

Return of Organization Exempt From Income Tax

1997

Under section 501(c) of the Internal Revenue Code (except black lung benefit trust or private foundation) or section 4947(a)(1) nonexempt charitable trust

This Form is Open to Public Inspection

Department of the Treasury Internal Revenue Service

Note: The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 1997 calendar year, OR tax year period beginning 1997, and ending 19

B Check if: Change of address, Initial return, Final return, Amended return. C Name of organization: WORLD T.E.A.M. SPORTS, INC. D Employer identification number: 56-1827893. E State registration number: 62659. F Check if exemption application is pending.

G Type of organization: [X] Exempt under section 501(c) (3) (insert number) OR [] section 4947(a)(1) nonexempt charitable trust

Note: Section 501(c)(3) exempt organizations and 4947(a)(1) nonexempt charitable trusts MUST attach a completed Schedule A (Form 990).

H (a) Is this a group return filed for affiliates? [] Yes [X] No. I If either box in H is checked "Yes," enter four-digit group exemption number (GEN) []

(b) If "Yes," enter the number of affiliates for which this return is filed: [] J Accounting method: [] Cash [X] Accrual

(c) Is this a separate return filed by an organization covered by a group ruling? [] Yes [X] No. [] Other (specify) []

K Check here [] if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS; but if it received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.

Note: Form 990-EZ may be used by organizations with gross receipts less than \$100,000 and total assets less than \$250,000 at end of year.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See Specific Instructions on page 11.)

Table with columns for Revenue, Expenses, and Net Assets. Rows include: 1 Contributions, gifts, grants, and similar amounts received: STMT 1. 1a Direct public support: 910,332. 1b Indirect public support. 1c Government contributions (grants). 1d Total: 910,332. 2 Program service revenue including government fees and contracts: 3,125. 3 Membership dues and assessments. 4 Interest on savings and temporary cash investments. 5 Dividends and interest from securities. 6a Gross rents. 6b Less: rental expenses. 6c Net rental income or (loss). 7 Other investment income. 8a Gross amount from sale of assets other than inventory. 8b Less: cost or other basis and sales expenses. 8c Gain or (loss). 8d Net gain or (loss). 9 Special events and activities: 9a Gross revenue: 35,567. 9b Less: direct expenses: 57,404. 9c Net income or (loss): -21,837. 10a Gross sales of inventory. 10b Less: cost of goods sold. 10c Gross profit or (loss). 11 Other revenue: 9,785. 12 Total revenue: 901,405. 13 Program services: 554,366. 14 Management and general: 179,242. 15 Fundraising: 93,920. 16 Payments to affiliates. 17 Total expenses: 827,528. 18 Excess or (deficit) for the year: 73,877. 19 Net assets or fund balances at beginning of year: -12,405. 20 Other changes in net assets or fund balances. 21 Net assets or fund balances at end of year: 61,472.

Part II Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (See Specific Instructions on page 15.)

Table with 5 columns: (A) Total, (B) Program services, (C) Management and general, (D) Fundraising. Rows include: 22 Grants and allocations, 23 Specific assistance to individuals, 24 Benefits paid to or for members, 25 Compensation of officers, directors, etc., 26 Other salaries and wages, 27 Pension plan contributions, 28 Other employee benefits, 29 Payroll taxes, 30 Professional fundraising fees, 31 Accounting fees, 32 Legal fees, 33 Supplies, 34 Telephone, 35 Postage and shipping, 36 Occupancy, 37 Equipment rental and maintenance, 38 Printing and publications, 39 Travel, 40 Conferences, conventions, and meetings, 41 Interest, 42 Depreciation, depletion, etc., 43 Other expenses (itemize), 44 Total functional expenses.

Reporting of Joint Costs. - Did you report in column (B) (Program services) any joint costs from a combined educational campaign and fundraising solicitation? [] Yes [X] No
If "Yes," enter (i) the aggregate amount of these joint costs \$; (ii) the amount allocated to Program services \$; (iii) the amount allocated to Management and general \$; and (iv) the amount allocated to Fundraising \$

Part III Statement of Program Service Accomplishments (See Specific Instructions on page 18.)

Table with 2 columns: Description of program service, Program Service Expenses. Rows include: a CAPITAL RIDE - A FOUR-DAY CYCLING EVENT HELD IN THE FALL OF 1997 THAT SHOWCASED MEMBERS OF THE VIETNAM CHALLENGE TEAM RIDING FROM RALEIGH, NC TO COLUMBIA, SC (Expenses: 371,425); b ALL SPORTS DAY - COMMUNITY SERVICE DAY OF SPORTS AND RECREATION IN CHARLOTTE, NC THAT INVOLVED OVER 1,000 INDIVIDUALS (Expenses: 160,766); c ANTARCTICA MARATHON - WORLD T.E.A.M. SPORTS FIELDED A TEAM AND PROVIDED OUTREACH PROGRAMS IN FEBRUARY 1997 (Expenses: 5,544); e Other program services (Expenses: 16,631); f Total of Program Service Expenses (Expenses: 554,366)

Part IV Balance Sheets (See Specific Instructions on page 18.)

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.		(A) Beginning of year		(B) End of year	
Assets	45 Cash - non-interest-bearing	6,405.	45	43,425.	
	46 Savings and temporary cash investments		46		
	47a Accounts receivable 47a				
	b Less: allowance for doubtful accounts 47b		47c		
	48a Pledges receivable 48a	172,500.			
	b Less: allowance for doubtful accounts 48b	NONE	48c	172,500.	
	49 Grants receivable		49		
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)		50		
	51a Other notes and loans receivable (attach schedule) 51a				
	b Less: allowance for doubtful accounts 51b		51c		
	52 Inventories for sale or use		52		
	53 Prepaid expenses and deferred charges		53		
	54 Investments - securities (attach schedule)		54		
	55a Investments - land, buildings, and equipment: basis 55a				
	b Less: accumulated depreciation (attach schedule) 55b		55c		
	56 Investments - other (attach schedule)		56		
	57a Land, buildings, and equipment: basis 57a	81,538.			
	b Less: accumulated depreciation (attach schedule) 57b	STMT. 13 54,158.	40,539.	57c	27,380.
58 Other assets (describe ► <u>SEE STATEMENT 6</u>)			58	629,319.	
59 Total assets (add lines 45 through 58) (must equal line 74)	46,944.	59		872,624.	
Liabilities	60 Accounts payable and accrued expenses	43,481.	60	191,595.	
	61 Grants payable		61		
	62 Deferred revenue		62	590,664.	
	63 Loans from officers, directors, trustees, and key employees (attach schedule)	5,000.	63	NONE	
	64a Tax-exempt bond liabilities (attach schedule)		64a		
	b Mortgages and other notes payable (attach schedule) 64b	10,868.	17,500.	64b	17,500.
	65 Other liabilities (describe ► <u>SEE STATEMENT 8</u>)			65	11,393.
66 Total liabilities (add lines 60 through 65)	59,349.	66		811,152.	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.				
	67 Unrestricted	-12,405.	67	61,472.	
	68 Temporarily restricted		68		
	69 Permanently restricted		69		
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.				
	70 Capital stock, trust principal, or current funds		70		
	71 Paid-in or capital surplus, or land, building, and equipment fund		71		
	72 Retained earnings, endowment, accumulated income, or other funds		72		
73 Total net assets or fund balances (add lines 67 through 69 OR lines 70 through 72; column (A) must equal line 19 and column (B) must equal line 21)	-12,405.	73		61,472.	
74 Total liabilities and net assets/fund balances (add lines 66 and 73)	46,944.	74		872,624.	

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return (See Specific Instructions, page 20.)

Part IV-B Reconciliation of Expenses per Audited Financial Statements with Expenses per Return **NOT APPLICABLE**

a Total revenue, gains, and other support per audited financial statements . . . ▶	a	
b Amounts included on line a but not on line 12, Form 990: (1) Net unrealized gains on investments . . . \$ (2) Donated services and use of facilities \$ (3) Recoveries of prior year grants . . . \$ (4) Other (specify): \$ Add amounts on lines (1) through (4) ▶	b	NOT APPLICABLE
c Line a minus line b ▶	c	
d Amounts included on line 12, Form 990 but not on line a: (1) Investment expenses not included on line 6b Form 990 . . . \$ (2) Other (specify): \$ Add amounts on lines (1) and (2) ▶	d	
e Total revenue per line 12, Form 990 (line c plus line d) ▶	e	

a Total expenses and losses per audited financial statements ▶	a	
b Amounts included on line a but not on line 17, Form 990: (1) Donated services and use of facilities \$ (2) Prior year adjustments reported on line 20, Form 990 \$ (3) Losses reported on line 20, Form 990 \$ (4) Other (specify): \$ Add amounts on lines (1) through (4) ▶	b	
c Line a minus line b ▶	c	
d Amounts included on line 17, Form 990 but not on line a: (1) Investment expenses not included on line 6b, Form 990 . . . \$ (2) Other (specify): \$ Add amounts on lines (1) and (2) . . . ▶	d	
e Total expenses per line 17, Form 990 (line c plus line d) ▶	e	

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated; see Specific Instructions on page 20.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-.)	(D) Contributions to employee benefit plans & deferred compensation	(E) Expense account and other allowances
SEE STATEMENTS 9 & 10		142,557.	NONE	NONE

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than \$100,000 from your organization and all related organizations, of which more than \$10,000 was provided by the related organizations? Yes No
 If "Yes," attach schedule - see Specific Instructions on page 20.

Part VI Other Information (See Specific Instructions on page 21.)

Yes No

76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity	76		X
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes.	77		X
78a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	78a		X
	b If "Yes," has it filed a tax return on Form 990-T for this year?	78b	N/A	
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement	79		X
80a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?	80a		X
	b If "Yes," enter the name of the organization _____ and check whether it is <input type="checkbox"/> exempt OR <input type="checkbox"/> nonexempt.			
81a	Enter the amount of political expenditures, direct or indirect, as described in the instructions for line 81	81a	NONE	
	b Did the organization file Form 1120-POL for this year?	81b		N/A
82a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	82a	X	
	b If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions for reporting in Part III.)	82b	181,000.	
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a		X
	b Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b		N/A
84a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a		N/A
	b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b		N/A
85	501(c)(4), (5), or (6) organizations.-a Were substantially all dues nondeductible by members?	85a		N/A
	b Did the organization make only in-house lobbying expenditures of \$2,000 or less? If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.	85b		N/A
	c Dues, assessments, and similar amounts from members	85c	N/A	
	d Section 162(e) lobbying and political expenditures	85d	N/A	
	e Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e	N/A	
	f Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f	N/A	
	g Does the organization elect to pay the section 6033(e) tax on the amount in 85f?	85g		N/A
	h If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount in 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h		N/A
86	501(c)(7) organizations.-Enter: a Initiation fees and capital contributions included on line 12	86a	N/A	
	b Gross receipts, included on line 12, for public use of club facilities	86b	N/A	
87	501(c)(12) organizations.-Enter: a Gross income from members or shareholders	87a	N/A	
	b Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	87b	N/A	
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership? If "Yes," complete Part IX	88		X
89a	501(c)(3) organizations.-Enter: Amount of tax paid during the year under: section 4911 <input type="checkbox"/> NONE ; section 4912 <input type="checkbox"/> NONE ; section 4955 <input type="checkbox"/> NONE			
	b 501(c)(3) and 501(c)(4) organizations.-Did the organization engage in any section 4958 excess benefit transaction during the year? If "Yes," attach a statement explaining each transaction	89b		X
	c Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958			NONE
	d Enter: Amount of tax in 89c, above, reimbursed by the organization			NONE
90a	List the states with which a copy of this return is filed		NEW YORK	
	b Number of employees employed in the pay period that includes March 12, 1997 (See instructions.)	90b	14	
91	The books are in care of		WORLD T.E.A.M. SPORTS, INC.	Telephone no. 704-370-6070
	Located at		2108 SOUTH BLVD., CHARLOTTE, NC	ZIP + 4 28203
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041-Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year	92		N/A

Part VII Analysis of Income-Producing Activities (See Specific Instructions on page 25.)

Table with 5 main columns: (A) Business code, (B) Amount, (C) Exclusion code, (D) Amount, (E) Related or exempt function income. Rows include items like VIDEO SALES, MISCELLANEOUS, and a total of -8,927.

Note: (Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I.)

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See Specific Instructions on page 26.)

Table with 2 columns: Line No., Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes.

Part IX Information Regarding Taxable Subsidiaries (Complete this Part if the "Yes" box on line 88 is checked.)

Table with 5 columns: Name, address, and employer identification number; Percentage of ownership interest; Nature of business activities; Total income; End-of-year assets.

Please Sign Here. Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Preparer's Signature: Kara Diefelder, Date: 23 Sept 98, Firm's name: PRICewaterhouseCOOPERS LLP, 3110 FAIRVIEW PARK DRIVE, FALLS CHURCH, VA.