

Wildlife Conservation Network, Inc.

Financial Statements
and Supplementary Information

December 31, 2022
(With Comparative Totals for 2021)



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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Wildlife Conservation Network, Inc.
San Francisco, California

Opinion

We have audited the accompanying financial statements of Wildlife Conservation Network, Inc. (a California nonprofit corporation) (the "Organization"), which comprise the statement of financial position as of December 31, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Wildlife Conservation Network, Inc. as of December 31, 2022, 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 audit 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 Wildlife Conservation Network, Inc. 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 these 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 Wildlife Conservation Network, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.



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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, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Wildlife Conservation Network, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Wildlife Conservation Network, Inc.'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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The information on pages 29 - 30 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Report on Summarized Comparative Information

We have previously audited Wildlife Conservation Network, Inc. (a California nonprofit corporation)'s 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated May 11, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

A handwritten signature in black ink that reads "Armanino LLP". The signature is written in a cursive, flowing style.

Armanino^{LLP}
San Jose, California

May 11, 2023

Wildlife Conservation Network, Inc.
Statement of Financial Position
December 31, 2022
(With Comparative Totals for 2021)

	2022	2021
ASSETS		
Current assets		
Cash and cash equivalents	\$ 37,016,225	\$ 38,058,447
Grants and contributions receivable, current portion	658,000	10,000
Prepaid and other current assets	199,455	196,243
Investments	<u>10,217,905</u>	<u>2,741,624</u>
Total current assets	<u>48,091,585</u>	<u>41,006,314</u>
Other assets		
Grants and contributions receivable, net of current portion	-	10,000
Investments - endowment	1,918,588	2,252,953
Property and equipment, net	<u>647</u>	<u>26,549</u>
Total other assets	<u>1,919,235</u>	<u>2,289,502</u>
Total assets	<u><u>\$ 50,010,820</u></u>	<u><u>\$ 43,295,816</u></u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable	\$ 314,311	\$ 92,262
Grants payable, current portion	10,208,166	7,701,340
Accrued liabilities	185,309	203,145
Deferred rent	<u>-</u>	<u>1,109</u>
Total current liabilities	<u>10,707,786</u>	<u>7,997,856</u>
Grants payable, net of current portion	<u>277,500</u>	<u>400,000</u>
Total liabilities	<u>10,985,286</u>	<u>8,397,856</u>
Net assets		
Without donor restrictions		
Undesignated	7,620,151	5,745,203
Board designated	<u>1,709,282</u>	<u>2,693,104</u>
Total without donor restrictions	9,329,433	8,438,307
With donor restrictions	<u>29,696,101</u>	<u>26,459,653</u>
Total net assets	<u>39,025,534</u>	<u>34,897,960</u>
Total liabilities and net assets	<u><u>\$ 50,010,820</u></u>	<u><u>\$ 43,295,816</u></u>

The accompanying notes are an integral part of these financial statements.

Wildlife Conservation Network, Inc.
Statement of Activities
For the Year Ended December 31, 2022
(With Comparative Totals for 2021)

	Without Donor Restrictions	With Donor Restrictions	2022 Total	2021 Total
Support and revenue				
Grants and contributions	\$ 6,577,307	\$ 39,124,061	\$ 45,701,368	\$ 43,955,582
Contributions in-kind	227,000	36,532	263,532	155,000
Sale of merchandise (net of cost of goods sold of \$5,188 in 2022)	6,035	-	6,035	-
Other income	3,095	-	3,095	52,271
Loss on disposal of property and equipment	(14,978)	-	(14,978)	-
Investment income (loss), net	(329,177)	(334,365)	(663,542)	577,549
Event admission fees	-	-	-	32,625
Net assets released from restriction	<u>35,589,780</u>	<u>(35,589,780)</u>	<u>-</u>	<u>-</u>
Total support, revenue, and net assets released from restriction	<u>42,059,062</u>	<u>3,236,448</u>	<u>45,295,510</u>	<u>44,773,027</u>
Functional expenses				
Program services				
Wildlife programs	35,180,353	-	35,180,353	30,277,958
Program support services	1,916,937	-	1,916,937	787,144
Public education and outreach	958,239	-	958,239	1,160,293
Total program services	<u>38,055,529</u>	<u>-</u>	<u>38,055,529</u>	<u>32,225,395</u>
Support services				
Management and general	2,798,821	-	2,798,821	1,940,467
Fundraising	<u>313,586</u>	<u>-</u>	<u>313,586</u>	<u>228,472</u>
Total support services	<u>3,112,407</u>	<u>-</u>	<u>3,112,407</u>	<u>2,168,939</u>
Total functional expenses	<u>41,167,936</u>	<u>-</u>	<u>41,167,936</u>	<u>34,394,334</u>
Change in net assets	891,126	3,236,448	4,127,574	10,378,693
Net assets, beginning of year	<u>8,438,307</u>	<u>26,459,653</u>	<u>34,897,960</u>	<u>24,519,267</u>
Net assets, end of year	<u>\$ 9,329,433</u>	<u>\$ 29,696,101</u>	<u>\$ 39,025,534</u>	<u>\$ 34,897,960</u>

The accompanying notes are an integral part of these financial statements.

Wildlife Conservation Network, Inc.
Statement of Functional Expenses
For the Year Ended December 31, 2022
(With Comparative Totals for 2021)

	Program Services				Support Services			2022 Total	2021 Total
	Wildlife Programs	Program Support Services	Public Education and Outreach	Total Program Services	Management and General	Fundraising	Total Support Services		
Personnel expenses									
Salaries and wages	\$ 274,132	\$ 336,174	\$ 326,717	\$ 937,023	\$ 1,367,820	\$ 115,415	\$ 1,483,235	\$ 2,420,258	\$ 1,949,812
Employee benefits	33,843	41,502	40,335	115,680	168,864	14,248	183,112	298,792	246,669
Salaries in-kind	25,711	31,530	30,643	87,884	128,291	10,825	139,116	227,000	155,000
Payroll taxes	20,597	25,259	24,548	70,404	102,772	8,672	111,444	181,848	148,849
Total personnel expenses	<u>354,283</u>	<u>434,465</u>	<u>422,243</u>	<u>1,210,991</u>	<u>1,767,747</u>	<u>149,160</u>	<u>1,916,907</u>	<u>3,127,898</u>	<u>2,500,330</u>
Other expenses									
Grants	34,320,880	1,102,950	-	35,423,830	-	-	-	35,423,830	29,867,716
Contract labor	362,679	-	-	362,679	170,379	-	170,379	533,058	621,624
Expo and other receptions	-	-	331,821	331,821	-	82,955	82,955	414,776	229,281
Professional services, including in-kind	42,208	51,760	50,304	144,272	210,601	17,770	228,371	372,643	212,280
Travel	-	204,761	12,856	217,617	39,777	-	39,777	257,394	137,748
Office expenses	26,253	32,194	31,289	89,736	130,987	11,053	142,040	231,776	177,996
Occupancy	26,125	32,037	31,136	89,298	130,354	10,999	141,353	230,651	245,269
Other	17,670	21,669	21,060	60,399	90,402	7,440	97,842	158,241	36,627
Printing	15,817	19,397	18,851	54,065	78,923	6,659	85,582	139,647	133,293
Bank fees	-	-	-	-	107,613	-	107,613	107,613	87,728
Donor events and recognition	-	-	21,472	21,472	-	21,472	21,472	42,944	-
Outside services	3,299	4,045	3,932	11,276	16,459	1,389	17,848	29,124	28,149
Postage and shipping	3,041	3,729	3,624	10,394	15,172	1,280	16,452	26,846	29,304
Telephone	2,543	3,118	3,030	8,691	12,688	1,070	13,758	22,449	24,043
Dues and subscriptions	2,401	2,945	2,862	8,208	11,980	1,011	12,991	21,199	15,143
Depreciation	1,237	1,517	1,475	4,229	6,174	521	6,695	10,924	27,025
Insurance	809	992	964	2,765	4,037	341	4,378	7,143	13,492
Utilities	1,108	1,358	1,320	3,786	5,528	466	5,994	9,780	7,286
Total other expenses	<u>34,826,070</u>	<u>1,482,472</u>	<u>535,996</u>	<u>36,844,538</u>	<u>1,031,074</u>	<u>164,426</u>	<u>1,195,500</u>	<u>38,040,038</u>	<u>31,894,004</u>
Total expenses	<u>\$ 35,180,353</u>	<u>\$ 1,916,937</u>	<u>\$ 958,239</u>	<u>\$ 38,055,529</u>	<u>\$ 2,798,821</u>	<u>\$ 313,586</u>	<u>\$ 3,112,407</u>	<u>\$ 41,167,936</u>	<u>\$ 34,394,334</u>
Percentage of total	<u>85 %</u>	<u>5 %</u>	<u>2 %</u>	<u>92 %</u>	<u>7 %</u>	<u>1 %</u>	<u>8 %</u>	<u>100 %</u>	

The accompanying notes are an integral part of these financial statements.

Wildlife Conservation Network, Inc.
Statement of Cash Flows
For the Year Ended December 31, 2022
(With Comparative Totals for 2021)

	2022	2021
Cash flows from operating activities		
Change in net assets	\$ 4,127,574	\$ 10,378,693
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	10,924	27,025
Donated investments	(2,269,892)	(5,499,756)
Proceeds from sale of donated investments	2,269,892	5,499,756
Net realized and unrealized (gains) losses on investments	911,047	(512,065)
Loss on disposal of property and equipment	14,978	-
Changes in operating assets and liabilities		
Grants and contributions receivable	(638,000)	530,000
Prepaid and other current assets	(3,212)	301,712
Accounts payable	222,049	(216,162)
Grants payable	2,384,326	2,513,564
Accrued liabilities	(17,836)	81,152
Deferred rent	(1,109)	(5,570)
Net cash provided by operating activities	7,010,741	13,098,349
Cash flows from investing activities		
Proceeds from sale of investments	-	3,998
Purchase of investments	(8,052,963)	(87,327)
Net cash used in investing activities	(8,052,963)	(83,329)
Net increase (decrease) in cash and cash equivalents	(1,042,222)	13,015,020
Cash and cash equivalents, beginning of year	38,058,447	25,043,427
Cash and cash equivalents, end of year	\$ 37,016,225	\$ 38,058,447

The accompanying notes are an integral part of these financial statements.

Wildlife Conservation Network, Inc.
Notes to Financial Statements
December 31, 2022
(With Comparative Totals for 2021)

1. NATURE OF OPERATIONS

Wildlife Conservation Network, Inc. ("WCN" or the "Organization"), is a California nonprofit public benefit corporation founded in 2002 to save endangered species and their habitats by investing in conservationists focused on implementing community-based and other effective wildlife conservation programs in Africa, Asia, Eastern Europe, and North and South America. WCN provides back office support for fundraising, marketing, administrative, and technical expertise to field-based individual conservationists and organizations, enabling them to work more effectively and spend more time in the field. WCN also provides grants to a portfolio of select projects to protect endangered species across their entire habitats, and provides scholarships and other support to vetted emerging conservation leaders. WCN uses a venture capital (VC) fundraising model based on the relationships that have evolved between high technology entrepreneurs, investors, and corporations. Acting as a very efficient VC, WCN identifies high potential individual conservationists and organizations, ensuring due diligence is completed up front, providing ongoing advisory services, and forging alliances between donor "investors" and conservationists. WCN is the first to use this approach to fund and support worldwide conservation efforts.

2. PROGRAM SERVICES

Wildlife Programs

Provide direct support to wildlife conservation partners, with a long-term commitment to endangered flagship species in 49 countries. This support includes short-term and long-term grants to enhance WCN's field-based conservation partners' and associates' ability to save endangered species in the wild through programs such as reducing human-wildlife conflict, improving wildlife-friendly livestock, land and crop management, developing alternative livelihood programs, monitoring wildlife, anti-poaching, building capacity in and around protected areas, providing community education for children and adults, and raising public awareness about wildlife.

The Wildlife Programs include a range-wide of support for species such as elephants, lions, rhinoceros, pangolins, and mountain lions and deep focused support to organizations including, but not limited to, the Andean Cat Alliance, Cheetah Conservation Botswana, Cheetah Conservation Fund, Ethiopian Wolf Conservation Program, Ewaso Lions, Global Penguin Society, Grévy's Zebra Trust, MarAlliance, Niassa Lion Project, Fundacion Proyecto Titi, Okapi Conservation Project, Painted Dog Conservation, Saiga Conservation Alliance, Save the Elephants, Small Cat Conservation Alliance, Snow Leopard Conservancy, Spectacled Bear Conservation, Rwanda Wildlife Conservation Association, Meceret, Macaw Recovery Network, Conservation Through Public Health, HUTAN and other mission relevant organizations in Africa, Asia, Europe, and North and South America.

Wildlife Conservation Network, Inc.
Notes to Financial Statements
December 31, 2022
(With Comparative Totals for 2021)

2. PROGRAM SERVICES (continued)

Program Support Services

Provide a wide variety of technical assistance and support services to maximize the long-term impacts of field-based wildlife conservation partners and associates by enhancing their organizational capacity. These services include student internships, graduate scholarship support, cross site exchanges, leadership development, infrastructural improvement, training workshops, and access to expert advice and short term support (e.g. building capacity to improve accounting, donor outreach and management, grant writing, use of technology, etc.).

Public Education and Outreach

Inform the public of wildlife conservation challenges and community-based solutions implemented by some of the world's most innovative and successful wildlife conservationists through a series of annual wildlife conservation events (including the Wildlife Conservation Expo), newsletters, and website.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting and financial statement presentation

The financial statements of the Organization 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") applicable to nonprofit organizations. Accordingly, net assets and revenues, gains and losses are classified based on the existence or absence of donor-imposed restrictions.

Net assets and changes therein are classified as follows:

- *Net assets without donor restrictions* - represent assets over which the Board of Directors has discretionary control in carrying out the operations of the Organization. Under this category, the Organization maintains an operating fund plus any net assets designated by the Board for specific purposes.
- *Net assets with donor restrictions* - represent assets which are subject to donor restriction and for which the applicable restriction was not met as of the year end of the current reporting period.

Revenues are reported as increases in net assets without donor restrictions unless use of the related asset is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on assets and liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor restriction or by law. Expirations of net assets with donor restrictions (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets.

Wildlife Conservation Network, Inc.
Notes to Financial Statements
December 31, 2022
(With Comparative Totals for 2021)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Change in accounting principle

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Codification ("ASC") 842, *Leases*, to increase transparency and comparability among organizations by requiring the recognition of right-of-use ("ROU") assets and lease liabilities on the balance sheet. Most prominent among the changes in the standard is the recognition of ROU assets and lease liabilities by lessees for those leases classified as operating leases. Under the standard, disclosures are required to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases.

The Organization adopted the standard effective January 1, 2022 and recognized and measured leases existing at, or entered into after, January 1, 2022, with certain practical expedients available. Lease disclosures for the year ended December 31, 2021 are made under prior lease guidance in FASB ASC 840.

The Organization elected the available practical expedients to account for existing capital leases and operating leases as finance leases and operating leases, respectively, under the new guidance, without reassessing (a) whether the contracts contain leases under the new standard, (b) whether classification of capital leases or operating leases would be different in accordance with the new guidance, or (c) whether the unamortized initial direct costs before transition adjustments would have met the definition of initial direct costs in the new guidance at lease commencement.

The adoption of the ASC 842 did not have a significant impact on the Organization's financial position, result of operations, or cash flows.

In September 2020, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2020-07, *Presentation and Disclosure by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The standard requires nonprofits to expand their financial statement presentation and disclosure of contributed nonfinancial assets, including in-kind contributions. The standard includes disclosure of information on an entity's policies on contributed nonfinancial assets about monetization and utilization during the reporting period, information on donor-imposed restrictions, and valuation techniques. The Organization adopted ASU 2020-07 with a date of the initial application of January 1, 2022, using the full retrospective method.

The adoption of ASU 2020-07 did not have a significant impact on the Organization's financial position, result of operations, or cash flows. The Organization has updated disclosures as necessary (See Note 10).

Wildlife Conservation Network, Inc.
Notes to Financial Statements
December 31, 2022
(With Comparative Totals for 2021)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and cash equivalents

Cash and cash equivalents include highly liquid investments and investments with an original maturity of three months or less, and exclude donor restricted receipts and amounts designated for long-term purposes. The Organization maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Organization has not experienced any losses in such accounts. Management believes it is not exposed to any significant risk on cash accounts.

Grants and contributions receivable

Grants and contributions received and promises to give are reported as net assets without donor restrictions or net assets with donor restrictions, depending on donor restrictions (if any). Grants and contributions, including unconditional promises to give, are recognized as revenues in the period the promise is received. Conditional promises to give are not recognized until they become unconditional, which is when the conditions on which they depend are substantially met. Grants and contributions that are promised in one year but are not expected to be collected until after the end of the year are considered grants and contributions receivable and are recorded at fair value by discounting to an appropriate discount rate commensurate with the risks involved. Amortization of any such discounts is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the grants and contributions. An allowance for doubtful grants and contributions receivable is provided based on management's judgment including such factors as prior collection history and current age status of grants and contributions receivable. As of December 31, 2022 and 2021, management has determined that no allowance for doubtful grants and contributions receivable was required.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains (losses) restricted by a donor are reported as increases in net assets with donor restrictions.

Fair value measurements

Fair value is defined as "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date."

Wildlife Conservation Network, Inc.
Notes to Financial Statements
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(With Comparative Totals for 2021)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value measurements (continued)

A hierarchy has been established to prioritize the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest ranking to fair values determined using unadjusted quoted prices in active markets for identical assets (Level 1) and the lowest ranking to fair values determined using methodologies and models with unobservable inputs (Level 3). Observable inputs are those that market participants would use in pricing the asset based on market data obtained from sources independent of the Organization. Unobservable inputs reflect the Organization's assumptions about the inputs market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

- *Level 1* - Values are unadjusted quoted prices for identical assets and liabilities in active markets accessible at the measurement date.
- *Level 2* - Inputs include quoted prices for similar assets or liabilities in active markets, quoted prices from those willing to trade in markets that are not active, or other inputs that are observable or can be corroborated by market data for the term of the instrument. Such inputs include market interest rates and volatilities, spreads and yield curves.
- *Level 3* - Certain inputs are unobservable (supported by little or no market activity) and significant to the fair value measurement. Unobservable inputs reflect the Organization's best estimate of what hypothetical market participants would use to determine a transaction price for the asset or liability at the reporting date.

Property and equipment

Property and equipment are recorded at cost or estimated fair value for donated items. Equipment purchases over \$5,000 are capitalized. The cost of repairs and maintenance which do not improve or extend the lives of the respective assets are expensed as incurred. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which range from 3 to 7 years. Depreciation is charged to the activity benefiting from the use of the property or equipment.

The Organization reviews long-lived property and equipment for impairment when circumstances indicate the carrying amount of an asset may not be recoverable. When an impairment loss is recognized, the asset's carrying value is reduced to its estimated fair value.

Grants

Grants made by the Organization are recorded at the time the grantee is notified. Conditional grants are recognized as grant expense and grants payable in the period in which the grantee meets the terms and conditions.

Wildlife Conservation Network, Inc.
Notes to Financial Statements
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(With Comparative Totals for 2021)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Accrued vacation

Accrued vacation represents vacation earned, but not taken as of December 31, 2022 and 2021 and is included in "accrued liabilities" in the statement of financial position. The accrued vacation balance as of December 31, 2022 and 2021 was \$133,419 and \$83,231, respectively.

Revenue recognition

Program fees are recognized as revenue in the period in which the service is provided.

Contributions in-kind

Donated equipment and other donated goods are recorded at their estimated fair value as of the date of the donation. Contributed services, which require a specialized skill and which the Organization would have paid for if not donated, are recorded at the estimated fair value at the time the services are rendered.

Use of estimates

The preparation of financial statements in conformity with U.S. GAAP 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 support, revenue and expenses during the period. Accordingly, actual results could differ from those estimates.

Expense allocation

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities and in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and support services benefited.

Direct identification of specific expenses is the Organization's preferred method of charging expenses to various functions. The Organization has a number of expenses which relate to more than one program or support activity, or to a combination of programs and support activities. Expenses are allocated by management among programs and support services based on an analysis of personnel time.

Wildlife Conservation Network, Inc.
Notes to Financial Statements
December 31, 2022
(With Comparative Totals for 2021)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Uncertainty in income taxes

Generally accepted accounting principles provide accounting and disclosure guidance about positions taken by an organization in its tax returns that might be uncertain. Management has considered its tax positions and believes that all of the positions taken by the Organization in its federal and state exempt organization tax returns are more-likely-than-not to be sustained upon examination.

The Organization's federal returns for the years ended December 31, 2019 and beyond remain subject to possible examination by federal taxing authorities, generally for three years after they are filed. The Organization's state returns for the years ended December 31, 2018 and beyond remain subject to possible examination by state taxing authorities, generally for four years after they are filed.

Income taxes

Wildlife Conservation Network, Inc. is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and state income taxes under Section 23701d of the California Revenue Taxation Code. Accordingly, no provision for income taxes has been made in the accompanying financial statements. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) of the Internal Revenue Code and has been classified as an organization that is not a private foundation under Section 509(a)(1) of the Internal Revenue Code.

Comparative financial information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2021, from which the summarized information was derived.

Reclassifications

Certain amounts presented in the prior year financial statements have been reclassified to conform to the current year's presentation.

Subsequent events

Management of the Organization has evaluated events and transactions subsequent to December 31, 2022 for potential recognition or disclosure in the financial statements. The Organization did not have subsequent events that required recognition or disclosure in the financial statements for the fiscal year ended December 31, 2022. Subsequent events have been evaluated through the date the financial statements became available to be issued, May 11, 2023.

Wildlife Conservation Network, Inc.
Notes to Financial Statements
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4. GRANTS AND CONTRIBUTIONS RECEIVABLE

Unconditional promises to give and grants which are not expected to be collected until after the year promised or granted are reflected in the accompanying statement of financial position as grants and contributions receivable and support and revenue in the appropriate net asset category. No discount on grants and contributions receivable expected in one to five years was applied for the year ended December 31, 2022.

Grants and contributions receivable consisted of the following:

	2022	2021
Receivable in less than one year	\$ 658,000	\$ 10,000
Receivable in one to five years	-	10,000
	\$ 658,000	\$ 20,000

5. INVESTMENTS

The Organization's investment policy is to maintain a moderately conservative but balanced portfolio with the primary investment objectives being the preservation of purchasing power and the preservation of capital.

It is the intent to always maintain a corpus for the WCN Scholarship Fund for Wildlife Conservation (Sidney Byers Scholarship Fund and Pat J. Miller Scholarship Fund) of \$1,670,685 and to use the income and capital appreciation above this amount to fund scholarships. However, should the corpus investment value go below the original level for whatever reason, it will be at the discretion of the three person Selection Committee to decide as to whether to continue to award and fund scholarships or to wait until the corpus grows and exceeds the original level.

Wildlife Conservation Network, Inc.
Notes to Financial Statements
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5. INVESTMENTS (continued)

The following table sets forth by level, within the fair value hierarchy, the Organization's assets at fair value as of December 31, 2022:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Fair Value</u>
Fixed income	\$ 7,801,906	\$ -	\$ -	\$ 7,801,906
Exchange traded funds	2,216,857	-	-	2,216,857
Equities	<u>2,117,730</u>	<u>-</u>	<u>-</u>	<u>2,117,730</u>
	<u>\$ 12,136,493</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,136,493</u>

The following table sets forth by level, within the fair value hierarchy, the Organization's assets at fair value as of December 31, 2021:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Fair Value</u>
Exchange traded funds	\$ 2,762,622	\$ -	\$ -	\$ 2,762,622
Equities	2,217,005	-	-	2,217,005
Crypto asset	<u>14,950</u>	<u>-</u>	<u>-</u>	<u>14,950</u>
	<u>\$ 4,994,577</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,994,577</u>

Investment securities are exposed to various risks, such as changes in interest rates or credit ratings and market fluctuations. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in value of investment securities, it is possible that the value of the Organization's investments and total net assets balance could fluctuate materially.

The following schedule summarizes the investment returns and their classifications in the statement of activities for the year ended December 31, 2022:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Interest and dividends	\$ 229,585	\$ 38,004	\$ 267,589
Net unrealized losses	(549,534)	(352,285)	(901,819)
Net realized losses	(9,228)	-	(9,228)
Investment expenses	<u>-</u>	<u>(20,084)</u>	<u>(20,084)</u>
	<u>\$ (329,177)</u>	<u>\$ (334,365)</u>	<u>\$ (663,542)</u>

Wildlife Conservation Network, Inc.
Notes to Financial Statements
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5. INVESTMENTS (continued)

The following schedule summarizes the investment returns and their classifications in the statement of activities for the year ended December 31, 2021:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Interest and dividends	\$ 63,552	\$ 23,775	\$ 87,327
Net unrealized gains	266,732	253,434	520,166
Net realized losses	(8,101)	-	(8,101)
Investment expenses	<u>(1,301)</u>	<u>(20,542)</u>	<u>(21,843)</u>
	<u>\$ 320,882</u>	<u>\$ 256,667</u>	<u>\$ 577,549</u>

6. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following:

	<u>2022</u>	<u>2021</u>
Furniture and equipment	\$ 35,021	\$ 291,121
Leasehold improvements	13,836	13,836
Website development	<u>-</u>	<u>106,611</u>
	48,857	411,568
Accumulated depreciation	<u>(48,210)</u>	<u>(385,019)</u>
	<u>\$ 647</u>	<u>\$ 26,549</u>

Depreciation expense for the years ended December 31, 2022 and 2021 was \$10,924 and \$27,025, respectively.

7. BOARD DESIGNATED NET ASSETS

The Organization has established a reserve to fulfill donor commitments to wildlife conservation. The commitment reflects the prior giving behavior of the donors.

Wildlife Conservation Network, Inc.
Notes to Financial Statements
December 31, 2022
(With Comparative Totals for 2021)

7. BOARD DESIGNATED NET ASSETS (continued)

Board designated net assets consisted of the following:

	<u>2022</u>	<u>2021</u>
Mary Boardman fund (See Note 15)	\$ 1,167,384	\$ 1,912,899
Eugene Chen big cat conservation fund	541,898	765,248
Ethiopian wolf	-	5,230
African wild dog	-	2,950
Lion - Niassa (Mozambique)	-	2,500
Pangolin crisis fund	-	1,200
Andean cat alliance	-	1,067
Elephant crisis fund	-	950
Rhino recovery fund	-	240
Grey crowned crane	-	200
Lion - Ewaso (Kenya)	-	160
Lion recovery fund	-	160
Penguin	-	110
California wildlife program	-	100
Dolphins and dugongs	-	90
	<u>\$ 1,709,282</u>	<u>\$ 2,693,104</u>

8. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of the following:

	<u>2022</u>	<u>2021</u>
California wildlife program	\$ 5,318,422	\$ 6,300,130
Elephant crisis fund	5,129,842	4,105,402
Lion recovery fund	3,048,552	3,331,849
Elephant - Samburu	2,898,964	317,667
Temp restricted - to be determined by donor	2,530,138	2,967,023
WCN scholarship fund - endowment	1,918,588	2,252,953
Rhino recovery fund	2,010,890	682,087
Pangolin crisis fund	1,515,373	1,542,384
African wild dog	772,967	724,685
Lion - Ewaso (Kenya)	624,668	297,075
Penguin	533,780	977,260
Andean cat	489,626	490,556
WCN scholarship program	362,856	264,048
Save pangolins	262,656	247,690
Ethiopian wolf	238,837	270,320
Grey crowned crane	222,656	2,275
Macaw	220,727	75,399
Conservation acceleration fund	168,598	229,782

Wildlife Conservation Network, Inc.
Notes to Financial Statements
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(With Comparative Totals for 2021)

8. NET ASSETS WITH DONOR RESTRICTIONS (continued)

	<u>2022</u>	<u>2021</u>
Solar	158,901	172,918
Lion - Niassa (Mozambique)	111,428	55,860
African wild dog research	93,795	119,749
Spectacled bear	88,701	53,433
Women's initiative for sustainability and empowerment	86,000	-
Emergency response fund	67,717	102,347
Painted wolf fund	60,000	50,000
Grévy's zebra	58,736	25,197
Other programs	55,021	55,000
Internship	53,295	61,495
Jane Goodall	50,000	110,000
African wild dog foundation	46,051	649
Kulea career program	44,420	90,000
Cotton-top tamarin	38,910	30,888
Cheetah - Botswana	37,045	72,533
Gorilla - Uganda	35,737	37,898
Brown-headed spider monkey	27,568	-
Marine biodiversity	25,000	25,000
Passthrough - other	25,000	-
Working dogs	24,000	12,000
Rhino, vulture, wild dog	23,020	11,400
Orangutan - Malaysia	22,655	24,009
Elephant - Borneo	19,729	-
Snow leopard	19,020	10,257
Coral fund	15,189	14,685
Okapi	14,915	13,036
Small cats	14,829	13,712
Saiga antelope	11,645	7,591
Tiger - Siberia	10,000	10,000
Bonobo	10,000	5,000
Emerging wildlife conservation leaders	10,000	-
Pangolin - Vietnam	8,052	2,586
Cheetah - Namibia	7,310	11,313
Saola	6,000	5,000
Dhole	6,000	5,000
Hirola and giraffes	5,910	10,400
Tapir	5,200	10,710
Koala	5,000	49,796
Giraffe - Namibia	4,600	33,807
Coral - Indonesia	4,093	-
Rhino - Namibia	3,190	1,680
Tiger - Tadoba	2,730	3,350
Sharks and rays	2,302	17,278
Bats - Nigeria	2,222	1,430
Sea turtle - Tanzania	2,182	2,038
African manatee	2,000	2,450
Tikki Hywood foundation	1,000	3,000
Dolphins and dugongs	815	9,473

Wildlife Conservation Network, Inc.
Notes to Financial Statements
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8. NET ASSETS WITH DONOR RESTRICTIONS (continued)

	<u>2022</u>	<u>2021</u>
Tree kangaroo	525	-
Polar bear	503	1,000
World women work	-	25,000
Grey wolf	-	1,000
Wildlife crime	-	100
	<u>\$ 29,696,101</u>	<u>\$ 26,459,653</u>

Net assets with donor restrictions released from restriction during the year were as follows:

<u>Purpose Restriction</u>	<u>Country</u>	<u>2022</u>	<u>2021</u>
Wildlife Programs			
California wildlife program	United States	\$ 7,942,860	\$ 5,738,981
Lion recovery fund	Various countries	6,658,862	5,493,569
Elephant - Samburu	Kenya	4,367,472	2,837,135
Elephant crisis fund	Various countries	2,471,595	3,345,392
Lion - Niassa	Mozambique	1,462,392	1,163,517
Rhino recovery fund	Various countries	1,286,412	863,645
Pangolin crisis fund	Various countries	1,204,643	574,352
Penguin	Argentina	962,927	245,287
African wild dog	Zimbabwe	914,429	799,497
Grévy's zebra	Kenya	905,881	535,980
Lion - Ewaso	Kenya	733,448	881,018
Cotton-top Tamarin	Colombia	688,050	691,902
Spectacled bear	Peru	672,238	701,999
Ethiopian wolf	Ethiopia	532,308	308,221
Small cat	Various countries	487,613	625,561
Cheetah - Botswana	Botswana	461,409	442,302
Macaw	Costa Rica	409,028	259,541
Okapi	Democratic Republic of Congo	277,378	338,716
Painted wolf fund	Various countries	206,000	-
Other	Various countries	185,705	-
Andean cat	Argentina, Bolivia, Chile and Peru	184,180	192,248
Jane Goodall	United States	165,000	-
African wild dog research	Zimbabwe	151,660	32,902
Sharks and rays	Gulf, Caribbean, Cabo Verde and Micronesia	142,183	188,499
Other programs	Various countries	124,249	-
Orangutan - Malaysia	Malaysia	121,817	89,502
Gorilla - Uganda	Uganda	113,150	64,296
Cheetah - Namibia	Namibia, Somaliland	111,164	177,951
Dolphins and dugongs	Malaysia	105,029	17,144
Koala	Various countries	98,683	6,973
Rhino, vulture, and wild dog	Various countries	86,547	116,328
Snow leopard	Various countries	86,369	74,324

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Notes to Financial Statements
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8. NET ASSETS WITH DONOR RESTRICTIONS (continued)

Purpose Restriction	Country	2022	2021
Hirola and giraffes	Various countries	82,621	25,697
Kulea career program	Various countries	82,083	91,000
Siaga antelope	Various countries	55,905	53,603
Grey crowned crane	Rwanda	39,952	131,125
Giraffe - Namibia	Namibia	33,807	-
Save pangolins	United States	23,345	178,569
Bats - Nigeria	Nigeria	20,316	1,365
Donated in-kind goods	Various countries	36,532	-
African wild dog foundation	Various countries	19,833	98,047
Women's initiative for sustainability and empowerment	Various countries	14,000	-
Working dogs	Various countries	12,000	15,000
Tapir	Brazil	10,710	10,700
Tiger - Siberia	Siberia	10,000	10
African manatee	Cameroon	6,451	-
Tiger - Tadoba	Tadoba Democratic Republic	5,564	1,200
Bonobo	of Congo	5,000	15,062
Dhole	India	5,000	620
Saola	Laos	5,000	-
Sea turtle - Tanzania	Tanzania	3,880	950
Polar bear	Various countries	1,000	1,025
Grey wolf	Various countries	1,000	1,000
Elephant - Borneo	Malaysia	664	-
Wildlife crime	Zambia	100	50
Pending donor allocation	Various countries	-	419,610
Marine biodiversity	Various countries	-	25,030
Rhino - Namibia	Namibia	-	16,192
Pangolin - Vietnam	Vietnam	-	14,869
Saolo Foundation - Lao PDR	Lao	-	210
Wild earth allies	Various countries	-	233
Tree kangaroo	Various countries	-	50
Rhino - Zimbabwe	Zimbabwe	-	19
		<u>34,795,444</u>	<u>27,908,018</u>
Public Education and Outreach			
WCN scholarship program	Various countries	403,979	248,415
Conservation acceleration fund	Various countries	261,184	149,262
Emergency response fund	Various countries	104,971	424,044
Solar	Various countries	16,002	-
Internship program	Various countries	8,200	12,440
		<u>794,336</u>	<u>834,161</u>
		<u>\$ 35,589,780</u>	<u>\$ 28,742,179</u>

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9. LIQUIDITY AND FUNDS AVAILABLE

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. To meet liquidity needs, the Organization has cash and cash equivalents available. Grants and contributions receivable that are considered current will be collected from donors within one year.

Monthly, Management and members from the Board review the Organization's financial position and discusses a reasonable cash position to maintain. Management and members from the Board have set 180 days in cash as the minimum for 2023.

The following is a quantitative disclosure which describes assets that are available within one year of December 31, 2022 to fund general expenditures and other obligations as they become due:

Financial assets	
Cash and cash equivalents	\$ 37,016,225
Grants and contributions receivable	658,000
Investments	10,217,905
Investments - endowment	<u>1,918,588</u>
	<u>49,810,718</u>
Less: amounts unavailable for general expenditures within one year, due to:	
Grants payable, current portion	(10,208,166)
Purpose restricted projects	(28,025,417)
Held in perpetuity	(1,670,685)
Board designated net assets	<u>(1,709,282)</u>
	<u>(41,613,550)</u>
	 <u><u>\$ 8,197,168</u></u>

Financial assets available to meet cash needs for general expenditures within one year at December 31, 2022 were \$8,197,168.

10. CONTRIBUTIONS IN-KIND

Contributions in-kind consisted of the following:

	<u>2022</u>	<u>2021</u>
Salaries in-kind	\$ 227,000	\$ 155,000
Supplies	<u>36,532</u>	<u>-</u>
	<u><u>\$ 263,532</u></u>	<u><u>\$ 155,000</u></u>

Wildlife Conservation Network, Inc.
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10. CONTRIBUTIONS IN-KIND (continued)

Salaries in-kind comprise of management and outreach services from the President of the Organization and consulting services from a Board member. Contributed services are valued at the estimated fair market value based on data from Fair Pay for Northern California Nonprofits: The Compensation & Benefits Survey Report. For the donated supplies, the Organization estimates the fair value on the basis of estimates of retail values that would be received for purchasing similar products in the United States.

11. CONFLICT OF INTEREST POLICY

Included among the Organization's Board of Directors and Officers are volunteers from the community who provide valuable assistance to the Organization in the development of policies and programs and in the evaluation of business transactions. The Organization has adopted a conflict of interest policy whereby Board members are disqualified from participation in the final decisions regarding any action affecting their related company or agency.

12. COMMITMENTS AND CONTINGENCIES

On November 15, 2018, the Organization signed a lease agreement, effective March 15, 2019, for the 4,000 square feet of office space at the rate of \$17,000 per month under a non-cancelable operating lease which initially expired in March 2022 but was extended through March 2023. The lease requires escalating monthly rent payments ranging from \$17,000 to \$18,035. Under the terms of the lease, the Organization is responsible for its share of common area maintenance costs.

The Organization entered into a non-cancelable storage lease agreement effective February 25, 2019 through March 14, 2022 and was subsequently extended through March 2023. The lease requires escalating monthly rent payments ranging from \$1,173 to \$1,244.

Rental expense for the years ended December 31, 2022 and 2021 was \$230,239 and \$245,269, respectively.

The scheduled minimum lease payments under the lease terms are as follows:

Year ending December 31,

2023	\$ 38,558
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13. RELATED PARTY TRANSACTIONS

Contributions were received from various board members of the Organization. These contributions for the years ended December 31, 2022 and 2021 totaled \$697,471 and \$913,690 respectively.

Wildlife Conservation Network, Inc.
Notes to Financial Statements
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14. ENDOWMENT

General information

The Organization's endowment consists of one donor-restricted endowment fund (the "WCN Scholarship Fund"). As required by U.S. GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

WCN Scholarship Fund

On July 13, 2006, the Organization entered into an endowment memorandum of understanding with Sidney S. Byers Charitable Trust to develop and manage the Sidney Byers Scholarship for Wildlife Conservation ("WCN Scholarship Fund"). The endowment consisted of investment securities held at Charles Schwab, Inc. and valued at \$1,000,000. WCN has formed a selection committee which is responsible for advising WCN on the future direction and execution of the scholarships. An addendum to the endowment agreement states that if the corpus falls below \$1,000,000, for whatever reason, it is the intent to fund existing scholarship commitments and it will be at the discretion of the Selection Committee to decide as to whether to continue to award new scholarships or to wait until the corpus grows above the \$1,000,000 level.

Subsequent contributions totaling \$670,685 have been received as of December 31, 2022. These additional subsequent contributions are subject to the same terms and criteria as the original WCN Scholarship Fund.

Interpretation of relevant law

The Board of Directors of the Organization has interpreted the California version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary.

The WCN Scholarship Fund endowment has the following explicit donor stipulations:

- (1) The addendum to the endowment memorandum of understanding states that if the corpus falls below \$1,670,685 for whatever reason, it is the intent to fund existing scholarship commitments and it will be at the discretion of the three person Selection Committee to decide as to whether to continue to award new scholarships or to wait until the corpus grows above the \$1,670,685 level.
- (2) Additional subsequent contributions are subject to the same terms and criteria as the original WCN Scholarship Fund.

Wildlife Conservation Network, Inc.
Notes to Financial Statements
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14. ENDOWMENT (continued)

Interpretation of relevant law (continued)

As a result of the above listed explicit donor stipulations, the Organization classifies as net assets with donor restrictions the following:

- *WCN Scholarship Fund - corpus* - consisting of (a) the original value of gifts donated to the net assets with donor restrictions endowment and (b) the original value of subsequent gifts to the net assets with donor restrictions endowment.
- *WCN Scholarship Fund - accumulated investment gains (losses)* - consisting of accumulated earnings and losses, capital appreciations and depreciations, and appropriations (distributions).

Investment return objectives, risk parameters and strategies

WCN has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets could include those assets of donor-restricted funds that the Organization must hold in perpetuity or for a donor-specified period. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that meet or exceed the price and yield results of the S&P 500 Index while assuming a moderate level of investment risk. WCN expects its endowment funds, over time, to provide an average rate of return of approximately seven percent annually. Actual returns in any given year may vary from this amount.

To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends).

Spending policy

The Selection Committee may, at its discretion, authorize appropriations each year up to 7% of the fair market value (determined on the average fair market value of the prior 12 quarters through the fiscal year preceding the fiscal year in which the appropriation is planned) from donor-restricted endowment funds. The Selection Committee may also at its discretion authorize appropriations above the 7% if special circumstances arise.

Funds with deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the original contributed amount by the donor. As of December 31, 2022 and 2021, there were no appropriations in excess of corpus.

Wildlife Conservation Network, Inc.
Notes to Financial Statements
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14. ENDOWMENT (continued)

Endowment composition

Endowment net asset composition by type of fund as of December 31, 2022 is as follows:

	Net Assets With Donor Restrictions		
	Accumulated Investment		
	Gains	Corpus	Total
WCN Scholarship Fund	<u>\$ 247,903</u>	<u>\$ 1,670,685</u>	<u>\$ 1,918,588</u>

Changes in endowment net assets for the fiscal year ended December 31, 2022 is as follows:

	Net Assets With Donor Restrictions		
	Accumulated Investment		
	Gains	Corpus	Total
Balance, December 31, 2021	\$ 582,268	\$ 1,670,685	\$ 2,252,953
Interest and dividend income	38,004	-	38,004
Unrealized losses on investments	(352,285)	-	(352,285)
Investment expenses	(20,084)	-	(20,084)
Balance, December 31, 2022	<u>\$ 247,903</u>	<u>\$ 1,670,685</u>	<u>\$ 1,918,588</u>

15. GRANT COMMITMENTS

During January 2021, the Organization and the Board approved disbursements of \$585,000 from the Mary S. Boardman Funds, of which \$130,000 will be allocated to the Save the Elephants program and \$65,000 will be allocated to the Niassa Lion Project on an annual basis for three years ending December 31, 2022, 2023 and 2024.

During January 2022, the Organization and the Board approved disbursements of additional \$105,000 from the Mary S. Boardman Funds, of which \$70,000 will be allocated to the Save the Elephants program and \$35,000 will be allocated to the Niassa Lion Project on an annual basis for two years ending December 31, 2023 and 2024.

Wildlife Conservation Network, Inc.
Notes to Financial Statements
December 31, 2022
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15. GRANT COMMITMENTS (continued)

Grant commitments consist of the following:

	<u>2022</u>	<u>2021</u>
Save the elephants	\$ 330,000	\$ 390,000
Niassa lion project	\$ 165,000	\$ 195,000

16. EMPLOYEE BENEFIT PLANS

The Organization has a defined contribution 401(k) for its employees. Employees are permitted to make tax-deferred contributions into the 401(k) plan up to limits established by the IRS; employer contributions are discretionary. The Organization made discretionary contributions of \$94,390 and \$80,385 to the plan for the years ended December 31, 2022 and 2021, respectively.

17. CONCENTRATIONS

During the years ended December 31, 2022 and 2021, one donor accounted for approximately 23% and 26% of total grants and contributions revenue, respectively.

SUPPLEMENTARY INFORMATION

Wildlife Conservation Network, Inc.
Schedule of Net Assets With Donor Restrictions and Board Designated Funds
December 31, 2022

The following schedule summarizes the total net assets with donor restrictions and board designated net assets:

California wildlife program	\$	5,318,422
Elephant crisis fund		5,129,842
Lion recovery fund		3,048,552
Elephant - Samburu		2,898,964
Temp restricted - to be determined by donor		2,530,138
WCN scholarship fund - endowment		1,918,588
Rhino recovery fund		2,010,890
Pangolin crisis fund		1,515,373
Mary Boardman fund		1,167,384
African wild dog		772,967
Lion - Ewaso (Kenya)		624,668
Eugene Chen big cat conservation fund		541,898
Penguin		533,780
Andean cat		489,626
WCN scholarship program		362,856
Save pangolins		262,656
Ethiopian wolf		238,837
Grey crowned crane		222,656
Macaw		220,727
Conservation acceleration fund		168,598
Solar		158,901
Lion - Niassa (Mozambique)		111,428
African wild dog research		93,795
Spectacled bear		88,701
Women's initiative for sustainability and empowerment		86,000
Emergency response fund		67,717
Painted wolf fund		60,000
Grévy's zebra		58,736
Other programs		55,021
Internship		53,295
Jane Goodall		50,000
African wild dog foundation		46,051
Kulea career program		44,420
Cotton-top Tamarin		38,910
Cheetah - Botswana		37,045
Gorilla - Uganda		35,737
Brown-headed spider monkey		27,568
Passthrough - other		25,000
Marine biodiversity		25,000
Working dogs		24,000
Rhino, vulture, and wild dog		23,020

Wildlife Conservation Network, Inc.
Schedule of Net Assets With Donor Restrictions and Board Designated Funds
December 31, 2022

(continued)

Orangutan - Malaysia	22,655
Elephant - Borneo	19,729
Snow leopard	19,019
Coral fund	15,189
Okapi	14,916
Small cats	14,829
Saiga antelope	11,645
Tiger - Siberia	10,000
Bonobo	10,000
Emerging wildlife conservation leaders	10,000
Pangolin - Vietnam	8,052
Cheetah - Namibia	7,310
Dhole	6,000
Saola	6,000
Hirola and giraffes	5,910
Tapir	5,200
Koala	5,000
Giraffe - Namibia	4,600
Coral - Indonesia	4,093
Rhino - Namibia	3,190
Tiger - Tadoba	2,730
Sharks and rays	2,302
Bats - Nigeria	2,222
Sea turtle - Tanzania	2,182
African manatee	2,000
Tikki Hywood foundation	1,000
Dolphins and dugongs	815
Tree kangaroo	525
Polar bear	503
	503
	\$ 31,405,383