



# **FELIDAE CONSERVATION FUND**

## **FINANCIAL STATEMENTS**

**AS OF JUNE 30, 2014 AND FOR THE PERIOD FROM  
JANUARY 1, 2014 TO JUNE 30, 2014 AND  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2013**

**FELIDAE CONSERVATION FUND**  
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**JUNE 30, 2014 AND DECEMBER 31, 2013**

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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors of  
Felidae Conservation Fund  
Sausalito, California

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Felidae Conservation Fund (the "Fund"), which comprise the statement of financial position as of June 30, 2014 and the related statements of activities and changes in net assets, functional expenses, and cash flows for the period from January 1, 2014 to June 30, 2014, and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the 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 financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Fund's preparation and fair presentation of the financial statements 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 the Fund's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***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 June 30, 2014 and the change in its net assets and its cash flows for the period from January 1, 2014 to June 30, 2014 in accordance with accounting principles generally accepted in the United States of America.

***Report on Summarized Comparative Information***

We have previously audited the Fund's 2013 financial statements, and we have expressed an unmodified audit opinion on those audited financial statements in our report dated December 1, 2014. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2013 is consistent, in all material respects, with the audited financial statements from which it has been derived.

*EisnerAmper LLP*

San Francisco, California  
November 9, 2015

**FELIDAE CONSERVATION FUND**  
**STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2014**  
**WITH COMPARATIVE TOTALS AS OF DECEMBER 31, 2013**

	2014			2013
	Unrestricted	Temporarily Restricted	Total	Total
<b>Assets:</b>				
Cash	\$ 94,319	\$ 32,598	\$ 126,917	\$ 205,815
Prepaid expenses and other	3,480	-	3,480	-
Property and equipment, net	63,215	-	63,215	28,976
<b>Total assets</b>	\$ 161,014	\$ 32,598	\$ 193,612	\$ 234,791
<b>Liabilities:</b>				
Accounts payable and accrued expenses	\$ 4,363	\$ -	\$ 4,363	\$ 30,988
<b>Total liabilities</b>	4,363	-	4,363	30,988
<b>Net assets:</b>				
Unrestricted	156,651	-	156,651	30,202
Temporarily restricted	-	32,598	32,598	173,601
<b>Total net assets</b>	156,651	32,598	189,249	203,803
<b>Total liabilities and net assets</b>	\$ 161,014	\$ 32,598	\$ 193,612	\$ 234,791

See Accompanying Notes to Financial Statements

**FELIDAE CONSERVATION FUND**  
**STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**FOR THE PERIOD FROM JANUARY 1, 2014 TO JUNE 30, 2014**  
**WITH COMPARATIVE TOTALS AS OF DECEMBER 31, 2013**

	2014			2013
	Unrestricted	Temporarily Restricted	Total	Total
<b>Revenue and support</b>				
Contributions	\$ 24,156	\$ 2,283	\$ 26,439	\$ 195,212
Grants	55,250	1,500	56,750	81,195
In-kind contributions	51,112	-	51,112	49,974
<b>Total revenue</b>	130,518	3,783	134,301	326,381
<b>Net assets released from restrictions</b>				
Satisfaction of program and grant restrictions	144,786	(144,786)	-	-
<b>Expenses</b>				
Program expenses:				
Research projects	89,428	-	89,428	131,890
Education and outreach	36,139	-	36,139	71,089
Fundraising, promotion, and events	1,951	-	1,951	10,815
Management and general activities	21,337	-	21,337	48,672
<b>Total expenses</b>	148,855	-	148,855	262,466
<b>Change in net assets</b>	126,449	(141,003)	(14,554)	63,915
<b>Net assets at beginning of year</b>	30,202	173,601	203,803	139,888
<b>Net assets at end of year</b>	\$ 156,651	\$ 32,598	\$ 189,249	\$ 203,803

See Accompanying Notes to Financial Statements

**FELIDAE CONSERVATION FUND**  
**STATEMENTS OF FUNCTIONAL EXPENSES**  
**FOR THE PERIOD FROM JANUARY 1, 2014 TO JUNE 30, 2014 AND DECEMBER 31, 2013**

	<b>2014</b>						<b>2013</b>					
	<b>Program</b>			<b>Fundraising Management</b>			<b>Program</b>			<b>Fundraising Management</b>		
	<b>Research</b>	<b>Education</b>	<b>Total</b>	<b>and</b>	<b>and</b>	<b>Total</b>	<b>Research</b>	<b>Education</b>	<b>Total</b>	<b>and</b>	<b>and</b>	<b>Total</b>
	<b>Projects</b>	<b>Outreach</b>	<b>Program</b>	<b>events</b>	<b>general</b>	<b>Total</b>	<b>Projects</b>	<b>Outreach</b>	<b>Program</b>	<b>events</b>	<b>general</b>	<b>Total</b>
Grants and contributions	\$ 1,500	\$ -	\$ 1,500	\$ -	\$ -	\$ 1,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Project expenses	21,677	14,999	36,676	-	-	36,676	71,547	62,861	134,408	-	-	134,408
Site and facilities	-	-	-	-	13,690	13,690	-	-	-	-	28,746	28,746
Professional fees and contracts	52,125	16,791	68,916	1,951	-	70,867	49,695	621	50,316	10,815	-	61,131
Printing and publications	-	4,349	4,349	-	-	4,349	-	6,248	6,248	-	-	6,248
Other	-	-	-	-	7,647	7,647	-	1,359	1,359.00	-	19,926	21,285
Depreciation	14,126	-	14,126	-	-	14,126	10,648	-	10,648	-	-	10,648
Total expenses	<u>\$ 89,428</u>	<u>\$ 36,139</u>	<u>\$ 125,567</u>	<u>\$ 1,951</u>	<u>\$ 21,337</u>	<u>\$ 148,855</u>	<u>\$ 131,890</u>	<u>\$ 71,089</u>	<u>\$ 202,979</u>	<u>\$ 10,815</u>	<u>\$ 48,672</u>	<u>\$ 262,466</u>

See Accompanying Notes to Financial Statements

**FELIDAE CONSERVATION FUND  
STATEMENTS OF CASH FLOWS  
FOR THE PERIOD FROM JANUARY 1, 2014 TO JUNE 30, 2014  
AND DECEMBER 31, 2013**

	2014	2013
<b>Cash flows from operating activities:</b>		
Change in net assets	\$ (14,554)	\$ 63,915
Depreciation	14,126	10,648
Change in assets and liabilities		
Prepaid expenses and other	(3,480)	1,967
Accounts payable and accrued expenses	(26,625)	19,565
<b>Net (decrease) increase in cash</b>	(30,533)	96,095
 <b>Cash flows from investing activities:</b>		
Purchase of property and equipment	(48,365)	(29,656)
 <b>Cash at beginning of period</b>	205,815	139,376
<b>Cash at end of period</b>	\$ 126,917	\$ 205,815

See Accompanying Notes to Financial Statements

**FELIDAE CONSERVATION FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014 AND DECEMBER 31, 2013**

**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 scientific and educational organization devoted principally to 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.

The Fund changed its fiscal year end from December 31 to June 30. These financial statements are as of June 30, 2014 and for the period from January 1, 2014 to June 30, 2014. Subsequent financial statements will cover the period from July 1 to June 30.

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.

*Temporarily Restricted Net Assets* include those assets which are subject to donor imposed stipulations that will be met by actions of the fund or the passage of time.

*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.

Summarized Financial Statements

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 Fund’s financial statements for the year ended December 31, 2013 from which the summarized information was derived. Due to the change in the Fund’s fiscal year end, the June 2014 financial statements are not comparable to December 31, 2013 financial statements.

**FELIDAE CONSERVATION FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014 AND DECEMBER 31, 2013**

**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. As of June 30, 2014 and December 31, 2013, restricted cash balance was \$32,598 and \$173,601, respectively.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation. The Fund capitalizes assets greater than \$1,000 in cost at the time of acquisition. Depreciation is computed using the straight line method over the estimated useful lives of the assets which range from 2 – 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 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 and Contributed Services

Certain in-kind contributions have been received and recorded at fair market value in the period in which the contribution was made. In-kind contributions primarily included office supplies paid by the officers and Board members for which they don't seek reimbursement from the Fund. In-kind contributions of office supplies for the period ended June 30, 2014 and year ended December 31, 2013 were \$122 and \$474, respectively.

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  
JUNE 30, 2014 AND DECEMBER 31, 2013**

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

In-Kind Contributions and Contributed Services (continued)

The executive director serves without compensation from the Fund. In-kind contributions of approximately \$51,000 and \$49,500 have been included in the statement of activities and changes in net assets for the period ended June 30, 2014 and the year ended December 31, 2013.

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 June 30, 2014 and December 31, 2013, there are no uncertain tax positions taken or expected to be 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 period ended June 30, 2014.

Recent Accounting Pronouncements

In August 2014, the Financial Accounting Standard Board (“FASB”) issued Accounting Standards Update (“ASU”) No. 2014-15, Presentation of Financial Statements - Going Concern (Subtopic 205-40): Disclosure of Uncertainties about an Entity’s Ability to Continue as a Going Concern (“ASU 2014-15”). ASU 2014-15 is intended to define management’s responsibility to evaluate whether there is substantial doubt about an entity’s ability to continue as a going concern and to provide related footnote disclosures. Specifically, ASU 2014-15 provides a definition of the term substantial doubt and requires an assessment for a period of one year after the date that the financial statements are issued (or available to be issued). It also requires certain disclosures when substantial doubt is alleviated as a result of consideration of management’s plans and requires an express statement and other disclosures when substantial doubt is not alleviated. The new standard will be effective for reporting periods beginning after December 15, 2016, with early adoption permitted. Management is currently evaluating the impact of the adoption of ASU 2014-15 on its financial statements and disclosures.

**FELIDAE CONSERVATION FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014 AND DECEMBER 31, 2013**

**2. Property and Equipment**

Property and equipment at June 30, 2014 and December 31, 2013:

	2014	2013
Furniture and equipment	\$ 5,886	\$ 5,886
Computer equipment	2,563	2,563
Project equipment	72,207	56,842
Vehicles	33,000	-
Total	113,656	65,291
Accumulated depreciation	(50,441)	(36,315)
Property and equipment - net	\$ 63,215	\$ 28,976

**3. Temporarily Restricted Net Assets**

As of June 30, 2014 and December 31, 2013, temporarily restricted net assets were available for the following purposes:

	2014	2013
Educational program expenses	\$ -	\$ 35,926
Research project expenses	32,598	137,675
Total	\$ 32,598	\$ 173,601

Temporarily restricted net assets of \$3,783 and \$133,027 were received from donors in 2014 and 2013, 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 \$144,786 and \$77,952 have been released towards the use of specific programs in 2014 and 2013, respectively.

**4. Related Party Transactions**

During the period ended June 30, 2014 and year ended December 31, 2013, individual members of the Fund's Board of Directors and their affiliates contributed \$1,180 and \$64,585, respectively.

**FELIDAE CONSERVATION FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014 AND DECEMBER 31, 2013**

**5. Subsequent Events**

Management evaluated subsequent events through November 9, 2015, the date these financial statements were available to be issued. There were no material subsequent events that required disclosure in these financial statements.