

Hood & Strong

Advisory, Tax  
and Assurance

# WildAid, Inc.

June 30, 2024

Independent Auditors' Report and  
Consolidated Financial Statements

# WildAid, Inc.

## Independent Auditors' Report and Consolidated Financial Statements

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## Independent Auditors' Report

THE BOARD OF DIRECTORS  
WILDAID, INC.  
San Francisco, California

### Opinion

We have audited the consolidated financial statements of **WILDAID, INC. AND SUBSIDIARIES (collectively, WildAid)** which comprise the consolidated statement of financial position as of June 30, 2024, and the related consolidated statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of WildAid as of June 30, 2024, 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 (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of WildAid 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about WildAid's ability to continue as a going concern for one year from the date of this report.

## **Auditors' Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 consolidated 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 consolidated 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 consolidated 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 WildAid'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 consolidated financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about WildAid'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.

### **Report on Summarized Comparative Information**

We have previously audited WildAid's June 30, 2023 consolidated financial statements, and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated December 21, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2023, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

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

San Francisco, California  
November 20, 2024

# WildAid, Inc.

## Consolidated Statement of Financial Position

<i>June 30, 2024 (with comparative totals for 2023)</i>	2024	2023
<b>Assets</b>		
Cash and cash equivalents	\$ 1,554,581	\$ 3,310,954
Contributions and grants receivable, net	799,903	587,507
Investments	4,453,543	7,252,446
Advances to field programs	37,086	145,393
Prepaid expenses and other assets	208,732	248,872
Operating lease right-of-use assets	309,847	281,002
<b>Total Assets</b>	<b>\$ 7,363,692</b>	<b>\$ 11,826,174</b>
<b>Liabilities and Net Assets</b>		
<b>Liabilities:</b>		
Accounts payable and accrued expenses	\$ 646,338	\$ 604,277
Grants Payable		250,000
Accrued wages and related costs	157,054	319,176
Deferred revenue	63,323	102,471
Operating lease liabilities	219,309	266,243
<b>Total liabilities</b>	<b>1,086,024</b>	<b>1,542,167</b>
<b>Net Assets:</b>		
Without donor restrictions	4,056,568	5,750,092
With donor restrictions	2,221,100	4,533,915
<b>Total net assets</b>	<b>6,277,668</b>	<b>10,284,007</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 7,363,692</b>	<b>\$ 11,826,174</b>

See accompanying notes to the consolidated financial statements.

# WildAid, Inc.

## Consolidated Statement of Activities and Changes in Net Assets

Year Ended June 30, 2024 (with comparative totals for 2023)

	2024			2023
	Without Donor Restrictions	With Donor Restrictions	Total	Total
<b>Revenue and Support:</b>				
Contributions and grants	\$ 2,522,645	\$ 4,773,088	\$ 7,295,733	\$ 10,921,771
Service income	843,636		843,636	654,265
Special events			-	232,694
Contributed goods and services	198,436,737		198,436,737	108,873,840
Interest income	335,939		335,939	149,596
Net assets released from restrictions	7,085,903	(7,085,903)	-	-
<b>Total revenue and support</b>	<b>209,224,860</b>	<b>(2,312,815)</b>	<b>206,912,045</b>	<b>120,832,166</b>
<b>Expenses:</b>				
Program services:				
Wildlife	114,140,939		114,140,939	75,598,193
Marine protection	5,272,895		5,272,895	3,778,597
Climate	89,451,906		89,451,906	42,014,179
Support services:				
Management and general	1,301,545		1,301,545	2,195,301
Fundraising	661,525		661,525	1,201,727
<b>Total expenses</b>	<b>210,828,810</b>	<b>-</b>	<b>210,828,810</b>	<b>124,787,997</b>
<b>Change in Net Assets Before Other Changes</b>	<b>(1,603,950)</b>	<b>(2,312,815)</b>	<b>(3,916,765)</b>	<b>(3,955,831)</b>
<b>Other Changes in Net Assets</b>				
(Loss) gain on foreign exchange transactions	(89,574)		(89,574)	9,190
<b>Change in Net Assets</b>	<b>(1,693,524)</b>	<b>(2,312,815)</b>	<b>(4,006,339)</b>	<b>(3,946,641)</b>
<b>Net Assets, beginning of year</b>	<b>5,750,092</b>	<b>4,533,915</b>	<b>10,284,007</b>	<b>14,230,648</b>
<b>Net Assets, end of year</b>	<b>\$ 4,056,568</b>	<b>\$ 2,221,100</b>	<b>\$ 6,277,668</b>	<b>\$ 10,284,007</b>

See accompanying notes to the consolidated financial statements.

# WildAid, Inc.

## Consolidated Statement of Functional Expenses

Year Ended June 30, 2024 (with comparative totals for 2023)

	Program Services				Supporting Services		2024 Total	2023 Total
	Wildlife	Marine Protection	Climate	Total Program Services	Management and General	Fundraising		
<b>Expenses:</b>								
Salaries and wages	\$ 2,145,924	\$ 2,288,930	\$ 852,693	\$ 5,287,547	\$ 842,328	\$ 574,302	\$ 6,704,177	\$ 8,516,468
Professional services	19,063	43,426	350	62,839	94,075		156,914	369,693
Occupancy	64,123	33,562	10,261	107,946	37,800	16,794	162,540	227,953
Public service announcement and production	148,166	11,556	82,629	242,351	42,955		285,306	479,700
Media, website, surveys	527,868	1,370,716	429,438	2,328,022	8,153		2,336,175	2,556,475
Marine protection and local enforcement		311,119		311,119	300		311,419	404,465
Program supplies and equipment	63,641	510,830	677	575,148	20,746		595,894	255,766
Travel	112,814	424,094	36,386	573,294	17,135	9,003	599,432	890,597
Printing and postage	8,947	5,534	655	15,136	3,641	5,604	24,381	39,600
Office supplies and equipment	12,840	31,361	444	44,645	167,882	35,560	248,087	226,648
Conferences	18,558	2,942	1,470	22,970	2,597		25,567	254,825
Grants	476,024	157,834		633,858			633,858	1,333,743
Insurance, fees, and bank charges	79,354	16,819	3,315	99,488	55,364	19,244	174,096	192,288
Depreciation	552	1,391		1,943	3,093		5,036	10,730
Miscellaneous	19,503	62,781	40,413	122,697	5,476	1,018	129,191	112,706
Bad debt expenses				-			-	42,500
<b>Total expenses before donated media services</b>	<b>3,697,377</b>	<b>5,272,895</b>	<b>1,458,731</b>	<b>10,429,003</b>	<b>1,301,545</b>	<b>661,525</b>	<b>12,392,073</b>	<b>15,914,157</b>
Contributed media services	110,443,562		87,993,175	198,436,737			198,436,737	108,873,840
<b>Total expenses as shown on the Statement of Activities and Change in Net Assets</b>	<b>114,140,939</b>	<b>5,272,895</b>	<b>89,451,906</b>	<b>208,865,740</b>	<b>1,301,545</b>	<b>661,525</b>	<b>210,828,810</b>	<b>124,787,997</b>
<b>Other Expenses:</b>								
Special event costs				-			-	214
<b>Total expenses</b>	<b>\$ 114,140,939</b>	<b>\$ 5,272,895</b>	<b>\$ 89,451,906</b>	<b>\$ 208,865,740</b>	<b>\$ 1,301,545</b>	<b>\$ 661,525</b>	<b>\$ 210,828,810</b>	<b>\$ 124,788,211</b>

See accompanying notes to the consolidated financial statements.



# WildAid, Inc.

## Consolidated Statement of Cash Flows

<i>For the year ended June 30, 2024 (with comparative totals for 2023)</i>	2024	2023
<b>Cash Flows from Operating Activities:</b>		
Change in net assets	\$ (4,006,339)	\$ (3,946,641)
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation	5,036	10,730
Change in allowance for doubtful accounts	958	(23,600)
Amortization of operating lease right-of-use assets	(28,845)	177,775
Changes in operating assets and liabilities:		
Contributions and grants receivable	(212,396)	(271,801)
Advances to field programs	108,307	(6,713)
Prepaid expenses and other assets	34,146	129,703
Accounts payable and accrued expenses	42,061	259,175
Grants payable	(250,000)	250,000
Accrued wages and related costs	(162,122)	165,084
Deferred revenue	(39,148)	(107,430)
Operating lease liabilities	(46,934)	(192,534)
<b>Net cash used by operating activities</b>	<b>(4,555,276)</b>	<b>(3,556,252)</b>
<b>Cash Flows from Investing Activities:</b>		
Purchases of fixed assets		(3,247)
Proceeds of investments, net	2,798,903	3,263,357
<b>Net cash provided by investing activities</b>	<b>2,798,903</b>	<b>3,260,110</b>
<b>Net Change in Cash and Cash Equivalents</b>	<b>(1,756,373)</b>	<b>(296,142)</b>
<b>Cash and Cash Equivalents, beginning of year</b>	<b>3,310,954</b>	<b>3,607,096</b>
<b>Cash and Cash Equivalents, end of year</b>	<b>\$ 1,554,581</b>	<b>\$ 3,310,954</b>
<b>Supplemental information:</b>		
Cash paid during the year for operating leases	\$ 192,243	\$ 202,615
<b>Non-cash transaction from operating activities:</b>		
Operating lease right-of-use assets financed by lease liabilities		\$ 458,777

See accompanying notes to the consolidated financial statements.

# WildAid, Inc.

## Notes to the Consolidated Financial Statements

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### Note 1 - Organization:

Founded in 2000, WildAid, Inc. (WildAid) is headquartered in San Francisco, with programs all over the world. WildAid works to protect wildlife by reducing global consumption of illegal wildlife products, increasing local support for conservation efforts, strengthening enforcement of marine reserves and reducing climate change impacts.

In 2013, WildAid formed a wholly-owned subsidiary, Biyuan Consulting Co. Ltd. (Biyuan), a private consulting company in China, in order to facilitate program activity in China. In early 2018, WildAid formed another subsidiary, WildAid Beijing, which took over all activities from Biyuan in June 2019. There were no operations for Biyuan during the year ended June 30, 2024.

WildAid also has a subsidiary in Ecuador (WildAid EC), which helps to execute activities related to the Marine program. Effective January 1, 2021, the decision was made to consolidate the governance and operations of WildAid EC with WildAid, and WildAid EC became part of WildAid's reporting entity as WildAid has both governance control and an economic interest in WildAid EC.

WildAid has a subsidiary, WildAid Hong Kong, Limited (WA HK), to facilitate program activity in Hong Kong. For the purposes of these consolidated financial statements, the assets of WA HK are not consolidated as they are not material to WildAid's consolidated financial statements.

The following is a summary of WildAid's programs:

*Wildlife:* WildAid's high-impact media campaigns feature some of the most influential voices in the world advocating for wildlife conservation on a massive scale thanks to over \$120 million worth of donated media placement each year. Video, print and online campaigns have measurably increased awareness about poaching, bushmeat, and human-wildlife conflict and prompted changes in attitudes and behavior. As a result, there have been significant decreases in consumption and illegal trade in certain endangered species products, such as ivory, rhino horn, shark fin, sea turtle and pangolin.

*Marine Protection:* WildAid's marine program partners with local governments to strengthen enforcement of marine protected areas (MPAs) by providing funding for surveillance technology, staff training, professional development and community engagement, allowing more MPAs to fulfill their conservation potential. WildAid currently has active projects in over 100 marine areas around the world.

*Climate:* WildAid uses its proven communications strategies, strong media networks, and government partnerships to empower individuals to live more sustainable, low-carbon lifestyles and reduce impacts on wildlife habitats. WildAid's campaigns urge individuals to reduce their carbon emissions and encourage others to join them.

# WildAid, Inc.

## Notes to the Consolidated Financial Statements

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### **Note 2 - Summary of Significant Accounting Policies:**

#### Basis of Presentation and Description of Net Assets

The accompanying consolidated financial statements are presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). Information regarding WildAid's financial position and activities are reported according to the following net asset classifications:

#### *Net Assets Without Donor Restrictions*

The portion of net assets not subject to time or donor-imposed restrictions may be expended for any purpose in performing the primary objective of WildAid. These net assets are intended for use of management and the Board of Directors (the Board) for program and supporting services. WildAid seeks to maintain an operating reserve equivalent to six months of operational expenses.

#### *Net Assets With Donor Restrictions*

The portion of net assets limited by donor-imposed stipulations are restricted until the restrictions either expire by passage of time or can be fulfilled and removed by actions of WildAid. WildAid has no net assets with perpetual donor restrictions as of June 30, 2024.

#### Principles of Consolidation

The accompanying consolidated financial statements include all amounts and operations of WildAid, Inc., Biyuan, WildAid Beijing, and WildAid EC. All intercompany transactions and accounts have been eliminated.

#### Cash and Cash Equivalents

WildAid considers all highly liquid investments with original maturity dates of three months or less to be cash equivalents. Cash and cash equivalents include operating cash but exclude investment account money market funds.

#### Investments

WildAid reports investments at fair value. Gains and losses that result from market fluctuations are recognized in the Consolidated Statement of Activities and Changes in Net Assets in the period such fluctuations occur. Dividend and interest income are accrued when earned. Investments received through gifts are recorded at estimated fair value at the date of donation.

# WildAid, Inc.

## Notes to the Consolidated Financial Statements

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Investments, in general, are exposed to various risks, such as interest rate risk, credit risk, and overall market volatility. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the consolidated financial statements.

For cash flow purposes, purchases of investments represent the total additions to the portfolio from revenues received during the year. Proceeds from the sale of investments represent the withdrawals used for operations.

### Fair Value Measurements

WildAid carries certain assets and liabilities at fair value. 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. WildAid classifies its financial assets and liabilities according to three levels and maximizes the use of observable inputs and minimizes the use of unobservable inputs when measuring fair value.

- Level 1 - Unadjusted quoted market prices in active markets for identical assets or liabilities that the entity has the ability to access at the measurement date.
- Level 2 - Observable inputs other than quoted prices included within Level 1 for the asset or liability, either directly or indirectly.
- Level 3 - Unobservable inputs for the asset or liability that are not corroborated by market data.

### Revenue Recognition

Contributions and grants are recognized when the donor/grantor makes an unconditional promise to give to WildAid. Donor restricted support is reported as an increase in net assets with donor restrictions. When the restriction is met or expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. Revenue, other than from contributions and grants, is recognized in the period in which the service has been provided. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows when a material impact is noted and are discounted at an appropriate discount rate. Amortization of the discounts is included in contribution revenue.

Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are not recognized until the conditions on which they depend have been met. Consequently, at June 30, 2024, contributions of approximately \$1,161,000 have not been recognized in the accompanying Consolidated Statement of Activities and Changes in Net Assets because the conditions on which they depend have not yet been met. The conditional contributions depend on WildAid achieving key milestones.

# WildAid, Inc.

## Notes to the Consolidated Financial Statements

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*Service income* is accounted for by applying the requirements of Topic 606, which includes the following steps: 1) Identification of the contract, or contracts, with a customer; 2) Identification of the performance obligations in the contract; 3) Determination of the transaction price; 4) Allocation of the transaction price to the performance obligations in the contract; 5) Recognition of revenue when, or as, the company satisfies a performance obligation.

The following table provides information about significant changes in the contract liabilities for the year ended June 30:

	2024
Unearned service income, beginning of year	\$ 102,471
Revenue recognized that was included in unearned service income at beginning of year	(102,471)
Increase due to cash received during the year	63,323
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Unearned service income, end of year	\$ 63,323

There were no beginning or ending balances of receivables, contract assets or contract liabilities.

### Contributed Goods and Services

Contributed goods and services are recorded based on the estimated fair value at the date the contribution is made. Contributed services are recognized as contribution revenue for certain services received, if the services (a) create or enhance non-financial assets, or (b) require specialized skills that are provided by individuals possessing those skills and would be purchased if not donated. WildAid received contributed services in foreign countries, which is primarily comprised of media placement for Public Service Announcements (PSAs); see Note 5.

In addition to the recognized donated services, WildAid's work is made possible by substantial volunteer time that was not recognized as a contribution in the consolidated financial statements as the recognition criteria was not met.

### Advances to Field Programs

WildAid advances funds to field offices in various countries to support its field operations. Such funds are recorded as advances to field programs when wired, and are expensed quarterly, based upon receipt of expenses incurred. As reported as of June 30, 2024, advances to field programs were \$37,086, which are included in the Consolidated Statement of Financial Position.

# WildAid, Inc.

## Notes to the Consolidated Financial Statements

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### Grants

Grants are generally made to tax-exempt organizations or equivalent with objectives consistent with the mission of WildAid. Grant expenses are recorded when WildAid makes an unconditional promise to give. Conditional promises to give are recognized as grant expense in the period in which the recipient meets the terms of the condition. Grant cancellations or unspent funds are recorded in the period cancelled or the funds are returned.

### Fixed Assets

Fixed assets are carried at cost or, if donated, at the estimated fair value on the date of the gift. Fixed assets are depreciated on a straight-line basis over their estimated useful lives ranging from three to five years. WildAid generally capitalizes assets with an original cost over \$1,500. Maintenance and repair costs which do not improve or extend the lives of the respective assets are expensed as incurred. Depreciation expense for the year ended June 30, 2024 was \$5,036.

Equipment purchased for use in foreign field offices is expensed as acquired. The total cost of equipment expensed during the year ended June 30, 2024 totaled \$496,433.

### Allocation of Functional Expenses

The costs of providing various programs and activities have been summarized on a functional basis in the Consolidated Statement of Activities and Changes in Net Assets. Expenses such as salaries, benefits, insurance and office rent are allocated among programs, management and general, and fundraising based on estimated time spent per individual on each functional area. Allocations are decided during the budgeting process prior to each fiscal year and can be adjusted throughout the year to accommodate changing focuses.

### Leases

WildAid determines whether an arrangement is or includes a lease and categorizes leases as either operating or finance leases at their commencement. WildAid does not have any finance leases. Operating lease right-of-use assets and operating lease liabilities are recognized based on the present value of the future minimum lease payments over the lease term at commencement date. As WildAid's leases do not provide an implicit rate, WildAid uses a risk-free discount rate at the commencement date in determining the present value of future payments. The lease ROU asset also includes any lease payments made minus any lease incentives received and initial direct costs incurred. WildAid accounts for lease and non-lease components, to the extent they are fixed, as a single lease component. Additionally, the lease term may include options to extend or terminate the lease when it is reasonably certain WildAid will exercise that option. Lease expense for minimum lease payments is recognized on a straight-line basis over the lease term.

# WildAid, Inc.

## Notes to the Consolidated Financial Statements

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### Income Tax Status

WildAid is a qualified organization exempt from Federal income and California franchise taxes under the provisions of Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code, respectively.

As of June 30, 2024, management evaluated WildAid's tax positions and concluded that WildAid had maintained its tax-exempt status and had taken no uncertain tax positions that required adjustment to the consolidated financial statements. Therefore, no provision or liability for income taxes or deferred income taxes has been included in the consolidated financial statements.

### Use of Estimates

The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain amounts and disclosures. Accordingly, actual results could differ from those estimates.

### Recent Accounting Pronouncements

#### *Recently Adopted Accounting Pronouncements*

The FASB issued Accounting Standards Update (ASU) 2016-13, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, which amends the guidance on the impairment of financial instruments. The ASU adds to U.S. GAAP the current expected credit loss (CECL) impairment model based on expected losses rather than incurred losses. Under the new guidance when an entity acquires a financial instrument, including program-related notes receivable, it immediately recognizes an allowance equal to its estimate of expected credit losses over the life of the financial instrument. WildAid adopted this pronouncement effective July 1, 2023 in accordance with the planned implementation as prescribed by the ASU with no material impact on the consolidated financial statements.

### Subsequent Events

The management of WildAid evaluated events with respect to the consolidated financial statements from June 30, 2024 through November 20, 2024, the date the consolidated financial statements were available to be issued, and has determined that no adjustments are necessary to the amounts reported in the accompanying consolidated financial statements nor have any subsequent events occurred, the nature of which would require disclosure.

# WildAid, Inc.

## Notes to the Consolidated Financial Statements

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### Note 3 - Contributions and Grants Receivable:

Contributions and grants receivable consisted of the following at June 30, 2024:

Foundations and institutions	\$ 834,761
	834,761
Less allowance for doubtful accounts	(34,858)
	\$ 799,903

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At June 30, 2024, \$658,706 is expected to be collected within one year and the remaining \$141,197 is expected to be collected in fiscal year 2026.

### Note 4 - Investments and Fair Value Measurements:

Investments consisted of the following at June 30, 2024:

Cash and cash equivalents (Level 1)	\$ 494,515
U.S. Treasury notes (Level 2)	3,209,355
Certificates of deposit	749,673
	\$ 4,453,543

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Certificates of deposit are not subject to fair value measurements as they do not meet the definition of an equity security.

### Note 5 - Contributed Goods and Services:

The estimated fair value of donated goods and services received are recorded as contributions. WildAid received material donations of advertisement space on print and on electronic billboards, airtime on television, advertising on the Internet and radio, and advertising in magazines during the year ended June 30, 2024. The participation of these media vendors is an irreplaceable part of WildAid's program to educate the public and reduce the demand for endangered animal products and is a significant part of WildAid's worldwide mission.



# WildAid, Inc.

## Notes to the Consolidated Financial Statements

In addition, WildAid has over 100 celebrities worldwide who have donated their time to be featured in WildAid's PSAs. Along with filming, they often participate in campaign launches and other media events as well. No value is booked to reflect their donated time, although the value of their participation is invaluable to the delivery of WildAid's message.

WildAid obtains valuations from media providers for donations of advertisement space in China and the United States. When possible, WildAid obtains independent, third-party valuations for media value, such as those received from CTR Market Research Company Ltd in certain Chinese TV markets. Such valuations have been included in the Consolidated Statement of Activities and Changes in Net Assets as contributed goods and services for the year ended June 30, 2024.

The media outlet and value included as contributed goods and services revenue and contributed media expense was as follows for the year ended June 30, 2024:

Wildlife	\$ 110,443,562
Climate	87,993,175
	<hr/>
	\$ 198,436,737

### Note 6 - Net Assets With Donor Restrictions:

Net assets with donor restrictions were as follows at June 30, 2024:

Wildlife	\$ 915,547
Marine	1,305,553
	<hr/>
	\$ 2,221,100

Net assets with donor restrictions were released from donor restriction as follows during the year ended June 30, 2024:

Wildlife	\$ 1,946,407
Marine	5,023,992
Climate	100,929
Management and General	14,575
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	\$ 7,085,903

# WildAid, Inc.

## Notes to the Consolidated Financial Statements

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### Note 7 - Availability of Financial Assets and Liquidity:

WildAid's financial assets available within one year for general expenditures were as follows at June 30, 2023:

Financial assets at year end:	
Cash and cash equivalents	\$ 1,554,581
Contributions receivable	799,903
Investments	4,453,543
<hr/>	
Total financial assets	\$ 6,808,027
<hr/>	
Less amounts not available to be used within one year:	
Net assets with donor restrictions	(2,221,100)
Operating cash and investments reserved by the Board	(2,787,024)
Add net assets with restrictions to be met within one year	2,079,903
<hr/>	
Total amounts not available to be used within one year	(2,928,221)
<hr/>	
Total financial assets available to meet general expenditures over the next twelve months	\$ 3,879,806

As part of its liquidity plan, excess cash is invested in short-term investments, including money market accounts and certificates of deposit. WildAid's goal is to create an operating reserve to ensure the stability of the mission, programs, employment, and ongoing operations of the organization and to provide a source of internal funds for organizational priorities. The operating reserve is intended to provide an internal source of funds for situations such as sudden increases in expenses, one-time unbudgeted expenses, unanticipated loss in funding, or uninsured losses. The target minimum Operating Reserve Fund is \$1 million less than the available balance in cash and cash equivalents without restrictions as of the prior fiscal year end and can be made available at any point by approval of the Board

### Note 8 - Operating Leases:

WildAid leases office space in San Francisco, California, the Galapagos Islands, and China under lease agreements which expire at various times through September 2027.

# WildAid, Inc.

## Notes to the Consolidated Financial Statements

Maturities of the operating lease liabilities are as follows:

Year Ended June 30,		
2025	\$	176,756
2026		27,596
2027		15,652
2028		3,913
<hr/>		
Total lease payments		223,917
Lease discount to present value		(4,608)
<hr/>		
Present value of lease liabilities	\$	219,309

As of June 30, 2024, the weighted average remaining lease term was 1.62 years and the weighted average discount rate was 2.84%. Rent expense for the year ended June 30, 2023, was \$115,400.

### Note 9 - Retirement Plan:

WildAid maintains a qualified 401(k) retirement plan for all eligible employees. Employees may make contributions to the plan up to the maximum amount allowed by the Internal Revenue Code. WildAid adopted a Safe Harbor Amendment effective January 1, 2012, matching employee contributions up to a maximum of 4% of compensation. WildAid made contributions to the plan totaling \$72,849 for the year ended June 30, 2024.

### Note 10 - Concentration of Risk and Related Party Transactions:

WildAid has defined its financial instruments which are potentially subject to credit risk. The financial instruments consist principally of cash, receivables, and investments. Risks associated with cash and investments are mitigated by banking with creditworthy institutions.

Periodically, throughout the year, WildAid maintained balances in various operation and money market accounts in excess of federally insured limits.

As of June 30, 2024, contributions and grants receivable from five donors/foundations accounted for approximately 91% of total contributions and grants receivable.

WildAid received contributions from Board members of approximately \$205,370 during the year ended June 30, 2024. As of June 30, 2024, WildAid had no receivables outstanding from Board members.

# WildAid, Inc.

## Notes to the Consolidated Financial Statements

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### **Note 11 - Foreign Exchange Transactions:**

WildAid has three foreign offices of which the financial records are kept in the local currencies. Their statement of financial position accounts are translated at the exchange rates existing at the statement of financial position date, and their statement of activities and changes in net assets accounts are translated at the average exchange rate for the year. As of June 30, 2024, total realized loss on foreign currency transactions were \$89,574.

### **Note 12 – Sponsorship Agreement**

On November 28, 2022, WildAid entered into a fiscal sponsorship agreement with a related party who managed the Wild Africa Fund (the Organization). The Organization operated wildlife programs in Africa, land-based climate programs, and distributed mass communications in Africa to change attitudes towards poaching, trafficking, habitat loss, human-wildlife conflict. The Organization received its own tax-exempt status in January 2023 and began operations independently of WildAid. In January 2023, the fiscal sponsorship agreement converted to a supporting grant to the Organization.

WildAid committed to a grant of \$1,000,000 for the Organization, of which \$750,000 was paid as of June 30, 2024 and the remaining \$250,000 is conditioned upon meeting the requirements outlined in the supporting grant agreement. The supporting grant agreement also includes additional subgrants of \$427,500 to be used by the Organization. WildAid disbursed approximately \$869,000 and \$413,500, net of fees, in 2023 and 2024, respectively, to the Organization. As part of the supporting grant, there is an additional \$250,000 grant payable to the Organization as of June 30, 2023 which was disbursed in 2024.

WildAid's support of the Organization was included in the Consolidated Statement of Functional Expenses as grants expenses.