



INTERNATIONAL COACHING FEDERATION

LEXINGTON, KENTUCKY

**COMBINED FINANCIAL STATEMENTS
REPORT OF INDEPENDENT AUDITORS**

MARCH 31, 2024

INTERNATIONAL COACHING FEDERATION

TABLE OF CONTENTS MARCH 31, 2024

	Page
Report of Independent Auditors	1
Combined Financial Statements:	
Combined Statements of Financial Position	3
Combined Statements of Activities	4
Combined Statements of Functional Expenses	5
Combined Statements of Cash Flows	13
Notes to Combined Financial Statements	14



Blue & Co., LLC / 250 West Main Street, Suite 2900 / Lexington, KY 40507
main 859.253.1100 fax 859.253.1384 email blue@blueandco.com

REPORT OF INDEPENDENT AUDITORS

To the Boards of Directors of
International Coaching Federation
Lexington, Kentucky

Opinion

We have audited the accompanying combined financial statements of International Coaching Federation Global Enterprise, Inc., International Coach Federation, Inc. dba ICF Professional Coaches, ICF Credentialing and Standards, Inc., ICF Coach Training, Inc. dba ICF Coaching Education, ICF Coaching in Organizations, Inc., ICF Thought Leadership, Inc., and International Coach Federation Foundation, Inc. (nonprofit organizations and hereby referred to collectively as International Coaching Federation or ICF) which comprise the combined statements of financial position as of March 31, 2024, and the related combined statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements (collectively, the financial statements).

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of ICF as of March 31, 2024, and the changes in its net assets and its cash flows for the year 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. 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 ICF 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 ICF's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

To the Board of Directors of
International Coaching Federation
Lexington, Kentucky

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgement 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 ICF'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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about ICF'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.

Blue & Co., LLC

Lexington, Kentucky
March 11, 2025

INTERNATIONAL COACHING FEDERATION

COMBINED STATEMENTS OF FINANCIAL POSITION MARCH 31, 2024

	Global Enterprises	Professional Coaches	Credentialing and Standards	Coaching Education	Coaching in Organizations	Thought Leadership	Foundation	Combined, total	Inter- organization eliminations	Combined, net
ASSETS										
Current assets:										
Cash and cash equivalents	\$ 5,102,124	\$ 2,062,570	\$ 1,423,162	\$ 549,390	\$ 253,098	\$ 407,870	\$ 343,749	\$ 10,141,963	\$ 0	\$ 10,141,963
Accounts receivable	291,035	7,736	40,697	30,177	0	0	6,588	376,233	0	376,233
Prepaid expenses	569,133	832,408	37,509	58,867	32,499	33,333	34,206	1,597,955	0	1,597,955
Total current assets	5,962,292	2,902,714	1,501,368	638,434	285,597	441,203	384,543	12,116,151	0	12,116,151
Investments	11,539,441	0	0	0	0	0	546,059	12,085,500	0	12,085,500
Website and software	704,706	100,797	0	100,614	0	0	0	906,117	0	906,117
Accumulated amortization	(675,192)	(69,102)	0	(39,128)	0	0	0	(783,422)	0	(783,422)
Website and software, net	29,514	31,695	0	61,486	0	0	0	122,695	0	122,695
Accounts receivable from affiliates	1,255,848	15,090,919	554,395	0	0	0	0	16,901,162	(16,901,162)	0
Total assets	<u>\$ 18,787,095</u>	<u>\$ 18,025,328</u>	<u>\$ 2,055,763</u>	<u>\$ 699,920</u>	<u>\$ 285,597</u>	<u>\$ 441,203</u>	<u>\$ 930,602</u>	<u>\$ 41,225,508</u>	<u>\$ (16,901,162)</u>	<u>\$ 24,324,346</u>
LIABILITIES AND NET ASSETS										
Current liabilities:										
Accounts payable	\$ 645,720	\$ 553,438	\$ 185,636	\$ 13,365	\$ (957)	\$ 37,645	\$ 6,156	\$ 1,441,003	\$ 0	\$ 1,441,003
Deferred revenue	96,287	7,996,276	92,846	7,600	114,164	0	62,826	8,369,999	0	8,369,999
Total current liabilities	742,007	8,549,714	278,482	20,965	113,207	37,645	68,982	9,811,002	0	9,811,002
Accounts payable to affiliates	15,347,509	0	0	297,805	61,361	409,386	785,101	16,901,162	(16,901,162)	0
Total liabilities	16,089,516	8,549,714	278,482	318,770	174,568	447,031	854,083	26,712,164	(16,901,162)	9,811,002
Net assets without donor restrictions	2,697,579	9,475,614	1,777,281	381,150	111,029	(5,828)	76,519	14,513,344	0	14,513,344
Total liabilities and net assets	<u>\$ 18,787,095</u>	<u>\$ 18,025,328</u>	<u>\$ 2,055,763</u>	<u>\$ 699,920</u>	<u>\$ 285,597</u>	<u>\$ 441,203</u>	<u>\$ 930,602</u>	<u>\$ 41,225,508</u>	<u>\$ (16,901,162)</u>	<u>\$ 24,324,346</u>

See accompanying notes to combined financial statements.

INTERNATIONAL COACHING FEDERATION

COMBINED STATEMENTS ACTIVITIES YEAR ENDED MARCH 31, 2024

	Global Enterprises	Professional Coaches	Credentialing and Standards	Coaching Education	Coaching in Organizations	Thought Leadership	Foundation	Combined, total	Inter- organization eliminations	Combined, net
Revenues from services:										
Memberships	\$ 0	\$ 12,961,327	\$ 0	\$ 0	\$ 167,304	\$ 0	\$ 0	\$ 13,128,631	\$ 0	\$ 13,128,631
Credentialing	0	0	6,380,211	0	0	0	0	6,380,211	0	6,380,211
Programs	0	0	0	2,517,560	0	0	0	2,517,560	0	2,517,560
Conferences	1,367,853	0	0	0	0	0	0	1,367,853	0	1,367,853
Total revenues from services	1,367,853	12,961,327	6,380,211	2,517,560	167,304	0	0	23,394,255	0	23,394,255
Other revenues:										
Investment gains, net	713,401	0	0	0	0	0	35,307	748,708	0	748,708
Royalties	292,662	0	0	0	0	0	0	292,662	0	292,662
Interest Income	482,181	55,256	29,571	0	0	0	19,535	586,543	0	586,543
Contributions	1,387	0	0	0	0	0	245,811	247,198	0	247,198
Contributions, in-kind	0	0	0	0	0	0	76,865	76,865	0	76,865
Research and development	24,721	0	0	0	0	0	0	24,721	0	24,721
Miscellaneous	17,541	29,034	0	0	0	6,700	0	53,275	0	53,275
Grants	0	0	0	0	0	0	95,791	95,791	0	95,791
Management fees	12,690,000	0	0	0	0	0	0	12,690,000	(12,690,000)	0
Total other revenues	14,221,893	84,290	29,571	0	0	6,700	473,309	14,815,763	(12,690,000)	2,125,763
Total revenues	15,589,746	13,045,617	6,409,782	2,517,560	167,304	6,700	473,309	38,210,018	(12,690,000)	25,520,018
Expenses:										
Program services	4,845,086	2,562,568	6,883,927	2,512,964	728,957	948,010	321,336	18,802,848	0	18,802,848
Supporting services:										
Management and general	3,973,673	7,034,070	1,067,809	621,424	288,111	219,169	1,028,511	14,232,767	(12,690,000)	1,542,767
Membership development	3,582,153	2,348,393	0	0	250,255	0	0	6,180,801	0	6,180,801
Fundraising	0	0	0	0	0	0	258,041	258,041	0	258,041
Total expenses	12,400,912	11,945,031	7,951,736	3,134,388	1,267,323	1,167,179	1,607,888	39,474,457	(12,690,000)	26,784,457
Transfers to and from affiliates	(845,511)	(2,000,000)	0	0	1,000,000	1,000,000	845,511	0	0	0
Change in net assets	2,343,323	(899,414)	(1,541,954)	(616,828)	(100,019)	(160,479)	(289,068)	(1,264,439)	0	(1,264,439)
Net assets, without donor restrictions, beginning of year	354,256	10,375,028	3,319,235	997,978	211,048	154,651	365,587	15,777,783	0	15,777,783
Net assets, without donor restrictions, end of year	\$ 2,697,579	\$ 9,475,614	\$ 1,777,281	\$ 381,150	\$ 111,029	\$ (5,828)	\$ 76,519	\$ 14,513,344	\$ 0	\$ 14,513,344

See accompanying notes to combined financial statements.

INTERNATIONAL COACHING FEDERATION
INTERNATIONAL COACHING FEDERATION GLOBAL ENTERPRISE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED MARCH 31, 2024

	Program services				Supporting services		
	Education and marketing	Research	Ethics	Total	Management and general	Membership development	Total
Accounting	\$ 0	\$ 0	\$ 0	\$ 0	\$ 26,750	\$ 0	\$ 26,750
Advertising, promotion, and outreach	0	0	0	0	994,067	994,066	1,988,133
Bank and credit card fees	50,544	0	0	50,544	0	0	50,544
Chapter and membership	0	0	0	0	0	10,886	10,886
Coaching and training	0	0	0	0	0	50,492	50,492
Consulting	0	141,716	0	141,716	408,242	408,242	958,200
Contract labor	3,150	0	0	3,150	13,648	9,863	26,661
Contributions and sponsorships	0	0	0	0	16,886	0	16,886
Depreciation	31,874	0	0	31,874	0	0	31,874
Information technology	799,716	0	0	799,716	44,069	43,300	887,085
Insurance	14,499	0	0	14,499	37,610	0	52,109
Legal fees	0	0	0	0	54,480	0	54,480
Management fees	1,215,507	538,684	109,294	1,863,485	1,727,205	1,745,015	5,335,705
Meetings and events	1,161,635	0	82,300	1,243,935	375,615	87,980	1,707,530
Miscellaneous	0	0	375	375	45,082	1,801	47,258
Office expense	54	259	1,680	1,993	9,092	9,225	20,310
Professional development and evaluation	194,767	0	11,511	206,278	99,615	195,086	500,979
Research and projects	0	163,597	0	163,597	0	0	163,597
Speaker fees	211,807	0	0	211,807	0	0	211,807
Translation services	0	0	4,062	4,062	0	0	4,062
Travel	96,941	7,023	4,091	108,055	121,312	26,197	255,564
Total expenses	<u>\$ 3,780,494</u>	<u>\$ 851,279</u>	<u>\$ 213,313</u>	<u>\$ 4,845,086</u>	<u>\$ 3,973,673</u>	<u>\$ 3,582,153</u>	<u>\$ 12,400,912</u>

See accompanying notes to combined financial statements.

INTERNATIONAL COACHING FEDERATION
ICF PROFESSIONAL COACHES, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED MARCH 31, 2024

		Supporting services		
	Program	Management	Membership	Total
	services	and	development	
		general		
Bank and credit card fees	\$ 361,666	\$ 77,500	\$ 77,500	\$ 516,666
Chapter and membership	0	0	353,980	353,980
Chapter rebates	0	0	1,366,952	1,366,952
Consulting	0	99,797	4,168	103,965
Contract labor	78,218	16,761	16,761	111,740
Currency exchange fees	131,661	28,213	28,213	188,087
Depreciation	0	33,599	0	33,599
Information technology	0	81,462	0	81,462
Management fees	1,719,181	6,566,396	398,396	8,683,973
Meetings and events	0	26,881	26,881	53,762
Office expense	0	27,124	0	27,124
Professional development				
and evaluation	32,630	0	0	32,630
Translation services	0	795	0	795
Travel	239,212	75,542	75,542	390,296
Total expenses	<u>\$ 2,562,568</u>	<u>\$ 7,034,070</u>	<u>\$ 2,348,393</u>	<u>\$ 11,945,031</u>

See accompanying notes to combined financial statements.

**INTERNATIONAL COACHING FEDERATION
ICF CREDENTIALING AND STANDARDS, INC.**

STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED MARCH 31, 2024

	Program services	Management and general	Total
	<hr/>	<hr/>	<hr/>
Bank and credit card fees	\$ 238,226	\$ 1,618	\$ 239,844
Coaching and training	1,468,176	5,400	1,473,576
Consulting	5,771	0	5,771
Contract labor	4,605	0	4,605
Information technology	1,145,049	3,254	1,148,303
Management fees	3,895,951	973,988	4,869,939
Meetings and events	87,333	17,944	105,277
Miscellaneous	0	22	22
Office expense	22,361	10,338	32,699
Travel	16,455	55,245	71,700
Total expenses	<u>\$ 6,883,927</u>	<u>\$ 1,067,809</u>	<u>\$ 7,951,736</u>

See accompanying notes to combined financial statements.

INTERNATIONAL COACHING FEDERATION
ICF COACH TRAINING, INC. DBA ICF COACHING EDUCATION

STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED MARCH 31, 2024

	Program services	Management and general	Total
	<hr/>	<hr/>	<hr/>
Advertising, promotion, and outreach	\$ 0	\$ 28,389	\$ 28,389
Bank and credit card fees	87,947	340	88,287
Coaching and training	131,748	0	131,748
Consulting	29,999	0	29,999
Contract labor	16,015	0	16,015
Depreciation	33,538	0	33,538
Information technology	42,533	9,740	52,273
Management fees	1,975,651	493,913	2,469,564
Meetings and events	166,843	20,895	187,738
Miscellaneous	4,209	1,214	5,423
Office expense	0	8,863	8,863
Travel	24,481	58,070	82,551
Total expenses	<u>\$ 2,512,964</u>	<u>\$ 621,424</u>	<u>\$ 3,134,388</u>

See accompanying notes to combined financial statements.

INTERNATIONAL COACHING FEDERATION
ICF COACHING IN ORGANIZATIONS, INC.

STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED MARCH 31, 2024

		Supporting services		
	Program	Management	Membership	
	services	and	development	Total
		general		
Bank and credit card fees	\$ 2,959	\$ 0	\$ 0	\$ 2,959
Consulting	17,229	0	0	17,229
Contract labor	3,282	0	0	3,282
Management fees	658,864	219,621	219,621	1,098,106
Meetings and events	14,567	14,870	6,083	35,520
Miscellaneous	0	2,973	0	2,973
Office expense	0	133	6,193	6,326
Travel	32,056	50,514	18,358	100,928
Total expenses	<u>\$ 728,957</u>	<u>\$ 288,111</u>	<u>\$ 250,255</u>	<u>\$ 1,267,323</u>

See accompanying notes to combined financial statements.

**INTERNATIONAL COACHING FEDERATION
ICF THOUGHT LEADERSHIP INSTITUTE, INC.**

STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED MARCH 31, 2024

	Program services	Management and general	Total
	<hr/>	<hr/>	<hr/>
Consulting	\$ 163,655	\$ 10,097	\$ 173,752
Management fees	718,409	179,602	898,011
Meetings and events	49,330	1,106	50,436
Office expense	4,093	705	4,798
Professional development and evaluation	8,691	2,172	10,863
Travel	3,832	25,487	29,319
Total expenses	<u>\$ 948,010</u>	<u>\$ 219,169</u>	<u>\$ 1,167,179</u>

See accompanying notes to combined financial statements.

INTERNATIONAL COACHING FEDERATION
INTERNATIONAL COACH FEDERATION FOUNDATION, INC.

STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED MARCH 31, 2024

	Program services	Supporting services		Total
		Management and general	Fundraising	
Advertising, promotion, and outreach	\$ 0	\$ 10,211	\$ 0	\$ 10,211
Bank and credit card fees	0	12,615	0	12,615
Coaching and training	7,670	0	0	7,670
Consulting	0	399	0	399
Contributions	63,472	0	0	63,472
Contributions, in-kind	76,865	0	0	76,865
Information technology	0	6,869	0	6,869
Management fees	112,753	945,507	225,507	1,283,767
Meetings and events	36,060	713	0	36,773
Miscellaneous	0	1,590	0	1,590
Office expense	0	3,471	32,534	36,005
Professional development and evaluation	0	5,293	0	5,293
Research and projects	24,516	0	0	24,516
Travel	0	41,843	0	41,843
Total expenses	<u>\$ 321,336</u>	<u>\$ 1,028,511</u>	<u>\$ 258,041</u>	<u>\$ 1,607,888</u>

See accompanying notes to combined financial statements.

INTERNATIONAL COACHING FEDERATION

COMBINED STATEMENT OF FUNCTIONAL EXPENSES YEAR ENDED MARCH 31, 2024

	Program services	Supporting services			Total
		Management and general	Membership development	Fundraising	
Accounting	\$ 0	\$ 26,750	\$ 0	\$ 0	\$ 26,750
Advertising, promotion, and outreach	0	1,032,667	994,066	0	2,026,733
Bank and credit card fees	741,342	92,073	77,500	0	910,915
Chapter and membership	0	0	364,866	0	364,866
Chapter rebates	0	0	1,366,952	0	1,366,952
Coaching and training	1,607,594	5,400	50,492	0	1,663,486
Consulting	358,370	518,535	412,410	0	1,289,315
Contract labor	105,270	30,409	26,624	0	162,303
Contributions and sponsorships	63,472	16,886	0	0	80,358
Contributions, in-kind	76,865	0	0	0	76,865
Currency exchange fees	131,661	28,213	28,213	0	188,087
Depreciation	65,412	33,599	0	0	99,011
Information technology	1,987,298	145,394	43,300	0	2,175,992
Insurance	14,499	37,610	0	0	52,109
Legal fees	0	54,480	0	0	54,480
Management fees	10,944,294	11,106,232	2,363,032	225,507	24,639,065
Meetings and events	1,598,068	458,024	120,944	0	2,177,036
Miscellaneous	4,584	50,881	1,801	0	57,266
Office expense	28,447	59,726	15,418	32,534	136,125
Professional development and evaluation	247,599	107,080	195,086	0	549,765
Research and projects	188,113	0	0	0	188,113
Speaker fees	211,807	0	0	0	211,807
Translation services	4,062	795	0	0	4,857
Travel (including refunds)	424,091	428,013	120,097	0	972,201
Total expenses	<u>\$ 18,802,848</u>	<u>\$ 14,232,767</u>	<u>\$ 6,180,801</u>	<u>\$ 258,041</u>	<u>\$ 39,474,457</u>

See accompanying notes to combined financial statements.

INTERNATIONAL COACHING FEDERATION

COMBINED STATEMENTS OF CASH FLOWS YEAR ENDED MARCH 31, 2024

	Global Enterprises	Professional Coaches	Credentialing and Standards	Coaching Education	Coaching in Organizations	Thought Leadership	Foundation	Combined, total	Inter- organization eliminations	Combined, net
Cash flows from operating activities:										
Change in net assets	\$ 2,343,323	\$ (899,414)	\$ (1,541,954)	\$ (616,828)	\$ (100,019)	\$ (160,479)	\$ (289,068)	\$ (1,264,439)	\$ 0	\$ (1,264,439)
Adjustments to reconcile net assets to net cash flows from operating activities:										
Depreciation	31,874	33,599	0	33,538	0	0	0	99,011	0	99,011
Unrealized gains on investments	(713,401)	0	0	0	0	0	(35,307)	(748,708)	0	(748,708)
Changes in operating assets and liabilities:										
Accounts receivable	(14,697)	(5,396)	(12,744)	(4,527)	133	0	(6,588)	(43,819)	0	(43,819)
Prepaid expenses	(111,788)	(445,033)	(28,210)	(30,649)	(18,157)	(32,039)	(29,205)	(695,081)	0	(695,081)
Accounts payable	(166,538)	(11,030)	(98,830)	(25,640)	(1,206)	14,006	1,625	(287,613)	0	(287,613)
Deferred revenue	83,647	2,541,455	(193)	0	55,008	0	(8,566)	2,671,351	0	2,671,351
Net cash flows from operating activities	1,452,420	1,214,181	(1,681,931)	(644,106)	(64,241)	(178,512)	(367,109)	(269,298)	0	(269,298)
Cash flows from investing activities:										
Purchases of investments	(5,248,255)	0	0	0	0	0	(225,932)	(5,474,187)	0	(5,474,187)
Proceeds from sales of investments	8,911,745	0	0	0	0	0	212,149	9,123,894	0	9,123,894
Net cash flows from investing activities	3,663,490	0	0	0	0	0	(13,783)	3,649,707	0	3,649,707
Cash flows from financing activities:										
Advances from affiliates	(3,895,110)	0	0	297,805	67,955	12,647	565,336	(2,951,367)	2,951,367	0
Advances to affiliates	(645,937)	372,967	2,513,238	711,099	0	0	0	2,951,367	(2,951,367)	0
Net cash flows from financing activities	(4,541,047)	372,967	2,513,238	1,008,904	67,955	12,647	565,336	0	0	0
Net change in cash and cash equivalents	574,863	1,587,148	831,307	364,798	3,714	(165,865)	184,444	3,380,409	0	3,380,409
Cash and cash equivalents, beginning of year	4,527,261	475,422	591,855	184,592	249,384	573,735	159,305	6,761,554	0	6,761,554
Cash and cash equivalents, end of year	<u>\$ 5,102,124</u>	<u>\$ 2,062,570</u>	<u>\$ 1,423,162</u>	<u>\$ 549,390</u>	<u>\$ 253,098</u>	<u>\$ 407,870</u>	<u>\$ 343,749</u>	<u>\$ 10,141,963</u>	<u>\$ 0</u>	<u>\$ 10,141,963</u>

See accompanying notes to combined financial statements.

INTERNATIONAL COACHING FEDERATION

NOTES TO COMBINED FINANCIAL STATEMENTS

MARCH 31, 2024

1. NATURE OF ACTIVITIES

Following is a description of the entities included in the accompanying combined financial statements. Collectively, the entities are referred to as ICF.

International Coaching Federation Global Enterprise, Inc., (Global Enterprise)

Global Enterprise is dedicated to advancing the coaching profession by setting high standards and building a worldwide network of trained coaching professionals.

Global Enterprise's programs are as follows:

- Education and marketing - reimagining the future of global accreditation and leading the way with an innovative model to enhance the standard of excellence when it comes to coaching education.
- Research - Global Enterprise invests in industry research to demonstrate the highly effective nature of coaching. This allows the community of coaches to stand strong with fresh knowledge of industry trends to inform their daily decisions.
- Ethics - The Organization leads the way in developing a definition and philosophy of coaching and establishing ethical standards among its members. The Organization sets professional coaching standards while also giving consumers a venue to file ethics complaints.

International Coach Federation, Inc. d/b/a ICF Professional Coaches (PC)

PC leads global advancement of the coaching profession through its members and chapters worldwide.

PC's program is as follows:

- Advancing the coaching profession so that coaching becomes an integral part of society. ICF Members lead this journey by representing the highest quality of professional coaching.

ICF Credentialing and Standards, Inc. (C&S)

C&S develops and manages credentialing programs based upon evolving specialties within the coaching profession and encourage standards of ethical and professional practice within the coaching profession.

C&S's program is as follows:

- ICF credential-holders are part of a self-regulating group of elite coaches who provide accountability to clients and the coaching profession as a whole. They pursue and complete rigorous education and practice requirements that provide unquestioned legitimacy to their commitment to excellence in coaching.

INTERNATIONAL COACHING FEDERATION

NOTES TO COMBINED FINANCIAL STATEMENTS MARCH 31, 2024

ICF Coach Training, Inc. dba ICF Coaching Education (CE)

CE ensures high standards in the coaching profession, and those high standards start with accredited training programs.

CE's program is as follows:

- Provides accredited coaches with a competitive edge both in their content and stature. Coaches worldwide recognize the CE as an industry leader and turn to CE for information about initial and continuing education.

ICF Coaching in Organizations, Inc. (CIO)

CIO aims to inspire and enable organizations by providing gold standards to continually develop their coaching capacity and capability as a mindset, skill set and ultimately an integral part of their culture.

CIO's program is as follows:

- Professional Development - Access to industry research, case studies and white papers on organizational coaching within our community where collaboration and sharing is central to learning. Webinars, podcasts, networking, and collaboration events offer continuing coach education credits.

ICF Thought Leadership, Inc. (TLI)

TLI aspires to build and maintain the most comprehensive and highest-quality body of knowledge on the science, art, and practice of coaching. TLI's purpose contemplates the futures of work, coaching, education, social policy, and planetary ecology.

TLI's program is as follows:

- Reveal and lead how coaching contributes to Prosperity, Peace, and Partnership for People and the Planet in a sustainable way. TLI's cohesive framework draws from the United Nations 2030 Agenda for Sustainable Development, which calls for action in the critical areas of People, Planet, Prosperity, Peace, and Partnership. This framework intersects with TLI's five thematic pillars - The Future of Work, The Future of Coaching, The Future of Education, The Future of Social Policy, The Future of Planetary Ecology.

INTERNATIONAL COACHING FEDERATION

NOTES TO COMBINED FINANCIAL STATEMENTS MARCH 31, 2024

International Coach Federation Foundation, Inc. (the Foundation)

The Foundation connects and equips professional coaches and organizations to accelerate and amplify impact on societal progress through coaching. Through transformational partnerships, the Foundation demonstrates that coaching works by building capacity in organizations around the globe and making coaching an integral part of the thriving society. Through its values of global vision, global impact, systemic insight, collaboration, compassion, and persistence; the Foundation will strive to obtain our vision that coaching is an integral part of the thriving society.

The Foundation's program is as follows:

- Expanding the boundaries of coaching in the world through key focus areas: cultivating frameworks for pro bono coaching, engaging in and curating research for the multiplying effect of social progress through coaching, and connecting training organizations and targeted populations for coaching scholarships.

The above entities which comprise ICF share common management. All entities have the same individual who serves as Chief Executive Officer (CEO) and the same individual who serves as Chief Operating Officer. The CEO and chair of Global Enterprise serve as ex-officio members of the boards for the other six entities. The entities share the same website and share common goals regarding the industry of coaching. Based on the above, the entities are each presented separately in the accompanying combined financial statements along with columns for eliminations of inter-organization transactions and balances.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of ICF is presented to assist in understanding ICF's combined financial statements. The combined financial statements and notes are representations of ICF's management who is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the combined financial statements.

Basis of Accounting

The combined financial statements of ICF have been prepared on the accrual basis of accounting. Accordingly, revenues are recognized when earned and expenses are recognized when incurred. The combined statements of financial position, activities, and cash flows reflect columns for elimination of all inter-organization transactions and balances.

Use of Estimates

Management uses estimates and assumptions in preparing the combined financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Actual results could differ from those estimates.

INTERNATIONAL COACHING FEDERATION

NOTES TO COMBINED FINANCIAL STATEMENTS MARCH 31, 2024

Basis of Presentation

The combined financial statements have been prepared with a focus on each respective entity. Net assets, support, revenues, gains, and losses are classified based on the existence or absence of donor restrictions. Accordingly, the net assets of ICF are classified and reported as follows:

- Net assets without donor restrictions: Net assets that are currently available for operating purposes under the direction of the board or designated by the board for specific use.
- Net assets with donor restrictions: Net assets subject to donor stipulations for specific operating purposes or time restrictions. These include donor restrictions requiring the net assets be held in perpetuity or for a specified term with investment return available for operations or specific purposes. There were no net assets with donor restrictions at March 31, 2024 or 2023.

Cash Equivalents

For purposes of the combined statements of cash flows, cash and cash equivalents include cash on hand, certificates of deposits, and all highly liquid investments with a maturity of three months or less when purchased.

Accounts Receivable

Accounts receivable (contracts receivable) consist of fees owed for memberships and services and are stated at the amount management expects to collect from outstanding balances. As is customary for receivables of this nature, ICF does not require collateral on their accounts receivable. ICF does not accrue finance charges on their past due accounts receivable. Management provides for probable uncollectible amounts through a charge to earnings and a credit to the allowance for doubtful accounts based on their assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the allowance and a credit to subscriptions receivable. Management does not consider an allowance for doubtful accounts necessary as of March 31, 2024.

Management utilizes aging schedules for estimating expected credit losses. In evaluating loss rates, accounts receivable are pooled into categories based on days past due. Significantly aged receivables are evaluated individually by credit worthiness and historical experience with fees owed for memberships and services. Account balances are written off against the allowance when management deems the amount is uncollectible. There were no material uncollectible amounts at March 31, 2024 or 2023.

The balance of accounts receivable at April 1, 2023, was \$332,000 and was collected within the year ending March 31, 2024.

INTERNATIONAL COACHING FEDERATION

NOTES TO COMBINED FINANCIAL STATEMENTS MARCH 31, 2024

Investments and Investment Return

Investments are carried at fair value for financial reporting purposes. Changes in unrealized appreciation or depreciation of investments are reflected in the statement of activities in the period in which such changes occur. Interest and dividend income is recorded when earned.

Website Development and Computer Software

ICF records expenses for all website development and computer software costs incurred that relate to the planning and post-implementation phases of development. Costs incurred in the development phase are capitalized and recognized over the product's estimated useful life on a straight-line basis over estimated useful life of three years. Costs associated with repair or maintenance of the existing website, or the development of website content are expensed.

Income Taxes

Global Enterprises, PC, C&S, CE, and CIO are exempt from federal income taxes under Section 501(c)(6) of the Internal Revenue Code (the Code). TLI and the Foundation are exempt from federal income taxes under Section 501(c)(3) of the Code. In addition, TLI and the Foundation have been determined by the Internal Revenue Service not to be private foundations within the context of Section 509(a) of the Code. Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by ICF and recognize a tax liability if ICF has taken an uncertain position that more likely than not would not be sustained upon examination by various federal and state taxing authorities. Management has analyzed the tax positions taken by ICF and has concluded that as of March 31, 2024 there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the accompanying combined financial statements. ICF is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

ICF has filed its federal income tax returns for periods through March 31, 2023. These income tax returns are generally open to examination by the relevant taxing authorities for a period of three years from the later of the date the return was filed or its due date (including approved extensions).

Revenue Recognition and Deferred Revenue

ICF has adopted "Revenue from Contracts with Customers". Revenue for membership dues is recognized ratably throughout the term of membership as this is estimated to represent the costs associated with the benefits provided for membership. Dues that are paid in advance are included as deferred revenue. Credentialing revenue is recognized when exams administered by ICF for purposes of attaining designations. Program revenue is recognized when instructional events are held by ICF for specified purposes. Conference and event revenues are recognized when the corresponding events are held.

INTERNATIONAL COACHING FEDERATION

NOTES TO COMBINED FINANCIAL STATEMENTS MARCH 31, 2024

Deferred revenue (contract liabilities) consists primarily of advances received for membership dues, conferences, and other events for the upcoming fiscal year.

Contributions

Contribution revenue is recognized as amounts are awarded, pledged, or received. ICF did not have any pledges receivable at March 31, 2024 or 2023.

Advertising Costs

Advertising costs are expensed when incurred and are listed separately for each ICF entity in the accompanying combined statements of functional expenses. Total combined advertising costs for the year ended March 31, 2024 amounted to approximately \$2,027,000.

Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the combined statements of activities and functional expenses. Direct costs are allocated by project. Management fees, chapter and membership, meetings, travel, information technology, programming fees and depreciation are allocated based on estimates of time and effort. Although the methods used were appropriate, alternative methods may have provided different results.

Subsequent Events

ICF evaluates events occurring subsequent to the date of the combined financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through March 11, 2025 which is the date the combined financial statements were available to be issued.

Going Concern Evaluation

Management evaluates whether there are conditions or events that raise substantial doubt about the entity's ability to continue as a going concern for a period one year from the date the combined financial statements were available to be issued.

3. CONCENTRATIONS

ICF maintains its cash balances at a financial institution in Lexington, Kentucky. The Federal Deposit Insurance Corporation (FDIC) insures up to \$250,000. During the year, the balance may exceed the FDIC insured amount.

INTERNATIONAL COACHING FEDERATION

NOTES TO COMBINED FINANCIAL STATEMENTS MARCH 31, 2024

4. FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of fair value hierarchy are described as follows:

- Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that ICF has the ability to access.
- Level 2: Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.
- Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value:

- Money market mutual funds: Generally, transact subscription and redemption activity at a \$1 stable net asset value (NAV); however, on a daily basis the funds are valued at their daily NAV calculated using the amortized cost of the securities held in the fund.
- Equities and bonds: Valued at the closing price reported on the active market on which the individual securities are traded.
- Bank certificates of deposit: Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields currently available on comparable securities of issuers with similar credit ratings.
- Exchange-traded funds: Valued at the daily closing prices as reported by the fund. Exchange-traded funds held by the organization are open-ended funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price.

INTERNATIONAL COACHING FEDERATION

NOTES TO COMBINED FINANCIAL STATEMENTS MARCH 31, 2024

ICF holds investments which are exposed to various risks such as interest rate, market, and credit. Due to the level of risk associated with these securities and the level of uncertainty related to changes in the value, it is at least reasonably possible that changes in the various risk factors will occur in the near term that could materially affect the amounts reported in the accompanying combined financial statements.

The following table presents ICF's assets measured at fair value at March 31, 2024 (amounts rounded):

	Level 1	Level 2	Level 3	Total
Fixed income securities:				
Corporate	\$ 4,687,000	\$ 0	\$ 0	\$ 4,687,000
U.S. Government	3,578,000	0	0	3,578,000
International	173,000			173,000
Bank certificate of deposit	0	50,000	0	50,000
Exchange traded funds:				
Corporate index funds	25,000	0	0	25,000
Equity mutual funds:				
Information technology	997,000	0	0	997,000
Consumer goods	592,000	0	0	592,000
Healthcare	485,000	0	0	485,000
Materials	56,000			56,000
Energy	156,000	0	0	156,000
Industrials	294,000	0	0	294,000
Communications	285,000	0	0	285,000
Financial services	346,000	0	0	346,000
International	100,000	0	0	100,000
Money market mutual fund	0	262,000	0	262,000
Total	<u>\$ 11,774,000</u>	<u>\$ 312,000</u>	<u>\$ 0</u>	<u>\$ 12,086,000</u>

5. AGREEMENT WITH ASSOCIATIONS INTERNATIONAL, LLC

ICF has entered into an agreement (the Agreement) with Associations International, LLC (AI). Under the terms of the Agreement, AI shall maintain a core staff of personnel as may be required to perform the management services and maintain the standard quality of performance of the Agreement (the Staff). AI agrees to provide all wages, compensation, and benefits to the Staff, as well as all administrative costs associated with the Staff and the operation of the Staff's office. The Agreement is effective through March 31, 2029. After March 31, 2029, the term of the Agreement shall automatically renew for an additional one (1) year period. Either party shall have the right to terminate the renewal by providing written notice to the other party on or before January 1, 2029.

INTERNATIONAL COACHING FEDERATION

NOTES TO COMBINED FINANCIAL STATEMENTS

MARCH 31, 2024

The annual management fees for the year ended March 31, 2024 are listed separately for each ICF entity in the accompanying combined statements of functional expenses. Combined management fees, net of inter-organization eliminations, for the year ended March 31, 2024 amounted to approximately \$11,916,000 which reflected the contracted amount. The annual management fee for the fiscal year ending March 31, 2025 is approximately \$12,485,000. In subsequent years the management fee will increase by an amount equal to the change in the annual Consumer Price Index (CPI) as published in the United States Department of Labor Bureau of Labor Statistics for the prior contract year plus 1%.

In addition to the management fee, AI incurs out-of-pocket expenses for ICF for items such as pre-approved travel on ICF matters, office supplies, postage and long-distance telephone charges, printing, audio/visual services, and other costs for resources provided to and used solely by ICF. ICF is to reimburse AI for these costs on a monthly basis.

During the term of the Agreement, ICF grants to AI a personal, nontransferable, royalty-bearing, exclusive worldwide license to use ICF's respective names, the letters "ICF", logos, and any other trademarks, solely in connection with providing management services as defined in the Agreement.

During the term of the Agreement, AI shall be entitled to retain thirty percent of any and all Gross Corporate Sponsor Revenues, as defined. AI shall pay ICF a Corporate Sponsorship Royalty equal to seventy percent of any and all gross corporate sponsor revenues.

Approximately \$76,000 was due to AI from Global Enterprises, and approximately \$126,000 was due from AI to Global Enterprises as of March 31, 2024.

6. COMMITMENTS

ICF has contracted with various hotels for conferences and events to be held through fiscal year 2025. The contracts include stipulations for room attrition and cancellation. Estimated total exposure for these agreements is approximately \$7,000.

7. AVAILABILITY OF FINANCIAL ASSETS

ICF is supported by program service revenue to meet its ongoing obligations. As part of ICF's liquidity management, it structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. ICF invests cash in excess of daily requirements in short-term investments.

The following reflects ICF's financial assets as of the statement of financial position date, reduced by amounts not available for general use within one year of the statement of financial position date (amounts rounded).

INTERNATIONAL COACHING FEDERATION

NOTES TO COMBINED FINANCIAL STATEMENTS MARCH 31, 2024

Cash and cash equivalents	\$ 10,142,000
Accounts receivable	<u>376,000</u>
Financial assets available to meet cash needs for general expenditure within one year	<u>\$ 10,518,000</u>

In addition to the above, investments may be liquidated as needed to meet operational needs.

8. DISCLOSURES REQUIRED BY REVENUE RECOGNITION STANDARD

Following are disclosures for deferred revenue and accounts receivable as required by ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)* (amounts rounded, combined):

	Deferred revenue, contract <u>liability</u>	Accounts <u>receivable</u>
Balance at, April 1, 2023	\$ 5,699,000	\$ 332,000
Revenue recognized during the year	(5,699,000)	0
Advances received during the year	8,370,000	0
Collections during the year	0	(332,000)
Revenue recognized for amounts not collected during the year	0	376,000
Balance at, March 31, 2024	<u>\$ 8,370,000</u>	<u>\$ 376,000</u>

9. CONTRIBUTED NONFINANCIAL ASSETS

Accounting Standards Update (ASU) No. 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets* is intended to increase transparency around contributed nonfinancial assets (also known as "gifts-in-kind" (GIK)) received by not-for-profit organizations, including information on how those assets are used and how they are valued.

For the year ended March 31, 2024, the Foundation received approximately \$77,000 of in-kind contributions for training scholarships for ICF members. The Foundation selected the scholarship winners, and this amount is included in contributions expense in the accompanying statement of functional expenses. The gifts were valued at the standard rates charged by the training organizations. There were no other in-kind gifts in fiscal year 2024.