TRANSGENDER LEGAL DEFENSE AND EDUCATION FUND, INC.

FINANCIAL STATEMENTS

September 30, 2024

C O N T E N T S

Wegner CPAs

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Transgender Legal Defense and Education Fund, Inc.
New York, New York

Opinion

We have audited the accompanying financial statements of Transgender Legal Defense and Education Fund, Inc., which comprise the statement of financial position as of September 30, 2024, and the related statements of activities, functional expenses, and cash flows for the period January 1, 2024 through September 30, 2024, 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 Transgender Legal Defense and Education Fund, Inc. as of September 30, 2024, and the changes in its net assets and its cash flows for the period January 1, 2024 through September 30, 2024 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. 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 Transgender Legal Defense and Education Fund, Inc., 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 Transgender Legal Defense and Education Fund, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness Transgender Legal Defense and Education Fund, 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 Transgender Legal Defense and Education Fund, 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.

Wegner CPAs LLP

Wegner CPAs, LLP
Alexandria, Virginia
August 13, 2025

TRANSGENDER LEGAL DEFENSE AND EDUCATION FUND, INC.
STATEMENT OF FINANCIAL POSITION
September 30, 2024

ASSETS	$	-
LIABILITIES	$	-
NET ASSETS		-
Total liabilities and net assets	$	-

See accompanying notes.

TRANSGENDER LEGAL DEFENSE AND EDUCATION FUND, INC.
STATEMENT OF ACTIVITIES
For the Period January 1, 2024 through September 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE			
Grants and contributions	$ 1,079,067	$ 330,000	$ 1,409,067
Donated legal services	10,307,263	-	10,307,263
Government grants	487,148	-	487,148
Fee for service	8,500	-	8,500
Special event, net of direct expenses of $21,600	236,942	-	236,942
Interest income	12,626	-	12,626
Total support and revenue	12,131,546	330,000	12,461,546
EXPENSES			
Program Services	13,126,521	-	13,126,521
Management and General	803,114	-	803,114
Fundraising	311,760	-	311,760
Total expenses	14,241,395	-	14,241,395
NET ASSETS RELEASED FROM RESTRICTIONS			
Satisfaction of purpose restrictions	106,826	(106,826)	-
Expiration of time restrictions	1,063,055	(1,063,055)	-
Net assets released from restrictions	1,169,881	(1,169,881)	-
OTHER CHANGES			
Transfer of net assets to A4TE	1,657,910	578,539	2,236,449
Change in net assets	(2,597,878)	(1,418,420)	(4,016,298)
Net assets at beginning of period	2,597,878	1,418,420	4,016,298
Net assets at end of period	$ -	$ -	$ -

See accompanying notes.

TRANSGENDER LEGAL DEFENSE AND EDUCATION FUND, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Period January 1, 2024 through September 30, 2024

	Program Services	Management and General	Fundraising	Total Expenses
Personnel	$ 2,509,105	$ 448,938	$ 152,308	$ 3,110,351
Professional fees	10,441,813	231,249	68,109	10,741,171
Office expenses	17,915	13,916	10,754	42,585
Conferences and meetings	4,393	22,536	50,087	77,016
Insurance	4,212	-	1,685	5,897
Occupancy	59,712	20,852	16,598	97,162
Information technology	47,948	27,965	21,996	97,909
Travel	26,103	32,055	9,435	67,593
Depreciation	5,320	1,741	1,476	8,537
Miscellaneous	10,000	3,862	912	14,774
Total expenses	13,126,521	803,114	333,360	14,262,995
Less expenses included with support and revenue on the statement of activities	-	-	(21,600)	(21,600)
Total expenses included in the expenses section of the statement of activities	$ 13,126,521	$ 803,114	$ 311,760	$ 14,241,395

See accompanying notes.

TRANSGENDER LEGAL DEFENSE AND EDUCATION FUND, INC.
STATEMENT OF CASH FLOWS
For the Period January 1, 2024 through September 30, 2024

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	$ (4,016,298)
Adjustments to reconcile change in net assets to net cash flows from operating activities	
Depreciation	8,537
Amortization of operating lease right-of-use asset	87,004
Transfer of noncash net assets to A4TE	252,975
Decrease in assets	
Unconditional promises to give	239,098
Grants receivable	478,723
Prepaid expenses	34,141
Decrease in liabilities	
Accounts payable and accrued expenses	(136,922)
Operating lease liability	(162,369)
Net cash flows from operating activities	(3,215,111)
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchases of equipment	(10,466)
Net change in cash	(3,225,577)
Cash at beginning of period	3,225,577
Cash at end of period	$ -

See accompanying notes.

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The Transgender Legal Defense and Education Fund, Inc. (TLDEF) is a nonprofit organization incorporated in the State of New York and located in New York City. TLDEF is committed to ending discrimination throughout the United States based on gender identity and expression and to achieving equality for transgender individuals through public education, test case litigation, direct legal services, and public policy efforts. TLDEF is primarily funded by grants, contributions, government grants, and donated legal services.

Promises to Give

Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. Unconditional promises to give are recognized as revenues in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. 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 the contribution revenue. In the absence of donor stipulations to the contrary, promises with payments due in future periods are restricted to use after the due date.

Furniture and Equipment

All acquisitions of furniture and equipment and all expenditures for repairs, maintenance, and improvements that materially prolong the useful lives of assets are capitalized. Furniture and equipment is carried at cost, or, if donated, at the approximate fair value at the time of donation. Depreciation is computed using the straight-line method.

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.

Contributions

Contributions received are recorded as increases in net assets without donor restrictions or net assets with donor restrictions depending on the existence of any donor restrictions. 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 statement of activities as net assets released from restrictions.

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Government Grants

TLDEF receives grants from government agencies and others that are conditioned upon TLDEF incurring qualifying expenses. Revenue from these grants is generally recognized on a reimbursement basis, that is, when qualifying expenses are incurred by TLDEF, both a receivable from the grantor agency and revenue are recorded. Grants are also generally restricted by the grantor for a specified purpose. Grants whose conditions and restrictions are met in the same reporting period that the revenue is recognized are reported as increases in net assets without donor restrictions.

Revenue Recognition

TLDEF's revenue from fee for services primarily consists of revenue from consulting engagements. Revenue from consulting services is recognized when the services are performed. This revenue stream is generally comprised of fixed fee arrangements and do not contain variable consideration.

Leases

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

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 personnel, depreciation, occupancy, and office expenses, which are allocated on the basis of estimates of time and effort.

Income Tax Status

TLDEF is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, TLDEF qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2).

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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.

Date of Management's Review

Management has evaluated subsequent events through August 13, 2025, the date which the financial statements were available to be issued.

NOTE 2—RETIREMENT PLAN

TLDEF sponsors a 401(k) defined contribution plan covering all of its full-time employees. Participants under the 401(k) plan may contribute any amount within statutory limits. TLDEF will match every dollar of the employee's contribution up to 3% of their covered compensation. For the period January 1, 2024 through September 30, 2024, retirement expense totaled $71,294.

NOTE 3—DONATED LEGAL SERVICES

TLDEF received $10,307,263 of in-kind contributions from law firms in the form of donated services during the period January 1, 2024 through September 30, 2024. Unless otherwise noted, donated services did not have donor-imposed restrictions. The donated legal services were utilized to carry out the programming of TLDEF. Donated services are valued and are reported at the estimated fair value in the financial statements based on current rates for similar services.

NOTE 4—LEASE

TLDEF rents office space under a lease which is set to expire in August 2025. The lease requires monthly payments of $10,014, plus a proportionate share of operating expenses, increasing by a factor of 3% annually.

Total components of lease cost is as follows:

Operating lease cost	$ 92,736
Variable lease cost	3,187
Total lease cost	$ 95,923

NOTE 4—LEASE (continued)

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

Cash payments classified as part of operating cash flows for amounts included in the measurement of liease liabilities	$ 162,369
Weighted average remaining lease term	0.67 years
Weighted average discount rate	4.73%

Under the merger with A4TE (Note 5), the lease, and all future obligations under the lease, transferred to A4TE.

NOTE 5—ADVOCATES FOR TRANS EQUALITY ACQUISTION

On September 30, 2024, TLDEF was acquired by Advocates for Trans Equality (A4TE), a Washington D.C. corporation exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. A4TE's principal activity is to advocate to change policies and society to increase understanding and acceptance of transgender people.

Fair value of the net assets transferred to A4TE is as follows as of September 30, 2024:

Cash	$ 1,983,474
Unconditional promises to give	163,025
Grants receviable	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	(177,123)
Operating lease liability	(37,457)
Transfer of net assets to A4TE	$ 2,236,449