

**Audited Financial Statements**

# **AKASHINGA**

**December 31, 2023**

**Quigley & Miron**

**Akashinga**  
**Audited Financial Statements**  
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Suite 1660  
3550 Wilshire Boulevard  
Los Angeles, California 90010

Telephone: (213) 639-3550  
Facsimile: (213) 639-3555

Suite 700  
1999 South Bascom Avenue  
Campbell, California 95008

Telephone: (408) 869-6108  
Facsimile: (213) 639-3555

## Independent Auditor's Report

Board of Directors  
**Akashinga**  
Philadelphia, Pennsylvania

### Opinion

We have audited the accompanying financial statements of Akashinga, a nonprofit organization, which comprise the statement of financial position as of December 31, 2023, 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 Akashinga as of December 31, 2023, and the changes in its net assets and cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

### Basis of Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 Akashinga and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. 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 the 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 Akashinga's ability to continue as a going concern for one year after the date that the financial statements are issued.

### 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 GAAS 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 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 GAAS, 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 Akashinga’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 Akashinga’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.

A handwritten signature in black ink that reads "Ziegler & Miron". The signature is written in a cursive, flowing style.

Los Angeles, California  
May 28, 2024

**Akashinga**  
**Statement of Financial Position**  
**December 31, 2023**

**Assets**

Cash and cash equivalents	\$ 5,699,690
Investments—Note 5	312,579
Contributions receivable	<u>3,911,517</u>
<b>Total Assets</b>	<b>\$ <u>9,923,786</u></b>

**Liabilities and Net Assets**

Accounts payable and accrued expenses	<u>\$ 102,858</u>
<b>Total Liabilities</b>	<b>102,858</b>

**Net Assets**

Without donor restrictions	5,909,413
With donor restrictions—Note 7	<u>3,911,515</u>
<b>Total Net Assets</b>	<b><u>9,820,928</u></b>

<b>Total Net Assets and Liabilities</b>	<b>\$ <u>9,923,786</u></b>
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See notes to financial statements.

**Akashinga**  
**Statement of Activities**  
**Year Ended December 31, 2023**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>Operating Activities</b>			
<b>Support and Revenues</b>			
Contributions	\$ 8,245,945	\$ 5,209,091	\$ 13,455,036
Other income	7,732		7,732
Interest and dividends	40,982		40,982
Net assets released from restrictions	1,410,983	(1,410,983)	
<b>Total Support and Revenues</b>	<b>9,705,642</b>	<b>3,798,108</b>	<b>13,503,750</b>
<b>Expenses</b>			
Program services	6,633,231		6,633,231
Supporting services			
Management and general	151,286		151,286
Fundraising	770,728		770,728
<b>Total Expenses</b>	<b>7,555,245</b>		<b>7,555,245</b>
<b>Change in Net Assets from Operations</b>	<b>2,150,397</b>	<b>3,798,108</b>	<b>5,948,505</b>
<b>Nonoperating Activities</b>			
Investment return, net	97,471		97,471
<b>Total Nonoperating Activities</b>	<b>97,471</b>		<b>97,471</b>
<b>Change in Net Assets</b>	<b>2,247,868</b>	<b>3,798,108</b>	<b>6,045,976</b>
<b>Net Assets at Beginning of Year</b>	<b>3,661,545</b>	<b>113,407</b>	<b>3,774,952</b>
<b>Net Assets at End of Year</b>	<b>\$ 5,909,413</b>	<b>\$ 3,911,515</b>	<b>\$ 9,820,928</b>

See notes to financial statements.

**Akashinga**  
**Statement of Functional Expenses**  
**Year Ended December 31, 2023**

	Program Services				Supporting Services			Total	
	Akashinga Program	LEAD Ranger Program	Education and Outreach	Wildlife Crime Unit	Total Program Services	Management and General	Fundraising		Total Supporting Services
Salaries	\$ 73,565	\$	\$ 47,500	\$	\$ 121,065	\$ 38,877	\$ 269,250	\$ 308,127	\$ 429,192
Payroll taxes	5,223		3,863		9,086	2,759	21,041	23,800	32,886
Employee benefits	5,048		3,695		8,743	3,342	22,148	25,490	34,233
<b>Total Personnel Expenses</b>	<b>83,836</b>		<b>55,058</b>		<b>138,894</b>	<b>44,978</b>	<b>312,439</b>	<b>357,417</b>	<b>496,311</b>
Grants	5,651,956	181,873	8,809	32,217	5,874,855				5,874,855
Contracted services	244,836	30,435	152,035	18,756	446,062	41,369	345,029	386,398	832,460
Travel	32,563	4,024	17,466	3,199	57,252	14,917	61,548	76,465	133,717
Professional fees	29,785	4,407	2,616	2,616	39,424	34,695	3,441	38,136	77,560
Information technology	12,135	1,789	12,928	1,073	27,925	1,291	20,432	21,723	49,648
Bank charges	17,836	2,478	1,414	1,221	22,949	1,127	2,187	3,314	26,263
Education	5,712	752	2,616	752	9,832	4,375	8,589	12,964	22,796
Advertising	8,035	65	2,320	53	10,473		9,251	9,251	19,724
Insurance						7,276		7,276	7,276
Office supplies	235	82	894	61	1,272	328	3,790	4,118	5,390
Depreciation			2,052		2,052		2,051	2,051	4,103
Patrol supplies	488	34	72	34	628	711	1,492	2,203	2,831
Occupancy	884	116	237	48	1,285	48	317	365	1,650
Postage and shipping	249	37	23	19	328	171	162	333	661
<b>Total Expenses</b>	<b>\$ 6,088,550</b>	<b>\$ 226,092</b>	<b>\$ 258,540</b>	<b>\$ 60,049</b>	<b>\$ 6,633,231</b>	<b>\$ 151,286</b>	<b>\$ 770,728</b>	<b>\$ 922,014</b>	<b>\$ 7,555,245</b>

See notes to financial statements.

**Akashinga**  
**Statement of Cash Flows**  
**Year Ended December 31, 2023**

**Cash Flows from Operating Activities**

Change in net assets	\$ 6,045,976
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Donated investments	(75,039)
Investment gains	(99,673)
Changes in operating assets and liabilities:	
Contributions receivable	(3,859,509)
Accounts payable and accrued expenses	<u>72,081</u>

**Net Cash Provided by** 2,083,836

**Cash Flows from Investing Activities**

Proceeds from sales of investments	<u>77,254</u>
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**Net Cash Provided by Operating Activities** 77,254

**Increase in Cash and Cash Equivalents** 2,161,090

**Cash and Cash Equivalents at Beginning of Year** 3,538,600

**Cash and Cash Equivalents at End of Year** \$ 5,699,690

**Supplementary Disclosures**

Interest paid	<u>\$</u>
Income taxes paid	<u>\$</u>

See notes to financial statements.

**Akashinga**  
**Notes to Financial Statements**  
**December 31, 2023**

**Note 1—Organization**

Organization—Akashinga, formerly known as International Anti-Poaching Foundation, is a nonprofit corporation organized under the laws of the State of Texas. The Certificate of Formation of the Corporation was filed in the office of the Secretary of State of the State of Texas on April 5, 2013.

The purpose for which Akashinga is organized and is to be operated are exclusively charitable, scientific, and/or educational within the meaning of section 501(c)(3) of the Internal Revenue Code of 1986, as amended. Since inception, Akashinga has been operating as the United States affiliate of the International Anti-Poaching Foundation, which is a wildlife conservation organization focused exclusively on stopping the illegal killing and trafficking of wildlife. The primary purpose of Akashinga is to raise money to fund the International Anti-Poaching Foundation's conservation operations in Africa.

**Note 2—Summary of Significant Accounting Policies**

Financial Statement Presentation—The financial statements are prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Akashinga's net assets are classified based on the existence or absence of donor-imposed restrictions. As such, the net assets of Akashinga and changes therein are presented and reported as follows:

Net assets without donor restrictions—Net assets that are not subject to donor-imposed stipulations and that may be expended for any purpose in performing the primary objectives of Akashinga. These net assets may be used at the discretion of Akashinga's management and the board of directors.

Net assets with donor restrictions—Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; such restrictions that may or will be met either by actions of Akashinga and/or the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated that the funds be maintained in perpetuity. Generally, the donors of such assets permit Akashinga to use all or part of the income earned on related investments for general or specific purposes.

Donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restriction. When a time restriction expires or a purpose restriction is satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the statement of activities as net assets released from restrictions.

Measure of Operations—The statement of activities reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of Akashinga's anti-poaching activities in Africa. Nonoperating activities are limited to resources that generate return from investments and other activities considered to be of a more unusual or nonrecurring nature.

Income Taxes—No provision has been made for federal or state income taxes because Akashinga is exempt from such taxes under Section 501(c)(3) of the Internal Revenue Code and applicable state regulations. In addition, the Internal Revenue Service has determined that Akashinga is not a private foundation within the meaning of Section 509(a) of the Code. Accounting standards require an organization to evaluate its tax positions and provide for a liability for any positions that would not be considered "more likely than not" to be upheld under a tax authority examination. Management has evaluated its tax positions and has concluded that a provision for a tax liability is not necessary at December 31, 2023. Generally, Akashinga's information returns remain open for examination three (federal) and four (state) years from the date of filing.

## Akashinga

### Notes to Financial Statements—Continued

#### Note 2—Summary of Significant Accounting Policies—Continued

Cash and Cash Equivalents—For purposes of the statement of cash flows, Akashinga considers all highly liquid investments available for current use with a maturity of three months or less when purchased to be cash equivalents.

Investments—Investments in securities are initially recorded at cost, if purchased, or fair market value, if received as a contribution. Subsequent to acquisition, investments in securities are reported at fair value. Investment transactions are recorded on the trade date. Investment income and realized and unrealized gains and losses, net of investment management fees, are reported as increases or decreases in the appropriate net asset category.

Concentration of Credit Risk—Financial instruments which potentially subject Akashinga to concentrations of credit risk consist of cash and cash equivalents, investments in securities, and contributions receivable.

Akashinga places its cash and cash equivalents with high credit quality financial institutions where the funds are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per institution; such cash balances are normally in excess of FDIC insurance limits. Cash held in investment accounts at investment custodians/securities brokerage firms are insured by the Securities Investors Protection Corporation (SIPC) up to \$250,000 and the investments in securities are insured up to \$500,000, per institution. SIPC insurance protects the custody function of the investment custodian; it does not provide protection against fluctuations in market value. At times, such balances are in excess of the FDIC and SIPC coverage limits.

While Akashinga is subject to credit risk to the extent any financial institution with which it conducts business is unable to fulfill contractual obligations on its behalf, Akashinga's management has assessed the credit risk associated with its cash deposits and investments at December 31, 2023 and believes it is not exposed to any significant credit risk with its cash and cash equivalents and investments. However, due to the current risk and uncertainties affecting financial institutions (see Note 7), the potential related impact cannot be reasonably estimated at this time.

Contributions receivable at December 31, 2023 are due from individuals and nonprofit organizations well-known to Akashinga, with favorable past payment histories. Management of Akashinga has assessed the credit risk associated with these accounts receivable and has determined that an allowance for potential uncollectible amounts is not necessary.

Recently Adopted Accounting Principle—In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-02, *Leases (Topic 842)*. This amendment is applicable to leases with terms exceeding 12 months and requires lessees to recognize the assets and related liabilities that arise from leases in the statement of financial position. Additionally, in July 2018, FASB issued ASU 2018-11 *Leases (Topic 842)—Targeted Improvements*, which, among other things, provides an additional transition method that would allow entities to not apply the guidance in ASU 2016-02 in the comparative periods presented in the financial statements and instead recognize a cumulative effect adjustment to the opening balance of net assets without donor restrictions in the period of adoption. Since Akashinga has no leases with terms exceeding one year as of the year ended December 31, 2023, Akashinga has adopted ASU No. 2016-02 and its related amendments on a prospective basis, with no resulting impact on the financial statement presentation.

In-Kind Contributions—Akashinga records the value of donated materials and services at their fair value at the date of donation. In-kind services are recorded only if the services (a) create or enhance nonfinancial assets, or (b) require specialized skills that are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Akashinga received no in-kind contributions during the year ended December 31, 2023.

## Akashinga

### Notes to Financial Statements—Continued

#### Note 2—Summary of Significant Accounting Policies—Continued

Interest and Dividend Income—Interest and dividend income earned on investments is recognized when received and is reported as interest and dividends under support and revenues in the statement of activities.

Functional Expenses—The costs of providing the various program and supporting services have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated between the program services and supporting services benefitted. Salaries, payroll taxes, employee benefits, contracted services, professional fees, advertising, information technology, travel, bank charges, insurance, education, postage and shipping, and office supplies are allocated on the basis of estimates of time and effort. All other functional expenses are charged directly to programs.

Advertising Costs—Advertising costs are expensed as incurred and amounted to \$19,725 for the year ended December 31, 2023.

Use of Estimates—The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

#### Note 3—Availability and Liquidity

Akashinga's goal is generally to maintain financial assets to meet 90 days of operating expenses (approximately \$800,000). The following represents the availability and liquidity of Akashinga's financial assets at December 31, 2023 to cover operating expenses for the next fiscal year:

Cash and cash equivalents	\$	5,699,690
Investments		312,579
Contributions receivable		3,911,517
		<hr/>
<b>Current Availability of Financial Assets</b>	<b>\$</b>	<b><u>9,923,786</u></b>

#### Note 4—Investments and Fair Value

In determining the fair value of investments, Akashinga utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible. Akashinga determines fair value based on assumptions that market participants would use in pricing an asset or liability in the principal or most advantageous market. When considering market participant assumptions in fair value measurements, the following fair value hierarchy distinguishes between observable and unobservable inputs, which are characterized in one of the following levels:

Level 1—Unadjusted quoted prices in active markets for identical assets or liabilities accessible to Akashinga at the measurement date.

Level 2—Valuations based on observable inputs (other than Level 1), such as quoted prices for similar assets at the measurement date, quoted prices in markets that are not active, or other inputs that are observable, either directly or indirectly.

Level 3—Valuations based on inputs that are unobservable and significant to the overall fair value measurement, and involve management judgment.

## Akashinga

### Notes to Financial Statements—Continued

#### Note 4—Investments and Fair Value—Continued

Akashinga may utilize a practical expedient for the estimation of the fair value of investments in investment companies for which the investment does not have a readily determinable fair value. The practical expedient used by Akashinga to value private investments is the Net Asset Value (NAV) per share, or its equivalent. In some instances, the NAV may not equal the fair value that would be calculated under fair value accounting standards. Akashinga had no assets or liabilities classified at NAV as a practical expedient during the year ended December 31, 2023.

Fair values of assets measured on a recurring basis at December 31, 2023 are as follows:

	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Equities	\$ 312,579	\$ 312,579	\$	\$
<b>Totals</b>	<b>\$ 312,579</b>	<b>\$ 312,579</b>	<b>\$</b>	<b>\$</b>

Return on investments for the year ended December 31, 2023 is as follows:

Realized gain on investments	\$ 16,120
Unrealized gain on investments	83,553
Investment management fees	<u>(2,202)</u>
<b>Investment Return, Net</b>	<b>97,471</b>
Interest and dividends	<u>43,164</u>
<b>Total Return on Investments</b>	<b>\$ 140,635</b>

#### Note 5—Contingencies

Grants require the fulfillment of certain conditions as set forth in the instrument of the grant. Failure to fulfill the conditions could result in the return of the funds to the grantor. Although that is a possibility, Akashinga deems the contingency remote, since it has made its best efforts to comply in all material respects with the provisions of each grant.

#### Note 6—Net Assets with Donor Restrictions

Net assets with donor restrictions for the year ended December 31, 2023 are as follows:

Subject to time restrictions:	
General operations	\$ 3,591,382
Akashinga - Botswana	125,000
Akashinga - Zimbabwe	125,000
Akashinga - Mozambique	<u>70,133</u>
<b>Total Net Assets with Donor Restrictions</b>	<b>\$ 3,911,515</b>

## Akashinga

### Notes to Financial Statements—Continued

#### Note 6—Net Assets with Donor Restrictions—Continued

Net assets released from donor restrictions for the year ended December 31, 2023 are as follows:

Satisfaction of purpose restrictions:	
Akashinga - Zimbabwe	\$ 677,813
Akashinga - Botswana	455,796
Akashinga - Mozambique	150,478
Solar power install	45,699
Binga/Songo scholarship	15,702
Akashinga	12,988
Lead Ranger	500
Satisfaction of passage of time:	
General operations	52,007
<b>Total Net Assets Released from Donor Restrictions</b>	<b><u>\$ 1,410,983</u></b>

#### Note 7—Risks and Uncertainties

In March 2023, subsequent to year-end, the shut-down of certain financial institutions raised economic concerns over disruption in U.S. banking system. The U.S. government took certain actions to strengthen public confidence in the U.S. banking system, however, there can be no certainty that the actions taken by the U.S. government will be effective in mitigating the effects of financial institution failures on the economy, which may include limits on access to short-term liquidity in the near term or other adverse effects. As disclosed in Note 2, at times, Akashinga maintains cash and cash equivalents and investment balances in excess of federally-insured limits. Given the uncertainty of the situation, the related financial impact cannot be reasonably estimated at this time.

#### Note 8—Subsequent Events

Management evaluated all activities of Akashinga through May 28, 2024, which is the date the financial statements were available to be issued, and concluded that no material subsequent events have occurred that would require adjustment to the financial statements or disclosure in the notes to the financial statements.