



2006 annual report

OF THE TREATMENT ACTION GROUP

Dear Friends of TAG:

Thanks to your sustained support for the Treatment Action Group's mission and our vision for a world where HIV is treatable, preventable with a vaccine, and ultimately curable, 2006 was a year of remarkable accomplishments and growth for TAG. As you will see from this 2006 Annual Report, TAG's outstanding staff continued their relentless work to ensure that all promising new treatments for HIV and related conditions—particularly the killer co-infections hepatitis C virus (HCV) and tuberculosis (TB)—are expedited through the clinical testing pipeline as quickly—but also as ethically—as possible, to generate the best information on how to use them. Once new treatments are approved, TAG educates and informs affected communities about how they work and aims to ensure the broadest possible access to treatment, with the ultimate goal of universal access to the highest standard of care.

“...a world where HIV is treatable...preventable...curable.”

Since its founding in 1992, TAG has stayed true to its AIDS treatment activist roots while evolving to meet the new challenges of the changing AIDS pandemic and the new opportunities presented by breakthroughs in basic and clinical science. As you know, TAG is unique, and we could not be as effective as we are without your ongoing support. Thank you so much for your generosity and for providing TAG with a strong foundation for our work to treat, prevent, and ultimately, cure HIV.

Sincerely,
Barbara Hughes
Board President



Treatment Action Group's 2006 Research in Action Awards (RIAA) honor longtime science policy activist Judith Auerbach, Ph.D., clinician Donna Futterman, M.D., and playwright Terrence McNally.

TAG's 2006 Research in Action Awards, held at The Drawing Center in New York City on December 10, 2006, honored three individuals who have made a significant impact in AIDS research and activism. "We are honoring three heroes who have fought to keep AIDS in the public eye, through activism, medical care, and art," said **Mark Harrington**, executive director of TAG. (continued on page 2)

Honoree **Judith Auerbach, Ph.D.**, with TAG's executive director, **Mark Harrington**, and honoree **Donna Futterman, M.D.**

(Continued from page 1)

"After twenty-five years of AIDS, TAG is committed to continuing the work laid out by these leaders until we have a cure, a vaccine, and full human rights for people with HIV/AIDS everywhere." TAG's 2006 honorees included:

Judith Auerbach, Ph.D., Deputy Executive Director for Science and Public Policy at San Francisco AIDS Foundation, formerly Vice President for Public Policy and Program Development at amfAR, and long-time director of behavioral and social science research program oversight and evaluation for the Office of AIDS Research at the National Institutes of Health.

Donna Futterman, M.D., Director of Adolescent AIDS Programs at Montefiore Hospital (one of the nation's leading programs providing comprehensive care for HIV positive and at-risk youth), also Professor of Clinical Pediatrics at Einstein College Medical Center.

Terrence McNally, the renowned Tony and Emmy award-winning playwright and author of more than 40 plays, musicals, and screenplays, whose newest work *Deuce* opened on Broadway in May 2007. The RIAA was presented to McNally by award-winning actor **Nathan Lane**, who starred in several of McNally's productions.

Actress/comedienne **Judy Gold** heroically stepped in at the last minute to serve as MC for the Awards Event, generously (and hilariously) replacing actress **Jackie Hoffman**, who was sidelined by a medical crisis. We thank both Judy and Jackie for their dedication to TAG's work.

The 2006 RIAA also featured a limited edition print by renowned photographer **David Armstrong** entitled "Flat Iron Building" (1999). Armstrong is represented by the Matthew Marks Gallery in New York City and has been exhibited worldwide, including Berlin, Boston, Dallas, Los Angeles, New York, Paris, San Francisco, Toronto and Zurich, among other cities.

2006 at a glance

JANUARY. TAG's **Michael Palm HIV Pathogenesis & Prevention Project** began with a generous four-year grant from the **Michael Palm Foundation** under the direction of **Palm Project Director Richard Jefferys**. **Mark Harrington** and TAG's Antiretroviral Project Director met with researchers from **Gilead** and **Pfizer** to discuss new **integrase** and **CCR5 inhibitors** in the pipeline. TB/HIV Director **Javid Syed** convened a series of meetings in New York to expedite development of new **diagnostic tests for TB** in people with HIV.

FEBRUARY. **Richard Jefferys** wrote TAG's widely-covered press statement on the conclusion of the **Strategies for Management of Antiretroviral Therapy [SMART]** study as well as a defense of pre-exposure prophylaxis studies at the 13th Conference on Retroviruses and Opportunistic Infections (CROI) in Denver. **Mark Harrington** asked the National Institutes of Health **Office of AIDS Research** to cosponsor a meeting on **antiretroviral strategy trials post-SMART**.

MARCH. **Richard Jefferys** coordinated global activist/scientist response to AIDS denialist Celia Farber's misguided coverage of AIDS in *Harper's Magazine*. HIV/HCV Co-infection Project Director **Tracy Swan** coordinated advocacy to increase funding for treatment of **hepatitis C virus (HCV)/HIV** coinfection. **Mark Harrington** attended WHO/Stop TB Partnership **TB/HIV Working Group** meeting in London.

APRIL. TAG met with **Merck** and **Schering** to discuss ongoing clinical trials of **integrase** and **CCR5 inhibitors**. **Tracy Swan** published an article showing how many states fail to provide coverage for treatment of **HCV/HIV coinfection**. TAG hosted an international training workshop for **TB/HIV** activists at WHO headquarters in **Geneva**.

MAY. Antiretroviral Project Director **Rob Camp** published TAG's recommendation for FDA approval of **darunavir**, a new protease inhibitor for treatment of drug-resistant HIV

RESEARCH IN ACTION AWARDS



Left: Mrs. **Julia Bomhoff**, her daughter, outgoing TAG Board member **Lynda Dee, Esq.**, with photographer **David Armstrong's** 1999 print "Flat Iron Building", which TAG presented to **Ms. Dee** for her many years of service to people with AIDS.

Right: Honoree **Judith Auerbach, Ph.D.** and TAG Executive Director **Mark Harrington**.



manufactured by **Tibotec**; the **FDA** approved the drug in June. TB/HIV Project Director **Javid Syed** and **Mark Harrington** successfully advocated for the CDC's **TB Trials Consortium** to establish its first community advisory group. TAG's commemoration of the life and work of WHO Director-General **JW Lee** was widely covered.

JUNE. **United Nations** AIDS summit in New York City. TAG succeeded in inserting language supporting **universal access to HIV and TB treatment** by 2010 in the unanimously passed UN political declaration. During an activist demonstration within UN headquarters in New York, Mark Harrington intervened with UNAIDS' **Peter Piot** to assure that HIV+ activists from around the world were not arrested for demanding treatment access targets. FDA approved Tibotec's **Prezista** brand **darunavir**. **Tracy Swan** fought to include more studies of HCV/HIV co-infection in a trans-European study, **HIVCO**. **Mark Harrington** demanded that the **World Health Organization** call a worldwide alarm about the recent outbreak of **extensively drug resistant (XDR)** tuberculosis among HIV-infected persons in KwaZulu-Natal, South Africa. TAG cosponsored the First African TB/HIV Advocacy Workshop with South Africa's **Treatment Action Campaign** in Cape Town.

JULY. NIH and TAG convened a **Structured Treatment Interruptions/Intermittent Therapy** workshop in London, attracting a high-level group of global researchers and activists, who agree on a common research agenda including priority studies. **Tracy Swan** completed a chapter on HIV/HCV treatment for drug users to be published by the **Open Society Institute**. **Javid Syed** was asked to chair the **Coalition for a TB-Free New York City**.

AUGUST. XVI International AIDS Conference, Toronto. TAG published *What's in the Pipeline?* covering all new HIV, HCV, and TB drugs and vaccines in clinical trials. **Mark Harrington** met with **Bill and Melinda Gates**, giving them

a preliminary copy of TAG's scathing report about the poor level of **TB research funding**. Veteran treatment activist and long-time editor of GMHC's *Treatment Issues*, **Bob Huff**, joined TAG as **Editorial Director**.

SEPTEMBER. **Steve and Judy Gluckstern** hosted the first gathering of TAG's **Michael Palm Donor Circle**, named in honor of TAG's first major donor, in their Soho loft. **Richard Jefferys** defended African AIDS researchers from unjust attacks by **ACT UP Paris**. **Mark Harrington** visited **CREATE consortium TB/HIV research** meeting in South Africa and continued sounding the alarm on **XDR-TB**; the **World Health Organization** finally held a meeting about this issue in **Johannesburg**.

OCTOBER. **Mark Harrington** went to Geneva for an **emergency WHO meeting on XDR-TB**. TAG published *TB Research & Development: A Critical Review* at the international TB conference in Paris, revealing that just \$400 million is spent annually on the disease which infects two billion people and kills two million each year.

NOVEMBER. TAG organized the first global meeting of **TB/HIV activists** with national TB program managers at a TB conference. **Rob Camp** organized US activist meetings with **Pfizer** and **Roche**. The **FDA** asked **Tracy Swan** to serve as **community representative** on the **FDA Antiviral Drugs Advisory Committee** to oversee all ongoing trials of new HCV drugs; she participated in her first meeting and was widely cited by leading **hepatologists**.

DECEMBER. TAG received a four-year, \$4.7 million grant from the **Bill & Melinda Gates Foundation** to expand its TB/HIV advocacy project to conduct activism globally, in Africa, in the US, and for **research and development**. TAG held the **10th annual Research in Action Awards** at **The Drawing Center**, honoring **Judith Auerbach, Ph.D.**; **Donna Futterman, M.D.**; and playwright **Terrence McNally**.

R E S E A R C H I N A C T I O N A W A R D S



Left: **Donna Futterman, M.D.** with her former medical teacher and mentor, Yale HIV/TB researcher **Gerald Friedland, M.D.**, who presented **Dr. Futterman** with the 2006 RIAA. **Dr. Friedland** received the RIAA in 2004.

Center: Comedienne **Judy Gold** shared her passion with TAG's donors and honorees as event MC.

Right: TAG's Board President **Barbara Hughes** shares her vision.

TAG PROGRAMS

Antiretroviral Project. TAG reviews the state of research on anti-HIV drugs; advocates for greater efforts in this area; and focuses on innovative drugs which are active against drug-resistant HIV, easier to take, or less toxic. TAG advocates for better post-marketing research on approved antiretroviral drugs to improve standards of care; works on domestic and international treatment guidelines; and educates and mobilizes policymakers, researchers, and the HIV community on anti-HIV treatment research. TAG works with academic researchers, clinicians, Federal agencies such as the Food & Drug Administration (FDA) and the National Institutes of Health (NIH), and with domestic and international community coalitions to achieve these ends.

Michael Palm HIV Pathogenesis & Prevention Project (formerly Basic Science & Vaccines Project). TAG closely monitors the state of basic research on HIV/AIDS, including pathogenesis, immunology, vaccine, microbicide, and pre-clinical discovery and development. TAG advocates for better and faster research into the pathogenesis of HIV infection and the interactions between HIV and the immune system; for research on immune-based therapeutic approaches to HIV infection; for accelerated, scientifically rigorous HIV vaccine and microbicide research; and on projects to educate and mobilize policymakers, researchers, and the HIV community on basic science and vaccine development.

Hepatitis C Virus (HCV) / HIV Co-Infection Project. TAG reviews the state of research on the opportunistic complications, infections, cancers, and co-infections related to HIV/AIDS, and advocates for greater efforts in this area while working to educate and mobilize policymakers, researchers, and the HIV community. Current efforts focus on hepatitis C virus (HCV) infection, which may co-infect up to a quarter of all people with HIV in the United States and often leads to end-stage liver disease. TAG works to improve research, treatment, and community awareness of these co-infections.

TB/HIV Advocacy Project. TAG seeks to educate and empower communities affected by HIV/AIDS domestically and internationally to understand, mobilize, and respond effectively to the challenges posed by the intersecting epidemics of tuberculosis (TB) and HIV. Worldwide, TB is the leading opportunistic infection and a leading cause of death among people living with HIV. To educate, mobilize, and empower HIV communities, TAG works to increase community understanding of TB/HIV co-infection and to increase the quality and quantity of research, treatment, and resources to combat the two epidemics.

Federal AIDS Research & Policy Project. TAG works to secure additional funds for the US and international AIDS research, treatment, and public education programs and seeks to influence

policymakers, researchers, and the HIV community so that the funds are spent effectively and efficiently. TAG closely monitors the AIDS research programs at the National Institutes of Health (NIH) to ensure that they are efficient, effective, and address the highest priority questions in AIDS research and treatment, both domestically and internationally; and advocates in Washington, DC, for a strong and independent NIH Office of AIDS Research (OAR). To these ends, TAG works with coalitions such as the AIDS Treatment Activists Coalition (ATAC), the Coalition for Salvage Therapy (CST), the Fair Price Coalition (FPC), the Federal AIDS Policy Partnership (FAPP), and the Research Working Group (RWG).

US & Global Community Education & Mobilization. TAG educates communities around the US and the world affected by HIV about the latest developments in research, prevention, and treatment. We train and mentor leaders of HIV/AIDS organizations and networks to strengthen their advocacy and scientific literacy. TAG staff and consultants work with individuals and organizations in New York, Washington, DC, and around the world to catalyze more effective global interventions against the HIV pandemic and to treatment education and literacy efforts in developing countries.

Publications & Website. TAG publishes periodic issues of the research and treatment policy newsletter, *TAGline*, *TAG Update*, the Annual Report, *What's in the Pipeline?*, treatment education and community workshop updates, and frequent updates on the TAG website, www.treatmentactiongroup.org.

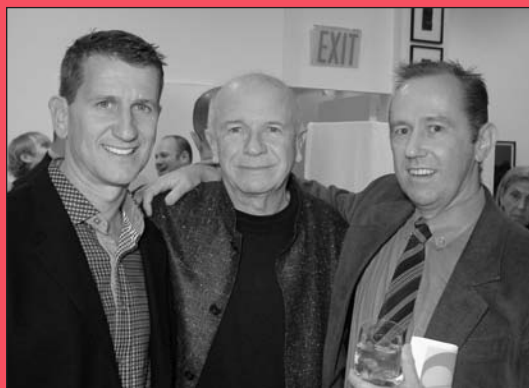
TAG Limited Editions

Each year Treatment Action Group produces a limited edition artwork by a contemporary artist for TAG's Limited Edition Portfolio and TAG's yearly Research In Action Awards Benefit. The limited edition can be purchased through benefit sponsor level ticket sales.

Photographer Richard Renaldi inaugurated TAG's Limited Edition Portfolio in 2005 by donating "Matt, Fort Worth, TX", 2005, and in 2006, photographer David Armstrong donated the photographic print "Flat Iron Building", 1999. In 2007, New York artist Carrie Yamaoka is donating her work for a unique limited edition.

TAG is grateful to all of these artists who are generously supporting TAG's important work. This is a wonderful way to help TAG and collect contemporary art at the same time. Please be on the look out for TAG's 2007 Research In Action Awards invitation. And check out TAG's website under TAG Limited Editions to see past edition availability.

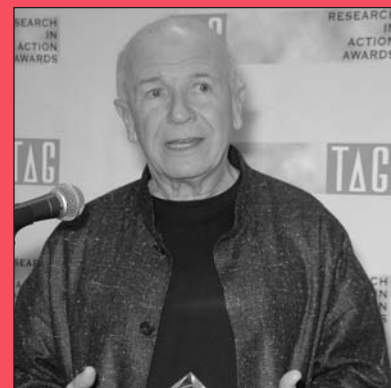
RESEARCH IN ACTION AWARDS



Left: Honoree **Terrence McNally** (center) with his partner, **Tom Kirdahy** (left) and TAG's **Mark Harrington**.



Center: Honoree **Terrence McNally** with presenter **Nathan Lane**.



Right: **Terrence McNally** gave a moving talk reflecting on the impact of the AIDS epidemic on his life and work. "How could I not write about it?" he said, "It was part of life in the last quarter of the 20th century."

\$100,000 or more

The Bill & Melinda Gates Foundation
The Michael Palm Foundation

\$50,000–\$99,000

Merck & Co.
NIH Office of AIDS Research
Schering-Plough Corporation

\$25,000–\$49,999

Boehringer Ingelheim Pharmaceuticals, Inc.
Bristol-Myers Squibb
Gilead Sciences, Inc.
GlaxoSmithKline
Paul L. Newman
Roche

\$10,000–\$24,999

Broadway Cares / Equity Fights AIDS
Richard A. & Barbara Knowles Debs
Gesso Foundation
Richard M. Lynn & Joseph Evall
Robert J. McLain & Alberto Blanquel
Tibotec Therapeutics Ltd.
The Terry K. Watanabe Charitable Trust

\$5,000–\$9,999

David Corkery
Merrill Lynch
Pfizer Foundation
The Mary Wohlford Foundation

\$2,500–\$4,999

Timothy & Mary Casey
Nicholas A.R. Debs
Marcus Edward & Ken O'Neill
Joy Episalla & Carrie Yamaoka
fuse Networks
M. Lee Garrison
James M. Goldrick
Michael K. Longacre
Alby P. Maccarone, Jr.
Robert Monteleone & Stephen Mack
Mark O'Donnell & James E. McGreevey
Jason I. Osher & Richard R. Schubel
Prism Event Management Limited

\$1,000–\$2,499

Jeffrey Arnstein & Michael Field
Katherine C. & Thomas M. Ash
Michael Cowing
Constance D'Aurizio
Paul L. Dietz
Randall G. Drain
Michael F. Giordano, MD

David Gold
Richard & Judith Harrington
David Hollander & Robert Shaw
Lawrence H. Hoskins
Open Society Institute
Robert Pini & Michael Boodro
Quintiles / Innovex
Clare & Allan Rosenfield, MD
Bruce R. Schackman, PhD,
& Edward K. Sikov
Nina Schwalbe & Sally Girvin,
Nina Schwalbe Fund of Tides Foundation
Evan Schwartz & Robert Fitterman
Marvin Shulman
Monte Steinman
Stop TB Partnership
Tommy Tune Foundation
United Way
W. Kirk Wallace & Mark M. Sexton,
Wallace-Sexton Fund of Stonewall
Community Foundation
The Zacks Family Foundation

\$500–\$999

Christine, Benjamin, & Darius Anagnos
Cary Brown & Chris Shirley
Eli & Jalile Camhi
Joseph T. Flynn, MD & Mark A. Nowlan
Steven M. Frank & Elizabeth Powell, MD
Guido Goldman
Mark Harrington
James C. Hormel
Bob Huff
Barbara F. Hughes & Andrea B. Dailey
Richard M. Kielar & Christian Zimmermann
Noel E.D. Kirnon & Michael D. Paley
Christian D. Kraus & Jamie Bishton
Carey C. Maloney & Hermes Mallea
Loring R. McAlpin
Montefiore Medical Center
Adolescent AIDS Program
Kenneth T. Monteiro & Leo J. Blackman
National Convention Services
James F. O'Sullivan
Walter Riemann
John Rutigliano
David Saylor & Charles Kreloff
Daniel Schaffer
John A. Silberman & Elliot Carlen
William J. Zwart & David W. Berchenbriter

\$250–\$499

The Annie & Jimmy Angellino Family
Stuart B. Anthony & Will Rogers
Alvin H. Baum, Jr.

Daniel J. Bellm & Yoel H. Kahn
Meredith C. & Frank V. Bove
Richard M. Buxbaum &
Catherine B. Hartshorn
Dr. & Mrs. Charles C.J. Carpenter
Jeanie Carstensen
Erika B. Dailey
Scott Dainton
Edward J. Davis & Thomas D. Phillips
Dinowitz & Bove, PC
Joseph DiNorcia &
Mary Ann Sheehan-DiNorcia
Hon. Tom Duane & Louis Webre
Edward Dullea & Phillip B. Miller
Carol H. & John L. Field
Hartly Fleischmann
Gail E. & Gerald H. Friedland, MD
Barry Goralnick & Keith M. Gordon
Christopher Harrington & Daphne Powell
Marc Juris
Edward J. Kennedy
Paul E. Kennedy
Charles Kreloff & David Saylor
Nancy & Joel Kremsdorf
Alan E. Lindgren
Joseph R. Liszka
F. Joseph McConnell & Erik Haagensen
George J. & Mirla Morrison
Laura A. Morrison
Brett S. Moskowitz & Perry Dorset
David H. Nathanson
David J. & Maria C. Pauldine
Donna M. Pauldine
Leslie Fay Pomerantz
Candis L. & D.S. Ramelli III
Arthur Rubinstein
James Saakvitne
Lorraine Sahagian
Peter A. Schamel
Sue Sena
Lousine Shamamian
Jane Silver
Alan Z. Skolnikoff, MD
Peter Staley
Margie & Mort Steinberg
Russell Stucki
Paul A. Teixeira & David A. Rimple
Keith S. Tobin, MD
Peter C. Walter & David N. Zane
P. Forrest Williams
Susan Wolfson
Mark B. Wyn
Brian D. Yaklich & David Winton

Thank You!

The Bill & Melinda Gates Foundation honors TAG's leadership in TB/HIV research and treatment advocacy with a four-year, \$4.7 million grant

In late 2006, the Bill & Melinda Gates Foundation honored TAG's leadership in TB/HIV research and treatment advocacy with a four-year, \$4.7 million grant to empower AIDS activist groups to work towards universal access to TB and HIV diagnosis and treatment among people with HIV, and accelerate research on new TB drugs, diagnostics, and vaccines. The grant will enable TAG to expand its TB/HIV Advocacy Project and strengthen global responses to the overlapping TB/HIV epidemics. The grant will enable TAG to lead community activist efforts to help ensure universal access to TB and HIV diagnosis and treatment by the year 2010; conduct advocacy to triple funding for research on new TB tools needed by people with HIV; and integrate community activism into TB policy and research globally, in Africa, and in the United States. Javid Syed, TAG's TB/HIV Advocacy Project Director, said: "This generous grant will allow TAG to expand our work in TB/HIV advocacy and strengthen the involvement of the HIV activist community in TB control and research, which is essential because tuberculosis is the leading co-infection causing illness and death among people with HIV around the world. As the recent upsurge in extremely drug resistant (XDR) TB in southern Africa has shown, HIV and TB are a deadly combination, and poorly performing TB treatment programs represent a threat to HIV antiretroviral treatment scale-up programs worldwide."

TAG will coordinate TB/HIV community advocacy with the Stop TB Partnership, UNAIDS, and WHO to improve TB/HIV policy and scale up collaborative TB/HIV activities, and train and support African TB/HIV community advocates to participate effectively in supporting national scale up. TAG will also educate U.S. leaders about the need to significantly increase funding for TB/HIV research, and help ensure that affected communities are actively involved in TB research.

To achieve this, TAG will increase its TB/HIV project staff and strengthen partnerships with policymakers, researchers, and advocates globally, in the USA, and in Africa. TAG will also sponsor global and African workshops, and publish workshop reports, a TB/HIV advocacy toolkit, advocacy updates, case studies on effective TB/HIV programs, research reports, and resource mobilization plans.

TAG's Executive Director, Mark Harrington, said: "TB control comes from a very traditional public health perspective, which in the past has excluded or disempowered people from taking control over their own health. At the same time, it has made significant strides in expanding effective TB treatment programs in very poor countries, by using standardized and simplified treatment regimens similar to those now being adopted for the treatment of HIV in resource-poor settings. The HIV community has, by contrast, always insisted on the empowerment of people with HIV as central players in taking control of their own health, advocating for better prevention and treatment policies at the national and international levels... Much greater collaboration and program integration are needed to control HIV-related TB, and that the world needs to at least triple its investment in TB research and development in order to discover and develop the new tools—diagnostics, drugs, and vaccines—necessary to control and ultimately to eliminate TB."

TAG MISSION STATEMENT

Treatment Action Group is an independent AIDS research and policy think tank fighting for better treatment, a vaccine, and a cure for AIDS. TAG works to ensure that all people with HIV receive life saving treatment, care, and information.

We are science-based treatment activists working to expand and accelerate vital research and effective community engagement with research and policy institutions.

TAG catalyzes open collective action by all affected communities, scientists, and policymakers to end AIDS.

TAG is a non-profit corporation with 501c (3) status. Contributions are tax deductible to the extent allowed by law.

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Hepatitis C Coinfection Project Director
Javid Syed
TB/HIV Project Director
Claire Wingfield
TB/HIV Project Coordinator
Joseph McConnell
Administrator



TREATMENT ACTION GROUP

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**TREATMENT ACTION GROUP, INC.
STATEMENTS OF FINANCIAL POSITION**

	Years ended December 31,	
	2 0 0 6	2 0 0 5
A S S E T S		
Current assets:		
Cash and cash equivalents	\$ 378,806	\$ 622,109
Contributions receivable	1,406,171	70,625
Prepaid expenses and other receivables	<u>1,895</u>	<u>2,859</u>
Total current assets	1,786,872	695,593
Property and equipment — net of accumulated depreciation	7,356	8,606
Security deposits	<u>4,455</u>	<u>4,455</u>
Total assets	<u>\$ 1,798,683</u>	<u>\$ 708,654</u>

LIABILITIES AND NET ASSETS

Current liabilities		
Accounts payable and accrued expenses	\$ <u>4,441</u>	\$ <u>5,352</u>
Total liabilities	<u>4,441</u>	<u>5,352</u>
Net assets		
Unrestricted	367,238	272,262
Temporarily restricted	<u>1,427,004</u>	<u>431,040</u>
Total net assets	<u>1,794,242</u>	<u>703,302</u>
Total liabilities and net assets	<u>\$ 1,798,683</u>	<u>\$ 708,654</u>

(TAG's 2006 year-end temporarily restricted assets includes support from the Bill & Melinda Gates Foundation for the TB/HIV Project received in 2007; support from the Michael Palm Foundation for the HIV Pathogenesis & Prevention Research Project received in 2007; and time-restricted contributions received in 2007.)

STATEMENTS OF CASH FLOWS

Cash flows from operating activities:		
Increase (Decrease) in net assets	\$ 1,090,940	\$ (319,482)
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	4,301	4,867
(Increase) Decrease in current assets:		
Prepaid expenses and other receivables	964	(1,353)
Contributions receivable	(1,335,546)	542,804
(Decrease) Increase in current liabilities:		
Accounts payable and accrued expenses	<u>(911)</u>	<u>(7,312)</u>
Net cash (used in) provided by operating activities	<u>\$ (240,252)</u>	<u>\$ 219,524</u>
Cash flows from investing activities:		
Purchases of property and equipment	<u>(3,051)</u>	<u>(1,140)</u>
Net cash used in investing activities	(3,051)	(1,140)
Net decrease (increase) in cash balance	<u>(243,303)</u>	<u>218,384</u>
Cash, beginning of year	<u>(622,109)</u>	<u>403,725</u>
Cash, end of year	<u>\$ 378,806</u>	<u>\$ 622,109</u>

**TREATMENT ACTION GROUP, INC.
STATEMENTS OF ACTIVITIES**

	Unrestricted	Temporarily Restricted	Years ended December 31	
			2 0 0 6	2 0 0 5
Revenue and support:				
Direct mail	\$ 58,020	\$ —	\$ 58,020	\$ 48,697
Donations	20,667	—	20,667	26,626
Grants	248,975	1,679,571	1,928,546	306,950
Special event income	161,186	—	161,186	110,552
Travel and other reimbursement	4,310	5,513	9,823	16,826
Interest and dividend income	7,425	14,268	21,693	7,016
	<u>500,583</u>	<u>1,699,352</u>	<u>2,199,935</u>	<u>516,667</u>
Net assets released from restrictions	<u>703,388</u>	<u>(703,388)</u>	<u>—</u>	<u>—</u>
Total revenue and support	<u>1,203,971</u>	<u>995,964</u>	<u>2,199,935</u>	<u>516,667</u>
Expenses				
Program services				
Antiretroviral project	101,096	—	101,096	101,380
Federal Affairs/NIH project	39,430	—	39,430	6,388
Michael Palm HIV Pathogenesis & Prevention project	162,368	—	162,368	101,451
Hepatitis C Virus/HIV Co-Infection	103,830	—	103,830	93,719
TB/HIV Advocacy Project	450,670	—	450,670	360,974
US & Global Community Education & Mobilization	20,117	—	20,117	16,340
TAG Publications and Website	64,458	—	64,458	32,904
Total Program expenses	<u>941,969</u>	<u>—</u>	<u>941,969</u>	<u>713,156</u>
Supporting services expenses				
Management and general	67,140	—	67,140	68,652
Fundraising	99,886	—	99,886	54,341
Total services expenses	<u>1,108,995</u>	<u>—</u>	<u>1,108,995</u>	<u>836,149</u>
Increase (Decrease) in net assets	94,976	995,964	1,090,940	(319,482)
Net assets, beginning of year	<u>272,262</u>	<u>431,040</u>	<u>703,302</u>	<u>1,022,784</u>
Net assets, end of year	\$ <u>367,238</u>	\$ <u>1,427,004</u>	\$ <u>1,794,242</u>	\$ <u>703,302</u>

