

END STIGMA SAVE LIVES



**ELTON JOHN
AIDS FOUNDATION**

Company Registration Number 02787008
Charity Registration Number 1017336
US EIN Number 58-2033460

**ANNUAL REPORT
2022**



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END AIDS NOW



**THE ELTON JOHN AIDS
FOUNDATION (EJAF)
IS ONE OF THE TOP 10
PHILANTHROPIC FUNDERS
OF HIV/AIDS GRANTS
WORLDWIDE.**

Since our founding in 1992, we've raised over \$565 million to support HIV/AIDS programs globally.

This year, our progress towards ending AIDS by 2030 has been threatened—by the world's ongoing recovery from the COVID-19 pandemic, economic and political turbulence, and war in Europe. Despite these challenges, EJAF continued our dedicated work to realize our mission, learn from our projects, and sustain our achievements.

90,000

reached with services

9,500

initiated on antiretroviral therapy (ART)

>62,000

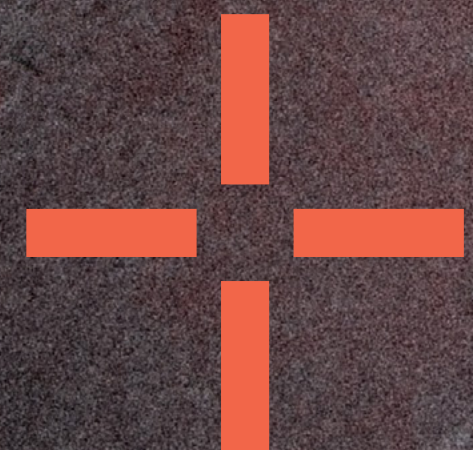
people tested for HIV

3,600

trained along the services and care journey to reduce stigma and improve quality of, and access to, care for people who need it most



TONY KAWIMBE/FRONTLINE AIDS



NO ONE CAN BE LEFT BEHIND

SEAN THOMAS



“

THE ELTON JOHN AIDS
FOUNDATION DELIVERS
PROGRAMS THAT AIM TO
‘WALK IN THE SHOES’ OF
VULNERABLE PEOPLE.”

C

hallenges facing the world today highlight the growing vulnerability for those who live in violent, repressive, poor or discriminatory communities around the world. This is where HIV flourishes. People who are vulnerable make immediate, practical choices to protect themselves and survive. Changing a law, avoiding unsafe sex or getting access to information and medical care is too often trumped by earning enough to eat, avoiding physical and sexual violence, or mitigating shame and abandonment.

The Elton John AIDS Foundation delivers programs that aim to ‘walk in the shoes’ of vulnerable people; to understand the daily complex calculus they make for themselves and those they love, and to come up with solutions that meet them where they are. As you will see in these pages, often this means changing laws and policies that legitimize social exclusion and violence, which is why our advocacy work becomes ever more important. At other times, it requires innovative new responses, such as the digital options you will read about for young people, or partnering with businesses who have the access and

“NEVER HAS THE GLOBAL UNDERSTANDING OF INFECTIOUS DISEASES AND THEIR CONSEQUENCES BEEN HIGHER.”

“EVERY GRANT, EVENT TICKET BOUGHT, DONATION MADE OR LEGACY GIFT IS WHAT POWERS US IN OUR WORK.”



ROBYN PENN

footprint of people we need to reach, like Walmart. Always, these programs must be rooted in people’s lived experience: they must be rigorous enough to provide meaningful data from which we are flexible enough to adapt and iterate quickly.

We seek out partners who know the communities they serve and we are deeply proud and grateful for what they have accomplished in a very challenging year. We establish broad collaborations across government, non-profit and academic sectors to learn fast, and implement in an integrated way. We advocate for and leverage funding at a national, regional and global scale to achieve impact.

Whilst the COVID pandemic was devastating in so many ways, never has the global understanding of infectious diseases and their consequences been higher. This means we are better able to expand the vital message to ‘know your HIV status’; to mobilize groups to work with their peers and in communities, to utilize smart efficient technology to deliver those services and to track uptake of them in real time. It also means we are able to support global health efforts with what we have learned over the last three decades, the first of which is that to be successful, no one can be left behind.

None of this would be possible without the support of our incredible donors and partners. Every grant, event ticket bought, donation made or legacy gift is what powers us in our work. Our newest campaign—the Rocket Fund—which is launching in 2023, aims to turbocharge that work as we head to the United Nations global goal of ending AIDS by 2030.

On behalf of everyone in the Elton John AIDS Foundation family—our Board, staff, committee members, partners and grantees, and most of all the hundreds of thousands of people we were able to help in 2022—
THANK YOU.

SIR ELTON JOHN, FOUNDER

DAVID FURNISH, CHAIR

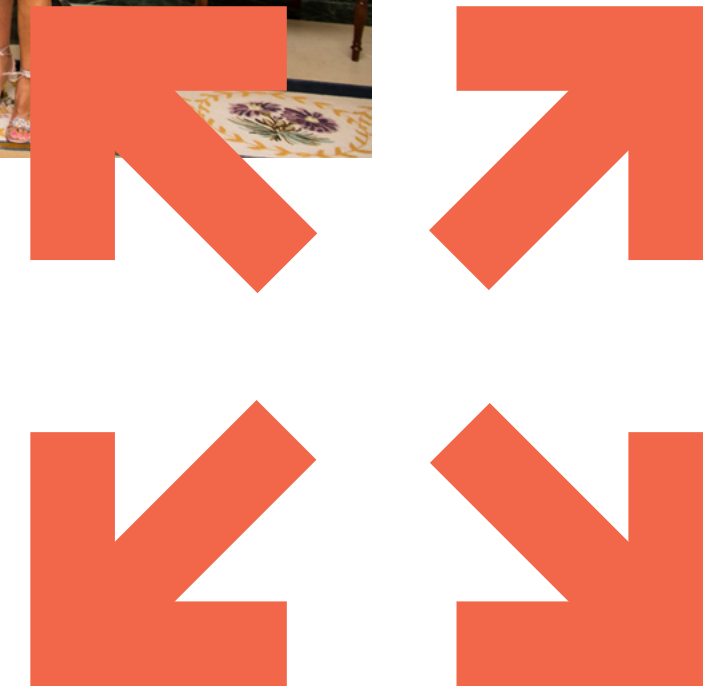
ANNE ASLETT, CEO



GREG GORMAN

NO MORE AIDS DEATHS

BEN GIBSON



OUR MISSION IS SIMPLE: AN END TO THE AIDS EPIDEMIC FOR EVERYONE.

The Elton John AIDS Foundation is one of the foremost independent AIDS charities in the world. At the Foundation, we believe everyone has the right to a healthy life. We act on that belief by raising funds for evidence-based frontline programs and policies and speaking out with honesty and compassion about the realities of people's lives. Through hard work and with the help of our network of kind and generous friends and supporters, we work to end stigma, prevent infections, provide treatment and services, and motivate governments to end AIDS. Join us in speaking out, taking action, and continuing the fight against this worldwide epidemic so that no one is left behind.



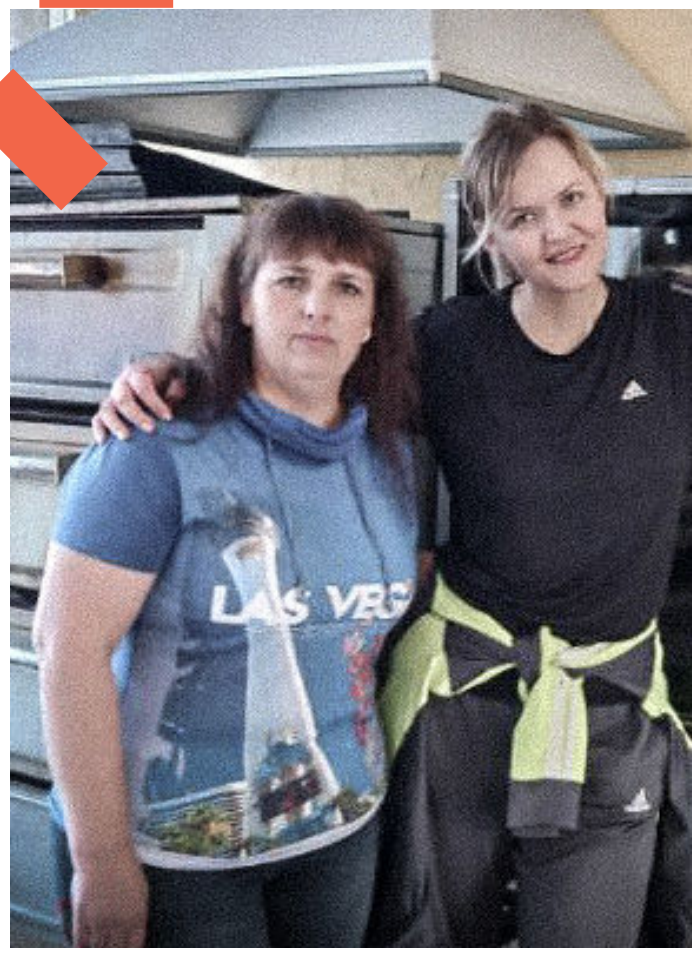
JARED KRAUSS

WHAT MAKES US UNIQUE



THE ELTON JOHN AIDS FOUNDATION WORKS AROUND THE WORLD, FROM UKRAINE TO KENYA, FROM ATLANTA TO JAKARTA, IN SOME OF THE MOST CHALLENGING CONTEXTS WHERE OTHERS DON'T GO.

We've made this commitment because in many parts of the world, HIV infections and AIDS-related deaths continue to rise, demanding urgent action to turn the tide of the epidemic. To achieve epidemic control globally, we are working to improve and expand HIV services for all, to reduce stigma and discrimination experienced by key populations, and to share learnings on effective approaches.



Since we know HIV/AIDS doesn't discriminate, we focus on supporting people who are the most vulnerable to HIV and AIDS domestically and globally. These groups include LGBTQ+ populations, young people and people who use drugs. We have been advocating for these communities since the Foundation's inception in 1992—and three decades later, the Elton John AIDS Foundation is now the 2nd largest HIV-related funder of LGBTQ+ populations and the 5th largest HIV-related funder overall (FCAA 2020).

IN FOCUS



WE ARE STRIVING FOR A FUTURE WHERE PEOPLE OF ALL RACES, ETHNICITIES, NATIONALITIES, SEXUAL ORIENTATIONS, AND GENDER IDENTITIES HAVE THE OPPORTUNITY TO LIVE FREE FROM AIDS, STIGMA, INJUSTICE AND MALTREATMENT—AND I'M SO GRATEFUL RECOGNITION LIKE THIS BRINGS US A STEP CLOSER TO MAKING THAT A REALITY."

ELTON JOHN

In September, Elton John and David Furnish joined President Joe Biden and the First Lady Dr. Jill Biden as part of the event, "A Night When Hope and History Rhyme", organized in collaboration with The History Channel and A+E Networks.

The President and First Lady honored Elton's remarkable musical and philanthropic legacy, and celebrated the healing power of music to an audience of everyday history makers including teachers and students, nurses, LGBTQ+ advocates, military families, mental health advocates, and more.

This empowering night was made all the more magical when Elton John was presented with the National Humanities Medal for his commitment to ending AIDS.

A NIGHT WHEN HOPE AND HISTORY RHYME



JEFF KATZ

THANK YOU

WE ARE GRATEFUL TO ALL OF OUR DONORS FOR THEIR GENEROUS SUPPORT IN 2022.

\$1,000,000+

A+E Networks
Bill and Tani Austin
Ford Foundation
Gilead Sciences, Inc.
Karen and Rob Hale
Robert K. Kraft
Los Angeles Dodgers
Owls Fund
Saks Incorporated
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\$300,000—\$999,999

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Living Legacy Foundation
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\$100,000—\$299,999

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* CAD, EUR, and GBP amounts have been converted to USD using the prevailing exchange rate on the date of transaction.

AT A GLANCE

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\$50,000—\$99,999 Cont.

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Sherine and Nassef Sawiris
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Philipp and Alexis Widmayer

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\$10,000—\$24,999

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Rick Rickertsen
Shawn Rougeron
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OUR DONORS

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\$10,000—\$24,999 Cont.

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Dione Spiteri
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Debra Taweel
Pantazis Therianos
The Tigani Family
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Wen by Chaz Dean
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Olivia Williamson
Gary and Jill Yeomans
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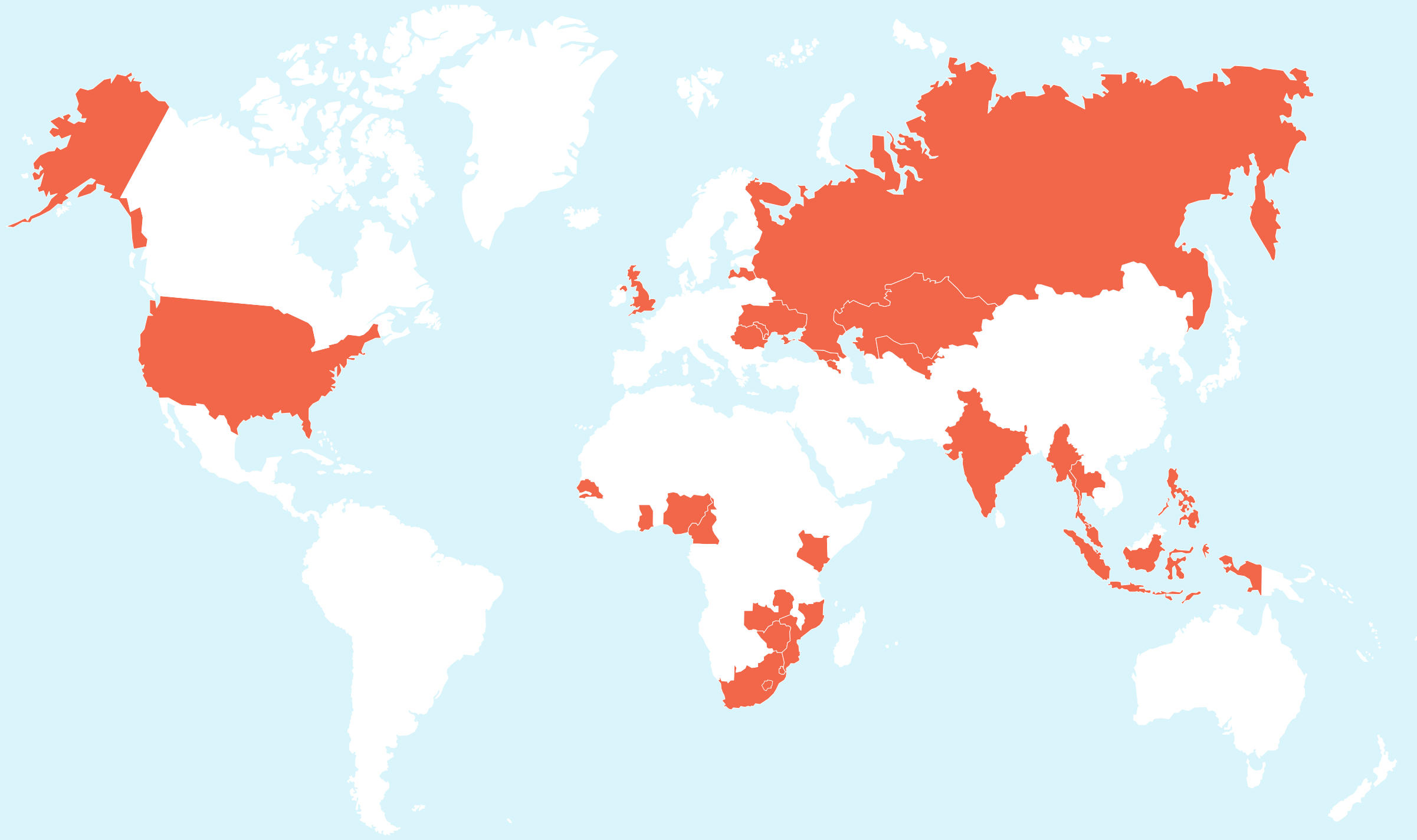
Jennifer Marshall
Paul Marsolab
Kevin Martinez and Hudson
Ric and Lori Mayfield
Eric and Janet McCormack
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Jeff Napshin
Todd Noell
Kayo Omune
Özlem Önal
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Ollie Rosenblatt
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Craig and Lisa Susser
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Elizabeth TenHouten
Lianna Tsakonas
VRAI
Andrew Watt
Rita Wilson and Tom Hanks
Natascha Wittmann
Lynn Wyatt
Siying Yi
Weston Yonge
Torie Zalben

IN-KIND \$2,500+

A+E Networks
Buckles Solicitors LLP
The Caring Family Foundation
Clear Channel
DLA Piper
Emperor Design Consultants Limited
Facebook
Freshfields Bruckhaus Deringer LLP
Ogilvy
Walmart
WilmerHale

WHERE WE FUNDED PROJECTS IN 2022



EXPANDING OUR REACH

ARMENIA
CAMEROON*
CROATIA*
GEORGIA
GHANA*
INDIA*
INDONESIA*
KAZAKHSTAN
KENYA*
KYRGYZSTAN*
LATVIA*
MALAYSIA*
MOLDOVA
MOZAMBIQUE
MYANMAR*
NIGERIA*
PHILIPPINES*
ROMANIA*

RUSSIA*
SENEGAL*
SOUTH AFRICA*
TAJIKISTAN*
THAILAND*
UGANDA*
UKRAINE*
UNITED KINGDOM*
UNITED STATES
OF AMERICA*
UZBEKISTAN
ZAMBIA
ZIMBABWE*

*Newly awarded grants in 2022

WHAT WE DO PUSHING PROGRESS FORWARD IN THE US

**THE FACTS
WON'T CHANGE
UNTIL WE DO**

75%

of those eligible for powerful preventative medicines are not taking them.*

* Based on 1.2 million people who are eligible for PrEP in the US

Just 25% are getting the treatment they need.



CHRIS BAGNALL

THERE'S BEEN PROGRESS TOWARDS ENDING HIV IN THE UNITED STATES. BUT PEOPLE ARE STILL BEING LEFT BEHIND.

Treatment is widely available, as are options for preventing HIV transmission. But still only two-thirds of people diagnosed with HIV are linked up with care, and only half remain connected to care.

HIV disproportionately affects Black people, Latinx people, young people, people who inject drugs, and gay, bisexual, and other men who have sex with men. Gay and bisexual men account for 71% of new infections.

Powerful prevention tools like pre-exposure prophylaxis (PrEP) aren't being taken up by people who need them.

PrEP is a daily pill (or bimonthly injection) for those at high risk of HIV. It's proven to be more than 95% effective at preventing new infections.

Around 1.2 million people are eligible for PrEP in the US, but only 25% of that number are actually taking it. States in the US South have the highest rate of people newly infected with HIV, and the highest rate of HIV-related deaths compared to other parts of the country. Social, economic, and structural inequalities are perpetuating the HIV epidemic in the US. Intense stigma and discrimination still stand between people and the care they need.

ADDRESSING INEQUALITIES

We're working to break through the barriers that keep HIV testing, prevention, and treatment services from those who need them most. The US Centers for Disease Control and Prevention (CDC) has estimated that, of those Americans most in need of PrEP, 66% of white people are benefitting from it, compared to only 9% of African Americans and 16% of Latinx people. This disparity is most stark in the South.

In 2022, we continued to put funds to work in Georgia—the state with the highest rate of new HIV infections. Investing in advocacy work to address structural barriers, we helped bring together HIV community leaders from across the South. Working together, we're enhancing the capabilities of the health workforce to provide preventive services for all, and compassionate care to people living with HIV.

We supported the first cohort to complete the Ending the Epidemic Fellowship program with Georgia Equality. This is the only program in the state that prepares young professionals for roles in HIV advocacy, giving fellows the opportunity to work closely with local government officials, state legislators, and community leaders on key HIV-related issues in Georgia.

This first-ever cohort created community training on topics including PrEP access, harm reduction, housing and comprehensive sex education for young people. They worked to decriminalize HIV in Georgia, playing a part in modernizing the state's HIV criminalization statute. They were also instrumental in expanding the state's official list of pharmaceutical drugs

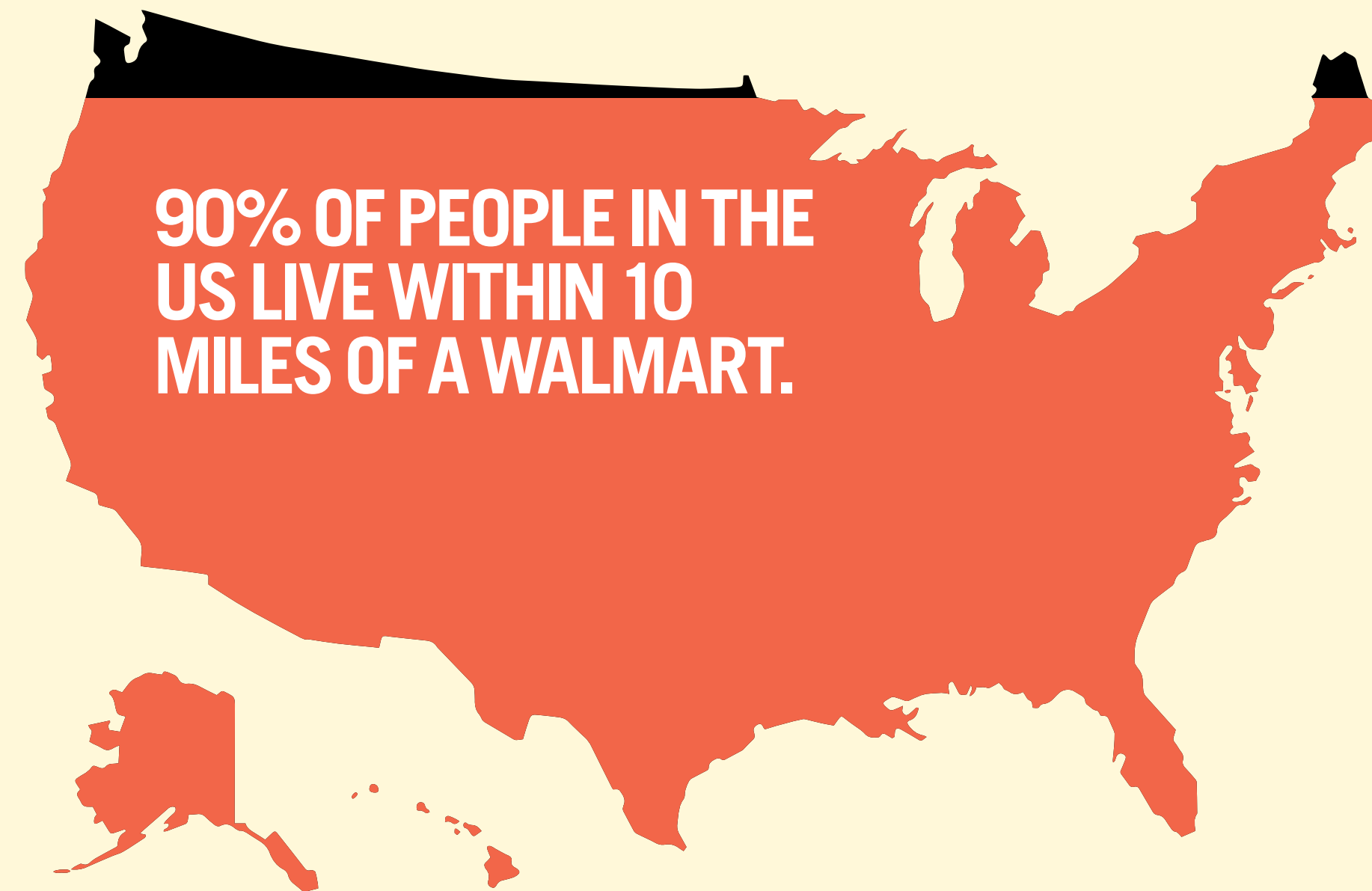


MICHAEL A. SCHWARZ

(formulary) for the AIDS Drug Assistance Program (ADAP).

In August, EJAF sponsored the Saving Ourselves Symposium (SOS) in Atlanta. Organized by the Southern AIDS Coalition, the annual conference is unique in its design to empower Black LGBTQ+ people in the South. SOS brought together hundreds of individuals and community organizations from across the region, creating an intentional space to share with, learn from, and celebrate one another.

WE WANT TO MAKE SURE THAT ANYONE WHO WALKS INTO A WALMART SEEKING HIV-RELATED SERVICES CAN OBTAIN THESE FROM A NON-JUDGMENTAL PROVIDER IN A SUPPORTIVE, CONFIDENTIAL AND COMPASSIONATE SETTING.



COLLABORATING FOR CHANGE

Throughout the year, we collaborated with Walmart and Duke University to develop a comprehensive and culturally competent HIV certification course for Walmart pharmacists, clinicians, and support staff nationwide.

In the US, 90% of people live within 10 miles of a Walmart, and 80% of Walmart pharmacies are in the Health Resources and Services Administration (HSRA) designated 'medically underserved' areas.

We want to make sure that anyone who walks into a Walmart seeking HIV-related services can obtain these from a non-judgmental provider in a supportive, confidential and compassionate setting. The training is designed to equip Walmart pharmacists, clinicians, and support staff with knowledge and skills that will build their capacity to communicate, educate, and support people with HIV and those who could benefit from HIV prevention.

The first phase of the training was launched on World AIDS Day, 1 December 2022, and the rollout will continue throughout 2023.

🎯 IN FOCUS

66

MY CHILDHOOD WAS VERY SAD. WITH BULLYING AT SCHOOL AND A MOTHER WHO'D HIT ME UNTIL I HAD NO ENERGY LEFT

— I DIDN'T
THINK
I'D LIVE
PAST 15.”

Gina is a migrant transgender woman originally from El Salvador. She now volunteers with our partners at the TransLatin@ Coalition in the United States, who provide services for transgender, gender nonconforming, and intersex immigrant women.

Thrown out of home by her abusive mother at 13, Gina lived on the street. Pulled into the world of sex work to survive, drugs became a necessity to escape the endless nights. A hit-and-run attack by gang members one night left Gina so badly injured her leg had to be amputated. The police didn't treat it as a hate crime—there was no protection for LGBTQ+ people. Continuing with sex work, she then spent time in prison and was deported from her own country.

Traveling north in search of safety, she continued to face abuse and threats, and in Mexico was raped by police officers without protection.

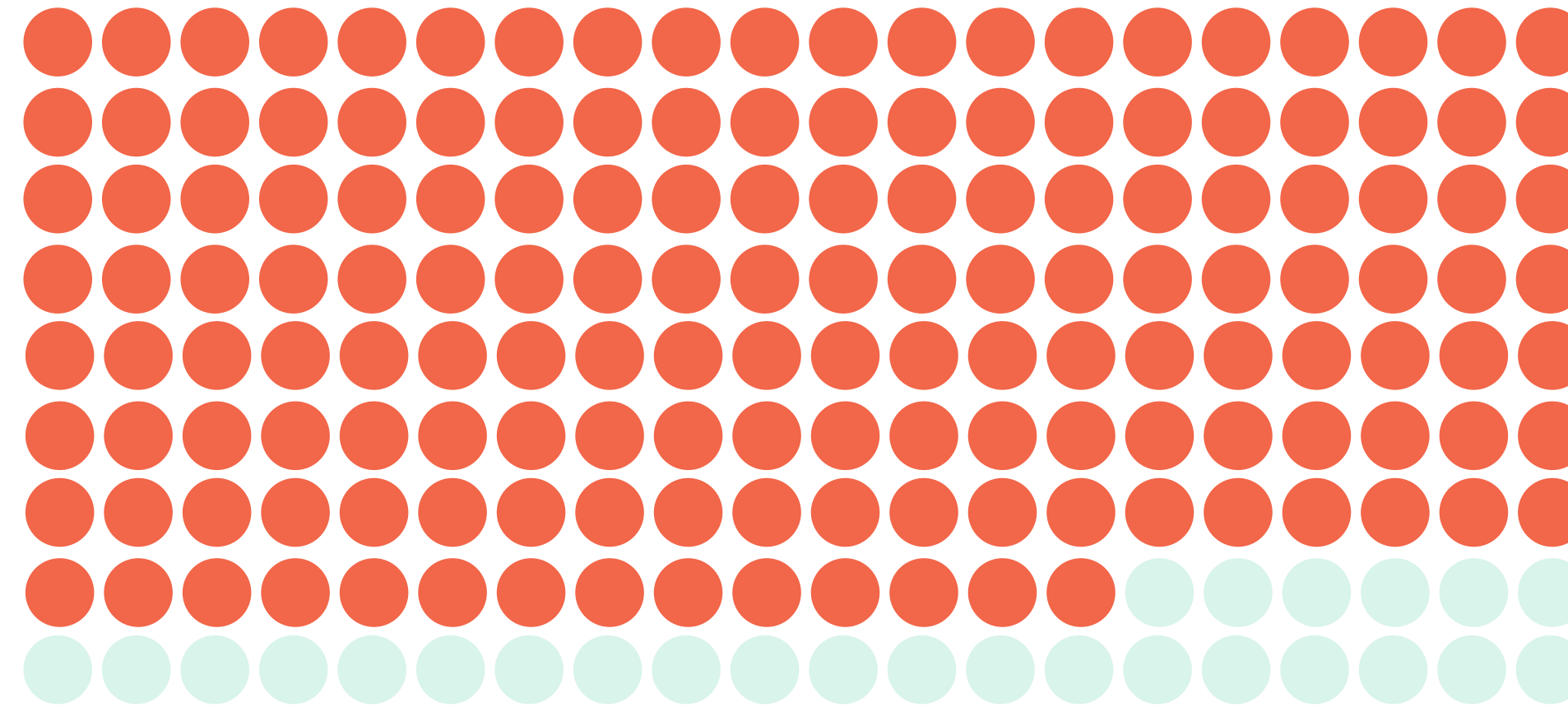
The huge challenges she has faced have made her the “Super Gina” she is today—known for her commitment to social change. The TransLatin@ Coalition gave her safe space and help to rebuild her life in the US. As a volunteer, she's now supporting others in their journeys.



THIS

WON'T

WAIT



EASTERN EUROPE AND CENTRAL ASIA (EECA) IS SEEING THE FASTEST GROWING HIV EPIDEMIC IN THE WORLD.

In 2021, an estimated 160,000 people acquired HIV and 44,000 people died of AIDS-related illnesses. That's an increase of 48% and 32% respectively on these numbers since 2010.

Only 63% of people living with HIV in the region know their status, 51% are on HIV treatment, and 48% are virally suppressed, meaning the virus is undetectable in their system and they're not infectious. These rates lag far behind global averages according to the Joint United Nations Programme on HIV/AIDS (UNAIDS)¹.

¹ https://www.unaids.org/sites/default/files/media_asset/2022-global-aids-update_en.pdf



NO COMMUNITY LEFT BEHIND

We're deeply committed to helping reverse this trend. The region must not be left behind in global efforts to end the HIV epidemic. We're now the largest philanthropic funder for HIV programming in EECA². We invest in community-led, innovative and sustainable programming to expand compassionate and quality care for marginalized communities.

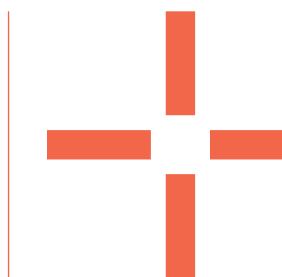
In 2022, we continued to implement RADIANT, a groundbreaking partnership with Gilead Sciences, which aims to help end the HIV epidemic in EECA. By the end of the year, this program had:

- reached **75,083** people with services
- tested **46,251** people for HIV, with **3,585** testing positive
- got **14,340** people living with HIV onto antiretroviral therapy
- trained **5,958** along the services and care journey to reduce stigma and improve quality of, and access to, care for people who need it most.

In 2022, we awarded more than a dozen new grants across the region through the RADIANT Unmet Need Fund. This fund supports sustainable, evidence-informed interventions that address the most significant and urgent unmet needs of people living with HIV, and populations who are most affected. These new projects aim to:

- significantly improve HIV-related health outcomes in one or more key populations and/or for people living with HIV
- have a lasting impact on HIV-related health outcomes, including by making sustainable improvements to existing systems to provide HIV services more effectively
- reduce stigma and discrimination experienced by people living with HIV
- document and disseminate project interventions, learning and results to help other cities, regions, and countries across EECA to end their HIV epidemics.

We also launched a call this year for proposals under the third round of funding of the RADIANT Unmet Need Fund. Announcement of the next cohort of Unmet Need Fund grantees is due in 2023.



75,083

people reached with services

46,251

people tested for HIV

14,340

people got onto antiretroviral therapy that were living with HIV

5,958

people trained

² As ranked by Funders Concerned About AIDS <https://www.fcaaid.org>

IN FOCUS

CARE AMID CRISIS

The full-scale invasion of Ukraine in 2022 has led to a devastating humanitarian crisis, threatening the lives of all Ukrainians, as well as their access to food, housing, and health services.

This includes the estimated 240,000 people living with HIV—and 625,000 people from the most affected communities—living in the country at the start of the war according to UNAIDS' figures.

To address these urgent needs, we awarded over \$1M to help local community partners support individuals in need.

By the end of 2022, the Foundation supported 44 shelters, run by 35 community organizations, in 21 cities across 16 regions of Ukraine. We provided each shelter with the specific equipment they need to provide uninterrupted shelter and services to people living with and at risk from HIV, and cover any gaps in their resources from other donors.

We're also supporting organizations working with communities living with and affected by HIV in Ukraine to access mainstream humanitarian funding to provide more sustainable vital humanitarian services.



“**WE ARE ABLE TO BAKE UP TO 100 LOAVES OF BREAD PER DAY AND FEED NOT ONLY THE DISPLACED PEOPLE IN OUR COMMUNITY BUT SHARE IT WITH A CHILDREN'S SHELTER AND A NURSING HOME. WE INVITE WOMEN WHO WORK WITH US AS VOLUNTEERS, WHO ARE LIVING WITH OR MOST AT RISK OF HIV AND PROVIDE THEM WITH THE OPPORTUNITY TO LEARN A NEW PROFESSION.”**

SHELTER IN CHERNIVTSI
Ukraine



“**WE ARE VERY GRATEFUL FOR THE ASSISTANCE PROVIDED, WHICH WE GREATLY NEEDED, TO ENSURE A COMFORTABLE STAY IN OUR SHELTER FOR THOSE WHO ARE STRUGGLING AND IN NEED OF A SAFE SPACE.”**

SHELTER IN ZHITOMYR
Ukraine

WE CAN.
WE MUST.
WE WILL.



IF WE'RE GOING TO END THE THREAT OF AIDS BY 2030, IT'S ESSENTIAL THAT APPROACHES TO PREVENTION AND TREATMENT ARE RELEVANT TO EVERYONE— ESPECIALLY THOSE MOST MARGINALIZED.

People who use drugs need support and care, not stigma and shame. Recent figures suggest over 11 million people around the world inject drugs. That's a huge number of people facing a higher risk of HIV. Evidence shows that treating people like criminals just because they use drugs makes their health worse. But still, laws and systems in many countries criminalize people and increase the harm caused by drugs by making it even harder for them to get the services they need.

That's why, in 2022, we continued to put our strategy into action for people who use drugs around the world.

In Africa and Asia, we worked with our partners to support harm reduction and related policy reform efforts. New grants were awarded in Kenya, South

Africa, Indonesia, Thailand, and India. We expanded our support for regional and global initiatives that seek to reduce harm and address the structural barriers that stop people from taking up essential health services.

In Kenya, our partners responded to new legislation that undermines public health efforts to support people who use drugs. With our support, they've worked together with communities and civil society partners to propose an alternative framework to this legislation. One that prioritizes human rights and evidence-based harm reduction interventions.

Our goal is to get systems in place that put referral to health services first for people who use drugs—over and above arrest and detention. Our partners

have worked with journalists, radio, and wider media in Kenya to encourage responsible reporting of news involving people who use drugs. Local police teams in Nairobi have also received training and guidance on 'diversion' mechanisms that connect people with services that can help prevent further harm.

SERVICES THAT RISE ABOVE STIGMA

We're ensuring that pregnant women who use drugs can access stigma-free, non-judgmental healthcare before, during, and after childbirth.

Our partners in South Africa have designed a toolkit for community healthcare workers in the Western Cape region to improve antenatal care for women who use drugs.

This project is introducing screening for substance use and expanding support that reduces drug-related harm to both mothers and their children. The aim is to keep more women who use drugs taking up the healthcare they and their children need. This will help progress in reducing mother-to-child transmission of HIV in South Africa—and can serve as a model to replicate in similar settings across the country.

In 2022, we also expanded our support for men who have sex with men, and transgender communities who use drugs in India. Reaching people who engage in sexualized substance use—through both online and in-person outreach—has shone a light on the specific needs of these groups, as well as gaps in service provision and knowledge of harm reduction and HIV prevention.

Already, local teams have diagnosed 140 people living with HIV, many of whom are hearing of their diagnosis for the first time. With EJAF funding, our partners are documenting trends and risk factors around sexualized substance use, and making recommendations on appropriate interventions. They will then present evidence to the government

to scale and replicate better-informed services through the national AIDS program.

Stigma around drug use and people who use them leads to discriminatory treatment in healthcare settings, including the denial of basic services that can protect someone from HIV. Stigma leads to more criminalization. And criminalizing drug use increases stigma. People who use drugs are overrepresented in prisons, where it's proven they're even less likely to have access to services.

We partnered with communities and a leading creative agency to produce a **short film** to challenge damaging narratives and end the stigma against people who use drugs.

INVESTING MONEY WHERE IT MATTERS

To end AIDS as a public health threat, funding for harm reduction programs must be targeted and long-term. But in low and middle-income countries—where most people who use drugs live—funding is just 5% of the estimated need.

In 2022, we began an ambitious program of work to direct more resources into harm reduction. Through campaigning, movement building, research and analysis, and providing technical support to communities to advocate in Kenya, South Africa, and Indonesia, we're helping to build these countries' budgets. Our aim is to double harm reduction funding in low and middle-income countries by 2025.



WE MUST CHANGE DAMAGING NARRATIVES AROUND DRUG USE—AWAY FROM PUNISHMENT AND TOWARDS A PUBLIC HEALTH AND RIGHTS APPROACH, REINFORCED WITH LOVE AND COMPASSION.”

TOM BRIGDEN
People Who Use Drugs Portfolio Lead



THIS ENDS NOW

VIOLENCE, STIGMA, DISCRIMINATION, AND CRIMINALIZATION CONTINUE TO THREATEN THE LIVES OF LESBIAN, GAY, BISEXUAL, TRANSGENDER AND QUEER (LGBTQ+) PEOPLE AROUND THE WORLD.



Nearly a third of all nations class LGBTQ+ people as criminals. Homosexuality is punishable by death in 11 countries.

This injustice is hindering progress towards an AIDS-free future. The hostile and dangerous environment that criminalization creates can make it impossible for LGBTQ+ people to get the healthcare they need. They're not counted, because they're forced underground—many simply don't exist according to the system. But in reality, HIV infections increase and lives are put at risk. LGBTQ+ communities are still some of the most affected by the HIV pandemic.

In 2022, the Foundation expanded and increased investment to challenge the barriers that stop LGBTQ+ people accessing HIV and health services. We developed a new strategy focused on empowering the global LGBTQ+ community so we can work towards greater realization of rights, funding, and health equity. All of these are essential for every person to be able to access their right to healthcare and live free from fear, and for an AIDS-free future.



1/3

of all nations class LGBTQ+ people as criminals

11

countries treat homosexuality as punishable by death

PARTNERSHIPS FOR SYSTEMIC CHANGE

We put our strategy into action in 2022 through several key investments.

In 2022, we partnered with The Human Dignity Trust, the only organization working globally to eradicate laws that criminalize people based on their sexual orientation or gender identity. Working with lawyers and activists around the world, they support strategic litigation and legislative reform.

The partnership focuses on eliminating harmful laws in 10 countries in three key regions: the Southern African Development Community, East and West Africa, and Asia Pacific.

We also awarded Frontline AIDS a grant to address the structural barriers that LGBTQ+ people face in accessing HIV services—with a particular focus on persistent barriers that exist in West Africa. This community-led response project will build capacity to document human rights abuses in Cameroon, Ghana, Senegal and South Africa, and use regional and global advocacy to support national-level change. The grant will also strengthen an emergency response mechanism for LGBTQ+ communities in 25 countries, allowing organizations doing human rights work with marginalized communities to respond to unanticipated new threats and opportunities.

TONY KAWIMBE/
FRONTLINE AIDS

In Uganda, we're working with Alive Medical Services (AMS) to reduce gaps that affect LGBTQ+ people's access to HIV testing, treatment, PrEP, and mental health services. AMS will strengthen the capacity of health workers and LGBTQ+ organizations to identify, manage and support common mental health conditions, trauma, and self-stigma.

This work will span 25 districts in Uganda, reaching 30,000 people. The project will also produce valuable evidence of how community-driven HIV self-testing and stigma reduction models can improve HIV outcomes for LGBTQ+ people.



10

countries form the focus of the partnership with The Human Dignity Trust to eliminate harmful laws.

30,000

people supported in Uganda with mental health conditions, trauma, and self-stigma.

CREATING COMPASSIONATE SYSTEMS

We also concluded a number of projects supporting LGBTQ+ communities in 2022.

A project by Population Council and partners reached 10,000 LGBTQ+ people with HIV-testing services, with 811 people testing positive and 977 HIV-negative people put on PrEP. Public health care workers were also given support to provide non-stigmatizing services. This ambitious project has generated useful insights into the provision of compassionate HIV services for LGBTQ+ communities in Nigeria, where LGBTQ+ people are at high risk as homosexuality is criminalized.

Our partnership with the Foundation for AIDS Research (amfAR) and Global Action for Trans Equality (GATE) also concluded this year. The project increased transgender inclusion in national strategic plans (NSPs) for HIV/AIDS by strengthening five trans-led community organizations in five countries. The project also improved meaningful transgender community participation in the national plan development process in focus countries.

Finally, we're working with the World Health Organisation (WHO) and GATE to improve healthcare services for trans and gender-diverse people. We're developing the first official WHO technical publication in support of people-centred healthcare that addresses gender-diverse needs.





IN FOCUS

“

I WAS ABLE TO UNDERSTAND THAT HIV IS NOT THE END OF THE ROAD... WE CAN STILL ACHIEVE OUR DREAMS AND PERSONAL GOALS IF WE ACCEPT TREATMENT AND EMBRACE LIVING POSITIVELY.”

When Tukei, 38, who is a bisexual female sex worker, discovered her HIV status in 2006, she felt she'd been handed a death sentence. She struggled with depression and anxiety.

Our partner Organization for Gender Empowerment and Rights Advocacy (OGERA) works in Uganda to offer a range of mental health services for female lesbian, bisexual, and queer sex workers in Uganda. This group faces high levels of stigma and discrimination. The hostile environment for sex workers and LGBTQ+ people was made worse in 2021 when the criminalization of same-sex relationships was rewritten in the country's laws.

The project aims to break down internalized stigma and build self-acceptance through trauma management, healing sessions, and positive living programs.

Recognizing Tukei's leadership skills and the positive impact her involvement in the project could have on both her and her peers, OGERA trained Tukei to be a Peer Navigator. She's now part of a community team who are openly living with HIV who have been trained as Mental Health Champions. They work together to help other sex workers get access to—and build demand for—stigma-free health and legal services.

CHANGE MINDS SAVE LIVES

MOST MENTAL HEALTH DISORDERS START BEFORE THE AGE OF 25, AND MORE THAN 50% OF PEOPLE EXPERIENCE A MENTAL ILLNESS BY THAT AGE. MENTAL ILLNESS AND HIV ARE LINKED.



CAROL ALLEN-STOREY

Young people suffering from depression and/or anxiety have been shown to have sex earlier, be less likely to use condoms, have higher rates of sexually transmitted infections (STIs), have more unintended pregnancies, more sexual partners and be more likely to use drugs and alcohol. All of these factors increase a young person's likelihood of acquiring HIV, compared to those without a history of mental illness. Young people with mental health issues are also less likely to access HIV education, prevention, testing, or treatment.

Through research we've funded, we know that the reduction of HIV infections could move 10% faster if mental health services were integrated into HIV care.

To highlight the link between HIV and mental health, and increase funding for integrated programming on a global scale, we partnered with the advocacy group United for Global Mental Health (UGMH). Together, we successfully advocated for the Global Fund to Fight

AIDS, Tuberculosis and Malaria (the world's largest independent funder of HIV programs) to ensure a new high-level 2023–28 strategy that clearly states the need to integrate mental health services within its HIV and TB responses.

Despite strong and growing evidence that recommends combining HIV and mental health services, many countries have been reluctant to factor this into funding. With its proven track record of shaping global responses to HIV, the Global Fund is well positioned to shift the narrative, destigmatizing and highlighting the most effective interventions.

We're also continuing to fund UGMH to get integrated approaches to mental health and HIV considered in putting Global Fund money to work. UGMH is working with 16 country coordinating mechanisms (CCMs), the bodies allocating the funds for 2023–25.

PIONEERING NEW APPROACHES

We cofounded an adolescent center within South Africa’s Kwazulu-Natal Children’s hospital—Africa’s first adolescent health center attached to a tertiary hospital, and a blueprint for the future. The district has the highest HIV infection rate of adolescents anywhere in the world. More than 18,000 young people on antiretroviral therapy (ART) live within about 50 miles of the hospital—and this is only a fraction of those who are infected with HIV.

By delivering customized care from supported, specialist staff and integrating mental health screening and services, the center minimizes barriers young people face in getting the care they need. It has already provided care for over 2,100 young people since opening in October 2022.

This year also saw the test launch of Young Africa Live—a WhatsApp based Smartbot designed to reach young people with sexual and reproductive health information and services on the platforms they already use.

Smartphone use is growing exponentially across sub-Saharan Africa. Meta (previously Facebook) and WhatsApp are the most used social media platforms. In partnership with Meta and Praekelt, a South Africa-based app creator, WhatsApp is now hosting a first-of-its-kind private digital forum, where South African young people can confidentially ask questions and interact with educational video clips, quizzes and chatbots. They can also use the platform to choose services and products.



CAROL ALLEN-STOREY

In the first month of test launch, it had 20,000 active users. This is a unique, expansive offer for young people, and with Meta’s support in promoting it to 13–24-year-olds in South Africa, we expect 100,000 new users to join within six months of the official launch later in 2023. We’ve also partnered with the South African National Department of Health to help ensure the project’s scalability and longevity.

While Young Africa Live helps young people navigate their sexual and mental health issues, another mobile-based platform we support, Tiko, by Triggerise, enables them to choose if, when, and where they access those services to address those issues. It links them to information, products and nearby

services, all discreet and subsidized. It can also send reminders and capture anonymized real-time demand and data use, so we can better understand young people’s needs.

Clinics get paid per visit, and young people rate their experiences and earn points, which they can then redeem at local stores. This encourages clinics to provide good care, as clinics with consistently low ratings are removed, ensuring youth voices play a central role in shaping services.

Initially available to adolescent girls and young women in Mombasa, Kenya, and across Gauteng Province in South Africa, Triggerise has now expanded to reach young men in Kenya. It also

broadened its clinical offerings to include mental health screenings and services. We expect this program to reach around 4,000 young people with mental health services over its 3-year lifecycle. And, for the first time, Triggerise has integrated its platform within Kenyan public sector HIV services in 55 clinics, delivering behavioral nudges to incentivize and retain both HIV-positive young people and those needing the preventative medication PrEP. Through this groundbreaking approach, we anticipate: testing around 12,000 young people for HIV; enrolling roughly 2,200 high-risk HIV-negative young people on PrEP; and providing treatment to approximately 1,500 HIV-positive young people.

BRIDGING THE GAPS

Another partnership showing our commitment to bring care directly to young people is with on-demand drone-delivery company Zipline. Together, we’re putting health products directly in the hands of young people in western Kenya—wherever they are, which is often remote from health services.

Community health workers can place orders by WhatsApp, text or phone, and drones fulfill them within around a 50-mile range in 15–45 minutes. It’s inexpensive to provide—approximately \$14 per flight. It’s the first time the Kenyan Government has approved drones for non-military use. The pilot will help 14,500 young people test for HIV, initiate 8,000 young people on PrEP, and initiate 1,000 young people on ART over the 3-year program.



ZIPLINE

IN FOCUS

Beth came to the Bamburi Medical Center in Kenya for advice about her sexual health and family planning. She saw Chief Executive Officer Dr Edward Mwangi, who explained various options to help her stay safe and healthy, and prevent unplanned pregnancy. He opened up a wider conversation to get a full picture of her health needs, for example asking if she's in a relationship and if she has children.

During the consultation, Dr Mwangi introduced Beth to the Tiko app, and showed her how she could view her personal health data and access information and advice on her own terms, as well as keep track of her prescriptions and follow-up appointments.

66

WITH TIKO, I LEARNED ABOUT FAMILY PLANNING AND HOW TO KEEP OUR BODIES SAFE FROM DISEASE AND UNPLANNED PREGNANCY. I WAS ESPECIALLY INTERESTED TO LEARN MORE ABOUT HIV, AND HOW TO PROTECT MYSELF FROM THE VIRUS.”



CAROL ALLEN-STOREY

66

THANKS TO THE AMAZING GENEROSITY AND COMPASSION OF OUR ATTENDEES, WE CAN CONTINUE SUPPORTING LIFESAVING PROGRAMS ACROSS THE GLOBE TO CHALLENGE HIV STIGMA, PREVENT INFECTION AND PROVIDE TREATMENT TO THOSE WHO NEED IT MOST.”

ANNE ASLETT
Chief Executive Officer



\$8.6M

RAISED TO HELP END THE AIDS EPIDEMIC AT THE 2022 ACADEMY AWARDS® VIEWING PARTY, MARKING 30 YEARS OF EJAF.



PHOTO COURTESY OF MICHAEL KOVAC

PHOTO COURTESY OF MICHAEL KOVAC



PHOTO COURTESY OF MICHAEL KOVAC



One of Hollywood’s most famed parties—the Foundation’s Academy Awards® Viewing Party—returned to Los Angeles on March 27, 2022, marking our return to live events, and raising a record-breaking \$8.6 million for our lifesaving work.

Hosted in West Hollywood Park by 12-time GRAMMY® Award-winning singer, songwriter, and actress Lady Gaga; Emmy®, Tony®, and GRAMMY® Award-winning artist Billy Porter; Emmy® Award-winning actor Eric McCormack, alongside CEO of Rocket Entertainment and chair of the Elton John AIDS Foundation, David Furnish, the star-studded event also featured a sparkling performance by six-time GRAMMY® Award-winning artist Brandi Carlile.

Among the crowd of supporters, we welcomed Demi Lovato, Kevin Costner, Zooey Deschanel, Donatella Versace, Fran Drescher, Patricia Arquette, Christina Hendricks, Chris Pine, Lucy Hale, Heidi Klum, Chris Sullivan, Chrissy Metz, Andrew Rannells, Sofia Richie, Liam Payne, Beck, Bobby Berk, Emily Hampshire and other distinguished guests.

To the delight of the attendees, Elton John joined via satellite from his rescheduled *Farewell Yellow Brick Road* tour stop in Lincoln, Nebraska, to express his appreciation for their support and treat the crowd to a special performance of *Your Song* and *Goodbye Yellow Brick Road*. Guests were also treated to Limited Edition Elton John

Eyewear GOLD DUST frames, courtesy of Walmart, in partnership with EJAF to wear alongside Elton during his live-streamed performance. Capping off the evening, guests enjoyed a full concert performance by Brandi Carlile and a duet with surprise guest artist, Jake Wesley Rogers, who covered Elton John’s classic song, *Rocket Man*.

Since the gala’s inception in 1992, the Party has raised more than \$94 million for the Foundation’s lifesaving programs.

As Anne Aslett, the Foundation’s CEO remarked: “What an incredible way to mark our 30th annual Academy Awards Viewing Party! A truly memorable evening, and a record-breaking result, too. Thanks to the amazing generosity and compassion of our attendees, we can continue supporting lifesaving programs across the globe to challenge HIV stigma, prevent infection and provide treatment to those who need it most.”

The Foundation sincerely appreciates the contributions received from valued supporters across the globe, which helped make this critical fundraiser such a success. Presenting Sponsors of the event included Neuro Brands; Elton John Eyewear; Christian Lundberg & R. Martin Chavez in partnership with Equality Utah; Bob and Tamar Manoukian. Co-Sponsors included Cadillac, Gilead Sciences, Robert K. Kraft, The Leonard & Judy Lauder Fund, and M•A•C VIVA GLAM. The Foundation is especially grateful to the City of West Hollywood for their continued collaboration, and our official airline partner, American Airlines.

PROTECT WHAT MATTERS MOST WITH THE ELTON JOHN AIDS FOUNDATION



SIEGFRIED MODOLA

THE ELTON JOHN AIDS FOUNDATION HAS PARTNERED WITH A LEADING ESTATE-PLANNING TOOL, FREEWILL, TO HELP PROTECT THE FUTURE FOR YOU AND THOSE YOU LOVE.

For our supporters in the United States, this is an easy, free, online tool to create a legal will, ensuring your wishes for the future are clear while protecting the people and causes most important to you.

A legacy gift costs nothing today but makes sure the Foundation can continue life-saving work and provide sustained support for years to come.

Join us in securing your legacy today at
eltonjohnaidsfoundation.org/planned-giving

Questions?

Please reach out to fundraising@eltonjohnaidsfoundation.org

FINANCIAL OVERVIEW

THE ELTON JOHN AIDS FOUNDATION

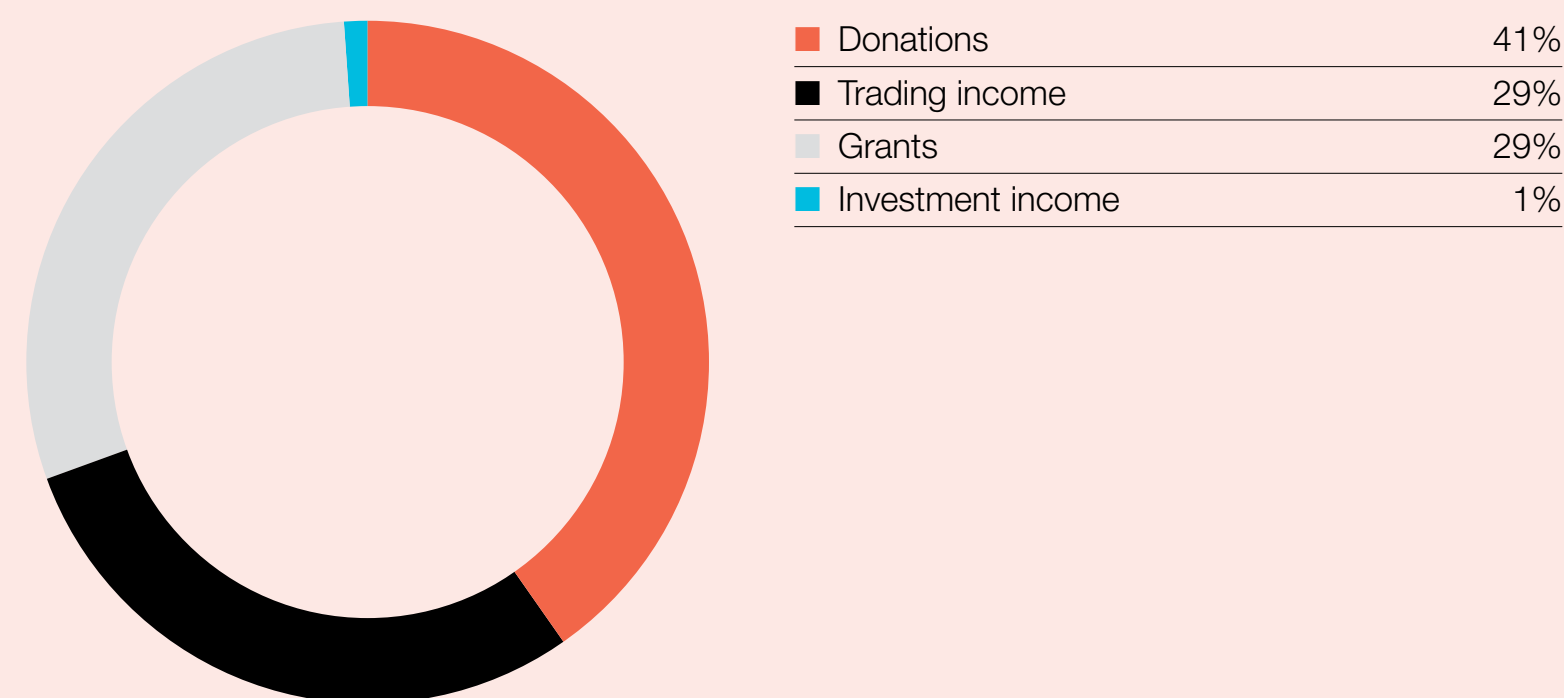
(A COMPANY LIMITED BY GUARANTEE)

Company Registration Number 02787008
Charity Registration Number 1017336
US EIN Number 58-2033460

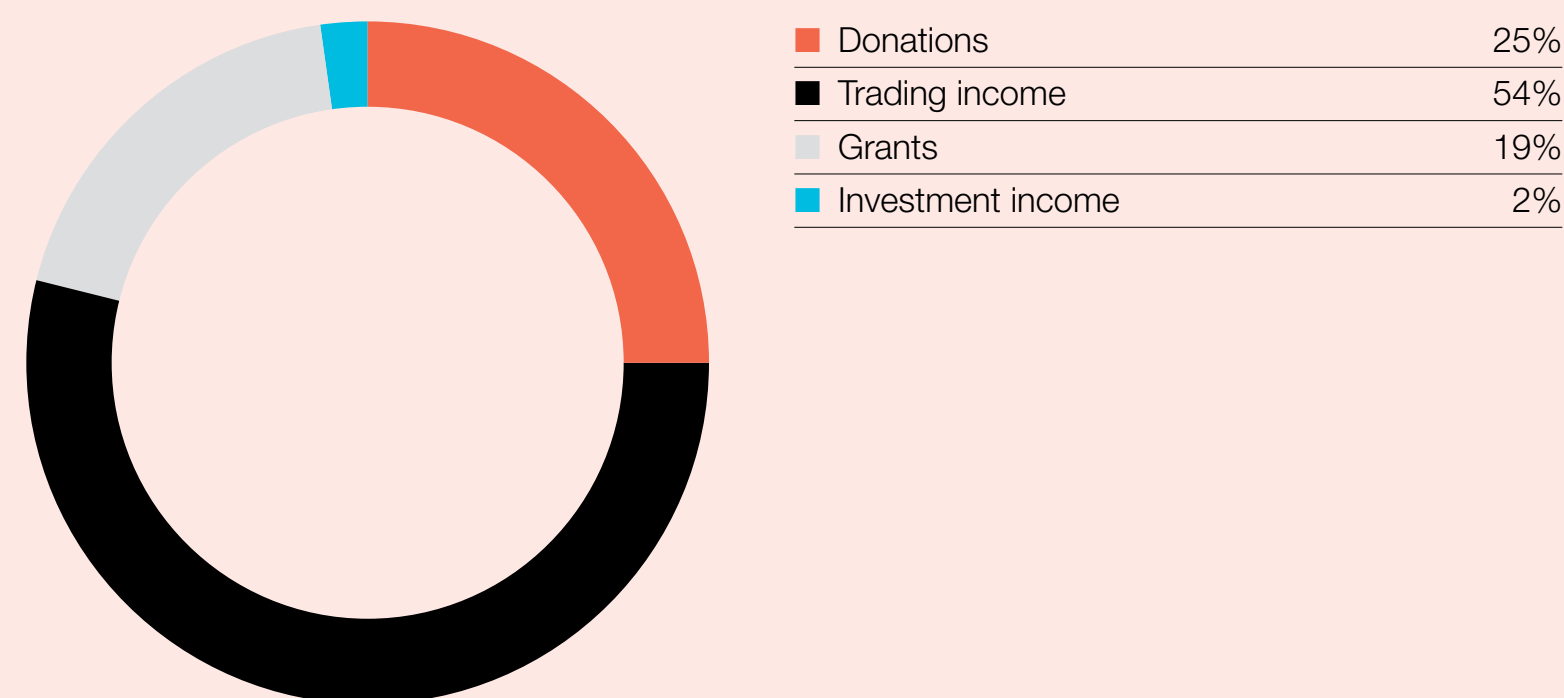
REVIEW OF THE YEAR

CONSOLIDATED FINANCIAL OUTCOME	2022 \$000	2021 \$000
Income	36,852	13,775
Costs of raising funds	(5,327)	(3,395)
Expenditure on charitable activities	(19,004)	(14,503)
Loss on investment	(666)	(357)
Tax refund	–	113
Net income/(expenditure)	11,855	(4,367)
Fund balance 1 Jan 2021	21,359	25,726
Fund balance 31 Dec 2021	33,214	21,359

2022 INCOME



2021 INCOME



After the impact of COVID-19 in 2021, 2022 has seen a significant increase in income and a rebuilding of our financial reserves. We have rebuilt our reserves to pre COVID-19 levels through growth in unrestricted donations. We raised \$36.9 million from grants, donations and events, an increase of \$23.1 million from the previous year. This has allowed us a higher level of grant-making in 2023.

INCOME

Income grew \$23.1 million from \$13.8 million in 2021 to \$36.9 million in 2022, with unrestricted income rising from \$10.9 million to \$25.9 million and restricted income from \$2.9 million to \$11.0 million. Income is comprised of donations of \$14.9 million (\$3.4 million in 2021), grant income of \$10.7 million (\$2.7 million in 2021), trading income of \$10.8 million (\$7.4 million in 2021), and investment income of \$0.5 million (\$0.3 million in 2021).

EXPENDITURE

Total expenditure increased \$6.4 million from \$17.9 million in 2021 to \$24.3 million in 2022, \$4.5 million of which is an increase in grant commitments. Other cost changes included investments in marketing and communications, to support both our advocacy efforts and our fundraising, and in staff numbers.

Expenditure on charitable activities was 78% (2021: 81%) of total expenditure. 76% (2021: 77%) of charitable activities expenditure in the year was direct awards to implementing partners, including \$0.2 million to healthcare partners from EJAF Social Impact CIC. The remaining 24% was used: to ensure that these partners and their projects are adequately supported, monitored, and evaluated; to ensure that the charity is governed and managed effectively and appropriately; and in support of further developing the effectiveness of the charity's fundraising.

We continue to ensure good financial governance over grants with financial reviews of four large international grants. Three of the reviews were carried out by accountants, Crowe UK LLP and one by Mazars Central Asia LLP, offering significant assurance on policies and procedures.

NET INCOME/(EXPENDITURE)

Overall, in 2022, the Foundation reported a net surplus of \$11.9 million (2021: deficit of \$4.4 million). This was the result of income increasing to \$36.9 million (2021: \$13.8 million) and expenditure rising to \$24.3 million (2021: \$17.9 million) due to a high level of grant-making of \$14.2 million (2021: \$9.6 million).

INVESTMENTS

The Foundation has an agreed Investment Policy. This provides delegated authority to the Finance & Investment Committee (FIC) to manage the Foundation's investments within stated parameters. FIC is chaired by the Treasurer and reports to the Board.

The Foundation seeks to produce the best financial return within an acceptable level of risk to maintain the real value of investable funds, before they are required for grant-making.

RESERVES POLICY

The objective of the reserves policy is to ensure that the level of unrestricted reserves will finance the strategic plans of the Foundation, mindful of the economic environment in which it finds itself. The Board, through its delegated authority to FIC, agreed to maintain unrestricted cash reserves of \$13.7 million, which equates to the total of grant commitments at the year-end plus 12 months of sustainable operating costs.

Monies received by the Foundation for specific initiatives are classified as restricted. Each restricted fund is administered separately to ensure accurate allocation and compliance with donors' requirements.

The Foundation's total funds as at 31 December 2022 were \$33.2 million (2021: \$21.4 million) of which \$8.3 million are classified as restricted funds (2021: \$5.0 million) and \$24.9 million as unrestricted funds (2021: \$16.4 million). \$0.3 million (2021: \$0.3 million) of the unrestricted funds have been designated for the Robert Key Memorial Fund.

GOING CONCERN

The management has prepared an annual budget and cash flow projection to December 2023 and a high-level budget and cash flow projection to the end of 2025. These are used by management to ensure the organization has sufficient funds to manage working capital in both the short term and long term and enable the planning of resource allocation, organizational strategy, sustainability, and development. Management has identified fundraising underperformance as the main risk to cash flow management. Scenario modeling has been carried out to understand the impact of varying degrees of income reduction on the organization's solvency. Under all scenarios, the organization is shown to have sufficient funds to meet its cash flow obligations beyond the end of 2024 and there are no concerns over the ability to continue in operation for at least 12 months from the date of approval of the financial statements.

On this basis, together with the strong fundraising performance seen in the first four months of 2023, the Board has approved preparing the financial statements on a going concern basis.

PLANS FOR FUTURE PERIODS

We hosted a highly successful Academy Awards® Viewing Party in March 2023 which raised \$9.1 million, concluding a productive first quarter. We are continuing to deliver the 2020-2025 Grants Strategy and have provided additional funding to grantees in areas of acute need, such as Ukraine, to enable them to continue to deliver HIV services. Growing stigmatization, marginalization and poverty worldwide have led to high rates of HIV and low access to healthcare. We plan to launch our Rocket Fund in 2023, which will raise awareness of HIV and give us a chance to change the future for millions of people around the world.

FIONA RUSSELL
Chief Finance and Operations Officer

PURPOSE

The Elton John AIDS Foundation was established in 1992 and is one of the leading independent AIDS organizations in the world. Our mission is simple: an end to the AIDS epidemic. We are committed to overcoming the stigma, discrimination, and neglect that keeps us from ending AIDS. With the mobilization of our network of generous supporters and partners, we fund local experts across four continents to challenge discrimination, prevent infections and provide treatment, as well as influencing governments to end AIDS.

Our contribution to this vision is through making grants, mainly to civic organizations that will improve people's access to services and get their rights addressed. Developing communications programs that generate significant global awareness of the threat of HIV/AIDS and help reduce stigma, and partnering with key stakeholders to attract additional funding and support to the cause, are also critical elements of our work. The Foundation believes that since collaboration between formal and non-formal sectors is essential in achieving this vision, it will use its influence with other grant-makers and with governments to leverage further funding and services and break down stigma and discrimination.

MAIN ACTIVITIES UNDERTAKEN

The Foundation continues to fund a broad range of services for those living with or affected by HIV, including education, peer support, medical care and commodities, HIV counseling, and testing. The Foundation funds operational research but does not support pure medical research. Emphasis is given to the most disadvantaged or high-risk groups, both nationally and internationally, and to community-driven programs that place people living with HIV at the center of service provision.

GRANT-MAKING ACTIVITY

The Foundation's website provides information about how it views the current landscape and needs of the AIDS epidemic. It highlights case studies of responses it has made to those needs to date and details the type of work it aims to fund going forward.

ADVOCACY AND COMMUNICATIONS

The Foundation seeks to use its influence to unlock bilateral and unilateral resources in the global fight against AIDS and to ensure that such resources are appropriately weighted towards key drivers of the epidemic and those groups or populations most at risk. It also seeks to bring new champions to the issue who have either the resources, access, or geographical reach to influence global impact. Our communications aim to bring both the progress and continuing jeopardy regarding ending AIDS to the attention of policymakers, business, and the general public.

PUBLIC BENEFIT

1. People's HIV status should have no impact on their quality of life or access to opportunities—HIV information, care and support must come without stigma, exclusion or fear for people living with HIV or at risk of HIV.
2. Everyone has the right to access the best treatment.
3. Those most directly affected by the epidemic are central to finding effective solutions.
4. Care and concern for each person, and respect for their human and legal rights—particularly those made most vulnerable and marginalized—is central to any caring community.

The Foundation aims to:

1. Be transparent and accountable.
2. Be effective and responsible as a grant-making charity.
3. Achieve a positive impact with its funding.
4. Work in partnership with a wide range of stakeholders to mobilize resources.
5. Learn from its work and share knowledge gained.

The Trustees consider that the Foundation has complied with Section 17 of the Charities Act 2011 in respect of Public Benefit, and the Trustees have had regard to the Charity Commission's guidance.

PERFORMANCE EVALUATION AND PLANNING

An appraisal of the charity's performance against goals is reviewed annually by both staff and Trustees. The charity's strategic plan, covering the period 2020-2025, was approved by the Board in April 2020. Work plans and budgets against the strategy are developed annually to fulfill governance, finance, fundraising, and grant-making objectives and monitored at Senior Management Team and Board meetings throughout the year. During 2022, the charity's risk was reviewed regularly at Finance & Investment Committee and Board meetings.

TRUSTEES' REPORT

The Trustees of the Elton John AIDS Foundation (The Foundation) are pleased to present their report together with the financial statements of the charity for the year ended 31 December 2022. Since all Trustees are directors of the organization, this report can also be considered as the Directors' report.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, applicable law, and the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities" together with applicable accounting standards and the Companies Act 2006.

The Foundation has maintained trustee indemnity insurance to indemnify Trustees and other officers against the consequences of any neglect or default on their part.

GOVERNING DOCUMENT

The Foundation was incorporated on 1 February 1993 and is governed by its Articles of Association, which were reviewed and updated in 2022.

DIRECTORS AND TRUSTEES

The governing body of the Foundation is its Board of Trustees, who are also directors for the purposes of company law. The names of the Trustees who served during the year are set out under Reference and administrative details later in this report.

New Trustees are appointed by the Board on the recommendation of the Nominations & Remuneration Committee, which is chaired by the Deputy Chair of the Board. The Trustees collectively provide a range of expertise in development, the non-profit sector, fundraising, financial management, marketing and legal affairs, as well as representing the views of those affected by and living with HIV/AIDS. A needs analysis of the Board's skills base is undertaken to ensure it retains sufficient expertise to govern the organization.

With the exception of the Chair, David Furnish, (who has no time limit on his appointment) and Trustees who were in place when the 2018 Articles were approved (where special transitional arrangements apply), Trustees serve a three-year term of office with the option for a further term's re-election. In exceptional circumstances, a Trustee may be re-elected for a third term, after which they cannot serve as a Trustee again. As reported previously, Chris Copper, Tani Austin and Kevin Martinez joined the Board in February 2022.

A formal Trustee Handbook covers the legal objectives, mission and powers of the Foundation, how it operates, Board composition, and terms of reference for the charity's committees. The Handbook also sets out the role of Trustees (recruitment, responsibilities, and leaving the Board) and provides guidance from the Charity Commission with respect to good governance and Trustees' responsibilities. This Handbook was reviewed and updated in 2022.

An induction planner and checklist for new Trustees are included. The Foundation has an assessment framework that includes an analysis of any conflicts of interest, a self-assessment questionnaire for the Board, a Trustee performance appraisal, and a diversity perception questionnaire. This framework is reviewed every other year.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the directors for company law purposes) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law, the Trustees must prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities' Statement of Recommended Practice (SORP);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue to operate.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees confirm that so far as they are aware, there is no relevant audit information (as defined by section 418(3) of the Companies Act 2006) of which the charitable company's auditors are unaware. They have taken all the steps that they ought to have taken as Trustees to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

GOVERNANCE STRUCTURE

The Foundation's governing Board normally meets at least four times a year. The Board has overall responsibility for the activities of the charity. It reviews and agrees the overall strategy for the charity, together with strategies for grant-making, fundraising and advocacy and communications, and approves its business plan, budget and policies.

The Board has established several specialist committees, with written terms of reference approved by the Board, (further details of which are given below) to advise it. In this way, the Board collectively has both general oversight of the organization's activities as well as detailed understanding of each of its key areas of operation.

Trustees are aware of their responsibilities as charity trustees and will review any additional or updated guidelines that the Charity Commission issue on trustees' responsibilities.

THE DEVELOPMENT BOARD

The Development Board supports fundraising activities for the Foundation, particularly building links with individual and corporate donors.

THE ADVISORY GRANTS PANEL

The Advisory Grants Panel (formerly called the Grant Panel) provides technical advice, guidance and oversight to applications reviewed and proposed for funding by the Grants Team. It is chaired by a Trustee and its members include external technical advisors and specialists. It reviews the outputs, geographical spread and strategic focus of grants, as well as in-depth analysis of proposed individual grants. This analysis is provided in the form of electronic reports produced by grants staff who assess funding applications' merits in the context of the Foundation's current goals, commitments, and approved strategy. Funding recommendations are made by way of a majority vote and significant grants are also ratified by the Board. There is an appeal procedure for grant applicants that are unsuccessful.

THE PROGRAM REVIEW COMMITTEE

The Program Review Committee reviews the progress and impact of grants made to organizations through the Advisory Grants Panel process and advises on any changes to the Foundation's strategy policies or processes. The Committee meets at least once a year.

THE FINANCE AND INVESTMENT COMMITTEE (FIC)

FIC advises the Board on the organization's financial, investment, and risk management activities. It specifically reviews financial performance, advises on the Foundation's investment strategy and undertakes periodic reviews of organizational risk, internal controls, and financial policies and procedures.

FIC met four times during the year, with each meeting attended by 3-4 members who were supported by the Chief Finance and Operations Officer. The Committee formally reviewed the organization's financial performance and strategy, which included examining the 2021 audited accounts, managing and advising on the risk appetite of the Foundation, and reviewing forecasts and the budget.

NOMINATIONS & REMUNERATION COMMITTEE

This Committee has been established to oversee the recruitment of new Trustees for recommendation to the Board and to set the remuneration of the CEO.

SUBSIDIARIES

ELTON JOHN AIDS FOUNDATION INC

Elton John AIDS Foundation Inc (EJAF Inc) is a wholly-owned subsidiary of the Foundation. EJAF Inc is based at 584 Broadway, Suite 906, New York, NY 10012. Its independent directors are:

- Anne Aslett
- Jamie Cooper
- Monica Risam (resigned June 1, 2022)
- Thomas Moore (appointed November 3, 2022)
- Paul Buccieri (appointed February 8, 2023)

EJAF TRADING LIMITED

The Foundation has a wholly-owned trading subsidiary, EJAF Trading Limited, which provides the management for one-off fundraising events. All profits from its activities are paid to the charity. During 2022, EJAF Trading Limited co-hosted an evening with Elton at Annabel’s resulting in sales of \$1.4 million (2021: \$1.8 million) and a net gain of \$1.0 million (2021: \$1.4 million). The Trustees are satisfied with the performance and results of the subsidiary for the year ended 31 December 2022.

EJAF Trading Limited (Company Registration Number 02951448) is based at Work.Life Hammersmith, Kings House, 174 Hammersmith Road, London W6 7JP. Its directors are:

- Sir Elton John (resigned June 1, 2022)
- David Furnish
- Anne Aslett
- Monica Risam (appointed June 1, 2022)

EJAF SOCIAL IMPACT (1) CIC

The Foundation established a community interest company, EJAF Social Impact (1) CIC in November 2017. This company was a vehicle for the first Social Impact Bond around HIV and focused on early identification and support for people with HIV in London. During 2021, EJAF Social Impact (1) CIC completed activities and was dissolved on October 11, 2022.

EJAF Social Impact (1) CIC (Company Registration Number 11059787) was based at Work.Life Hammersmith, Kings House, 174 Hammersmith Road, London, W6 7JP and its members were:

- Anne Aslett (resigned March 31, 2022)
- Elton John Aids Foundation (resigned October 11, 2022)
- Barbara Storch (resigned March 31, 2022)
- Daniel Wilson (resigned March 31, 2022)
- Andrew Billington (resigned March 31, 2022)
- Alan Tudhope (resigned March 31, 2022)
- Anne Russell (resigned October 11, 2022)

RISK ANALYSIS

The Board of Trustees continues to review and assess the risks that the charity faces and the potential impact they may have on the organization. This analysis is undertaken both for the charity and for individual large-scale grants. The main components of the risk management system are as follows:

AREA	DETAIL
Risk register	The Risk Register includes key risks, their likelihood and significance and how they are managed and mitigated.
Grant review procedures	During 2022, Crowe UK LLP, an international firm of accountants, conducted a review of four selected grants and Marillion Audit LLC conducted one review.
Reporting	FIC reviews the risk register, assesses the adequacy of existing controls and reports its findings to the Board.

The Board has identified the following major risks to which the Foundation is exposed:

RISK	MITIGANTS
The conflict in Ukraine undermines decades of EJAF investment	We have received \$4m of funds to invest in supporting HIV services in Ukraine.
External factors are jeopardizing global development budgets.	EJAF is working with others to help ensure the Global Fund budget is maximized in the US.
Potential recession may result in lower funding in 2023.	We have a high level of reserves and are continuing to strengthen the Development team to help them deliver even in difficult economic circumstances.

MANAGEMENT

The Chief Executive Officer is appointed by the Trustees to manage the operations of the Foundation. To facilitate this effectively, the Chief Executive Officer has, within the terms of delegation approved by the Trustees, authority for all operational matters, including grants, fundraising and finance.

The Senior Management Team (SMT) met regularly during the year to update on progress against goals for 2022 and to identify new opportunities and risks.

There is a clearly articulated and approved staff structure within which all staff have defined management lines, detailed job descriptions and a formal appraisal process.

Virtual staff meetings were held regularly throughout the year.

The Foundation’s principle on remuneration is to ensure the reward package is competitive with other equivalent organizations, to enable recruitment and retention of staff. A comprehensive benchmarking exercise is undertaken regularly for all existing and new staff positions. The Foundation continues to identify further opportunities to develop staff members’ relevant professional qualifications and knowledge; to deepen staff engagement with the work of Foundation grantees; and explore discrete projects that create new staff teams.

FUNDRAISING STANDARDS AND COMPLAINTS

In 2022, there were no failures by the charity, or by any person acting on its behalf, to comply with fundraising standards or scheme for fundraising regulation that the charity or the person acting on its behalf has voluntarily subscribed to. There were no complaints received by the charity, or by a person acting on its behalf for the purposes of fundraising, about the fundraising activities that the charity has carried out.

INTERNAL CONTROL

The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. These controls are periodically subject to governance review by the FIC.

On behalf of the Board of Trustees



David Furnish

Trustee
Dated: 31 May 2023

FOUNDATION INFORMATION

Company number	02787008
Company type	Limited by guarantee Incorporated in England and Wales
Charity Commission Number	1017336
Registered office	Kings House 174 Hammersmith Road London W7 6JP
Website	www.eltonjohnaidsfoundation.org

ADVISERS

Auditors:	UHY Hacker Young Quadrant House 4 Thomas More Square London E1W 1YW
Bankers:	Barclays Bank 1 Churchill Place London E14 5HP
Solicitors:	DLA Piper 160 Aldersgate Street London EC1A 4HT
Company Secretary:	Jared Cranney FCIS Appointed July 5, 2022
	Richard Reger FCIS Resigned July 5, 2022

DIRECTORS AND TRUSTEES

The governing body of the Foundation is its Board of Trustees, who are also directors for the purposes of company law. Trustees at the date the report is approved or who served during the year are:

David Furnish	Chair
Emma Kane	Deputy Chair
Tracy Blackwell	Treasurer
Mark Dybul	
Eric Goosby	
Ilana Kloss	
Ajaz Ahmed	
Barron Segar	
Sandra Lee	
Chris Cooper	Appointed February 8, 2022
Tani Austin	Appointed February 25, 2022
Kevin Martinez	Appointed February 25, 2022
Johnny Bergius	Resigned February 8, 2022
Thomas Moore	Resigned November 3, 2022

OPINION

We have audited the financial statements of The Elton John AIDS Foundation ('the Group') for the year ended 31 December 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Foundation Balance Sheets, the Consolidated Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice)'.

In our opinion the financial statements:

- give a true and fair view of the state of the group and the charitable company's affairs as at 31 December 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statement is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorized for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the financial statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' statement set out on page 32, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or the parent charitable company to cease operations, or have no realistic alternative but to do so.

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 a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the group and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the group, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to revenue recognition and the group's net income for the year.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, review of correspondence with and reports to the regulators, review of correspondence with legal advisors, enquiries of management and review of internal audit reports in so far as they related to the financial statements, and testing of journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the charitable company's Members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its Members as a body, for our audit work, for this report, or for the opinions we have formed.

**Subarna Banerjee (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young
Chartered Accountants and Statutory Auditor**

Quadrant House
4 Thomas More Square
London, E1W 1YW
United Kingdom

01 June 2023

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(INCLUDING THE INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 DECEMBER 2022

AT A GLANCE

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	NOTES	UNRESTRICTED FUNDS \$	DESIGNATED FUNDS \$	RESTRICTED FUNDS \$	TOTAL 2022 \$	TOTAL 2021 \$
INCOME						
Donations and legacies	2	14,706,243	–	10,852,518	25,558,761	6,077,544
Other trading activities	3	10,828,819	–	–	10,828,819	7,369,908
Investments	4	318,188	–	146,445	464,633	327,630
Total income		25,853,250	–	10,998,963	36,852,213	13,775,082
EXPENDITURE						
Costs of raising funds	5	5,327,033	–	–	5,327,033	3,394,671
Expenditure on charitable activities	5	11,296,710	185,505	7,521,369	19,003,584	14,502,695
Total expenditure		16,623,743	185,505	7,521,369	24,330,617	17,897,366
Loss on investments	13	(666,207)	–	–	(666,207)	(357,914)
Tax refund	11	–	–	–	–	113,292
Net income/(expenditure)	10	8,563,300	(185,505)	3,477,594	11,855,389	(4,366,906)
Transfers between funds	20, 21	105,284	30,512	(135,796)	–	–
Net movement in funds		8,668,584	(154,993)	3,341,798	11,855,389	(4,366,906)
Reconciliation of funds						
Total funds brought forward		16,004,783	404,993	4,949,037	21,358,813	25,725,719
Total funds carried forward	19	24,673,367	250,000	8,290,835	33,214,202	21,358,813

CONSOLIDATED AND FOUNDATION BALANCE SHEETS

AS AT 31 DECEMBER 2022

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	NOTES	GROUP		FOUNDATION	
		2022 \$	2021 \$	2022 \$	2021 \$
Fixed assets					
Tangible assets	12	135,486	222,444	48,116	97,392
Investments	13	16,909,127	17,133,453	7,082,178	6,963,872
		17,044,613	17,355,897	7,130,294	7,061,264
Current assets					
Debtors	15	7,570,373	4,743,412	652,943	3,648,153
Cash at bank and in hand	23, 24	32,091,073	20,408,745	18,295,989	14,691,946
		39,661,446	25,152,157	18,948,932	18,340,099
Creditors: amounts falling due within one year	16	(15,849,774)	(15,214,186)	(6,098,404)	(9,355,261)
Net current assets		23,811,672	9,937,971	12,850,528	8,984,838
Total assets less current liabilities		40,856,285	27,293,868	19,980,822	16,046,102
Creditors: amounts falling due over one year	17	(7,514,094)	(5,799,073)	(3,294,445)	(4,445,944)
Provision for liabilities	18	(127,989)	(135,982)	–	–
Net assets	19	33,214,202	21,358,813	16,686,377	11,600,158
Represented by:					
Unrestricted Funds	19	24,673,367	16,004,783	12,093,707	9,375,649
Designated Funds	21	250,000	404,993	250,000	404,993
Total Unrestricted Funds		24,923,367	16,409,776	12,343,707	9,780,642
Restricted Funds	20	8,290,835	4,949,037	4,342,670	1,819,516
Total Foundation Funds		33,214,202	21,358,813	16,686,377	11,600,158

The Foundation has taken advantage of the exemption under S408(3) to not present the Foundation's profit and loss account.

The accounts were approved and authorized for issue by the Board on 31 May 2023.



DAVID FURNISH

Chair

The Elton John AIDS Foundation

Company Registration Number 02787008

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

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	NOTES	2022		2021	
		\$	\$	\$	\$
Cash inflows/(outflows) from operating activities	22		11,682,734		(8,964,735)
Cash outflows from investing activities:					
Proceeds of sale of fixed asset investments		20,920,619		6,277,242	
Purchase of fixed asset investments		(21,361,695)		(15,389,795)	
Investment income		464,633		327,630	
Purchase of tangible fixed assets		(23,963)		(148,420)	
			(406)		(8,933,343)
Increase/(decrease) in cash	23, 24		11,682,328		(17,898,078)
Cash at beginning of the year			20,408,745		38,306,823
Cash at end of the year	23, 24		32,091,073		20,408,745

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)—(Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognized at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

1.1 Preparation of the financial statements on a going concern basis

The financial statements of the Foundation and subsidiary companies have been prepared on the going concern basis and under the assumption that adequate cash resources will be available to cover the requirements for working capital and capital expenditure for at least the next twelve months. Scenario modeling has been carried out to understand the impact of varying degrees of income reduction on the solvency of the organization. Under all scenarios, the organization is shown to have sufficient funds to meet its cash flow obligations to beyond the end of 2024 and there are no concerns over the ability to continue in operation for at least twelve months from the date of approval of the financial statements.

1.2 Group financial statements

These financial statements consolidate the results of the Foundation and its wholly-owned subsidiaries, EJAF Trading Limited, EJAF Social Impact (1) CIC and Elton John AIDS Foundation Inc on a line by line basis. A subsidiary is an entity controlled by the Group. Control is the power to govern the financial and operating policies of an entity as to obtain benefits from its activities.

A separate statement of financial activities for the Foundation itself is not presented because the Foundation has taken advantage of the exemptions afforded by Section 408 of the Companies Act 2006.

The Foundation received a Gift Aid donation from EJAF Trading Limited of \$477,293 (2021: \$2,133,510) in the year which has been eliminated on consolidation.

The Foundation received a Gift Aid donation from EJAF Social Impact (1) CIC of \$680,709 (2021: \$596,278) in the year which has been eliminated on consolidation. EJAF Social Impact (1) CIC ceased trading on 31 March 2022, on the basis of the completion of its “Zero HIV” Social Impact Bond project. The company was later dissolved.

The Foundation received grant income from Elton John AIDS Foundation Inc of \$7,000,000 (2021: \$3,500,000) in the year which has been eliminated on consolidation. The Foundation also made restricted grants to Elton John AIDS Foundation Inc of \$2,778,404 (2021: \$362,801) in the year.

1.3 Business combinations

Business combinations are accounted for by applying the purchase method. The cost of a business combination is the fair value of the consideration given, liabilities incurred or assumed and of equity instruments issued plus the costs directly attributable to the business combination. For combinations at nil or nominal consideration which are in substance a gift, any excess of the fair value of the assets received over the fair value of the liabilities assumed is recognized as a gain in the Statement of Financial Activities (“SOFA”). On acquisition, the fair values are attributed to the identifiable assets, liabilities and contingent assets.

1.4 Income

Income is recognized in the period in which entitlement is established, when economic benefit is probable and the value can be measured reliably.

Donations, which include regular giving, public donations and appeals are recognized as income once the Foundation has the right to receive the donation, it is probable that the economic benefits will be received, and the amount of the donation can be measured reliably. The Foundation claims Gift Aid where possible and income from Gift Aid tax reclaims is recognized for any Gift Aid certificates received up to a month after the year-end, in relation to donations made prior to the year end.

For legacy income, entitlement is taken as the earlier of the date on which either: the Foundation is aware that probate has been granted, the estate has been finalized and notification has been made by the executor’s to the Foundation that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Foundation has been notified of the executor’s intention to make a distribution. Where legacies have been notified to the Foundation or the Foundation is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income from grants that contain conditions relating to performance or payments by results is recognized as performance occurs, with all funding received in advance or in arrears of performance deferred or accrued accordingly. Otherwise income is recognized in full as soon as any other relevant conditions are satisfied.

Trading income is recognized on point of sale for both donated and purchased goods. Income from fundraising events is recognized in the year the particular event takes place. Income is deferred for events taking place after the year end.

1.5 Donated goods, services and facilities

Donated goods, services and facilities are included as income (with an equivalent amount in expenditure) at the estimated value to the Foundation where this is reasonably quantifiable, measurable and material. The value of the gift to the Foundation is the amount the Foundation would be willing to pay to obtain goods, services or facilities of equivalent economic benefit on the open market. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognized.

1.6 Expenditure

Expenditure is recognized once there is a legal or constructive obligation to make payment to a third party, it is probable settlement will be required and the amount can be measured reliably.

Costs of raising funds comprise commercial trading event costs and their associated support costs.

Charitable activities include expenditure associated with providing activities for the beneficiaries and includes both the direct costs and support costs relating to those activities; governance costs and general support costs for activities undertaken to further the purpose of the Foundation.

Staff costs are apportioned between activities on a time spent basis. Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

1.7 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Furniture and equipment	Straight line over 3 years
Software	Straight line over 3 years

1.8 Pensions

The pension costs charged in the financial statements represent the contributions payable by the Foundation during the period which are recognized when they are due.

1.9 Foreign currency translation

The consolidated financial statements are presented in US dollars (\$), which is the charity’s functional and presentation currency. Transactions denominated in foreign currencies are translated at the rate of exchange prevailing at the time of the transaction. Foreign currency balances are translated at the rate of exchange prevailing at the Balance Sheet date.

1 ACCOUNTING POLICIES CONT.

1.10 Grant Commitments

Grants are accounted for when the commitment arises. Commitments at the year end are therefore recorded as grant creditors. Grant creditors are classified as either amounts falling due within one year or as amounts falling due over one year, based on the grant payment dates. Grant creditors falling due over one year have been discounted to reflect the present value of the grant commitment as at the balance sheet date. The discount rate used represents the opportunity cost of the average interest which could be received by the company if the funds were to be invested in the company’s bank accounts.

1.11 Accumulated Funds

Restricted Funds are subject to individual donors’ specific terms and conditions as to their utilization. The purposes and uses of the restricted funds are set out in Note 20 to the financial statements.

Designated Funds comprises the EECACP Fund and the Robert Key Memorial Fund. The purpose of these funds are set out in Note 20 and Note 21.

1.12 Debtors

Trade and other debtors are recognized at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.13 Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.14 Creditors and provisions

Creditors and provisions are recognized where the Foundation has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognized at their settlement amount after allowing for any trade discounts due.

Creditors amounts falling due after more than one year are measured at amortized cost using the effective interest method.

1.15 Investments

Fixed asset investments are recognized at fair value calculated at closing market value at the balance sheet date. Any gain or loss on revaluation is taken to the Statement of Financial Activities.

Forward Contracts are recognized at the fair value of the gain or loss that would be recognized if the contract were to be closed at the balance sheet date. Any gain or loss on revaluation is taken to the Statement of Financial Activities.

Investments in subsidiaries are held at cost less any impairments.

1.16 Company Status

The Company does not have share capital and is limited by guarantee up to a maximum of £1 for each member. The company satisfies the requirements of Section 60 (1) of the Companies Act 2006 and, having made a statutory declaration to this effect, is exempt from using the word ‘Limited’ in its name.

1.17 Judgments and estimation uncertainty

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and judgments regarding the following areas: depreciation, provisions, and intangible income relating to donated services and facilities.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

1.18 Taxation

The charitable members of the Group are exempt from taxation on their income and gains falling within Part 11 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that they are applied to their charitable purposes. The non-charitable subsidiaries, although subject to taxation, do not pay UK Corporation Tax as their policy is to donate taxable profits as Gift Aid to the Foundation. In common with many other charities, the charitable members of the Group are unable to recover the majority of Value Added Tax (“VAT”) incurred on expenditure. The amount of VAT that cannot be recovered is included within the underlying cost to which it relates. Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2 DONATIONS AND LEGACIES

	UNRESTRICTED FUNDS \$	RESTRICTED FUNDS \$	TOTAL 2022 \$	TOTAL 2021 \$
Donations	14,206,243	716,378	14,922,621	3,434,432
Grants received	500,000	10,136,140	10,636,140	2,643,112
Total donations and legacies	14,706,243	10,852,518	25,558,761	6,077,544

Donated goods, services and facilities are included in donation income (with an equivalent amount in expenditure) at the estimated value to the Foundation where this is reasonably quantifiable, measurable and material. In 2022, this totalled \$165,038 (2021: \$692,166) of which \$70,147 (2021: \$435,035) related to donated facilities and services for fundraising events and \$94,891 (2021: \$179,708) related to pro bono services for legal and professional work. In 2021 there was also \$77,423 of office space provided free of charge for use by the Foundation.

3 TRADING INCOME

	UNRESTRICTED FUNDS \$	TOTAL 2022 \$	TOTAL 2021 \$
Fundraising events	10,489,816	10,489,816	5,410,551
Zero HIV Social Impact Bond income	331,618	331,618	1,926,631
Commercial and other trading income	7,385	7,385	32,726
Total trading income	10,828,819	10,828,819	7,369,908

4 INVESTMENT INCOME

	UNRESTRICTED FUNDS \$	RESTRICTED FUNDS \$	TOTAL 2022 \$	TOTAL 2021 \$
Interest on cash deposits	141	146,445	146,586	39,199
Interest on other investments	318,047	–	318,047	288,431
Total investment income	318,188	146,445	464,633	327,630

5 EXPENDITURE

	GRANTS PAYABLE 2022 \$ NOTE 6	DIRECT COSTS 2022 \$	SUPPORT COSTS 2022 \$ NOTE 7	TOTAL 2022 \$	TOTAL 2021 \$
Costs of raising funds	-	4,906,515	420,518	5,327,033	3,394,671
Expenditure on charitable activities:					
Eastern Europe & Central Asia (EECA)	6,347,946	1,501,005	340,895	8,189,846	6,560,175
LGBTQ+ (LGBT)	4,158,542	1,166,686	223,321	5,548,549	3,499,032
People who use drugs (PWUD)	1,903,640	548,260	102,229	2,554,129	406,138
United States (USA)	526,792	392,740	28,290	947,822	(898,928)
Young People (YP)	1,239,942	456,710	66,586	1,763,238	4,864,938
COVID-19 Emergency Fund	-	-	-	-	71,340
Total expenditure on charitable activities:	14,176,862	4,065,401	761,321	19,003,584	14,502,695
Total expenditure	14,176,862	8,971,916	1,181,839	24,330,617	17,897,366

Expenditure on charitable activities in the United States fund for 2021 shows a negative amount because it includes a \$1,335,500 credit relating to the termination of a grant.

6 GRANTS COMMITTED TO INSTITUTIONS

The table below sets out the value of grants committed to institutions during the year. There were no grants committed to individual during the year (2021: none).

2022	STRATEGIC INITIATIVE	NUMBER OF GRANTS	2022 \$
Top 20 grant recipients			
Frontline AIDS	LGBT	1	1,776,476
International Drug Policy Consortium	PWUD	3	987,493
Triggerise	YP	2	890,384
Alive Medical Services	LGBT	1	823,304
The Human Dignity Trust	LGBT	1	796,873
Alliance for Public Health	EECA	1	734,959
Duke University	USA	1	720,958
Non-Governmental Organization “Humanitarian Project”	EECA	1	715,000
Charity Fund “Vector of Life”	EECA	1	703,754
ANO New Life	EECA	1	696,062
ANO Rehabilitation Center for Social and Psychological Assistance to Chemically Addicts... “Generation”	EECA	1	597,429
Family Health International	EECA	1	517,163
United for Global Mental Health	YP	1	447,010
“AFEW” Public Foundation	EECA	2	420,786
Access to Treatment Association	EECA	1	410,029
Harm Reduction International	PWUD	1	336,425
Association of LGBT and their friends “Mozaika”	EECA	1	311,132
Iskorak	EECA	1	291,160
ARAS	EECA	1	288,456
World Health Organisation	LGBT	1	287,608
Other grant recipients	Various	22	1,424,401
Total 2022		46	14,176,862
2021	STRATEGIC INITIATIVE	NUMBER OF GRANTS	2021 \$
Top 7 grant recipients			
Regional Public Fund, “New Life”	EECA	1	2,990,000
Charity Foundation “Tomsk-AntiAIDS”	EECA	1	2,115,000
Prækelt	YP	1	1,720,642
Lambeth Borough Council	LGBT	1	1,331,677
Triggerise	YP	1	1,084,892
Zipline	YP	1	765,000
AFEW International Uzbekistan	EECA	1	412,555
Other grant recipients	Various	20	556,770
Grant termination			(1,335,500)
Total 2021		27	9,641,036

7 SUPPORT COSTS

	COSTS OF RAISING FUNDS 2022 \$	EXPENDITURE ON CHARITABLE ACTIVITIES					TOTAL 2022 \$	TOTAL 2021 \$
		EECA 2022 \$	LGBT 2022 \$	PWUD 2022 \$	USA 2022 \$	YP 2022 \$		
Staff costs	186,907	156,650	102,622	46,977	13,000	30,597	536,753	515,458
Office costs	67,608	55,462	36,333	16,632	4,603	10,833	191,471	209,831
Governance	38,869	34,055	22,309	10,212	2,826	6,652	114,923	75,274
Information technology costs	31,323	25,710	16,843	7,710	2,134	5,023	88,743	95,539
Foreign exchange losses/(gains)	22,840	20,466	13,407	6,137	1,698	3,998	68,546	(11,300)
Depreciation	19,565	16,270	10,658	4,879	1,350	3,178	55,900	63,721
Insurance	24,333	13,097	8,580	3,928	1,087	2,558	53,583	37,499
Professional fees	22,169	13,547	8,875	4,063	1,124	2,646	52,424	50,651
Travel costs	3,723	3,097	2,029	929	257	605	10,640	4,262
Other	3,181	2,541	1,665	762	211	496	8,856	11,909
	420,518	340,895	223,321	102,229	28,290	66,586	1,181,839	1,052,844

Support costs are allocated between costs of raising funds and expenditure on charitable activities based on time apportionment. Support costs are further allocated between each portfolio within expenditure on charitable activities based in proportion to the grant payable expenditure incurred on each portfolio in the year.

8 STAFF COSTS

	2022 \$	2021 \$
Wages and salaries	2,309,953	2,004,808
Social security costs	234,445	212,989
Other pension costs	158,150	115,092
Other employment costs	148,948	111,692
	2,851,496	2,444,581

Staff costs include \$2,339 (2021: \$103,276) of termination payments to employees. \$2,339 (2021: \$77,056) is considered to be ex-gratia payments. Termination payments are charged on an accruals basis based on senior management’s best estimate when the Council is demonstrably committed to the termination of the employment of an officer or group of officers or making an offer to encourage voluntary redundancy.

The table below shows the number of employees whose annual emoluments were \$72,500 or more. Emoluments include salary and taxable benefits in kind but exclude employer pension contributions. The table includes UK employees based out of the Foundation’s London office and US employees based out of the Foundation’s New York office.

	2022 NUMBER	2021 NUMBER
\$72,500–\$82,499	4	2
\$82,500–\$92,499	1	1
\$102,500–\$112,499	1	–
\$112,500–\$122,499	–	1
\$122,500–\$132,499	2	–
\$132,500–\$142,499	1	2
\$142,500–\$152,499	–	1
\$152,500–\$162,499	1	2
\$212,500–\$222,499	1	–
\$312,500–\$322,499	–	1
\$332,500–\$342,499	2	–
	13	10

Number of employees

The average monthly number of employees during the year was:

	2022 NUMBER	2021 NUMBER
Grants management	8	9
General management	14	12
Total employees	22	21

The key management personnel comprise the Trustees and the Chief Executive Officer. The Trustees received no remuneration during the year (2021: nil) and the Chief Executive Officer received total remuneration during the year of \$413,269 (2021: \$386,935). Total remuneration includes salary, taxable benefits in kind, employer pension contributions and employer social security contributions.

9 TRUSTEES’ REMUNERATION AND EXPENSES

The Trustees receive no remuneration for their services. In 2022, thank you gifts that were trivial in nature and value (such as cards and flowers) were purchased for Trustees, totalling \$887 (2021: nil). \$319 was also spent on donor cultivation costs involving Trustees (2021: nil).

There were no reimbursements of expenses to Trustees during the year (2021: nil). \$112,984 of travel costs (2021: nil) were paid directly to a third party in the year to transport the Foundation’s Chair, David Furnish, and Sir Elton John, to fundraising events. Given the fundraising events were during Sir Elton John’s tour, it was considered to be in the best interests of the charity for the Foundation to pay the travel costs to ensure the fundraising events went ahead, and the event sponsors donated additional amounts to directly offset the travel costs. A further \$2,124 of hair and makeup costs (2021: \$687) were paid to a third party in relation to Trustees’ duties.

The Foundation paid \$16,587 (2021: \$9,162) for Trustees’ indemnity insurance to indemnify the Trustees and other officers against the consequences of any neglect or default on their part.

10 NET INCOME/(EXPENDITURE)

This is stated after charging:

	2022 \$	2021 \$
Depreciation—owned assets	110,921	168,548
Realized and unrealized losses/(gains) on exchange	279,262	(98,630)

Auditor’s remuneration:

	2022 \$	2021 \$
Fees payable to the Group’s auditors for the audit of the statutory accounts of the Group, EJAF Trading Limited and EJAF Social Impact (1) CIC	40,283	40,843
Fees payable to Elton John AIDS Foundation Inc’s auditors for the audit of the statutory accounts of Elton John AIDS Foundation Inc	34,650	33,280
Total audit fees	74,933	74,123
Tax related services from the Group’s auditors	2,587	2,640
Tax relates services from Elton John AIDS Foundation Inc’s auditors	3,675	3,640
Total auditor’s remuneration	81,195	80,403

11 TAXATION

	GROUP 2022 \$	GROUP 2021 \$
UK Corporation Tax on profits for the year	–	(113,292)
Reconciliation of Tax Charge		
Profit before taxation on subsidiaries subject to taxation	1,392,098	2,535,225
Profit before tax multiplied by average rate of corporation tax of 19% (2021: 19%)	264,499	481,693
Effect of:		
Gift Aid donation paid	(264,499)	(481,693)
Prior year adjustment	–	(113,292)
Taxation	–	(113,292)

12 TANGIBLE FIXED ASSETS

	FURNITURE SOFTWARE AND EQUIPMENT \$	FOUNDATION TOTAL \$	SUBSIDIARIES FURNITURE, SOFTWARE AND EQUIPMENT \$	GROUP TOTAL \$
Cost				
At 1 January 2022	191,131	191,131	308,420	499,551
Additions	–	–	23,963	23,963
Disposals	(43,306)	(43,306)	(130,125)	(173,431)
At 31 December 2022	147,825	147,825	202,258	350,083
Depreciation				
At 1 January 2022	93,739	93,739	183,368	277,107
Charge for the year	49,276	49,276	61,645	110,921
Disposals	(43,306)	(43,306)	(130,125)	(173,431)
At 31 December 2022	99,709	99,709	114,888	214,597
Net book value				
At 31 December 2022	48,116	48,116	87,370	135,486
At 31 December 2021	97,392	97,392	125,052	222,444

13 INVESTMENTS

The movement in fixed asset investments in the year were:

	GROUP 2022 \$	GROUP 2021 \$	FOUNDATION 2022 \$	FOUNDATION 2021 \$
Market Value at 1 January	17,133,453	8,358,795	6,963,872	6,610,854
Additions to Investments at cost	21,361,695	15,389,795	1,594,412	2,970,506
Disposal of Investments at cost	(20,920,619)	(6,277,242)	(1,188,231)	(2,452,585)
Foreign exchange gain on revaluation	805	20,019	–	22,830
Net loss on investments	(666,207)	(357,914)	(287,875)	(187,733)
Market Value at 31 December	16,909,127	17,133,453	7,082,178	6,963,872

14 SUBSIDIARY UNDERTAKINGS

US subsidiary—Elton John AIDS Foundation Inc

The wholly-owned US charitable subsidiary, Elton John AIDS Foundation Inc (EIN 58-2033460) which is incorporated in the US was acquired by the Foundation on 14 December 2020. A summary of results is shown below.

	UNRESTRICTED FUNDS \$	RESTRICTED FUNDS \$	TOTAL 2022 \$	TOTAL 2021 \$
Donations and legacies	13,547,159	8,644,183	22,191,342	5,771,915
Other trading activities	9,154,395	–	9,154,395	2,889,659
Investments	155,175	–	155,175	109,811
Cost of raising funds	(4,578,418)	–	(4,578,418)	(2,337,449)
Expenditure on charitable activities	(12,185,973)	(7,825,539)	(20,011,512)	(8,033,563)
Loss on investments	(375,907)	–	(375,907)	(172,995)
Net income/(expenditure)	5,716,431	818,644	6,535,075	(1,772,622)
Reserves brought forward	6,185,965	3,129,521	9,315,486	11,088,108
Reserves carried forward	11,902,396	3,948,165	15,850,561	9,315,486

The assets and liabilities of the subsidiary at 31 December 2022 were:

	TOTAL 2022 \$	TOTAL 2021 \$
Fixed assets	9,914,320	10,294,631
Current assets	19,893,111	8,498,403
Creditors: amounts falling due within one year	(9,737,220)	(8,124,419)
Creditors: amounts falling after one year	(4,219,650)	(1,353,129)
Total net assets	15,850,561	9,315,486
Aggregate share capital and reserves	15,850,561	9,315,486

UK subsidiary—EJAF Trading Limited

The wholly-owned trading subsidiary, EJAF Trading Limited (Company number 02951448), which is incorporated in the United Kingdom, pays all its distributable profits to the Foundation by Gift Aid. EJAF Trading Limited provides management of one-off fundraising events. The Foundation owns the entire issued share capital of 1 ordinary share of \$1. A summary of the trading results is shown below:

	UNRESTRICTED FUNDS \$	TOTAL 2022 \$	TOTAL 2021 \$
Trading income	1,387,511	1,387,511	2,553,618
Cost of sales	(53,818)	(53,818)	(551,285)
Administrative expenses	(27,189)	(27,189)	(17,523)
Net profit	1,306,504	1,306,504	1,984,810
Amount gifted to the Foundation	(477,293)	(477,293)	(2,133,510)
Retained earnings brought forward	(151,947)	(151,947)	(3,247)
Retained earnings carried forward	677,264	677,264	(151,947)

The assets and liabilities of the subsidiary at 31 December 2022 were:

	TOTAL 2022 \$	TOTAL 2021 \$
Current assets	819,403	7,621
Creditors: amounts falling due within one year	(14,150)	(23,586)
Provision for liabilities	(127,989)	(135,982)
Total net assets	677,264	(151,947)
Aggregate share capital and reserves	677,264	(151,947)

14 SUBSIDIARY UNDERTAKINGS CONT.

UK subsidiary—EJAF Social Impact (1) CIC

Elton John AIDS Foundation exerted significant control over EJAF Social Impact (1) CIC which was incorporated on 13 November 2017 as a private company limited by guarantee. EJAF Social Impact (1) CIC ceased trading on 31 March 2022, on the basis of the completion of its “Zero HIV” Social Impact Bond project, and was dissolved on 11 October 2022. A summary of results is shown below:

	UNRESTRICTED FUNDS	THREE MONTHS ENDED 31 MARCH 2022	YEAR ENDED 31 DECEMBER 2021
	\$	\$	\$
Donations and legacies	17,883	17,883	151,467
Trading income	331,618	331,618	1,926,631
Expenditure on services	(218,881)	(218,881)	(1,266,313)
Administrative expenses	(45,026)	(45,026)	(269,273)
Corporation tax	–	–	113,292
Net profit	85,594	85,594	655,804
Amount gifted to Foundation	(680,709)	(680,709)	(596,278)
Reserves brought forward	595,115	595,115	535,589
Reserves carried forward	–	–	595,115

The assets and liabilities of the subsidiary were:

	THREE MONTHS ENDED 31 MARCH 2022	YEAR ENDED 31 DECEMBER 2021
	\$	\$
Current assets	–	994,144
Creditors: amounts falling due within one year	–	(399,029)
Total net assets	–	595,115
Aggregate share capital and reserves	–	595,115

15 DEBTORS

	GROUP 2022	GROUP 2021	FOUNDATION 2022	FOUNDATION 2021
	\$	\$	\$	\$
Trade debtors	7,203,414	4,295,685	613,795	745,921
Other debtors	38,195	61,903	4,352	29,234
Amounts owed by group undertakings	–	–	4,830	2,688,664
Prepayments and accrued income	328,764	385,824	29,966	184,334
	7,570,373	4,743,412	652,943	3,648,153

Included within trade debtors is \$2,205,724 (2021: \$1,000,000) which relates to debtors falling due after one year.

16 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	GROUP 2022	GROUP 2021	FOUNDATION 2022	FOUNDATION 2021
	\$	\$	\$	\$
Trade creditors	440,947	392,371	203,633	61,184
Grant commitments	11,953,209	10,552,286	5,799,058	7,476,486
Taxation and social security	43,476	141,791	43,476	41,723
Accruals and deferred income	3,412,142	4,127,738	52,237	1,775,868
	15,849,774	15,214,186	6,098,404	9,355,261

17 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	GROUP 2022	GROUP 2021	FOUNDATION 2022	FOUNDATION 2021
	\$	\$	\$	\$
Grant commitments	7,514,094	5,799,073	3,294,445	4,445,944
	7,514,094	5,799,073	3,294,445	4,445,944

18 PROVISIONS

	GROUP 2022	GROUP 2021	FOUNDATION 2022	FOUNDATION 2021
	\$	\$	\$	\$
Value at 1 January	135,982	–	–	–
(Released)/charged to the Statement of Financial Activities	(7,993)	135,982	–	–
Value at 31 December	127,989	135,982	–	–

The provision relates to a potential liability to repay an auction prize that had been unable to be claimed due to the COVID-19 pandemic. If required, the amount is expected to be paid within one year.

19 ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

Fund balances at 31 December 2022 are represented by:

	UNRESTRICTED FUND 2022	DESIGNATED FUND 2022	RESTRICTED FUND 2022	TOTAL 2022
	\$	\$	\$	\$
Fixed assets	17,044,613	–	–	17,044,613
Current assets	20,162,912	320,336	19,178,198	39,661,446
Creditors: amounts falling due within one year	(8,832,693)	(70,336)	(6,946,745)	(15,849,774)
Creditors: amounts falling due after more than one year	(3,573,476)	–	(3,940,618)	(7,514,094)
Provisions	(127,989)	–	–	(127,989)
	24,673,367	250,000	8,290,835	33,214,202

Fund balances at 31 December 2021 are represented by:

	UNRESTRICTED FUND 2021	DESIGNATED FUND 2021	RESTRICTED FUND 2021	TOTAL 2021
	\$	\$	\$	\$
Fixed assets	17,355,897	–	–	17,355,897
Current assets	8,210,991	404,993	16,536,173	25,152,157
Creditors: amounts falling due within one year	(8,217,459)	–	(6,996,727)	(15,214,186)
Creditors: amounts falling due after more than one year	(1,208,664)	–	(4,590,409)	(5,799,073)
Provisions	(135,982)	–	–	(135,982)
	16,004,783	404,993	4,949,037	21,358,813

20 RESTRICTED FUNDS

The restricted funds are funds given for specific purposes. The movement on the restricted funds during the year were as follows:

	BALANCE AT 1 JANUARY 2022 \$	INCOME RECEIVED 2022 \$	UTILIZED 2022 \$	TRANSFERRED 2022 \$	BALANCE AT 31 DECEMBER 2022 \$
Chukua Selfie	–	(13,860)	140,952	(127,092)	–
EECA KP Fund	–	–	8,704	(8,704)	–
LGBTQ+	–	1,000,000	–	–	1,000,000
RADIAN	1,811,100	5,146,445	(6,587,643)	–	369,902
Ukraine Humanitarian Relief	–	4,000,000	–	–	4,000,000
USA	–	500,000	207,867	2,204,935	2,912,802
US South Development	129,521	165,779	(70,998)	(224,302)	–
Walmart Partnership	3,000,000	–	(1,019,367)	(1,980,633)	–
Young People	–	200,000	(200,000)	8,131	8,131
Zachary & Elijah Fund	8,416	599	(884)	(8,131)	–
	4,949,037	10,998,963	(7,521,369)	(135,796)	8,290,835

The movement on the restricted funds during the prior were as follows:

	BALANCE AT 1 JANUARY 2021 \$	INCOME RECEIVED 2021 \$	UTILIZED 2021 \$	FOREIGN EXCHANGE MOVEMENT 2021 \$	TRANSFERRED 2021 \$	BALANCE AT 31 DECEMBER 2021 \$
Chukua Selfie	221,378	(356,888)	(308,166)	191,017	252,659	–
COVID-19 Emergency Fund	65,000	–	(65,000)	–	–	–
EECA KP Fund	–	–	(269,200)	–	269,200	–
LGBTQ+	–	12,376	(12,376)	–	–	–
Mylan	64,698	–	(62,801)	(1,897)	–	–
RADIAN	6,908,626	39,022	(5,218,304)	81,756	–	1,811,100
US South Development	150,000	158,708	(179,187)	–	–	129,521
Walmart Partnership	–	3,000,000	–	–	–	3,000,000
Young People	454,060	23,179	(473,559)	(3,680)	–	–
Zachary & Elijah Fund	729	7,839	–	(152)	–	8,416
	7,864,491	2,884,236	(6,588,593)	267,044	521,859	4,949,037

Chukua Selfie

Chukua Selfie is an extensive marketing campaign by Scanad Kenya that is driving demand for HIV Self Testing in Kenya, particularly targeting young men. Through the campaign young men are informed and motivated to use HIV self-testing—a specific simple way to know their HIV status—confidentially at a time and place of their choosing. Chukua Selfie aims to engage young men through innovative, relevant and targeted marketing and by harnessing the power of social media and the internet to create demand for self-testing kits. It was anticipated if more young men know their status, consequently fewer young women will become infected with HIV. This program of work was completed in 2022 and the remaining restricted funds transferred back to unrestricted funds.

COVID-19 Emergency Fund

In April 2020, the Foundation launched a COVID-19 Emergency Fund to support people living with or at-risk of HIV from marginalized communities. Grants were made to organizations to implement solutions that aimed to mitigate the threat of COVID-19 on maintaining current levels of access or increasing access to HIV-related, prevention, testing, care and treatment adherence services. In total, over 100 grants have been distributed in 30 countries.

EECA KP Fund

In response to the pressing need for action for key populations in Eastern Europe and Central Asia, EJAF formed the EECA KP Fund to which Gilead Life Sciences contributed £5 million and the Dutch Government €1 million. The EECA KP Fund seeks to improve access to HIV and co-infection prevention, care, and treatment services for key populations in Eastern Europe and Central Asia. This program of work was completed in 2022 and the remaining restricted funds transferred back to unrestricted funds.

LGBTQ+

In 2022, the Elton John AIDS Foundation launched its new LGBTQ+ strategy which aims to challenge the key barriers that prevent and limit LGBTQ+ people from accessing HIV and health services. Our goal is to empower the LGBTQ+ global community towards greater rights, funding, and health equity to accelerate an AIDS-free future.

Mylan

EJAF teamed up with Mylan Inc., one of the world’s leading pharmaceutical companies, to give a combined \$1 million to the Business Leadership Council (BLC) for a Generation Born HIV Free for the elimination of mother-to-child transmission of HIV in Nigeria.

20 RESTRICTED FUNDS CONT.

RADIAN

In September 2019, the Foundation launched a new fund for Eastern Europe and Central Asia (EECA), 'RADIAN', in partnership with Gilead Sciences. RADIAN aims to continue and expand the EECA KP Fund's vital work to tackle the HIV epidemic in the region, and further confront and challenge the barriers which prevent at-risk populations from accessing HIV prevention and treatment services. RADIAN is a natural evolution of the EECA KP Fund, which has given the Foundation a greater understanding of the urgent needs in EECA and the necessary experience to respond even more effectively moving forward. RADIAN will further maximize on the relationships, trust, support, and knowledge the Foundation has gained from implementing the EECA KP Fund. A \$25m program, RADIAN seeks to include and go beyond service delivery work to lead to increasingly sustainable progress towards zero new infections, zero AIDS deaths, and zero stigma and discrimination in EECA.

Ukraine Humanitarian Relief

In response to the war in Ukraine, EJAF established this restricted fund to support humanitarian efforts to aid Ukrainian people living with HIV and key population communities. Alongside launching new partnerships and programs, this fund will also focus on adapting existing programming to respond to new needs.

USA

During the year, the US South Development and Walmart Partnership restricted funds were combined to form the USA restricted fund as they share the same objectives and carry the same restrictions. See below for descriptions of these funds.

US South Development

An estimated 1.2 million people in the United States are living with HIV, with 14% unaware of their status. Of those who know they are living with HIV, 42% are not consistently receiving HIV care. HIV new diagnoses and racial disparities are especially relevant in the US South, where 33% of black gay men and 44% of black transgender women live with HIV. In an effort to improve long-term health outcomes, we have funded local community-based organizations and conducted qualitative research. Across these programs, we draw from a deep understanding of local need and develop evidence-based and outcomes-based interventions that meet gaps in current service provision, while also developing persuasive evidence to advocate for future public service provision. During the year, the US South Development and Walmart Partnership restricted funds were combined to form the USA restricted fund as they share the same objectives and carry the same restrictions.

Walmart Partnership

EJAF has partnered with Walmart to change the course of HIV in the US South. Walmart has committed \$9.2 million toward this. Walmart locations are ubiquitous in the US South, and EJAF will leverage their presence to increase access to a full range of services for people living with HIV. EJAF will work with Walmart to organize training for their pharmacists, so they can serve as a key entry point for patients to access HIV testing and linkage to care. Funds will be allocated to reducing stigma around HIV and discrimination against people living with HIV, increasing access to and uptake of HIV prevention and treatment services and improving linkage and retention in HIV care. Funds will also be allocated to support EJAF's advocacy efforts to engage and educate stakeholders on HIV policy issues. During the year, the US South Development and Walmart Partnership restricted funds were combined to form the USA restricted fund as they share the same objectives and carry the same restrictions.

Young People

Funds raised specifically for Young People will be used to prioritize pioneering solutions which cultivate better ways of reaching young people wherever they are with a particular emphasis on harnessing existing digital platforms. These platforms can be utilized to provide young people with information on topics they care most about including sex, sexuality, mental health, gender rights, and HIV in an accurate, relatable, and applicable fashion. Through this new strategy, we will work to amplify the voices of young people to ensure they play central roles in influencing the conversation around their sexual and reproductive health at all levels of care. The Foundation will also look to pilot new ways of providing HIV prevention services to young people in the community in de-medicalized and de-stigmatized ways that present young people with choices that fit into their lifestyles. During the year, the Zachary & Elijah Fund was combined with the Young People restricted fund as it shares the same objectives and carries the same restrictions. See below for a description of the Zachary & Elijah Fund.

Zachary & Elijah Fund

The Zachary & Elijah Fund was established in 2014 to provide a dedicated source of funding for the Foundation in tackling HIV/AIDS issues connected with young people under the age of 18. The Zachary & Elijah Fund is designed primarily to help young people and babies who have tested HIV positive. However, it will also provide support to young people whose family and community have been impacted by HIV/AIDS. There is no geographic constraint on where the fund can be applied. During the year, the Zachary & Elijah Fund was combined with the Young People restricted fund as it shares the same objectives and carries the same restrictions.

21 DESIGNATED FUNDS

The income funds of the Foundation include designated funds comprising the following balances, which are ring-fenced for future use.

The movement on designated funds during the year were as follows:

	BALANCE AT 1 JANUARY 2022 \$	UTILIZED 2022 \$	FUND TRANSFERS 2022 \$	BALANCE AT 31 DECEMBER 2022 \$
The Robert Key Memorial Grant	269,995	(185,505)	165,510	250,000
EECA KP Fund	134,998	–	(134,998)	–
	404,993	(185,505)	30,512	250,000

The movement on designated funds during the prior year were as follows:

	BALANCE AT 1 JANUARY 2021 \$	UTILIZED 2021 \$	FOREIGN EXCHANGE MOVEMENT 2021 \$	FUND TRANSFERS 2021 \$	BALANCE AT 31 DECEMBER 2021 \$
The Robert Key Memorial Grant	272,980	(28)	(2,985)	28	269,995
EECA KP Fund	518,663	–	1,387	(385,052)	134,998
	791,643	(28)	(1,598)	(385,024)	404,993

The Robert Key Memorial Grant

Robert Key MBE co-founded the Elton John AIDS Foundation with Sir Elton John in 1993. He was instrumental in its development and growth as both Executive Director and trustee until his death in October 2009. In his memory, the Trustees of the Foundation established a new fund to honor Robert's passion and dedication to advancing the rights and needs of those most marginalized by the AIDS epidemic. The fund is used to support programs that provide a direct and tangible benefit to those living with HIV/AIDS from marginalized communities and/or facing exceptionally difficult circumstances. The Trustees agreed to maintain the designated fund at \$250,000 per year and therefore a transfer was made from unrestricted funds to restore the balance following \$185,505 of expenditure during the year.

EECA KP Fund

The purpose of the EECA KP Fund is set out in Note 20. This program of work was completed in 2022 and the remaining designated funds transferred back to unrestricted funds.

22 RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 \$	2021 \$
Net income/(expenditure)	11,855,389	(4,366,906)
Depreciation	110,921	168,548
Increase in debtors	(2,826,961)	(1,098,951)
Increase/(decrease) in creditors	2,350,609	(3,830,481)
(Decrease)/increase in provisions	(7,993)	135,982
Decrease in stock	–	13,468
Investment Income	(464,633)	(327,630)
Loss on investments	666,207	357,914
Foreign exchange gain	(805)	(16,679)
Net cash inflows/(outflows) from operating activities	11,682,734	(8,964,735)

23 RECONCILIATION OF GROUP NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2022 \$	2021 \$
Increase/(decrease) in cash	11,682,328	(17,898,078)
Net funds at 1 January	20,408,745	38,306,823
Net funds at 31 December	32,091,073	20,408,745

24 ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021 \$	CASHFLOW \$	2022 \$
Cash at bank and in hand	18,814,613	7,541,016	26,355,629
US treasury bills	–	5,715,348	5,715,348
US government bonds and notes and US agencies	1,548,315	(1,548,315)	–
Money market sweep funds	45,817	(25,721)	20,096
Total cash and cash equivalents	20,408,745	11,682,328	32,091,073

Investments in US treasury bills, government bonds, and notes and US agencies have maturities of three months or less from the date of acquisition so are classified as cash equivalents.

25 PENSION COSTS

The Foundation operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Foundation in an independently administered fund. The pension cost charge represents contributions payable by the Foundation.

	2022 \$	2021 \$
Contributions payable by the Foundation for the year	158,150	115,092

26 FINANCIAL INSTRUMENTS

The Foundation holds fixed asset investments which are accounted for as financial assets measured at fair value through profit and loss.

	2022 \$	2021 \$
Financial assets measured at fair value through profit and loss	16,909,127	17,133,453

27 RELATED PARTIES

Aggregate donations received during the year from trustees and parties connected to the trustees given without conditions placed on the Foundation were \$4,036,412 (2021: \$32,427). A further \$256,500 was received from Trustees in ticket sales, sponsorship and auction income (2021: \$1,020).

During the year, a related party, William A Bong Ltd (“WAB”), recharged expenses totalling \$53,170 (2021: \$185,212) to the Foundation for expenses it had incurred on the Foundation’s behalf: pension contribution payments, healthcare insurance costs, and vendor payments. The Foundation recharged expenses totalling \$10,614 (2021: nil) for vendor costs it had incurred on behalf on WAB. A balance of \$12,777 at 31 December 2022 was owed from WAB to the Foundation (31 December 2021: \$10,878 payable to WAB). WAB is a related party because the Foundation’s Chair, David Furnish, is a director. The Foundation and WAB pooled some HR services and other services during the year which accounts for the recharging of expenses, which were all made at arm’s length. In addition, WAB provided the Foundation with office space free of charge in 2021 which was valued at \$77,423 and recorded as income (and equivalent expenditure) in the Foundation’s accounts.

During the year, the Foundation incurred travel costs of \$112,984 (2021: nil) from the related party, J Bondi Inc. A balance of \$112,984 at 31 December 2022 was owed to J Bondi Inc (31 December 2021: nil). J Bondi Inc is a related party because it is wholly owned by Sir Elton John, husband of the Foundation’s Chair, David Furnish. The travel costs were incurred to transport David Furnish and Sir Elton John to fundraising events, and were made at arm’s length.

The following transactions were carried out between the Foundation and its subsidiaries during the year:

	2022 \$	2021 \$
ELTON JOHN AIDS FOUNDATION INC (“EJAF INC”)		
Intercompany grant income (payable from EJAF Inc to the Foundation)	7,000,000	3,500,000
Intercompany grant commitment (payable from the Foundation to EJAF Inc)	(2,778,404)	(362,801)
Net recharge of expenses	(15,609)	419,539

At 31 December 2022, the Foundation had a debtor balance of \$2,557 owed from EJAF Inc (31 December 2021: \$2,688,665).

	2022 \$	2021 \$
EJAF TRADING LTD		
Profits distributed under gift aid (payable from EJAF Trading Ltd to the Foundation)	477,293	2,133,510
Net recharge of expenses	2,272	18

At 31 December 2022, the Foundation had a debtor balance of \$2,272 owed from EJAF Trading Ltd (31 December 2021: nil).

	2022 \$	2021 \$
EJAF SOCIAL IMPACT (1) CIC		
Profits distributed under gift aid (payable from EJAF Social Impact (1) CIC to the Foundation)	680,709	596,278
Intercompany donations (payable from EJAF Social Impact (1) CIC to the Foundation)	–	12,377
Net recharge of expenses	21,347	88,615

At 31 December 2022, there was no outstanding balance between the Foundation and EJAF Social Impact (1) CIC (31 December 2021: nil). EJAF Social Impact (1) CIC was dissolved on 11 October 2022.

28 EVENTS AFTER THE BALANCE SHEET DATE

There are no material post Balance Sheet events to report.

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