

**BEING ALIVE/PEOPLE WITH AIDS ACTION
COALITION, INC.**

FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2022



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**BEING ALIVE/PEOPLE WITH AIDS ACTION COALITION, INC.
TABLE OF CONTENTS
YEAR ENDED MARCH 31, 2022**

INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS	
STATEMENT OF FINANCIAL POSITION	3
STATEMENT OF ACTIVITIES	4
STATEMENT OF FUNCTIONAL EXPENSES	5
STATEMENT OF CASH FLOWS	6
NOTES TO FINANCIAL STATEMENTS	7



INDEPENDENT AUDITORS' REPORT

Board of Directors
Being Alive/People with AIDS Action Coalition, Inc.
West Hollywood, California

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Being Alive/People with AIDS Action Coalition, Inc. (a nonprofit organization), which comprise the statement of financial position as of March 31, 2022, and the related statements of activities, functional expenses, and cash flows for the year 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 Being Alive/People with AIDS Action Coalition, Inc. as of March 31, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 Being Alive/People with AIDS Action Coalition, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

Report on Summarized Comparative Information

The March 31, 2021 summarized comparative information has been derived from Being Alive/People with AIDS Action Coalition, Inc. financial statements and in our report dated October 18, 2021, we expressed an unmodified opinion on those financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended March 31, 2021, is consistent in all material respects, with the audited financial statements from which it has been derived.



CliftonLarsonAllen LLP

Los Angeles, California
December 20, 2022

BEING ALIVE/PEOPLE WITH AIDS ACTION COALITION, INC.
STATEMENT OF FINANCIAL POSITION
MARCH 31, 2022
(WITH COMPARATIVE TOTALS FOR MARCH 31, 2021)

	2022	2021
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 423,265	\$ 301,818
Accounts Receivable	24,437	41,867
Prepays and Other Assets	7,500	6,669
Total Current Assets	455,202	350,354
 Total Assets	 \$ 455,202	 \$ 350,354
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable	\$ -	\$ 9,568
Accrued Vacation	15,775	11,152
Total Current Liabilities	15,775	20,720
NONCURRENT LIABILITIES		
Economic Injury Disaster Loan	153,900	153,900
Paycheck Protection Program (PPP) Loan	-	49,565
Total Noncurrent Liabilities	153,900	203,465
 Total Liabilities	 169,675	 224,185
NET ASSETS		
Without Donor Restrictions	285,527	126,169
 Total Liabilities and Net Assets	 \$ 455,202	 \$ 350,354

See accompanying Notes to Financial Statements.

BEING ALIVE/PEOPLE WITH AIDS ACTION COALITION, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED MARCH 31, 2022
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED MARCH 31, 2021)

	Without Donor Restrictions	With Donor Restrictions	2022	2021
REVENUE AND PUBLIC SUPPORT				
Government Grants	\$ 399,992	\$ -	\$ 399,992	\$ 369,390
PPP Loan Forgiveness	102,514	-	102,514	-
Contributions	76,809	-	76,809	200,336
Other Income	68,776	-	68,776	13,065
Special Events	13,037	-	13,037	11,792
Total Revenue and Public Support	<u>661,128</u>	<u>-</u>	<u>661,128</u>	<u>594,583</u>
EXPENSES				
Program Services	433,134	-	433,134	389,790
General and Administrative	47,095	-	47,095	84,146
Fundraising	21,541	-	21,541	20,111
Total Expenses	<u>501,770</u>	<u>-</u>	<u>501,770</u>	<u>494,047</u>
CHANGE IN NET ASSETS	159,358	-	159,358	100,536
Net Assets - Beginning of Year	<u>126,169</u>	<u>-</u>	<u>126,169</u>	<u>25,633</u>
NET ASSETS - END OF YEAR	<u>\$ 285,527</u>	<u>\$ -</u>	<u>\$ 285,527</u>	<u>\$ 126,169</u>

See accompanying Notes to Financial Statements.

BEING ALIVE/PEOPLE WITH AIDS ACTION COALITION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED MARCH 31, 2022
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED MARCH 31, 2021)

	Program Services	Supporting Services		2022	2021
		General and Administrative	Fundraising		
Salaries	\$ 222,680	\$ 20,059	\$ 15,043	\$ 257,782	\$ 223,455
Employee Benefits	35,687	2,136	1,709	39,532	31,041
Payroll Taxes	17,701	973	777	19,451	18,147
Total Salary Related Expenses	<u>276,068</u>	<u>23,168</u>	<u>17,529</u>	<u>316,765</u>	<u>272,643</u>
Wellness Center Expense	72,265	-	-	72,265	21,528
Occupancy	62,317	2,985	2,589	67,891	89,986
Professional Fees	-	17,628	-	17,628	55,435
Telephone and Communications	10,515	577	463	11,555	22,244
Insurance	6,918	1,823	304	9,045	11,111
Printing and Reproduction	2,626	143	115	2,884	2,493
Equipment, Repairs and Maintenance	1,534	85	67	1,686	1,531
Office Expenses	253	679	68	1,000	2,765
Volunteer Support	528	-	-	528	50
Fundraising Expense	-	-	401	401	16
Postage and delivery	110	7	5	122	220
Program Incentives	-	-	-	-	2,215
Consulting	-	-	-	-	11,800
Outreach and Education	-	-	-	-	10
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Expenses 2022	<u>\$ 433,134</u>	<u>\$ 47,095</u>	<u>\$ 21,541</u>	<u>\$ 501,770</u>	
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Expenses 2021	<u>\$ 389,790</u>	<u>\$ 84,146</u>	<u>\$ 20,111</u>		<u>\$ 494,047</u>

See accompanying Notes to Financial Statements.

BEING ALIVE/PEOPLE WITH AIDS ACTION COALITION, INC.
STATEMENT OF CASH FLOWS
YEAR ENDED MARCH 31, 2022
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED MARCH 31, 2021)

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 159,358	\$ 100,536
Adjustments to Reconcile Change in Net Assets to Net Cash Used by Operating Activities:		
Forgiveness of Paycheck Protection Program Loan	(102,514)	-
Loss of Disposal of Fixed Assets	-	19,267
(Increase) Decrease in Assets:		
Accounts Receivable	17,430	(20,227)
Prepays and Other Assets	(831)	11,690
Increase (Decrease) in Liabilities:		
Accounts Payable	(9,568)	(17,323)
Accrued Vacation	4,623	(4,231)
Net Cash Provided by Operating Activities	68,498	89,712
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Economic Injury Disaster Loan	-	153,900
Proceeds from Paycheck Protection Program Loan	52,949	49,565
Net Cash Provided by Financing Activities	52,949	203,465
CHANGE IN CASH AND CASH EQUIVALENTS	121,447	293,177
Cash and Cash Equivalents - Beginning of Year	301,818	8,641
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 423,265	\$ 301,818

See accompanying Notes to Financial Statements.

BEING ALIVE/PEOPLE WITH AIDS ACTION COALITION, INC.
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2022
(WITH COMPARATIVE TOTALS FOR MARCH 31, 2021)

NOTE 1 ORGANIZATION

History

Being Alive/People with AIDS Action Coalition, Inc. (Being Alive), a nonprofit organization incorporated in the state of California, is Los Angeles' first peer-led HIV/AIDS agency. Established in 1986 by three friends who were living with AIDS, Being Alive was created to provide services free of red tape. These visionaries saw the need for a peer-based agency to advocate for the community from the point of view of those infected. Today, Being Alive is a beacon of support, education and empowerment to thousands of people with HIV/AIDS.

Mission

Being Alive is an agency by and for people living with HIV/AIDS that seeks to bring peers out of isolation, to engender a sense of self-reliance and self-direction, and to build a stronger community of HIV-positive people. Being Alive accomplishes its mission by providing support, education, advocacy, prevention and wellness services as part of its core program.

Services

PEER Support

Led by facilitators who know firsthand the issues of our members, this program offers a safe and comfortable environment for people to bond, share, learn, and grow. Peer Support includes intakes and assessments including a comprehensive referral service, support groups, one-on-one support, and social activities.

Education

Being Alive believes that, in order for a person to take charge of his/her medical care, he/she must have access to the current medical information and have access to services. Being Alive accomplishes this goal with regularly published treatment newsletters, educational website, and monthly medical updates.

Wellness

Wellness activities encourage Being Alive members to develop themselves as well-rounded individuals and to explore complimentary approaches to western medicine. Being Alive offers chiropractic and acupuncture clinics, yoga, healing touch, massage, and a ceramics studio to meet those needs.

Prevention

Being Alive's Prevention for Positives Program "Get Real" delivers individual, group and community level interventions that encourage members to adopt high self-esteem and a culture of responsibility. Prevention messages are disseminated to the larger community via Being Alive's Speakers' Bureau as well.

Advocacy

Being Alive's advocacy program ensures that the voices are heard and factored into a variety of issues. Being Alive's advocacy takes a two-fold approach: first, Being Alive offers advocacy for individuals who are facing barriers to the HIV care system; and second, Being Alive trains peers to engage in educational opportunities with legislators.

BEING ALIVE/PEOPLE WITH AIDS ACTION COALITION, INC.
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2022
(WITH COMPARATIVE TOTALS FOR MARCH 31, 2021)

NOTE 1 ORGANIZATION (CONTINUED)

Membership

Being Alive primarily serves central metropolitan Los Angeles and some of the surrounding areas. As such, target populations for support programs are gay and bisexual men or "men who have sex with men" (MSM), both MSM of color and Anglo MSM, though Being Alive also serves any and all people living with HIV/AIDS from Los Angeles County. The common thread throughout membership is the historically underserved: the working poor, people of color, homeless and/or mentally ill. In the case of the Speakers' Bureau, the target audience is youth (ages 13 to 24) of all races, genders and sexual orientations.

Capacity

Being Alive is a volunteer driven organization with over 100 volunteers who help to maintain the core services, including a strong and active working board of directors. There are only a small handful of paid staff members. Being Alive has a history of working on a tight budget with a focus on keeping administration and fundraising cost quite low while meeting a great need and serving peers effectively.

Being Alive's purpose is to end HIV infections by eliminating stigma, engaging people in wellness, removing barriers to care and restoring dignity.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of Being Alive have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables and other liabilities.

Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). These principles require that Being Alive report information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions.

Net Assets Without Donor Restrictions – Net Assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

BEING ALIVE/PEOPLE WITH AIDS ACTION COALITION, INC.
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2022
(WITH COMPARATIVE TOTALS FOR MARCH 31, 2021)

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

Net Assets With Donor Restrictions – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as restricted revenue when received and released from restriction when the assets are placed in service. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Cash and Cash Equivalents

For the purposes of the financial statement, Being Alive considers all highly liquid debt instruments purchased with a maturity date of three months or less to be cash equivalents.

Accounts Receivable

Accounts receivable are expected to be collected in full by Being Alive's management. Therefore, no allowance for doubtful accounts have been provided.

Contributions

Being Alive accounts for contributions in accordance with GAAP. Contributions received are recorded as without donor restrictions and with donor restrictions, depending on the existence and/or nature of any donor restrictions.

Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized.

Being Alive recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met. A portion of Being Alive's revenue is derived from cost reimbursable county and city contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when Being Alive has incurred expenditures in compliance with specific contract or grant provisions. Being Alive received cost reimbursable grants of \$124,525 that have not been recognized at March 31, 2022 because qualifying expenditures have not yet been incurred, with no advance payments received or recognized in the statement of financial position as deferred revenue.

BEING ALIVE/PEOPLE WITH AIDS ACTION COALITION, INC.
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2022
(WITH COMPARATIVE TOTALS FOR MARCH 31, 2021)

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Donated Services and Materials

No amounts have been reflected in the financial statements for donated services. Being Alive generally pays for services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist Being Alive with the Wellness Center Program including acupuncture services, chiropractic services, massage, yoga and ceramics. Being Alive receives more than 5,000 volunteer hours per year.

Property and Equipment

Property and equipment are recorded at historical cost and are being depreciated using the straight-line method over the estimated useful life of the assets. The following lives have been assigned:

Improvements	15 Years
Furniture, Fixtures, and Equipment	5 Years

Expenditures for maintenance, repairs, and renewals of minor items are charged to expense as incurred. Major renewals and improvements are capitalized. Upon disposition, the cost and related accumulated depreciation are removed from the accounts and the resulting gain or loss is reflected in operations for the period.

Income Taxes

Being Alive is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, and is exempt from California franchise taxes under Section 23701(d) of the California Revenue and Taxation Code.

Being Alive files Internal Revenue Service Form 990 and State Forms 199 and RRF-1. GAAP provide accounting and disclosure guidance about positions taken by an organization in its tax returns that might be uncertain. Being Alive recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. Management of Being Alive does not believe the financial statements include any uncertain tax positions.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, 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. Actual results could differ from those estimates.

Advertising

Advertising costs are charged to operations when incurred and are included in functional expenses.

BEING ALIVE/PEOPLE WITH AIDS ACTION COALITION, INC.
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2022
(WITH COMPARATIVE TOTALS FOR MARCH 31, 2021)

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Functional Allocation of Expenses

The costs of providing the program and the supporting services have been summarized on a functional basis in the statement of activities, and in the statement of functional expenses. Accordingly, certain costs have been allocated between the program and the supporting services in reasonable ratios determined by management.

Comparative Financial Information

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with Being Alive/People with AIDS Action Coalition, Inc.' financial statements for the year ended March 31, 2021, from which the summarized information was derived.

Subsequent Events

Management has evaluated subsequent events through December 20, 2022, the date the financial statements were available to be issued.

NOTE 3 LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

	2022	2021
Cash and Cash Equivalents	\$ 423,265	\$ 301,818
Accounts Receivable	24,437	41,867
Total	\$ 447,702	\$ 343,685

As part of the Being Alive's liquidity management plan, cash in excess of daily requirements is invested in money market funds.

NOTE 4 COMMITMENTS AND CONTINGENCIES

Contracts

Being Alive's grants and contracts are subject to inspection and audit by the appropriate governmental funding agency. The purpose is to determine whether program funds were used in accordance with their respective guidelines and regulations. The potential exists for disallowance of previously funded program costs. The ultimate liability, if any, which may result from these governmental audits cannot be reasonably estimated and accordingly, Being Alive has no provisions for the possible disallowance of program costs on its financial statements.

BEING ALIVE/PEOPLE WITH AIDS ACTION COALITION, INC.
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2022
(WITH COMPARATIVE TOTALS FOR MARCH 31, 2021)

NOTE 5 CASH IN BANK – CONCENTRATION OF CREDIT RISK

Being Alive maintains its cash balances at a bank. At March 31, 2022, the balances maintained at the bank exceeded the insurance limit (\$250,000) as set by the Federal Deposit Insurance Corporation. Being Alive has not incurred losses related to these accounts.

NOTE 6 PAYCHECK PROTECTION PROGRAM AND EIDL LOANS

Being Alive/People with AIDS Action Coalition, Inc. received loans in the amount of \$49,565 and \$52,949 to fund payroll, rent, utilities, and interest on mortgages and existing debt through the Paycheck Protection Program (the PPP Loan). These amounts may be forgiven subject to compliance and approval based on the timing and use of these funds in accordance with the program. The SBA may review funding eligibility and usage of funds for compliance with program requirements based on dollar thresholds and other factors. The amount of liability, if any, from potential noncompliance cannot be determined with certainty; however, management is of the opinion that any review will not have a material adverse impact on the Company's financial position.

The PPP loans were forgiven November 2021 and September 2021, respectively.

Being Alive/People with AIDS Action Coalition, Inc. received a loan in the amount of \$153,900 through the Economic Injury Disaster Loan (EIDL). Being Alive/People with AIDS Action Coalition, Inc. may use the proceeds as working capital to alleviate economic injury caused by disaster occurring in the month of January 31, 2020 and continuing thereafter. The loan bears interest at a fixed rate of 2.75% per annum, has a term of 30 years, and is secured by The Small Business Administration, and Agency of the U.S. Government. Installment payments, including principal and interest of \$641 monthly, began 24 months from June 20, 2020.



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