

FELIDAE CONSERVATION FUND

FINANCIAL STATEMENTS

DECEMBER 31, 2011 AND 2010

INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying statement of financial position of Felidae Conservation Fund (a California non-profit corporation) as of December 31, 2011, and the related statements of activities, functional expenses and cash flows for the year 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 audit. The prior year summarized comparative information has been derived from Felidae Conservation Fund's financial statements for the year ended December 31, 2010 which were audited by Harb, Levy & Weiland LLP, whose practice was merged with the practice of EisnerAmper LLP in March 2012 and whose report, dated December 14, 2011, expressed an unqualified opinion on those statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides 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, 2011, and the changes in its net assets, functional expenses and cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.



San Francisco, California
January 14, 2013

FELIDAE CONSERVATION FUND
STATEMENTS OF FINANCIAL POSITION
FOR THE YEAR ENDED DECEMBER 31, 2011
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2010

	2011			2010
	Unrestricted	Temporarily Restricted	Total	Total
Assets:				
Cash	\$ 43,191	\$ 116,077	\$ 159,268	\$ 105,084
Grants receivable	-	-	-	12,050
Prepaid expenses and other	2,003	-	2,003	-
Property and equipment, net	15,704	-	15,704	22,831
Total assets	\$ 60,898	\$ 116,077	\$ 176,975	\$ 139,965
 Liabilities:				
Accounts payable and accrued expenses	\$ 19,252	\$ -	\$ 19,252	\$ 4,318
 Net assets:				
Unrestricted	41,646	-	41,646	81,029
Temporarily restricted	-	116,077	116,077	54,618
 Total net assets	41,646	116,077	157,723	135,647
 Total liabilities and net assets	\$ 60,898	\$ 116,077	\$ 176,975	\$ 139,965

See Accompanying Notes to Financial Statements

FELIDAE CONSERVATION FUND
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2011
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2010

	2011			2010
	Unrestricted	Temporarily Restricted	Total	Total
Revenue and support				
Contributions	\$ 145,531	\$ 54,900	\$ 200,431	\$ 45,447
Grants	-	60,000	60,000	64,000
Merchandise & Raffle Sales	1,271	-	1,271	861
In-kind contributions	3,484	-	3,484	35,265
Total revenue	<u>150,286</u>	<u>114,900</u>	<u>265,186</u>	<u>145,573</u>
Net assets released from restrictions				
Satisfaction of program and grant restrictions	<u>53,441</u>	<u>(53,441)</u>	<u>-</u>	<u>-</u>
Expenses				
Research projects	165,334	-	165,334	52,165
Education and outreach	9,987	-	9,987	2,929
Fundraising, promotion and events	34,176	-	34,176	7,679
Management and general activities	33,613	-	33,613	10,988
Total expenses	<u>243,110</u>	<u>-</u>	<u>243,110</u>	<u>73,761</u>
Change in net assets	<u>(39,383)</u>	<u>61,459</u>	<u>22,076</u>	<u>71,812</u>
Net assets at beginning of year	<u>81,029</u>	<u>54,618</u>	<u>135,647</u>	<u>63,835</u>
Net assets at end of year	<u>\$ 41,646</u>	<u>\$ 116,077</u>	<u>\$ 157,723</u>	<u>\$ 135,647</u>

See Accompanying Notes to Financial Statements

FELIDAE CONSERVATION FUND
STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

	<u>2011</u>					<u>2010</u>				
	<u>Research Projects</u>	<u>Education and Outreach</u>	<u>Fundraising, promotion and events</u>	<u>Management and general activities</u>	<u>Total</u>	<u>Research Projects</u>	<u>Education and Outreach</u>	<u>Fundraising, promotion and events</u>	<u>Management and general activities</u>	<u>Total</u>
Grants and contributions	\$ 46,900	\$ -	\$ -	\$ -	\$ 46,900	\$ -	\$ 210	\$ -	\$ -	\$ 210
Project expenses	9,408	2,334	-	-	11,742	14,104	1,927	4,192	-	20,223
Site and facilities	-	7,197	-	14,936	22,133	-	-	-	8,600	8,600
Professional fees and contracts	96,160	-	34,176	17,683	148,019	-	-	3,487	-	3,487
Printing and publications	-	140	-	994	1,134	30,412	-	-	-	30,412
Other	5,739	316	-	-	6,055	522	792	-	2,388	3,702
Depreciation	7,127	-	-	-	7,127	7,127	-	-	-	7,127
Total expenses	<u>\$165,334</u>	<u>\$ 9,987</u>	<u>\$ 34,176</u>	<u>\$ 33,613</u>	<u>\$243,110</u>	<u>\$ 52,165</u>	<u>\$ 2,929</u>	<u>\$ 7,679</u>	<u>\$ 10,988</u>	<u>\$73,761</u>

See Accompanying Notes to Financial Statements

FELIDAE CONSERVATION FUND
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

	2011	2010
Cash flows from operating activities:		
call	\$ 22,076	\$ 71,812
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	7,127	7,127
Change in assets and liabilities		
Prepaid expenses and other	(2,003)	-
Pledge receivable	50	(50)
Grants receivable	12,000	(12,000)
Accounts payable and accrued expenses	14,934	4,318
Net increase (decrease) in cash	54,184	71,207
 Cash at beginning of year	 105,084	 33,877
Cash at end of year	\$ 159,268	\$ 105,084

See Accompanying Notes to Financial Statements

**FELIDAE CONSERVATION FUND
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011 AND 2010**

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 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, 2010 from which the summarized information was derived.

**FELIDAE CONSERVATION FUND
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011 AND 2010**

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

Cash

The Fund maintains its cash in deposit accounts 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. For each year ended December 31, 2011 and 2010, restricted cash balance was \$116,077 and \$54,618 respectively.

Property and equipment

Property and equipment are stated at cost. Depreciation is computed using the straight line method over the estimated useful lives 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. 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

Certain in-kind contributions have been received and recorded at fair market value in the period in which each contribution was made. In-Kind contributions primarily included office supplies, printing and stationery and mailing charges paid by the officers and Board members for which they don't seek reimbursement from the Fund.

Contributed services

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Fund. A substantial number of unpaid volunteers have made significant contributions of time to the Fund. The value of this contributed time is not recorded in these statements since it did not meet the criteria to be recorded under accounting principles generally accepted in the United States of America.

**FELIDAE CONSERVATION FUND
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011 AND 2010**

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

Income taxes

The Fund has been classified as a publicly supported, tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code (“Code”); as an organization, contributions to which are deductible under Section 170(c) of the Code; and as an organization that is not a private foundation as defined in the Section 509(a) of the Code and is exempt from California franchise taxes under Revenue and Taxation Code Section 23701(d).

Accounting for Uncertainty in Income Taxes clarifies the accounting for uncertainty in income taxes recognized in an enterprise’s financial statements. Management has analyzed the tax positions taken by the Fund and has concluded that as of December 31, 2011, there are no uncertain tax positions taken that would require recognition of a liability or disclosure in the financial statements. The Fund recognizes accrued interest and penalties associated with uncertain tax positions, if any. There was no income tax related interest or penalties recorded for the year ended December 31, 2011. With few exceptions, the Fund is no longer subject to examination by tax authorities for years before 2007.

2. Property and Equipment

Property and equipment at December 31, 2011 and 2010 includes:

	2011	2010
Furniture and equipment	\$ 5,886	\$ 5,886
Computer Equipment	2,563	2,563
Project Equipment	27,186	27,186
Total	35,635	35,635
Accumulated depreciation	(19,931)	(12,804)
Property and equipment - net	\$ 15,704	\$ 22,831

**FELIDAE CONSERVATION FUND
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011 AND 2010**

3. Temporarily Restricted Net Assets

As of December 31, 2011 and 2010, temporarily restricted net assets were available for the following purposes:

	2011	2010
Educational program expenses	\$ 57,531	\$ 29,618
Puma habitat mapping project	58,546	22,000
Purchase of video cameras to observe wild cats	-	3,000
Total	\$ 116,077	\$ 54,618

Temporarily restricted net assets of \$114,900 and \$54,618 were received from donors in 2011 and 2010, respectively, and are restricted by donors for education programs for conservation of wild cats and their habitats and Puma habitat mapping project.

Temporarily restricted net assets of \$53,441 have been released towards the use of the specific programs in 2011.

4. Related Party Transactions

During 2011 and 2010, individual members of the Fund's Board of Directors and their affiliates contributed \$61,163 and \$34,655, respectively. For the year ended December 31, 2011 the Fund paid its executive director \$49,500 in professional fees for services provided to the Fund.

5. Lease Obligation

On August 2011 the fund entered into a Motor Vehicle Lease Agreement for a term of 36 months at \$1,092 per month. The vehicle is used for day to day operations by its officers.

Payments for this lease for the year ended December 31, 2011 totaled \$4,068. The approximate future minimum lease payments on non-cancelable operating leases are as follows:

Year Ending	Total
December 31, 2012	\$ 13,104
December 31, 2013	13,104
December 31, 2014	8,736
	\$ 34,944

**FELIDAE CONSERVATION FUND
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011 AND 2010**

6. Subsequent Events

Management evaluated subsequent events through January 14, 2013, the date these financial statements were available to be issued. There were no material subsequent events that required disclosure in these financial statements.