

**FRIENDS OF THE GLOBAL FIGHT AGAINST
AIDS, TUBERCULOSIS, AND MALARIA**

FINANCIAL STATEMENTS

December 31, 2025 and 2024

CONTENTS

Independent Auditor's Report	1
Statements of Financial Position.....	3
Statements of Activities.....	4
Statements of Functional Expenses	5
Statements of Cash Flows	6
Notes to Financial Statements	7

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Friends of the Global Fight Against Aids, Tuberculosis, and Malaria
Washington, D.C.

Opinion

We have audited the financial statements of Friends of the Global Fight Against Aids, Tuberculosis, and Malaria, 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 accompanying financial statements present fairly, in all material respects, the financial position of Friends of the Global Fight Against Aids, Tuberculosis, and Malaria, 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 (GAAS). 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 Friends of the Global Fight Against Aids, Tuberculosis, and Malaria, 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 Friends of the Global Fight Against Aids, Tuberculosis, and Malaria'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 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.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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 Friends of the Global Fight Against Aids, Tuberculosis, and Malaria'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 Friends of the Global Fight Against Aids, Tuberculosis, and Malaria'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.



Wegner CPAs, LLP
Alexandria, Virginia
April 27, 2026

FRIENDS OF THE GLOBAL FIGHT AGAINST AIDS, TUBERCULOSIS, AND MALARIA
STATEMENTS OF FINANCIAL POSITION
December 31, 2025 and 2024

	2025	2024
ASSETS		
CURRENT ASSETS		
Cash	\$ 2,196,468	\$ 2,244,933
Unconditional promises to give	-	1,918,727
Other receivables	-	9,722
Prepaid expenses	92,398	49,353
Total current assets	2,288,866	4,222,735
Property and equipment, net	34,697	40,459
OTHER ASSETS		
Security deposit	19,294	19,294
Operating lease right-of-use asset	1,585,152	1,767,495
Finance lease right-of-use asset	5,044	7,895
Total other assets	1,609,490	1,794,684
Total assets	\$ 3,933,053	\$ 6,057,878
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 20,085	\$ 25,575
Accrued payroll and vacation	146,976	139,727
Sublease security deposit	9,000	9,000
Deferred revenue	26,000	5,500
Current portion of operating lease liability	211,210	176,084
Current portion of finance lease liability	2,642	2,460
Total current liabilities	415,913	358,346
NONCURRENT LIABILITIES		
Operating lease liability less current portion	1,712,714	1,923,924
Finance lease liability less current portion	2,580	5,434
Total liabilities	2,131,207	2,287,704
NET ASSETS		
Without donor restrictions	14,221	268,533
With donor restrictions		
HIV Advocation in Congress	48,000	145,516
Subsequent years' operations	1,739,625	3,356,125
Total net assets with donor restrictions	1,787,625	3,501,641
Total net assets	1,801,846	3,770,174
Total liabilities and net assets	\$ 3,933,053	\$ 6,057,878

See accompanying notes.

FRIENDS OF THE GLOBAL FIGHT AGAINST AIDS, TUBERCULOSIS, AND MALARIA
STATEMENTS OF ACTIVITIES
Years Ended December 31, 2025 and 2024

	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE						
Grants and contributions	\$ 214,457	\$ 717,000	\$ 931,457	\$ 338,341	\$ 690,516	\$ 1,028,857
In-kind contributions	93,256	-	93,256	45,254	\$ -	45,254
Interest income	10,750	-	10,750	14,945	-	14,945
Administrative services	150,000	-	150,000	150,000	-	150,000
Rental income	68,000	-	68,000	63,000	-	63,000
Total support and revenue	536,463	717,000	1,253,463	611,540	690,516	1,302,056
EXPENSES						
Program Services						
Communications and media	997,925	-	997,925	914,425	-	914,425
Policy	1,567,981	-	1,567,981	1,637,063	-	1,637,063
Supporting Activities						
Management and General	491,718	-	491,718	503,739	-	503,739
Fundraising	164,167	-	164,167	135,819	-	135,819
Total expenses	3,221,791	-	3,221,791	3,191,046	-	3,191,046
NET ASSETS RELEASED FROM RESTRICTIONS						
Expiration of time restrictions	2,431,016	(2,431,016)	-	2,311,003	(2,311,003)	-
Change in net assets	(254,312)	(1,714,016)	(1,968,328)	(268,503)	(1,620,487)	(1,888,990)
Net assets at beginning of year	268,533	3,501,641	3,770,174	537,036	5,122,128	5,659,164
Net assets at end of year	<u>\$ 14,221</u>	<u>\$ 1,787,625</u>	<u>\$ 1,801,846</u>	<u>\$ 268,533</u>	<u>\$ 3,501,641</u>	<u>\$ 3,770,174</u>

See accompanying notes.

FRIENDS OF THE GLOBAL FIGHT AGAINST AIDS, TUBERCULOSIS, AND MALARIA
STATEMENTS OF FUNCTIONAL EXPENSES
Years Ended December 31, 2025 and 2024

	Program Services		Supporting Activities		Total Expenses
	Communications and Media	Policy	Management and General	Fundraising	
2025					
Advertising	\$ 16,039	\$ 2,209	\$ 3,835	\$ -	\$ 22,083
Depreciation and amortization	3,529	4,163	3,756	452	11,900
Dues and subscriptions	17,590	30,252	3,895	10,385	62,122
Gifts	-	729	6,967	-	7,696
Insurance	1,267	1,494	325	162	3,248
Interest	-	-	460	-	460
Occupancy	98,034	114,846	24,540	13,339	250,759
Office expenses	7,452	22,215	14,116	461	44,244
Professional fees	34,888	342,492	121,448	40,000	538,828
Salaries and benefits	810,101	923,499	202,652	98,548	2,034,800
Sponsorships	-	8,029	-	-	8,029
Telecommunications	5,967	10,892	1,795	809	19,463
Travel and meetings	3,058	107,161	14,673	11	124,903
Donated legal services	-	-	93,256	-	93,256
Total expenses	\$ 997,925	\$ 1,567,981	\$ 491,718	\$ 164,167	\$ 3,221,791
	Communications and Media	Policy	Management and General	Fundraising	Total Expenses
2024					
Advertising	\$ 89	\$ 6,661	\$ 139	\$ -	\$ 6,889
Depreciation and amortization	3,384	4,207	3,704	549	11,844
Dues and subscriptions	16,229	50,876	8,571	2,749	78,425
Gifts	-	-	18,812	-	18,812
Insurance	1,301	1,617	387	211	3,516
Interest	-	-	80	-	80
Occupancy	92,148	114,242	27,493	14,866	248,749
Office expenses	2,149	3,253	14,181	415	19,998
Professional fees	59,876	373,291	106,825	3,176	543,168
Salaries and benefits	715,992	864,955	231,582	112,845	1,925,374
Sponsorships	-	21,000	20,000	-	41,000
Telecommunications	4,683	9,707	1,989	617	16,996
Travel and meetings	18,574	187,254	24,722	391	230,941
Donated legal services	-	-	45,254	-	45,254
Total expenses	\$ 914,425	\$ 1,637,063	\$ 503,739	\$ 135,819	\$ 3,191,046

See accompanying notes.

FRIENDS OF THE GLOBAL FIGHT AGAINST AIDS, TUBERCULOSIS, AND MALARIA
STATEMENTS OF CASH FLOWS
Years Ended December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (1,968,328)	\$ (1,888,990)
Adjustments to reconcile change in net assets to net change in cash flows from operating activities		
Depreciation and amortization	11,900	11,844
Amortization of operating lease right-of-use asset	182,343	177,197
Amortization of discount on unconditional promises to give	-	(70,137)
(Increase) decrease in assets		
Unconditional promises to give	1,918,727	1,520,134
Other receivables	9,722	(5,555)
Prepaid expenses	(43,045)	35,987
Increase (decrease) in liabilities		
Accounts payable and accrued expenses	(5,490)	6,010
Accrued payroll and vacation	7,249	7,318
Deferred revenue	20,500	5,500
Operating lease liability	(176,084)	(120,133)
Net cash flows from operating activities	(42,506)	(320,825)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of fixed assets	(3,286)	(7,999)
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal payments on finance lease liabilities	(2,673)	(2,878)
Change in cash	(48,465)	(331,702)
Cash at beginning of year	<u>2,244,933</u>	<u>2,576,635</u>
Cash at end of year	<u>\$ 2,196,468</u>	<u>\$ 2,244,933</u>
SUPPLEMENTAL DISCLOSURES		
Cash paid for interest	\$ 418	\$ 122

See accompanying notes.

FRIENDS OF THE GLOBAL FIGHT AGAINST AIDS, TUBERCULOSIS, AND MALARIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2025 and 2024

NOTE 1–SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The Friends of the Global Fight Against Aids, Tuberculosis, and Malaria (Friends) is a nonprofit organization incorporated in the District of Columbia that supports the mission of the Global Fund to Fight AIDS, Tuberculosis and Malaria by raising awareness about its lifesaving work with policy leaders and decision makers in Washington, D.C., as well as the media and the advocacy community. The goal of these efforts is to achieve both sustained governmental funding and meaningful public policy on The Global Fund and the three diseases. Friends is supported primarily by grants and contributions

Other Receivables

Other receivables primarily represent amounts that have been billed for services and also includes various refunds from vendors. Other receivables are stated at the amount management expects to be collected from outstanding balances based on historical collection experience, current knowledge of circumstances that may affect the ability of clients to meet their obligations, and future forecasts of collections. As such, credit losses are expected to be insignificant.

Revenue Recognition

Friends provides administrative services to an independent non-profit organization as an exchange transaction. Administrative fees received in advance are deferred and recognized as revenue when the services occur. Revenue from administrative services are recognized when Friends provides the particular service.

Friends' receivables and deferred revenue from contracts are as follows:

	2025	2024
Other receivables at beginning of year	\$ 9,722	\$ 4,167
Other receivables at end of year	-	9,722
Deferred revenue at beginning of year	\$ 5,500	\$ -
Deferred revenue at end of year	26,000	5,500

Property and Equipment

Additions and betterments of property and equipment in excess of \$1,000 are capitalized, while maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed. Property and equipment are capitalized and carried at cost or, if donated, at the estimated fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful life of the asset.

FRIENDS OF THE GLOBAL FIGHT AGAINST AIDS, TUBERCULOSIS, AND MALARIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2025 and 2024

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Promises to Give

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 more than one year are recorded at fair value, which is measured as the present value of their future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue.

Contributions

Contributions received are recorded as increases in net assets without donor restrictions and net assets with donor restrictions depending on the existence of any donor restrictions. When a restriction expires, net assets with donor restrictions 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 in the financial statements until the conditions are substantially met or explicitly waived by the donor.

Donated Services

Donated services are recognized as contributions if the services create or enhance nonfinancial assets or they require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

Expense Allocation

The financial statements report certain categories of expenses that are attributable to more than one program service or supporting activity. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include advertising, depreciation and amortization, insurance, occupancy, office expenses, professional fees, salaries and benefits, telecommunications, and travel and meetings.

The following program services and supporting activities are included in the accompanying financial statements:

Communications and Media—To educate U.S. policymakers and decision makers on the work of the Global Fund and its successes fighting aids, tuberculosis, and malaria by creating and distributing dozens of papers to global health NGOs, congressional offices and the U.S. administration on the work and successes of the global fund.

Policy—To ensure that the U.S. government continues to support the global fund to fight aids, tuberculosis, and malaria and the fight against these three diseases around the world.

FRIENDS OF THE GLOBAL FIGHT AGAINST AIDS, TUBERCULOSIS, AND MALARIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2025 and 2024

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Management and General—To support the overall direction of Friends and includes the functions necessary to ensure proper administrative services, manage the financial and budgetary responsibilities, and perform other administrative functions.

Fundraising—To provide the structure necessary to encourage and secure financial support from individuals, foundations, and corporations.

Advertising

Friends uses advertising to promote its programs among the audience it reaches. Advertising is expensed in the period the advertising takes place.

Income Tax Status

Friends is exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code.

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 the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Leases

Friends does not recognize short-term leases in the statement of financial position. For these leases, Friends recognizes the lease payments in the change in net assets on a straight-line basis over the lease term and variable lease payments in the period in which the obligation for those payments is incurred. Friends also does not separate nonlease components from lease components for all classes of underlying assets and instead accounts for each separate lease component and the nonlease components associated with that lease component as a single lease component. If the rate implicit in the lease is not readily determinable, Friends uses a risk-free rate as the discount rate for the lease for all classes of underlying assets.

Date of Management's Review

Management has evaluated subsequent events through April 27, 2026, the date which the financial statements were available to be issued.

FRIENDS OF THE GLOBAL FIGHT AGAINST AIDS, TUBERCULOSIS, AND MALARIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2025 and 2024

NOTE 2—RETIREMENT PLAN

Friends has a retirement plan in which all eligible employees can participate. Employees are eligible upon 6 months of hire. Participants in the plan may contribute up to the maximum amount permitted by the IRS. Friends will match 100% on the first 4% of the eligible participant's compensation. Retirement expense for the years ended December 31, 2025 and 2024 totaled \$52,901 and \$45,626, respectively.

NOTE 3—CONCENTRATIONS

Credit Risk

Friends maintains its cash balances at one financial institution located in Washington, D.C. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At December 31, 2025 and 2024, Friends's uninsured cash balances totaled approximately \$1,946,000 and \$1,995,000, respectively.

Donor Concentration

For the years ended December 31, 2025 and 2024, 89% and 68%, respectively, of Friends' contributed support came from four and three donors each year, respectively.

NOTE 4—DONATED LEGAL SERVICES

Friends received \$93,256 and \$45,254 of donated legal services from a law firm during the year ended December 31, 2025 and 2024, respectively. The donated legal services did not have donor-imposed restrictions. The donated legal services are used for management and general activities and are valued and reported at the estimated fair value in the financial statements based on current rates for similar services.

NOTE 5—PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	2025	2024
Leasehold improvements	\$ 14,542	\$ 14,542
Equipment	5,000	5,000
Computer equipment	31,210	27,924
Furniture and fixtures	69,290	69,290
Website	26,550	26,550
Property and equipment	146,592	143,306
Less accumulated depreciation and amortization	111,895	102,847
Property and equipment, net	\$ 34,697	\$ 40,459

FRIENDS OF THE GLOBAL FIGHT AGAINST AIDS, TUBERCULOSIS, AND MALARIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2025 and 2024

NOTE 6–LEASES

Friends has a lease for office space under an operating lease that expires on May 31, 2033. Friends also has a finance lease for a copier that expires on November 1, 2027. The components of total lease cost are as follows:

	2025	2024
Finance lease cost		
Amortization of right-of-use assets	\$ 2,632	\$ 2,918
Interest on lease liabilities	418	122
Operating lease cost	262,427	247,527
Sublease income	(68,000)	(63,000)
Total lease cost	\$ 197,477	\$ 187,567

Other information related to leases is as follows:

	2025	2024
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows from finance leases	\$ 418	\$ 42
Operating cash flows from operating leases	262,427	213,697
Finance cash flows from finance leases	3,050	2,878
Right-of-use assets obtained in exchange for new financing lease liabilities	-	7,895
Weighted-average remaining lease term		
Operating lease	7.4 years	8.4 years
Finance lease	1.8 years	2.8 years
Weighted-average discount rate		
Operating lease	3.26%	3.26%
Finance lease	6.60%	6.60%

FRIENDS OF THE GLOBAL FIGHT AGAINST AIDS, TUBERCULOSIS, AND MALARIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2025 and 2024

NOTE 6—LEASES (continued)

The maturities of lease liabilities as of December 31, 2025, are as follows:

	Finance Lease	Operating Lease
Year ending December 31:		
2026	\$ 2,892	\$ 270,086
2027	2,651	276,838
2028	-	283,759
2029	-	290,853
2030	-	298,124
Thereafter	-	750,912
Total minimum lease payments	5,543	2,170,572
Imputed interest	(321)	(246,648)
Total lease liabilities	<u>\$ 5,222</u>	<u>\$ 1,923,924</u>

NOTE 7—LIQUIDITY AND AVAILABILITY

The following table reflects Friends' financial assets as of the date of the statements of financial position, reduced by amounts not available for general expenditures within one year of the date of the statements of financial position because of donor-imposed restrictions:

	2025	2024
Financial assets at end of year		
Cash	\$ 2,196,468	\$ 2,244,933
Other receivables	-	9,722
Unconditional promises to give, net	-	1,918,727
Total financial assets	2,196,468	4,173,382
Less amounts unavailable for general expenditures within one year:		
Restricted by donors with time or purpose restrictions	<u>(48,000)</u>	<u>(3,501,641)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 2,148,468</u>	<u>\$ 671,741</u>

As part of Friends' liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.