World Cube Association

Financial Statements and Independent Accountant's Review Report

As of and for the Year Ended December 31, 2025



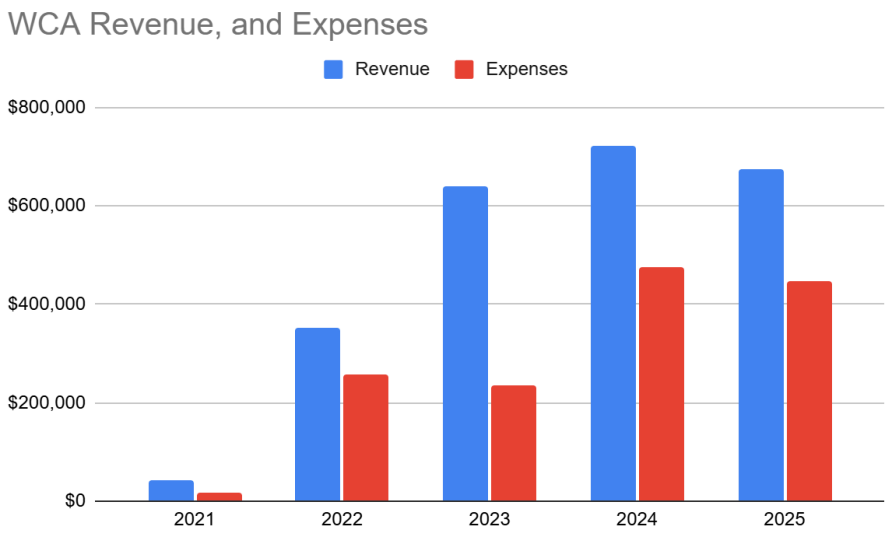
Introduction

The World Cube Association remains in a strong financial position following 2025 with Assets of $1,022,606 (up 28% on 2024), including Cash of $619,208 (up 67%).

Revenue for the year was $673,434, this is down 7% on 2024 principally driven by lower sponsorship revenue. Competition Dues (up 4% on 2024) continue to represent the majority of the WCA's revenue at 71% (slightly up from 64% in 2024).

Program expenditure of $341,769 was 6% lower than 2024 driven by a reduced number of major competitions receiving WCA support, partially offset by higher information technology expenses. Management and general expenses fell by 6% from 2024 levels to $132,955.

2025 revenue and expenses continue to represent a stabilizing period for the WCA's finances following considerable post-pandemic growth combined with a shift in the WCA's financial footprint over 2021-2023 from increased financial involvement in major championships, the expansion of the WCA Dues program over 2022-2023, and increased software investment.



In future years, expenses are expected to grow from 2025 levels following the hiring of a full time paid Executive Director in 2026, increased amortization of previously capitalized software development, and further expenditure on program activities across competition support, equipment, and travel funding. The WCA is comfortable that its revenue levels can support higher levels of expenditure, with the WCA's cash reserves able to manage uncertainty and timing differences.

In line with prior years, the WCA has had an Independent Accountant's Review prepared by CoSurge CPAs. Their report alongside detailed financial statements including accompanying notes are included following this introduction.

World Cube Association

Table of Contents

As of and for the Years Ended December 31, 2025 and 2024

Independent Accountant's Review Report 1

Statements of Financial Position As of December 31, 2025 and 2024 3

Statement of Activities for the Year Ended December 31, 2025 4

Statement of Activities for the Year Ended December 31, 2024 5

Statement of Functional Expenses for the Year Ended December 31, 2025 6

Statement of Functional Expenses for the Year Ended December 31, 2024 7

Statements of Cash Flows for the Years Ended December 31, 2025 and 2024 8

Notes to the Financial Statements 9

Independent Accountant's Review Report

To Management and the Board of
World Cube Association
Los Angeles, California

We have reviewed the accompanying financial statements of World Cube Association (the Organization), which comprise the statements of financial position as of December 31, 2025 and 2024, and the related statement of activities, statement of functional expenses, and statements of cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the Organization's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our reviews.

Accountant's Conclusion

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.



CoSurge LLC
(d/b/a CoSurge CPAs)
Buford, Georgia
June 23, 2026

World Cube Association
Statements of Financial Position
As of December 31, 2025 and 2024

	2025	2024
Assets		
Cash	$ 619,208	$ 370,718
Accounts receivable, net	12,671	5,719
Prepaid expenses	85,000	165,000
Other assets	17,335	15,000
Developed software, net	53,272	-
In-process software	170,459	159,047
Other intangibles	64,661	80,825
Total Assets	$ 1,022,606	$ 796,309
Liabilities and Net Assets		
Liabilities		
Accounts payable	$ 2,333	$ 1,741
Net assets		
Without donor restrictions		
Undesignated	1,020,273	794,568
Total Net Assets	1,020,273	794,568
Total Liabilities and Net Assets	$ 1,022,606	$ 796,309

See independent accountant's review report and notes to financial statements.

World Cube Association
Statement of Activities
For the Year Ended December 31, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, Support, and Gains			
Equipment sales	$ 25,046	$ -	$ 25,046
Less cost of equipment	26,995	-	26,995
Equipment sales, net of cost	(1,949)	-	(1,949)
Contributions	1,885	-	1,885
Donated services	23,250	-	23,250
Sponsorship income	165,000	-	165,000
Dues income	478,803	-	478,803
Other income	6,445	-	6,445
Net assets released from restrictions	-	-	-
Total Revenues, Support, and Gains	673,434	-	673,434
Expenses			
Program activities	314,774	-	314,774
Management and general	132,955	-	132,955
Total Expenses	447,729	-	447,729
Changes in net assets	225,705	-	225,705
Net assets, beginning of year	794,568	-	794,568
Net assets, end of year	$ 1,020,273	$ -	$ 1,020,273

See independent accountant’s review report and notes to financial statements.

World Cube Association
Statement of Activities
For the Year Ended December 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, Support, and Gains			
Equipment sales	$ 32,335	$ -	$ 32,335
Less cost of equipment	30,988	-	30,988
Equipment sales, net of cost	1,347	-	1,347
Contributions	5,929	-	5,929
Donated services	9,160	-	9,160
Sponsorship income	231,500	-	231,500
Dues income	462,313	-	462,313
Other income	11,296	-	11,296
Net assets released from restrictions	-	-	-
Total Revenues, Support, and Gains	721,545	-	721,545
Expenses			
Program activities	333,553	-	333,553
Management and general	141,450	-	141,450
Total Expenses	475,003	-	475,003
Changes in net assets	246,542	-	246,542
Net assets, beginning of year	548,026	-	548,026
Net assets, end of year	$ 794,568	$ -	$ 794,568

See independent accountant’s review report and notes to financial statements.

World Cube Association
Statement of Functional Expenses
For the Year Ended December 31, 2025

	Program Activities	Management and General	Total Expenses by Nature
Competition support	$ 184,620	$ -	$ 184,620
Fees for services	-	47,235	47,235
Information technology	100,616	32,659	133,275
Travel	12,379	10,318	22,697
Competition equipment	39,447	-	39,447
Other expenses	4,707	42,743	47,450
Total Expenses by Function	341,769	132,955	474,724
Included with Revenues on the Statement of Activities			
Cost of equipment	26,995	-	26,995
Total Expenses on the Statement of Activities	$ 314,774	$ 132,955	$ 447,729

See independent accountant’s review report and notes to financial statements.

World Cube Association
Statement of Functional Expenses
For the Year Ended December 31, 2024

	Program Activities	Management and General	Total Expenses by Nature
Competition support	$ 239,807	$ -	$ 239,807
Fees for services	-	70,943	70,943
Information technology	64,931	28,664	93,595
Travel	12,465	10,389	22,854
Competition equipment	41,056	-	41,056
Other expenses	6,282	31,454	37,736
Total Expenses by Function	364,541	141,450	505,991
Included with Revenues on the Statement of Activities			
Cost of equipment	30,988	-	30,988
Total Expenses on the Statement of Activities	$ 333,553	$ 141,450	$ 475,003

See independent accountant's review report and notes to financial statements.

World Cube Association
Statements of Cash Flows
For the Years Ended December 31, 2025 and 2024

	2025	2024
Cash Flows From Operating Activities		
Cash received from donors	$ 25,135	$ 5,929
Cash received from sponsors	165,000	231,500
Cash received from equipment sales	25,046	32,335
Cash received from dues	471,851	466,309
Cash received from other sources	6,446	11,296
Cash paid for equipment sold	(26,995)	(30,988)
Cash paid to service providers and vendors	(322,630)	(517,079)
Net Cash Provided By Operating Activities	343,853	199,302
Cash Flows From Investing Activities		
Acquisition of intangible assets	(4,043)	(13,361)
Acquisition of in-process software	(91,320)	(139,118)
Net Cash Used In Investing Activities	(95,363)	(152,479)
Net Increase In Cash	248,490	46,823
Cash, Beginning of Year	370,718	323,895
Cash, End of Year	$ 619,208	$ 370,718

See independent accountant’s review report and notes to financial statements.

1. Nature of Activities

World Cube Association (the Organization), is a not-for-profit entity that was formed in 2017. The Organization's objectives are to act as the world governing body for the sport of speedcubing, build and sustain an inclusive community around the sport of speedcubing, and to compile and enforce regulations governing the sport of speedcubing. The mission of the Organization is to encourage, conduct and sponsor public discussion groups, forums, panels, lectures, workshops and competitions in school and other public places under friendly, fair, equal, fun and sportsmanlike conditions for twisty puzzle solving. The Organization strives to carry on other charitable activities associated with these purposes as allowed by law, and is primarily supported by sponsorships and competition dues.

2. Summary of Significant Accounting Policies

The following significant accounting policies are described to enhance the usefulness of the financial statements to the reader.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Financial Accounting Standards Board (FASB) provides authoritative guidance regarding U.S. GAAP through the Accounting Standards Codification (ASC) and related Accounting Standards Updates (ASUs).

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 affect the reported amounts of assets and liabilities and 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

Cash includes cash and checking accounts. At times, cash balances may exceed federally insured amounts. The Organization has not experienced any losses in such accounts and management believes it is not exposed to any significant credit risk.

Accounts Receivable

Accounts receivable, which consist of amounts owed to the Organization related to competition dues from competition organizers, are stated at the amounts billed less an estimated allowance for credit losses. The Organization evaluates the collectability of receivables on a specific account basis using a combination of the age of the outstanding balances, historical collection experience, and discussions with the competition organizers. An allowance for credit losses is recorded when it is determined that the receivable may not be collected, depending on known facts and the likelihood of recovery of the outstanding amount. Management has determined that an allowance for credit losses was not necessary as of December 31, 2025 or 2024.

Intangible Assets

The Organization capitalizes certain intangible assets, including internally developed software, software development costs, trademarks, and other identifiable intangible assets with an estimated useful life extending beyond one year. Costs incurred to develop, acquire, renew, or extend the useful life of recognized intangible assets are capitalized in accordance with the Organization’s capitalization policy.

Intangible assets determined to have finite useful lives are amortized over their estimated useful lives using the straight-line method. Intangible assets determined to have indefinite useful lives are not amortized but are evaluated for impairment at least annually, or more frequently if events or changes in circumstances indicate that the asset may be impaired.

The Organization performs an annual impairment review during the fourth quarter of each year. The impairment analysis compares the estimated fair value of the intangible asset or related reporting unit to its carrying value. The determination of fair value involves estimates and assumptions made by management. Changes in business strategy, economic conditions, market conditions, or other factors could materially affect these assumptions and result in impairment in future periods.

Contract Liability

Amounts received relating to contracts are recorded as contract liability and recognized as revenue when earned. In order for revenue to be recognized, expenses totaling the amount to be recognized must be incurred or the agreement must be completed, which is usually 1-2 years from the signing date of the agreement. Accordingly, all amounts yet to be recognized from contracts are classified as short-term or long-term based on the signing of the agreement.

Fair Value Measurement

When required or elected, the Organization reports certain assets and liabilities (financial instruments) and noncash contributions at fair value (the estimated price at which an asset can be sold or a liability settled in an orderly transaction to a third party under current market conditions) using appropriate valuation techniques based on available inputs.

Available inputs are categorized (based on the amount of subjectivity associated with the information source) using a three-level fair value hierarchy defined by U.S. GAAP as follows:

- Level 1 – Unadjusted quoted prices in active markets for identical assets and liabilities
- Level 2 – Observable inputs other than quoted prices for identical assets and liabilities
- Level 3 – Unobservable inputs supported by little or no market activity

The Organization measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs are only used when Level 1 and Level 2 are not available.

Recognition of Revenue

Unconditional Contributions

Contributions are reported when made, which is generally when cash is received, unconditional promises to give are made, or ownership of donated assets is transferred to the Organization.

The Organization recognizes contributions as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor-imposed restriction expires, net assets with restrictions are reclassified to net assets without restrictions and presented in the accompanying statements of activities as net assets released from restrictions.

Sponsorship Income

Sponsorship income is derived from contracts with sponsors for major competition events. Income from these contracts is recognized (up to the contract ceiling) to the extent of expenses. Revenues received in advance are recorded as deferred revenue until funds have been expended on agreed-upon program services.

Dues Income

Dues income is derived from registration fees paid by competitors of competitions put on by the volunteer competition organizers. All dues are invoiced to competition organizers and are to be paid within 30 days of issuance. Invoiced dues are recognized as revenue in the period earned.

Dues are calculated using the greater of 15% of registration fees, or a set value of dues based on cost-of-living and other measures of the national economy for the country that the competition is held in as decided by the Organization’s Finance Committee.

The Organization does waive dues for countries that are new to the Organization for either the first five competitions held or the first two years after the first competition is held in that country, whichever comes first, and for some Championship competitions at the discretion of the Board. The Organization also waives dues for countries that experience economic and/or currency instability on a case-by-case basis at the discretion of the Finance Committee.

Equipment Sales

Equipment sales is income received from competition organizers for equipment paid for by the Organization. Competition organizers are invoiced for applicable equipment purchases and shipping costs after costs are incurred by the Organization. Accordingly, invoiced equipment purchases are recognized as revenue in the period earned. Once payment is received from competition organizers, the ownership and title of the equipment is passed to the competition organizers.

Merchandise Sales

Merchandise sales, which are reported in other income on the accompanying statements of activities, are from sales of merchandise designed by the Marketing Team or competition organizers subject to the Organization's logo usage policy or other agreement with the Organization. Merchandise is sold at select competitions and on the Organization’s website.

For sales of merchandise designed and sold by competition organizers, the Organization may receive revenue pursuant to the terms of applicable vendor agreements collected by the competition organizers, which is invoiced by the Organization at the conclusion of the competition and typically payable within 30 days of the end of the competition. Invoiced sales are recognized as revenue in the period earned.

Donated Services

Donated professional services that create or enhance nonfinancial assets, or require skills that would otherwise typically be purchased, are recorded as contributions at their estimated fair values when the services are rendered.

Volunteers contribute significant amounts of time to the Organization's program and supporting activities. No value has been assigned to volunteer time that does not meet the criteria for recognition

Net Assets

To ensure observance of limitations and restrictions placed on the use of resources available to the Organization, amounts reported in the financial statements are classified in two net asset categories as follows:

- Net assets without donor restrictions are resources currently available for use in general operations, including internal limits imposed by Board decisions.
- Net assets with donor restrictions are resources whose use is limited by donor/grantor imposed restrictions for specific purpose, passage of time, or perpetual donor-imposed stipulations that neither expire by the passage of time nor can be removed by actions of the Organization.

Allocation of Expenses

The costs of providing the various programs and other activities have been summarized in the accompanying financial statements. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Except for competition equipment and fees for services, all expenses are allocated based on an estimate of where time and efforts are made, and benefits are received. Competition equipment expenses occur as a result of program activities; accordingly, they are allocated to program activities. Fees for services occur as a result of services provided for management; accordingly, they are allocated to management and general.

Advertising Costs

Advertising costs (which are included in other expenses and consist primarily of direct advertisements, graphic design, promotional materials, and participation in community events) are expensed as incurred. Advertising costs totaled $0 during 2025 and 2024.

Tax-Exempt Status

The Organization has been organized as a California nonprofit corporation, recognized by the IRS as exempt from federal income tax under Internal Revenue Code Section 501 (c)(3), and determined not to be a private foundation under IRC Section 509(a).

The Organization is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, the Organization is subject to income tax on net income derived from business activities that are unrelated to its exempt purpose. Management has determined that the Organization had no unrelated business income during 2025 or 2024 and has not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.

The Organization only recognizes a tax benefit from an uncertain tax position taken or to be taken in a tax return if the tax position is more likely than not to be sustained upon an examination, based on the technical merits of the position. Management has analyzed tax positions taken for filings with the IRS and all state jurisdictions where the Organization operates. Management believes that income tax filing positions would be sustained upon examination and does not anticipate that any adjustments would result in a material adverse effect on the Organization's financial condition, changes in net assets, or cash flows. Accordingly, the Organization has not recorded any reserves, or related accruals for interest and penalties for uncertain income tax positions at December 31, 2025 or 2024.

The Organization is subject to federal and state examinations, generally three years from the date that the returns are filed; currently there are no examinations in progress for any tax periods.

3. Accounts Receivable

A summary of accounts receivable at December 31, 2025 and 2024 are as follows:

		2025		2024
Accounts receivable	$	12,671	$	5,719
Allowance for credit losses		-		-
Accounts receivable, net	$	12,671	$	5,719

The Organization did not have any contract assets or contract liabilities at January 1, 2025 or at December 31, 2025.

A summary of the allowance for credit losses at December 31, 2025 and 2024 is as follows:

	2025	2024
Beginning Balance, January 1	$ -	$ -
Provision for credit losses	-	287
Write-offs	-	(287)
Ending balance, December 31	$ -	$ -

Credit loss expense, which is reported in other expenses in the accompanying statement of functional expenses, totaled $0 for 2025 and $287 for 2024.

4. Intangible Assets

Intangible assets as of December 31, 2025 and 2024 consisted of the following:

	2025	2024
Trademarks	$ 84,868	$ 80,825
Software	250,367	159,047
Intangible Assets, Cost	335,235	239,872
Amortization expense	46,843	-
Intangible Assets, Net	$ 288,392	$ 239,872

Intangible assets as of December 31, 2025 and 2024 were presented on the statements of financial position as follows:

	2025	2024
In-process software	$ 170,459	$ 159,047
Developed software, net	53,272	-
Other intangibles, net	64,661	80,825
Total Intangibles, Net	$ 288,392	$ 239,872

5. Revenue Disaggregation

The following table disaggregates revenue by timing and geography for 2025 and 2024:

	2025	2024
Timing of revenue recognition:		
Recognized at a point in time	$ 483,300	$ 474,956
Recognized over time	165,000	231,500
Total Revenues	$ 648,300	$ 706,456

	2025	2024
Revenues by geography		
Africa	0.1	0.1
Asia	9.9	4.7
Europe	22.8	19.2
North America	62.3	71.2
Oceania	3.6	3.9
South America	1.2	0.9
Total revenues by geography	100%	100%

6. Concentrations

The Organization received approximately 24% and 32% of total revenue, support and gains from one sponsor for the years ended December 31, 2025 and 2024, respectively.

7. Donated Services

Donated services received during 2025 and 2024 totaled $23,250 and $9,160 respectively.

The fair value of the contributed services is based on the hourly rates that would be charged for conducting the services provided in the normal course of business. The Organization relied completely on level 3 fair market values provided by donors for the contribution of services.

During 2025 and 2024, all donated services were unrestricted and used in management and general expenses.

8. Related Party Transactions

During 2025, the Organization received donated services from affiliated members of governance totaling $23,250 (see Note 7).

9. Liquidity and Availability Disclosures

As of December 31, 2025, the Organization held unrestricted cash and cash equivalents on hand to meet over one year of normal expenditures. Average monthly cash expenditures were approximately $39,500 during 2025 and $42,000 during 2024.

The Organization prepares an annual budget that is reviewed and approved by the Board in advance for the upcoming year. Periodic meetings are held by the Board to review internal financial statements and budget to actual comparisons. Management does not commit to expenditures if cash is not available to pay the expenditures immediately.

Following is a schedule, as of December 31, 2025 and 2024 reflecting the financial assets available to meet cash needs for general expenditures within one year:

	2025	2024
Financial assets, at year end:		
Cash and cash equivalents	$ 619,208	$ 370,718
Accounts receivable	12,671	5,719
Total	631,879	376,437
Less: donor restrictions making financial assets unavailable for general expenditure	-	-
Total	$ 631,879	$ 376,437

10. Subsequent Events

Management has evaluated subsequent events through June 23, 2026, which is the date on which the financial statements were available to be issued. In general, subsequent events are recognized in the financial statements if the conditions existed at the date of the statement of financial position but are not recognized if the conditions did not exist at the date of the statement of financial position. The Organization discloses non-recognized events if required to keep the financial statements from being misleading. There were no subsequent events identified by the Organization for disclosure.