



***FINANCIAL STATEMENTS  
WITH INDEPENDENT AUDITORS' REPORT***

***YEARS ENDED DECEMBER 31, 2024 AND 2023***

THE STAYING ALIVE FOUNDATION, INC.

Years Ended December 31, 2024 and 2023

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## INDEPENDENT AUDITORS' REPORT

To The Board of Directors  
The Staying Alive Foundation, Inc.  
New York, New York

### **Opinion**

We have audited the accompanying financial statements of The Staying Alive Foundation, Inc. (a nonprofit organization), which comprise the balance sheets as of December 31, 2024 and 2023, and the related statements of activities, cash flows, and functional expenses for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Staying Alive Foundation, Inc. as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The Staying Alive Foundation, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about The Staying Alive Foundation, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### **Auditors' Responsibilities for the Audit of the Financial Statements**

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of The Staying Alive Foundation, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about The Staying Alive Foundation, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

*Dorfman Abrams Music, LLC*

Saddle Brook, New Jersey

July 31, 2025

THE STAYING ALIVE FOUNDATION, INC.

BALANCE SHEETS

ASSETS

	December 31,	
	<u>2024</u>	<u>2023</u>
Assets:		
Cash	\$ 2,918,753	\$ 1,681,288
Grants and contributions receivable	789,363	580,636
Prepaid expenses		<u>7,520</u>
Total assets	<u>\$ 3,708,116</u>	<u>\$ 2,269,444</u>

LIABILITIES AND NET ASSETS

Liabilities:		
Refundable advances	\$ 436,799	\$ 120,568
Accounts payable and accrued expenses		<u>742,643</u>
Total liabilities	<u>436,799</u>	<u>863,211</u>
Net assets:		
Without donor restrictions	(350,666)	(149,929)
With donor restrictions	<u>3,621,983</u>	<u>1,556,162</u>
Total net assets	<u>3,271,317</u>	<u>1,406,233</u>
Total liabilities and net assets	<u>\$ 3,708,116</u>	<u>\$ 2,269,444</u>

THE STAYING ALIVE FOUNDATION, INC.

STATEMENTS OF ACTIVITIES

	Year ended December 31, 2024		Year ended December 31, 2023	
	Without donor restrictions	With donor restrictions	Without donor restrictions	With donor restrictions
Support and revenues:				
Contributions and grants	\$ 866,057	\$ 4,829,357	\$ 2,566,501	\$ 2,566,501
Contributions of nonfinancial assets - related party	86,812		180,377	180,377
Interest income	67,495		23,260	23,260
Net assets released from restrictions	2,763,536	(2,763,536)	1,871,786	(1,871,786)
Total support and revenues	3,783,900	2,065,821	4,641,924	(1,871,786)
Expenses:				
Program service expenses	3,259,871		3,988,998	3,988,998
Supporting services:				
Management and general	724,766		580,084	580,084
Total expenses	3,984,637		4,569,082	4,569,082
Change in net assets	(200,737)	2,065,821	72,842	(1,871,786)
Net assets, beginning of year	(149,929)	1,556,162	(222,771)	3,427,948
Net assets, end of year	\$ (350,666)	\$ 3,621,983	\$ (149,929)	\$ 1,556,162
				\$ 1,406,233

See Notes to Financial Statements.

THE STAYING ALIVE FOUNDATION, INC.

STATEMENTS OF CASH FLOWS

	<u>Year ended December 31,</u>	
	<u>2024</u>	<u>2023</u>
Cash flows from operating activities:		
Change in net assets	\$ 1,865,084	\$ (1,798,944)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Changes in operating assets and liabilities:		
Discount on contributions receivable	21,155	
(Increase) decrease in:		
Grants and contributions receivable	(229,882)	495,637
Prepaid expenses	7,520	15,580
Increase (decrease) in:		
Refundable advances	(120,568)	(1,535,386)
Accounts payable and accrued expenses	(305,844)	488,366
Net cash provided (used) by operating activities	<u>1,237,465</u>	<u>(2,334,747)</u>
Net change in cash	1,237,465	(2,334,747)
Cash, beginning of year	<u>1,681,288</u>	<u>4,016,035</u>
Cash, end of year	<u>\$ 2,918,753</u>	<u>\$ 1,681,288</u>

See Notes to Financial Statements.

THE STAYING ALIVE FOUNDATION, INC.  
STATEMENTS OF FUNCTIONAL EXPENSES

Years Ended December 31, 2024 and 2023

	Program services		Supporting service expenses Management and general		Total	
	2024	2023	2024	2023	2024	2023
Salaries and employee benefits	\$ 726,439	\$ 677,791	\$ 530,186	\$ 337,320	\$ 1,256,625	\$ 1,015,111
Special projects	2,329,643	3,078,434		47,902	2,329,643	3,126,336
Training expense	108,887	163,035	6,200		115,087	163,035
Travel and conferences	51,714	23,421	42,987	57,017	94,701	80,438
Promotional expense	41,362	31,098		3,235	41,362	34,333
Professional fees			46,056	82,902	46,056	82,902
Rent expense			79,154	23,430	79,154	23,430
Office and miscellaneous expenses	1,826	15,219	9,310	16,857	11,136	32,076
Board meeting expenses			2,501	8,694	2,501	8,694
Bank charges			8,372	2,727	8,372	2,727
<b>Total expenses</b>	<b>\$ 3,259,871</b>	<b>\$ 3,988,998</b>	<b>\$ 724,766</b>	<b>\$ 580,084</b>	<b>\$ 3,984,637</b>	<b>\$ 4,569,082</b>

See Notes to Financial Statements.

THE STAYING ALIVE FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2024 and 2023

1. Nature of the Organization

Incorporated in 2003, The Staying Alive Foundation, Inc. (the Foundation) encourages young people to take concrete action in protecting themselves and their communities against the multiple threats posed by the spread of HIV and AIDS, and to fight discrimination faced by people of all ages living with HIV and AIDS.

2. Summary of significant accounting policies

Basis of presentation

The financial statements of the Foundation have been prepared in accordance with U.S. generally accepted accounting principles (U.S. GAAP), which require the Foundation to report information regarding their financial position and activities according to the following net asset classifications:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Foundation. These net assets may be used at the discretion of the Foundation's management and the board of directors.

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

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Cash

Cash consists of demand deposit accounts.

Grants and contributions receivable

Grants and contributions receivable consist of unpaid amounts from private foundations and donors. Grants and contributions that are expected to be collected within one year are recorded at net realizable value. Contributions that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts, if any, are computed using risk-adjusted interest rates applicable to the years in which the promises are received. All grants and contributions receivable are expected to be collected within one year.

THE STAYING ALIVE FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2024 and 2023

2. Summary of significant accounting policies (continued)

Allowance for doubtful accounts

The Foundation determines whether an allowance for uncollectible contributions should be provided. Such estimates are based on management's assessment of the aged basis of the Foundation's receivables, current economic conditions, and historical experience. As of December 31, 2024 and 2023, the Foundation determined that an allowance was not necessary.

Operating leases - right-of-use assets

The Foundation recognizes rights and obligations arising from leases as right-of-use (ROU) assets and lease liabilities in the balance sheet in accordance with ASU No. 2016-02, *Leases*. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term, and ROU assets also include prepaid or accrued rent. Operating lease expense is recognized on a straight-line basis over the lease term. The Foundation does not report ROU assets and lease liabilities for its short-term leases (leases with a term of 12 months or less). Instead, the lease payments of those leases are reported as lease expense on a straight-line basis over the lease term.

Revenue and revenue recognition

The Foundation recognizes contributions and private grant support when cash, investments, or other assets are received. Contributions that are restricted by the donor are reported as increase in net assets without donor restrictions if the restrictions expire in the period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restriction.

A portion of the Foundation's revenue is derived from grants which are conditioned upon certain performance obligations and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Foundation has incurred expenditures in compliance with specific contract or grant provisions. Amounts received on cost reimbursement grants, prior to incurring qualifying expenditures, are reported as refundable advances in the balance sheet. Under the terms of funding agreements, all reported expenditures are subject to audit and acceptance by funding agencies. In the opinion of management, adjustments, if any, resulting from future audits, should not have a material effect on the Foundation's financial position or changes in its net assets.

Contributions of nonfinancial assets - related party

The Foundation contributions of nonfinancial assets are reflected as contributions at their fair value at the date of donation and are reported as support without donor restrictions unless explicit donor stipulations specify how donated assets must be used (see Note 7).

THE STAYING ALIVE FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2024 and 2023

2. Summary of significant accounting policies (continued)

Functional allocation of expenses

The costs of providing various programs and support services have been summarized on a functional basis in the statement of activities. Accordingly, natural expenses attributable to more than one functional expense category are allocated using a variety of cost allocation techniques such as time and effort.

Income taxes

The Foundation is a tax-exempt organization as defined by Section 501(c)(3) of the Internal Revenue Code (Code), though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the Code. The Foundation has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. The Foundation has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

Reclassifications

Certain amounts from 2023 have been reclassified to conform to the 2024 reporting format.

3. Risks and uncertainties

Financial instruments that potentially subject the Foundation to concentrations of credit risk consist principally of cash, and grants and contributions receivable. The Foundation maintains its cash in bank deposit accounts, the balances of which, at times, may exceed federally insured limits. Exposure to credit risk is reduced by placing such deposits in high quality financial institutions. The Foundation limits its exposure by performing periodic evaluations of the financial institutions where it maintains its cash. Concentration of credit risk with respect to grants and contributions receivable is limited due to the fact that they are mainly derived from major corporations and foundations and have short payment terms. The foundation has not experienced, nor does it anticipate, any losses with respect to such accounts.

THE STAYING ALIVE FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2024 and 2023

4. Availability and liquidity

The following represents the Foundation's financial assets at December 31, 2024:

Cash	\$ 2,918,753
Grants and contributions receivable – current portion	<u>560,518</u>
Total financial assets	<u>3,479,271</u>

Less amounts not available to be used within one year:

Net assets with donor restrictions	3,621,983
Less net assets with purpose restrictions to be met in less than a year	<u>(525,647)</u>
	<u>3,096,336</u>

Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 382,935</u>
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The Foundation's operations are substantially supported by contributions and grants. As part of the Foundation's liquidity management, there is a policy in place to structure financial assets to be available as obligations become due.

5. Unitaid grant - refundable advances

In April 2018, the Foundation received a cost reimbursement grant from Unitaid to promote HIV self-testing awareness. Reimbursements from the grant are recorded as support in the period when expenses are incurred. Amounts received in excess of incurred expenses are recorded as refundable advances. The Foundation recognized grant revenue of \$70,482 and \$2,089,460 during the years ended December 31, 2024 and 2023, respectively. Refundable advances were \$-0- and \$9,964 for the years ended December 31, 2024 and 2023, respectively.

The grant is subject to independent annual audits and ad hoc examinations by the grantor during the project term, and for a period of five years following the project closure. In the opinion of management, adjustments, if any, resulting from future audits, should not have a material effect on the Foundation's financial position or changes in its net assets.

THE STAYING ALIVE FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2024 and 2023

6. Grants and contributions receivable

Grants and contributions receivable that are expected to be collected within one year are recorded at their net realizable value. Grant and contributions receivable that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using a risk-free interest rate of 4.52% applicable to the year ended December 31, 2024.

Pledges are expected to be collected as follows at December 31:

	<u>2024</u>	<u>2023</u>
One year or less	\$ 560,518	\$ 580,636
Two years	<u>250,000</u>	<u>                    </u>
	810,518	580,636
Less discount on pledges receivable	<u>(21,155)</u>	<u>                    </u>
	<u>\$ 789,363</u>	<u>\$ 580,636</u>

The difference between the amounts pledged and collected has historically been insignificant. Accordingly, no provision has been made for uncollectible amounts

THE STAYING ALIVE FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2024 and 2023

7. Net assets

Net assets were as follows at December 31:

	2024			2023		
	Without donor restrictions	With donor restrictions	Total	Without donor restrictions	With donor restrictions	Total
Undesignated for general use	\$(350,666)	\$	\$ (350,666)	\$ (149,929)	\$	\$ (149,929)
Specific purpose:						
Deliver peer education program in South Africa		29,012	29,012		49,046	49,046
Develop and distribute Season 2 of MTV Nishedh		219,218	219,218		560,091	560,091
Support abortion and contraception story lines for MTV Nishedh (India)		326,843	326,843		6,235	6,235
Support BET Shuga education In Bloom - To support short film series addressing gender equality norms		750,000	750,000		750,000	750,000
Surround Sound Kenya project		8,780	8,780		190,790	190,790
In Bloom - planning grant		848,101	848,101			
In Bloom - U.S.		390,038	390,038			
Support Nigeria - challenge attitudes in young people		530,896	530,896			
Passage of time		19,095	19,095			
		500,000	500,000			
Total net assets	<u>\$(350,666)</u>	<u>\$ 3,621,983</u>	<u>\$3,271,317</u>	<u>\$ (149,929)</u>	<u>\$ 1,556,162</u>	<u>\$1,406,233</u>

Releases from net assets with donor restrictions are as follows for the years ended December 31:

	2024	2023
Develop and distribute season 2 of MTV Nishedh	\$ 340,873	\$ 435,150
Support abortion and contraception story lines for MTV Nishedh (India)	79,393	107,793
Deliver peer education program in South Africa	20,034	263,565
Surround Sound Kenya project	151,900	
Support Nigeria - challenge attitudes in young people	132,104	
MTV Shuga Naija Season 5		22,500
In Bloom - U.S.	1,857,224	
In Bloom - To support short film series addressing gender equality norms	182,008	1,006,326
Support development of MTV Shuga Kenya		36,452
	<u>\$ 2,763,536</u>	<u>\$ 1,871,786</u>

THE STAYING ALIVE FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2024 and 2023

8. Contributions of nonfinancial assets - related party

The Foundation operates out of office space provided by Paramount, the sponsoring organization. Since the inception of the Foundation, Paramount has been paying a portion of the overhead costs including salary, rent and certain administrative expenses. These costs represent contributions of nonfinancial assets and have been included in revenue and expense at their estimated fair market values or at actual amounts incurred by Paramount.

Contributions of nonfinancial assets from a related party consisted of the following for the year ended December 31:

	2024		
	<u>Program services</u>	<u>Management and general</u>	<u>Total</u>
Salaries and benefits	\$	\$ 7,658	\$ 7,658
Rent expense		79,154	79,154
	<u>\$</u>	<u>\$ 86,812</u>	<u>\$ 86,812</u>
	2023		
	<u>Program services</u>	<u>Management and general</u>	<u>Total</u>
Salaries and benefits	\$ 74,390	\$ 60,282	\$ 134,672
Rent expense		23,430	23,430
Travel and conferences	22,275		22,275
	<u>\$ 96,665</u>	<u>\$ 83,712</u>	<u>\$ 180,377</u>

No amounts were due to or from related parties for the years ended December 31, 2024 and 2023.

THE STAYING ALIVE FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2024 and 2023

9. Retirement plan

The Foundation participates in a defined contribution plan covering all full-time employees who have attained the age of 21; and part-time employees who have attained the age of 21 and a completion of 1,000 hours of service within the consecutive twelve-month period beginning with their date of hire or within any plan year (January 1 through December 31) thereafter.

Total contributions amounted to \$25,824 and \$19,815 for the years ended December 31, 2024 and 2023, respectively.

10. Significant source of support

The Foundation recognized revenue from three major funder amounting to approximately 60% of total revenues and support for the year ended December 31, 2024. The contributions receivable balance for one of these funders was \$500,000 as of December 31, 2024.

The Foundation recognized revenue from one major funder amounting to approximately 75% of total revenues and support for the year ended December 31, 2023. No amounts were due from this funder at December 31, 2023.

11. Subsequent events

Subsequent events have been evaluated through July 31, 2025, which is the date the financial statements were available to be issued. The Foundation is not aware of any material subsequent events.