

FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT

THE IRONMAN FOUNDATION, INC.

December 31, 2021

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INDEPENDENT AUDITORS' REPORT

Board of Directors
The IRONMAN Foundation, Inc.

Opinion

We have audited the accompanying financial statements of The IRONMAN Foundation, Inc. (a nonprofit organization) (the Organization), which comprise the statement of financial position as of December 31, 2021, and the related statement of activities, functional expenses, and cash flows, for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2021, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists.

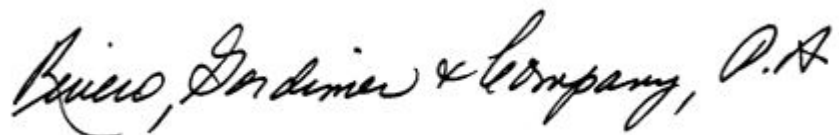
The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements. In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Report on Summarized Comparative Information

We have previously audited the IRONMAN Foundation, Inc.'s 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated August 9, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2020 is consistent, in all material respects, with the audited financial statements from which it has been derived.



Tampa, Florida
June 14, 2022

The IRONMAN Foundation, Inc.

STATEMENT OF FINANCIAL POSITION

December 31, 2021
(With comparative total for 2020)

| | 2021 | 2020 |
|---|---------------------|---------------------|
| ASSETS | | |
| Cash and cash equivalents | \$ 1,036,122 | \$ 729,722 |
| Investments | 7,945,045 | 7,107,632 |
| Accounts receivable | 41,670 | 18,353 |
| Due from World Triathlon Corporation | 438,063 | 474,698 |
| Total current assets | 9,460,900 | 8,330,405 |
| Software and equipment, net of accumulated depreciation | 2,148 | 15,039 |
| TOTAL ASSETS | \$ 9,463,048 | \$ 8,345,444 |
| LIABILITIES AND NET ASSETS | | |
| CURRENT LIABILITIES | | |
| Accounts payable | \$ 38,580 | \$ 49,423 |
| Accrued liabilities | 16,000 | 16,000 |
| Custodial funds | 62,465 | 101,851 |
| Total liabilities | 117,045 | 167,274 |
| NET ASSETS | | |
| With donor restriction | - | - |
| Without donor restriction | 9,346,003 | 8,178,170 |
| | 9,346,003 | 8,178,170 |
| TOTAL LIABILITIES AND NET ASSETS | \$ 9,463,048 | \$ 8,345,444 |

The accompanying notes are an integral part of this statement.

The IRONMAN Foundation, Inc.

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

For the year ended December 31, 2021
(With comparative total for 2020)

| | Without Donor Restriction | With Donor Restriction | Total 2021 | Total 2020 |
|--------------------------------------|------------------------------|---------------------------|---------------------|---------------------|
| REVENUE AND SUPPORT | | | | |
| Contributions | | | | |
| Community fund entry donations | \$ 703,524 | \$ - | \$ 703,524 | \$ 845,665 |
| Team IMF Fundraising | 984,800 | - | 984,800 | 596,178 |
| General contributions | 883,113 | - | 883,113 | 583,823 |
| Charitable auctions and drawings | - | - | - | 45,030 |
| Women for Tri | - | - | - | 388 |
| Other revenue | - | - | - | - |
| Investment income, net | <u>1,478,989</u> | <u>-</u> | <u>1,478,989</u> | <u>75,975</u> |
| Total revenue and support | <u>4,050,426</u> | <u>-</u> | <u>4,050,426</u> | <u>2,147,059</u> |
| Net assets released from restriction | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| EXPENSES | | | | |
| Program services | <u>2,150,957</u> | <u>-</u> | <u>2,150,957</u> | <u>1,072,136</u> |
| Supporting services | | | | |
| Management and general | 276,014 | - | 276,014 | 272,127 |
| Fundraising | <u>455,622</u> | <u>-</u> | <u>455,622</u> | <u>272,328</u> |
| Total supporting services | <u>731,636</u> | <u>-</u> | <u>731,636</u> | <u>544,455</u> |
| Total expenses | <u>2,882,593</u> | <u>-</u> | <u>2,882,593</u> | <u>1,616,591</u> |
| CHANGE IN NET ASSETS | 1,167,833 | - | 1,167,833 | 530,468 |
| Net assets at beginning of year | <u>8,178,170</u> | <u>-</u> | <u>8,178,170</u> | <u>7,647,702</u> |
| Net assets at end of year | <u>\$ 9,346,003</u> | <u>\$ -</u> | <u>\$ 9,346,003</u> | <u>\$ 8,178,170</u> |

The accompanying notes are an integral part of this statement.

The IRONMAN Foundation, Inc.

STATEMENT OF CASH FLOWS

For the year ended December 31, 2021

| | |
|--|---------------------|
| Cash flows from operating activities | |
| Change in net assets | <u>\$ 1,167,833</u> |
| Adjustments to reconcile change in net assets to net cash provided by operating activities | |
| Amortization and depreciation | 12,891 |
| Unrealized gain on investment | (1,165,198) |
| Increase in receivables | (23,317) |
| Decrease in due from World Triathlon Corporation | 36,635 |
| Decrease in accounts payable | (10,843) |
| Decrease in custodial funds | <u>(39,386)</u> |
| Total adjustments | <u>(1,189,218)</u> |
| Net cash used by operating activities | <u>(21,385)</u> |
| Cash flows from investing activities | |
| Proceeds from sales of securities, net | <u>327,785</u> |
| Net cash provided by investing activities | <u>327,785</u> |
| Net increase in cash and cash equivalents | 306,400 |
| Cash and cash equivalents at beginning of year | <u>729,722</u> |
| Cash and cash equivalents at end of year | <u>\$ 1,036,122</u> |
| Supplemental disclosures of cash flow information | |
| Cash paid during the year | |
| Interest | <u>\$ -</u> |
| Income taxes | <u>\$ -</u> |

The accompanying notes are an integral part of this statement.

The IRONMAN Foundation, Inc.

STATEMENT OF FUNCTIONAL EXPENSES

For the year ended December 31, 2021
(With comparative total for 2020)

| | Program Services | Management and General | Fundraising | Total | |
|-----------------------------------|---------------------|---------------------------|-------------------|---------------------|---------------------|
| | | | | 2021 | 2020 |
| Grants | \$ 1,330,486 | \$ - | \$ - | \$ 1,330,486 | \$ 643,672 |
| Personnel | 173,737 | 94,212 | 243,578 | 511,527 | 353,679 |
| Professional fees | - | 68,779 | - | 68,779 | 41,563 |
| Marketing, advertising, promotion | 51,209 | 76,004 | 20,000 | 147,213 | 212,137 |
| Office expenses | 31,075 | - | 5,171 | 36,246 | 19,854 |
| Occupancy | 12,409 | 6,729 | 17,397 | 36,535 | 29,570 |
| Travel | 28,984 | 16,102 | 19,323 | 64,409 | 17,497 |
| Event expenses | 521,760 | - | 45,856 | 567,616 | 210,975 |
| Merchant processing fees | - | - | 94,367 | 94,367 | 60,300 |
| Depreciation | - | 12,891 | - | 12,891 | 12,889 |
| Other | 1,297 | 1,297 | 9,930 | 12,524 | 14,455 |
| | <u>\$ 2,150,957</u> | <u>\$ 276,014</u> | <u>\$ 455,622</u> | <u>\$ 2,882,593</u> | <u>\$ 1,616,591</u> |
| Total expenses | | | | | |

The accompanying notes are an integral part of this statement.

The IRONMAN Foundation, Inc.

NOTES TO FINANCIAL STATEMENTS

December 31, 2021

NOTE A - DESCRIPTION OF THE BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A description of the business and a summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follow:

1. Description of the Organization

The IRONMAN Foundation, Inc. (the "Foundation") is a nonprofit organization, incorporated in the State of Florida on February 17, 2003. The Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Foundation's mission is to leave the IRONMAN's legacy through philanthropy, volunteerism and grant making; by supporting various athletic, community, education, health, human services and public benefit non-profit organizations around the world. The Foundation's primary sources of revenue are from entry donations paid by participants in IRONMAN events, private contributions and corporate contributions. The World Triathlon Corporation (WTC) sponsors IRONMAN events, such as triathlons in countries around the world.

2. Basis of Accounting

The Foundation follows the provisions of the Financial Accounting Standards Board Accounting Standards Codification ("FASB ASC") and the standards of financial reporting for not-for-profit organizations as described in the American Institute of Certified Public Accountants' *Industry Guide for Not-for-Profit Organizations*. Accordingly, the financial statements are prepared on an accrual basis of accounting. The financial statements of the Foundation are the representation of management and include estimates of amounts and judgments it believes are reasonable under the circumstances.

FASB ASC 958-205 establishes standards for general purpose external financial statements of not-for-profit organizations and requires a statement of financial position, a statement of activities and changes in net assets, and a statement of cash flows.

FASB ASC 958-605 requires the Foundation to distinguish between contributions that increase net assets without donor restriction and net assets with donor restriction. It also requires recognition of contributed services meeting certain criteria at fair value. These financial statements have been prepared to focus on the Foundation as a whole and to present balances and transactions according to the existence or absence of donor-imposed restriction. Accordingly, net assets of the Foundation and changes therein are classified and reported as follows:

- With Donor Restriction - Net assets with donor restriction are net assets subject to donor-imposed stipulations that may be fulfilled by actions of the Foundation to meet the stipulations, that may become undesignated by the passage of time, or that require net assets to be permanently maintained, thereby restricting the use of principal.

The IRONMAN Foundation, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2021

NOTE A - DESCRIPTION OF THE BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

- Without Donor Restriction - Net assets without donor restriction are net assets not subject to donor-imposed restriction or the donor-imposed restriction have expired. These net assets are available for use at the discretion of the Board of Directors (the Board) and/or management for general operating purposes.

3. Contributions

All contributions are considered to be available for use unless specifically restricted by the donor. All amounts received that are donor restricted for future periods or donor restricted for specific purposes are reported as net assets with donor restriction. The net assets with donor restriction are reclassified to net assets without donor restriction and are reported in the statement of activities as net assets released from restriction when the donor stipulated time restriction ends, or the purpose restriction is accomplished by the Foundation. All gifts granted to the Foundation are recorded at fair value at the time of receipt.

If contributions are conditioned upon a future event, such as incurring qualified costs, those contributions are recognized when the conditions are substantially met. If the donor or grantor makes payment prior to the conditions being substantially met, the Foundation recognizes a refundable grant advance.

The Foundation's contributions come from many sources including the following:

a. Community Fund Entry Donations

Community fund entry donations include entry fees paid by participants in IRONMAN events. Participants purchase a premium entry into an IRONMAN event of their choosing. A percentage of the total cost is retained by World Triathlon Corporation for the selected event as a standard registration cost, while the remaining portion is a tax-deductible contribution for the purchaser. The tax-deductible portion is directed to the Foundation as unrestricted revenue.

b. Team IMF Fundraising

The Foundation offers the opportunity to race an IRONMAN event to participants who agree to fundraise a pre-determined amount to benefit the Foundation. The IRONMAN event race registration fee is paid by the Foundation. Participants of this program maintain personal peer-to-peer fundraising pages hosted by the Foundation.

The IRONMAN Foundation, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2021

NOTE A - DESCRIPTION OF THE BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

c. Charitable Auctions and Drawings

The Foundation conducts annual online auctions through a charitable giving platform for an opportunity to participate in the IRONMAN World Championship Event with 100% of the proceeds directed back to the Foundation as unrestricted revenue. In March 2021, the Foundation conducted a drawing for 10 entries into the 2021 IRONMAN World Championship Event with 100% of the proceeds directed back to the Foundation as unrestricted revenue. These transactions do not meet the definition of gaming activities under Section 849.0935 of the Florida Statutes.

d. Women For Tri

Women For Tri, a program adopted by The IRONMAN Foundation in 2020 works to increase female participation at all levels of triathlon. The Foundation offers the opportunity to race the IRONMAN World Championship Event to participants who agree to fundraise a pre-determined amount to benefit the Women For Tri program of the Foundation. Participants of this program maintain personal peer-to-peer fundraising pages hosted by the Foundation. Additional revenue sources added in 2021 include a portion of the proceeds from designated race slots at IRONMAN 70.3 World Championships that was received from World Triathlon Corporation. Women For Tri also has an apparel line managed by the World Triathlon Corporation merchandise team. The net proceeds are distributed to the Foundation to support the program.

4. Concentrations of Credit Risk

Financial instruments that potentially subject the Foundation to concentrations of credit risk consist principally of cash and money market accounts. The Foundations cash and cash equivalents may exceed, on occasion, amounts in excess of the Federal Deposit Insurance Corporation (FDIC) insured amount.

5. Use of Estimates

The preparation of these financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and operating expenses and to disclose contingent assets and liabilities at the date of the financial statements. Actual results could differ from these estimates.

6. Cash and Cash Equivalents

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

The IRONMAN Foundation, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2021

NOTE A - DESCRIPTION OF THE BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

7. Investments

The Foundation's investments are stated at fair value in the statement of financial position, with gains and losses included in the statement of activities. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See note C for discussion of fair value measurements.

Interest income is recognized under the accrual basis and dividend income is recognized on the ex-dividend date. Investments are exposed to various risks such as interest rate, market and credit risks. It is reasonably possible that changes in value of investments will occur in the near term and such changes could materially affect the amounts reported.

8. Accounts Receivable

Accounts receivable are recorded net of any estimated losses due to uncollectible accounts. An allowance for receivables is provided based on management's judgment including such factors as prior collection history and type of receivable. Management considers the receivables recorded at December 31, 2021 to be fully collectible.

9. Prepaid Expenses

Prepaid expenses relate to items which are expenses in future years that were paid in advance by the Foundation during the year ended December 31, 2021.

10. Software and Equipment

The Foundation's policy is to capitalize purchased equipment greater than \$2,500. Purchased software and equipment is stated at cost; donated assets are valued at their estimated fair value on the date donated. All assets are depreciated over estimated useful lives on a straight-line basis.

11. Grants Programs

The Foundation offers two grant programs. The Volunteerism Grant Program, which provides donations to organizations that have a volunteerism component to their organization. Grants typically range from \$100 to \$5,000. Each organization has the ability to apply for these grants through an application process. The second grant program is The Community Grant Program. This program offers larger donations to tax-exempt organizations in an effort to make an impact within the community of the respective tax-exempt organization. Tax-exempt organizations have the ability to apply for these grants through an application process. For both programs, grants less than \$10,000 are approved by the Foundation's executive director while grants above \$10,000 require approval by the Board of Directors.

The IRONMAN Foundation, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2021

NOTE A - DESCRIPTION OF THE BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

12. Functional Expenses

The statement of functional expenses presents expenses by function and natural classification. Expenses directly attributable to a specific functional area of the Foundation are reported as expenses of those functional areas. A portion of costs that benefit multiple functional areas are allocated on the basis of employee time and effort.

13. Reclassifications

Certain amounts from the December 31, 2020 financial statements have been reclassified to conform to the December 31, 2021 presentation.

NOTE B - LIQUIDITY AND AVAILABILITY OF RESOURCES

As a part of the Foundation's liquidity management, it invests cash in excess of daily requirements in short-term investments. At December 31, 2021 the Foundation had current assets of \$9,460,900. No time or purpose restrictions were noted and accordingly a total of \$9,460,900 is available to meet operational needs at December 31, 2021.

NOTE C - FAIR VALUE OF FINANCIAL INSTRUMENTS

Financial Accounting Standards Board, *Accounting Standards Codification 820-10* establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described below:

- Level 1 valuations, where the valuation is based on quoted market prices for identical assets or liabilities traded in active markets (which include exchanges and over-the-counter markets with sufficient volume),
- Level 2 valuations, where the valuation is based on quoted market prices for similar instruments traded in active markets, quoted prices for identical or similar instruments in markets that are not active and model-based valuation techniques for which all significant assumptions are observable in the market, and

The IRONMAN Foundation, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2021

NOTE C - FAIR VALUE OF FINANCIAL INSTRUMENTS - Continued

- Level 3 valuations, where the valuation is generated from model-based techniques that use significant assumptions not observable in the market, but observable based on company-specific data. These unobservable assumptions reflect the Foundation's own estimates for assumptions that market participants would use in pricing the asset or liability. Valuation techniques typically include option pricing models, discounted cash flow models and similar techniques, but may also include the use of market prices of assets or liabilities that are not directly comparable to the subject asset or liability.

The following table presents financial assets measured at their fair value on a recurring basis at December 31, 2021:

| | Fair Value | Level 1 Inputs | Level 2 Inputs | Level 3 Inputs |
|---------------------------|---------------------|---------------------|-------------------|-------------------|
| Cash alternatives | \$ 275,322 | \$ 275,322 | \$ - | \$ - |
| Emerging markets | 504,567 | 504,567 | - | - |
| Small cap equity funds | 2,313,500 | 2,313,500 | - | - |
| Large cap equity funds | 526,723 | 526,723 | - | - |
| International value funds | 516,421 | 516,421 | - | - |
| US bond funds | 248,076 | 248,076 | - | - |
| Government bond funds | 254,666 | 254,666 | - | - |
| Global bond funds | 490,816 | 490,816 | - | - |
| Equity securities | 2,814,954 | 2,814,954 | - | - |
| Total | <u>\$ 7,945,045</u> | <u>\$ 7,945,045</u> | <u>\$ -</u> | <u>\$ -</u> |

Investment income consists of the following for the year ended December 31, 2021:

| | |
|------------------------|---------------------|
| Dividends and interest | \$ 346,745 |
| Unrealized gain | 1,165,198 |
| Investment fees | <u>(32,954)</u> |
| | <u>\$ 1,478,989</u> |

NOTE D - DUE FROM WTC

The amount due from WTC represents the Foundation's portion of the community fund entry donations paid by participants in IRONMAN events owed at December 31, 2021 less any expenses owed to the WTC. The community fund entry donations are paid to the WTC and the WTC remits the Foundation program contribution portion monthly to the Foundation.

The IRONMAN Foundation, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2021

NOTE E - SOFTWARE AND EQUIPMENT

Software and equipment consisted of the following at December 31, 2021:

| | | |
|-------------------------------|----|-----------------|
| Equipment | \$ | 20,243 |
| Software | | 38,670 |
| | | <u>58,913</u> |
| Less accumulated depreciation | | <u>(56,765)</u> |
| | \$ | <u>2,148</u> |

NOTE F - CUSTODIAL FUNDS

The Foundation provides participants in IRONMAN events the opportunity to voluntarily fundraise unrestricted dollars for a tax-exempt organization of their choice. Participants who elect to fundraise have a fundraising campaign setup that is administered by the Foundation. Funds received are facilitated through a third-party provider via a fundraising platform. Funds are payable to the Foundation.

The Foundation follows the provisions of FASB ASC 958-605, *Transfer of Assets to a Not-for Profit Organization or Charitable Trust that Raises or Holds Contributions for Others*. FASB ASC 958-605 establishes standards for transactions in which a donor makes a contribution to the Foundation which accepts and agrees to use those assets for the benefit of the donor. FASB ASC 958-605 also establishes standards for transactions in which a donor makes a transfer to benefit a third-party charitable organization and does not explicitly grant the receipt variance power.

The custodial funds represent amounts remitted by individuals (donors) to the Foundation through the tax-exempt organization of their choice fundraising campaign. Amounts raised by participants are a liability to the Foundation until completion of the participant's fundraising campaign and the remittal of the funds specific to the selected tax-exempt organization. Proceeds from the fundraising campaign, less associated administrative processing fees are remitted to the participant's chosen tax-exempt organization.

NOTE G - INCOME TAXES

The Foundation has been recognized as exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and Chapter 220.13 of the Florida Statutes, respectively. Accordingly, no provision for income taxes has been presented in these financial statements. The Foundation has not reported any unrelated business income; however, such status is subject to final determination upon examination, if any, of the related income tax returns by the appropriate taxing authorities.

The Foundation is not aware of any tax positions it has taken that are subject to a significant degree of uncertainty. Tax years after 2018 remain subject to examination by federal and state taxing authorities.

The IRONMAN Foundation, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2021

NOTE H - RELATED PARTY TRANSACTIONS

In 2012, the Foundation entered into a one-year services and agency agreement with the WTC that includes an automatic renewal option for one year periods unless either party provides written notice to the other party of its intention not to renew within 30 days prior to the end of the applicable term.

The agreement requires that the WTC provide administrative, financial, governance, legal, marketing, and information technology services to the Foundation. These services include the leasing of WTC employees to the Foundation and the availability of third parties contracted by the WTC to provide services to the Foundation. The Foundation reimburses the WTC monthly for such services and for rental space occupied by the Foundation. In addition, the WTC collects Foundation community fund entry donations from event participants. The Foundation's community fund entry donations are remitted monthly by the WTC to the Foundation.

NOTE I - RISKS AND UNCERTAINTIES

In March 2020, the United States and global markets experienced significant volatility resulting from the uncertainty caused by the world-wide coronavirus (COVID-19). General economic uncertainties have arisen that may impact future cash flows and changes in net assets as a result of the pandemic. The related financial impact cannot be reasonably estimated at this time.

NOTE J - SUBSEQUENT EVENTS

The Foundation has evaluated events and transactions occurring subsequent to December 31, 2021 as of June 14, 2022 which is the date the financial statements were available to be issued.