Financial Statements and Report of Independent Certified Public Accountants

Skoll Foundation

December 31, 2021

Contents

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Board of Directors
Skoll Foundation

Opinion

We have audited the financial statements of Skoll Foundation (the "Entity"), which comprise the statement of financial position as of December 31, 2021, 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 the Entity as of December 31, 2021, and the results of its operations 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 audit of the financial statements in accordance with auditing standards generally accepted in the United States of America (US 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 the Entity 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 the Entity's ability to continue as a going concern for one year after the date 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 US 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 US 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 Entity’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 Entity’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.

Grant Thornton LLP

San Jose, California
August 31, 2022

Skoll Foundation

STATEMENT OF FINANCIAL POSITION

December 31, 2021

ASSETS	
Cash	$ 4,599,818
Prepaid expenses and other assets	140,744
Investments, at fair value	1,020,753,193
Investment receivable	2,176,000
Program-related investments, net	7,537,723
Property and equipment, net	1,756,186
Total assets	$ 1,036,963,664
LIABILITIES AND NET ASSETS	
Liabilities	
Accounts payable	$ 131,975
Accrued expenses and other liabilities	776,982
Grants payable, net	45,628,523
Federal excise tax payable	717,080
Deferred federal excise tax payable	5,964,229
Total liabilities	53,218,789
Net assets	
Without donor restrictions	983,744,875
Total net assets	983,744,875
Total liabilities and net assets	$ 1,036,963,664

The accompanying notes are an integral part of this financial statement.

Skoll Foundation

STATEMENT OF ACTIVITIES

Year ended December 31, 2021

	Without Donor Restrictions
Revenue	
Contributed services	$ 6,430,144
Investment losses, net	(13,173,098)
Total net revenue	(6,742,954)
Expenses	
Grants	122,127,684
Direct charitable activities	6,754,800
Program services	9,696,319
Operational support	9,257,583
Total expenses	147,836,386
CHANGE IN NET ASSETS	(154,579,340)
Net assets, beginning of year	1,138,324,215
Net assets, end of year	$ 983,744,875

The accompanying notes are an integral part of this financial statement.

Skoll Foundation

STATEMENT OF CASH FLOWS

Year ended December 31, 2021

Cash flows from operating activities:	
Change in net assets	$ (154,579,340)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:	
Depreciation and amortization	219,219
Net realized and unrealized loss on investments	8,941,998
Net realized and unrealized loss on PRIs	(419,120)
Investment management expenses	4,315,506
Deferred excised taxes	(1,632,280)
Changes in operating assets and liabilities:	
Prepaid expenses and other assets	56,301
Federal excise tax liability	743,557
Accounts payable	(158,793)
Accrued expenses and other liabilities	32,455
Grants payable, net	26,012,584
Net cash used in operating activities	(116,467,913)
Cash flows from investing activities:	
Outflow for program related investment	(2,219,310)
Proceeds from program related investments	2,001,419
Purchases of investments	(846,657,724)
Proceeds from the sale of investments	965,163,557
Net cash provided by investing activities	118,287,942
NET CHANGE IN CASH	1,820,029
Cash, beginning of year	2,779,789
Cash, end of year	$ 4,599,818
Supplemental data:	
Cash paid for excise taxes	$ 5,530,815
Supplemental data for non-cash activities:	
Transfer of program-related investment to investment	$ 1,436,991

The accompanying notes are an integral part of this financial statement.

NOTE A - THE ORGANIZATION

Skoll Foundation (the "Foundation") is a private foundation established by Jeffrey Skoll in 2002. The Foundation catalyzes transformational social change by investing in, connecting, and championing social entrepreneurs and other social innovators who together advance bold and equitable solutions to the world's most pressing problems. The Foundation is organized as a non-profit charitable corporation and operates from an office in Palo Alto, California.

NOTE B - BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements and accompanying notes are presented on the accrual basis of accounting and in conformity with accounting principles generally accepted in the United States of America applicable to not-for-profit organizations.

Net Assets without Donor Restrictions

Net assets without donor restrictions represent resources which do not have donor-imposed stipulations available to support the Foundation's operations.

Net Assets with Donor Restrictions

Net assets subject to donor-imposed stipulations that will be met by actions of the Foundation and/or the passage of time.

Cash

Cash consists of demand deposits maintained at a major commercial bank.

Revenue Recognition

Contributions are recognized as revenue when they are received or unconditionally pledged. Revenues are reported as increases in net assets without donor restrictions unless there are donor-imposed purposes and/or time restrictions on the gifted assets. Event revenue, generated by the Skoll World Forum, is reported in the year for which the Forum is held. Expenses are reported as decreases in net assets without donor restrictions. Gains or losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law.

Investments

Investments are recorded at fair value, determined in accordance with the provisions of Accounting Standards Codification ("ASC") 820, *Fair Value Measurements*. ASC 820 establishes a fair value hierarchal disclosure framework which prioritizes and ranks the level of market price observable inputs used in measuring investments at fair value.

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). A financial instrument's categorization in the hierarchy is based upon the lowest level input that is significant to the fair value measurement based on quoted market prices. The three levels of the fair value hierarchy are as follows:

Level 1 - Inputs based on quoted market prices for identical assets or liabilities in an active market. An active market for the asset or liability is a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 - Observable market-based inputs or unobservable inputs that are corroborated by market data. Price inputs are quoted prices for identical or similar financial instruments in markets that are not active, and model-derived valuations in which all significant inputs or significant value drivers are observable in active markets.

Level 3 - Pricing inputs are unobservable and include situations where there is little, if any, market activity for the investment. These inputs into the determination of fair value require significant management judgment or estimation. 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. Investments that are included in this category generally include private fund investment structures and limited interests.

Investments in equity and debt securities with readily determinable prices are stated at fair value. Private investments that do not carry publicly observable prices are valued utilizing a variety of valuation methodologies.

Securities are classified within Level 3 when there is limited activity or less transparency around inputs to the valuation, such as when there is a lack of information related to equity securities held in private companies.

Equity securities classified in Level 3 include privately held companies. These private investments usually represent direct ownership in a formed entity or corporation and are likewise assigned a value according to the overall determination of value of the formed entity or corporation. The most common methodologies of valuation which are applied include, but are not limited to, liquidation of stockholders' equity (accounting value), observable pricing, and external qualified opinions of valuation.

Inputs that are used in internal valuation will vary according to investment characteristics. Most common forms of inputs include, but are not limited to, audited financial statements, ownership capitalization tables, purchase and sales agreements, limited liability company agreements, debt covenant agreements, and public comparables. Additionally, unobservable inputs learned through confidential and insider relationships with invested entities or corporations may be employed in valuation.

If quoted market prices are not available or accessible for debt securities, then fair values are estimated using pricing models or matrix pricing. The pricing models or matrices used in internal valuation of private debt investments most generally compare the relevant characteristic of an observed comparable to the valued investment and apply a relationship between the comparable and the valued investment over a period of time or at a certain point in time to derive estimates of value. Various factors considered in the comparison evaluation include, but are not limited to, the following: market price activity, yield (spread) momentum, callability features, and capital structure amendments. The fair values of corporate debt securities estimated using pricing models or matrix pricing include observable prices of corporate debt securities that do not trade in active markets and are generally classified within Level 2 of the fair value hierarchy. Such securities are classified within Level 3 when there is limited activity or less transparency around inputs to the valuation.

Financial derivative instruments are recorded at fair value based on the last reported sale price or, if they are traded over-the-counter, at the most recent bid price in the accompanying statement of financial position, with changes in the fair value reflected in the accompanying statement of activities.

Investments in partnerships and limited liability companies that do not have readily available market values are stated at fair value as reported by the general partner. These investments include a diverse range of vehicles, including private equity, absolute return funds, real estate, and commodity funds. The valuation of these investments is based on the most recent value provided by the general partner, usually with a December 31 "as of" date. To evaluate the overall reasonableness of the valuation carrying value, management obtains and considers the audited financial statements of such investments. Management believes this method provides a reasonable estimate of fair value. However, the recorded value may differ from the market value had a readily available market existed for such investments, and those differences could be material. Gains and losses on investments resulting from market fluctuations are recorded in the statement of activities in the period that such fluctuations occur. Realized gains or losses on sales of investments are calculated on an adjusted cost basis. Dividend and interest income are accrued when earned.

Cash equivalents categorized as investments are comprised of money market mutual funds.

Program-Related Investments

The Foundation makes investments which advance its charitable mission and qualify as charitable distributions by the Internal Revenue Service. Such investments earn below risk-adjusted market rates of return. Program-related investments made in the form of loans and deposits are valued at cost while those made through private equity funds are recorded at fair value. Program-related investments at December 31, 2021 include $3,601,201 of loans with maturity dates ranging from 2022 to 2026 made directly to individual businesses and investment funds and $3,936,522 invested in private equity funds with maturity dates through 2025. As of December 31, 2021, there were two approved, but unfunded, program-related investments totaling $1,310,143.

As of December 31, 2021, the Foundation committed a $1,000,000 guaranty for the sole purpose of guaranteeing a working capital line of credit in the same amount in favor of KickStart, a Foundation grantee. The guarantee would take effect should KickStart ever default on its line of credit. To date, this has never occurred.

Management has reviewed all program-related investments held at cost, totaling $3,601,201, and has evaluated each investment for impairment. The Foundation periodically reviews the valuation of program-related loans and adjusts their carrying value based on various factors, including exchange rates, fund manager valuations, and interest and principal payment performance. At December 31, 2021, program-related investments were written-down by $387,651 based on the performance of matured and active program-related loans. The Foundation has not created an allowance for credit losses.

Program-related investments measured at fair value are valued based on Level 3 inputs per the fair value hierarchy. The following is a roll-forward of activity for these program-related investments:

Ending Balance at December 31, 2020	Transfer to Level 3	Realized Gains (Losses)	Change in Unrealized Gains (Losses)	Purchases	Sales and Settlements	Ending Balance at December 31, 2021
$ 5,572,286	$ -	$ 30,001	$ 9,465	$ 18,462	$ (1,693,692)	$ 3,936,522

Property and Equipment

Property and equipment are stated at cost and depreciated using the straight-line method over the estimated lives of the respective assets as follows:

Computers and software	3 years
Furniture and fixtures	5 - 10 years
Leasehold improvements	5 - 15 years

Grants

Grant expenditures are recognized in the period the grant is approved provided the grant is not subject to future contingencies. Conditional grants are recognized as grant expense and as a grant payable in the period in which the grantee meets the terms of the conditions. Grants payable that are expected to be paid in future years are recorded at the present value of expected future payments.

As of December 31, 2021, the Foundation had awarded conditional grants totaling $4,835,316 which were not recognized as liabilities in the financial statements. During the year, $7,485,500 was recorded as grant expense as conditions were met pursuant to terms in the grant agreements.

Contributed Services

Contributed services are recognized as revenues and expenses if the services received (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. The fair value of contributed services recorded in the accompanying statement of activities consists of investment management services of $5,185,000 and facility use services of $1,245,144 which are provided by related parties. Management estimates fair value based on market rates for similar services.

Contributed investment management services are reflected as contribution revenue and as contributed investment management expense which are netted against investment income. Contributed facility use services are reflected in contribution revenue and in direct charitable and program and administrative expense.

Fair Value of Financial Instruments

The carrying amounts of cash, investment sales receivable, program-related investments, accounts payable, accrued expenses and other liabilities, and grants payable approximate fair value because of the short maturity of these items. Investments are carried at estimated fair value as described above.

Concentrations of Credit Risk

Financial instruments which potentially subject the Foundation to credit risk consist primarily of cash, investments, and program-related investments. The Foundation maintains cash primarily with one major financial institution. Such cash amounts may exceed Federal Deposit Insurance Corporation limits. The Foundation monitors its investments and has not experienced any significant credit losses.

Use of Estimates

The preparation of the 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, revenue, expenses, and the disclosure of commitments at the date of the financial statements. Actual results could differ from those estimates.

Foreign Currencies

Foreign currency amounts are translated into U.S. Dollars based on exchange rates as of December 31, 2021. Transactions in foreign currencies are translated into U.S. Dollars at the exchange rate prevailing on the transaction date.

Income Taxes

ASC 740 clarifies the accounting for uncertainty in income taxes recognized in an entity's financial statements and provides guidance on the recognition, re-recognition, and measurement of benefits related to an entity's uncertain tax positions, if any. The Foundation is subject to a federal tax of 1.39% on its net investment income. Tax expense in 2021 related to this was $6,274,371, along with a deferred tax benefit adjustment of ($1,632,280) based on accumulated unrealized gains and losses. The Foundation is also subject to federal and state income taxes on unrelated business income. The Foundation generates unrelated business income from some if its investments. Information needed to calculate the tax on those investments is not yet received but based on information to date and prior year activity any tax due will not be material to the financial statements. The Foundation's federal returns are currently open under the statute of limitations for the year ended December 31, 2018 and for subsequent years, and the Foundation's California returns are open for the year ended December 31, 2017 and for subsequent years.

The Foundation does not anticipate that there will be any material changes in the unrecognized tax positions over the next twelve months.

Recent Accounting Pronouncements

In February 2016, the FASB issued ASU 2016-02, *Leases*, which requires lessees, among other things, to recognize right-of-use assets and liabilities on their statement of financial position for all leases with terms longer that twelve months. This standard is effective for fiscal years beginning on or after December 15, 2021. The Foundation is in the process of assessing the impact of this guidance on the financial statements.

NOTE C - INVESTMENTS

The investment goals of the Foundation include inflation-adjusted preservation of capital and providing funds for pursuing the Foundation's charitable mission. The Foundation diversifies its investments among various financial instruments and asset categories and uses multiple investment strategies. As a general practice, all financial assets of the Foundation are managed by external investment management firms. The Foundation's investments consisted of the following at December 31, 2021:

Cash equivalents	$ 186,425,502
Absolute return	80,177,948
Distressed credit	89,895,270
Fixed income	39,718,871
Global equities	260,512,097
Private equity	293,539,118
Real assets	72,660,387
	$1,022,929,193

Absolute return strategies are investments that seek to make positive returns by employing investment techniques that may include using short selling, futures, options, derivatives, arbitrage, leverage, and unconventional assets. Distressed (debt and credit) securities are financial instruments issued by a company that is near to or currently going through bankruptcy. Investments may include common and preferred shares, bank debt, trade claims and corporate bonds.

Fixed income consists of investments that provide a return in the form of fixed periodic payments and the eventual return of principal at maturity. Most of the investments in this category are U.S. Treasury securities.

Global equities consist of investments in funds or made directly that focus in equity securities listed in or with exposure to the United States, Europe, Asia, and other developing and emerging markets around the world. Private equity includes investments in funds that make investments in private companies, either directly in the company or through underlying funds. Real assets consist of investments in funds or made directly that focus on real estate, energy, commodities, renewable resources, and hard tradable assets.

The following table presents the assets that are measured at fair value on the statement of financial position by level within the valuation hierarchy at December 31, 2021:

	Level 1	Level 2	Level 3	Investments Measured at NAV	Total
Cash equivalents	$ 170,746,362	$ -	$ -	$ 15,679,140	$ 186,425,502
Absolute return	-	-	701,905	79,476,043	80,177,948
Distressed credit	-	-	5,480,007	84,415,263	89,895,270
Fixed income	39,718,871	-	-	-	39,718,871
Global equities	67,327,799	-	-	193,184,298	260,512,097
Private equity	-	-	85,496,057	208,043,061	293,539,118
Real assets	-	-	128,898	72,531,489	72,660,387
Total investments	$ 277,793,032	$ -	$ 91,806,867	$ 653,329,294	$ 1,022,929,193

The amount included in the statement of activities for the year attributable to the change in unrealized losses related to Level 3 assets still held at the reporting date was $11,948,302. Activity related to the Level 3 investment activity as of December 31, 2021 is as follows:

	2021
Additions and purchases	$ 128,898
Transfers into Level 3	214,933
Transfers out of Level 3	-

The Foundation uses Net Asset Value ("NAV") to determine the fair value of all underlying investments which (a) do not have a readily determinable fair value and (b) prepare their financial statements consistent with the measurement principles of an investment company or have the attributes of an investment company. The following table lists the attributes of investments valued using NAV:

Fund	Fair value	Unfunded Commitment	Redemption Frequency (if Currently Eligible)	Redemption Restrictions in place at year end
Cash equivalents	$ 15,679,140	$ -	Immediate	N/A
Absolute return	79,476,043	-	Monthly, quarterly, semi-annually, or multi-year	Notification days ranging from 30-180 days, subject to lock-up conditions, where applicable
Distressed credit	84,415,263	16,132,921	Quarterly, multi-year or not redeemable	Notification of 60-90 days, subject to lock-up conditions, where applicable
Global equities	193,184,298	5,824,000	Monthly, quarterly, semi-annually or multi-year	Notification days ranging from 1-90 days subject to lock-up conditions, where applicable
Private equity	208,043,061	53,563,629	Not redeemable	Not redeemable
Real assets	72,531,489	48,033,679	Multi-year or not redeemable	Not redeemable
	$ 653,329,294	$ 123,554,229		

The Foundation has authorized its investment manager to use derivatives in the active management of the investment portfolio. In the opinion of the Foundation's management, the use of financial derivative instruments in its investment program is appropriate and customary for the investment strategy employed. Using such instruments reduces certain investment risks and may add value to the portfolio. Financial derivative instruments are recorded at fair value in the accompanying statement of financial position along with other investments, and changes in the fair value are reflected in the accompanying statement of activities within investment gain, net.

The Foundation has additional exposure to derivatives through commingled funds. Individual derivative contracts involve, to varying degrees, risk of loss arising from the possible inability of counterparties to meet the terms of the contracts. However, the Foundation minimizes such risk exposure by limiting counterparties to major financial institutions. The Foundation does not expect to record any losses as a result of counterparty default.

The investment assets of the Foundation are held in custody by a major financial services firm, except for assets invested with partnerships and commingled funds, which have separate arrangements related to their legal structure.

The Foundation holds a variety of investments which may involve exposure to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in the value of investment securities could occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

As of December 31, 2021, the Foundation is committed to invest additional funding of $123,554,229 in limited partnerships and similar interests.

As of December 31, 2021, the Foundation is committed to invest additional funding of $1,310,143 in program-related investments in the form of loans and other investments.

Investment gain reported in the statement of activities was comprised of the following for the year ended December 31, 2021:

Dividend and interest income	$ 4,905,286
Net realized and unrealized losses on investments	(8,941,998)
Net realized and unrealized gains on program-related investments	419,120
Investment expenses	(4,315,506)
Contributed investment management expenses	(5,185,000)
Third-party investment management expenses	(55,000)
Investment losses, net	$ (13,173,098)

NOTE D - PROPERTY AND EQUIPMENT

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

Computers and software	$ 341,820
Furniture and fixtures	381,069
Leasehold improvements	2,366,558
Less: accumulated depreciation and amortization	(1,333,261)
Property and equipment, net	$ 1,756,186

NOTE E - GRANTS PAYABLE

Grants are recorded as grants payable when they are approved. Some of the grants are payable in installments, generally over a three-year period. Grants authorized but unpaid at December 31, 2021 were payable as follows:

	Due in 1 Year	Due in 1 – 5 Years	Total
Grants outstanding	$ 20,861,031	$ 26,372,194	$ 47,233,225
Discount	-	(1,604,702)	(1,604,702)
Grants payable, net	$ 20,861,031	$ 24,767,492	$ 45,628,523

At December 31, 2021, grants payable were discounted at a rate of 3.25%.

NOTE F - FEDERAL EXCISE TAX

The Internal Revenue Service has determined that the Foundation is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, and the California Franchise Tax Board has determined that the Foundation is exempt from California franchise and/or income tax under Section 23701(d) of the Revenue and Taxation Code. The Foundation is subject to federal excise tax imposed on private foundations at 1.39%. The excise tax is imposed on net investment income, as defined by federal regulations. The Foundation provides for deferred federal excise tax on unrealized gains on investments at a rate of 1.39%.

The components of the Foundation's federal excise tax expense in the statement of activities are as follows:

Current	$ 6,274,371
Deferred	(1,632,280)
Federal excise tax expense	$ 4,642,091

NOTE G - RELATED-PARTY TRANSACTIONS

During the year ended December 31, 2021, the Foundation received contributed investment management and facility services by a firm, as discussed in Note B, whose principal is also a designator of the Foundation. The Foundation's contribution of services to the Skoll Fund is also discussed in Note I. Certain board members of the Skoll Fund also sit on the Board of the Foundation.

During 2021, the Foundation made fifteen grants to organizations where the Foundation's disqualified person served on the organization's board or advisory board. The total of such grants were $1,854,500.

NOTE H - RETIREMENT PLAN

The Foundation sponsors a defined contribution plan (the "Plan") under Internal Revenue Code Section 403(b). The Plan covers all employees who meet eligibility requirements. Employer contributions to the Plan are made monthly and vest immediately. Total expenses related to the Plan were $1,141,103 for the year ended December 31, 2021.

NOTE I - ANALYSIS OF EXPENSES

The Skoll Foundation's expenses have been allocated between program, direct charitable, and operational support activities, based on estimates made by the Foundation's management of time spent by employees on various activities. Program expenses pertain to the general grantmaking activities of the Skoll Foundation, such as reviewing proposals and awarding, monitoring and evaluating grants. Operational support expenses include costs related to managing the Skoll Foundation. Direct charitable expenses represent expenses related to the Skoll World Forum and the contribution of services, such as grantmaking and program coordination, to the Skoll Fund. The Skoll Fund awarded $26,588,719 (unaudited) of grants during the 12-month period ended December 31, 2021. The Skoll Fund is a supporting organization associated with Silicon Valley Community Foundation. The Silicon Valley Community Foundation appoints the majority of the Skoll Fund's Directors. Together with the Foundation, the Skoll Fund's mission is to catalyze transformational social change by investing in, connecting, and championing social entrepreneurs and other social innovators who together advance bold and equitable solutions to the world's most pressing problems.

The allocation between direct charitable and program and administrative expenses is based on the assignment of payroll, employment taxes and benefits based on management estimates of the time spent on the relevant programs, direct assignment of non-payroll expenses to the relevant activities, and an allocation of remaining expenses based on the value and number of grants awarded and paid by the Skoll Fund and the Foundation during the reporting period.

The Skoll Foundation's functional expenses, displayed by natural expense classification, for the year ended December 31, 2021 were as follows:

	Grants	Program Services	Direct Charitable Activities	Operational Support	Total Expenses
Grants award	$122,127,684	$ -	$ -	$ -	$122,127,684
Personnel	-	6,597,189	3,836,314	2,746,139	13,179,642
Taxes	-	-	-	4,657,041	4,657,041
Event expenses	-	-	1,797,136	-	1,797,136
Occupancy	-	623,268	362,435	259,441	1,245,144
Consultants/professional services	-	1,748,325	521,856	879,028	3,149,209
Other	-	626,031	210,481	677,514	1,514,026
Travel expenses	-	101,506	26,578	38,420	166,504
	$122,127,684	$ 9,696,319	$ 6,754,800	$ 9,257,583	$147,836,386

NOTE J - LIQUIDITY AND FUNDS AVAILABLE

The Foundation regularly monitors liquidity required to meet its operating needs, liabilities and other obligations as they become due. The Foundation has a goal to maintain financial assets, which consist of cash and short-term investments, on hand to meet at least 30 days of normal operating expenses, which are, on average, approximately $1,500,000. At December 31, 2021 the Foundation had ample cash, cash equivalents and investments to cover operating expenses. The following assets could be readily made available within one year of the statement of financial position to meet general expenditures:

Financial assets:	
Cash	$ 4,599,818
Cash equivalents	186,425,498
Liquid investments	614,310,433
Financial assets available to meet cash needs for general expenditures within one year	$ 805,335,749

NOTE K - SUBSEQUENT EVENTS

The Foundation has evaluated subsequent events through August 31, 2022, the date the financial statements were issued and believes no additional disclosures are required in the financial statements.