# ADVOCATES FOR TRANS EQUALITY EDUCATION FUND AND ITS AFFILIATE

FINANCIAL STATEMENTS

December 31, 2024

(With Comparative Totals for the Year Ended December 31, 2023)

C O N T E N T S

Wegner CPAs

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Advocates for Trans Equality Education Fund and its affiliate,
the Advocates for Trans Equality
Washington, DC

***Opinion***

We have audited the financial statements of Advocates for Trans Equality Education Fund and its affiliate (a nonprofit organization), which comprise the consolidated statement of financial position as of December 31, 2024, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Advocates for Trans Equality Education Fund and its affiliate as of December 31, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Advocates for Trans Equality Education Fund and its affiliate and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Responsibilities of Management for the 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 Advocates for Trans Equality Education Fund and its affiliate'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 Advocates for Trans Equality Education Fund and its affiliate'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 Advocates for Trans Equality Education Fund and its affiliate'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.

***Report on Summarized Comparative Information***

We have previously audited Advocates for Trans Equality Education Fund and its affiliate's 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 15, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Wegner CPAs LLP

Wegner CPAs, LLP
Alexandria, Virginia
October 7, 2025

**ADVOCATES FOR TRANS EQUALITY EDUCATION FUND AND ITS AFFILIATE**
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
December 31, 2024
With Comparative Totals for December 31, 2023

| | 2024 | 2023 |
|---|---|---|
| **ASSETS** | | |
| Cash | $ 3,142,117 | $ 1,646,527 |
| Grants and contributions receivable | 1,967,277 | 560,207 |
| Other receivables | 3,894 | 16,200 |
| Investments | 2,660,715 | 4,136,726 |
| Prepaid expenses and deposits | 97,991 | 32,897 |
| Operating lease right-of-use asset | 80,959 | - |
| Website and equipment, net | 183,668 | 31,734 |
| **Total assets** | $ 8,136,621 | $ 6,424,291 |
| **LIABILITIES** | | |
| Accounts payable and accrued expenses | $ 237,396 | $ 355,873 |
| Accrued payroll | 471,996 | 56,307 |
| Operating lease liability | 82,647 | - |
| Total liabilities | 792,039 | 412,180 |
| **NET ASSETS** | | |
| Without donor restrictions | 4,553,860 | 4,680,942 |
| With donor restrictions | 2,790,722 | 1,331,169 |
| Total net assets | 7,344,582 | 6,012,111 |
| **Total liabilities and net assets** | $ 8,136,621 | $ 6,424,291 |

See accompanying notes.

**ADVOCATES FOR TRANS EQUALITY EDUCATION FUND AND ITS AFFILIATE**
CONSOLIDATED STATEMENT OF ACTIVITIES
Year Ended December 31, 2024
With Comparative Totals for the Year Ended December 31, 2023

| | 2024 | | | 2023 |
|---|---|---|---|---|
| | Without Donor Restrictions | With Donor Restrictions | Total | Total |
| **REVENUES** | | | | |
| Grants and contributions | $ 3,388,499 | $ 2,615,000 | $ 6,003,499 | $ 4,081,104 |
| Donated services | 3,160,629 | - | 3,160,629 | 215,309 |
| Speaking and training | 47,300 | - | 47,300 | 64,450 |
| Special event | 78,307 | - | 78,307 | 81,552 |
| Less costs of direct benefits to donors | - | - | - | (68,407) |
| Special events, net | 78,307 | - | 78,307 | 13,145 |
| Investment income, net | 172,640 | - | 172,640 | 193,873 |
| Other income | 62,448 | - | 62,448 | 546 |
| Inherent contribution of net assets received from acquisition of Transgender Legal Defense Fund | 1,625,959 | 610,490 | 2,236,449 | - |
| Net assets released from restrictions: | | | | |
| Satisfaction of purpose restrictions | 1,029,360 | (1,029,360) | - | - |
| Expiration of time restrictions | 736,577 | (736,577) | - | - |
| Total revenues | 10,301,719 | 1,459,553 | 11,761,272 | 4,568,427 |
| **EXPENSES** | | | | |
| Program services | 7,665,758 | - | 7,665,758 | 3,569,547 |
| Supporting activities | | | | |
| Management and general | 1,807,926 | - | 1,807,926 | 613,621 |
| Fundraising | 955,117 | - | 955,117 | 500,921 |
| Total supporting activities | 2,763,043 | - | 2,763,043 | 1,114,542 |
| Total expenses | 10,428,801 | - | 10,428,801 | 4,684,089 |
| **Change in net assets** | (127,082) | 1,459,553 | 1,332,471 | (115,662) |
| Net assets at beginning of year | 4,680,942 | 1,331,169 | 6,012,111 | 6,127,773 |
| **Net assets at end of year** | $ 4,553,860 | $ 2,790,722 | $ 7,344,582 | $ 6,012,111 |

See accompanying notes.

**ADVOCATES FOR TRANS EQUALITY EDUCATION FUND AND ITS AFFILIATE**
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
Year Ended December 31, 2024
With Comparative Totals for the Year Ended December 31, 2023

| | Program Services | | | | | | Supporting Activities | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | General Program and Policy | Outreach and Public Education | Direct Lobbying | Grassroots Lobbying | U.S. Transgender Survey | Electoral | Management and General | Fundraising | 2024 Total | 2023 Total |
| Salaries and related expenses | $ 2,039,210 | $ 266,073 | $ 332,435 | $ 31,692 | $ 144,304 | $ 10,472 | $ 1,072,037 | $ 689,630 | $ 4,585,853 | $ 2,119,081 |
| Consultants | 143,228 | 83,218 | - | - | 335,813 | - | 164 | - | 562,423 | 1,280,099 |
| Rent | 45,774 | 20 | 540 | 16 | 49 | - | 3,634 | 1,414 | 51,447 | 18,416 |
| Professional services | 3,144,233 | 98 | 2,593 | 76 | 1,751 | 175 | 346,100 | 1,342 | 3,496,368 | 397,599 |
| Telecommunications | 133,826 | 10,213 | 5,218 | 111 | 5,148 | 83,712 | 54,502 | 35,438 | 328,168 | 207,350 |
| Travel and meals | 39,095 | 10,665 | 495 | - | 427 | 8,626 | 15,324 | 1,798 | 76,430 | 95,848 |
| Conference, events, and meetings | 170,036 | 6,942 | 17,017 | - | 113 | 7,663 | 13,104 | 189,951 | 404,826 | 390,466 |
| Printing and publications | 2,255 | 941 | - | - | - | - | 538 | 228 | 3,962 | 23,934 |
| Bank fees | 8,526 | - | - | - | - | - | 7,933 | 11,488 | 27,947 | 33,923 |
| Grants and donations | 412,500 | - | - | - | - | - | - | - | 412,500 | - |
| Insurance | 2,811 | 26 | 788 | 20 | 63 | - | 12,119 | 355 | 16,182 | 6,986 |
| Depreciation and amortization | - | - | - | - | - | - | 50,503 | - | 50,503 | 17,922 |
| Website | 6,839 | 51,222 | - | - | 180 | 1,065 | 214 | - | 59,520 | 8,182 |
| Advertising expenses | 255 | 1,542 | - | - | - | - | 324 | - | 2,121 | 471 |
| Dues and subscriptions | 900 | - | - | - | - | - | 2,250 | 10 | 3,160 | 5,503 |
| Other expenses | 2,423 | 5,328 | - | - | - | - | 38,889 | 14,287 | 60,927 | 37,080 |
| Staff recruitment and development | 68,755 | 1,737 | 93 | - | 1 | - | 173,729 | 3,550 | 247,865 | - |
| Office expenses | 9,108 | 4,563 | 1,053 | 65 | 1,622 | - | 16,562 | 5,626 | 38,599 | 41,229 |
| Total expenses | $ 6,229,774 | $ 442,588 | $ 360,232 | $ 31,980 | $ 489,471 | $ 111,713 | $ 1,807,926 | $ 955,117 | $ 10,428,801 | $ 4,684,089 |

See accompanying notes.

**ADVOCATES FOR TRANS EQUALITY EDUCATION FUND AND ITS AFFILIATE**
CONSOLIDATED STATEMENT OF CASH FLOWS
Year Ended December 31, 2024
With Comparative Totals for the Year Ended December 31, 2023

| | 2024 | 2023 |
|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| Change in net assets | $ 1,332,471 | $ (115,662) |
| Adjustments to reconcile change in net assets to net cash flows from operating activities | | |
| Noncash items assumed in acquisition of Transgender Legal Defense Fund | (283,305) | - |
| Depreciation and amortization | 50,503 | 17,922 |
| Unrealized and realized gain on investments | (1,090) | (21,223) |
| Amortization of operating lease right-of-use asset | 29,695 | - |
| (Increase) decrease in assets | | |
| Grants and contributions receivable | (1,167,258) | 302,392 |
| Other receivables | 12,306 | (10,322) |
| Prepaid expenses and deposits | 24,560 | 120,677 |
| Increase (decrease) in liabilities | | |
| Accounts payable and accrued expenses | (220,082) | 155,710 |
| Accrued payroll | 415,689 | (52,600) |
| Operating lease liability | (30,328) | - |
| Net cash flows from operating activities | 193,489 | 396,894 |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | |
| Proceeds from sale of investments | 1,692,231 | - |
| Purchases of investments | (52,180) | (780,654) |
| Proceeds from investments reinvested | (162,950) | (172,386) |
| Purchases of property and equipment | (175,000) | (20,358) |
| Net cash flows from investing activities | 1,302,101 | (973,398) |
| **Net change in cash** | 1,495,590 | (576,504) |
| Cash at beginning of year | 1,646,527 | 2,223,031 |
| **Cash at end of year** | $ 3,142,117 | $ 1,646,527 |

See accompanying notes.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Nature of Activities**

Advocates for Trans Equality Education Fund advocates to improve policies and society's acceptance of transgender people. Working in the nation's capital and throughout the country, Advocates for Trans Equality Education Fund seeks to replace disrespect, discrimination, and violence with empathy, opportunity, and justice.

By organizing and empowering transgender people and their allies, Advocates for Trans Equality, a nonprofit advocacy organization, supports efforts for transgender equality at the local, state, and federal levels. Advocates for Trans Equality creates new possibilities for transgender people through political participation and influence.

Advocates for Trans Equality Education Fund and Advocates for Trans Equality are supported primarily through grants and contributions from various foundations, corporations, and individuals.

**Principles of Consolidation**

The consolidated financial statements are presented and include the accounts of Advocates for Trans Equality Education Fund and Advocates for Trans Equality (collectively, A4TE). Consolidated financial statements are presented because of common control of Advocates for Trans Equality Education Fund and Advocates for Trans Equality. All significant intercompany balances and transactions have been eliminated in the consolidation.

**Comparative Financial Information**

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with A4TE's financial statements for the year ended December 31, 2023, from which the summarized information was derived.

**Grants and Contributions Receivable**

Grants and contributions receivable are recognized as revenues in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional receivables are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. As of December 31, 2024, all grants and contributions receivable are collectible within one year.

**Equipment**

All acquisitions of equipment in excess of $1,500 with a projected useful life exceeding one year are capitalized and recorded at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets. Direct costs incurred during the application state of the development of A4TE's website are capitalized and amortized over an estimated useful life of three years. Expenditures for minor and routine repairs and maintenance are expenses as incurred.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

**Investments**

Investments are measured at readily determinable fair values and are composed of cash and money market funds, and equity securities. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants and the measurement date.

Unrealized gains or losses on investments are determined by the change in fair value at the beginning and end of the reporting period. Investment income is presented net of investment advisory and management fees, if any, in the accompanying consolidated statement of activities. Net realized and unrealized gains or losses on investments are included in net investment income (loss) in the accompanying consolidated statement of activities. Cash and money market funds held in investment portfolios are included in investments in the accompanying consolidated statement of financial position.

**Grants and Contributions**

Unconditional grants and contributions are recognized when promised and are considered to be available for unrestricted use unless specifically restricted by the donor. Unconditional amounts received that are restricted by the donor for specific time periods or purposes are reported as net assets with donor restrictions. When a donor restriction expires (that is, when a stipulated time or purpose restriction is met), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the accompanying statement of activities as net assets released from restrictions.

**Donated Services**

Donated services are recognized as contributions if the services create or enhance nonfinancial assets or require specialized skills, are performed by people with those skills, and would otherwise be purchased if not provided by donation.

**Revenue Recognition**

Employees of A4TE speak at various companies, universities, and events, as well as hold trainings to educate individuals on transgender issues. Revenue is recognized at a point in time when the speaking and training engagements are held.

**Estimates**

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

**Leases**

A4TE does not recognize short-term leases in the consolidated statement of financial position. For these leases, A4TE 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. A4TE 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, A4TE uses a risk-free rate as the discount rate for the lease for all classes of underlying assets.

**Functional Allocation of Expenses**

The costs of providing program and supporting activities have been summarized on a functional basis on the accompanying consolidated statement of activities. The consolidated statement of functional expenses presents expenses by function and natural classification. A4TE incurs expenses that directly relate to, and can be assigned to, a specific program or supporting activity. A4TE also conducts a number of activities which benefit both its program objectives as well as supporting services. These costs, which are not specifically attributable to a specific program or supporting activity, are allocated by management on a consistent basis among program and supporting services benefited based on either financial or nonfinancial data, such as distribution of labor or estimates of time and effort incurred by personnel. The expenses that are allocated include salaries and related expenses, rent, telecommunications, supplies, website, insurance, and depreciation.

**Income Tax Status**

Under Sections 501(c)(3) and 501(c)(4) of the Internal Revenue Code, Advocates for Trans Equality Education Fund and Advocates for Trans Equality, respectively, are nonprofit organizations and are exempt from federal taxes on income other than net unrelated business income. No provision for federal or state income taxes is required for the years ended December 31, 2024 and 2023, as A4TE has no material taxable net unrelated business income.

**Date of Management's Review**

Management has evaluated subsequent events through October 7, 2025, the date which the financial statements were available to be issued.

## NOTE 2 – CONCENTRATIONS OF CREDIT RISK

Financial instruments that potentially subject A4TE to significant concentrations of credit risk consist of cash deposits and investments. A4TE maintains cash deposits and investments with various financial institutions that exceed insurable limits under the Federal Deposit Insurance Corporation (FDIC) and the Securities Investor Protection Corporation (SIPC). A4TE has not experienced any losses on its cash deposits and investments to date as it relates to FDIC or SPIC insurance limits. Management periodically assesses the financial condition of the institutions and believed that the risk of any loss is minimal. At December 31, 2024 and 2023, A4TE's uninsured cash balances were approximately $2,057,000 and $1,396,000, respectively.

## NOTE 3 – INVESTMENTS

Investments are comprised of the following:

| | 2024 | 2023 |
|---|---|---|
| Cash and money market funds | $ 2,657,761 | $ 4,136,726 |
| Common stocks | 2,954 | - |
| Investments | $ 2,660,715 | $ 4,136,726 |

Fair values of common stocks are based on the closing prices reported on the active market where the individual securities are traded, which are Level 1 fair value measurements.

## NOTE 4 – LEASES

A4TE entered into an office lease in December 2020 requiring monthly payments of $1,500 that expired in June 2024 with annual renewal options. Subsequent to year-end, the lease was renewed for an additional six months, expiring in December 2025. Upon the acquisition of TLDEF (Note 12), A4TE assumed TLDEF's operating lease for office space. This requires monthly payments of $10,014, plus a proportionate share of operating expenses. The lease expired in August 2025 and was renewed on a month-to-month basis

Total components of lease cost is as follows:

| | 2024 | 2023 |
|---|---|---|
| Operating lease cost | $ 30,912 | $ - |
| Variable lease cost | 1,218 | - |
| Short-term lease cost | 19,560 | 18,416 |
| Total lease cost | $ 51,690 | $ 18,416 |

NOTE 4 – LEASES (continued)

Other information related to A4TE's operating lease is as follows:

| | 2024 | 2023 |
|---|---|---|
| Cash paid for amounts included in the measurement of operating lease liabilIties | | |
| Operating cash flows from operating leases | $ 31,545 | N/A |
| Weighted-average remaining lease term | 0.67 years | N/A |
| Weighted-average discount rate | 4.73% | N/A |

Future minimum lease payments for the year ending December 31, 2025, are $84,120, of which $1,473 represents interest.

NOTE 5 – WEBSITE AND EQUIPMENT

Website and equipment consisted of the following:

| | 2024 | 2023 |
|---|---|---|
| Furniture and equipment | $ 112,575 | $ 42,579 |
| Website | 231,657 | 56,657 |
| Total website and equipment | 344,232 | 99,236 |
| Less accumulated depreciation and amortization | (160,565) | (67,502) |
| Website and equipment, net | $ 183,668 | $ 31,734 |

NOTE 6 – IN-KIND CONTRIBUTIONS

In-kind contributions recognized within the consolidated statement of activities include:

| | 2024 | 2023 |
|---|---|---|
| Legal services | $ 3,098,129 | $ 215,309 |
| Information technology services | 62,500 | - |
| In-kind contributions | $ 3,160,629 | $ 215,309 |

A4TE recognized in-kind contributions within revenue on the accompanying consolidated statement of activities and statement of functional expense included with professional services. Unless otherwise noted, the in-kind contributions did not have donor-imposed restrictions.

The donated legal services are used for programmatic and general and administrative activities and are recorded at the estimated fair market value of hourly rates charged. Information technology services are used for programmatic activities and are valued at the amount charged for similar services.

## NOTE 7 – RETIREMENT PLAN

A4TE maintains a 403(b) retirement plan (the Plan) for all eligible employees. Participants may make voluntary contributions up to the maximum amount allowable by law. Through July 31, 2024, A4TE contributed up to 1% non-elective and 2% match of an employee's annual salary for all eligible employees. Effective August 1, 2024, A4TE amended the Plan to contribute 3.5% of all eligible employee's salaries to the Plan, regardless of employee contributions to the Plan. A4TE contributed $96,594 and $39,357 to the Plan during the year-ended December 31, 2024 and 2023, respectively.

## NOTE 8 – EMPLOYEE RETENTION CREDITS

During the year ended December 31, 2021, A4TE claimed Employee Retention Credits (ERC) totaling $415,055 under the provisions the Coronavirus Aid, Relief, and Economic Security Act, as amended. Employers are eligible for the ERC if they experience either a significant decline in gross receipts or the full or partial suspension of operations because of governmental orders limiting commerce, travel, or group meetings due to COVID-19. A4TE determined it had a significant decline in gross receipts and claimed the ERC for all calendar quarters of 2020 and the first three calendar quarters of 2021. The Internal Revenue Service (IRS) generally has five years from the date an ERC claim is filed to audit the claim. Therefore, the IRS may audit A4TE's eligibility for the ERC and its substantiation of the amounts claimed. If the IRS determines A4TE was ineligible for the ERC, A4TE could be required to repay the amount claimed along with penalties and interest.

## NOTE 9 – PAYCHECK PROTECTION PROGRAM LOANS

A4TE received loans totaling $472,962 under the Paycheck Protection Program (PPP) established by the Coronavirus Aid, Relief, and Economic Security (CARES) Act and administered by the U.S. Small Business Administration (SBA). The loans accrue interest at 1% but payments are deferred for borrowers who apply for forgiveness until SBA remits the borrower's forgiveness amount to the lender. The amount of forgiveness depends, in part, on the total amount of eligible expenses paid by A4TE during the covered period. Eligible expenses may include payroll costs, interest on mortgages, rent, and utilities. Any unforgiven portion is payable over five years. On August 12, 2021, the SBA preliminarily approved forgiveness of A4TE's first draw loan and accrued interest. On March 2, 2022, the SBA preliminarily approved forgiveness of A4TE's second draw loan and accrued interest. A4TE must retain PPP documentation in its files for six years after the date the loan is forgiven or repaid in full and permit authorized representatives of SBA to access such files upon request. SBA may review any loan at any time at its discretion. Therefore, SBA may review A4TE's good-faith certification concerning the necessity of its loan request, whether A4TE calculated the loan amount correctly, whether A4TE used loan proceeds for the allowable uses specified in the CARES Act, and whether A4TE is entitled to loan forgiveness in the amount claimed on its application. If SBA determines A4TE was ineligible for the loan or for forgiveness in whole or in part, SBA will seek repayment of the outstanding loan balance.

## NOTE 10 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of the following:

| | 2024 | 2023 |
|---|---|---|
| Subject to passage of time | $ 2,473,913 | $ 200,000 |
| Subject to expenditures for specific purposes: | | |
| Trans Leaders | - | 75,000 |
| U.S. Transgender Survey | - | 226,108 |
| State Administrative Policies | - | 183,467 |
| Merger support | - | 500,000 |
| Name Change Project | 50,000 | - |
| TransLAW | 17,503 | 22,862 |
| Trans Health Policy | 89,471 | - |
| Trans ID | 159,835 | 123,732 |
| Net assets with donor restrictions | $ 2,790,722 | $ 1,331,169 |

## NOTE 11 – LIQUIDITY AND AVAILABILITY OF RESOURCES

The following table reflects A4TE's financial assets as of December 31, 2024 and 2023, reduced by amounts not available for general expenditures within one year of the dates of the consolidated statement of financial position.

| | 2024 | 2023 |
|---|---|---|
| Cash | $ 3,142,117 | $ 1,646,527 |
| Grants and contributions receivable | 1,967,277 | 560,207 |
| Accounts receivable | 3,894 | 16,200 |
| Investments | 2,660,715 | 4,136,726 |
| Total financial assets at year end | 7,774,003 | 6,359,660 |
| Less those unavailable for general expenditures within one year due to: | | |
| Donor restricted funds | (316,809) | (1,056,169) |
| Financial assets available to meet cash needs for general expenditures within one year | $ 7,457,194 | $ 5,303,491 |

As part of A4TE's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due. In addition, A4TE operates with a balanced budget and without any short or long-term non-operating debt.

## NOTE 12 – ACQUISITION OF TRANSGENDER LEGAL DEFENSE AND EDUCATION FUND, INC.

On September 30, 2024, A4TE acquired Transgender Legal Defense and Education Fund, Inc. (TLDEF), a New York corporation exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. TLDEF's principal activity is to end discrimination based on gender identity and expression and to achieve equality for transgender people through public education, test-base litigation, direct legal services, and public policy efforts.

Fair value of the net assets transferred to A4TE is as follows:

| | |
|---|---|
| Cash | $ 1,983,474 |
| Unconditional promises to give | 163,025 |
| Grants receivable | 76,787 |
| Prepaid expenses | 29,568 |
| Security deposit | 60,086 |
| Furniture and equipment, net | 27,435 |
| Operating lease right-of-use asset | 110,654 |
| Accounts payable and accrued expenses | (101,605) |
| Operating lease liability | (112,975) |
| Inherent contribution of net assets received from acquisition of Transgender Legal Defense Education Fund | $ 2,236,449 |