



**Grayson-Jockey Club
Research Foundation**
FINANCIAL
STATEMENTS

2021
Annual Report

GRAYSON-JOCKEY CLUB RESEARCH FOUNDATION, INC.

FINANCIAL STATEMENTS

December 31, 2021 and 2020

GRAYSON-JOCKEY CLUB RESEARCH FOUNDATION, INC.

FINANCIAL STATEMENTS
December 31, 2021 and 2020

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Grayson-Jockey Club Research Foundation, Inc.
New York, New York

Opinion

We have audited the financial statements of Grayson-Jockey Club Research Foundation, which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities, 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 Grayson-Jockey Club Research Foundation 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 for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free 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 Grayson-Jockey Club Research Foundation's ability to continue as a going concern for one year from the date the financial statements are available to be issued.

(Continued)

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 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 Grayson-Jockey Club Research 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 Grayson-Jockey Club Research 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.



Crowe LLP

New York, New York
August 15, 2022

GRAYSON-JOCKEY CLUB RESEARCH FOUNDATION, INC.
STATEMENTS OF FINANCIAL POSITION
December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and cash equivalents	\$ 5,421,232	\$ 1,527,233
Investments at fair value	42,693,483	38,672,635
Contributions receivable	255,715	184,743
Prepaid expenses	34,619	44,629
Fixed assets, net	<u>-</u>	<u>671</u>
	<u>\$ 48,405,049</u>	<u>\$ 40,429,911</u>
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued liabilities	\$ <u>100,363</u>	\$ <u>82,011</u>
Total liabilities	<u>100,363</u>	<u>82,011</u>
Net Assets		
Without donor restrictions	25,262,027	22,544,220
With donor restrictions	<u>23,042,659</u>	<u>17,803,680</u>
Total net assets	<u>48,304,686</u>	<u>40,347,900</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 48,405,049</u>	<u>\$ 40,429,911</u>

See accompanying notes to financial statements.

GRAYSON-JOCKEY CLUB RESEARCH FOUNDATION, INC.
STATEMENT OF ACTIVITIES
Year ended December 31, 2021

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUE			
Contributions and membership dues	\$ 1,461,205	\$ 2,738,636	\$ 4,199,841
Proceeds from fundraisers	61,440	-	61,440
Investment income, net	135,388	107,150	242,538
Net realized and unrealized gains from investments	3,263,758	2,515,343	5,779,101
Other	4,304	-	4,304
Net assets released from restrictions	122,150	(122,150)	-
Total revenue	<u>5,048,245</u>	<u>5,238,979</u>	<u>10,287,224</u>
EXPENDITURES			
Grants	1,688,386	-	1,688,386
Professional fees	572,522	-	572,522
Travel and meetings	21,106	-	21,106
General and administrative	48,424	-	48,424
Total expenditures	<u>2,330,438</u>	<u>-</u>	<u>2,330,438</u>
CHANGE IN NET ASSETS	2,717,807	5,238,979	7,956,786
NET ASSETS, BEGINNING OF PERIOD	<u>22,544,220</u>	<u>17,803,680</u>	<u>40,347,900</u>
NET ASSETS, END OF PERIOD	<u>\$ 25,262,027</u>	<u>\$ 23,042,659</u>	<u>\$ 48,304,686</u>

See accompanying notes to financial statements.

GRAYSON-JOCKEY CLUB RESEARCH FOUNDATION, INC.
STATEMENT OF ACTIVITIES
Year ended December 31, 2020

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUE			
Contributions and membership dues	\$ 1,368,004	\$ 132,127	\$ 1,500,131
Proceeds from fundraisers	6,879	-	6,879
Investment income, net	136,270	106,364	242,634
Net realized and unrealized gains from investments	4,048,653	3,017,057	7,065,710
Other	2,103	-	2,103
Net assets released to (from) restrictions	<u>121,364</u>	<u>(121,364)</u>	<u>-</u>
Total revenue	<u>5,683,273</u>	<u>3,134,184</u>	<u>8,817,457</u>
EXPENDITURES			
Grants	1,397,502	-	1,397,502
Professional fees	564,620	-	564,620
Travel and meetings	58,571	-	58,571
Seminars and summits	1,500	-	1,500
General and administrative	<u>50,813</u>	<u>-</u>	<u>50,813</u>
Total expenditures	<u>2,073,006</u>	<u>-</u>	<u>2,073,006</u>
CHANGE IN NET ASSETS	3,610,267	3,134,184	6,744,451
NET ASSETS, BEGINNING OF PERIOD	<u>18,933,953</u>	<u>14,669,496</u>	<u>33,603,449</u>
NET ASSETS, END OF PERIOD	<u>\$ 22,544,220</u>	<u>\$ 17,803,680</u>	<u>\$ 40,347,900</u>

See accompanying notes to financial statements.

GRAYSON-JOCKEY CLUB RESEARCH FOUNDATION, INC.
 STATEMENTS OF CASH FLOWS
 Years ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Cash flows from operating activities		
Change in net assets	\$ 7,956,786	\$ 6,744,451
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Depreciation	670	2,418
Net realized and unrealized gains from investments	(5,779,101)	(7,065,710)
Changes in assets and liabilities		
Contributions receivable	(70,972)	82,144
Prepaid expenses	10,010	(36,626)
Accounts payable and accrued liabilities	18,352	(4,344)
Net cash provided by (used in) operating activities	<u>2,135,745</u>	<u>(277,667)</u>
Cash flows from investing activities		
Proceeds from sales of securities	2,000,000	1,156,880
Purchases of securities	(241,746)	(242,375)
Net cash provided by investing activities	<u>1,758,254</u>	<u>914,505</u>
Net change in cash and cash equivalents	3,893,999	636,838
Cash and cash equivalents, beginning of period	<u>1,527,233</u>	<u>890,395</u>
Cash and cash equivalents, end of period	<u>\$ 5,421,232</u>	<u>\$ 1,527,233</u>

See accompanying notes to financial statements.

GRAYSON-JOCKEY CLUB RESEARCH FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2021 and 2020

NOTE 1 - ORGANIZATION

On August 3, 1989, Grayson Foundation merged with The Jockey Club Research Foundation to create the Grayson-Jockey Club Research Foundation, Inc. (the "Foundation"). The purpose of this organization is to further research and education in the equine industry. The Foundation is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code and is also exempt from state and local income taxes.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

Net assets

The accounts of the Foundation are maintained on the basis of net assets without donor restrictions and with donor restrictions. Net assets without donor restrictions are available to support research programs approved by the Board of Directors (the "Board") and to fund general operations. Net assets with donor restrictions relate to donations that have been either pledged but not yet received and/or subject to donor restrictions. Related gains and losses of the endowment fund are also subject to donor restrictions and are reclassified to net assets without donor restrictions once the restriction has been released.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that impact the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and cash equivalents

Cash and cash equivalents consist of short term, highly liquid investments which are readily convertible into cash and have original maturities of three months or less when purchased. The Foundation maintains amounts on deposit with various financial institutions, which may, at times, exceed Federally insured limits. The Foundation periodically evaluates the creditworthiness of those institutions, and the Foundation has not experienced any losses on such deposits.

Investments

Investments are reported at fair value. The fair value of such investments is based on quoted market prices.

Fixed assets

Fixed assets are comprised of office and computer equipment. Depreciation is calculated using the straight-line method over the estimated useful life of the assets ranging from three to five years.

Revenue recognition

Contributions are recorded when an unconditional promise to give is made by the donor. As of December 31, 2021 and 2020, contributions receivable as reported on the Statements of Financial Position are all due within one to three years. Included within contribution receivable on the balance sheet is \$255,000 that is to be received due in 2022. Contribution receivable outstanding as of December 31, 2020, in the amount of \$184,743 was collected in 2021.

(Continued)

GRAYSON-JOCKEY CLUB RESEARCH FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2021 and 2020

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

Grants

Grant expenses are recorded on an accrual basis, which is generally when the funds are awarded.

Professional services

The management and staff of the Foundation are contracted from The Jockey Club and related compensation and benefits are billed to the Foundation pursuant to agreements between the parties. These costs totaled \$430,531 and \$443,311 in 2021 and 2020, respectively, and are included in Professional fees in the accompanying Statements of Activities. Additionally, certain administrative services (e.g., accounting and certain office space in New York) are provided by The Jockey Club. These services are not reflected in the accompanying Financial Statements since such amounts would not be material.

Functional Allocation of Expenses

The costs of providing the program and administrative functions have been summarized on a functional basis in Note 7. Accordingly, certain costs have been allocated between program services, fundraising services and management and general based principally on specific identification and cost allocations based upon estimates provided by management of the Foundation. These estimates are based upon time reporting for the various functional categories.

Income taxes

Accounting principles generally accepted in the United States of America prescribes recognition thresholds and measurement attributes for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. Tax benefits will be recognized only if the tax position is more likely than not sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized will be the largest amount of tax benefit that is greater than 50% likely of being realized on examination. For tax positions not meeting the more likely than not test, no tax benefit will be recorded. For the years ended December 31, 2021 and 2020, no income tax liability has been recognized related to uncertain tax provisions in the accompanying Financial Statements.

If an uncertain tax position was recognized, the Foundation would accrue interest and penalties associated with the uncertain tax position. For the Foundation's major tax jurisdictions, the 2018, 2019, and 2020 tax years remain subject to examination. The Foundation does not expect significant changes in unrecognized tax benefits in the next twelve months.

NOTE 3 - INVESTMENTS

Investments at fair value consist of the following:

	<u>2021</u>	<u>2020</u>
Mutual funds	\$ 42,688,667	\$ 38,669,220
U.S. common stocks	<u>4,816</u>	<u>3,415</u>
	<u>\$ 42,693,483</u>	<u>\$ 38,672,635</u>

(Continued)

NOTE 3 – INVESTMENTS (Continued)

Interest and dividend earnings on these investments were \$242,538 and \$242,634 in 2021 and 2020, respectively. Net realized and unrealized gains from investments reported in the accompanying Statements of Activities totaled \$5,779,101 and \$7,065,710 in 2021 and 2020, respectively.

NOTE 4 - FAIR VALUE MEASUREMENTS

ASC 820-10 establishes a hierarchal disclosure framework which prioritizes and ranks the level of market price observability used in measuring investments at fair value. Market price observability is impacted by a number of factors, including the type of investment and the characteristics specific to the investments. Investments with readily available active quoted prices or for which fair value can be measured from actively quoted prices generally will have a higher degree of market observability and a lesser degree of judgment used in measuring fair value.

Investments measured and reported at fair value are classified and disclosed in one of the following categories:

Level I - Quoted prices are available in active markets for identical investments as of the reporting date.

Level II - Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies.

Level III - Pricing inputs are unobservable and include situations where there is little, if any, market activity for the investment. Fair value for these investments is determined using valuation methodologies that consider a range of factors, including but not limited to the price at which the investment was acquired, the nature of the investment, local market conditions, trading values on public exchanges for comparable securities, current and projected operating performance and financing transactions subsequent to the acquisition of the investment. The inputs into the determination of fair value require significant judgment. Due to the inherent uncertainty of these estimates, these values may differ materially from the values that would have been used had a ready market for these investments existed.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level that is significant to the fair value measurement. Management's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

(Continued)

GRAYSON-JOCKEY CLUB RESEARCH FOUNDATION, INC.
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2021 and 2020

NOTE 4 - FAIR VALUE MEASUREMENTS (Continued)

The following tables summarize the valuation of the Foundation's investments by the ASC 820-10 fair value hierarchy as of December 31, 2021 and 2020:

	2021			
	<u>Total</u>	<u>Level I</u>	<u>Level II</u>	<u>Level III</u>
Mutual funds				
U.S. equities	\$ 25,882,185	\$ 25,882,185	\$ -	\$ -
Fixed income	7,461,597	7,461,597	-	-
Global	6,488,499	6,488,499	-	-
High yield	2,856,388	2,856,388	-	-
U.S. common stocks	<u>4,816</u>	<u>4,816</u>	-	-
	<u>\$ 42,693,483</u>	<u>\$ 42,693,483</u>	<u>\$ -</u>	<u>\$ -</u>
	2020			
	<u>Total</u>	<u>Level I</u>	<u>Level II</u>	<u>Level III</u>
Mutual funds				
U.S. equities	\$ 21,844,254	\$ 21,844,254	\$ -	\$ -
Fixed income	7,515,293	7,515,293	-	-
Global	6,556,416	6,556,416	-	-
High yield	2,753,257	2,753,257	-	-
U.S. common stocks	<u>3,415</u>	<u>3,415</u>	-	-
	<u>\$ 38,672,635</u>	<u>\$ 38,672,635</u>	<u>\$ -</u>	<u>\$ -</u>

In 2021, equities included in mutual funds or separate accounts totaling \$42,693,483 were diversified among the following asset classes: 60.6% domestic growth, 15.2% global growth, 17.5% small/mid cap and 6.7% high yield. In 2020, similar equities totaling \$38,672,635 were diversified among the following asset classes: 56.5% domestic growth, 17.0% global growth, 19.4% small/mid cap and 7.1% high yield

The fair values of mutual fund and U.S. equity investments are determined by obtaining quoted prices on nationally recognized securities (Level I inputs).

(Continued)

GRAYSON-JOCKEY CLUB RESEARCH FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2021 and 2020

NOTE 5 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of the following at December 31:

	<u>2021</u>	<u>2020</u>
Donations pledged not yet received and / or subject to donor restrictions	\$ 3,527,790	\$ 804,424
Endowment net assets	<u>19,514,869</u>	<u>16,999,256</u>
	<u>\$ 23,042,659</u>	<u>\$ 17,803,680</u>

The restricted net assets subject to donor restrictions are to be used for the general purpose of the mission of the foundation.

NOTE 6 - ENDOWMENTS

The Foundation's net assets with donor restrictions consist of donor restricted investments to be held indefinitely, with the income therefrom expendable to support the purpose of the Foundation and its operations. As required by applicable standards, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The composition of net assets by type of endowment fund at December 31, 2021 and 2020 was:

	<u>2021</u>	<u>2020</u>
Accumulated earnings on original gift	\$ 13,605,584	\$ 11,090,241
Original gift restricted in perpetuity	<u>5,909,285</u>	<u>5,909,285</u>
Total	<u>\$ 19,514,869</u>	<u>\$ 16,999,526</u>

(Continued)

GRAYSON-JOCKEY CLUB RESEARCH FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2021 and 2020

NOTE 6 – ENDOWMENTS (Continued)

Changes in endowment net assets for the years ended December 31, 2021 and 2020:

	<u>With Donor Restrictions</u>
Net assets, January 1, 2020	\$ 13,982,469
Investment return	
Investment income	106,364
Net realized and unrealized gains from investments	3,017,057
Total investment return	3,123,421
Appropriation of assets for expenditure	(106,364)
Net assets, December 31, 2020	16,999,526
Investment return	
Investment income	107,150
Net realized and unrealized gains from investments	2,515,343
Total investment return	2,622,493
Appropriation of assets for expenditure	(107,150)
Net assets, December 31, 2021	<u>\$ 19,514,869</u>

Interpretation of UPMIFA

The Foundation follows the State of New York’s version of the Uniform Prudent Management of Institutional Funds Act (“UPMIFA”) and has interpreted UPMIFA as requiring the preservation of the fair value of the original and subsequent gifts as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary.

As a result of this interpretation, the Foundation classifies as net assets with donor restrictions restricted in perpetuity

- (a) the original value of the principal designated as an endowment,
- (b) the original value of the principal of subsequent gifts to the endowment, and
- (c) the accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

The remaining portion of the donor-restricted endowment fund that is not classified in net assets with donor restrictions restricted in perpetuity is classified as net assets with donor restrictions restricted by purpose or passage of time until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard prudence prescribed by UPMIFA.

(Continued)

GRAYSON-JOCKEY CLUB RESEARCH FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2021 and 2020

NOTE 6 - ENDOWMENTS (Continued)

In accordance with UPMIFA, 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 organization 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
7. The investment policies of the Foundation

Return Objectives and Risk Parameters

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide predictable streams of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Foundation must hold in perpetuity or for a donor-specified period as well as Board-designated funds. Under this policy, as approved by the Board, the Foundation relies on a total return strategy in which investment returns are achieved through capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Strategies Employed for Achieving Objectives

The purpose of the endowment fund is to facilitate donors' desires to make substantial long-term gifts to the Foundation to develop a new and significant source of revenue for the Foundation. In so doing, the endowment fund will provide a secure, long-term source of funds to (a) carry out the Foundation's purpose of furthering research and education in the equine industry or, (b) support the operational expenses of the Foundation as deemed appropriate.

Spending Policy and How the Investment Objectives Relate to the Spending Policy

The distribution rate is based upon withdrawing the investment income for spending each year and allowing capital appreciation to be reinvested in the fund. For the years ended December 31, 2021 and 2020, \$107,150 and \$106,364, respectively, of investment income from the endowment fund was spent and \$15,000 and \$0 of the capital appreciation was spent, respectively. The spending is determined by the Foundation's management, who may elect to make no distributions from the fund in any given year.

Funds with Deficiencies

From time to time, the fair value of assets associated with donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Foundation to retain as a fund of perpetual donation. Deficiencies of this nature that are reported in net assets with donor restrictions. There were no such deficiencies as of December 31, 2021 and 2020.

(Continued)

GRAYSON-JOCKEY CLUB RESEARCH FOUNDATION, INC.
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2021 and 2020

NOTE 7 - FUNCTIONAL CLASSIFICATION OF EXPENSES

The Statements of Activities report certain categories of expenses attributable to grants, programs and general and administrative functions of the Foundation and are categorized by natural classification for the years ended December 31, 2021 and 2020, as follows:

	2021			
	Program Services	Fundraising Services	Management & General	Total
Grants	\$ 1,688,386	\$ -	\$ -	\$ 1,688,386
Professional fees	89,484	422,787	60,251	572,522
Travel and meetings	10,019	8,316	2,771	21,106
Printing	1,780	15,660	356	17,796
Other	380	5,933	24,315	30,628
	\$ 1,790,049	\$ 452,696	\$ 87,693	\$ 2,330,438
	2020			
	Program Services	Fundraising Services	Management & General	Total
Grants	\$ 1,397,502	\$ -	\$ -	\$ 1,397,502
Professional fees	86,047	420,110	58,463	564,620
Travel and meetings	57,349	917	305	58,571
Printing	1,679	14,779	336	16,794
Seminars and summits	1,500	-	-	1,500
Other	410	6,667	26,942	34,019
	\$ 1,544,487	\$ 442,473	\$ 86,046	\$ 2,073,006

(Continued)

GRAYSON-JOCKEY CLUB RESEARCH FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2021 and 2020

NOTE 8 - LIQUIDITY AND AVAILABILITY

The Foundation's financial assets available within one year of the Statements of Financial Position date for general expenditure are as follows:

	<u>2021</u>	<u>2020</u>
Cash	\$ 5,421,232	\$ 1,527,233
Investments at fair value	42,693,483	38,672,635
Contributions receivable	255,715	109,743
Less: Donor restricted funds	<u>(23,042,659)</u>	<u>(17,803,680)</u>
	<u>\$ 25,327,771</u>	<u>\$ 22,505,931</u>

As part of the Foundation's liquidity management, the Foundation maintains cash to be available as its general expenditures, liabilities, and other obligations become due.

NOTE 9 - SUBSEQUENT EVENTS

The Foundation has evaluated subsequent events through the date the accompanying financial statements were available to be issued, which was August 15, 2022. No subsequent events have been identified that are required to be accounted for or disclosed.