TISCH MULTIPLE SCLEROSIS RESEARCH CENTER OF NEW YORK, INC.

FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

TISCH MULTIPLE SCLEROSIS RESEARCH CENTER OF NEW YORK, INC.

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

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Independent Auditor's Report

To the Board of Directors of
Tisch Multiple Sclerosis Research Center of New York, Inc.
New York, New York

Opinion

We have audited the accompanying financial statements of the Tisch Multiple Sclerosis Research Center of New York, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years 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 Tisch Multiple Sclerosis Research Center of New York, Inc. as of December 31, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits 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 Tisch Multiple Sclerosis Research Center of New York, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

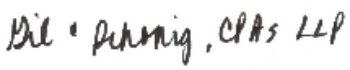
Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Tisch Multiple Sclerosis Research Center of New York, Inc.'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 Tisch Multiple Sclerosis Research Center of New York, Inc.'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.



Melville, New York
May 8, 2026

TISCH MULTIPLE SCLEROSIS RESEARCH CENTER OF NEW YORK, INC.

STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2025 AND 2024
(See Independent Auditor's Report)

ASSETS

	2025	2024
Current assets:		
Cash and cash equivalents	**$ 3,520,301**	$ 3,040,370
Accounts receivable	**31,939**	-0-
Pledges receivable	**-0-**	136,795
Prepaid expenses and other assets	**621,831**	663,966
Total current assets	**4,174,071**	3,841,131
Non-current assets:		
Security deposit	**33,683**	33,683
Property and equipment, net	**12,726,661**	12,603,060
Operating lease right-of-use asset, net	**10,736,100**	13,029,340
Total non-current assets	**23,496,444**	25,666,083
Total assets	**$ 27,670,515**	$ 29,507,214

LIABILITES AND NET ASSETS

Current liabilities:		
Accounts payable and accrued expenses	**$ 653,551**	$ 323,790
Due to related parties	**22,475**	-0-
Current portion of operating lease liability	**2,394,262**	2,284,562
Total current liabilities	**3,070,288**	2,608,352
Long term liabilities:		
Operating lease liability	**9,290,916**	11,685,179
Total liabilities	**12,361,204**	14,293,531
Net assets:		
Without donor restrictions	**15,182,796**	15,213,683
With donor restrictions	**126,515**	-0-
Total net assets	**15,309,311**	15,213,683
Total liabilities and net assets	**$ 27,670,515**	$ 29,507,214

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

TISCH MULTIPLE SCLEROSIS RESEARCH CENTER OF NEW YORK, INC.

STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(See Independent Auditor's Report)

	Without Donor Restrictions	**With Donor Restrictions**	**2025 Total**	Without Donor Restrictions	With Donor Restrictions	2024 Total
Grants and contributions	**$ 5,694,026**	**$ 135,000**	**$ 5,829,026**	$ 5,576,393	$ -0-	$ 5,576,393
Special events revenue, net of direct expenses of $334,983 and $312,772 in 2025 and 2024, respectively	**3,657,760**	**-0-**	**3,657,760**	4,565,248	-0-	4,565,248
Program income	**31,939**	**-0-**	**31,939**	-0-	247,000	247,000
Contributions in kind	**375,000**	**-0-**	**375,000**	375,000	-0-	375,000
Loss on sale of contributed securities	**(7,006)**	**-0-**	**(7,006)**	(8,044)	-0-	(8,044)
Other income	**226**	**-0-**	**226**	7,994	-0-	7,994
Net assets released from restrictions	**8,485**	**(8,485)**	**-0-**	247,000	(247,000)	-0-
Total support and revenue	**9,760,430**	**126,515**	**9,886,945**	10,763,591	-0-	10,763,591
Expenses:						
Program services:						
Research	**7,802,635**	**-0-**	**7,802,635**	8,793,488	-0-	8,793,488
Public information and education	**44,172**	**-0-**	**44,172**	339,978	-0-	339,978
Total program services	**7,846,807**	**-0-**	**7,846,807**	9,133,466	-0-	9,133,466
Supporting services:						
Management and general	**1,163,969**	**-0-**	**1,163,969**	1,105,227	-0-	1,105,227
Fundraising	**785,266**	**-0-**	**785,266**	824,349	-0-	824,349
Total supporting services	**1,949,235**	**-0-**	**1,949,235**	1,929,576	-0-	1,929,576
Total expenses	**9,796,042**	**-0-**	**9,796,042**	11,063,042	-0-	11,063,042
Change in net assets from operations	**(35,612)**	**126,515**	**90,903**	(299,451)	-0-	(299,451)
Other expense:						
Loss on disposition of fixed assets	**-0-**	**-0-**	**-0-**	(16,328)	-0-	(16,328)
Change in net assets	**(35,612)**	**126,515**	**90,903**	(315,779)	-0-	(315,779)
Net assets – beginning of year	**15,213,683**	**-0-**	**15,213,683**	15,549,880	-0-	15,549,880
Adjustment to net assets	**4,725**	**-0-**	**4,725**	(20,418)	-0-	(20,418)
Net assets, end of year	**$ 15,182,796**	**$ 126,515**	**$ 15,309,311**	$ 15,213,683	$ -0-	$ 15,213,683

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

TISCH MULTIPLE SCLEROSIS RESEARCH CENTER OF NEW YORK, INC.

STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(See Independent Auditor's Report)

	Program Services			Supporting Services				
	Research	Public Information and Education	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total 2025	Total 2024
Salaries and related costs:								
Salaries	$ 1,745,526	$ -0-	$ 1,745,526	$ 406,207	$ 200,305	$ 606,512	$ 2,352,038	$ 2,537,062
Payroll taxes and related costs	172,918	-0-	172,918	50,199	17,653	67,852	240,770	238,833
Employee benefits	493,907	-0-	493,907	129,072	57,771	186,843	680,750	809,643
Total salaries and related costs	2,412,351	-0-	2,412,351	585,478	275,729	861,207	3,273,558	3,585,538
Other expenses:								
Occupancy	2,250,995	-0-	2,250,995	282,805	281,180	563,985	2,814,980	2,737,022
Laboratory supplies and services	1,145,339	-0-	1,145,339	-0-	-0-	-0-	1,145,339	1,902,701
Insurance	72,737	-0-	72,737	37,203	8,591	45,794	118,531	106,832
Professional services	283,829	37,500	321,329	87,719	37,500	125,219	446,548	596,700
Equipment repairs and maintenance	234,214	-0-	234,214	10,202	10,202	20,404	254,618	274,482
Patient symposium	-0-	-0-	-0-	-0-	-0-	-0-	-0-	163,616
Office expenses and other	26,933	6,672	33,605	85,535	91,172	176,707	210,312	207,081
Conferences and travel	29,539	-0-	29,539	-0-	-0-	-0-	29,539	35,742
Fundraising and related expenses	-0-	-0-	-0-	-0-	6,075	6,075	6,075	6,075
Depreciation and amortization	1,346,698	-0-	1,346,698	74,817	74,817	149,634	1,496,332	1,446,711
Interest expense	-0-	-0-	-0-	210	-0-	210	210	542
Total other expenses	5,390,284	44,172	5,434,456	578,491	509,537	1,088,028	6,522,484	7,477,504
Total expenses	$ 7,802,635	$ 44,172	$ 7,846,807	$ 1,163,969	$ 785,266	$ 1,949,235	$ 9,796,042	$ 11,063,042

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

TISCH MULTIPLE SCLEROSIS RESEARCH CENTER OF NEW YORK, INC.

STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024, CONTINUED
(See Independent Auditor's Report)

	Program Services			Supporting Services			
	Research	Public Information and Education	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total 2024
Salaries and related costs:							
Salaries	$ 1,935,220	$ -0-	$ 1,935,220	$ 389,597	$ 212,245	$ 601,842	$ 2,537,062
Payroll taxes	187,541	-0-	187,541	33,203	18,089	51,292	238,833
Employee benefits	613,470	-0-	613,470	127,212	68,961	196,173	809,643
Total salaries and related costs	2,736,231	-0-	2,736,231	550,012	299,295	849,307	3,585,538
Other expenses:							
Occupancy	2,188,420	-0-	2,188,420	275,244	273,358	548,602	2,737,022
Laboratory supplies and services	1,902,701	-0-	1,902,701	-0-	-0-	-0-	1,902,701
Insurance	70,966	-0-	70,966	27,554	8,312	35,866	106,832
Professional services	280,256	175,587	455,843	78,357	62,500	140,857	596,700
Equipment repairs and maintenance	250,722	-0-	250,722	11,880	11,880	23,760	274,482
Patient symposium	-0-	163,616	163,616	-0-	-0-	-0-	163,616
Office expenses and other	26,409	775	27,184	89,303	90,594	179,897	207,081
Conferences and travel	35,742	-0-	35,742	-0-	-0-	-0-	35,742
Fundraising and related expenses	-0-	-0-	-0-	-0-	6,075	6,075	6,075
Depreciation and amortization	1,302,041	-0-	1,302,041	72,335	72,335	144,670	1,446,711
Interest expense	-0-	-0-	-0-	542	-0-	542	542
Total other expenses	6,057,257	339,978	6,397,235	555,215	525,054	1,080,269	7,477,504
Total expenses	$ 8,793,488	$ 339,978	$ 9,133,466	$ 1,105,227	$ 824,349	$ 1,929,576	$ 11,063,042

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

TISCH MULTIPLE SCLEROSIS RESEARCH CENTER OF NEW YORK, INC.

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(See Independent Auditor's Report)

	2025	2024
Cash flows from operating activities:		
Change in net assets	**$ 90,903**	$ (315,779)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Adjustment to net assets	**4,725**	(20,418)
Depreciation and amortization expense	**1,496,332**	1,446,711
Loss of disposal of fixed assets	**-0-**	16,328
Realized loss on sale of contributed securities	**7,006**	8,044
Contributed marketable securities	**(265,852)**	(373,237)
Proceeds from sale of contributed securities	**258,846**	365,193
Operating lease right-of-use asset amortization	**8,677**	80,912
Changes in operating assets and liabilities:		
(Increase)/decrease in:		
Accounts receivable	**(31,939)**	-0-
Pledges receivable	**136,795**	(88,295)
Prepaid expenses and other assets	**42,135**	(385,959)
Increase/(decrease) in:		
Accounts payable and accrued expenses	**329,761**	(110,571)
Due to related parties	**22,475**	(27,178)
Net cash provided by operating activities	**2,099,864**	595,751
Cash flows used in investing activities:		
Purchase of property and equipment	**(1,619,933)**	(1,087,676)
Net increase /(decrease) in cash and cash equivalents	**479,931**	(491,925)
Cash and cash equivalents - beginning of year	**3,040,370**	3,532,295
Cash and cash equivalents - end of year	**$ 3,520,301**	$ 3,040,370

Supplemental disclosure of cash flow information:
Non-cash transaction:
Property and equipment with carrying value of $-0- and $16,328 was disposed of during calendar year 2025 and 2024, respectively.

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

NOTE A – ORGANIZATION AND NATURE OF ACTIVITIES

The Tisch Multiple Sclerosis Research Center of New York, Inc. (the "Organization", "TMSRCNY") was incorporated in August 2005, under the laws of the State of New York, as a not-for-profit medical research center. TMSRCNY is a qualified charitable organization as defined by Internal Revenue Code Section 501(c)(3) and, accordingly, is exempt from federal income taxes and from state and local taxes under comparable laws.

In focusing on finding the cause and eventual cure of multiple sclerosis, TMSRCNY's research is designed to understand all aspects of multiple sclerosis, including research at the cellular and molecular levels.

TMSRCNY is governed by a Board of Directors that provides fiduciary oversight, strategic direction, and programmatic guidance. The Board meets periodically throughout the year to review financial performance, approve budgets, evaluate program outcomes, and assess organizational risk.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of TMSRCNY are reported according to two classes of net assets, when applicable: net assets without donor restrictions and net assets with donor restrictions.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

For the purpose of these financial statements, the Organization considers all investments with an original maturity of three months or less when purchased to be cash equivalents. At December 31, 2025 and 2024, TMSRCNY did not have any cash equivalents.

Concentration of Credit Risk

The Organization maintains its cash balances with high-quality financial institutions which are insured up to the Federal Deposit Insurance Corporation ("FDIC") limit. At December 31, 2025 and 2024, TMSRCNY's cash balances exceeded federally insured limits by approximately $3,595,500 and $2,717,400, respectively. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risks.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pledges Receivable

TMSRCNY uses the direct write-off method to account for uncollectible pledges receivable. Such write-offs are based on management's evaluation of the creditworthiness of individual donors, a review of individual donor accounts outstanding, the aging of its receivables, as well as current economic conditions and historical collection experience.

Investments

During the years ended December 31, 2025 and 2024, the Organization received contributions in the form of publicly traded securities totaling $265,852 and $373,237, respectively.

In accordance with the Organization's accounting policy, donated securities are recorded at their fair value on the date of donation based on quoted market prices. Unless otherwise restricted by the donor, donated securities are typically sold shortly after receipt, and the proceeds are used to support the Organization's programs and operations.

Property and Equipment

Property and equipment are stated at cost if purchased or fair market value if donated, less accumulated depreciation and amortization. Donated property and equipment are reported as contributions without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as contributions with donor restrictions. TMSRCNY reports expirations of donor restrictions when the donated or acquired assets are placed in service. TMSRCNY reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

Property and equipment are depreciated using a straight-line basis over the estimated useful lives of the assets, which range from 3 to 10 years. Leasehold improvements are amortized over the lesser of their useful lives or the term of the lease (which range from 8 to 17 years). TMSRCNY capitalizes property and equipment with an original cost of $2,000 or more and a useful life greater than one year.

Financial Statement Presentation

The Organization is required to report information regarding its financial position and activities according to the following net asset classifications:

Net Assets Without Donor Restrictions
Net assets that are not subject to donor-imposed stipulations and may be expended for any purpose in performing the primary objectives of the Organization.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Statement Presentation, Continued

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 may be perpetual in nature, whereby the donor may stipulate that the funds be maintained in perpetuity. Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the consolidated statements of activities.

Revenue Recognition

Contributions and Grants

In accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 958, *Not-for-Profit Entities*, contributions, including unconditional promises to give, are recognized as revenue at fair value when received or when the Organization is formally notified by the donor. Contributions with donor-imposed restrictions are reported as net assets with donor restrictions. When the restrictions are satisfied, the related amounts are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Conditional promises to give are not recognized as support until the conditions are substantially met.

Special Event and Other Revenue

Special event revenues are recognized when the related event occurs. In the accompanying statement of activities, special event revenue is presented net of direct donor benefit costs, such as food, beverages, entertainment, and other event-related expenses, in accordance with ASC Subtopic 958-605, *Not-for-Profit Entities – Revenue Recognition*.

Program service revenue is recognized in accordance with ASC 606, *Revenue from Contracts with Customers* as performance obligations under the related agreements are satisfied. Revenue is generally recognized over time as services are performed or as the related study activities are conducted.

Leases

TMSRCNY accounts for leases in accordance with ASC 842 *Leases*. The Organization determines whether an arrangement contains a lease at inception. Operating leases are included in right-of-use ("ROU") assets and lease liabilities in the accompanying statements of financial position.

ROU assets represent the Organization's right to use an underlying asset for the lease term, and lease liabilities represent the Organization's obligation to make lease payments arising from the lease. Lease liabilities are measured at the present value of future lease payments over the lease term using the Organization's incremental borrowing rate unless the rate implicit in the lease is readily determinable. ROU assets are generally measured based on the corresponding lease liability, adjusted for lease incentives, prepaid lease payments, and initial direct costs.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases, Continued

The lease term includes the non-cancelable period of the lease together with periods covered by renewal options when it is reasonably certain such options will be exercised.

The Organization has elected the short-term lease exemption for leases with an initial term of 12 months or less and does not recognize related ROU assets or lease liabilities for such leases. Short-term lease expense is recognized on a straight-line basis over the lease term.

Operating lease expense is recognized on a straight-line basis over the lease term and is included in occupancy expense in the accompanying statements of activities. Upon adoption of ASC 842, existing deferred rent balances were reclassified as adjustments to the related ROU assets. Subsequent to adoption, deferred rent is no longer separately recognized.

Additional quantitative and qualitative disclosures related to leases, including maturity analyses of lease liabilities and other information required by ASC 842, are included in Note I.

Donated Services and In-Kind Contributions

The Organization recognizes contributed services in accordance with ASC 958-605 *Not-for-Profit Entities – Revenue Recognition* when such services create or enhance nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

TMSRCNY received contributed services consisting primarily of professional research-related services. These services were valued based on estimated market rates for similar services and are reported as both contribution revenue and the related expense in the accompanying financial statements (see Note G).

Intellectual Property

The primary purpose of TMSRCNY in conducting research is to support its mission to find the cause, treatment and cure for multiple sclerosis. TMSRCNY recognizes that its research may result in discoveries that have commercial value. Therefore, it has adopted a policy that applies to all intellectual property (the "Policy") created through resources of or supported by TMSRCNY.

The Policy provides that all rights in intellectual property produced by TMSRCNY resources are its property. To assure reasonable development of such intellectual property, TMSRCNY files for patents when appropriate. The Policy also provides that if individual researchers at TMSRCNY were the creators of discoveries that result in income to TMSRCNY, these individuals may receive a share of such income based on a fixed schedule comparable to those in effect at other major research institutions.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cost Allocation

The financial statements report certain categories of expense that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include depreciation, amortization and occupancy costs, which are allocated on a square footage basis. Payroll taxes and employee benefit costs are allocated on the basis of percentage of total salaries. All other expenses are allocated by functional category.

Reclassifications

Certain reclassifications have been made to the 2024 balances to conform to the 2025 presentation.

NOTE C – RESTRICTIONS ON NET ASSETS

TMSRCNY may receive grants and other funding to conduct specific research studies and allocated to certain research programs. These funds are restricted to the operating costs and capital expenditures of the studies.

For the years ended December 31, 2025 and 2024, net assets with donor restrictions of $8,485 and $247,000 respectively, were released from donor restrictions. Interest earned on the investment of restricted support is without donor restrictions.

NOTE D – PLEDGES RECEIVABLE

Pledges receivable are unconditional promises to give consisting of the following as of December 31, 2025 and 2024:

	2025	2024
Amount due in less than one year	$ -0-	$ 136,795

There were no pledges receivable as of December 31, 2025. For the year ended December 31, 2024, no uncollectible pledges were written off.

NOTE E – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Organization manages its liquidity by maintaining sufficient cash and other financial assets to meet its general operating expenditures, liabilities, and other obligations as they come due. Excess cash is maintained in interest-bearing accounts to preserve liquidity and generate modest returns.

The following reflects the Organization's financial assets as of December 31, 2025 and 2024 that are available within one year to fund general expenditures:

	2025	2024
Financial assets:		
Cash and cash equivalents	$ 3,520,301	$ 3,040,370
Accounts receivable, due within one year	31,939	-0-
Pledges receivable, due within one year	-0-	136,795
Total financial assets available to meet general expenditures within one year	$ 3,552,240	$ 3,177,165

The Organization believes that it has resources available to meet general expenditures for the following year.

NOTE F – PROPERTY AND EQUIPMENT

Property and equipment consist of the following as of December 31, 2025 and 2024:

	2025	2024	Estimated Useful Life
Leasehold improvements	$ 17,839,106	$ 17,768,545	8-17 years
Research equipment	6,789,237	5,810,017	5-10 years
Office furniture and equipment	1,140,007	1,114,379	3-10 years
Software	19,895	19,895	3 years
Construction in progress	665,000	198,370	---
Property and equipment, at cost	26,453,245	24,911,206	
Less: accumulated depreciation and amortization	13,726,584	12,308,146	
Property and equipment, net	$ 12,726,661	$ 12,603,060	

Depreciation and amortization expense amounted to $1,496,332 and $1,446,711 for the years ended December 31, 2025 and 2024, respectively.

NOTE F – PROPERTY AND EQUIPMENT, (CONTINUED)

During the years ended December 31, 2025 and 2024, the Organization disposed of property and equipment with a total cost of $77,892 and $181,133, respectively. In 2024 TMSRCNY recognized a loss on disposal of $16,328. No such loss was incurred in 2025.

NOTE G – IN-KIND DONATED GOODS AND SERVICES

TMSRCNY receives contributed goods and services, which are valued at the estimated market rates on the date they are received. The Director/Chief Research Scientist of TMSRCNY (the "Director") is a member of the Board of Directors of TMSRCNY (see Note H). He donates time to TMSRCNY without compensation from TMSRCNY, as noted below.

The value of these services provided by the Director to TMSRCNY was $375,000 for each of the years ended December 31, 2025 and 2024 and are included in professional services on the statements of functional expenses.

NOTE H – RELATED PARTY TRANSACTIONS

Pursuant to an agreement between TMSRCNY and the International Multiple Sclerosis Management Practice ("IMSMP"), a separate and distinct for-profit company, TMSRCNY shares space in the same facility with IMSMP and, consequently, shares certain costs (including leasehold improvements) associated with the facility, which have been allocated based on the square-foot usage for each entity. In addition, IMSMP may from time to time provide advances to TMSRCNY.

TMSRCNY also engages IMSMP and its related entity, the Multiple Sclerosis Medical Practice of New York ("MSMPNY"), to perform certain clinical services in connection with its research. As of December 31, 2025, and 2024, TMSRCNY owed $22,475 and $-0-, respectively, to IMSMP and MSMPNY for its share of these costs, as well as rent, advances, and clinical services. As of December 31, 2025 and 2024, IMSMP and MSMPNY owed $-0- and $17,013, respectively to the Organization.

The Director of TMSRCNY is also the sole stockholder of IMSMP and MSMPNY, which are separate legal entities. These entities are considered related parties under U.S. GAAP. In accordance with FASB ASC 958-810, *Not-for-Profit Entities – Consolidation*, TMSRCNY does not consolidate IMSMP or MSMPNY as it does not have both control and an ongoing economic interest in either entity. Procedures are in place to ensure the proper allocation of shared expenses, and all related party transactions are conducted at amounts that approximate fair value.

In addition to the research related services provided (see Note G), the Director contributed cash totaling $427,700 and $340,399 for the years ended December 31, 2025 and 2024, respectively. These contributions are included in grant and contributions revenue in the accompanying statements of activities.

NOTE I – COMMITMENTS AND CONTINGENCIES

Lease Commitments

TMSRCNY and IMSMP share space pursuant to a sublease, as amended, that commenced on January 1, 2006 and was renewed on June 30, 2020, whereby IMSMP subleases to TMSRCNY a portion of the 3rd and 4th floors at 521 West 57th Street, New York, NY to TMSRCNY (see Note H). IMSMP has renewed its lease through June 30, 2040. TMSRCNY has extended its sublease with IMSMP through June 29, 2030. TMSRCNY has an obligation as a lessee for this office space under a non-cancelable lease ending on June 29, 2030. TMSRCNY classified this lease as an operating lease.

The following summarizes the line items in the balance sheet which include amounts for this operating lease as of December 31, 2025 and 2024:

	2025	2024
Operating lease right-of-use-asset, net	$ 10,736,100	$ 13,029,340
Operating lease liability – current	$ 2,394,262	$ 2,284,562
Operating lease liability - long-term	9,290,916	11,685,179
Total operating lease liability	$ 11,685,178	$ 13,969,741

The ROU asset and lease liability were calculated utilizing the risk-free discount rate (1.5%), according to TMSRCNY's elected policy. The remaining lease term on the lease is approximately 4.5 years.

Undiscounted future minimum lease payments displayed by year (and in the aggregate) under non-cancelable operating leases with terms of greater than one year, as of December 31, 2025, have been reconciled to the total operating and finance lease liabilities recognized on the balance sheet as of December 31, 2025:

Year ended December 31,	Amount
2026	$ 2,554,538
2027	2,631,174
2028	2,710,110
2029	2,791,413
2030	1,416,333
Total lease payments	12,103,568
Less: imputed interest	418,390
Present value of lease liabilities	$ 11,685,178

NOTE I – COMMITMENTS AND CONTINGENCIES, (CONTINUED)

Lease Commitments, Continued

The rent expense allocated to TMSRCNY is apportioned based on its square foot usage and/or future intended usage. TMSRCNY is committed by the terms of the sublease to pay a proportionate share of escalation charges.

Rent expense computed on the straight-line basis, totaled $2,488,811 for each of the years ended December 31, 2025 and 2024 and is included in occupancy expense in the accompanying financial statements.

NOTE J - INCOME TAXES

TMSRCNY is not aware of any uncertain tax positions as of December 31, 2025 and 2024 in accordance with ASC Topic 740 *Income Taxes*, which provides standards for establishing and classifying any tax provisions for uncertain tax positions. TMSRCNY is subject to federal, state and local income tax examinations by tax authorities for the years ended subsequent to December 31, 2022.

NOTE K –RETIREMENT PLAN

TMSRCNY maintains an employee benefit plan (the "Plan") under Section 401(k) of the Internal Revenue Code that permits eligible employees to make elective salary deferrals in accordance with the terms of the Plan.

TMSRCNY may also make discretionary matching contributions. For the years ended December 31, 2025 and 2024, TMSRCNY matched employees' contributions up to 8% of eligible compensation. Employer matching contributions totaled $108,169 and $120,437 for 2025 and 2024, respectively. The 2025 employer matching contributions were fully funded through plan forfeitures and, accordingly, did not result in pension expense to the Organization for the year ended December 31, 2025. Employer contributions for 2024 are included in employee benefits expense in the accompanying financial statements.

NOTE L – CONCENTRATIONS OF MAJOR DONORS

For the years ended December 31, 2025 and 2024, TMSRCNY received contributions from major donors, as follows:

	2025	2024
Number of major donors	4	4
Amount donated	$ 4,626,000	$ 5,300,000
% of total support and revenue	47 %	49%

In both 2025 and 2024, the major donors consisted of four not-for-profit foundations, three of which are controlled by Board Members. All four of the not-for-profit foundations were the same in both years.

NOTE M –SUBSEQUENT EVENTS

Management has evaluated events subsequent to the date of the statement of financial position through May 8, 2026, the date the financial statements were available to be issued. No events requiring recognition or disclosure were identified during this period.