

FELIDAE CONSERVATION FUND

FINANCIAL STATEMENTS

DECEMBER 31, 2009 AND 2008



INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Felidae Conservation Fund (the "Fund")

We have audited the accompanying statements of financial position of Felidae Conservation Fund (a California non-profit corporation) as of December 31, 2009 and 2008, and the related statements of activities, functional expenses and cash flows for the years then ended. These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Felidae Conservation Fund as of December 31, 2009 and 2008, and the changes in its net assets, functional expenses and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Harb, Levy & Weiland LLP

San Francisco, California
December 14, 2011

**FELIDAE CONSERVATION FUND
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2009 AND 2008**

Assets:	<u>2009</u>	<u>2008</u>
Cash	\$ 33,877	\$ 34,133
Property and equipment, net	<u>29,958</u>	<u>5,368</u>
Total assets	<u>\$ 63,835</u>	<u>\$ 39,501</u>
 Net assets:		
Unrestricted	63,835	36,641
Temporarily restricted	<u>-</u>	<u>2,860</u>
Total net assets	<u>\$ 63,835</u>	<u>\$ 39,501</u>

See Accompanying Notes to Financial Statements

FELIDAE CONSERVATION FUND
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2009
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2008

	2009			2008
	Unrestricted	Temporarily Restricted	Total	Total
Revenue and support				
Contributions	\$ 65,341	\$ -	\$ 65,341	39,680
Grants	16,000	-	16,000	17,253
Merchandise and raffle sales	-	-	-	6,754
In-kind contributions	3,148	-	3,148	21,648
Total revenue	<u>84,489</u>	<u>-</u>	<u>84,489</u>	<u>85,335</u>
Net assets released from restrictions				
Satisfaction of program, time or grant restrictions	2,860	(2,860)	-	-
Total revenue released from restrictions	<u>2,860</u>	<u>(2,860)</u>	<u>-</u>	<u>-</u>
Expenses				
Research projects	50,265	-	50,265	79,878
Education and outreach	-	-	-	3,614
Management and general activities	9,890	-	9,890	26,144
Total expenses	<u>60,155</u>	<u>-</u>	<u>60,155</u>	<u>109,636</u>
Change in net assets	27,194	(2,860)	24,334	(24,301)
Net assets at beginning of year	<u>36,641</u>	<u>2,860</u>	<u>39,501</u>	<u>63,802</u>
Net assets at end of year	<u>\$ 63,835</u>	<u>\$ -</u>	<u>\$ 63,835</u>	<u>39,501</u>

See Accompanying Notes to Financial Statements

**FELIDAE CONSERVATION FUND
STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008**

	<u>2009</u>				<u>2008</u>			
	<u>Research projects</u>	<u>Education and Outreach</u>	<u>Management and general activities</u>	<u>Total</u>	<u>Research projects</u>	<u>Education and Outreach</u>	<u>Management and general activities</u>	<u>Total</u>
Grants and contributions	\$ 20,000	\$ -	\$ -	\$ 20,000	\$ 51,842	\$ -	\$ -	\$ 51,842
Project expenses	27,589	-	-	27,589	10,432	3,614	-	14,046
Site and facilities	-	-	7,623	7,623	-	-	19,826	19,826
Professional fees and contracts	80	-	1,600	1,680	-	-	2,974	2,974
Printing and publications	-	-	-	-	15,842	-	-	15,842
Other	-	-	666	666	72	-	3,344	3,416
Depreciation	2,596	-	-	2,596	1,690	-	-	1,690
Total expenses	<u>\$ 50,265</u>	<u>\$ -</u>	<u>\$ 9,890</u>	<u>\$ 60,155</u>	<u>\$ 79,878</u>	<u>\$ 3,614</u>	<u>\$ 26,144</u>	<u>\$ 109,636</u>

See Accompanying Notes to Financial Statements

**FELIDAE CONSERVATION FUND
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008**

	2009	2008
Cash flows from operating activities:		
Increase (decrease) in net assets	\$ 24,334	\$ (24,301)
Adjustments to reconcile increase (decrease) in net assets to net cash provided by (used in) operating activities:		
Depreciation	2,596	1,690
Net cash provided by (used in) operating activities	26,930	(22,611)
Cash flows from investing activities:		
Purchase of property and equipment	(27,186)	-
Net decrease in cash	(256)	(22,611)
Cash at beginning of year	34,133	56,744
Cash at end of year	\$ 33,877	\$ 34,133

See Accompanying Notes to Financial Statements

**FELIDAE CONSERVATION FUND
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008**

1. Nature of Activities and Significant Accounting Policies

Organization

Founded in 2006, Felidae Conservation Fund (the “Fund”) is a California non-profit conservation corporation operating as a charitable and educational institution devoted principally to teaching and promoting conservation of wild cats and their habitats worldwide through research, education and technology. The principal sources of revenue are grants from private foundations and contributions from individuals and corporations.

Basis of Accounting and Presentation

Management has prepared these financial statements in conformity with accounting principles generally accepted in the United States (“U.S. GAAP”). Financial statements prepared on a U.S. GAAP-basis require management to make estimates and assumptions that affect the amounts and disclosures reported in the financial statements and accompanying notes. Such estimates and assumptions could change in the future as more information becomes known, which could impact the amounts reported and disclosed herein.

In accordance with *Accounting Standards Codification (ASC) 958, Not-for-Profit Entities*, the Fund reports its financial position and operating activities in three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted assets.

Unrestricted Net Assets include those assets over which the management has discretionary control in carrying out the operations of the Fund. The Fund reports as an increase in unrestricted net assets any restricted support received in the current period for which the restrictions have been met in the current period.

Temporarily Restricted Net Assets include those assets which are subject to donor purpose and/or time restriction and for which the applicable restriction was not met as of the end and during the current reporting period.

Permanently Restricted Net Assets include those assets which are subject to a non-expiring donor restriction, such as endowments. There are currently no permanently restricted net assets.

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the organization’s financial statements for the year ended December 31, 2008 from which the summarized information was derived.

**FELIDAE CONSERVATION FUND
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008**

1. Nature of Activities and Significant Accounting Policies (continued)

Cash

The Fund maintains its cash in deposit accounts and in certificates of deposit at financial institutions. Balances in these accounts, at times, may exceed federally insured limits. The Fund has not experienced any losses in such accounts, and believes it is not exposed to any significant credit risk on cash.

Temporarily Restricted Cash

Temporarily restricted cash represents amount received from donors for specific activities. At December 31, 2009 and 2008, the temporarily restricted cash balance were \$0 and \$2,860, respectively.

Property and Equipment

Property and equipment are stated at cost. Depreciation is computed using the straight-line method over the estimated useful life of the assets which is 5 years.

Revenue Recognition

All contributions are recognized as revenue when received or unconditionally promised to the Fund. The Fund classifies gifts of cash and other assets as temporarily or permanently restricted support if received with donor stipulations that limit the use of the contributions. When such restrictions expire, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported as net assets released from restrictions. Temporarily restricted contributions are reported as unrestricted support when the restriction is met in the same period as the contribution is received.

In-Kind Contributions

A printing company contributed printed materials to the Fund at no charge. The estimated fair market value of the printed materials was determined by management based on information provided by the contributor and management's experience with other printing companies. The printed materials were reported as in-kind contribution revenue and printing and publication expense in the same period. Certain other in-kind contributions have also been received and recorded at fair market value in the period in which each contribution was made.

**FELIDAE CONSERVATION FUND
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008**

1. Nature of Activities and Significant Accounting Policies (continued)

Income taxes

The Fund is classified as a publicly supported, tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code, and is exempt from California franchise taxes under Revenue and Taxation Code Section 23701(d). Management believes that there are no uncertain tax positions as of December 31, 2009 and 2008.

2. Property and Equipment

Property and equipment at December 31, 2009 and 2008 consist of:

	<u>2009</u>	<u>2008</u>
Furniture and equipment	\$ 5,886	\$ 5,886
Computer equipment	2,563	2,563
Project equipment	<u>27,186</u>	<u>-</u>
Total	35,635	8,449
Accumulated depreciation	<u>(5,677)</u>	<u>(3,081)</u>
Property and equipment - net	<u>\$ 29,958</u>	<u>\$ 5,368</u>

3. Temporarily Restricted Net Assets

As of December 31, 2009 and 2008, temporarily restricted net assets were available for the following purposes:

	<u>2009</u>	<u>2008</u>
Scholarship fund for research	<u>\$ -</u>	<u>\$ 2,860</u>

4. Related Party Transactions

During 2009 and 2008, individual members of the Fund's Board of Directors and their affiliates contributed \$828 and \$28,180, respectively.

**FELIDAE CONSERVATION FUND
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008**

5. Subsequent Events

Management evaluated subsequent events through December 14, 2011, the date these financial statements were available to be issued. There were no material subsequent events that required disclosure in these financial statements.