fair value amounts presented in the preceding table are intended to permit reconciliation of the fair value hierarchy to the accompanying consolidated statement of financial position.

The market or fair value of the investments detailed above is determined by reference to market quotations at December 31, 2024.

The Foundation had no financial assets or financial liabilities that were measured at fair value on a non-recurring basis during the year ended December 31, 2024. In addition, there were no transfers between levels during the year ended December 31, 2024. Additionally, investments reported on the consolidated statement of financial position as current portion are \$11,991,311, and long-term portion are \$8,947,449.

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In general, risks associated with such investments include those related to their underlying investments. There can be no assurance that the Foundation will continue to achieve the same level of returns on its investments in limited partnerships and other investment companies that it has received during the past periods or that it will achieve any returns on such investments at all. In addition, there can be no assurance that the Foundation will receive a return of all or any portion of its current or future capital investments in limited partnerships and other investment companies. The failure of the Foundation to receive the return of a material portion of its capital investments in these investments, or to achieve historic levels of returns on such investments, could have a material adverse effect on the Foundation's financial condition and results of operations.

The Foundation received donated investments with a fair value of \$3,215,938 during the year ended December 31, 2024; these donated investments were immediately sold in accordance with the Foundation's policy.

5. Concentrations of Credit Risk

Financial instruments that potentially subject the Foundation to concentrations of credit risk consist principally of temporary cash investments. The Foundation places its temporary cash investments with high-quality financial institutions and, by policy, limits the amount of credit exposure to any one institution. At times, such investments may be in excess of Federal Deposit Insurance Corporation limits.

6. Contributions Receivable

Contributions receivable of \$96,425 at December 31, 2024 represents various contributions and one bequest contribution. These have been fully collected in 2025 prior to issuance of these consolidated financial statements.

7. Pledges Receivable, Net

Unconditional promises to give that are expected to be collected within one year are recorded at their net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at present value of estimated future cash flows. Conditional promises to give are not included as support until such time as the conditions are substantially met.

Included in pledges receivable are the following unconditional promises to give:

December 31, 2024

Pledges receivable	\$	14,895
Present value discount 2.69%		(262)
Net Present Value of Pledges Receivable	\$	14,633
Amounts due, excluding discounts, in:		
Less than one year	\$	4,895
One to five years		10,000
	\$	14,895

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8. Assets Held in Charitable Remainder Trust

In 1994, a charitable remainder annuity trust was established, naming the Foundation as both trustee of the assets maintained in trust and the recipient of all remainder assets after the death of the donor and/or their beneficiaries (the life tenants). The donor put certain assets in trust from which the Foundation, in its role as trustee, remits annuity payments to the life tenants until such a time that the life tenants are deceased. Upon the death of the life tenants, all principal and income of the trusts will be distributed to the Foundation. As of December 31, 2024, the fair value of net assets held for the charitable remainder trust amounted to \$2,300,206.

A liability has been recorded for the present value of the future cash flows expected to be paid to the life tenants over their estimated lives. In each taxable year of the trust, the trustee shall pay to the donor, during their lifetime, a unitrust amount equal to the lesser of (a) the net income of the trust for the taxable year, or (b) 6% of the fair market value of the assets of the trust valued as of the first day of each taxable year of the trust (the valuation date). Thus, as the market value of the trust fluctuates, so do the annuities payable to the life tenants, less any payments made. As of December 31, 2024, the present value of future payments due to the life tenants amounted to \$970,084.

Below sets forth a table of assets held in the charitable remainder trust and liabilities measured at fair value:

December 31, 2024

Description	Level 1	Level 2	Level 3	Total
Equity funds	\$ 2,300,206	\$ -	\$ -	\$ 2,300,206
Annuities payable liability	(970,084)	-	-	(970,084)
Net Assets Held in Charitable Remainder Trust and Liabilities, at fair value	\$ 1,330,122	\$ -	\$ -	\$ 1,330,122

9. Charitable Gift Annuities Payable

Under the Charitable Gift Annuity agreement, donors make contributions in exchange for a promise to receive a fixed amount over a specified period of time, usually the life of donor or beneficiary. During the term of the agreement, the Foundation acts as custodian of these funds, whereby the asset and the net present value of the related liability are reflected in the consolidated statement of financial position. After the term of the agreement, the remaining assets belong to the Foundation. At December 31, 2024, the Charitable Gift Annuity investment account, included in investments, at fair value, had a fair market value of \$421,377, and the related liability amounted to \$12,780.

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10. Fixed Assets, Net

Fixed assets, net, consist of the following:

December 31, 2024

Furniture, fixtures, and equipment	\$ 388,871
Proprietary information systems	305,979
Leasehold improvements	66,357
Total Fixed Assets	761,207
Less: accumulated depreciation	(753,122)
Fixed Assets, Net	\$ 8,085

Depreciation expense was \$4,477 for the year ended December 31, 2024.

11. Net Assets with Donor Restrictions

Net assets with donor restrictions are comprised of the following:

December 31, 2024

Moritz Hilder Innovative Brain Research Fund	\$ 4,744,958
Research Endowment Fund	2,868,465
Endowed Research Partnership Program	2,581,650
Distinguished Investigator Grants	1,000,000
	\$ 11,195,073

During the year ended December 31, 2024, net assets with donor restrictions of \$18,675,982 were expended satisfying the restriction stipulated by the donor and meeting the time restriction criteria and, accordingly, were released from restrictions:

December 31, 2024

Research grants	\$ 11,247,324
Supporting services (designated grants)	2,800,033
Non-financial contribution of services	2,054,955
Program support	1,255,453
Grant expenses	788,365
Awards	330,000
Moritz Hilder Innovative Brain Research Fund	199,852
	\$ 18,675,982

Research Endowment Fund

The Research Endowment Fund was established by donors to accumulate endowments. These funds may be invested, at the discretion of the Foundation's Finance Committee, in fixed-income and equity funds.

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In accordance with donor restrictions, a portion of the principal, in the amount of \$1,000,000, is to remain preserved in this fund until a cure for schizophrenia is found. Investment income is restricted by the donor for use in research. This amount is included in net assets with donor restrictions within the Research Endowment Fund.

Endowed Research Partnership Program

The Endowed Research Partnership Program was established in 2003 to support the Research Partnership Program.

Moritz Hilder Innovative Brain Research Fund

The Moritz Hilder Innovative Brain Research Fund was established by the Trustee of the Jane Hilder Harris Trust to be held in perpetuity to advance medical research, the objective of which is to gain a basic understanding of post-traumatic stress disease (PTSD) and its prevention, treatment, and cure, with primary emphasis to be given to research involving innovative concepts where, although there may be a high risk of failure, the rewards of success would be substantial, and that typically would not be in a position to secure funding from more traditional funding sources.

In accordance with donor restrictions, the amount of \$3,497,334 is to remain preserved in this fund. Investment income is restricted by the donor for use in research. This amount is included in net assets with donor restrictions within the Moritz Hilder Innovative Brain Research Fund.

12. Endowment and Investment Funds

In 2013, the Board approved a formal written policy on the management of the endowment and investment funds. As part of that policy, the amount available to be spent in the next fiscal year is calculated as 4%, with a target rate of up to 5%, of the average market value of the fund over the last 12 quarters using a September 30 quarter-end. This policy is designed to ensure that current and future generations share equally in the benefits of the fund. The goal is to maintain the fund in perpetuity to ensure a consistent and reliable level of investment income. Endowment and investment funds are invested in vehicles such as government and equity securities.

The Foundation considers the following factors in making a determination to appropriate or accumulate the endowment and investment funds:

- The duration and preservation of the fund.
- The purposes of the Foundation.
- General economic conditions.
- The possible effect of inflation and deflation.
- The expected total return from income and the appreciation/depreciation of investments.
- The investment policy of the Foundation.
- Other resources of the Foundation.

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a stream of returns that would be utilized to fund various programs while seeking to

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maintain the purchasing power of the endowment assets. Under this policy, as approved by the Board, the investment performance of the Foundation's portfolio will be measured against currently available investment benchmarks of the same asset class.

13. Line of Credit

The Foundation has an established line of credit with a bank of up to \$2,000,000, payable at various interest rate options based on length of balance outstanding. At December 31, 2024, there was no balance outstanding on the line of credit and it was not utilized in 2024.

The line of credit is secured by pledged securities from the Foundation in a specifically designated account for the benefit of the lender bank.

14. Contribution of Non-financial Services

In 2024, the Foundation's Scientific Council contributed non-financial services of \$1,590,810, which was included within non-financial contributions in the consolidated statement of activities. Expenses related to the non-financial services are included in the scientific advancement column in the consolidated statement of functional expenses. The Foundation's Scientific Council consists of a group of scientists who are leaders in neuroscience and psychiatry. These volunteers primarily review research grants and projects on behalf of the Foundation.

Additionally, a substantial number of individuals volunteer significant amounts of their time to the Foundation's fundraising and other activities; the value of these contributed services is excluded since they do not meet criteria for consolidated financial statement recognition.

In 2024, the Foundation received a grant that provided online advertising at no cost, having a value of \$464,145, which is recorded in the accompanying consolidated statement of activities as non-financial contributions and offsetting expense.

The Foundation received non-financial services as follows:

December 31, 2024

	Revenue Recognized	Donor Restrictions	Valuation Techniques and Inputs
Scientific Council	\$ 1,590,810	Restricted to the grants funded by the Foundation	Time and Effort
Google Ads	464,145	No associated donor restrictions	Valued based on rate of fair market value of the Google Ads
Total	\$ 2,054,955		

15. Leases

The Foundation adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-02, *Accounting for Leases (Topic 842)*, effective January 1, 2022. For leases with initial terms greater than a year (or initially, greater than one year remaining under the lease at the date of adoption of ASU 2016-02), the Foundation records the related right-of-use (ROU) assets and

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liabilities at the present value of the lease payments to be paid over the life of the related lease. The Foundation's leases may include variable lease payments and renewal options. Variable lease payments are excluded from the amounts used to determine the ROU assets and liabilities unless the variable lease payments depend on an index or rate or are in substance fixed payments. Lease payments related to periods subject to renewal options are also excluded from the amounts used to determine the ROU assets and liabilities unless the Foundation is reasonably certain to exercise the option to extend the lease. The present value of lease payments is calculated by utilizing the rate stated in the lease, when readily determinable. For leases for which this rate is not readily available, the Foundation has elected to use a risk-free discount rate, determined using a period comparable with that of the lease term. The Foundation has made an accounting policy election not to separate lease components from non-lease components in contracts when determining its lease payments for all of its asset classes, as permitted by ASU 2016-02. As such, the Foundation accounts for the applicable non-lease components together with the related lease components when determining the ROU assets and liabilities.

The Foundation has made an accounting policy election not to record leases with an initial term of less than a year as ROU assets and liabilities.

The Foundation leases office space under operating leases in New York City. The lease is deemed to be operating leases based on the underlying terms of the agreement and the criteria included in FASB Accounting Standards Codification (ASC) 842.

The following tables summarize information related to the lease assets and liabilities:

Year ended December 31, 2024

Lease costs:

Operating lease cost:		
Amortization of ROU assets	\$	286,864
Interest on lease liabilities		24,284
Total Lease Cost	\$	311,148

December 31, 2024

ROU assets and liabilities:

Operating lease ROU assets	\$	716,139
Operating lease liabilities		870,633

Year ended December 31, 2024

Other information:

Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$	155,092

Weighted-average remaining lease term - operating leases	2.42 years
Weighted-average discount rate - operating leases	4.62%

Rent expense of \$338,313 is recorded as a component of office and other expenses in consolidated statement of functional expenses.

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The following is a schedule of future minimum lease payments, including interest, under the term of the leases, together with the present value of the net minimum lease payments, as of December 31, 2024:

Year ending December 31,

2025	\$	375,459
2026		384,845
2027		161,999
Total Lease Payments		922,303
Less: amounts representing interest		51,670
Present Value of Lease Liabilities		870,633
Less: current portion		342,373
		\$ 528,260

16. Commitments and Contingency

Contingency

As described in Note 11, the Foundation preserves certain endowments, which, in the event a cure for schizophrenia is found, would be required to be forwarded to organizations specified by the donor. As of December 31, 2024, such endowments amounted to \$1,000,000 and are included as net assets with donor restrictions in the accompanying consolidated statement of financial position.

17. Subsequent Events

The Foundation's management has performed subsequent events procedures through May 9, 2025, which is the date the consolidated financial statements were made available to be issued, and there were no subsequent events requiring adjustment to the consolidated financial statements or disclosures.

Supplementary Information

National Alliance for Research on Schizophrenia and Depression, Inc.
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Consolidating Schedule of Financial Position
(with comparative totals for 2023)

December 31,

					Total	
	BBRF	The Institute	Eliminations		2024	2023
Assets						
Current Assets						
Cash and cash equivalents	\$ 38,044,181	\$ 40,348	\$ -	\$	38,084,529	\$ 26,905,317
Investments, at fair value, current portion	11,991,311	-	-		11,991,311	14,629,688
Contributions receivable	94,075	2,350	-		96,425	415,480
Pledges receivable, current portion	4,895	-	-		4,895	7,470
Prepaid expenses and other assets	302,557	-	-		302,557	230,236
Total Current Assets	50,437,019	42,698	-		50,479,717	42,188,191
Pledges Receivable, Net , less current portion	9,738	-	-		9,738	9,738
Assets Held in Charitable Remainder Trust	2,300,206	-	-		2,300,206	1,885,836
Fixed Assets, Net	8,085	-	-		8,085	9,684
Investments , at fair value, less current portion	8,947,449	-	-		8,947,449	8,947,449
Right-of-Use Asset	716,139	-	-		716,139	125,457
Total Assets	\$ 62,418,636	\$ 42,698	\$ -	\$	62,461,334	\$ 53,166,355
Liabilities and Net Assets						
Current Liabilities						
Accounts payable and accrued expenses	\$ 52,931	\$ -	\$ -	\$	52,931	\$ 75,069
Grants payable	15,014,698	-	-		15,014,698	14,887,604
Operating lease liability, current portion	342,373	-	-		342,373	148,179
Accrued compensation	71,023	-	-		71,023	48,077
Annuities payable	970,084	-	-		970,084	826,641
Charitable gift annuities payable	12,780	-	-		12,780	13,599
Total Current Liabilities	16,463,889	-	-		16,463,889	15,999,169
Operating Lease Liability , net, less current portion	528,260	-	-		528,260	-
Total Liabilities	16,992,149	-	-		16,992,149	15,999,169
Commitments and Contingency						
Net Assets						
Without donor restrictions	34,231,414	42,698	-		34,274,112	26,492,489
With donor restrictions	11,195,073	-	-		11,195,073	10,674,697
Total Net Assets	45,426,487	42,698	-		45,469,185	37,167,186
Total Liabilities and Net Assets	\$ 62,418,636	\$ 42,698	\$ -	\$	62,461,334	\$ 53,166,355

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Consolidating Schedule of Activities
(with comparative totals for 2023)

Year ended December 31,

				Total	
	BBRF	The Institute	Eliminations	2024	2023
Support and Revenue					
Contributions	\$ 15,475,933	\$ 113,999	\$ -	\$ 15,589,932	\$ 14,613,749
Special events (net of direct cost to donors of \$117,434 in 2024)	42,878	-	-	42,878	89,157
Non-financial contributions	2,054,955	-	-	2,054,955	2,048,285
Bequests	3,472,060	-	-	3,472,060	5,022,129
Net realized and unrealized gain on investments (net of investments fees of \$103,221)	3,698,514	-	-	3,698,514	3,929,558
Net appreciation of assets held in charitable remainder trust	414,370	-	-	414,370	184,399
Dividend and interest income	1,462,566	7	-	1,462,573	908,154
Grants from the Institute	110,000	-	(110,000)	-	-
Total Support and Revenue	26,731,276	114,006	(110,000)	26,735,282	26,795,431
Expenses					
Program services:					
Research grants and awards	10,722,382	-	-	10,722,382	9,232,426
Scientific advancement	2,397,371	-	-	2,397,371	2,309,627
Program support	2,513,497	-	-	2,513,497	2,352,532
Grants to NARSAD Research Institute, Inc.	-	110,000	(110,000)	-	-
Total Program Services	15,633,250	110,000	(110,000)	15,633,250	13,894,585
Supporting services:					
Fundraising*	989,718	-	-	989,718	897,389
Administration*	1,810,291	24	-	1,810,315	1,629,752
Total Supporting Services	2,800,009	24	-	2,800,033	2,527,141
Total Expenses	18,433,259	110,024	(110,000)	18,433,283	16,421,726
Change in Net Assets	8,298,017	3,982	-	8,301,999	10,373,705
Net Assets, beginning of year	37,128,470	38,716	-	37,167,186	26,793,481
Net Assets, end of year	\$ 45,426,487	\$ 42,698	\$ -	\$ 45,469,185	\$ 37,167,186

* All fundraising and administration expenses are funded by specially designated grants.