

## 2021 ANNUAL REPORT TO SHAREHOLDERS G1 ADVENTURE TOURS, SPC

### MANAGEMENT'S SPECIAL PURPOSE DISCUSSION AND ANALYSIS

The G1 ADVENTURE TOURS, SPC (G1AT) Discussion and Analysis provides an overview of G1AT's stated purposes of the corporation and its financial activities during the fiscal year ended on December 31, 2021. Please read it in conjunction with G1AT's financial statements, which follow this section.

**Overall Objectives.** The social purposes of G1AT are to book travel arrangements for the Adventure Sports Ministries of G1O, Inc., a California nonprofit religious corporation and to contribute its net profits, less a reasonable reserve for future growth, to G1O, Inc. to better spread the Christian faith. Further, the purpose of promoting positive effects of, or minimizing adverse effects of, the social purpose corporation's activities upon any of the following, provided that the corporation consider this purpose in addition to, or together with, the financial interests of the shareholders and compliance with legal obligations, and the corporation shall take action consistent with that purpose:

- (i) The social purpose corporation's employees, suppliers, customers, and creditors.
- (ii) The community and society..
- (iii) The environment.

**Material Actions to Achieve Objectives.** During the year, G1AT converted to a Social Purpose Corporation under the California Social Purpose Corporation Act by filing Restated and Amended Articles of Incorporation with the Secretary of State on November 17, 2021.

Due to the ongoing Covid-19 Pandemic and the fact that the conversion to a social purpose corporation occurred late in the year, G1AT did not book any travel. In fact, it operated at a net loss. However, it did sell some office furniture after management decided it wasn't needed.

The balance sheet shows that G1AT has \$40,342 in cash in bank accounts and only \$30,592 in total liabilities. Therefore, it is poised to achieve its objectives to support G1O, Inc. With airplane travel restrictions due the Pandemic being eased, it is anticipated that adventure sports ministries will be booking travel through G1AT in 2022 and the corporation will have net profits to donate to G1O, Inc. There are two trips already booked for 2022 to Nepal and to Alaska. A third trip to Israel was postponed from 2022 to 2023. The Tour Guide was flown in to meet with people who had signed up for the trip in 2021. There are three other trips planned for 2023. Additionally, G1O, Inc. being recognized by the IRS as a tax exempt organization should help it help churches to start adventure sports ministries some of which are likely to book travel arrangements through G1AT though they are under no obligation to do so.

**Performance Evaluation.** The best measure for evaluating G1AT's performance in achieving its special purpose objectives is the amount of money it donates to G1O, Inc.

**Material Operating Expenditures.** The dominant activity, and material operating expense, of G1AT during 2021 involved working with legal counsel to settle the ownership of the shares of the corporation and to amend the Articles of Incorporation to become a social purpose corporation. Additional operating expenses in the form of legal fees in 2022 will include amending bylaws and preparing this annual report. It is estimated that these fees will not exceed Five Thousand Dollars. Other material operating expenditures to achieve G1AT's social purpose

objectives over the next three years include licensing fees of approximately Six Hundred Dollars annually.

The conversion to a social purpose corporation will allow G1AT to financially support G1O, Inc. by donating its net profits from the sale of travel arrangements for adventure sports ministries to G1O, Inc. Such donations will help G1O, Inc. fulfill its tax exempt mission to help spread the Christian faith through adventure sports ministries by helping churches organize and establish adventure sports ministries. G1O, Inc. has applied for recognition of its tax exempt status under Internal Revenue Code section 501(c)(3) from the Internal Revenue Service and fully expects to receive such recognition.

#### **Certificate of Officer**

I, the undersigned, Gregory Wayne Weisman, President of G1 Adventure Tours, SPC, hereby certify that the attached Balance Sheet and Profit & Loss Statement for the corporation were prepared without audit from the books and records of the corporation.

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Gregory Wayne Weisman, President