

**THE ELIZABETH TAYLOR AIDS FOUNDATION**  
(A Not-for-Profit California Corporation)

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**FINANCIAL STATEMENTS**  
December 31, 2023 and 2022



**THE ELIZABETH TAYLOR AIDS FOUNDATION**  
(A Not-for-Profit California Corporation)

**T A B L E O F C O N T E N T S**

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
The Elizabeth Taylor AIDS Foundation  
(A Not-For-Profit California Corporation)

### Report on the Audit of the Financial Statements

#### *Opinion*

We have audited the financial statements of The Elizabeth Taylor AIDS Foundation (a not-for-profit California corporation), 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 accompanying financial statements present fairly, in all material respects, the financial position of The Elizabeth Taylor AIDS Foundation 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 ("U.S. GAAP").

#### *Basis for Opinion*

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("U.S. GAAS"). 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 Elizabeth Taylor AIDS Foundation 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 U.S. GAAP, 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 Elizabeth Taylor AIDS Foundation's ability to continue as a going concern for one year after the date that the financial statements are 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 U.S. 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 financial statements.

To the Board of Directors  
The Elizabeth Taylor AIDS Foundation

In performing an audit in accordance with U.S. GAAS, 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 Elizabeth Taylor AIDS 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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about The Elizabeth Taylor AIDS 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.

BPM LLP

Santa Monica, California  
May 17, 2024

**THE ELIZABETH TAYLOR AIDS FOUNDATION**  
(A Not-for-Profit California Corporation)

**STATEMENTS OF FINANCIAL POSITION**

As of December 31, 2023 and 2022

	2023	2022
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 1,325,261	\$ 2,812,100
Contributions receivable	3,269,507	636,301
Investments, at fair value	49,814	31,906
Total current assets	4,644,582	3,480,307
Property and equipment	-	9,509
Other assets	56,328	55,925
Total assets	\$ 4,700,910	\$ 3,545,741
<b>LIABILITIES AND NET ASSETS</b>		
Current liabilities:		
Accounts payable and accrued expenses	\$ 194,130	\$ 92,110
Grants payable	472,500	-
Due to related party	41,079	26,079
Total liabilities	707,709	118,189
Net assets:		
Without donor restrictions	1,611,214	1,077,552
With donor restrictions	2,381,987	2,350,000
Total net assets	3,993,201	3,427,552
Total liabilities and net assets	\$ 4,700,910	\$ 3,545,741

**THE ELIZABETH TAYLOR AIDS FOUNDATION**  
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**STATEMENTS OF ACTIVITIES**

For the years ended December 31, 2023 and 2022

	2023			2022		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
	Revenue and support:					
Contributions - general	\$ 1,278,549	\$ 2,456,987	\$ 3,735,536	\$ 917,413	\$ 2,500,000	\$ 3,417,413
Contributions in-kind	20,606	-	20,606	15,551	-	15,551
Special events	1,367,604	-	1,367,604	675,137	-	675,137
Investment income, net	83,624	-	83,624	8,756	-	8,756
Net assets released from restrictions:						
Satisfaction of program/donor restrictions	2,425,000	(2,425,000)	-	2,650,000	(2,650,000)	-
<b>Total revenue and support</b>	<b>5,175,383</b>	<b>31,987</b>	<b>5,207,370</b>	<b>4,266,857</b>	<b>(150,000)</b>	<b>4,116,857</b>
Expenses:						
Program expenses	3,251,407	-	3,251,407	3,371,706	-	3,371,706
Fundraising expenses	1,034,095	-	1,034,095	704,072	-	704,072
General and administrative expenses	356,219	-	356,219	326,488	-	326,488
<b>Total expenses</b>	<b>4,641,721</b>	<b>-</b>	<b>4,641,721</b>	<b>4,402,266</b>	<b>-</b>	<b>4,402,266</b>
Change in net assets from operations	533,662	31,987	565,649	(135,409)	(150,000)	(285,409)
Net assets, beginning of year	1,077,552	2,350,000	3,427,552	1,212,961	2,500,000	3,712,961
Net assets, end of year	<b>\$ 1,611,214</b>	<b>\$ 2,381,987</b>	<b>\$ 3,993,201</b>	<b>\$ 1,077,552</b>	<b>\$ 2,350,000</b>	<b>\$ 3,427,552</b>

**THE ELIZABETH TAYLOR AIDS FOUNDATION**  
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**STATEMENTS OF FUNCTIONAL EXPENSES**

For the years ended December 31, 2023 and 2022

	2023				2022			
	Program	Fundraising	General and Administrative	Total	Program	Fundraising	General and Administrative	Total
Grants	\$ 1,731,720	\$ -	\$ -	\$ 1,731,720	\$ 1,806,515	\$ -	\$ -	\$ 1,806,515
Contract services	1,084,614	12,151	83,500	1,180,265	960,764	15,251	63,733	1,039,748
Salaries and related expenses	327,646	327,646	163,823	819,115	484,963	88,175	161,655	734,793
Special events cost	-	656,143	-	656,143	-	583,310	-	583,310
Travel	57,908	13,774	9,452	81,134	91,689	60	236	91,985
Office supplies	11,394	11,394	5,698	28,486	409	6,831	13,110	20,350
Bank and merchant fees	-	-	25,464	25,464	-	-	14,255	14,255
Website development	15,760	-	9,368	25,128	5,770	6,460	6,126	18,356
Strategic planning	-	-	20,437	20,437	-	-	-	-
Legal fees	-	-	16,702	16,702	-	-	38,898	38,898
Rent	6,000	6,000	3,000	15,000	9,900	1,800	3,300	15,000
Meals and entertainment	9,613	235	3,098	12,946	6,451	524	2,821	9,796
Insurance	4,856	4,856	2,427	12,139	3,145	572	1,048	4,765
Loss on disposal of equipment	-	-	9,509	9,509	-	-	-	-
Telephone	1,896	1,896	947	4,739	-	-	3,975	3,975
Dues and subscription	-	-	2,394	2,394	2,100	1,089	13,966	17,155
Licenses, permits, etc.	-	-	400	400	-	-	200	200
Depreciation	-	-	-	-	-	-	3,165	3,165
<b>Total expenses</b>	<b>\$ 3,251,407</b>	<b>\$ 1,034,095</b>	<b>\$ 356,219</b>	<b>\$ 4,641,721</b>	<b>\$ 3,371,706</b>	<b>\$ 704,072</b>	<b>\$ 326,488</b>	<b>\$ 4,402,266</b>

**THE ELIZABETH TAYLOR AIDS FOUNDATION**  
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**STATEMENTS OF CASH FLOWS**

For the years ended December 31, 2023 and 2022

	2023	2022
Cash flows from operating activities:		
Change in net assets	\$ 565,649	\$ (285,409)
Adjustments to reconcile change in net assets to net cash and cash equivalents (used in) provided by operating activities:		
Net unrealized (gain) loss on investments	(17,908)	4,456
Loss from disposal of assets	9,509	-
Depreciation expense	-	3,165
Changes in operating assets and liabilities, net:		
Contributions receivable	(2,633,206)	2,044,708
Due from related party	-	(8,353)
Other assets	(403)	36,161
Accounts payable and accrued expenses	102,020	25,379
Grants payable	472,500	-
Due to related party	15,000	12,948
	(1,486,839)	1,833,055
Net cash and cash equivalents (used in) provided by operating activities		
	(1,486,839)	1,833,055
Cash and cash equivalents, beginning of year	2,812,100	979,045
Cash and cash equivalents, end of year	\$ 1,325,261	\$ 2,812,100



**THE ELIZABETH TAYLOR AIDS FOUNDATION**  
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**NOTES TO FINANCIAL STATEMENTS**

December 31, 2023 and 2022

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**1. Purpose and Activities**

The Elizabeth Taylor AIDS Foundation (“ETAF” or the “Foundation”) was established in 1991 as a nonprofit public benefit corporation to raise funds and awareness to fight the spread of HIV/AIDS and to provide assistance for those living with the virus. With its focus on direct care and prevention education, ETAF funds AIDS service organizations both domestically and globally, providing support services to populations in need.

ETAF supports organizations delivering direct care services and prevention education to people living with or at risk for HIV/AIDS. In addition, ETAF collaborates on education and awareness initiatives that affect people living with HIV/AIDS.

**2. Summary of Significant Accounting Policies**

***Basis of Presentation***

The Foundation’s financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”). The Financial Accounting Standards Board (“FASB”) has established the FASB Accounting Standards Codification (“ASC”) as the sole source of authoritative accounting to be applied by nongovernmental entities in the preparation of financial statements in conformity with U.S. GAAP.

***Use of Estimates***

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. The Foundation’s financial statements include amounts that are based on management’s best estimates and judgment. Actual results could differ from those estimates and assumptions, and such differences may be material to the financial statements.

***Net Assets***

In accordance with ASC 958-205, *Not-For-Profit Entities – Presentation of Financial Statements*, the Foundation’s net assets, revenues, gains, expenses, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

**Net assets without donor restrictions:** Net assets available for use at the discretion of the Board of Directors (the “Board”) and/or management for general operations and not subject to donor restrictions.

**Net assets with donor restrictions:** Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates those resources be maintained in perpetuity. Donor-imposed restrictions are released when the restriction expires, that is, when the stipulated time has elapsed, or when the stipulated purpose for which the resource was restricted has been accomplished, or both.

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**NOTES TO FINANCIAL STATEMENTS**

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**2. Summary of Significant Accounting Policies**, continued

***Revenue and Support***

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. Contributions received with donor-imposed conditions and restrictions that are met in the same reporting period are reported as increases in net assets without donor restrictions. Otherwise, when a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

***In-kind Contributions and Services***

Contributions of donated non-cash assets and services are recorded at their fair values in the period received. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

Contributed services are recognized as contributions in accordance with ASC 958-605 and subsections, *Not-for-profit Entities – Revenue Recognition*, if the services (a) create or enhance nonfinancial assets or (b) require licensed skills, are performed by people with those skills, and would otherwise be purchased by the Foundation.

Members of the Board and certain other volunteers provided services to ETAF without compensation. The value of these services is not recorded in the financial statements since the services would not have been purchased if not provided by donation.

***Contributions Receivable***

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The present value discount is computed using risk-adjusted interest rates applicable to the year in which the promises are received. Discount amortization is included in contribution revenue. Conditional promises to give are not included as support until the conditions are met or expire.

As of December 31, 2023 and 2022, the Foundation's contributions receivable consisted of unconditional promises to give in the amount of \$3,269,507 and \$636,301, respectively, all of which are expected to be collected within one year.

***Allowance for Uncollectible Contributions Receivable***

Contributions receivable are reported net of an allowance for uncollectible amounts. The allowance is based on management's judgment and analysis of the credit worthiness of the donors, past payment experience, and other relevant factors. It is the Foundation's policy to charge off uncollectible contributions when management determines the receivable will not be collected in full. For the years ended December 31, 2023 and 2022, the Foundation did not record an allowance for uncollectible contributions, as management determined substantially all contributions were collectible.

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**2. Summary of Significant Accounting Policies**, continued

***Cash and Cash Equivalents***

For purposes of the statements of financial position and the statements of cash flows, the Foundation considers all highly liquid instruments purchased with original maturities of three months or less to be cash equivalents.

***Investments***

The Foundation records its investments at fair market value. Investment earnings available for distribution are recorded as net assets without donor restrictions. Gains and losses are included in the statements of activities. Purchases and sales of securities are reflected on a trade-date basis. Interest is recorded when earned and dividends are accrued as of the ex-dividend date.

The Foundation has adopted Accounting Standards Update (“ASU”) 2015-07, *Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or its Equivalent)* (“ASU 2015-07”). ASU 2015-07 removed the requirement to categorize within the fair value hierarchy all investments for which fair value is measured using the net asset value (“NAV”) per share practical expedient. ASU 2015-07 also removed the requirement to make certain disclosures for all investments that are eligible to be measured at fair value using the net asset value per share practical expedient. The Foundation does not have any investments valued at NAV as of December 31, 2023 and 2022.

***Grants Payable***

The Foundation, after review and approval of the Board, awards grants to tax-exempt organizations. Grant expense is recorded when the Foundation makes an unconditional promise to give. Conditional promises to give are recorded as grant expense in the period in which the recipient meets the terms of the conditions imposed. Grant cancellations or unspent funds are recorded in the year cancelled or the funds returned. There were no conditional grants as of December 31, 2023 and 2022.

***Fair Value of Financial Instruments***

The Foundation’s financial instruments consist of cash and cash equivalents, contributions receivable, investments, accounts payable, grants payable, accrued expenses and notes payable. All of these except for investments are stated at historical cost or settlement value, which approximates fair value. The Foundation’s investments are recorded at market value based upon readily available market quotations.

***Property and Equipment***

Property and equipment are stated at cost, net of accumulated depreciation. Depreciation is calculated using the straight-line method. The estimated useful life used in computing depreciation is five years. Expenditures for major additions and improvements are capitalized and minor replacements, repairs and maintenance costs are expensed as incurred. Property and equipment consist of the following as of December 31:

	2023	2022
Furniture and fixtures	\$ -	\$ 12,674
Less: accumulated depreciation	-	(3,165)
	<u>\$ -</u>	<u>\$ 9,509</u>

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December 31, 2023 and 2022

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**2. Summary of Significant Accounting Policies**, continued

***Concentration of Risk***

Credit risk represents the risk of loss attributable to possible nonperformance by donors and counterparties relative to the terms of agreements and contracts. For the years ended December 31, 2023 and 2022, the Foundation's contributions were concentrated with two donors. The Foundation's public support from these two donors as a percentage of total support received was as follows for the years ended December 31:

	2023	2022
Donor grants	58%	67%
Royalties	11%	15%
Total support from all sources	<u>69%</u>	<u>82%</u>

As of December 31, 2023, the Foundation's contributions receivable from two donors were 100%. In December 31, 2022, one donor accounted for 91% of donor receivables.

The Foundation maintains its cash balances in the form of demand deposits, money market accounts, and short-term U.S. Treasuries with major financial institutions, including securities brokerage firms, that management has determined to be credit worthy. At times, the Foundation maintains balances in excess of the federally insured limits on bank deposits.

As of December 31, 2023 and 2022, the Foundation had no significant financial instruments with off-balance sheet risk of accounting loss.

***Income Tax Status***

The Foundation is a nonprofit corporation that is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code ("IRC") and exempt from State of California franchise taxes under Section 23701(d) of the California Revenue and Taxation Code. Only unrelated business income, as defined by Section 509(a)(1) of the IRC, is subject to federal income tax. The Foundation does not believe that it had unrelated business income for the years ended December 31, 2023 and 2022, and, accordingly, no provision for income taxes has been recorded in the accompanying financial statements.

The Foundation follows the provisions of FASB ASC 740, *Income Taxes*, and related subsections. Accordingly, the Foundation accounts for uncertain tax positions, if any, by recording a liability for unrecognized tax benefits resulting from uncertain tax positions taken, or expected to be taken, in its tax returns. The Foundation recognizes the effect of income tax positions only if those positions are more-likely-than-not of being sustained by the appropriate taxing authorities. The Foundation does not believe that its financial statements include any uncertain tax positions and, accordingly, has not recorded a liability for unrecognized tax benefits in the accompanying financial statements. The Foundation files its tax returns in the U.S. federal jurisdiction and California and is currently not under examination by any tax authority. The Foundation is generally no longer subject to examination by the Internal Revenue Service ("IRS") and the State of California for years prior to 2019.

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**NOTES TO FINANCIAL STATEMENTS**

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**2. Summary of Significant Accounting Policies**, continued

***Functional Allocation of Expenses***

The cost of providing program and other activities has been summarized on a functional basis. Activities performed by the Foundation to generate funds and/or resources to support its program and operation are reported as fundraising activities. Expenses directly attributable to a specific functional area of the Foundation are reported as expenses of those functional areas. A portion of management and general costs that benefit multiple functional areas have been allocated across program and other supporting services based on estimates of time and effort spent by staff and resources.

***Special Events Revenue***

The Foundation conducts special events in which a portion of the gross proceeds paid by a donor represents payment for the direct costs of the benefits received by the donor at the event. Unless a verifiable, objective means exists to demonstrate otherwise, the fair value of meals and entertainment provided at the special events is measured at the actual cost to the Foundation. The direct cost of special events which ultimately benefit the donor rather than the Foundation, were of \$237,493 and \$97,213 for the years ended December 31, 2023 and 2022, respectively. Other costs of special events were \$418,650 and \$486,097 for the years ended December 31, 2023 and 2022, respectively.

***Reclassification***

Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

***New Accounting Standards Adopted***

***Financial Instruments – Credit Losses***

FASB ASU 2016-13, *Financial Instruments—Credit Losses (Topic 326), Measurement of Credit Losses on Financial Instruments* (“ASU 2016-13”), and related amendments, replaces the incurred loss impairment methodology in current U.S. GAAP with a methodology that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates. The new Current Expected Credit Losses (“CECL”) model applies to financial assets at amortized cost, including trade receivables, contract assets and certain off-balance sheet credit exposures, such as loan commitments. Management’s adoption of ASU 2016-13 did have any impact to the Foundation for fiscal year ended December 31, 2023.

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**NOTES TO FINANCIAL STATEMENTS**

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**3. Availability and Liquidity**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statements of financial position dates, are comprised of the following for the years ended December 31:

	2023	2022
Current financial assets at year-end:		
Cash and cash equivalents	\$ 1,325,261	\$ 2,812,100
Contributions receivable	3,269,507	636,301
Investments, at fair value	49,814	31,906
Total current financial assets available	4,644,582	3,480,307
Less: amounts not available to be used within one year:		
Net assets with donor restrictions	2,381,987	2,350,000
Less: net assets with donor or Board designated restrictions expected to be met in less than a year	(2,381,987)	(2,350,000)
Subtotal	-	-
Financial assets available to meet general expenditures within one year	\$ 4,644,582	\$ 3,480,307

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. Additionally, the Foundation has an investment policy authorized by the Board that provides that the Foundation maintain an adequate level of cash to meet ongoing operational requirements.

**4. Investments**

The Foundation applies FASB ASC 820, *Fair Value Measurements and Disclosures* ("ASC 820"), which established a framework for measuring fair value, and expanded disclosures about fair value measurements to its investments. ASC 820 provides a consistent definition of fair value, which focuses on an exit price between market participants in an orderly transaction as prescribed by ASC 820. ASC 820 also prioritizes, within the measurement of fair value, the use of market-based information over entity-specific information and establishes a three-level hierarchy for fair value measurements based on the transparency of information used in the valuation of an asset or liability as of the measurement date.

Investments measured and reported at fair value are classified and disclosed in one of the following categories:

*Level 1* – Quoted prices are available in active markets for identical investments as of the reporting date. The type of investments in Level 1 include listed equities held in the name of the Foundation, and exclude listed equities and other securities held indirectly through commingled funds.

**THE ELIZABETH TAYLOR AIDS FOUNDATION**  
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**NOTES TO FINANCIAL STATEMENTS**

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**4. Investments**, continued

*Level 2* – Pricing inputs, including broker quotes, are generally those other than exchange quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies.

*Level 3* – Pricing inputs are unobservable for the investment and includes situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require significant management judgment or estimation. Investments that are included in this category generally include privately held investments and partnership interests.

Investments, recorded at fair value consisted of the following:

	As of December 31, 2023			
	Level 1	Level 2	Level 3	Total
Public U.S. Equities	\$ 49,814	\$ -	\$ -	\$ 49,814
Total investments	\$ 49,814	\$ -	\$ -	\$ 49,814
	As of December 31, 2022			
	Level 1	Level 2	Level 3	Total
Public U.S. Equities	\$ 31,906	\$ -	\$ -	\$ 31,906
Total investments	\$ 31,906	\$ -	\$ -	\$ 31,906

Dividends, interest and net realized and unrealized gain (losses) consisted of the following for the years ended December 31:

	2023	2022
Dividends and interest	\$ 65,716	\$ 13,212
Net unrealized gain (loss)	17,908	(4,456)
Investment income, net	\$ 83,624	\$ 8,756

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**5. Grants Payable**

For the years ended December 31, 2023 and 2022, the Foundation approved and disbursed charitable contributions and grants to various not-for-profit organizations consistent with the Foundation's mission. The Foundation has outstanding grants and contributions payable due within a year as of December 31:

	<u>2023</u>	<u>2022</u>
Unpaid grants payable, beginning	\$ -	\$ -
Grants appropriated	1,731,720	1,806,515
Grants paid	<u>(1,259,220)</u>	<u>(1,806,515)</u>
Unpaid grants payable, ending	<u>\$ 472,500</u>	<u>\$ -</u>

**6. Net Assets with Donor Restrictions**

From time to time, the Foundation receives contributions subject to donor restrictions. Those contributions received with restrictions are released from restrictions when expenses are incurred, the purpose has been fulfilled, or through passage of time. As of December 31, 2023 and 2022, net assets with donor restrictions totaled \$2,381,987 and \$2,350,000, respectively, which were related to providing education about stigma and discrimination for people living with HIV/AIDS.

Net assets released from donor restrictions by incurring expenses satisfying the restricted purpose specified by donors were \$2,425,000 and \$2,650,000 for the years ended December 31, 2023 and 2022, respectively.

**7. Related Party Transactions**

Effective March 31, 2011, the Foundation licensed certain rights to Dame Elizabeth Taylor's name, image, likeness, marks and signature to affiliated for-profit entities in exchange for a 25% royalty on income earned by the affiliated for-profit entities, as set forth in the transfer of intellectual property rights and license agreement (the "Agreement"). Royalty income is recognized as unrestricted contributions. For the years ended December 31, 2023 and 2022, the Estate of Elizabeth Taylor incurred royalty expense of \$576,436 and \$610,259, respectively, to the Foundation pursuant to the Agreement. As of December 31, 2023 and 2022, the Foundation had a receivable from the Estate of Elizabeth Taylor of \$576,437 and \$581,301, respectively, and are included within contributions receivable on the statements of financial position.

The Foundation rents office space on a month-to-month basis from the Estate of Elizabeth Taylor. For the years ended December 31, 2023 and 2022, the Foundation incurred and accrued \$15,000 of rent to the Estate for the use of its facilities. The Foundation has a non-interest bearing balance due to the Estate of \$41,079 and \$26,079 with no stated due date as of December 31, 2023 and 2022, respectively.



**THE ELIZABETH TAYLOR AIDS FOUNDATION**  
(A Not-for-Profit California Corporation)

**NOTES TO FINANCIAL STATEMENTS**

December 31, 2023 and 2022

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**8. Pension Plan**

The Foundation sponsors a defined contribution plan in accordance with Section 401(k) of the IRC under which substantially all full-time employees are covered. Participants can make salary reduction contributions, subject to IRS regulations. The Foundation made safe harbor nonelective contributions of \$19,757 and \$14,358 for the years ended December 31, 2023 and 2022, respectively.

**9. In-Kind Contributions**

In-kind contributions included in the financial statements were as follows for the years ended December 31:

<u>Non-financial Contributions Category</u>	<u>Utilization in Programs/Activities</u>	<u>Valuation Techniques and Inputs</u>	<u>2023</u>	<u>2022</u>
Accounting services	Professional accounting and bookkeeping services	Standard industry pricing for similar services	\$ 20,606	\$ 15,551
			<u>\$ 20,606</u>	<u>\$ 15,551</u>

**10. Subsequent Events**

Subsequent events have been evaluated through May 17, 2024, which is the date the financial statements were available to be issued. Management concluded that no material subsequent events have occurred since December 31, 2023 that required recognition or disclosure in such financial statements.