

DSC FOUNDATION, INC.
FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020
AND
INDEPENDENT AUDITORS' REPORT

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Independent Auditors' Report

Board of Directors
DSC Foundation, Inc.

Opinion

We have audited the accompanying financial statements of DSC Foundation, Inc. (the "Foundation"), which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities and changes in net assets, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of DSC Foundation, Inc. as of December 31, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis of Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Foundation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 Foundation's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditors' Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

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

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

McCarthy, Rose & Mills, L.L.P.

Frisco, Texas
May 10, 2022

DSC FOUNDATION, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2021 AND 2020

	2021	2020
Assets		
Current assets:		
Cash and cash equivalents, unrestricted	\$ 472,096	\$ 320,604
Cash and cash equivalents, restricted	50,000	50,000
Pledges receivable, net	52,725	97,815
Other receivables	-	354
Inventory	11,700	3,489
Prepaid expenses	780	982
Total current assets	587,301	473,244
Property and equipment:		
Software and equipment	45,361	43,954
Less: accumulated depreciation	(18,036)	(8,023)
Property and equipment, net	27,325	35,931
Endowment fund:		
Cash and cash equivalents, restricted	190,685	36,778
Investments	201,273	324,834
Total endowment fund	391,958	361,612
Other assets:		
Long term portion of pledges receivable, net	119,101	193,620
Other assets	1,200	-
Total assets	\$ 1,126,885	\$ 1,064,407
Liabilities and Net Assets		
Current liabilities:		
Accounts payable	\$ 216,369	\$ 132,606
Grants payable	29,554	36,304
Accrued expenses	5,956	991
Total current liabilities	251,879	169,901
Net assets:		
Without donor restrictions	472,902	526,152
With donor restrictions	402,104	368,354
Total net assets	875,006	894,506
Total liabilities and net assets	\$ 1,126,885	\$ 1,064,407

See accompanying notes to financial statements

DSC FOUNDATION, INC.
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenues, gains, and other support:			
Contributions	\$ 276,303	\$ -	\$ 276,303
Fundraising	32,218	-	32,218
Gala	599,079	-	599,079
Chapter revenue	-	16,978	16,978
Investment return	-	30,346	30,346
Donor directed contributions	-	-	-
Other	403	5,904	6,307
Net assets released from restrictions	16,978	(16,978)	-
Total revenues, gains and other support	<u>924,981</u>	<u>36,250</u>	<u>961,231</u>
Expenses:			
Program services:			
Grants awarded	201,000	-	201,000
Fundraising - Gala	147,181	-	147,181
Contract services	13,737	-	13,737
Other program expenses	72,098	-	72,098
Total program expenses	<u>434,016</u>	<u>-</u>	<u>434,016</u>
Management and general:			
Contract services	320,429	-	320,429
Salaries and wages	158,492	-	158,492
Advertising	4,269	-	4,269
Website	6,647	-	6,647
Travel expenses	4,496	-	4,496
Office supplies	1,058	-	1,058
Software	10,661	-	10,661
Insurance	2,548	-	2,548
Telecommunications	3,862	-	3,862
Printing	9,025	-	9,025
Bank charges	641	-	641
Credit card fees	10,148	-	10,148
Depreciation expense	10,013	-	10,013
Postage and mailing	251	-	251
Rent	784	-	784
Miscellaneous expense	891	2,500	3,391
Total management and general	<u>544,215</u>	<u>2,500</u>	<u>546,715</u>
Total expenses	<u>978,231</u>	<u>2,500</u>	<u>980,731</u>
Change in net assets	(53,250)	33,750	(19,500)
Net assets at beginning of year	<u>526,152</u>	<u>368,354</u>	<u>894,506</u>
Net assets at end of year	<u>\$ 472,902</u>	<u>\$ 402,104</u>	<u>\$ 875,006</u>

See accompanying notes to financial statements

DSC FOUNDATION, INC.
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenues, gains, and other support:			
Contributions	\$ 807,298	\$ -	\$ 807,298
Fundraising	32,054	-	32,054
Chapter revenue	-	27,111	27,111
Investment return	-	54,952	54,952
Gain on extinguishment of debt	21,025	-	21,025
Other	-	1,741	1,741
Net assets released from restrictions	27,110	(27,110)	-
Total revenues, gains and other support	<u>887,487</u>	<u>56,694</u>	<u>944,181</u>
Expenses:			
Program services:			
Grants awarded	96,407	-	96,407
Contract services	33,517	-	33,517
Other program expenses	32,382	-	32,382
Total program expenses	<u>162,306</u>	<u>-</u>	<u>162,306</u>
Management and general:			
Contract services	380,179	-	380,179
Salaries and wages	182,376	-	182,376
Advertising	34,525	-	34,525
Website	5,258	-	5,258
Travel expenses	2,796	-	2,796
Office supplies	1,802	-	1,802
Software	16,579	-	16,579
Insurance	2,536	-	2,536
Telecommunications	2,917	-	2,917
Credit card fees	9,331	-	9,331
Printing	3,274	-	3,274
Bank charges	1,723	-	1,723
Depreciation expense	5,208	-	5,208
Postage and mailing	233	-	233
Miscellaneous expense	2,336	-	2,336
Total management and general	<u>651,073</u>	<u>-</u>	<u>651,073</u>
Fundraising - other	17,059	-	17,059
Total expenses	<u>830,438</u>	<u>-</u>	<u>830,438</u>
Change in net assets	57,049	56,694	113,743
Net assets at beginning of year	<u>469,103</u>	<u>311,660</u>	<u>780,763</u>
Net assets at end of year	<u>\$ 526,152</u>	<u>\$ 368,354</u>	<u>\$ 894,506</u>

See accompanying notes to financial statements

DSC FOUNDATION, INC.
STATEMENTS OF CASH FLOWS

	Year Ended December 31,	
	2021	2020
Operating Activities:		
Change in net assets	\$ (19,500)	\$ 113,743
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation	10,013	5,208
Net realized and unrealized gains on investments	(30,346)	(54,952)
Gain on debt extinguishment	-	(20,833)
Changes in operating assets and liabilities:		
Pledges receivable, net	45,090	(97,815)
Other receivables	354	7,396
Inventory	(8,211)	-
Prepaid expenses	202	(637)
Long term portion of pledges receivable, net	74,519	(193,620)
Other assets	(1,200)	-
Accounts payable	83,763	35,865
Grants payable	(6,750)	(464,556)
Accrued expenses	4,965	991
Net cash provided by (used in) operating activities	152,899	(669,210)
Investing Activities:		
Purchases of property and equipment	(1,407)	(35,306)
Proceeds from sale of investments	197,259	-
Purchases of investments	(43,352)	(269,882)
Net cash provided by (used in) investing activities	152,500	(305,188)
Financing Activities:		
Proceeds from paycheck protection program	-	20,833
Net cash provided by financing activities	-	20,833
Net increase (decrease) in cash and cash equivalents	305,399	(953,565)
Cash and cash equivalents at beginning of the year	407,382	1,360,947
Cash and cash equivalents at end of the year	\$ 712,781	\$ 407,382
Reconciliation of cash and cash equivalents, end of year		
Cash and cash equivalents, unrestricted	\$ 472,096	\$ 320,604
Cash and cash equivalents, restricted	240,685	86,778
Cash and cash equivalents, end of year	\$ 712,781	\$ 407,382

See accompanying notes to financial statements

DSC FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

Note 1 – Nature of Operations

On June 16, 2015, the Board of Dallas Safari Club approved the formation of the DSC Foundation, Inc. (the “Foundation”) as a supporting organization. The sole mission of the Foundation is to serve the mission and vision of Dallas Safari Club, which is to ensure the conservation of wildlife through public engagement, education and advocacy for well regulated hunting and sustainable use.

Note 2 - Summary of Significant Accounting Policies

Basis of presentation

The financial statements of the Foundation have been prepared in accordance with accounting principles generally accepted in the United States of America (“US GAAP”), which require the Foundation to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restriction: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Foundation. These net assets may be used at the discretion of the Foundation’s management and the board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Foundation or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Functional expenses

The costs of providing programs, management and general, and fundraising expenses have been summarized on a functional basis. Expenses that are readily identifiable to a single program service, general and administrative, or fundraising are charged directly to that function. However, when an expense is related to more than one function, it is allocated using the most reasonable methodology.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of management estimates. Accordingly, actual results could differ from those estimates.

Cash and cash equivalents

The Foundation considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents. The Foundation maintains deposits primarily in one financial institution, which may at times exceed amounts covered by the U.S. Federal Deposit Insurance Corporation (“FDIC”). The Foundation’s cash and cash equivalent accounts have been placed with high credit quality financial institutions. The Club has not experienced, nor does it anticipate, any losses with respect to such accounts.

The Board of Directors designates \$50,000 of unrestricted funds held in the Foundation’s operating bank account for emergency grant purposes.

DSC FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2021 AND 2020

Note 2 - Summary of Significant Accounting Policies (Continued)

Contributions and pledges receivable

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Discount amortization is included in contribution revenue. Contributions and pledges receivable as of December 31, 2021 and 2020 are as follows:

	<u>2021</u>	<u>2020</u>
Amounts due in:		
Less than one year	\$ 58,583	\$ 108,683
One to five years	132,334	215,134
More than five years	-	-
	<u>190,917</u>	<u>323,817</u>
Less: allowance for doubtful accounts	<u>(19,091)</u>	<u>(32,382)</u>
	<u>\$ 171,826</u>	<u>\$ 291,435</u>

The Foundation's contributions receivable consist of unconditional promises to give, all of which are expected to be collected within one year. The Foundation determines the allowance for uncollectable contributions receivable based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Contributions receivable are written off when deemed uncollectable. At December 31, 2021 and 2020, the Foundation recorded bad debt expense of \$57,608 and \$32,382, respectively, and the allowance was \$19,091 and \$32,382, respectively.

Other receivables

Other receivables are comprised of reimbursable travel-related expenses due from the Dallas Safari Club and are considered fully collectible at December 31, 2021 and 2020.

Inventory

The Foundation maintains inventory of promotional items. Inventories are carried at the lower of cost or net realizable value using the specific identification method. Obsolete inventory is identified and disposed of during the year.

DSC FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2021 AND 2020

Note 2 - Summary of Significant Accounting Policies (Continued)

Property and equipment

Property and equipment are stated at cost at the date of purchase or, for donated assets, at fair value at the date of donation, less accumulated depreciation. Depreciation is calculated using the straight-line method over the lesser of the estimated useful lives of the assets or the lease term. The Foundation's policy is to capitalize renewals and betterments acquired for greater than \$2,500 and expense normal repairs and maintenance as incurred. The Foundation's management periodically evaluates whether events or circumstances have occurred indicating that the carrying amount of long-lived assets may not be recovered. The estimated useful lives for depreciation purposes are:

Software	3 years
Furniture and equipment	3-5 years

Depreciation expense for the years ended December 31, 2021 and 2020 was \$10,013 and \$5,208, respectively.

Investments

Investments are reported at fair market value determined by quoted market prices. Investment return/(loss) is reported net in the statements of activities and changes in net assets and consists of interest and dividend income, realized and unrealized gains and losses, less external and direct internal investment expenses.

Fair value measurements

Fair value is defined as the price that would be received to sell an asset in the principal or most advantageous market for the asset in an orderly transaction between market participants on the measurement date. Fair value should be based on the assumptions market participants would use when pricing an asset. US GAAP establishes a fair value hierarchy that prioritizes investments based on those assumptions. The fair value hierarchy gives the highest priority to quoted prices in active markets (observable inputs) and the lowest priority to an entity's assumptions (unobservable inputs). The Foundation groups assets at fair value in three levels, based on the markets in which the assets are traded and the reliability of the assumptions used to determine fair value. These levels are:

Level 1: Unadjusted quoted market prices for identical assets in active markets as of the measurement date.

Level 2: Other observable inputs, either directly or indirectly, including:

- Quoted prices for similar assets in active markets;
- Quoted prices for identical or similar assets in non-active markets;
- Inputs other than quoted prices that are observable for the asset; and
- Inputs that are derived principally from or corroborated by other observable market data.

Level 3: Unobservable inputs that cannot be corroborated by observable market data.

DSC FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2021 AND 2020

Note 2 - Summary of Significant Accounting Policies (Continued)

The Foundation's investments consist of money market funds and mutual funds held on nationally recognized securities exchanges and are considered Level I investments. There were no transfers between Level I, Level II, and Level III of the fair value hierarchy during the years ended December 31, 2021 and 2020.

Contributions and grants support

Contributions and grants received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions and grants that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the donation or grant is recognized. All other donor restricted contributions and grants are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Contributed or granted property and equipment are recorded at fair value at the date of donation. Contributions and grants with donor-imposed stipulations regarding how long the assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions and grants are recorded as net assets without donor restrictions.

Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met. Conditional gifts received prior to the satisfaction of conditions are recorded as refundable advances.

Chapters of the Dallas Safari Club contribute 20% of the net of their largest fundraiser to the Foundation, which are restricted for projects selected by each chapter. As such, the contributions are recorded as net assets with donor restrictions until the purpose restriction is accomplished.

Revenues related to fundraising events and chapter fees are recognized evenly over the period of time during which services are rendered. All revenues are recognized in an amount that reflects the consideration the Foundation has received or expects to receive in exchange for those services.

Grants awarded

Grants are recognized as an expense when the unconditional promise to give is approved. Conditional promises to give are recognized as grant expense in the period in which the recipient meets the terms of the condition. Failure to fulfill the conditions could result in the return of the funds to grantors.

Advertising

The Foundation charges the cost of advertising to expense as incurred. Advertising expense totaled \$4,269 and \$34,525 in 2021 and 2020, respectively.

DSC FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2021 AND 2020

Note 2 - Summary of Significant Accounting Policies (Continued)

Income taxes

The Foundation is a not-for-profit organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. As a 501(c)(3) organization, the Foundation is taxed only on unrelated business income. Investment earnings are the primary source of the Foundation's unrelated business income. Tax positions are recognized or derecognized based on a more-likely-than-not threshold. This applies to positions taken or expected to be taken in a tax return. The Foundation is not aware of any uncertain tax positions. Its tax returns for the last four years remain subject to examination.

Reclassifications

Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

Note 3 – Availability and Liquidity

The Foundation regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. As part of its liquidity plan, excess cash is invested in money market accounts. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Foundation considers all expenditures related to its ongoing program activities, as well as the conduct of services undertaken to support those activities, to be general expenditures.

The following represents the Foundation's financial assets available within one year of the balance sheet date for general expenditures at December 31:

	<u>2021</u>	<u>2020</u>
Financial assets at year end:		
Cash and cash equivalents, unrestricted	\$ 472,096	\$ 320,604
Pledges receivable, net	52,725	97,815
Other receivables	-	354
	<u>\$ 524,821</u>	<u>\$ 418,773</u>

DSC FOUNDATION, INC.
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 DECEMBER 31, 2021 AND 2020

Note 4 – Net Assets

Net assets with donor restrictions were as follows for the years ended December 31:

	2021	2020
Subject to the passage of time:		
Endowment fund earnings restricted for periods after December 31, 2021	\$ 87,340	\$ 56,995
Other net assets with donor restrictions	10,146	6,741
Perpetual in nature, not subject to spending policy or appropriation:		
Endowment fund to be held indefinitely	304,618	304,618
	\$ 402,104	\$ 368,354

Net assets with donor restrictions primarily consist of endowment fund investments to be held indefinitely, the income from which may be used at the discretion of the Foundation’s board of directors, to fund the Foundation or in support of activities consistent with the Foundation’s mission. No withdrawals from the endowment fund are permitted by the board adopted policy prior to December 31, 2021.

Net assets without donor restrictions were undesignated for the years ended December 31, 2021 and 2020.

Note 5 - Endowment

The Foundation’s endowment consists of funds established to provide the Foundation a steady, reliable flow of income in the perpetuity to fund the Foundation and its mission. Beginning in periods after December 31, 2021, the endowment will permit annual distributions to net assets without restrictions in an amount not to exceed 7% of the fair market value of the endowment fund, excluding original principal, based on criteria set for in the Endowment Funds Investment Policy.

Interpretation of relevant law

The Foundation’s Board of Directors has interpreted the Texas Uniform Prudent Management of Institutional Funds Act (“TUPMIFA”) as requiring the preservation of the fair value of the original gift as of the gift date of the donor restricted endowment funds absent explicit donor stipulations to the contrary. Accordingly, the Foundation classifies the original value of all endowment gifts and accumulated net earnings on endowment funds as net assets with donor restrictions.

DSC FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2021 AND 2020

Note 5 - Endowment (Continued)

In accordance with TUPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- 1) The duration and preservation of the fund;
- 2) The purposes of the Foundation and the donor-restricted endowment fund;
- 3) General economic conditions;
- 4) The possible effect of inflation and deflation;
- 5) The expected total return from income and the appreciation of investments;
- 6) Other resources of the Foundation; and
- 7) The investment policies of the Foundation's.

Return objectives and risk parameters

The Foundation has adopted investment and spending policies that attempt to provide a secure stream of funding to programs supported by the endowment. The Foundation's investment objective is to generate total return from capital appreciation and interest and dividends with an average annual minimum of 4% by investing in a mix of equity and fixed income mutual funds.

Endowment net assets, all of which were recorded as with donor restrictions, consisted of board-designated endowment funds totaling \$391,958 and \$361,612 as of December 31, 2021 and 2020.

Endowment activities are as follows for the years ended December 31:

	<u>2021</u>	<u>2020</u>
Endowment net assets, beginning of year	\$ 361,612	\$ 306,660
Contributions	-	-
Chapter revenue	-	-
Investment returns	30,346	54,952
Endowment net assets, end of year	<u>\$ 391,958</u>	<u>\$ 361,612</u>

Note 6 – Concentrations

Financial instruments that potentially subject the Foundation to concentrations of credit risk consist principally of cash and cash equivalents, and investments. The Foundation maintains cash deposits with major banks which, from time to time, may exceed federally insured limits. The Foundation periodically assesses the financial condition of the institutions and believes the risk of any loss is minimal. Concentration of credit risk with respect to its investments is reduced as a result of the diversity of the underlying securities.

DSC FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2021 AND 2020

Note 7 – Related Party Transactions

The Foundation’s volunteer members of the Board are active in oversight of fund-raising events, activities, and in making private donations.

As of September 25, 2021, the Foundation entered into an agreement with Dallas Safari Club (“DSC”), a Texas non-profit corporation, whereas DSC agrees to provide the Foundation with certain general office and administrative services, including, without limitation, staff, computer and bookkeeping services. DSC agrees to lease certain individuals to the Foundation to perform the specified job functions required by the Foundation. The leased individuals are members of the Board of Directors.

The Foundation engages a company owned by a member of the Board for production and media services. Measures are taken to mitigate any actual or perceived conflict, including the excusal of the Board member during the monthly Board meetings when discussions involving changes to the service agreement are necessary. The Foundation incurred \$262,500 and \$350,000 of expenses related to this vendor during the years ended December 31, 2021 and 2020, respectively. The Foundation had amounts payable to this vendor of \$87,500 and \$87,500 as of December 31, 2021 and 2020, respectively.

Note 8 – Subsequent Events

The Foundation evaluated subsequent events through May 10, 2022, the date these financial statements were issued. Management has determined that there were no other subsequent events that require recognition or disclosure in the financial statements.