2020

ANNUAL REPORT

ELTON JOHN
AIDS FOUNDATION

Company Registration Number 02787008
Charity Registration Number 1017336

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THE FOUNDATION'S MISSION IS SIMPLE: AN END TO THE AIDS EPIDEMIC

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*Please note that our US and UK Foundations merged officially on 15 December 2020. Therefore, the activities in this Annual Report note if they were pre or post merger for the purposes of accurate financial reporting.

2020 AT A GLANCE

The Elton John AIDS Foundation is the...

2ND

[illegible] LARGEST HIV PHILANTHROPIC FUNDER OF LGBTQ ADVOCACY GLOBALLY

4TH

LARGEST HIV PHILANTHROPIC FUNDER OF LGBTQ POPULATIONS IN THE U.S. SOUTH

5TH

LARGEST HIV PHILANTHROPIC DONOR FOR TRANSGENDER PROGRAMMES GLOBALLY

6TH

LARGEST GLOBAL HIV/AIDS PHILANTHROPIC FUNDER

*Strategic grants data by Funders Concerned About AIDS

2020 AT A GLANCE

REACHED

1,270,026

BENEFICIARIES ACROSS ALL PROJECTS

FUNDED OVER

70 GRANTS IN **48 COUNTRIES**

LETTER FROM ELTON, DAVID & ANNE

To our Friends, Donors, Grantees, and Supporters of the Elton John AIDS Foundation,

Well, 2020 was certainly not a year that any of us anticipated but we have you to thank for helping us make sure it was a year where the Foundation did not slow down and in fact, was incredibly successful. The COVID-19 pandemic has affected us all in unimaginable ways, but we have stayed strong to ensure that one pandemic does not override another. UNAIDS estimates there will be an additional 500,000 deaths from AIDS in sub-Saharan Africa this year due to service disruptions in HIV care as a result of COVID-19 and we are determined to do what we can so this does not become a reality for our partners.

Last year in May 2020, we launched our own COVID-19 Emergency Fund to protect the people we have always sought to serve through HIV care, treatment and prevention throughout the COVID-19 pandemic. We are proud of the team and our donors who took action so urgently. The Foundation's COVID-19 Emergency Fund made grants totalling over $2 million, supporting over 100 organisations to mitigate the adverse effects of coronavirus on HIV response efforts for vulnerable communities around the world. Activities we are funding include replacing face to face services with online provision, buying PPE to protect staff and the people they serve, delivery of lifesaving medical treatment and provision of vital supplies to key populations. We also convened a large group of HIV funders to pool our understanding of where help was most needed and make recommendations to the incoming Biden administration.

In 2020, alongside our COVID-19 Emergency Fund, we launched a brand-new grants strategy to lead our goals for the next 5 years as we work towards ending the AIDS epidemic by 2030. This exciting plan amplifies our unique strengths and the ways in which we can connect our work on the ground with our convening and advocacy; speaking truth to power based on what we know works.

WE COMMIT TO:

1. Creating urgency, concern and resources
We will highlight to governments and funding partners the urgency and concern for the most vulnerable people in society at risk or living with HIV so they can access the safe and protected care they need.

2. Change systems
We will use innovative models of support and the data they generate, alone or as part of consortia, to change the way that HIV and AIDS-related deaths are perceived, understood and tackled. The most marginalised groups are increasingly invisible to public services because they are ignored or are too fearful to seek help. In order to provide HIV prevention and care for people, we must know who they are, where they are and what they need.

3. Promoting dignity and compassion
We will create a world in which people living with or at risk of HIV feel empowered to fight for their rights and are treated with compassion, dignity, respect and equity so they can claim their legal rights to health services and support.

4. Young People in Africa (aged 10-24 years old)
AIDS is now the leading cause of death among young people in Africa and the second leading cause of death among young people worldwide. Approximately, 1600 young people become infected with HIV every day.

5. LGBTQ (those identifying as Lesbian, Gay, Bisexual or Trans)
Around 360,000 LGBTQ people become infected with HIV each year. And those are only the ones that we know about and are public about their same-sex relationship. Deep rooted prejudice means many countries around the world criminalise same sex relationships, making it dangerous for LGBTQ people to be who they are and express who they love.

6. People who use drugs
People who use drugs are 29 times more likely to acquire HIV than those among the general population. The criminalisation and punishment of people who use drugs means that access to life-saving health and harm reduction services is severely limited for so many around the world.

7. Eastern Europe and Central Asia
This region is one of the few regions where is the HIV epidemic is worsening. Between 2010 and 2018, the number of people living with HIV in the region increased by 70%, infection rates grew by 29% and deaths from AIDS-related illnesses increased by 5%. Marginalisation of people at risk of infection and a lack of access to quality and compassionate treatment services means progress in this region is falling behind.

8. USA
The United States has made huge advances in its domestic HIV epidemic within certain populations but if you are a gay Black man in America, you have a 50% lifetime chance of contracting HIV. The same gender loving community, people who use drugs and transgender men and women are too often excluded from available resources and so prevented from demanding and accessing HIV and related services. Bias, stigma and racism continue to obstruct an end to the AIDS epidemic in the USA while the risk of contracting HIV is heightened by criminalisation, marginalisation and poverty.

We look forward to sharing more specific examples of our progress in the following pages and hope that you'll enjoy meeting some of the beautiful faces behind the work that the Foundation supports because of your generosity.

Thank you for your support this year, and in the years ahead. Together, we remain committed to end the stigma, neglect and discrimination that remains in the way of us ending the AIDS epidemic.

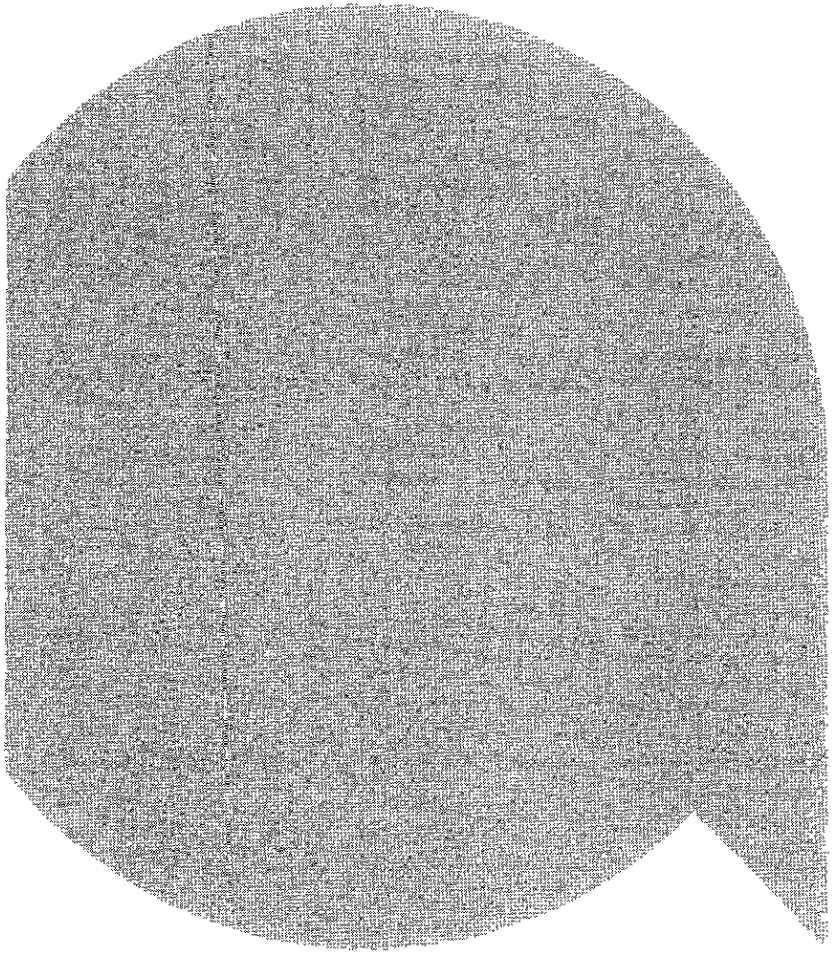
Sincerely,

Sir Elton John
Founder

David Furnish
Chairman

Anne Aslett
Chief Executive Officer

MISSION

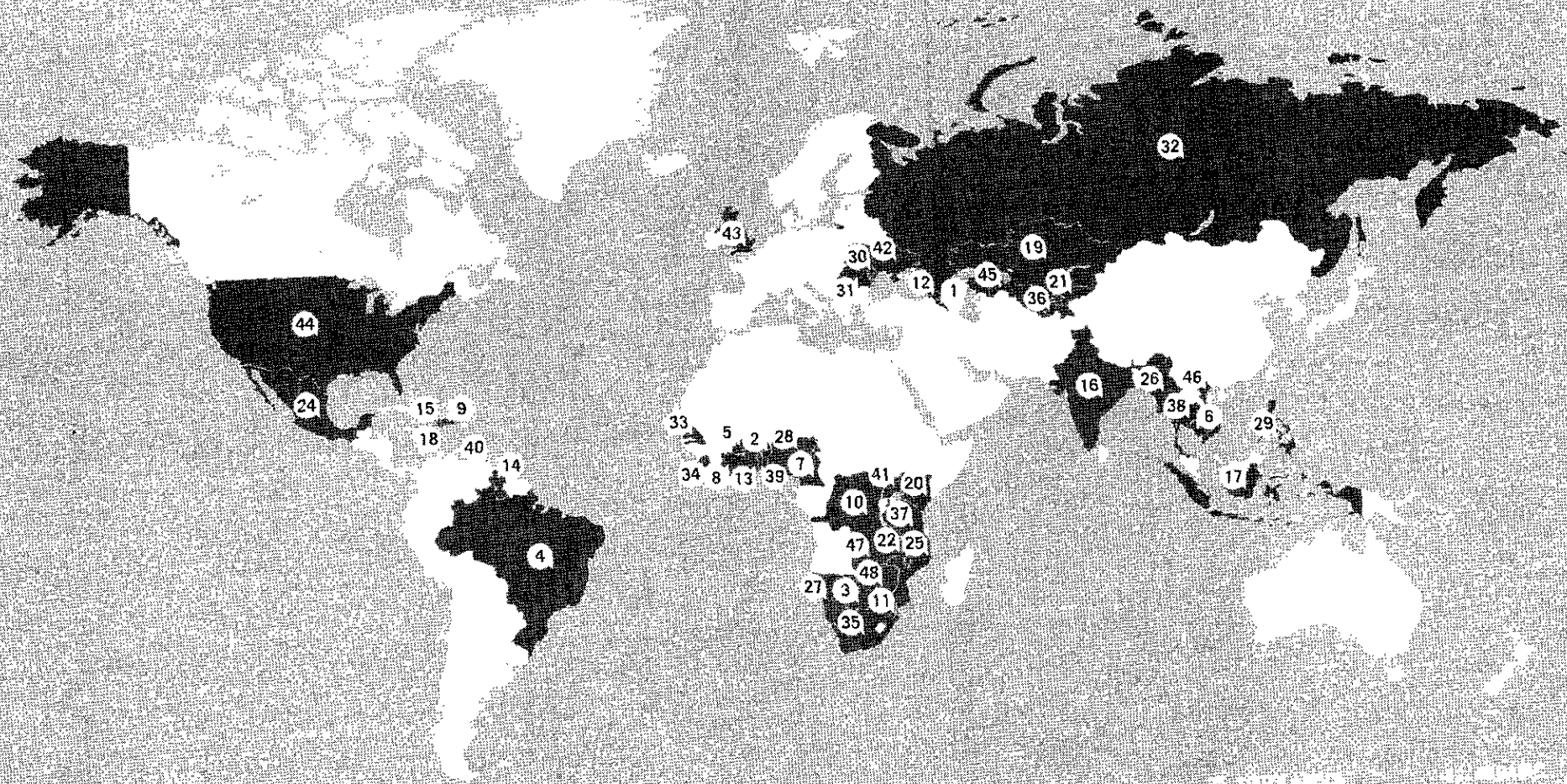


As a leader in the global AIDS community the Elton John AIDS Foundation is committed to overcome the stigma, discrimination and neglect that keeps us from ending AIDS. The Foundation harnesses local expertise across four continents to challenge discrimination, prevent infections and provide treatment for these groups, as well as mobilising governments to end AIDS. We build love, compassion and dignity for those with or at risk of HIV and a future for young people free from the fear of AIDS.

WHAT MAKES US UNIQUE?

- **We are a diverse team united by our purpose.**
- **We care. We are ambitious.**
- **We speak with a bold voice.**
- **We never sit still.**
- **We are creative experts. We take risks.**
- **We open doors and give people a voice.**
- **We are trusted by others who share our vision.**
- **No one is left behind.**
- **Together, we are striving for a world free from AIDS.**

WHERE WE BONDED IN 2020



ACADEMY AWARDS VIEWING PARTY

OUR 28TH ANNUAL ELTON JOHN AIDS FOUNDATION ACADEMY AWARDS® VIEWING PARTY HOSTED BY NETFLIX'S *QUEER EYE* FAB FIVE: BOBBY BERK, TAN FRANCE, KARAMO, ANTONI POROWSKI AND JONATHAN VAN NESS RAISED OVER $6.4 MILLION.

The gala took place on Sunday, February 9 at West Hollywood Park in Los Angeles and was generously supported by Presenting Sponsors IMDb, Walmart and Neuro Drinks with Heidi Klum, Diane Lane, Eric McCormack and Billy Porter as Event Hosts.

We were so lucky that the Academy Awards® safely took place before the COVID-19 pandemic began to close down the world, but sadly it did mean it was our last live event for 2020.

Guests arrived at the Academy Awards® Viewing Party for cocktails followed by a gala dinner and viewing of the 92nd Academy Awards® telecast. Chef Wayne Elias and Crumble Catering designed and prepared the delicious gala dinner enjoyed by guests. IMDb once again broadcast its annual "IMDb Live" streaming show during the party. IMDb's four-hour show was co-hosted by Aisha Tyler and Dave Karger. Following dinner and an exciting live auction conducted by Alexander Gilkes, British actor, singer-songwriter and BRITS Critic Choice Award winner in 2018, Sam Fender performed.

This event was one of the most memorable in its history, as Sir Elton John and David Furnish arrived fresh from the Oscars to a triumphant welcome following Elton John and Bernie Taupin's win for Best Original Song "(I'm Gonna) Love Me Again" from *Rocketman* at the Academy Awards®.

"What a night. It is so special to celebrate our Foundation's 28th annual Oscar Party with the Fab Five and Sam Fender and to top it off, another Oscar win!" said Elton John. "But most importantly, tonight we have come together to raise urgently needed funds and awareness for the LGBT community at risk or living with HIV in the U.S. and around the world. A gay man is 27 times more likely to have HIV than their straight peers, so tonight helps us to remind people that we still have a long way to go to end the AIDS epidemic."

The incredible amount of money raised will help the Foundation to continue providing testing, treatment and prevention services for people at risk or living with HIV in the LGBT community in the U.S. and around the world.

Cadillac, Gilead Sciences, M&M's Chocolate Candies and M·A·C Viva Glam partnered with the Foundation as the evening's Co-Sponsors; Fin Gray and Michael Melnick and Bob and Tamar Manoukian were Associate Sponsors. Wines were provided courtesy of Domaine Bertaud Belieu and champagne was donated by Chandon. Spirits were courtesy of Ciroc Vodka and Tequila Don Julio. The Foundation is especially grateful to the City of West Hollywood for continued collaboration and to American Airlines as the Foundation's official airline.

THE UK HIV COMMISSION 2020

THE UK HIV COMMISSION 2020

The HIV Commission is an independent process supported by Elton John AIDS Foundation, Terrence Higgins Trust and National AIDS Trust to find ambitious and achievable ways to end new HIV transmissions and HIV-attributed deaths in England by 2030.

Tuesday 1 December 2020 will go down in history as a seminal moment in the fight against HIV in England. Following 18 months of hard work, evidence gathering and hundreds of people sharing their expertise and experiences, the HIV Commission published its findings and recommendations, providing a blueprint for making the goal to end new transmissions in England by 2030 a reality and set out 20 action points. The message was clear: implement these recommendations and England could be the first country to end new HIV cases.

Widely spread across the UK media on 1st December 2020, including BBC News, Channel 4, Sky News, The Times, Daily Telegraph, Independent, Evening Standard, Pink News and more, you could see the headline that England could be the first country to end new cases; a target to reduce new cases of HIV by 80% by 2025, annual reporting of progress to parliament; and, crucially to normalise HIV testing across the NHS. This was particularly pertinent to the Foundation's work – over the last two years we have pioneered 'opt out' testing in South London as part of a **Social Impact Bond** which gave us a deep understanding of the opportunity to expand nationwide.

The HIV Commission hosted an event to launch their Report's recommendations on 1st December which featured Sir Elton John, Lord Fowler, Dame Inga Beale and many other speakers. The momentum from the Report, media, advocacy from the HIV sector and political engagement resulted in:

- The Chancellor of the Duchy of Lancaster, Michael Gove MP spoke and promised annual reporting to parliament on the 2030 goal, interim targets and the chance of England being the first nation to achieve this.
- The Prime Minister Boris Johnson backing up our zero new cases of HIV by 2030.
- A welcome to the HIV Commission Report from the Chancellor Rishi Sunak in the House of Commons to end new HIV cases in England by 2030.
- A confirmation from the Secretary of Health, Matt Hancock MP to create an HIV Action Plan by next summer to end new HIV cases in England by 2030.
- A debate in parliament organised by commissioners Steve Brine MP (Conservative) and Wes Streeting MP (Labour). The Secretary of State decided to appear personally for this backbench debate and returned to make yet another commitment: that the HIV Commission would be the basis of a HIV Action Plan available 'as early next year as is feasible to ensure that the work is high-quality, can be delivered and can set us fair on a credible path to zero new transmissions in 2030'.
- The Foundation and its co-sponsors of the HIV Commission are now engaging with the Department of Health & Social Care to support completion of the action plan.

The 32nd World AIDS Day was a timely reminder of the strength there is in HIV organisations, supporters, and people living with HIV, coming together with one collective voice. History was made and lives can now be changed as a result.

COVID-19 EMERGENCY FUND

This Fund was jointly managed between
EJAF UK and EJAF Inc in the USA

COVID-19 EMERGENCY FUND

COVID-19 has become the defining health crisis of our time. What we knew in March 2020 when COVID-19 made shockwaves across the globe, and which sadly has only been emphasized further with the passage of time, is that this is not just a health crisis. COVID-19 is an unprecedented socio-economic crisis, stressing every one of the countries it touches. It is only exacerbating the already deep-rooted inequalities and health disparities across the globe, with the most vulnerable communities facing the greatest risk. For people living with or at risk of HIV, the pandemic has raised the barriers to health and wellness even further.

In April 2020, the Foundation moved swiftly to launch a COVID-19 Emergency Fund specifically to support people from marginalized communities. Through the first wave of funding, the Foundation made 43 grants to support current and previous grantees in Africa, Asia, Eastern Europe and Central Asia, the UK and the US. With thanks to #startsmall, over $1 million USD was distributed through this first funding round alone. Grants were made to organisations to implement solutions that aimed to mitigate the threat of COVID-19 on maintaining current levels of access or increasing access to HIV-related prevention, testing, care and treatment adherence services. This included funding organizations to replace face to face services with virtual provision, buying PPE to protect staff and community members, delivering lifesaving HIV medication and the provision of vital supplies, including emergency food packages. By the end of 2020, our grantees delivered a multitude of holistic and often life-saving services; please see some key outcomes from the first COVID-19 Fund highlighted here:

- Over 22,000 supplies of PPE were distributed to project staff and their clients
- Over 5,000 people were screened for COVID-19 and those diagnosed as positive were linked to care
- 8,500 people received emergency food packages
- Over 200 people were newly diagnosed with HIV
- Over 4,500 people received mental health and psychological support services, mostly via online platforms
- Over 4,000 people living with HIV have received home or community delivery of their HIV medication
- Over 27,000 condoms have been distributed and over 500 people received HIV prevention or 'PrEP' services
- Over a million text messages have been sent containing health information ranging from COVID-19 prevention to domestic violence and mental health support.

In August 2020, we launched this second stream of funding to provide further emergency support for people living with and affected by HIV during the COVID-19 pandemic, this time beyond existing Foundation grantees. The programme leveraged the strengths of Frontline AIDS and the Foundation partnership to ensure funding reached even more of those in the greatest need -- including the LGBT community, Sex Workers, people living with HIV and people who use drugs. The geographic reach of the Fund was also extended with 47 countries eligible for support.

Frontline AIDS issued grants to address barriers to health and human rights issues (including increased gender-based violence, increased stigma and discrimination and deepening of pre-existing vulnerabilities) via delivery of COVID-19 safe community-based HIV services; transportation costs for individuals to reach health facilities; and distribution of PPE.

In total, over 100 grants have been distributed through both COVID-19 Emergency Funding rounds in over 30 countries. From the first funding round alone, over 68,000 people had been reached through the Fund by the end of 2020. Here at the Foundation, we have been so impressed by innovative solutions our grantees have delivered for their communities across the globe. Their dedication has helped protect the people we have always sought to serve through HIV care, treatment, and prevention during the COVID-19 pandemic.

As COVID-19 cases continue to rise across the globe, supporting the sustainability of adaptions and the resilience of communities to the next phases of the pandemic and future pandemics will be crucial. It has been essential to incorporate COVID-19 mitigation and safety plans into our projects and we continue to explore new ways to address the adverse impacts of COVID-19 for communities affected by HIV. As the world grapples with this pandemic, we cannot lose sight of the millions of lives that were and can still be lost to the HIV pandemic.

ENGLAND SOCIAL IMPACT BOND

THE WORLD'S FIRST HIV SOCIAL IMPACT BOND (SIB) IS REACHING LONDONERS WITH HIV AND ADVOCATING FOR NATIONWIDE HIV TESTING

The Zero HIV SIB has supported HIV interventions in the south London boroughs of Lambeth, Southwark, and Lewisham (LSL) since November 2018. These boroughs have a disproportionately high HIV prevalence, with an estimated 1,000 residents living with HIV unaware of their status. Finding people who are unaware of their HIV status and who might never think to test for HIV is a critical part of ending the epidemic, as is finding people aware of their HIV positive status but who are disconnected from treatment. The Zero HIV SIB operates across hospitals, clinics, GP surgeries and in the community to identify these individuals and to bring them into HIV care.

While the COVID-19 pandemic limited face-to-face outreach and stretched capacity across the NHS, our providers worked to maintain efforts to engage people living with HIV into care. Routine opt-out testing in Emergency Departments and primary care continued in 2020, with more than 70,000 HIV tests taken as part of our SIB. Changing the conversation from "Do you want an HIV test?" to "We routinely test, unless you don't want us to" alters the way that patients and clinicians think about testing, leading to many people who would have never considered themselves "at risk" finding out their status.

IN COLLABORATION WITH

"WITH EVERY HIV TEST WE OFFER A CHANCE TO AVOID THE LIFE-THREATENING RISK OF AN ADVANCED INFECTION, AND WE MOVE A STEP CLOSER TO THE END OF THE HIV EPIDEMIC."

Dr Cristina Guallar
GP Champion in Southwark

This year, 58 people were newly diagnosed and began HIV treatment, and 97 more people were engaged back to HIV care Kings College Hospital and Guys & St Thomas Hospital HIV clinics joined the SIB, contacting people who know their diagnosis but have stopped treatment for a variety of reasons to try to reengage them. Since we began, over 280 people in 3 London boroughs have been brought onto treatment.

The impact of this is massive for individual health, for public finances, and for national health policy. People's longer-term health would have been affected, and they would potentially have transmitted HIV to others. These Londoners who were not in HIV care, potentially would not have been reached until they were extremely unwell, at which point their care would be much more expensive and their prognosis uncertain. In an initial analysis, we estimated over £200,000 in future healthcare costs is saved per person who was diagnosed with HIV early and linked into care. At less than £7 per HIV test, testing both saves lives and saves money.

Now that we have such strong evidence of what works, we must influence others to adopt HIV testing and find those who have stopped treatment at a national scale. We shared our learning with the HIV Commission, an independent group created to draft recommendations for government to end new HIV transmissions in England by 2030. We worked closely with them to develop a key recommendation: make HIV testing routine and opt-out across the health service. Their Final Report was endorsed by the Secretary of State for Health, Matt Hancock, with a promise to create a national action plan in 2021. We will continue to promote the evidence from the SIB – at HIV conferences, at Parliamentary meetings, with NHS decision makers – until increased testing is a reality across England.

The Zero HIV SIB would not have been possible without our team of partner organisations, and we are so grateful to the pro bono legal team at Freshfields Bruckhaus Deringer who made those partnership agreements possible.

FUND FOR RESILIENCE, EQUITY, AND ENGAGEMENT (FREE)

FREE SUPPORTS COMMUNITY-LED ORGANIZATIONS IN ADDRESSING THE NEEDS OF BLACK GAY, BISEXUAL, QUEER, SAME-GENDER-LOVING MEN, TRANSGENDER AND GENDER NONCONFORMING PEOPLE IN THE UNITED STATES.

An estimated 1.2 million people in the United States are living with HIV, with 14% unaware of their status. While anyone can be affected by HIV, a disproportionate amount of people living with HIV (PLHIV) are racial, ethnic, and sexual minorities. Black gay, bisexual, queer, and same-gender-loving (GBQ/SGL) men and transgender and gender non-conforming (TGNC) people are two of the most affected groups in the U.S. We developed the Fund for Resilience, Equity, and Engagement (FREE) in 2019 to support organizations that serve these populations through direct service provision and systemic policy change efforts. In partnership with AIDS United, we identified 34 grantees with deep experience in their communities, a history of activism, and understanding of evidence-based interventions. In the program's first year over 2019/2020, these organizations received $3M and reached more than 7,000 GBQ/SGL and 5,000 TGNC people. Over the next two years, we plan to invest another $8M to reach even more.

FUND FOR RESILIENCE, EQUITY, AND ENGAGEMENT (FREE)

A major focus of this work is improving health outcomes for Black GBQ/SGL men and TGNC people. Our grantees implement programs that span across the continuum of care – including HIV prevention, diagnosis, linkage to care, and retention in care. Some programs directly tackle those health outcomes by providing HIV testing, referral, or linkage services. This work can identify people living with HIV and connect them with peers to help them navigate medical care. This is essential to retention, as it can be daunting and overwhelming to manage "red tape" of health systems. Other programs are more focused on supportive services, including housing, food, or legal support. If those basic needs go unmet, it may be difficult to prioritize health, so this too reduces the barriers faced by people living with HIV. When the COVID pandemic hit, some programs went "virtual" and some supportive services became more needed than ever. Grantees remained committed to their constituents and increased their offerings to include medication, sanitizer, masks/PPE, school supplies for children, crisis/bail assistance, and much more.

While these grantees met immediate physical and health needs of people living with HIV, other grantees aimed to improve laws and policies to better address the needs of Black GBQ/SGL men and TGNC people. One major way of moving toward this goal was capacity building programs – building resources for the hard work that needs to be done. Groups provided frameworks for PLHIV to come together, build leadership capacity, and tell their own stories in a way that transforms trauma into understanding. These powerful trainings were complemented by coalition building across the HIV sector, including providers, clinics, service users, and activists. As groups drew together, they prioritized legal and policy issues like provider reimbursement rates, technological barriers ("digital divide") for accessing telehealth, divesting in the criminal legal system, and more. This work now exists with a backdrop of increased political awareness around racial injustice, and grantees will continue to shift public opinion and state and federal laws in future years.

"STORYTELLING IS CRITICAL TO SOCIAL CHANGE. BY AMPLIFYING THE VOICES OF BLACK GAY MEN, WE ARE SHIFTING THE PUBLIC NARRATIVE."

Counter Narrative Project (CNP)
2019-2020 grantee

EASTERN EUROPE AND CENTRAL ASIA

2008 was a busy year for the Foundation's Eastern Europe and Central Asia (EECA) programme. Twenty-five years after the fall of the Berlin Wall, the region's transition from communism to democracy, despite decisive advances, remains incomplete.

The Foundation's EECA programme underwent a review which widened its scope and strengthened its focus on the core issues of EECA's transition agenda (governance, civil society, rule of law, human rights and conflict resolution) considered in tandem with key trends in neighbouring Europe and beyond.

- Promote a transparent, accountable and responsive government, and an informed, participatory and tolerant citizenry, working together to address the challenges of EECA's transition agenda.
- Foster a vibrant civil society and independent media as the foundations for a democratic culture.
- Support a secure, prosperous and cooperative region, with a more open and tolerant society, and better relations between the Euro-Atlantic community and its neighbours.

The EECA programme's focus on governance will provide greater scope to research the relationship between the quality of governance and the ability to deliver services for the benefit of the population, and to promote transparency and accountability in the delivery of public services. Work on the rule of law will include a focus on access to justice, the protection of human rights and the promotion of a culture of human rights. Work on conflict resolution will include a focus on the protection of minorities and the promotion of tolerance, diversity and cohesion. Work on civil society will include a focus on the promotion of a culture of philanthropy and the development of a vibrant, independent media.

Work on the Foundation's Euro-Atlantic agenda will include a focus on the promotion of a more open and tolerant society, better relations between the Euro-Atlantic community and its neighbours, and a more secure, prosperous and cooperative region.

PEOPLE WHO USE DRUGS

2020 was a traumatic and turbulent year for many organisations working on the frontline of harm reduction, but our incredible partners around the world proved their resilience and commitment to supporting those most marginalised and neglected. This year, over 100,000 people who use drugs were reached with a range of services and 34,224 people received an HIV diagnosis. Even with social distancing measures in place and major disruptions to health care services, using funding from the Foundation, grantees across North America, Asia and Eastern Europe were able to link 8,130 people to HIV treatment programmes.

In Indonesia, our partners continued the rollout of a mobile application for people who use drugs, which links individuals to service providers and counsellors and provides referrals to psychosocial and biomedical services. Further, they were able to expand their programme of work across the country to also support LGBT communities who use drugs, as well as those who use amphetamine type stimulants and those who do not inject drugs. This innovative work responds to the growing need to provide comprehensive harm reduction services to all communities who use drugs and the increased evidence that non-injection drug use also increases HIV risk.

Our partners in Ukraine – who have developed an innovative and dynamic campaign that works with young people who use drugs and those engaging in chemsex – saw over 200,000 visits to their online platform, where individuals can access information about safer sex and drug use. Physical services were also provided at nightlife settings in Kyiv, with young people receiving advice on how to use drugs safely as well as harm reduction supplies.

In June, our funding contributed to the 8th Global Day of Action under the 'Support, Don't Punish' campaign, an initiative in support of harm reduction and drug policies that prioritise public health and human rights. This year, an amazing 288 events were organised in 239 cities across 90 countries and saw communities and activists come together to speak out against inhumane laws that criminalize and stigmatize people who use drugs, increasing their vulnerability to HIV. Although many 'actions' took place virtually, the events opened dialogues with policy makers and raised awareness among the media and public around drug policy reform.

PEOPLE WHO USE DRUGS

The Foundation also expanded its work for people who use drugs in 2020, with two large grants in the United States and India. In March, we renewed our support through EJAF Inc for the Syringe Access Fund, an initiative which seeks to reduce the health, psychosocial and socioeconomic disparities for people who use drugs across the US. With 10% of all new HIV infections in the United States now attributable to unsafe injection, our support for the Fund ensures that community-based organisations can provide lifesaving harm reduction commodities such as needles, syringes and medication that prevents overdose, as well as equipping local organisations with the resources to advocate for better laws and policies that increase access to critical health services for people who use drugs. Our funding with Syringe Access Fund in partnership with other organisations provided 3.5 million disposable syringes in the first 6 months of the grant, that cannot be purchased with federal funds.

In India, we began a programme of work in Delhi and Uttar Pradesh - as part of the wider 'ACCELERATE' initiative - that aims to increase engagement and retention in HIV treatment programmes for people who use drugs, by reducing barriers to care and offering key health services in one community-based location. India has made impressive progress in slowing its HIV epidemic, with a 27% reduction in new infections since 2010 and the government pledging to fund over 90% of the domestic response going forward. However emerging epidemics - for example among people who inject drugs in northern states – threaten to undo gains made in reducing new infections. This exciting new project will aim to demonstrate how a decentralised model of service delivery can increase take up of HIV and harm reduction services and ensure that communities living with HIV have easy access to treatment and are supported to remain in care.

Through the Foundation's COVID-19 Emergency Fund, we were able to support 13 projects working with people who use drugs during the pandemic. These grants – across Eastern Europe, Africa, Asia, North and South America - enabled communities to continue low threshold harm reduction services whilst protecting staff and project clients, through the provision of PPE and other safety equipment. For example in Kenya, our partners provided over 2,500 face masks and trained 60 community workers on safer drug use during COVID-19, whilst also reaching thousands via radio commercials with information on where to access health services and support during periods of lockdown.

GLOBAL LGBTQ

Despite significant success in the global AIDS response, Lesbian, Gay, Bisexual, Transgender and Queer (LGBTQ) communities still face significant barriers from access to resources and comprehensive sexual health services. HIV disproportionately affects LGBTQ communities across all regions, with gay men and transgender people accounting for 25% of new HIV infections across the globe (UNAIDS, Global AIDS Update 2020).

The Foundation has a sustained commitment to address the injustices and inequalities that make life-saving prevention, care and treatment out of reach for many LGBTQ people globally. In 2020 alone, the Foundation reached over 400,000 people who identify as LGBTQ and tested over 34,000 LGBTQ people for HIV. This includes LGBTQ people reached through our work in Eastern Europe and Central Asia and the Foundation's COVID-19 Emergency Response Fund.

In 2020 the Foundation's LGBT Fund implemented by Frontline AIDS, LVCT Health, MPact, and other partners, concluded with impressive results. The Foundation built the $11.5m Fund with our partners UNAIDS and PEPFAR in 2015. The LGBT Fund's pioneering approach has supported LGBTQ individuals to access and realise their right to health, often in very challenging and discriminatory environments. Over the four year lifetime of the LGBT Fund, we reached 75,000 LGBTQ people with vital services in 26 countries. Moreover, through our partners' successful advocacy, the Fund has created lasting change well beyond the numbers of people reached with services. For example, in Trinidad and Tobago, the Fund supported LGBT activist, Jason Jones, to win a landmark ruling challenging the law against same-sex relationships. This win has been a catalyst for action on LGBT rights in the wider region. In Kenya, the Fund supported an LGBT organisation to successfully contest the practice of forced anal testing.

GLOBAL LGBTQ

In Guyana, it helped repeal a law on cross-dressing, meaning transgender people are now legally protected to openly express themselves. This critical support that the Foundation provided meant partners could make changes locally and nationally to challenge the unequal treatment from health facilities and the wider community.

The advent of the COVID-19 pandemic has created an environment where communities and systems must forge new ways of delivering high-quality services while protecting the safety of LGBTQ communities. The Rapid Response Fund (RRF), implemented by Frontline AIDS, was a key programme within the LGBT Fund portfolio. The RRF rapidly distributed timely, high quality emergency grants to LGBTQ people who face violence, stigma and discrimination in accessing basic HIV services such the as 4,461 people who were provided with urgent housing, 4,388 people reached with safety and security measures, 2,074 people provided with legal support, and 17,377 provided with HIV testing.

In 2020, we continued our partnership with Population Council to implement an ambitious project in in Lagos, Nigeria, serving Gay Men and Transgender communities who remain extremely marginalised and at-risk of HIV with access to quality healthcare. The project will leave behind a trained and sensitised cadre of health care providers to offer LGBT-friendly and non-stigmatising services. Furthermore, vital data and evidence will be garnered on the vulnerabilities of transgender populations which will help inform policy and future programming.

In 2020, the Foundation also continued our partnership with the Kaiser Family Foundation, who are undertaking policy analysis to improve the health system for LGBT people in the USA. The project is producing timely analysis, data and policy tools for key stakeholders to utilise. This includes analysis of key HIV prevention and treatment programmes and proposed policy changes that impact people with and at risk of HIV and LGBTQ populations. Recently, the Kaiser Family Foundation has produced a report that indicates LGBTQ individuals are at greater risk of both COVID-19 health and economic outcomes. Stakeholders can utilise this evidence to advocate for change and help ensure the health system is inclusive and accessible to all.

YOUNG PEOPLE

In the past year alone, the Foundation has reached over 16,000 young people with a holistic array of HIV services, including testing of over 10,000 young people for HIV. Despite the challenges of the COVID-19 pandemic, the Foundation has made several significant investments to support innovative solutions that focus on reaching and engaging the most marginalised youth.

In 2020, the Foundation's 3-year partnership with Save the Children in Turkana County, Kenya, concluded with impressive results. In total, over 50,000 young people were tested for HIV in Turkana, far exceeding the initial project target. In addition, the programme launched mentor-led safe spaces which supported over 6,000 adolescent girls and young women in accessing HIV information and linking them to care. This grant also worked to break down highly entrenched stigma and discrimination barriers which prevent young people from accessing vital and information and services. Through the programme, 200 Community Health Workers delivered tailored messages around stigma reduction and engaged local leaders to demystify cultural norms within communities.

This year, in partnership with the Foreign Commonwealth and Development Office, the Foundation awarded a grant to Frontline AIDS and their partners to tackle the HIV epidemic amongst young people in Mozambique. The 3-year project in Maputo City is designed to benefit adolescents at highest risk of HIV infection by enabling access to comprehensive services throughout the HIV prevention and treatment cascades. The project is utilising and scaling the highly successful Community Adolescent Treatment Supporters (CATS) model: a peer-driven intervention for adolescents living with HIV. The model engages a cadre of HIV positive 18–24-year-olds to support other young people living with HIV to navigate their treatment journey and help ensure they are linked and retained in care. Through the project, over 40,000 young people will be reached with HIV services.

In Côte d'Ivoire, the Foundation has partnered with UNICEF to reach young people with critical tools to prevent HIV, including HIV Self Testing kits and pre-exposure prophylaxis drugs which prevent users from getting HIV. This grant is strategically capitalising on UNICEF's existing digital platform, U-Report, which can gather opinions and information from beneficiaries on topics they care most about. Data on these topics are analysed, aggregated and relayed back to both affected communities and policy makers who shape national health strategies for young people. The programme aims to reach over 35,000 adolescents.

YOUNG PEOPLE

In South Africa, we partnered with the KwaZulu-Natal Children's Hospital to support the development of a Centre for Adolescent health. This will be the first dedicated public sector centre in South Africa that is effectively a "one stop shop" service provider for young people, providing a pioneering blueprint for other such units to emerge across the country and continent. Once operational, it will cater to the unique medical and psycho-social needs of adolescents, including those affected by or exposed to HIV. It is anticipated that the unit will serve 600 young people per month physically and many more virtually.

Adolescents and young people represent a growing share of people living with HIV worldwide and AIDS is now the leading cause of death among young people in Africa. To help ensure we can effectively address the current and future needs of young people living with or at-risk of HIV, the Foundation has developed a revised Young People strategy. We will prioritise pioneering solutions which cultivate better ways of reaching young people wherever they are with information and access to services and products that are delivered in a way that is both relatable and relevant to their lives. We will do this by putting young people at the centre of everything we do, from ideation to scaled implementation. Given the exponential growth of smartphone utilisation through the African continent, particularly amongst young people, EJAF will place a particular emphasis on harnessing existing digital platforms to meet young peoples' unmet needs around sex, sexuality, mental health, gender rights, and HIV in an accurate, confidential and attention holding fashion.

HIV SELF-TESTING IN KENYA

As part of their commitment to end AIDS for all, the MenStar Coalition spearheaded by the Foundation and launched in 2018, came together to address the unique needs of men in the HIV epidemic, expanding their diagnosis and treatment of HIV infections, particularly in sub-Saharan Africa.

As part of this initiative, and together with other coalition partners namely, CIFF and UNITAID, the Foundation is supporting increased access of HIV self-testing in Kenya. These efforts seek to increase uptake of HIV self-testing among men with a view to linking those who are positive into treatment. Our partners Population Services International and Population Services Kenya use client-centered distribution models to reach men in two counties of Nairobi and Mombasa. These models include distribution of HIV self-testing kits at a subsidized price through 700 retail pharmacies, 3 online pharmacies as well as through targeted community and workplace distribution to reach men who cannot afford the subsidized kit.

In 2020, the project has distributed:

- 107,914 test kits
  - 39,680 being through pharmacies
  - 17,832 through targeted workplaces
  - 50,402 through community distribution.
- Of the total kits distributed, 77% have been to men. Linkage and follow up efforts have seen 49% of men who report a positive test result being linked to treatment.

To rapidly expand access to additional pharmacies and counties, our Foundation, engaged the services of a sales and merchandising agency, Smollan, to help us to supply HIV self-testing kits to an additional 500 pharmacies in three new counties and non-stocking pharmacies in the existing counties of Nairobi and Mombasa. This pilot project also involved creating visibility of the test kits in the pharmacies through the HIV self-testing flagship campaign brand, Chukua Selfie, developed by the Foundation and it's partners. The pilot that was implemented over 4 months was highly successful in bringing on board 770 pharmacies, creating more demand for at home testing kits. One of the key success factors was branding of the pharmacies with the Chukua Selfie campaign point of sale materials. These rapidly increased visibility in the pharmacies and alerted clients on the availability of the test kits instore.

DEMAND CREATION FOR HIV SELF-TESTING

The Chukua Selfie campaign continues to create awareness and demand for HIV self-testing. The campaign has created a strong link between HIV self-testing and the brand Chukua Selfie has been driving traffic towards where men can access HIV self-testing kits, as well as promoting the affordable subsidized price of the kit and how one can also access counseling support. The campaign partnered with one of the online pharmacies to drive traffic to the pharmacy platform and specifically increase uptake of HIV self-testing. These demand creation efforts saw an increase in uptake of HIV self-test kits through the platform from an average of 60 kits per week to over 200 test kits sold weekly.

Medical Detailing at a pharmacy in Kisumu

GRANTEES SPOTLIGHTS:

SISTER LOVE, GEORGIA, USA

Antoinette is HIV positive and works as a Peer Navigator at Sister Love, a grantee of our COVID-19 Emergency Fund. Restrictions from COVID-19 have not stopped Antoinette from continuing her incredible work. She is providing online HIV counselling, supporting her peers step by step with home test kits and conducting online support groups for women living with HIV that focus on exercise, medication adherence, emotional support, and creativity.

Adjusting their model to a virtual environment was one of their biggest challenges but one they saw as a positive in helping Sister Love move forward and stay ahead. The work Sister Love has done in response to the pandemic ensures that their clients are able to access resources, stay engaged and continue to feel part of the community through times of isolation.

"COMMUNITY IS VERY IMPORTANT. TO HAVE PEOPLE IN YOUR CORNER AND A SUPPORT SYSTEM AROUND YOU CAN BE INVALUABLE WHEN SITUATIONS BECOME OVERWHELMING."

Antoinette, Sister Love

GRANTEES SPOTLIGHTS:

JHPIEGO, TANZANIA

"WHEN I ARRIVED AT MAGOMENI HEALTH CENTRE I WAS ATTENDED WITH A VERY PROFESSIONAL HEALTH PROVIDER AT A VERY DEDICATED SAFE SPACE AND COUNSELLED ON HOW TO PREVENT COVID-19."

Beneficiary Martin Edwin

GRANTEES SPOTLIGHTS:

MEET MELEDJ IN COTE D'IVOIRE

Meledj is a 34 year old peer educator working in a community called Abobo in Cote d'Ivoire. The Foundation supports a project called U-Report in Cote d'Ivoire whereby young people join a digital platform to gather their opinion and information on topics they care about. Young people who opt in are sent SMS texts to respond to polls and report issues. The data and insights are shared back with communities and connected to policymakers who make decisions that affect youth.

In Cote d'Ivoire, the Foundation is supporting this U-Report project to provide HIV self-testing to 36,500 young people and to initiate 1000 young people on preventative HIV treatment called PrEP.

As part of Meledj's role, he visits communities to engage young people to join the platform, provide HIV education and connections to HIV services that they may need. During an awareness activity that he was facilitating at a bus station, Meledj met Ali, a 22 year old in Abobo.

Ali had contacted Meledj to receive PrEP as he was frequently sick and had a hard time providing for himself. Ali was encouraged to take a HIV self-test by Meledj and it was positive for HIV. Meledj supported him and assured him that the results would be kept confidential. He referred him to a doctor who confirmed the results and immediately enrolled him for life-saving treatment. Meledj visited Ali at home to discuss the side effects he was experiencing and referred him to a social worker in a specialised clinic. Today, Ali is healthy and has resumed his work.

GRANTEES SPOTLIGHTS:

GRANTEE FROM OUR ENGLAND SOCIAL IMPACT BOND

An anonymous story from a male in his sixties in London.

'Having moved homes in London, I decided to change my GP to my local practice. I was invited to a registration and a routine welcome check-up. At the end of the check-up, the nurse asked me if I wanted to take an HIV test. I was not in a hurry, so I thought why not. Bizarrely, had I been in a hurry I may not have taken the test, deferring it to another more convenient time. I was actually putting my coat on to leave the surgery when I was given the bad news, it was positive! I was in a state of shock and walked out of the surgery. By the time I reached home the doctor had already called me to reassure me that I would be ok. I visited for a routine check-up because I changed to a new GP. I didn't visit because I felt sick. Had I not changed to a new GP or I had been in a hurry that day, it may have taken a large chunk of my life away or maybe worse, coupled with the fact that I may have passed it on to an innocent person.'

This individual received an instant HIV test at his local GP as a result of our Foundation's Social Impact Bond in South London where GPs have been encouraged to offer HIV testing more widely. He was sure that he would have been negative but said yes to one anyway and found out that in fact, he was HIV positive. He told us that initially he was terrified, but his doctor helped him very quickly and he was on treatment within 3 weeks of receiving his diagnosis. He is now undetectable – meaning he has very low levels of HIV circulating in his body and non-infectious.

'I have to add that I feel blessed to not only be on medication and now undetectable, but for the reassurance and emotional support I received, especially during the early traumatic days. I don't think about it too much now.'

'I was fine before the test and I feel fine now. How has it helped me? I am living and I will continue to live a normal life, taking one tablet daily! Please don't think I am blasé, I would rather be negative, but taking one tablet daily is no hardship. I will get a full medical yearly which potentially means un-associated illnesses may be picked up early. I may live longer with HIV than without it!'

He told us that he would encourage others to get an HIV test to save their life and it may save others too.

DONOR LIST
FOR 2020

A BIG THANK YOU TO:

DONATIONS FROM THE US

$2,500 - 9,999

Ahmad Ouri
Ajemian Foundation
Amanda Brill
Anonymous
Audra Asencio
Beacher Media Group
Bleona Qereti
Caitlyn Jenner Foundation
Chris Granam
Clark Beyer
Corina Larpin
Craig Suser
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The Daniel and Pamela DeVos Foundation
The Irvin And Marjorie Cowan Family Foundation, Inc
Thomas Andrykovitz
Timothy Davis
Tracy York
United Talent Agency LLC
United Way of Greater Atlanta
Vladislav Lapidus

*received in USD following the US and UK merge of Foundations

DONATIONS FROM THE US

$10,000 - 99,999

Adam Gerber
Alex Grenier
Alexis Pierson Wallace
Alison Lastrip
Allegra
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Angelica Hernandez-Hardie
AS Real Estate Group
Aubrey J. Rose Family Fund
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Ron Lauder
Thera Bank
Tiffany Williams
Tom Ford
Tracy Sinclair
Trevor Sorbie Media
United Philanthropy Forum
Verone Wines
Wordsmith Television Prod.
Ya Boy Productions
Yellow Entertainment Group
Zack Rosh

$100,000+

A BIG THANK YOU TO:

DONATIONS FROM THE UK

£2,500 - 9,999

Bono
Cecil Rosen Foundation
David Furnish
Marshall Arts
Rafi Manoukian
Tracy Emin

£10,000 - 99,999

Alan and Nicola Johnston
Alan McLeish
Andrew Parsons
Bruno Reddy
Cass Jackson
Catherine Sked
Chris and Elaine Goodman
Chris Yea
Christopher Sunderland
Clare and Dean Henrickson
Darren Evans
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Dave and Demi Shaw
David Connolly
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Dean Mirfin
Duncan and Jayne Ford
Gaynor Morris
Graham Wood
Grant and Kerry Thompson
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Matthew and Lucy Gilmartin
Mel Day
Mike and Lisa Dormer
Moondance Foundation
Neal Evans
Neil Pettifer
Paddy Lawton
Paul Hodge
Paul Martin
Peter and Heather Lawery
Philip Broadley
Sandra Robertson
Simon Day
Steve Bennett
Steven Bell
TikTok
Verein Life+

£100,000+

Freshfields Bruckhaus Deringer LLP

FINANCIAL OVERVIEW

FOR 2020

FINANCIAL REVIEW

REVIEW OF THE YEAR

Consolidated financial outcome	2020	2019
	£000	£000
Income	10,672	15,833
Costs of raising funds	(769)	(2,225)
Expenditure on charitable activities	(14,161)	(10,544)
Gain on investment	33	-
Corporation tax	(83)	-
Net (deficit)/surplus	**(4,308)**	**3,063**
Net assets donated on acquisition	**8,411**	**-**
Net surplus after acquisition	**4,103**	**3,063**

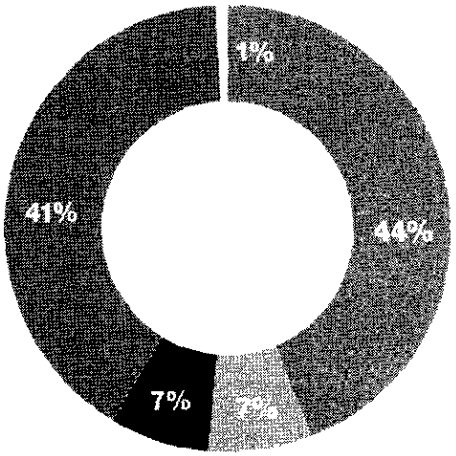
There was a net deficit for the year from operational activities due to a fall in fundraising net income. This fell £4.3 million as we were not able to hold any events in 2020.

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

INCOMING RESOURCES

The Foundation's consolidated income was raised from the following sources:

- **Donated assets**
- **Commercial**
- **Donations**
- **Grants**
- **Investment income**



CHARITABLE EXPENDITURE

Consolidated Total Expenditure on Charitable Activities increased to £14.2 million (2019: £10.5 million) due to the continuing success of the Social Impact bond. 78% (2019: 80%) of expenditure on charitable activities in the year is direct awards to implementing partners. The remaining 22% was used to ensure that these partners and their projects are adequately supported, monitored and evaluated; that the charity is governed and managed effectively and appropriately and in support of further developing the effectiveness of the charity's fundraising. Total expenditure on support increased in 2020 due to additional consultancy and overhead cost relating to the Radian Fund.

NET SURPLUS

Overall in 2020, the Foundation reported a net surplus totalling £4.1 million (2019: surplus of £3.1 million) as income increased to £19.1 million (2019: £15.8 million) and outgoings increased to £14.9 million (2019: £12.8 million). The increase in income was the result of the acquisition of Elton John AIDS Foundation Inc. the US branch of the Foundation.

INVESTMENTS

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

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

RESERVES POLICY AND GOING CONCERN

The objective of the reserves policy is to ensure that the level of unrestricted reserves will finance the strategic plans of the Foundation, mindful of the economic environment in which it finds itself. The Board, through its delegated authority to FIC, agreed to maintain unrestricted cash reserves of £17.5 million, which equates to the total of grant commitments at the year-end plus 12 months of sustainable operating costs.

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

FINANCIAL REVIEW

The Foundation's total funds as at 31 December 2020 were £18.8 million (2019: £14.7 million) of which £5.8 million are classified as restricted funds (2019: £6.5 million) and £13.1 million as unrestricted funds (2019: £8.2 million). £0.4 million (2019: £0.4 million) of the unrestricted funds have been designated for the EECA KP Fund and £0.2 million (2019: £0.2 million) for the Robert Key Memorial Fund.

The current financial year, 2021, is very different to the outlook when we prepared our budget due to the Covid19 pandemic and government restrictions. Given the uncertainty of our income, we have had to reassess our plans. We have focused on our cost base to keep fixed costs as low as possible. In addition, we have modelled various scenarios to estimate the impact on future cash and believe that we have sufficient cash reserves to ensure financial stability.

The Board has reviewed the financial position of the Foundation and consider that adequate resources continue to be available to fund the activities of the Foundation for the foreseeable future. The Board is of the view that the Foundation is a going concern.

PLANS FOR FUTURE PERIODS

We hosted a virtual Academy Awards Viewing Party in April and hope to be able to host the planned Dine & Disco event in the summer. Despite current restrictions, we are continuing to deliver the 2020-2025 Grants Strategy, providing additional funding to grantees, where needed, to enable them to deliver HIV services safely.

We have delivered new systems for fundraising and grants and will integrate these systems with the new finance system in 2021. We also plan to overlay all three systems with Power BI reporting to support effective decision making.

STRUCTURE, GOVERNANCE & MANAGEMENT

PURPOSE

The Foundation's mission is simple: an end to the AIDS epidemic. The Foundation's purpose is to harness local expertise, mobilise networks of generous public and private supporters and partners, and maximise the platform and influence of our Founder Elton John to eliminate HIV as a problem for people vulnerable to HIV and for their communities.

It is possible for people to live a full and healthy life with HIV, yet 15 million people today are not accessing the life-saving HIV treatment they need because they are already restricted in their own society: gay men, young people, those who inject drugs or sell sex, and transgender women. Most new HIV infections are in these marginalised groups. They face abandonment, discrimination and violence. Tragically, it stops them from getting the effective, life-saving services that already exist and so prolongs the AIDS epidemic. The Foundation harnesses local expertise across four continents to challenge discrimination, prevent infections and provide treatment for these groups, as well as mobilising governments to end AIDS. We will not stop until the AIDS epidemic is over.

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

MAIN ACTIVITIES UNDERTAKEN

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

Grant making activity

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

Advocacy and communications

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

PUBLIC BENEFIT

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

STRUCTURE, GOVERNANCE & MANAGEMENT

The foundation aims to:

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

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

PERFORMANCE EVALUATION AND PLANNING

An appraisal of the charity's performance against goals is reviewed annually by both staff and Trustees. The charity's strategic plan, covering the period 2020-2025, was approved by the Board in April 2020. Work plans against the strategy are developed annually to fulfil governance, finance, fundraising and grant making objectives and monitored at Senior Management Team and committee meetings throughout the year. During 2020, the charity's risk was reviewed regularly at Finance & Investment Committee and board meetings. Our annual end of year Strategy Day was held remotely and focussed on evolving our formal definition of the cultural identity of the Foundation, facilitated by external agency Innovation Beehive. Having an agreed well-defined culture will help ensure the goals and principles we have established are embedded into our working.

TRUSTEES' REPORT

The Trustees of the Elton John AIDS Foundation (The Foundation) are pleased to present their report together with the financial statements of the charity for the year ended 31 December 2020. Since all Trustees are directors of the organisation, this report can also be considered as the Directors' report.

As part of the process of greater integration with the Elton John AIDS Foundation Inc in the US, the US foundation became a subsidiary of the UK Foundation on 14 December 2020 with Anne Aslett remaining Chief Executive Officer of both entities.

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

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

GOVERNING DOCUMENT

The Foundation was incorporated on 1 February 1993 and is governed by its Articles of Association, which were reviewed and updated in November 2018. The Board has agreed to amend the Articles of the Foundation and former Directors of the US Foundation have joined the UK Board.

DIRECTORS AND TRUSTEES

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

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

STRUCTURE, GOVERNANCE & MANAGEMENT

With the exception of the Chairman, David Furnish, (who has no time limit on his appointment) and Trustees who were in place when the 2018 Articles were approved (where special transitional arrangements apply), Trustees serve a three-year term of office with the option for a further term's re-election. In exceptional circumstances, a Trustee may be re-elected for a third term, after which they cannot serve as a Trustee again. One new Trustee was appointed during the year, Emma Rosenblatt, to support the Foundation's fundraising effort. In addition, Sandra Lee, Thomas Moore and Barron Segar joined the Foundation board on 9th February 2021, transitioning from the US Foundation board.

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

An induction planner and checklist for new Trustees are also included. In addition to the handbook, the Foundation has an assessment framework that includes an analysis of any conflicts of interest, a self-assessment questionnaire for the Board, a Trustee performance appraisal and a diversity perception questionnaire. This framework is reviewed every other year. Any new Trustees are, as part of their ongoing training and understanding of the organisation and the context of its activities, expected to attend one meeting of each of the committees and to take a role within one of these committees, in addition to visiting programmes in the field.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

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

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

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

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

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

STRUCTURE, GOVERNANCE & MANAGEMENT

GOVERNANCE STRUCTURE

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

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

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

THE ADVISORY GRANTS PANEL

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

THE PROGRAMME REVIEW COMMITTEE

In February 2020, the Board agreed to establish a Programme Review Committee to review the progress and impact of grants made to organisations through the Advisory Grants Panel process and to advise on any changes to the Foundation's strategy policies or processes. The Committee meets at least once a year.

THE FINANCE AND INVESTMENT COMMITTEE (FIC)

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

FIC met five times during the year, with each meeting attended by 3-4 members who were supported by the Finance Director. The committee formally reviewed the organisation's financial performance and strategy, which included examining the 2019 audited accounts, managing and setting the risk appetite of the Foundation and reviewing forecasts and budget.

NOMINATIONS & REMUNERATION COMMITTEE

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

SUBSIDIARIES

Elton John Aids Foundation Inc

On 14th December, 2020 the Foundation acquired a US subsidiary, Elton John AIDS Foundation Inc (EJAF Inc). EJAF Inc was established in 1992 as the US branch of Elton John AIDS Foundation. On 14th December 2020, EJAF Inc changed its constitution so that the Foundation became its sole member.

EJAF Inc is based at 584 Broadway, Suite 906, New York, NY 10012. Its directors are:

Anne Aslett
Monica Risam
Jamie Cooper

EJAF Trading Limited

The Foundation has a wholly owned trading subsidiary, EJAF Trading Limited, which provides the management for one-off fundraising events. All profits from its activities are paid to the charity. During 2020, EJAF Trading Limited activities were significantly

STRUCTURE, GOVERNANCE & MANAGEMENT

impacted by the Covid-19 pandemic with sales of £30.140 (2019 - £2.1 million) and a net loss of £2,379 (2019 profit before gift aid: £0.9m). The Trustees are satisfied with the performance and results of the subsidiary for the year ended 31 December 2020.

EJAF Trading Limited (Company Registration Number 02951448) is based at 1 Blythe Road, London W14 0HG and its directors are:

Sir Elton John
David Furnish
Anne Aslett

Elton John Aids Foundation (South Africa)

The charity has a partner company in South Africa - Elton John AIDS Foundation (South Africa) (EJAF SA) Registration number IT3473/2004 038-398-NPO. It was established in November 2004. The net proceeds of fundraising by EJAF SA are distributed within South Africa, by EJAF SA, to HIV/AIDS programmes. The funding guidelines of the partner company are the same as those of the UK Foundation. This charity is in the process of being dissolved.

International Friends of Elton John AIDS Foundation UK

To accommodate multiple US based donors who wished to support our work in Africa and Asia, the Foundation established a US subsidiary, the International Friends of Elton John AIDS Foundation UK ("International Friends"). The subsidiary granted £0.2 million to the Foundation (2019: £0.9 million). Now that Elton John AIDS Foundation Inc is a subsidiary of the Foundation, International Friends has been dissolved.

International Friends of Elton John AIDS Foundation UK (Employer Identification Number 81-2095910) was incorporated in March 2016 and was dissolved on 11 December 2020.

EJAF Social Impact (1) CIC

The Foundation established a community interest company, EJAF Social Impact (1) CIC in November 2017. This company is a vehicle for the first Social Impact Bond around HIV and it focuses on early identification and support for people with HIV in London. During 2020, EJAF Social Impact (1) CIC generated income of £1.5 million (2019 - £0.7m) and net profit of £0.4m (2019 - £0.2m).

EJAF Social Impact (1) CIC (Company Registration Number 11059787) is based at 1 Blythe Road, London W14 0HG and its members are:

Anne Aslett
Elton John Aids Foundation
Barbara Storch
Daniel Wilson
Andrew Billington (elected 17 February 2020)
Alan Tudhope (elected 17 February 2020)
Anne Fiona Russell (elected 20 October 2020)
Catherine Ferrier (elected 10 June 2020 and resigned 28 January 2021)
Amir Rizwan (resigned 28 January 2021)

RISK ANALYSIS

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

Area	Detail
Risk register	The Risk Register includes key risks, their likelihood and significance and how they are managed and mitigated.
Grant review procedures	During 2020, Crowe, a major international firm of accountants, conducted a review of four selected grants.
Reporting	FIC reviews the risk register, assesses the adequacy of existing controls and reports its findings to the Board.

STRUCTURE, GOVERNANCE & MANAGEMENT

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

Risk	Mitigation
Risk of disruption to services, funding and grantee support due to the Coronavirus outbreak.	The Covid-19 Fund has issued $2.2m of grants to assist grantees to purchase safety equipment enabling them to continue operating through the pandemic. Staff have continued to work remotely to support grantees. We are limiting fixed costs. Where practical, new staff are on fixed term contracts and grant-making levels are adjusted for available income. We have sufficient reserves to cover the next financial year in the event of significant funding shortfall.
Risk of cyber attack and IT system failure leading to loss of data or IT system damage.	A malware and virus detection system is in place to scan incoming emails and staff are trained on cyber awareness. Key software is kept up to date.
Failure of grant due to embezzlement or inappropriate behaviour	We undertake thorough due diligence prior to making a grant and stage payments. In addition, we have increased the number of grantees receiving an external audit.

MANAGEMENT

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

The Senior Management Team (SMT) met regularly during the year to update on progress against goals for 2020 and to identify new opportunities and risks.

There is a clearly articulated and approved staff structure within which all staff have defined management lines, detailed job descriptions and a formal appraisal process. During 2020 the Foundation reviewed its staff appraisal and performance framework - developing a new, more holistic methodology for assessing staff and management and formalising personal development plans.

Virtual staff meetings were held weekly throughout the year. Staff Handbooks for both UK and US staff which outline the Foundation's relevant policies and procedures were reviewed in 2020.

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

ROLE AND CONTRIBUTION OF VOLUNTEERS

In line with the mission statement, volunteers play a vital part in supporting the fundraising and charitable activities of the Elton John AIDS Foundation. In 2020, we did not require the direct support of volunteers as we were unable to host any events.

FUNDRAISING STANDARDS AND COMPLAINTS

In 2020, there were no failures by the charity, or by any person acting on its behalf, to comply with fundraising standards or scheme for fundraising regulation that the charity or the person acting on its behalf has voluntarily subscribed to. There were no complaints received by the charity, or by a person acting on its behalf for the purposes of fundraising, about the fundraising activities that the charity has done.

INTERNAL CONTROL

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

On behalf of the board of Trustees

David Furnish
Chairman

REFERENCE & ADMINISTRATIVE DETAILS

FOUNDATION INFORMATION

Company number	02787008
Company type	Limited by guarantee Incorporated in England and Wales
Charity Commission Number	017336
Registered office	1 Blythe Road, London W14 0HG
Website	www.ejaf.org

ADVISERS

Auditors:	UHY Hacker Young Quadrant House 4 Thomas More Square London E1W 1YW
Bankers:	Barclays Bank, 1 Churchill Place, London E14 5HP
Solicitors:	Eversheds Sutherland 1 Wood Street, London EC2V 7WS
Company Secretary:	Richard Reger FCIS

DIRECTORS AND TRUSTEES

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

David Furnish	Chairman
Tracy Blackwell	Treasurer
Mark Dybul	
Eric Goosby	
Ilana Kloss	
Ajaz Ahmed	
Johnny Bergius	
Evgeny Lebedev	Resigned 27 January 2021
Emma Rosenblatt	Appointed 22 July 2020
Lynda Funke	Resigned 28 April 2020
Sandra Lee	Appointed 9 Feb 2021
Thomas Moore III	Appointed 9 Feb 2021
Barron Segar	Appointed 9 Feb 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ELTON JOHN AIDS FOUNDATION

OPINION

We have audited the financial statements of The Elton John AIDS Foundation ('the Group') for the year ended 31 December 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Foundation Balance Sheets, the Consolidated Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice)'.

In our opinion the financial statements:

- give a true and fair view of the state of the group and the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

OTHER INFORMATION

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

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

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ELTON JOHN AIDS FOUNDATION

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' statement (see [illegible] on page 42), the Trustees' are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees' determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ELTON JOHN AIDS FOUNDATION

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

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

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

USE OF OUR REPORT

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

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

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

29 April 2021

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(including the income and expenditure account)
for the year ended 31 December 2020

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2020 £	Total 2019 £
Income						
Donations and legacies	2	794,819	-	8,348,926	**9,143,745**	10,502,990
Donated assets	2,3	8,096,219	-	314,375	**8,410,594**	-
Other trading activities	3	1,412,366	-	-	**1,418,366**	4,665,319
Investments	4	61,009	-	49,095	**110,194**	664,281
Total income		**10,370,503**	**-**	**8,712,396**	**19,082,899**	**15,832,590**
Expenditure						
Costs of raising funds	5	769,253	-	37	**769,290**	2,235,240
Expenditure on charitable activities	6	5,628,082	12,540	8,520,622	**14,161,244**	10,535,408
Total expenditure		**6,397,335**	**12,540**	**8,520,659**	**14,930,534**	**12,760,648**
Gain on investments	12	32,869	-	-	**32,869**	-
Tax on surplus	10	(83,004)		-	**(83,004)**	(9,041)
Net income/(expenditure)	9	**3,923,033**	**(12,540)**	**191,737**	**4,102,230**	**3,062,901**
Transfers between funds	18,19	957,019	(7,459)	(949,560)	-	-
Net movement in funds		**4,880,052**	**(19,999)**	**(757,823)**	**4,102,230**	**3,062,901**
Reconciliation of funds						
Fund balances at 1 January 2020		7,626,053	600,000	6,519,776	**14,745,829**	11,682,928
Fund balances at 31 December 2020	16	**12,506,105**	**580,001**	**5,761,953**	**18,848,059**	**14,745,829**

CONSOLIDATED AND FOUNDATION BALANCE SHEETS

for the year ended 31 December 2020

	Notes	Group 2020 £	Group 2019 £	Foundation 2020 £	Foundation 2019 £
Fixed assets					
Donations and legacies	11	**180,169**	11,741	**89,925**	10,320
Investments	12	**6,124,108**	-	**4,843,471**	-
		6,304,277	11,741	**4,933,396**	10,320
Current assets					
Stock		**9,867**	9,904	-	
Debtors	13	**2,670,130**	1,958,796	**2,320,768**	1,636,192
Cash at bank and in hand	21,22	**28,065,663**	22,302,198	**15,759,795**	21,346,085
		30,745,660	24,270,898	**18,080,563**	22,981,277
Creditors: amounts falling due within one year	14	**(14,799,660)**	(7,493,035)	**(9,318,974)**	(7,944,456)
Net current assets		**15,946,000**	16,777,863	**8,761,589**	15,036,821
Total assets less current liabilities		**22,250,277**	16,789,604	**13,694,985**	15,047,141
Creditors: amounts falling due within one year	15	**(3,402,218)**	(2,043,775)	**(3,360,697)**	(1,343,775)
Net assets	16	**18,848,059**	14,745,829	**10,334,288**	13,703,366
Represented by					
Unrestricted funds	16	**12,506,105**	7,626,053	**4,259,751**	6,583,590
Designated funds	17	**580,001**	600,000	**580,001**	600,000
Total unrestricted funds		**13,086,106**	8,226,053	**4,839,752**	7,183,590
Restricted funds	18	**5,761,953**	6,519,776	**5,494,536**	6,519,776
Total Foundation funds		**18,848,059**	14,745,829	**10,334,288**	13,703,366

The Foundation has taken advantage of the exemption under S408(3) to not present the Foundation's profit and loss account.
The accounts were approved and authorised for issue by the Board on 28 April 2021

David Furnish
Chairman, Elton John AIDS Foundation

Company Registration Number 3278108
Charity Registration Number 1017331

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 December 2020

	Notes	2020 £	2019 £
Net cash used in operating activities	20	**272,664**	918,904
Cash flows from investing activities:			
Finance expenses		**(1,380)**	
Cash acquired from Elton John AIDS Foundation Inc		**10,281,753**	
Purchase of fixed asset investments		**(4,808,423)**	(1,626,858)
Investment income		**110,195**	118,801
Purchase of tangible fixed assets		**(91,344)**	
Proceeds of sale of fixed asset investments		-	10,774,672
Other non-cash investments interest received		-	49,504
Net cash provided by investing activities		**5,490,801**	9,317,079
Increase in cash	20, 21	**5,763,465**	10,235,343
Cash balance at 1 January 2020		**22,302,198**	12,066,855
Cash balance at 31 December 2020	20, 21	**28,065,663**	22,302,198

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

1. Accounting policies

The financial statements have been prepared in accordance with Accounting and Reporting by Charities Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

1.1 Preparation of the financial statements on a going concern basis

The financial statements of the Foundation and subsidiary companies have been prepared on the going concern basis and adequate cash resources will be available to cover the requirements for working capital and capital expenditure for at least the next twelve months. Management has modelled various scenarios to estimate the impact of Covid-19 virus on future cash and remains confident that there are sufficient cash resources to cover cash requirements for at least the next twelve months.

1.2 Group financial statements

These financial statements consolidate the results of the Foundation and its wholly-owned subsidiaries, EJAF Trading Limited, EJAF Social Impact (1) CIC and International Friends of Elton John AIDS Foundation UK on a line by line basis. A separate statement of financial activities for the Foundation itself is not presented because the Foundation has taken advantage of the exemptions afforded by Section 408 of the Companies Act 2006.

The Foundation received Gift Aid from EJAF Trading Limited of £937,244 (2019: £876,983) which has been eliminated on consolidation.

The Foundation received donations from International Friends of Elton John AIDS Foundation UK of $300,000 (£222,771) which has been eliminated on consolidation. In 2019 the Foundation received $1,160,000 (£914,692).

1.3 Business combinations

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

1.4 Consolidation

The financial statements consolidate the Foundation and its subsidiaries ("Group"). On 14 December 2020, the assets and liabilities of Elton John AIDS Foundation Inc were transferred to the Foundation. The income and expenditure from the date of acquisition has been incorporated in these financial statements.

A subsidiary is an entity controlled by the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

1.5 Income

Income consists of grants received, donations and gift aid on income when donations are made under Gift Aid or a Deed of Covenant. Income from grants and general donations is recognised when entitlement has been passed to the Foundation, it is probable the income will be received and the amount can be measured reliably. Bank interest is recognised when receivable.

Income from EJAF Trading Limited is recognised when entitlement has been passed to the company, it is probable the income will be received and the amount can be measured reliably.

1.6 Legacy income

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

1.7 Donated services and facilities

Donated assets are included in incoming resources when legally transferred to the Foundation. The value attributed to the transfer is that which a willing buyer would have been prepared to pay for the assets.

Donated professional services and donated facilities are recognised as income when the Foundation has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the Foundation of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the Foundation which is the amount the Foundation would be willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

1.8 Expenditure

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

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

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

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

1.9 Tangible fixed assets and depreciation

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

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

1.10 Pensions

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

1.11 Foreign currency translation

Transactions denominated in foreign currencies are recorded at the rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. All differences are included in net movements in funds.

1.12 Grant Commitments

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

1.13 Accumulated Funds

Restricted Funds are subject to individual donors' specific terms and conditions as to their utilisation. The purposes and uses of the restricted funds are set out in Note 17 to the financial statements.

Designated Funds comprises the EECAKP Fund and the Robert Key Memorial Fund. The purpose of these funds are set out in Note 17 and Note 18.

1.14 Debtors

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

1.15 Cash at bank and in hand

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

1.16 Creditors and provisions

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

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

1.17 Investments

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

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

Investments in subsidiaries are held at cost less any impairments.

1.18 Company Status

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

1.19 Judgements and estimation uncertainty

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

The Group makes estimates and judgements regarding the following areas: depreciation, intangible income relating to office space and intangible income for auction items. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and judgements regarding the following areas: depreciation, intangible income relating to office space and intangible income for auction items.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

1.20 Taxation

The charitable members of the Group are exempt from taxation on their income and gains falling within Part 11 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that they are applied to their charitable purposes. The non-charitable subsidiaries, although subject to taxation do not pay UK Corporation Tax as their policy is to donate taxable profits as Gift Aid to the Foundation with the exception of EJAF Social Impact CIC which did not donate its profits in 2020. In common with many other charities, the charitable members of the Group are unable to recover the majority of Value Added Tax ("VAT") incurred on expenditure. The amount of VAT that cannot be recovered is included within the underlying cost to which it relates. Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2. Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Donations	718,925	668,465	**1,387,390**	2,314,441
Grants received	75,894	7,680,461	**7,756,355**	8,188,549
Total donations and legacies	794,819	8,348,926	**9,143,745**	10,502,990
Assets acquired on donation	8,096,219	314,375	**8,410,594**	-
	8,891,038	8,663,301	**17,554,339**	10,502,990

Included in donations is £265,651 of intangible income (2019: £538,322). £56,300 (2019: £56,300) relates to office space provided free of charge for use by the Foundation. £nil (2019: £507,400) relates to items donated to the Foundation for auction at charity events. £154,351 (2019: £78,828) relates to pro bono work provided by Freshfields Bruckhaus Deringer LLP to assist in the establishment of a social impact bond. £55,000 (2019: £nil) relates to pro bono work provided by TikTok to cover live stream production costs.

Assets acquired on donation relate to the net assets of Elton John AIDS Foundation Inc., which the charity took control over on 14 December 2020.

3.1 Trading Income

	Total 2020 £	Total 2019 £
Trading income from Elton John AIDS Foundation UK	**1,839**	-
Trading income from EJAF Trading Limited	**30,104**	2,368,047
Trading income from International Friends of Elton John AIDS Foundation	**200**	1,937,272
Trading income from EJAF Social Impact CIC	**1,384,000**	660,000
Trading income from Elton John AIDS Foundation Inc	**2,223**	-
Total trading income	**1,418,366**	**4,665,319**

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

3.2 UK subsidiary - EJAF Trading Limited

The wholly-owned trading subsidiary, EJAF Trading Limited (Company number 02951449), which is incorporated in the United Kingdom, pays all its distributable profits to the Foundation by Gift Aid. EJAF Trading Limited provides management of one-off fundraising events. The Foundation owns the entire issued share capital of 1 ordinary share of £1. A summary of the trading results is shown below:

	Total 2020 £	Total 2019 £
Trading income	**30,104**	2,088,047
Cost of sales	**3,588**	(236,992)
Administrative expenses	**(23,582)**	(113,565)
Interest receivable	**36**	2,413
Net profit	**10,146**	1,739,903
Amounts gifted to the Foundation	**(957,244)**	(876,953)
Retained earnings brought forward	**944,719**	51,769
Retained earnings carried forward	**(2,379)**	944,719
The assets and liabilities of the subsidiary were		
Tangible assets	**-**	1,421
Current assets	**1,874,170**	994,590
Creditors: amounts falling due within one year	**(1,876,549)**	(51,292)
Total net assets	**(2,379)**	944,719
Aggregate share capital and reserves	**1**	1

Administrative expenses includes auditor's remuneration of £8,236 (2019: £8,052).

3.3 US subsidiary - International Friends of Elton John AIDS Foundation UK

The wholly-owned US charitable subsidiary, International Friends of Elton John AIDS Foundation UK (FIN 81-2096910), which was incorporated in the US, paid all its distributable profits to the Foundation through grant payments. The subsidiary was incorporated in March 2016 and dissolved in December 2020. A summary of the results is shown below:

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Donations and legacies	3,899	233,942	**237,841**	292,117
Trading income	200		**200**	1,917,272
Cost of sales	(172)	-	**(172)**	(1,300,017)
Administrative expenses	(63,130)	(11,171)	**(74,301)**	59,686
Interest receivable	-	-	**-**	1,739
Net profit	(59,203)	222,771	**163,568**	904,796
Amounts gifted to the Foundation	-	(222,771)	**(222,771)**	(914,692)
Net expenditure	(59,203)		**(59,203)**	(9,896)
Reserves brought forward	59,203	-	**59,203**	69,099
Reserves carried forward	-		**-**	59,203
The assets and liabilities of the subsidiary were				
Current assets	-	-	**-**	69,907
Creditors: amounts falling due within one year	-	-	**-**	(10,704)
Total net assets	-		**-**	59,203
Aggregate share capital and reserves	(59,203)	-	**(59,203)**	59,203

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

3.4 UK subsidiary - EJAF Social Impact (1) CIC

Elton John AIDS Foundation exerts significant control over EJAF Social Impact (1) CIC which was incorporated on 13 November 2017 as a private company limited by guarantee. A summary of results is shown below:

	Total 2020 £	Total 2019 £
Donations and legacies	**154,351**	78,828
Trading income	**1,384,000**	660,000
Expenditure on services	**(837,084)**	(370,759)
Administrative expenses	**(264,403)**	(170,441)
Corporation tax	**(83,004)**	(9,041)
Net profit	**353,860**	188,596
Reserves brought forward	**38,541**	(150,055)
Reserves carried forward	**392,401**	38,541
The assets and liabilities of the subsidiary were:		
Current assets	**739,067**	1,014,797
Creditors: amounts falling due within one year	**(346,666)**	(176,196)
Creditors: amounts falling due after one year	**-**	(800,000)
Total assets	**392,401**	38,541
Aggregate share capital and reserves	**392,401**	38,541

3.5 US subsidiary - Elton John AIDS Foundation Inc

The wholly-owned US charitable subsidiary, Elton John AIDS Foundation Inc (EIN 55-2033460), which is incorporated in the US, was acquired by the Foundation on 14 December 2020. A summary of the results of the activity from 15 to 31 December is shown below:

	Unrestricted funds £	Restricted funds £	Total 2020 £
Donations	47,347	37,056	**84,403**
Grant income	-	111,168	**111,168**
Trading income	2,223	-	**2,223**
Cost of raising funds	(33,659)	-	**(33,659)**
Expenditure on charitable funds	(290,974)	(195,191)	**(486,165)**
Unrealised gain on investments	(2,179)		**(2,179)**
Interest receivable	37,365	-	**37,365**
Net expenditure	(239,687)	(46,957)	**(286,644)**
Donated assets	8,096,219	314,375	**8,410,594**
Reserves carried forward	7,856,332	267,418	**8,123,750**
The assets and liabilities of the subsidiary at 31 December 2020 were:			
Fixed assets	1,370,881	-	**1,370,881**
Current assets	7,327,486	2,724,375	**10,051,861**
Creditors: amounts falling due within one year	(800,514)	(2,456,957)	**(3,257,471)**
Creditors: amounts falling after one year	(41,521)	-	**(41,521)**
Total net assets	7,856,332	267,418	**8,123,750**
Aggregate share capital and reserves	7,856,332	267,418	**8,123,750**

Donated assets were transferred to Elton John AIDS Foundation at fair value which is equal to their net book value.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

4. Investment income

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Interest on cash deposits	9,450	49,095	**58,545**	49,503
Interest on other investments	51,649		**51,649**	494,917
Gain on sale of investments	-	-	**-**	119,861
	61,099	49,095	**110,194**	664,281

5. Cost of raising funds

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Trading direct costs	27,300	-	**27,300**	1,583,934
Fundraising costs				
Intangible income expense	391,504	-	**391,504**	307,400
Investment management charge	5,971	-	**5,971**	26,197
Other	191,226	-	**191,226**	186,300
Fees yet earned forward	153,252	37	**153,289**	121,409
Current assets	769,253	37	**769,290**	2,225,240

Intangible income expense relates to donated auction items from fundraising events.

6. Expenditure on charitable activities

	EECA fund £	Young People fund £	LGBT fund £	COVID-19 fund £	USA fund £	PWUD fund £	Robert Key fund £	Total 2020 £	Total 2019 £
Grants committed (note 6.1)	5,923,753	1,783,828	1,818,288	535,653	185,280	938,306	12,500	**11,192,665**	3,460,087
Exchange losses and other tributions	519,603	155,468	159,033	46,965	18,250	82,309	1,096	**981,766**	641,244
Other grants costs	860,116	259,007	263,236	77,775	25,902	136,219	1,815	**1,625,151**	1,117,509
Staff costs	8,672	2,611	2,654	784	271	1,371	18	**16,384**	61,853
Advocacy	17,869	5,381	5,470	1,616	559	2,831	38	**33,764**	5,565
Governance (see note 6.2)	146,372	44,077	44,800	13,236	4,578	23,190	309	**276,564**	129,270
General support (see note 6.3)	18,197	5,670	5,662	1,673	579	2,930	39	**34,950**	93,944
	7,494,582	2,256,937	2,294,219	677,726	234,421	1,187,245	15,815	**14,161,244**	10,535,408

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

6.1 Grants committed to institutions

	Total 2020 £	Total 2019 £
Brand Kenya	**620,731**	3,920,731
ACCEPT	**373,848**	
APEM	**427,830**	-
ECOM	**647,538**	
Education Harm Reduction Association	**539,077**	-
EVA Association	**469,531**	
ICAP	**2,039,085**	-
Regional Public Fund New Life	**470,030**	-
NGO Humanitarian project	**413,525**	-
Source of Hope	**407,131**	-
Republic of Congo	**751,392**	-
Kwazulu Natal	**325,000**	-
Provincial AIDS Mozambique	**1,049,927**	-
Covid19 emergency grants	**675,577**	-
Antelopes	**207,000**	-
Johns Hopkins University	**738,522**	-
Population Services International	-	2,170,072
MPact UK – Global Fund to MSM	-	247,608
Lambeth Borough Council	**879,000**	416,536
Inland HIV/AIDS Alliance	-	400,452
Substance Abuse Against Humanitarian	-	234,751
Alliance for Public Health	-	207,267
International Peer Review Consortium	-	120,000
National AIDS Trust	-	70,000
Other institutions	**157,921**	239,625
	11,192,865	8,466,087

6.2 Analysis of governance and support costs

	Governance £	General support £	Basis of apportionment
Audit fees	**7,133**	-	Governance
Staff costs	**53,537**	-	Allocated on time
Legal and other professional fees	**193,241**	**27,534**	Invoice specific
Depreciation	**241**	-	Use of asset
Trustees insurance	**5,237**	-	Governance
General office	**17,175**	**7,416**	Office running expenses
	276,564	**34,950**	

7. Trustees

During the year £6,820 of travel and accommodation cost that was incurred in previous years was reimbursed to one trustee in relation to their duties (2019: £nil).

During the year the Foundation paid £1,491 (2019: £3,413) for trustees indemnity insurance to indemnify the trustees and other officers against the consequences of any neglect or default on their part.

8. Employment costs

	Total 2020 £	Total 2019 £
Wages and salaries	**747,093**	611,378
Social security costs	**88,337**	85,914
Other pension costs	**46,097**	21,973
Other employment costs	**12,000**	5,362
	893,527	597,628

The Foundation has recharged £129,038 of salaries to Elton John AIDS Foundation Inc prior to the acquisition of this entity relating to the management of the entity.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

The number of employees whose annual emoluments were £60,000 or more were

	Number 2020	Number 2019
General management function		
£60,001 - £70,000	1	2
£90,001 - £100,000	2	-
£120,001 - £130,000	-	1
£140,001 - £149,999	1	-
£250,001 - £259,999	-	1
	4	4

The Foundation paid contributions totalling £44,638 (2019: £39,764) to defined contribution pension schemes on behalf of employees whose emoluments exceeded £60,000.

The average monthly number of employees during the year was:	Number 2020	Number 2019
Grants management	5	4
General management	7	7
Total employees	12	11

9. Net expenditure for the year

This is stated after charging:	2020 £	2019 £
Depreciation - owned assets	12,733	5,038
Auditor's remuneration	21,095	18,600
Realised and unrealised foreign exchange	1,061,413	602,496

10. Taxation

	Group 2020 £	Group 2019 £	Foundation 2020 £	Foundation 2019 £
UK Corporation Tax on profits for the year	83,004	9,041	-	-
Reconciliation of Tax Charge				
Profit before taxation on subsidiaries subject to taxation	436,864	1,154,881	-	-
Profit before tax multiplied by average rate of corporation tax of 19% (2019: 19%)	83,004	219,427	-	-
Effect of:			-	-
Gift Aid donation made	-	(181,876)	-	-
Losses brought forward	-	(28,510)	-	
Taxation	83,004	9,041	-	-

11. Tangible fixed assets - group and Foundation

	Furniture, software and equipment £	Foundation total £	Subsidiaries Furniture, software and equipment £	Group Total £
Cost				
At 1 January 2020	42,803	42,803	23,035	65,838
Additions	86,733	86,733	4,601	91,334
Donated assets	-	-	89,827	89,827
At 31 December 2020	129,536	129,536	117,463	246,999
Depreciation				
At 1 January 2020	32,483	32,483	21,614	54,097
Charge for the year	7,128	7,128	5,605	12,733
At 31 December 2020	39,611	39,611	27,219	66,830
Net book value				
At 31 December 2020	89,925	89,925	90,244	180,169
At 31 December 2019	10,320	10,320	1,421	11,741

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

12. Investments

	Group 2020 £	Group 2019 £	Foundation 2020 £	Foundation 2019 £
Market Value at 1 January 2020	-	8,720,611	-	8,720,611
Additions to investments at cost	**4,808,423**	1,626,868	**4,808,423**	1,626,868
Disposal of investments at cost	**1,324,120**	-	-	-
Disposal of investments at cost	-	(10,743,895)	-	(10,743,895)
Foreign exchange loss on revaluation	**(41,304)**	-	-	-
Net gain on revaluation	**32,869**	390,428	**35,048**	390,428
Market Value at 31 December 2020	**6,124,108**	-	**4,843,471**	-
Gain on sale of investments	-	494,417	-	494,417

Of the 2020 group and Foundation total, £6,124,108 relates to fixed asset investments (2019: £nil).

13. Debtors

	Group 2020 £	Group 2019 £	Foundation 2020 £	Foundation 2019 £
Trade debtors	**2,379,328**	1,057,129	**1,888,257**	1,054,741
Other debtors	**7,565**	56	-	56
Amounts owed by group undertakings	-	-	**315,647**	100,000
Prepayments and accrued income	**283,237**	901,611	**116,864**	480,395
	2,670,130	1,958,796	**2,320,768**	1,635,192

Included in the trade debtors above is £430,524 (2019: £nil) which relates to debtors over one year.

14. Creditors: amounts falling due within one year

	Group 2020 £	Group 2019 £	Foundation 2020 £	Foundation 2019 £
Trade creditors	**156,125**	214,365	**84,027**	124,780
Grant commitments	**10,734,479**	6,562,672	**7,574,224**	6,562,672
Amounts owed to group undertakings	-	-	-	669,563
Corporation tax	**83,004**	9,011	-	-
Accruals and deferred income	**3,826,052**	706,957	**1,660,723**	567,421
	14,799,660	7,493,035	**9,318,974**	7,944,456

15. Creditors: amounts falling due after more than one year

	Group 2020 £	Group 2019 £	Foundation 2020 £	Foundation 2019 £
Grant commitments	**3,395,132**	1,343,775	**3,360,697**	1,343,775
Accruals and deferred income	**7,086**	-	-	-
Loans	-	700,000	-	-
	3,402,218	2,043,775	**3,360,697**	1,343,775

16. Analysis of group net assets between funds

	Unrestricted fund £	Designated fund £	Restricted fund £	Total 2020 £
Fixed assets	6,304,277	-	-	**6,304,277**
Current assets	12,997,572	583,122	17,164,966	**30,745,660**
Creditors: amounts falling due within one year	(5,958,041)	(3,121)	(8,838,498)	**(14,799,660)**
Creditors: amounts falling due after more than one year	(837,672)	-	(2,564,546)	**(3,402,218)**
	12,506,105	580,001	5,761,953	**18,848,059**

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

17. Designated funds

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

	Balance at 1 January 2020 £	Income received £	Utilised £	Fund transfers £	Balance at 31 December 2020 £
The Robert Key Memorial Grant	**200,000**	-	(12,540)	12,540	**200,000**
EECA KP Fund	**400,000**	-	(19,999)	-	**380,001**
	600,000	-	(32,539)	12,540	**580,001**

The Robert Key Memorial Grant

Robert Key MBE co-founded the Elton John AIDS Foundation with Sir Elton John in 1993. He was instrumental in its development and growth as both Executive Director and trustee until his death in October 2009. In his memory, the trustees of the Foundation established a new fund to honour Robert's passion and dedication to advancing the rights and needs of those most marginalised by the AIDS epidemic. The fund is used to support programmes that provide a direct and tangible benefit to those living with HIV/AIDS from marginalised communities and/or facing exceptionally difficult circumstances.

EECA KP Fund

The purpose of the EECA KP Fund is set out in Note 18.

18. Restricted funds

The income funds of the Foundation include restricted funds comprising the following balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2020 £	Income received £	Utilised £	Fund transfers £	Balance at 31 December 2020 £
Atlanta	-	299,729	(189,831)	-	**109,898**
Mylan	**47,401**	-		-	**47,401**
EECA KP Fund	-	19,999	(19,999)	-	-
Zachary St. Leigh Fund	**14,822**	5,934	(20,222)	-	**534**
Young People strategy	-	347,571	(14,904)	-	**332,667**
Childcare Investment Fund	**13,570**	-	(13,570)		-
AIDSfree	-	624,972	(624,972)		-
RADIAN	**6,088,183**	5,443,410	(6,469,956)	-	**5,061,637**
HCID Challenge Fund	-		949,560	(949,560)	-
Woodstock Gallery Dinner 2017	**355,800**	-	(355,800)	-	-
Drukker Lotte	-	1,650,000	(1,487,807)	-	**162,193**
Covid19 Emergency Fund	-	420,775	(373,152)	-	**47,623**
	6,519,776	8,712,396	(8,520,659)	(949,560)	**5,761,953**

Atlanta

In Atlanta, 16% of people living with HIV are unaware of their status and 47% have not received adequate treatment to reach viral suppression. Racial disparities are pronounced across the U.S. South, where 33% of black gay men and 44% of black transgender women live with HIV. In an effort to address health disparities and improve long-term health outcomes, we are developing a robust suite of interventions through our Breakthrough programme in Atlanta to reach people where they are and bring them into HIV testing and treatment. This will mean drawing from a deep understanding of local need and developing evidence-based and outcomes-based interventions that meet gaps in current service provision, while also developing persuasive evidence to advocate for future public service provision.

Mylan

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

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for the year ended 31 December 2020

EECA KP Fund

In response to the pressing need for action for KP populations in Eastern Europe and Central Asia, EuAF has formed the EECA KP Fund to which Gilead Life Sciences has contributed £1 million and the Dutch Government €1 million. The EECA KP Fund seeks to improve access to HIV and Co-infection prevention, care and treatment information and services for KP populations in Eastern Europe and Central Asia. The Fund supports innovative evidence-based efforts to bring the region closer to epidemic control. It aims to empower communities delivering and advocating for better, stigma-free HIV services, and collect best practices to demonstrate how creative evidence-based programming in Eastern Europe and Central Asia can bring the region closer to epidemic control.

Children's Investment Fund

Funds from the Children's Investment Fund have been used to support the AIDSfree programme in Mozambique.

Zachary & Elijah Fund

The Zachary & Elijah Fund was established in 2006 to provide a dedicated source of funding for the Foundation in tackling HIV/AIDS issues connected with young people under the age of 18. The Zachary & Elijah Fund is designed primarily to help young people and babies who have tested HIV positive. However, it will also provide support to young people whose family and community have been impacted by HIV/AIDS. There is no geographic constraint on where the fund can be applied.

Young People strategy

Funds raised specifically for Young People will be used to promote pioneering solutions which cultivate better ways of reaching young people where they are, on a local basis or through using evolving digital platforms. These platforms can be utilised to provide young people with information on topics they care most about, including sex, sexuality, mental health, gender rights, and HIV in an accurate, readable and sensitive fashion. Through this new strategy, we will work to amplify the voices of young people to ensure they play central roles in influencing the conversation around their sexual and reproductive health at all levels of care. The foundation will also look to pilot new ways of reaching HIV prevention services to young people in the community in do-it-yourself and de-stigmatised ways that present young people with choices that fit into their lifestyles.

AIDSfree

Our AIDSfree campaign, in partnership with the Elton John Foundation, has been highlighting powerful and intimate stories of people living with HIV. Through this campaign, we have partnered with the Foreign Commonwealth and Development Office to support one of our programmes in Mozambique. We awarded a joint in-kind grant with our partners to tackle the HIV epidemic amongst young people in Mozambique. The 3 year project in Maputo City is designed to benefit adolescents at highest risk of HIV infection by enabling access to comprehensive services throughout the HIV prevention and treatment cascades. The model engages a cadre of HIV positive 18-24 year olds to support other young people living with HIV to navigate their treatment journey and help ensure they stay in care. Through the project, over 10,000 young people will be reached with HIV services.

RADIAN

In December 2019, the Foundation launched a new fund, for Eastern Europe and Central Asia (EECA), 'RADIAN' in partnership with Gilead Sciences. RADIAN aims, to continue and expand the EECA KP Fund's vital work to tackle the HIV epidemic in the region, and further protect and challenge the barriers which prevent access, especially from accessing HIV prevention and treatment services. RADIAN is a natural evolution of the EECA Key Populations fund, which has given the Foundation a greater understanding of the urgent needs in EECA and the necessary experience to respond even more effectively moving forward. RADIAN will further maximise on the relationships, trust, support, and knowledge the Foundation has gained from implementing the EECA KP Fund. A $23m programme, RADIAN will seek to include and go beyond service delivery work to add to increasingly sustainable progress towards zero new infections, zero AIDS deaths, and zero stigma and discrimination in EECA.

HCD Challenge Fund

Recognising the need for innovative solutions for HIV testing in Kenya, Elton John AIDS Foundation and a comprehensive group of partners pooled resources to create a sustainable market for HIV Self Testing with a focus on at risk men. HCD Challenge Fund is being implemented by Population Services International (PSI) Kenya. The demand for self-testing is being driven by the Chukua Selfie campaign in Kenya, whilst PSI Kenya are managing the provision of HIV Self Tests and associated services.

Woodside Gallery Dinner 2017

Donations from this event have been used to support the development of Centre for Adolescent Health in KwaZulu-Natal Children's Hospital in South Africa. This will be the first dedicated public sector centre in South Africa that is effectively a "one stop shop" service provider geared to be responsive to the unique medical and psycho-social needs of adolescents, including those affected by or exposed to HIV.

Chukua Selfie

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

Covid19 Emergency Fund

In April 2020, the Foundation moved swiftly to launch an COVID-19 Emergency Fund specifically to support people living with or at-risk of HIV from marginalized communities. Through the first wave of funding, the Foundation made 45 grants to support current and previous grantees in Africa, Asia, Eastern Europe and Central Asia, the UK and the US. Grants were made to organisations to implement solutions that aimed to mitigate the threat of COVID-19 on maintaining current levels of access or increasing access to HIV testing, prevention, testing, care and treatment adherence services. In August 2020, the Foundation launched a second stream of COVID-19 funding in Partnership with Frontline AIDS to provide further emergency support. This stream leveraged the strengths of the Frontline AIDS and the Foundation to ensure funding reached even more of those in the greatest need – including the LGBTI community, Sex Workers, people living with HIV and people who use drugs. In total, over 100 grants have been distributed through both COVID-19 Emergency Funding rounds in 30 countries.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

19. Gross Transfer between funds

The Trustees agreed to transfer a nominated fund of £200,000 per year to the Robert Kay Memorial Fund, which was set up in 2008. The total of grants disbursed and costs from this fund of £12,543 (2019: £40,000) is therefore shown as a reserves transfer.

20. Reconciliation of net movement in funds to net cash inflow

	2020 £	2019 £
Net movement in funds	4,102,230	3,062,901
Interest	12,733	5,032
[illegible]	(118,134)	2,094,715
[illegible]	4,786,542	(3,026,609)
Depreciation charge	257	19,965
Purchase of fixed assets	-	(10,359)
Gain on consolidation at date of the AIDS Foundation Inc	(8,410,594)	-
[illegible] loss on investments	(32,869)	-
Foreign exchange gain	41,314	67,514
[illegible]	1,380	
Investment income	(110,195)	(604,281)
Net cash inflow from operating activities	272,664	618,964

21. Reconciliation of group net cash flow to movement in net funds

	2020 £	2019 £
Increase in cash	5,763,465	10,236,349
Net funds at 1 January 2020	22,302,198	12,065,855
Net funds at 31 December 20	28,065,663	22,302,198

22. Analysis of net funds for the group

	2019 £	Cash flow £	2020 £
Cash at bank and in hand	22,302,198	5,763,465	28,065,663

23. Pension costs

Defined contribution

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

	2020 £	2019 £
Contributions payable by the Foundation for the year	46,097	41,973

24. Revaluation reserve

The Unrestricted Reserves include realised and unrealised gains on investments which are recognised in a revaluation reserve.

25. Financial instruments at amortised cost

	2020 £	2019 £
Financial assets measured at fair value through profit and loss	15,946,000	16,777,963
Financial liabilities measured at amortised cost	(18,201,878)	(9,558,816)

26. Related Parties

Aggregate donations received during the year from trustees and parties connected to the trustees given without conditions placed on the Foundation were £8,220 (2019: Nil). During the year, Elton John Aids Foundation UK took control of Elton John AIDS Foundation Inc which has common trustees.