

FINANCIAL STATEMENTS

Aurora Humanitarian Initiative Foundation, Inc.  
Years Ended December 31, 2024 and 2023  
With Report of Independent Auditors

Aurora Humanitarian Initiative Foundation, Inc.

Financial Statements

Years Ended December 31, 2024 and 2023

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## Report of Independent Auditors

To the Board of Directors of 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, 2024 and 2023, 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 at December 31, 2024 and 2023, and the changes in its net assets and its cash flow 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.

### 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*

Boston, Massachusetts  
January 16, 2026

Aurora Humanitarian Initiative Foundation, Inc.

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

	December 31	
	2024	2023
<b>Assets</b>		
Current assets:		
Cash	\$ 698,514	\$ 718,505
Accounts receivable	367,953	7,304
Prepaid expenses	34,549	5,872
Total current assets	1,101,016	731,681
Non-current assets:		
Endowment investments	10,761,665	2,157,606
Endowment restricted cash equivalents	4,887,832	2,375,488
Total non-current assets	15,649,497	4,533,094
<b>Total assets</b>	<b>\$ 16,750,513</b>	<b>\$ 5,264,775</b>
<b>Liabilities and net assets</b>		
Current liabilities:		
Accounts payable	\$ 196,022	\$ 246,363
Grants payable	530,000	275,000
Total current liabilities	726,022	521,363
Net assets:		
Net assets without donor restrictions	124,995	210,318
Net assets with donor restrictions	15,899,496	4,533,094
Total net assets	16,024,491	4,743,412
Total liabilities and net assets	<b>\$ 16,750,513</b>	<b>\$ 5,264,775</b>

*See accompanying notes.*

Aurora Humanitarian Initiative Foundation, Inc.

Statements of Activities  
(Amounts in U.S. Dollars)

Year Ended December 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues:			
Contributions	4,726,153	10,603,820	\$ 15,329,973
Contributed services	7,500		7,500
Services received from affiliate	26,800		26,800
Interest income and unrealized gain on investment		762,582	762,582
Total revenues	4,760,453	11,366,402	16,126,855
Expenses:			
Program services:			
Aurora Prize for Awakening Humanity	1,613,574	–	1,613,574
Awards and grants to others	2,503,800	–	2,503,800
Honorarium expense	67,500	–	67,500
Total program services	4,184,874	–	4,184,874
Supporting services:			
Professional services – fundraising	244,181	–	244,181
Professional services – legal and accounting	64,382	–	64,382
Salaries and benefits	292,583	–	292,583
Other management and general activities	59,756	–	59,756
Total supporting services	660,902	–	660,902
Total expenses	4,845,776	–	4,845,776
Change in net assets	(85,323)	11,366,402	11,281,079
Net assets, beginning of year	210,318	4,533,094	4,743,412
Net assets, end of year	\$ 124,995	\$15,899,496	\$ 16,024,491

*See accompanying notes.*

Aurora Humanitarian Initiative Foundation, Inc.

**Statements of Activities**  
*(Amounts in U.S. Dollars)*

Year Ended December 31, 2023

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>Revenues:</b>			
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
<b>Total revenues</b>	<b>2,292,250</b>	<b>2,006,994</b>	<b>4,299,244</b>
<b>Expenses:</b>			
<b>Program services:</b>			
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
<b>Total program services</b>	<b>1,645,470</b>	<b>–</b>	<b>1,645,470</b>
<b>Supporting services:</b>			
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
<b>Total supporting services</b>	<b>382,891</b>	<b>–</b>	<b>382,891</b>
<b>Total expenses</b>	<b>2,028,361</b>	<b>–</b>	<b>2,028,361</b>
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
<b>Net assets, end of year</b>	<b>\$ 210,318</b>	<b>\$ 4,533,094</b>	<b>\$ 4,743,412</b>

*See accompanying notes.*

Aurora Humanitarian Initiative Foundation, Inc.

Statements of Cash Flows

*(Amounts in U.S. Dollars)*

	<b>Year Ended December 31</b>	
	<b>2024</b>	<b>2023</b>
<b>Operating activities</b>		
Change in net assets	\$ 11,281,079	\$ 2,270,883
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Donor restricted endowment contributions and income	(11,366,402)	(2,006,994)
Changes in operating assets and liabilities:		
Accounts receivable	(110,649)	1,035,257
Prepaid expenses	(28,677)	–
Accounts payable	(50,341)	158,041
Grants payable	255,000	(770,500)
Endowment investments designated as trading	(8,604,059)	(2,157,606)
Net cash used in operating activities	(8,624,049)	(1,470,919)
<b>Financing activities</b>		
Donor restricted endowment contributions and income	11,116,402	2,006,994
Net cash provided by financing activities	11,116,402	2,006,994
Net increase in cash and restricted cash equivalents	2,492,353	536,075
Cash and restricted cash, beginning of year	3,093,993	2,557,918
Cash and restricted cash, end of year	\$ 5,586,346	\$ 3,093,993
 Cash and restricted cash equivalents is comprised of:		
Cash	\$ 698,514	\$ 718,505
Endowment restricted cash equivalents	4,887,832	2,375,488
Total cash and restricted cash equivalents	\$ 5,586,346	\$ 3,093,993

*See accompanying notes.*

# Aurora Humanitarian Initiative Foundation, Inc.

## Notes to Financial Statements

*(Amounts in U.S. Dollars)*

December 31, 2024

### **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.

## **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 equivalents 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 and Restricted Cash Equivalents**

The Foundation holds \$15,649,497 and \$4,533,094 in endowment investments and restricted cash equivalents (see Note 4) as of December 31, 2024 and 2023, respectively. 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.

### **Contributions**

All contributions are considered without restrictions unless specifically restricted by the donor, including donor restriction on endowment contributions (see Note 5). 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. During the periods ended December 31, 2024 and 2023, the Foundation received \$15,329,973 (\$10,603,820 was restricted) and \$4,095,370 (\$1,922,500 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 other management and general activities on the accompanying statements of activities, amounted to \$26,800 and \$29,300 for the years ended December 31, 2024 and 2023, respectively.

### **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

## **2. Significant Accounting Policies (continued)**

net settlement value. The Foundation recorded grants payable of \$530,000 and \$275,000 as of December 31, 2024 and 2023, respectively.

### **Program Services**

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

The Aurora Prize is generally awarded on an approximate 18-month cycle, having been awarded in 2022 and again in 2024. The Aurora Prize award is typically paid over an approximate three-year period from the time in which it is awarded, and includes payments to, among others, the Laureate, certain finalists for the Aurora Prize, and certain designees of the Laureate. Aurora Prize Laureates and their designees when applicable, are required to enter into a donation agreement with the Foundation, as well as any other agreements as may be required from time-to-time, including multi-party agreements, agency agreements and powers-of-attorney, among others (the Agreements). The Agreements contain terms and conditions, including, among others, representations and warranties, on-going Laureate commitments and vetting and due diligence requirements, and conditions around unforeseen events that may arise given the nature of the Aurora Prize as a global humanitarian award that recognizes and supports those who risk their own lives to save the lives of others. As a result of these conditions, the Foundation records the Aurora Prize award payments as operating expenses during the period in which they were made.

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 years ended December 31, 2024 and 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 \$7,500 and \$90,080 for the years ended December 31, 2024 and 2023, respectively, and is recorded as contributed services revenue on the accompanying statement of activities.

## **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 \$12,251,000 and \$2,046,000 for the years ended December 31, 2024 and 2023, respectively. As of both December 31, 2024 and 2023, there were no amounts of accounts receivable outstanding from a foundation governed primarily by a board member. The Foundation awarded affiliated entities grants in the amount of \$1,800,000 and \$850,000 for the years ended December 31, 2024 and 2023, respectively.

### **Classification of Net Assets**

Net assets are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the Organization's net assets and changes therein are classified and reported as follows:

- Without donor restrictions – net assets that are not subject to donor-imposed restrictions or the donor restrictions have expired or been satisfied by actions of the Foundation.
- With donor restrictions – net assets that are subject to time or purpose restrictions. Contributions are reported as increases in net assets without donor restrictions unless their use is limited by donor-imposed restrictions. Unconditional donor restricted contributions received in the same year in which the restrictions are met are recorded as increases to donor restricted support at the time of receipt. Upon fulfillment or expiration of donor restrictions, or when the donor restricted assets are placed in service, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported as release from restrictions on the statements of activities.

### **Legal Matters**

The Foundation is subject to certain legal matters arising in the ordinary course of business. As of December 31, 2024 and 2023, 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, 2024 and 2023.

### 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>2024</u>	<u>2023</u>
Cash	\$ 698,514	\$ 718,505
Accounts receivable	117,953	7,304
	<u>\$ 816,467</u>	<u>\$ 725,809</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, 2024 and 2023, the Foundation recorded contribution revenue from or at the direction of its co-founders in the amount of \$12,251,000 and \$2,046,000, 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. 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.

Fair value is defined as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurements for assets and liabilities required to be recorded at fair value, the Foundation considers the principal or most advantageous market in which it would transact and considers assumptions that market participants would use when pricing the asset or liability. ASC Topic 820, *Fair Value Measurement*, establishes a fair value hierarchy that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. To the extent the valuation is based on models or inputs that are less observable in the market, the determination of fair values requires more judgment. A financial instrument categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. The three levels of inputs that may be used to measure fair value are:

- Level 1: Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;
- Level 2: Quoted prices for similar assets and liabilities in active markets, quoted prices in markets that are not active, or inputs which are observable, either directly or indirectly, for substantially the full term of the asset or liability; or

- Level 3: Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (i.e., supported by little or no market activity).

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, 2024 and 2023.

<i>as of December 31, 2024</i> <i>(In Thousands)</i>	<b>Quoted Prices in Active Markets for Identical Assets (Level 1)</b>	<b>Significant Other Observable Inputs (Level 2)</b>	<b>Significant Unobservable Inputs (Level 3)</b>	<b>Total</b>
Endowment investments:				
Money market funds	\$ 4,900,857	\$ -	\$ -	\$ 4,900,857
Equity securities	5,963,594	-	-	5,963,594
Fixed income debt securities	4,785,046	-	-	4,785,046
Total investments in the fair value hierarchy	<b>\$ 15,649,497</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 15,649,497</b>

<i>as of December 31, 2023</i> <i>(In Thousands)</i>	<b>Quoted Prices in Active Markets for Identical Assets (Level 1)</b>	<b>Significant Other Observable Inputs (Level 2)</b>	<b>Significant Unobservable Inputs (Level 3)</b>	<b>Total</b>
Endowment investments:				
Money market funds	\$ 1,838,510	\$ -	\$ -	\$ 1,838,510
Fixed income debt securities	2,694,584	-	-	2,694,584
Total investments in the fair value hierarchy	<b>\$4,533,094</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$4,533,094</b>

## 5. Endowment

During 2022, the Foundation established the Vartan Gregorian Humanitarian Fund (VGHF) 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 VGHF 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.

The Foundation has adopted a total-return based spending policy allowing for an annual appropriation for expenditure from the VGHF 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, 2024 and 2023, the Foundation received \$10,603,820 (\$250,000 of which is in accounts receivables) and \$1,922,500, respectively, in endowment contributions and no amounts were appropriated for expenditure.

The following table summarizes a reconciliation of the beginning and ending balance of the VGHF, in total, as of December 31, 2024 and 2023.

	<u>2024</u>	<u>2023</u>
Balance at beginning of year	\$ 4,533,094	\$ -
Donor contributions	10,353,820	4,448,600
Interest income and unrealized gain on investment	762,582	84,494
Amounts appropriated for expenditure	-	-
Other	1	-
Balance at end of year	<u>\$15,649,497</u>	<u>\$ 4,533,094</u>

## 6. Subsequent Events

The Foundation has evaluated subsequent events through January 16, 2026, which is the date these financial statements were available to be issued.