The Wenner-Gren Foundation for Anthropological Research, Inc.

Financial Statements

December 31, 2023 and 2022

PKF O'CONNOR DAVIES ACCOUNTANTS AND ADVISORS

Independent Auditors' Report

Board of Trustees
The Wenner-Gren Foundation for
Anthropological Research, Inc.

Opinion

We have audited the accompanying financial statements of The Wenner-Gren Foundation for Anthropological Research, Inc., which comprise the statements of financial position as of December 31, 2023 and 2022, 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 Wenner-Gren Foundation for Anthropological Research, Inc. as of December 31, 2023 and 2022, 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The Wenner-Gren Foundation for Anthropological Research, 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 Wenner-Gren Foundation for Anthropological Research, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

PKF O'Connor Davies, LLP

October 21, 2024

The Wenner-Gren Foundation for Anthropological Research, Inc.

Statements of Financial Position

	December 31 2023	December 31 2022
ASSETS		
Cash and cash equivalents	$ 307,642	$ 446,983
Accrued investment income receivable	3,530	2,840
Due from broker and other receivables	257,888	162,844
Prepaid expense and deposits	222,239	234,621
Investments	201,374,295	194,218,402
Furniture, equipment and leasehold improvements, net	246,279	357,880
Right of use asset, operating lease, net	2,039,883	2,392,284
	$ 204,451,756	$ 197,815,854
LIABILITIES AND NET ASSETS		
Liabilities		
Grants payable	$ 2,499,172	$ 2,409,093
Accounts payable and accrued expenses	410,706	350,645
Refundable advance	266,238	267,917
Post-retirement medical benefits obligation	923,981	826,841
Lease liability	2,081,822	2,413,253
Total Liabilities	6,181,919	6,267,749
Net assets without donor restrictions	198,269,837	191,548,105
	$ 204,451,756	$ 197,815,854

See notes to financial statements

The Wenner-Gren Foundation for Anthropological Research, Inc.

Statements of Activities

	Year Ended December 31 2023	Year Ended December 31 2022
SUPPORT AND REVENUE		
Investment Return		
Interest and dividends	$ 576,595	$ 291,509
Realized and unrealized gain (loss) on investments	17,590,824	(22,294,469)
	18,167,419	(22,002,960)
Investment expenses	403,673	496,040
Total Investment Return	17,763,746	(22,499,000)
Grants and contributions	485,091	147
Other income	34,932	28,238
Total Support and Revenue, net of Investment Return	18,283,769	(22,470,615)
EXPENSES		
Program Expenses		
Individual research grants	3,653,316	3,560,246
Capacity building and outreach	3,495,521	2,873,257
Program support, planning and development	2,849,598	2,757,561
Total Program Expenses	9,998,435	9,191,064
Operations and governance	1,466,462	1,302,361
Total Expenses	11,464,897	10,493,425
Change in post-retirement medical benefits obligation	(97,140)	307,898
Change in Net Assets	6,721,732	(32,656,142)
NET ASSETS WITHOUT DONOR RESTRICTIONS		
Beginning of year	191,548,105	224,204,247
End of year	$ 198,269,837	$ 191,548,105

See notes to financial statements

The Wenner-Gren Foundation for Anthropological Research, Inc.

Statement of Functional Expenses
Year Ended December 31, 2023

	Program Expenses					
	Individual Research Grants	Capacity Building and Outreach	Program Support, Planning and Development	Total Program Expenses	Operations and Governance	Total
Research						
Dissertation fieldwork and PhD research grants	$ 3,385,987	$ -	$ -	$ 3,385,987	$ -	$ 3,385,987
Engaged research grants	267,329	-	-	267,329	-	267,329
Fellowships						
Hunt postdoctoral fellowships	-	840,002	-	840,002	-	840,002
Fejos postdoctoral fellowships in ethnographic film	-	240,000	-	240,000	-	240,000
Wadsworth fellowships	-	442,631	-	442,631	-	442,631
SAPIENS public fellowships	-	62,250	-	62,250	-	62,250
Conferences						
Symposia	-	206,469	-	206,469	-	206,469
Conference and workshop grants	-	685,800	-	685,800	-	685,800
Publications						
SAPIENS	-	918,380	-	918,380	-	918,380
Current Anthropology/WG symposia supplements	-	1,500	-	1,500	-	1,500
Other grant programs	-	98,489	-	98,489	-	98,489
Salaries	-	-	1,425,936	1,425,936	721,558	2,147,494
Payroll taxes	-	-	95,940	95,940	48,548	144,488
Employee benefits	-	-	451,838	451,838	228,641	680,479
General office	-	-	84,307	84,307	42,662	126,969
Equipment and software	-	-	100,071	100,071	50,639	150,710
Warehouse and storage	-	-	51,085	51,085	25,850	76,935
Board of trustees and advisory council meetings	-	-	49,914	49,914	21,808	71,722
Program consultants	-	-	174,144	174,144	-	174,144
Travel and meetings	-	-	55,607	55,607	28,139	83,746
Rent and occupancy	-	-	265,447	265,447	134,323	399,770
Depreciation and amortization	-	-	74,103	74,103	37,498	111,601
Insurance	-	-	21,206	21,206	10,731	31,937
Legal and accounting	-	-	-	-	116,065	116,065
Total	$ 3,653,316	$ 3,495,521	$ 2,849,598	$ 9,998,435	$ 1,466,462	$ 11,464,897

See notes to financial statements

The Wenner-Gren Foundation for Anthropological Research, Inc.

Statement of Functional Expenses
Year Ended December 31, 2022

	Program Expenses					
	Individual Research Grants	Capacity Building and Outreach	Program Support, Planning and Development	Total Program Expenses	Operations and Governance	Total
Research						
Dissertation fieldwork and PhD research grants	$ 3,033,265	$ -	$ -	$ 3,033,265	$ -	$ 3,033,265
Engaged research grants	526,981	-	-	526,981	-	526,981
Fellowships						
Hunt postdoctoral fellowships	-	884,433	-	884,433	-	884,433
Fejos postdoctoral fellowships in ethnographic film	-	160,000	-	160,000	-	160,000
Wadsworth fellowships	-	446,629	-	446,629	-	446,629
SAPIENS public fellowships	-	67,250	-	67,250	-	67,250
Conferences						
Symposia	-	152,488	-	152,488	-	152,488
Conference and workshop grants	-	526,020	-	526,020	-	526,020
Publications						
SAPIENS	-	448,669	-	448,669	-	448,669
Current Anthropology/WG symposia supplements	-	22,208	-	22,208	-	22,208
Other grant programs	-	165,560	-	165,560	-	165,560
Salaries	-	-	1,355,914	1,355,914	638,077	1,993,991
Payroll taxes	-	-	87,670	87,670	41,257	128,927
Employee benefits	-	-	458,633	458,633	215,827	674,460
General office	-	-	87,598	87,598	41,223	128,821
Equipment and software	-	-	100,497	100,497	47,293	147,790
Warehouse and storage	-	-	36,859	36,859	17,346	54,205
Board of trustees and advisory council meetings	-	-	53,422	53,422	20,186	73,608
Program consultants	-	-	182,085	182,085	-	182,085
Travel and meetings	-	-	26,472	26,472	12,457	38,929
Rent and occupancy	-	-	271,909	271,909	127,957	399,866
Depreciation and amortization	-	-	75,889	75,889	35,713	111,602
Insurance	-	-	20,613	20,613	9,700	30,313
Legal and accounting	-	-	-	-	95,325	95,325
Total	$ 3,560,246	$ 2,873,257	$ 2,757,561	$ 9,191,064	$ 1,302,361	$ 10,493,425

See notes to financial statements

The Wenner-Gren Foundation for Anthropological Research, Inc.

Statements of Cash Flows

	Year Ended December 31	
	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ 6,721,732	$ (32,656,142)
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation and amortization	111,601	111,602
Realized and unrealized (gain) loss on investments	(17,590,824)	22,294,469
Change in post-retirement medical benefits obligation	97,140	(307,898)
Amortization of right of use asset - operating lease	352,401	347,306
Changes in operating assets and liabilities		
Accrued investment income receivable	(690)	(1,034)
Due from broker and other receivables	(95,044)	4,053,435
Prepaid expenses and deposits	12,382	151,303
Grants payable	90,079	(342,528)
Accounts payable and accrued expenses	60,061	25,987
Refundable advance	(1,679)	267,917
Lease liability	(331,431)	(326,337)
Net Cash from Operating Activities	(10,574,272)	(6,381,920)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of furniture, equipment and leasehold improvements	-	(90,803)
Purchase of investments	(8,648,369)	(18,854,918)
Proceeds from sales of investments and return of capital distributions	19,631,880	23,416,307
Net change in short-term investments	(548,580)	1,953,688
Net Cash from Investing Activities	10,434,931	6,424,274
Net Change in Cash and Cash Equivalents	(139,341)	42,354
CASH AND CASH EQUIVALENTS		
Beginning of year	446,983	404,629
End of year	$ 307,642	$ 446,983
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Unrelated business income taxes paid	$ 12,583	$ 18,379

See notes to financial statements

1. Organization and Tax Status

The Wenner-Gren Foundation for Anthropological Research, Inc. (the "Foundation") supports research in all branches of anthropology throughout the world.

The Foundation has qualified as a charitable organization which is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code of 1986 as amended; however, it pays unrelated business income tax on the income from certain limited partnerships. It is an exempt operating foundation as defined in Sections 509(a) and 4940(d)(2) of the Code. Its primary source of revenue is income from its investments.

2. Summary of Significant Accounting Policies

Basis of Presentation and Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States ("US GAAP") requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Recently Adopted Accounting Standards

In June 2016, the Financial Accounting Standards Board issued an accounting pronouncement related to the measurement of credit losses on financial instruments. This pronouncement and subsequently issued Accounting Standards Updates, clarified certain provisions of the new guidance, changed the impairment model for most financial assets and required the use of an "expected loss" model for instruments measured at amortized cost. Under this model, entities are required to estimate the lifetime expected credit losses on such instruments and record an allowance to offset the amortized cost basis of the financial asset, resulting in a net presentation of the amount expected to be collected on the financial asset. The adoption of this guidance on January 1, 2023 did not have a material effect on the financial statements.

Cash and Cash Equivalents

Cash and cash equivalents includes cash balances held in bank accounts and short-term investments with maturities of three months or less at the time of purchase, except for the short-term investments held by the Foundation as part of its long-term investment strategy.

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

Fair Value Measurements

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

Pursuant to US GAAP guidance, alternative investments where fair value is measured using the Net Asset Value ("NAV") per share as a practical expedient are not categorized within the fair value hierarchy.

Investments Valuation

Investments are carried at fair value. The fair value of alternative investments has been estimated using NAV as reported by the management of the respective alternative investment. US GAAP provides for the use of NAV as a "practical expedient" for estimating fair value of alternative investments. NAV reported by each alternative investment fund is used as a practical expedient to estimate the fair value of the Foundation's interest therein.

Investment Income Recognition

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis and dividends are recorded on the ex-dividend date. Realized and unrealized gains and losses are included in the determination of the change in net assets.

Investment Expenses

Investment expenses on the statements of activities include those fees paid directly to the Foundation's investment managers and custodians as well as consulting fees, taxes and legal fees associated with investments.

Investment Risks and Uncertainties

Alternative investments consist of non-traditional, not readily marketable investments, some of which may be structured as offshore limited partnerships, venture capital funds, hedge funds, private equity funds and common trust funds. The underlying investments of such funds, whether invested in stock or other securities, are generally not currently traded in a public market and typically are subject to restrictions on resale. Values determined by investment managers and general partners of underlying securities that are thinly traded or not traded in an active market may be based on historical cost, appraisals, a review of the investees' financial results, financial condition and prospects, together with comparisons to similar companies for which quoted market prices are available or other estimates that require varying degrees of judgment.

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

Investment Risks and Uncertainties (continued)

Because of the inherent uncertainty of valuations, the estimated fair values may differ significantly from the values that would have been used had a ready market for such investments existed or had such investments been liquidated, and those differences could be material.

Furniture, Equipment, and Leasehold Improvements

The Foundation follows the practice of capitalizing all expenditures for furniture, equipment, and leasehold improvements with a cost in excess of $5,000. Furniture, equipment, and leasehold improvements are stated at cost. Furniture, equipment and website development costs are depreciated on the straight-line method over their estimated useful lives of 3 to 10 years and leasehold improvements are amortized over the life of the lease or asset, whichever is shorter.

Leases

The Foundation determines if an arrangement is or contains a lease at inception. The office lease is reflected as a right-of-use ("ROU") asset and a lease liability in the statements of financial position. The ROU asset represents the right to use an underlying asset for the lease term and the lease liability represents the obligation to make lease payments arising from the lease. The ROU asset and lease liability are recognized at the lease commencement date on the present value of the future minimum lease payments over the lease term on a straight-line basis. The Foundation does not report the ROU asset and lease liability for its short-term leases (leases with a term of 12 months or less). Instead, the lease payments of those leases are reported as lease expense on a straight-line basis over the lease term. The Foundation's lease agreement does not contain any material residual value guarantees or material restrictive covenants.

Grants

Grants are recorded as an expense when approved by the President of the Foundation and the recipient is notified.

Contributions

The Foundation recognizes contributions when cash, a nonfinancial asset, or an unconditional promise to give is received. Revenue from conditional promises to give, which have a measurable performance or other barrier and a right of return, is not recognized until the conditions which they depend on have been met. Amounts received prior to these conditions being met are reported as refundable advances in the statements of financial position. Amounts received that are designated for future periods or restricted by the donor are reported as support with donor restrictions and increases net assets with donor restrictions.

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

Net Asset Presentation

Net assets without donor restrictions include funds having no restriction as to use or purpose imposed by donors. Net assets with donor restrictions are those whose use is limited by donors to a specific time period or purpose or are limited by donors for investments perpetual in nature. As of December 31, 2023 and 2022 all net assets were without donor restrictions.

Functional Allocation of Expenses

The financial statements report certain categories of expenses that are attributable to more than one programmatic activity or operations and governance of the Foundation. These expenses include depreciation and amortization, salaries and benefits, general office, board of trustees and advisory council, travel and meetings, rent and occupancy, and insurance expenses. These are allocated based on the assessment of where a Foundation's employee's time and effort are spent.

Accounting for Uncertainty in Income Taxes

The Foundation recognizes the effect of income tax positions only if those positions are more likely than not to be sustained. Management has determined that the Foundation had no uncertain tax positions that would require financial recognition or disclosure. The Foundation is no longer subject to examinations by the applicable taxing jurisdictions for periods prior to December 31, 2020.

Reclassifications

Certain amounts contained in the 2022 financial statements have been reclassified to conform to the 2023 presentation.

Subsequent Events

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is October 21, 2024.

3. Pension Plan

The Foundation has a defined contribution 401(k) retirement plan covering all full-time employees. Contributions are 10% of each participant's salary within the social security earnings base and 15.7% for salaries above the base subject to ceilings. Contributions to the retirement plan were $223,048 and $203,402 in 2023 and 2022.

4. Fair Value Measurements

The following are the classes and major categories of investments grouped by the fair value hierarchy for those investments measured at fair value on a recurring basis at December 31:

	2023		
	Level 1	Investments Values Using NAV (*)	Total
Marketable Equities			
Consumer	$ 1,667,891	$ -	$ 1,667,891
Healthcare	720,024	-	720,024
Information technology	6,737,001	-	6,737,001
Financial	1,466,781	-	1,466,781
Communcation	1,035,103	-	1,035,103
Materials	242,319	-	242,319
International	476,860	-	476,860
Industrials	311,524	-	311,524
Mutual funds			
Domestic equities	7,963,207		7,963,207
Hedge funds	-	67,803,773	67,803,773
Commingled funds	-	13,218,329	13,218,329
Venture capital/fund of funds	-	40,016,423	40,016,423
Private equities	-	29,547,992	29,547,992
Distressed securities funds	-	788,290	788,290
Natural resources funds	-	12,039,985	12,039,985
Real estate funds	-	4,002,942	4,002,942
Total Investments at Fair Value	$ 20,620,710	$ 167,417,734	188,038,444
Short-term cash investments, at cost			13,335,851
Total Investments			$ 201,374,295

4. Fair Value Measurements *(continued)*

	2022		
	Level 1	Investments Values Using NAV (*)	Total
Marketable Equities			
Consumer	$ 1,242,427	$ -	$ 1,242,427
Healthcare	950,557	-	950,557
Information technology	5,074,301	-	5,074,301
Financial	623,890	-	623,890
Communication	742,897	-	742,897
Materials	215,279	-	215,279
Industrial	506,311	-	506,311
Mutual Funds			
Domestic equities	7,146,967	-	7,146,967
Hedge funds	-	71,680,805	71,680,805
Commingled funds	-	11,029,880	11,029,880
Venture capital/fund of funds	-	39,472,088	39,472,088
Private equities	-	27,463,151	27,463,151
Distressed securities funds	-	818,887	818,887
Natural resources funds	-	12,558,633	12,558,633
Real estate funds	-	1,905,058	1,905,058
Total Investments at Fair Value	$ 16,502,629	$ 164,928,502	181,431,131
Short-term cash investments, at cost			12,787,271
Total Investments			$ 194,218,402

(*) As discussed in Note 2, investments that are measured using the practical expedient are not classified within the fair value hierarchy.

Information regarding investments valued at NAV using the practical expedient at December 31, 2023 is as follows:

	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Hedge funds see "a" below	$ 67,803,773	$ -	Quarterly - Annually	20 - 90 days
Commingled funds see "b" below	13,218,329	1,623,144	Weekly - Monthly	3 - 30 days
Venture capital/fund of funds see "c" belov	40,016,423	12,350,339	N/A *	N/A *
Private equities see "d" below	29,547,992	6,513,351	N/A *	N/A *
Distressed securities funds see "e" below	788,290	66,169	N/A *	N/A *
Natural resources funds see "f" below	12,039,985	509,674	N/A *	N/A *
Real estate funds see "g" below	4,002,942	557,886	N/A *	N/A *
Total	$167,417,734	$ 21,620,563		

* These investments are illiquid investments.

4. Fair Value Measurements *(continued)*

a. This category includes hedge fund investments in long/short strategies in a variety of areas such as US and global equities, event-driven situations and distressed securities. 55% of investments in this category can be redeemed on a quarterly basis, 24% on a semi-annual basis, and 21% of investments in this category have liquidity on an annual basis.

b. This category includes long-only investments in commingled funds. Investments in this category can be redeemed on a weekly to month basis.

c. This category includes venture capital/fund of funds investments primarily in early stage growth startup companies. These are long-term investments that cannot be redeemed at the discretion of the Foundation. Instead, distributions are received through the liquidation of the underlying assets of the funds. Management has estimated that the underlying assets of the funds will be liquidated over 5 to 10 years.

d. This category includes private equity investments in domestic and international equity securities, leveraged buy-outs and growth capital situations. These are long-term investments that cannot be redeemed at the discretion of the Foundation. Instead, distributions are received through the liquidation of the underlying assets of the funds. Management has estimated that the underlying assets of the funds will be liquidated over 5 to 10 years.

e. This category includes private investments in credit and distressed securities and other special situations. These are long-term investments that cannot be redeemed at the discretion of the Foundation. Instead, distributions are received through the liquidation of the underlying assets of the funds. Management has estimated that the underlying assets of the funds will be liquidated over 5 to 10 years.

f. This category includes private investments in the energy and natural resources sector. These are long-term investments that cannot be redeemed at the discretion of the Foundation. Instead, distributions are received through the liquidation of the underlying assets of the funds. Management has estimated that the underlying assets of the funds will be liquidated over 5 to 10 years.

g. This category includes private real estate investments in land and commercial real estate properties throughout the United States. These are long-term investments that cannot be redeemed at the discretion of the Foundation. Instead, distributions are received through the liquidation of the underlying assets of the funds. Management has estimated that the underlying assets of the funds will be liquidated over 5 to 15 years.

The above fair value measurement categories do not include any lock-up provisions relating to investments in 2023.

5. Liquidity and Availability of Financial Assets

The following reflect the Foundation's financial assets available as of December 31, to meet cash needs for expenditures within one year of the date of the statements of financial position:

	2023	2022
Financial Assets:		
Cash and cash equivalents	$ 307,642	$ 446,983
Accrued investment income receivable	3,530	2,840
Due from broker and other receivables	257,888	162,844
Investments	201,374,295	194,218,402
Total financial assets	201,943,355	194,831,069
Less: Contractual restrictions		
Letter of credit	91,504	91,504
Illiquid investments	86,395,632	82,217,817
	86,487,136	82,309,321
Financial assets available to meet general expenditures over the next twelve months	$ 115,456,219	$ 112,521,748

The Foundation's working capital and cash flows are driven by its investment portfolio and investment return. As part of the Foundation's liquidity management strategy, the Foundation seeks to maintain adequate liquidity to meet its obligations, including its operating budget and capital calls relating to the Foundation's private investment portfolio. The Foundation also maintains a line of credit of $8,000,000 with a bank that can be drawn upon as needed during the year. The Foundation structures its financial assets to maintain an approximate cash balance equivalent to twelve months operating and investment cash flow needs. The Foundation's Investment and Budget Committee oversees the cash management of the Foundation. Other than the illiquid investments and the letter of credit, all of the Foundation's other financial assets are available for general expenditure within one year of the date of the statement of financial position.

6. Furniture, Equipment and Leasehold Improvements

Furniture, equipment and leasehold improvements of the Foundation were as follows at December 31:

	2023	2022
Furniture and office equipment	$344,475	$344,475
Leasehold improvements	139,350	139,350
Website development costs	238,776	238,776
	722,601	722,601
Less: accumulated depreciation and amortization	476,322	364,721
	$246,279	$357,880

7. Post-Retirement Medical Benefits Obligation

The Foundation provides non-contributory post-retirement medical benefits to senior management and long-serving staff. To qualify for post-retirement medical benefits, employees must be eligible for Medicare and meet years of service requirements. The Foundation will pay an annual maximum of $1,100 towards either the cost of Medicare B coverage or supplemental Medicare coverage. The annual dollar maximum is waived for persons who served as senior management. The Foundation funds its postretirement benefits costs on a pay as you go basis.

The accumulated post-retirement medical benefit obligation at December 31 is as follows:

	2023	2022
Retirees	$ 87,572	$ 89,340
Active employees	836,409	737,501
	$ 923,981	$ 826,841

A 4.18% and 5.02% discount rate was used to determine benefit obligations at December 31, 2023 and 2022.

During 2023 and 2022, the Foundation paid $9,975 and $9,412 for post-retirement medical benefits. The expected payments to be made over the next ten years are as follows:

2024	$ 12,315
2025	33,606
2026	55,162
2027	53,975
2028	52,553
2029 to 2033	246,463
	$ 454,074

8. Lease

In 2019, the Foundation entered into a ten-year operating lease agreement expiring in June 2029 for office space. The Foundation has made an accounting policy election to use a risk-free rate in lieu of its incremental borrowing rate to discount future lease payments. As of December 31, 2023 and 2022, the remaining lease term for the Foundation's operating lease was 5.5 years and 6.5 years and the weighted average discount rate was 1.55%. Operating cash flows related to the lease was $366,016 for each of the years ended December 31, 2023 and 2022.

8. Lease *(continued)*

The Foundation amortizes the operating lease ROU asset over the life of the lease agreement. ROU assets consist of the following at December 31:

	2023	2022
Right of use assets	$ 2,739,590	$ 2,739,590
Less: Acumulated amortization	(699,707)	(347,306)
Present value of right of use assets	$ 2,039,883	$ 2,392,284

Future maturities of lease liabilities are presented in the following table for the fiscal years ending December 31:

2024	$ 394,611
2025	394,611
2026	394,611
2027	394,611
2028	394,611
Thereafter	197,305
Total future minimum payments	2,170,360
Less: imputed interest	(88,538)
Total lease liability	$2,081,822

Rent expense for each of the years ended December 31, 2023 and 2022 was $386,986.

The Foundation has an outstanding irrevocable standby letter of credit in the amount of $91,504. The letter of credit earns a .05% interest rate. The letter of credit is used to provide a security deposit for the lease of the Foundation's premises at 655 Third Avenue, New York City. The letter of credit is collateralized by a money market account included in investments and amounted to $102,769 and $99,932 at December 31, 2023 and 2022.

9. Line of Credit

Effective June 14, 2022, the Foundation established a $8,000,000 line of credit with BNY Mellon, which it can draw upon as needed for general operating purposes. The interest rate is equal to the Federal Funds Target Rate plus 150 basis points. The line of credit shall continue in effect for so long as any of the obligations remain unpaid or any capacity to borrow pursuant to the line of credit remains available to the Foundation. The Foundation pledged investment security accounts as collateral. There was no balance outstanding on the line at December 31, 2023 and 2022.

10. Concentration of Credit Risk

Financial instruments that potentially subject the Foundation to concentrations of credit and market risk consist principally of cash, cash equivalents, and investments held at financial institutions.

Deposits held at financial institutions insured by the Federal Deposit Insurance Corporation (“FDIC”) are insured up to $250,000. Investment holdings at financial institutions insured by the Securities Investor Protection Corporation (“SIPC”) are insured up to $500,000 ($250,000 for cash holdings).

The investment portfolio is diversified by type of investments and industry concentrations so that no individual investment, investment advisor, investment manager or group investments represents a significant concentration of credit risk.

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