



**GROSSMAN YANAK & FORD** LLP  
Certified Public Accountants and Consultants

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**GLOBAL WAR  
ON TERRORISM**

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**MEMORIAL FOUNDATION.**

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**GLOBAL WAR ON TERRORISM MEMORIAL FOUNDATION, INC.**

**Financial Statements as of and for the Years Ended December 31,  
2022 and 2021 and Independent Auditors' Report**

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**GLOBAL WAR ON TERRORISM MEMORIAL FOUNDATION, INC.**

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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors of  
Global War on Terrorism Memorial Foundation, Inc.

### **Opinion**

We have audited the accompanying financial statements of Global War on Terrorism Memorial Foundation, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2022 and 2021 and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years 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 Global War on Terrorism Memorial Foundation, Inc. as of December 31, 2022 and 2021 and the changes in its net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Global War on Terrorism Memorial Foundation, Inc. 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.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP; this includes 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 Global War on Terrorism Memorial Foundation, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be 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, 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 GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- 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 audits 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 Global War on Terrorism Memorial Foundation, Inc.'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 Global War on Terror Memorial Foundation, Inc.'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 audits.

*Grossman Yanak + Ford LLP*

Pittsburgh, Pennsylvania  
July 28, 2023

**GLOBAL WAR ON TERRORISM MEMORIAL FOUNDATION, INC.**

**STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2022 AND 2021**

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<u>ASSETS</u>	<u>2022</u>	<u>2021</u>
Cash and cash equivalents	\$ 2,051,973	\$ 1,280,494
Contributions receivable	<u>755,000</u>	<u>10,000</u>
<b>TOTAL</b>	<b><u>\$ 2,806,973</u></b>	<b><u>\$ 1,290,494</u></b>
<u>LIABILITIES AND NET ASSETS</u>		
LIABILITIES:		
Accounts payable	\$ 37,192	\$ 22,041
Accrued expenses	<u>-</u>	<u>18,333</u>
Total	37,192	40,374
NET ASSETS:		
Without donor restrictions	<u>2,769,781</u>	<u>1,250,120</u>
<b>TOTAL</b>	<b><u>\$ 2,806,973</u></b>	<b><u>\$ 1,290,494</u></b>

See notes to financial statements.

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**GLOBAL WAR ON TERRORISM MEMORIAL FOUNDATION, INC.**

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS  
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022			2021		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND CONTRIBUTIONS:						
Contributions	\$ 2,695,676	-	\$ 2,695,676	\$ 1,887,253	-	\$ 1,887,253
Contributions - in-kind	167,774	-	167,774	173,257	-	173,257
Other income	93	-	93	461	-	461
Total support and contributions	<u>2,863,543</u>	<u>-</u>	<u>2,863,543</u>	<u>2,060,971</u>	<u>-</u>	<u>2,060,971</u>
EXPENSES:						
Program services	139,600	-	139,600	65,041	-	65,041
General and administrative	1,148,725	-	1,148,725	608,392	-	608,392
Fundraising	55,557	-	55,557	161,784	-	161,784
Total	<u>1,343,882</u>	<u>-</u>	<u>1,343,882</u>	<u>835,217</u>	<u>-</u>	<u>835,217</u>
INCREASE IN NET ASSETS	1,519,661	-	1,519,661	1,225,754	-	1,225,754
NET ASSETS, BEGINNING	<u>1,250,120</u>	<u>-</u>	<u>1,250,120</u>	<u>24,366</u>	<u>-</u>	<u>24,366</u>
NET ASSETS, ENDING	<u>\$ 2,769,781</u>	<u>\$ -</u>	<u>\$ 2,769,781</u>	<u>\$ 1,250,120</u>	<u>\$ -</u>	<u>\$ 1,250,120</u>

See notes to financial statements.

**GLOBAL WAR ON TERRORISM MEMORIAL FOUNDATION, INC.**

**STATEMENTS OF FUNCTIONAL EXPENSES  
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

	2022				2021			
	Memorial	General and Administrative	Fundraising	Total	Memorial	General and Administrative	Fundraising	Total
Legal and professional		\$ 375,985		\$ 375,985		\$ 95,034		\$ 95,034
Consulting		307,263		307,263		295,830		295,830
Marketing	\$ 70,283	-		70,283	\$ 23,738	-		23,738
Fundraising events and registration	-	-	\$ 54,143	54,143	-	-	\$ 26,126	26,126
Postage and mailing	-	-	-	-	-	-	129,860	129,860
Payroll	-	324,444	-	324,444	-	134,615	-	134,615
Computer and software	-	29,550	-	29,550	-	38,087	-	38,087
Travel	69,317	-	-	69,317	41,303	-	-	41,303
Payroll taxes	-	29,233	-	29,233	-	10,573	-	10,573
Insurance	-	44,938	-	44,938	-	15,523	-	15,523
Charitable contributions	-	7,645	-	7,645	-	4,000	-	4,000
Miscellaneous	-	19,592	-	19,592	-	6,891	-	6,891
Office and general	-	10,075	-	10,075	-	7,839	-	7,839
Meals and entertainment	-	-	1,414	1,414	-	-	5,798	5,798
<b>Total</b>	<b>\$ 139,600</b>	<b>\$ 1,148,725</b>	<b>\$ 55,557</b>	<b>\$ 1,343,882</b>	<b>\$ 65,041</b>	<b>\$ 608,392</b>	<b>\$ 161,784</b>	<b>\$ 835,217</b>

See notes to financial statements.

**GLOBAL WAR ON TERRORISM MEMORIAL FOUNDATION, INC.**

**STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

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	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase in net assets	\$ 1,519,661	\$ 1,225,754
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Decrease (increase) in contributions receivable	(745,000)	5,000
Increase (decrease) in accounts payable and accrued expenses	<u>(3,182)</u>	<u>30,994</u>
Net cash provided by operating activities	<u>771,479</u>	<u>1,261,748</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	771,479	1,261,748
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>1,280,494</u>	<u>18,746</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 2,051,973</u>	<u>\$ 1,280,494</u>

See notes to financial statements.

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# GLOBAL WAR ON TERRORISM MEMORIAL FOUNDATION, INC.

## NOTES TO FINANCIAL STATEMENTS

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### 1. ORGANIZATION AND PURPOSE

*Organization* - Global War on Terrorism Memorial Foundation, Inc. (the "Organization") is a non-profit organization which was formed on March 2, 2015 and whose mission is to raise funds and build a memorial in tribute to the Global War on Terrorism and to all those individuals who were deployed with regard to the same and/or who contributed to the efforts of the United States in that regard. The Organization also plans to establish programs to bridge the civil-military gap to educate current and future generations of Americans about the reality and history of the Global War on Terrorism. The Organization changed its name from Global War on Terror Memorial Foundation, Inc. to Global War on Terrorism Memorial Foundation, Inc. and changed its state of registration from Pennsylvania to Delaware effective March 29, 2019.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*Financial Statement Presentation* - The Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. Net assets without donor restrictions are the net assets that are not restricted by donor-imposed restrictions. Net assets with donor restrictions are 1) subject to donor stipulations that either expire by the passage of time or can be fulfilled and removed by actions of the Organization pursuant to those stipulations, or 2) subject to donor stipulations requiring that they be invested in perpetuity.

The Organization had no assets with donor restrictions as of December 31, 2022 and 2021.

*Use of Estimates* - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the dates of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

*Functional Expenses* - The statements of functional expenses present expenses in accordance with the classification of the Organization's activities related to the memorial and supporting services. Allocations among the classifications are generally based upon management's identification of direct costs or estimates of personnel costs associated with a particular class of activities.

*Contributions* - Contributions received are recorded based on the existence or absence of any donor or grantor restrictions. Contributions subject to conditions are recorded when the conditions limiting the transfer of assets have been satisfied, typically when the promise becomes irrevocable.

Contributions are recorded at fair value at the date of donation. Contributions receivable are typically recorded at the net present value of net proceeds ultimately expected to be received by the Organization. At December 31, 2022 and 2021, the Organization had contributions receivable of \$755,000 and \$10,000, respectively. Of this amount \$5,000 is the last payment to be received in February 2023 on a multi-year pledge. The remaining \$750,000 relates to a \$1,000,000 pledge received during the year ended December 31, 2022. Of this pledge, \$250,000 was received during the year ended December 31, 2022. The remaining balance is to be received in future years, with no specified payment schedule; however, management expect to receive the remaining funds between 2023 and 2025. Due to the insignificance of the potential discount, the contributions receivable were not discounted to the net present value at December 31, 2022 and 2021.

*Cash and Cash Equivalents* - For purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments with original maturities of three months or less to be cash equivalents. The Organization maintains at financial institutions, cash and cash equivalents which may at times exceed federally insured amounts and may at times exceed statement of financial position amounts due to outstanding checks.

*Adoption of New Accounting Standard* - In 2022, the Organization adopted Financial Accounting Standards Board Accounting Standards Update (ASU) 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The ASU seeks to improve U.S. GAAP by increasing the transparency of contributed nonfinancial assets for not-for-profit entities through enhancements to presentation and disclosure. The Organization's presentation of gifts in-kind already conforms to ASU 2020-07. However, certain new required disclosures have been incorporated below and within Note 4.

*Donated Services* - The Organization receives significant in-kind contributions of time and pro-bono services from vendors and consultants related to operations and general and administrative efforts. Donated professional services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills and would otherwise be purchased by the Organization. The Organization recognizes in-kind contribution revenue and a corresponding expense in an amount approximating the estimated fair value at the time of the donation (see Note 4).

*Tax Exempt Status* - The Internal Revenue Service has recognized the Organization as exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and has further classified the Organization as an organization which is not a private foundation. Accordingly, a provision for federal or state income tax is not required.

Management has assessed the Organization's tax positions and concluded that there were no uncertain tax positions requiring recognition in the financial statements as of December 31, 2022. The Organization is no longer subject to tax examinations for the years prior to December 31, 2019.

*Subsequent Events* - Management has evaluated subsequent events through July 28, 2023, the date which the financial statements were available to be issued.

### 3. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Organization has \$2,051,973 and \$1,280,494 of financial assets comprised of cash and cash equivalents, available to meet cash needs for general operating expenditures within one year of the statement of financial position dates of December 31, 2022 and 2021, respectively. Of these amounts, none are subject to donor restrictions.

### 4. DONATED SERVICES

The estimated donated services for the years ended December 31, 2022 and 2021 are as follows:

	<u>2022</u>	<u>2021</u>
Legal and professional	\$ 154,278	\$ 72,627
Consulting	-	100,000
Marketing	6,360	630
Fundraising events	<u>7,136</u>	<u>-</u>
Total donated services	<u>\$ 167,774</u>	<u>\$ 173,257</u>

All donated professional services were utilized by the Organization's programs and supporting services. There were no donor-imposed restrictions associated with the donated services. Donated legal, consulting and marketing services are valued at the standard hourly rates charged for those services.

In addition, volunteers have donated time to the Organization's fundraising efforts and program services. No amounts have been reflected in the financial statements for these services since no objective basis is available to measure the value of such services.