

T.A.G. TREATMENT ACTION GROUP, INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2025 AND 2024



INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
T.A.G. Treatment Action Group, Inc.

Opinion

We have audited the accompanying financial statements of T.A.G. Treatment Action Group, Inc. (a nonprofit organization), 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 financial statements referred to above present fairly, in all material respects, the financial position of T.A.G. Treatment Action Group, Inc. 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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of T.A.G. Treatment Action Group, Inc. 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 T.A.G. Treatment Action Group, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 of T.A.G. Treatment Action Group, 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 T.A.G. Treatment Action Group 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.

Lutz + Carr, LLP

New York, New York
April 17, 2026

T.A.G. TREATMENT ACTION GROUP, INC.

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
Assets		
Cash and cash equivalents	\$1,361,599	\$1,391,211
Contributions receivable		
Without donor restrictions	122,245	320,401
With donor restrictions	100,000	870,728
Prepaid expenses and other current assets	99,503	76,668
Donated artwork	516,379	517,139
Operating lease right-of-use asset	471,498	598,808
Security deposit	50,402	50,402
Property and equipment, net of accumulated depreciation	<u>10,368</u>	<u>13,782</u>
Total Assets	<u><u>\$2,731,994</u></u>	<u><u>\$3,839,139</u></u>
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	\$ 93,610	\$ 72,148
Operating lease liability	<u>536,507</u>	<u>673,629</u>
Total Liabilities	<u>630,117</u>	<u>745,777</u>
Contingency		
Net Assets		
Without donor restrictions	1,401,088	1,483,863
With donor restrictions	<u>700,789</u>	<u>1,609,499</u>
Total Net Assets	<u>2,101,877</u>	<u>3,093,362</u>
Total Liabilities and Net Assets	<u><u>\$2,731,994</u></u>	<u><u>\$3,839,139</u></u>

See notes to financial statements.

T.A.G. TREATMENT ACTION GROUP, INC.

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
Revenue and Other Support						
Contributions	\$ 306,109	\$ 1,628,709	\$1,934,818	\$ 321,945	\$ 2,967,662	\$3,289,607
Fundraising benefit events	283,118	-	283,118	233,362	-	233,362
Less: Direct benefit costs	(47,026)	-	(47,026)	(45,020)	-	(45,020)
Art sales, net of cost of goods sold, \$760 (2025)	4,540	-	4,540	3,800	-	3,800
Other income	47,129	-	47,129	29,185	-	29,185
Interest income	45,734	-	45,734	63,987	-	63,987
Net assets released from restrictions	2,537,419	(2,537,419)	-	3,194,207	(3,194,207)	-
Total Revenue and Other Support	3,177,023	(908,710)	2,268,313	3,801,466	(226,545)	3,574,921
Expenses						
Program Services						
HIV Program	827,700	-	827,700	906,992	-	906,992
Hepatitis C Virus Program	284,581	-	284,581	297,189	-	297,189
TB Program	1,493,582	-	1,493,582	2,150,585	-	2,150,585
U.S. and Global Health Policy	-	-	-	22,387	-	22,387
Total Program Services	2,605,863	-	2,605,863	3,377,153	-	3,377,153
Supporting Services						
Management and general	369,129	-	369,129	419,692	-	419,692
Fundraising	284,806	-	284,806	295,797	-	295,797
Total Supporting Services	653,935	-	653,935	715,489	-	715,489
Total Expenses	3,259,798	-	3,259,798	4,092,642	-	4,092,642
Decrease in net assets	(82,775)	(908,710)	(991,485)	(291,176)	(226,545)	(517,721)
Net assets, beginning of year	1,483,863	1,609,499	3,093,362	1,775,039	1,836,044	3,611,083
Net Assets, End of Year	<u>\$ 1,401,088</u>	<u>\$ 700,789</u>	<u>\$2,101,877</u>	<u>\$ 1,483,863</u>	<u>\$ 1,609,499</u>	<u>\$3,093,362</u>

See notes to financial statements.

T.A.G. TREATMENT ACTION GROUP, INC.

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2025

	Program Services					Supporting Services			Total Expenses
	HIV Program	Hepatitis C Virus Program	TB Program	U.S. and Global Health Policy	Total	Management and General	Fundraising	Total	
Salaries	\$471,719	\$ 151,611	\$ 698,375	\$ -	\$1,321,705	\$ 244,612	\$ 102,405	\$347,017	\$1,668,722
Payroll taxes and employee benefits	177,510	64,194	228,685	-	470,389	57,878	35,466	93,344	563,733
Consultants	46,317	18,784	137,685	-	202,786	25,004	39,565	64,569	267,355
Grants	5,000	12,000	249,385	-	266,385	-	-	-	266,385
Conferences and meetings	21,209	2,770	8,342	-	32,321	335	-	335	32,656
Travel	18,705	4,262	46,507	-	69,474	6,958	7,555	14,513	83,987
Dues and subscriptions	7,153	447	2,120	-	9,720	512	2,460	2,972	12,692
Occupancy	46,385	15,418	66,235	-	128,038	21,612	9,850	31,462	159,500
Insurance	7,537	2,505	10,763	-	20,805	3,513	1,601	5,114	25,919
Office expenses	6,175	582	12,148	-	18,905	1,415	321	1,736	20,641
Information technology	8,635	4,085	8,790	-	21,510	3,940	4,735	8,675	30,185
Advertising	-	-	-	-	-	224	158	382	382
Telephone and internet	2,815	1,114	2,654	-	6,583	1,008	706	1,714	8,297
Postage	407	120	471	-	998	264	6,257	6,521	7,519
Printing and publications	5,531	5,814	17,525	-	28,870	130	12,278	12,408	41,278
Fundraising events	-	-	-	-	-	-	54,120	54,120	54,120
Bank charges	818	282	1,459	-	2,559	476	6,927	7,403	9,962
Depreciation	1,372	456	1,960	-	3,788	640	291	931	4,719
Miscellaneous expenses	412	137	478	-	1,027	608	111	719	1,746
Total Expenses	<u>\$827,700</u>	<u>\$ 284,581</u>	<u>\$1,493,582</u>	<u>\$ -</u>	<u>\$2,605,863</u>	<u>\$ 369,129</u>	<u>\$ 284,806</u>	<u>\$653,935</u>	<u>\$3,259,798</u>

See notes to financial statements.

T.A.G. TREATMENT ACTION GROUP, INC.

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2024

	Program Services				Supporting Services			Total Expenses	
	HIV Program	Hepatitis C Virus Program	TB Program	U.S. and Global Health Policy	Total	Management and General	Fundraising		Total
Salaries	\$552,167	\$ 158,954	\$ 718,703	\$ -	\$1,429,824	\$ 294,936	\$ 125,975	\$420,911	\$1,850,735
Payroll taxes and employee benefits	204,559	73,444	228,178	-	506,181	47,196	47,098	94,294	600,475
Consultants	7,762	8,459	251,182	-	267,403	28,958	14,049	43,007	310,410
Grants	8,308	23,179	654,930	-	686,417	45	7,074	7,119	693,536
Conferences and meetings	5,455	2,893	22,352	-	30,700	-	876	876	31,576
Travel	28,624	5,236	165,942	-	199,802	4,595	11,254	15,849	215,651
Dues and subscriptions	15,597	535	5,739	-	21,871	1,130	85	1,215	23,086
Occupancy	40,185	11,831	48,777	18,909	119,702	26,250	12,922	39,172	158,874
Insurance	6,127	1,804	7,438	2,883	18,252	4,003	1,970	5,973	24,225
Office expenses	2,642	686	2,929	-	6,257	1,974	450	2,424	8,681
Information technology	11,714	4,799	16,015	-	32,528	4,728	3,046	7,774	40,302
Advertising	-	125	230	-	355	125	1,098	1,223	1,578
Telephone and internet	2,291	736	2,136	-	5,163	1,479	649	2,128	7,291
Postage	477	134	533	-	1,144	678	3,746	4,424	5,568
Printing and publications	16,345	2,805	19,992	-	39,142	421	5,287	5,708	44,850
Fundraising events	-	-	-	-	-	-	53,081	53,081	53,081
Bank charges	1,864	537	2,116	-	4,517	21	6,006	6,027	10,544
Depreciation	1,265	372	1,535	595	3,767	826	407	1,233	5,000
Miscellaneous expenses	1,610	660	1,858	-	4,128	2,327	724	3,051	7,179
Total Expenses	<u>\$906,992</u>	<u>\$ 297,189</u>	<u>\$2,150,585</u>	<u>\$ 22,387</u>	<u>\$3,377,153</u>	<u>\$ 419,692</u>	<u>\$ 295,797</u>	<u>\$715,489</u>	<u>\$4,092,642</u>

See notes to financial statements.

T.A.G. TREATMENT ACTION GROUP, INC.

STATEMENTS OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
Cash Flows From Operating Activities		
Decrease in net assets	\$ (991,485)	\$ (517,721)
Adjustments to reconcile decrease in net assets to net cash used by operating activities:		
Amortization of right-of-use asset	127,310	124,307
Depreciation	4,719	5,000
Loss on disposal of equipment	1,283	-
(Increase) decrease in:		
Contributions receivable	968,884	604,902
Prepaid expenses and other current assets	(22,835)	4,474
Donated artwork	760	-
Increase (decrease) in:		
Accounts payable and accrued expenses	21,462	(1,859)
Refundable advance	-	(134,874)
Operating lease liability	(137,122)	(130,439)
Net Cash Used By Operating Activities	<u>(27,024)</u>	<u>(46,210)</u>
Cash Flows From Investing Activities		
Acquisition of property and equipment	<u>(2,588)</u>	<u>(5,217)</u>
Net decrease in cash and cash equivalents	(29,612)	(51,427)
Cash and cash equivalents, beginning of year	<u>1,391,211</u>	<u>1,442,638</u>
Cash and Cash Equivalents, End of Year	<u><u>\$1,361,599</u></u>	<u><u>\$1,391,211</u></u>

See notes to financial statements.

T.A.G. TREATMENT ACTION GROUP, INC.**NOTES TO FINANCIAL STATEMENTS****DECEMBER 31, 2025 AND 2024****Note 1 - Organization and Summary of Significant Accounting Policies****a - Organization**

T.A.G. Treatment Action Group, Inc. ("TAG") is a not-for-profit organization incorporated under the laws of the state of New York. Founded in January 1992, TAG is an independent, activist, and community-based research and policy think tank committed to racial, gender, and LGBTQ+ equity; social justice; and liberation, fighting to end HIV, tuberculosis (TB), and hepatitis C virus (HCV). TAG catalyzes open collective action by affected communities, scientists, and policymakers to ensure that all people living with or impacted by HIV, TB, or HCV - especially communities of color and other marginalized communities experiencing inequities - receive life-saving prevention, diagnosis, treatment, care, and information. We are science-based activists working to expand and accelerate vital research and effective community engagement with research and policy institutions for an end to the HIV, TB, and HCV pandemics. The primary sources of revenue to TAG are contributions and grants.

b - Cash and Cash Equivalents

For purposes of the statement of cash flows, TAG considers all highly liquid debt instruments, with an initial maturity of three months or less, to be cash equivalents.

c - Contributions and Contributions Receivable

TAG recognizes contributions when cash, securities, or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier and a right of return, are not recognized until the conditions on which they depend have been met. TAG records fundraising benefit revenue equal to the fair value of the direct benefit to donors, and contribution income for the excess received when the event takes place.

Contributions that are restricted by the donor are reported as increases in net assets with donor restrictions. When the restriction expires, that is, when stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported on the statement of activities as net assets released from restrictions.

TAG uses the allowance method to determine uncollectible contributions receivable. The allowance is based on prior years' experience and management's analysis of specific promises made.

T.A.G. TREATMENT ACTION GROUP, INC.**NOTES TO FINANCIAL STATEMENTS****DECEMBER 31, 2025 AND 2024****Note 1 - Organization and Summary of Significant Accounting Policies (continued)****c - Contributions and Contributions Receivable (continued)**

A portion of TAG's revenue is derived from cost-reimbursable grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when TAG has incurred expenditures in compliance with specific grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position.

d - Donated Artwork

Artwork inventory consists of limited-edition art prints donated by highly regarded visual artists. Inventory is recorded and carried at fair value based upon the date which the donation was received. Donated art prints used in events are direct benefits to donors. The art prints are assessed each year for impairment.

e - Property and Equipment

Property and equipment are recorded at cost and are being depreciated using the straight-line method over the estimated useful lives of the assets. Items with a cost in excess of \$1,000 with estimated useful lives of more than one year are capitalized.

f - Operating Lease Right-of-Use Asset and Operating Lease Liability

For leases with an initial term greater than twelve months, TAG's operating lease liability is initially recorded at the present value of the unpaid lease payments. TAG's operating lease right-of-use asset is initially recorded at the carrying amount of the lease liability adjusted for initial direct costs, accruals, prepayments and lease incentives, if any. Lease cost is recognized on a straight-line basis over the lease term.

g - Financial Statement Presentation

The financial statements of TAG have been prepared in accordance with accounting principles generally accepted in the United States, which require TAG to report information regarding its financial position and activities according to the following net asset classifications:

Net Assets Without Donor Restrictions

Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of TAG. These net assets may be used at the discretion of TAG's management and Board of Directors.

T.A.G. TREATMENT ACTION GROUP, INC.**NOTES TO FINANCIAL STATEMENTS****DECEMBER 31, 2025 AND 2024****Note 1 - Organization and Summary of Significant Accounting Policies (continued)**g - Financial Statement Presentation (continued)Net Assets With Donor Restrictions

Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of TAG or the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

h - Functional Allocation of Expenses

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The estimates of time and effort is used to allocate salaries, payroll taxes and benefits, insurance and occupancy.

i - Grants

Grants are accrued at the time they are approved and awarded by TAG.

j - Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

k - Tax Status

TAG is a not-for-profit organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and has been designated as an organization which is not a private foundation.

l - Subsequent Events

TAG has evaluated subsequent events through April 17, 2026, the date that the financial statements are considered available to be issued.

Note 2 - Information Regarding Liquidity and Availability

TAG operates with a balanced budget for each fiscal year based on the revenues expected to be available to fund anticipated expenses. A substantial portion of annual revenue is comprised of contribution revenue raised during the current year. TAG considers general expenditures to consist of all expenses related to its ongoing program activities, and the expenses related to general and administrative and fundraising activities undertaken to support those services.

T.A.G. TREATMENT ACTION GROUP, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2025 AND 2024

Note 2 - Information Regarding Liquidity and Availability (continued)

TAG regularly monitors liquidity to meet its operating needs and other commitments and obligations and reassesses budget assumptions during a mid-year course correction. Management prepares regular cash flow projections to determine liquidity needs and has a policy to maintain liquid financial assets on an ongoing basis sufficient to cover 180 days of general expenditures.

TAG's financial assets as of December 31, 2025 and 2024 available to meet cash needs for general expenditures within one year are summarized as follows:

	<u>2025</u>	<u>2024</u>
Financial Assets at Year End:		
Cash and cash equivalents	\$1,361,599	\$1,391,211
Contributions receivable	<u>222,245</u>	<u>1,191,129</u>
Total Financial Assets	1,583,844	2,582,340
Less: Amounts not Available to be Used within One Year:		
Net assets with donor restrictions, subject to expenditure for specific purposes	(700,789)	(1,609,499)
Plus: Net assets with donor restrictions expected to be met in less than one year	<u>694,974</u>	<u>1,317,455</u>
Financial Assets Available to Meet General Expenditures within One Year	<u>\$1,578,029</u>	<u>\$2,290,296</u>

Note 3 - Restrictions on Net Assets

Net assets with donor restrictions as of December 31, 2025 and 2024 are subject to expenditure for specified purposes as follows:

	<u>2025</u>	<u>2024</u>
HIV Program	\$516,629	\$ 648,941
TB Program	184,160	945,558
Subject to the passage of time	<u>-</u>	<u>15,000</u>
Total Net Assets With Donor Restrictions	<u>\$700,789</u>	<u>\$1,609,499</u>

T.A.G. TREATMENT ACTION GROUP, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2025 AND 2024

Note 4 - Contributions Receivable

Contributions receivable are due as follows:

	<u>2025</u>	<u>2024</u>
Due in less than one year	\$222,245	\$1,096,945
Due in one to five years	-	100,000
	<u>222,245</u>	<u>1,196,945</u>
Less: Discount to present value	-	(5,816)
	<u>\$222,245</u>	<u>\$1,191,129</u>

Contributions receivable due after one year are reflected at present value of estimated cash flows using a discount rate of 3%. Uncollectible contributions are expected to be insignificant, and management has determined that no allowance is necessary at December 31, 2025 and 2024.

At December 31, 2025, three donors comprised approximately 95% of total contributions receivable. At December 31, 2024, two donors comprised approximately 71% of total contributions receivable.

Note 5 - Property and Equipment

Property and equipment consist of the following:

	<u>Life</u>	<u>2025</u>	<u>2024</u>
Computers and equipment	5 years	\$69,789	\$83,845
Furniture and fixtures	5 years	<u>19,898</u>	<u>19,898</u>
		89,687	103,743
Less: Accumulated depreciation		<u>(79,319)</u>	<u>(89,961)</u>
		<u>\$10,368</u>	<u>\$13,782</u>

Note 6 - Operating Lease Liability

TAG occupies office space under a lease agreement expiring June 30, 2029.

T.A.G. TREATMENT ACTION GROUP, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2025 AND 2024

Note 6 - Operating Lease Liability (continued)

Operating lease cost for the years ended December 31, 2025 and 2024 was \$141,062. There were no variable lease costs incurred. As of December 31, 2025, the remaining term of TAG's operating lease is forty-two months, and the discount rate is 2.25%.

Maturities of TAG's lease liability as of December 31, 2025 are as follows:

<u>Year Ending December 31</u>	
2026	\$154,646
2027	158,512
2028	162,474
Thereafter, through June 30, 2029	<u>83,095</u>
	558,727
Less: Amount attributable to interest	<u>(22,220)</u>
	<u>\$536,507</u>

Note 7 - Contingency

Government supported projects are subject to audit by the granting agency.

Note 8 - Concentration of Credit Risk

TAG maintains its cash and cash equivalents balances in multiple financial institutions. The balances, at times, may exceed federally insured limits.