



FINANCIAL STATEMENTS

Aurora Humanitarian Initiative Foundation, Inc.
Years Ended December 31, 2023 and 2022
With Report of Independent Auditors



The better the question.
The better the answer.
The better the world works.



Shape the future
with confidence

Aurora Humanitarian Initiative Foundation, Inc.

Financial Statements

Years Ended December 31, 2023 and 2022

Contents

Report of Independent Auditors 1

Financial Statements

Statements of Financial Position 3

Statements of Activities 4

Statements of Cash Flows 6

Notes to Financial Statements 7



Ernst & Young LLP
101 E. Washington Street
Suite 910
Phoenix, AZ 85004

Tel: +1 602 322 3000
ey.com

**Shape the future
with confidence**

Report of Independent Auditors

The Board of Directors
Aurora Humanitarian Initiative Foundation, Inc.

Opinion

We have audited the financial statements of Aurora Humanitarian Initiative Foundation, Inc. (the Foundation), which comprise the statements of financial position as of December 31, 2023 and 2022, and the related statements of activities and cash flows for the years then ended, and the related notes (collectively referred to as the “financial statements”).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation on December 31, 2023 and 2022, 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 (GAAS). 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 required to be independent of the Foundation 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 of 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 Foundation’s ability to continue as a going concern for one year after the date that the financial statements are available to be issued.



**Shape the future
with confidence**

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 of 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 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 the Foundation’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 Foundation’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.

Ernst + Young LLP

May 29, 2025

Aurora Humanitarian Initiative Foundation, Inc.

Statements of Financial Position
(Amounts in U.S. Dollars)

	December 31	
	2023	2022
Assets		
Current assets:		
Cash	\$ 718,505	\$ 31,818
Accounts receivable	7,304	1,042,561
Prepaid expenses	5,872	5,872
Total current assets	<u>731,681</u>	<u>1,080,251</u>
Non-current assets:		
Endowment investments and cash	<u>4,533,094</u>	2,526,100
Total assets	<u>\$ 5,264,775</u>	<u>\$ 3,606,351</u>
Liabilities and net assets		
Current liabilities:		
Accounts payable	\$ 246,363	\$ 88,322
Grants payable	275,000	1,045,500
Total current liabilities	<u>521,363</u>	1,133,822
Net assets:		
Net assets (deficiency) without donor restrictions	210,318	(53,571)
Net assets with donor restrictions	<u>4,533,094</u>	2,526,100
Total net assets	<u>4,743,412</u>	2,472,529
Total liabilities and net assets	<u>\$ 5,264,775</u>	<u>\$ 3,606,351</u>

See accompanying notes.

Aurora Humanitarian Initiative Foundation, Inc.

Statements of Activities

(Amounts in U.S. Dollars)

Year Ended December 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues:			
Contributions	\$ 2,172,870	\$ 1,922,500	\$ 4,095,370
Contributed services	90,080	–	90,080
Services received from affiliate	29,300	–	29,300
Interest income and unrealized gain on investment	–	84,494	84,494
Total revenues	<u>2,292,250</u>	<u>2,006,994</u>	<u>4,299,244</u>
Expenses:			
Program services:			
Aurora Prize for Awakening Humanity	408,470	–	408,470
Awards and grants to others	1,052,000	–	1,052,000
Honorarium expense	185,000	–	185,000
Total program services	<u>1,645,470</u>	–	<u>1,645,470</u>
Supporting services:			
Professional services – fundraising	187,000	–	187,000
Professional services – legal and accounting	61,432	–	61,432
Salaries and benefits	68,012	–	68,012
Other management and general activities	66,447	–	66,447
Total supporting services	<u>382,891</u>	–	<u>382,891</u>
Total expenses	<u>2,028,361</u>	–	<u>2,028,361</u>
Change in net assets	263,889	2,006,994	2,270,883
Net assets (deficiency), beginning of year	(53,571)	2,526,100	2,472,529
Net assets, end of year	<u>\$ 210,318</u>	<u>\$ 4,533,094</u>	<u>\$ 4,743,412</u>

See accompanying notes.

Aurora Humanitarian Initiative Foundation, Inc.

Statements of Activities

(Amounts in U.S. Dollars)

Year Ended December 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues:			
Contributions	\$ 3,555,850	\$ 2,526,100	\$ 6,081,950
Services received from affiliate	25,650	–	25,650
Total revenues	3,581,500	2,526,100	6,107,600
Expenses:			
Program services:			
Aurora Prize for Awakening Humanity	1,367,322	–	1,367,322
Awards and grants to others	2,165,000	–	2,165,000
Multimedia/video production services	5,000	–	5,000
Total program services	3,537,322	–	3,537,322
Supporting services:			
Professional services – fundraising	100,000	–	100,000
Professional services – legal and accounting	41,221	–	41,221
Other management and general activities	70,026	–	70,026
Total supporting services	211,247	–	211,247
Total expenses	3,748,569	–	3,748,569
Change in net assets	(167,069)	2,526,100	2,359,031
Net assets, beginning of year	113,498	–	113,498
Net assets (deficiency), end of year	\$ (53,571)	\$ 2,526,100	\$ 2,472,529

See accompanying notes.

Aurora Humanitarian Initiative Foundation, Inc.

Statements of Cash Flows
(Amounts in U.S. Dollars)

	Year Ended December 31	
	2023	2022
Operating activities		
Change in net assets	\$ 2,270,883	\$ 2,359,031
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Donor restricted endowment contributions and income	(2,006,994)	(2,526,100)
Changes in operating assets and liabilities:		
Accounts receivable	1,035,257	(311,783)
Accounts payable	158,041	(98,957)
Grants payable	(770,500)	195,500
Increase in investments designated as trading	(2,157,606)	—
Net cash used in operating activities	(1,470,919)	(382,309)
Financing activities		
Donor restricted endowment contributions and income	2,006,994	2,526,100
Net cash provided by financing activities	2,006,994	2,526,100
Net increase in cash and restricted cash equivalents	536,075	2,143,791
Cash and restricted cash, beginning of year	2,557,918	414,127
Cash and restricted cash, end of year	\$ 3,093,993	\$ 2,557,918
Cash and restricted cash equivalents is comprised of:		
Cash	\$ 718,505	\$ 31,818
Endowment restricted cash equivalents	2,375,488	2,526,100
Total cash and restricted cash equivalents	\$ 3,093,993	\$ 2,557,918

See accompanying notes.

Aurora Humanitarian Initiative Foundation, Inc.

Notes to Financial Statements (Amounts in U.S. Dollars)

December 31, 2023

1. Organization and Purpose

Aurora Humanitarian Initiative Foundation, Inc. (the Foundation) is a Delaware nonprofit organization that was formed in 2015 exclusively for charitable, scientific, literary, or educational purposes, as provided by Internal Revenue Code Section 501(c)(3).

The Foundation's mission is to address on-the-ground humanitarian challenges globally, with a focus on helping the world's most destitute. Uniquely dedicated to recognizing and supporting unsung humanitarian heroes worldwide, the Foundation raises awareness of their work and significantly impacts the lives of those in greatest need.

Central to the Foundation's efforts is its flagship program, the \$1,000,000 Aurora Prize for Awakening Humanity (the Aurora Prize) a global humanitarian award that recognizes and supports those who risk their own lives to save the lives of others. The Aurora Prize Laureate is selected from a carefully vetted pool of nominees from all over the world, and based on, among other things, the nominee's demonstration of courage, commitment and overall impact.

The Aurora Prize is generally awarded on an approximate 18-month cycle with the Aurora Prize awarded in 2022 and again in 2024. In 2023, a year in which the Aurora Prize was not awarded, the Foundation both expanded its presence in the US and invested in fundraising support in furtherance of its long-term fundraising capabilities.

Its mission rooted in Armenian history, the Foundation was founded on behalf of the survivors of the Armenian Genocide on the occasion of its centennial. The Aurora Humanitarian Initiative Charitable Foundation (Aurora Armenia) is an entity that was established by Armenian entrepreneurs and philanthropists, and supports the Foundation by providing staffing, financial, and administrative support for the purpose of, among other things, planning, funding and awarding the Aurora Prize.

2. Significant Accounting Policies

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates.

Aurora Humanitarian Initiative Foundation, Inc.

Notes to Financial Statements (continued) (Amounts in U.S. Dollars)

2. Significant Accounting Policies (continued)

Concentrations of Credit Risk

Financial instruments that potentially subject the Foundation to concentrations of credit risk consist principally of cash, including restricted cash held in the endowment fund. The Foundation places its cash with federally insured financial institutions and frequently maintains a balance in excess of the amount insured by the Federal Deposit Insurance Corporation. The balance held in the cash accounts are monitored by management to mitigate risk of loss.

Endowment Investments

The Foundation holds \$4,533,094 in endowment investments (see Note 5) as of December 31, 2023. The Foundation accounts for its endowment investments as trading securities and are presented at fair value, based on quoted prices in active markets. Investment income, including realized and unrealized gains on investments, is reported within net assets with donor restriction on the statements of activities. The December 31, 2022 endowment fund was held in cash.

Contributions

All contributions are considered without restrictions unless specifically restricted by the donor, including donor restriction on endowment contributions (see Note 6). Unrestricted contributions are considered to be available for general purposes as there are no donor restrictions and are recorded as contribution revenue within net assets without donor restriction on the accompanying statements of activities. Donor restricted contributions are reported as contribution revenue within net assets without donor restriction once the restricted conditions stipulated by the donor are met by the Foundation. As of December 31, 2023 and 2022, the Foundation received \$4,095,370 (\$1,922,500 was restricted) and \$6,081,950 (\$2,526,100 was restricted), respectively.

Services Received From Affiliate

The Foundation records services received from related parties, including Aurora Armenia personnel, in accordance with Accounting Standards Update No. 2013-06, *Not-for-Profit Entities (Topic 958): Services Received from Personnel of an Affiliate*. The nature of services provided primarily relates to management and accounting costs and is included within management and general activities on the accompanying statements of activities, amounted to \$29,300 and \$25,650 for the years ended December 31, 2023 and 2022, respectively.

Aurora Humanitarian Initiative Foundation, Inc.

Notes to Financial Statements (continued) (Amounts in U.S. Dollars)

2. Significant Accounting Policies (continued)

Grant Expenditures

Grant disbursements made are recognized as expense in the period when granted and the conditions are met and are included in awards and grants to others in the accompanying statements of activities. Unconditional grant expenditures that are expected to be paid in less than one year are recorded at net settlement value. The Foundation recorded grants payable of \$275,000 and \$1,045,500 as of December 31, 2023 and 2022, respectively, all of which were paid in full in the following year.

Program Services

All of the costs attributable to the organization, funding, and awarding of the Aurora Prize for Awakening Humanity are recorded as operating expenses in the period incurred.

Costs incurred for fundraising, public relations activities, project coordination, event support and due diligence directly related to the Aurora Prize are recorded in the Aurora Prize for Awakening Humanity expenses.

Costs attributable to funding awards to organizations that advance humanitarian causes, including awareness, education, and financial aid, are encompassed within awards and grants to others on the accompanying statements of activities.

Honorarium expenses encompass costs incurred related to selection committee members and expert panel members in order to determine the Aurora Prize Laureate. For the year ended December 31, 2023, certain members of the Aurora Prize expert panel contributed their services instead of receiving payment as outlined in their contractual agreement. The estimated value of the contributed services amounted to \$90,080 for the year ended December 31, 2023 and is recorded as contributed services revenue on the accompanying statement of activities.

Aurora Humanitarian Initiative Foundation, Inc.

Notes to Financial Statements (continued)
(Amounts in U.S. Dollars)

2. Significant Accounting Policies (continued)

Related Parties

Certain parties affiliated with the Foundation, including members of the Foundation's Board of Directors and Aurora Armenia, provide contributions to support expenditures paid for the Aurora Prize award ceremony. Contributions received from related parties amounted to \$2,046,000 and \$2,750,000 for the years ended December 31, 2023 and 2022, respectively. As of December 31, 2023 and 2022, there was \$0 and \$1,000,000, respectively, of accounts receivable outstanding from a foundation primarily governed by a board member, which was subsequently received in 2023. The Foundation awarded affiliated entities grants in the amount of \$850,000 and \$1,860,000 for the years ended December 31, 2023 and 2022, respectively.

Legal Matters

The Foundation is subject to certain legal matters arising in the ordinary course of business. As of December 31, 2023 and 2022, the Foundation is not aware of any matters that would have a material impact on its financial position or statements of activities.

Tax Status

The Foundation is a nonprofit corporation and is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, a provision for income taxes has not been included on the accompanying statements of activities.

Management is of the opinion that substantially all of the Foundation's activities are related to its tax-exempt purpose, and no material uncertain tax positions have been identified or recorded in the financial statements as of December 31, 2023 and 2022.

Aurora Humanitarian Initiative Foundation, Inc.

Notes to Financial Statements (continued) (Amounts in U.S. Dollars)

3. Liquidity

Financial assets available for general expenditures within one year of the statements of financial position date consist of the following as of December 31:

	<u>2023</u>	<u>2022</u>
Cash	\$ 718,505	\$ 31,818
Accounts receivable	7,304	1,042,561
	<u>\$ 725,809</u>	<u>\$ 1,074,379</u>

The Foundation receives contributions from both external donors as well as contributions from the Foundation's co-founders. For the years ended December 31, 2023 and 2022, the Foundation recorded contribution revenue from or at the direction of its co-founders in the amount of \$2,046,000 and \$2,750,000, respectively. The Foundation's co-founders have committed to continue to provide additional contributions, if needed, in support of the Aurora Prize for Awakening Humanity.

4. Contributions of Nonfinancial Assets

During the year ended December 31, 2023, the Foundation implemented the provisions of the Financial Accounting Standards Board's *Accounting Standards Update No. 2020-07, Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. This new standard requires separate presentation within the financial statements of revenue recognized in conjunction with the receipt of donated nonfinancial assets and resources, and also requires detailed disclosures regarding the nature of such in-kind donations, the organization's policy (if any) around the monetization or utilization of such resources, the presence of donor-imposed restrictions on the use of such resources, and the techniques and inputs used in determining the fair value of such revenue. The information required is detailed in a disaggregated fashion for all years presented. The Foundation has implemented these provisions as of January 1, 2023. For the year ended December 31, 2023, the Foundation received contributions of nonfinancial assets totaling \$90,080 which were comprised of donated services relating to the expert panel and selection committee activities (See Note 2). All of these donated services were reported at fair value as measured by estimates of the professional value of the time expended. All such donated services were utilized by the Foundation as such services were provided. The expert panel and selection committee services were used specifically for the Aurora Prize program, while the legal services carried no donor restrictions.

Aurora Humanitarian Initiative Foundation, Inc.

Notes to Financial Statements (continued)
(Amounts in U.S. Dollars)

5. Fair Value Measurements

The carrying values of financial instruments classified as current assets and current liabilities approximate fair value due to their liquidity and short-term nature.

As defined by ASC 820, *Fair Value Measurement*, fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. To increase consistency and comparability in fair value measurements, a fair value hierarchy was established that prioritizes observable and unobservable inputs used to measure fair value into three broad levels, which are described below:

- Level 1: Quoted prices in active markets that are accessible at the measurement date for assets and liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.
- Level 2: Observable prices that are based on inputs not quoted on active markets, but can be corroborated by market data.
- Level 3: Unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs.

Assets measured at fair value are based on one or more of three valuation techniques as identified in the tables below. The valuation techniques are as follows:

- (a) Market approach: Prices and other relevant information generated by market transactions involving identical or comparable assets.
- (b) Cost approach: Amount that would be required to replace the service capacity of an asset (replacement cost).
- (c) Income approach: Techniques to convert future amounts to a single present amount based on market expectations (including present value techniques, option pricing, and excess earnings models).

Aurora Humanitarian Initiative Foundation, Inc.

Notes to Financial Statements (continued)
(Amounts in U.S. Dollars)

5. Fair Value Measurements (continued)

The following table summarizes the Foundation’s endowment investments measured at fair value on a recurring basis, aggregated by the level in the fair value hierarchy as of December 31, 2023. The investment fair value excludes \$4,487 of accrued interest as of December 31, 2023. Additionally, all of the endowment fund as of December 31, 2022 was held in cash.

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total	Valuation Technique (a, b, c)
	<i>(In Thousands)</i>				
Endowment investments:					
Money market	\$ 1,834,023	\$ –	\$ –	\$ –	a
U.S. treasury bills	2,694,584	–	–	–	a
Total investments in the fair value hierarchy	<u>\$ 4,528,607</u>	<u>\$ –</u>	<u>\$ –</u>	<u>\$ –</u>	

6. Endowment

During 2022, the Foundation established the Vartan Gregorian Humanitarian Fund to function as a donor-restricted endowment fund, the earnings of which will be used to help fund the programs and activities of the Foundation. The Foundation follows the provisions of FASB ASC 958-205-50-1A, *Reporting Endowment Funds*. Under this guidance, the Foundation is required to provide the following disclosures relating to its endowment activities.

Donor restricted endowment assets are stated at fair value. In accordance with the Delaware Uniform Prudent Management of Institutional Funds Act (UPMIFA), the Foundation has interpreted state law to require all realized and unrealized investment income, gains and losses on donor restricted investments to be classified as donor restricted net assets until appropriated by the Board of Directors. Accordingly, except for explicit donor stipulations specifying reinvestment of some or all of net appreciation, net appreciation on endowment investments is available for appropriation and is reported as increases in net assets with donor restrictions in accordance with the donor’s stipulations, if any, concerning the purposes for which ordinary income may be used.

Aurora Humanitarian Initiative Foundation, Inc.

Notes to Financial Statements (continued)

(Amounts in U.S. Dollars)

6. Endowment (continued)

The Foundation has adopted a total-return based spending policy allowing for an annual appropriation for expenditure from the endowment of 4.5% of the aggregate market-value of the endowment funds, as averaged over the immediately preceding three calendar year-end valuations, as applicable. For the year ended December 31, 2023 and 2022, the Foundation received \$1,922,500 and \$2,526,100, respectively, in endowment contributions and no amounts were appropriated for expenditure.

7. Subsequent Events

The Foundation has evaluated subsequent events through May 29, 2025, which is the date these financial statements were available to be issued.

EY | Building a better working world

EY is building a better working world by creating new value for clients, people, society and the planet, while building trust in capital markets.

Enabled by data, AI and advanced technology, EY teams help clients shape the future with confidence and develop answers for the most pressing issues of today and tomorrow.

EY teams work across a full spectrum of services in assurance, consulting, tax, strategy and transactions. Fueled by sector insights, a globally connected, multidisciplinary network and diverse ecosystem partners, EY teams can provide services in more than 150 countries and territories.

All in to shape the future with confidence.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. Information about how EY collects and uses personal data and a description of the rights individuals have under data protection legislation are available via ey.com/privacy. EY member firms do not practice law where prohibited by local laws. For more information about our organization, please visit ey.com.

Ernst & Young LLP is a client-serving member firm of Ernst & Young Global Limited operating in the US.

© 2025 Ernst & Young LLP.

All Rights Reserved.

ey.com