

**The International Wilderness  
Leadership Foundation, Inc.  
d/b/a The WILD Foundation**

(a not-for-profit New York corporation)

Boulder, Colorado

**Financial Statements**

December 31, 2014

# The International Wilderness Leadership Foundation, Inc. d/b/a The WILD Foundation

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## **Independent Auditor's Report**

To the Board of Directors  
The International Wilderness Leadership Foundation, Inc.  
d/b/a The WILD Foundation  
Boulder, Colorado

We have audited the accompanying financial statements of The International Wilderness Leadership Foundation, Inc. d/b/a The WILD Foundation (a not-for-profit New York corporation), which comprise the statement of financial position as of December 31, 2014, and the related statements of activities and change in net assets, and cash flows for the year then ended, and the related notes to the financial statements.

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

The Organization's management is responsible for the preparation and fair presentation of these financial statements in accordance with 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 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 from 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 entity'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 entity'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.

**Independent Auditor's Report (continued)**

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The International Wilderness Leadership Foundation, Inc. as of December 31, 2014, 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.

**Opinion on Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The schedule of functional expenses is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Brock and Company, CPAs, P.C.*  
Certified Public Accountants

Longmont, Colorado  
May 8, 2015

# The International Wilderness Leadership Foundation, Inc. d/b/a The WILD Foundation

## Statement of Financial Position

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December 31, 2014

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### ASSETS

#### Current Assets

Cash and cash equivalents	\$ 1,303,433
Investments, at fair value	549,102
Grants and pledges receivable	248,434
Prepaid expenses and other assets	16,319
Total current assets	<u>2,117,288</u>

#### Property and Equipment

Land, building and improvements	449,424
Vehicles	112,080
Furniture, fixtures and equipment	7,034
Works of art	41,229
	<u>609,767</u>
Less accumulated depreciation	(135,361)
Net property and equipment	<u>474,406</u>

Total assets \$ 2,591,694

### LIABILITIES AND NET ASSETS

#### Current Liabilities

Accounts payable	\$ 46,272
Accrued wages and taxes	66,556
Grants payable	170,123
Note payable	2,196
Total current liabilities	<u>285,147</u>

#### Net Assets

Unrestricted	
Undesignated	1,105,091
Board-designated	667,428
Total unrestricted net assets	<u>1,772,519</u>
Temporarily restricted	534,028
Total net assets	<u>2,306,547</u>
Total liabilities and net assets	<u>\$ 2,591,694</u>

The accompanying Notes are an integral  
part of these financial statements

# The International Wilderness Leadership Foundation, Inc. d/b/a The WILD Foundation

## Statements of Activities and Change in Net Assets

Year ended December 31, 2014

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>Support and Revenue</b>			
<b>Support</b>			
Contributions	\$ 1,195,746	\$ 2,206,877	\$ 3,402,623
Net assets released from restriction	2,481,604	(2,481,604)	-
Total support	<u>3,677,350</u>	<u>(274,727)</u>	<u>3,402,623</u>
<b>Revenue</b>			
Interest and dividends	17,718	-	17,718
Other income	50,772	-	50,772
Total revenue	<u>68,490</u>	<u>-</u>	<u>68,490</u>
Total support and revenue	<u>3,745,840</u>	<u>(274,727)</u>	<u>3,471,113</u>
<b>Functional Expenses and Losses</b>			
<b>Functional Expenses</b>			
Program services	3,077,480	-	3,077,480
Supporting services			
Fundraising	116,289	-	116,289
General and administrative	252,580	-	252,580
Total supporting services	<u>368,869</u>	<u>-</u>	<u>368,869</u>
Total functional expenses	<u>3,446,349</u>	<u>-</u>	<u>3,446,349</u>
<b>Losses</b>			
Unrealized loss on investments	2,485	-	2,485
Realized loss on sale of investments	2,359	-	2,359
Loss on disposal of assets	1,939	-	1,939
Loss on foreign currency translation	3,989	-	3,989
Total losses	<u>10,772</u>	<u>-</u>	<u>10,772</u>
Total functional expenses and losses	<u>3,457,121</u>	<u>-</u>	<u>3,457,121</u>
<b>Change in Net Assets</b>	288,719	(274,727)	13,992
<b>Net Assets, Beginning of Year</b>	<u>1,483,800</u>	<u>808,755</u>	<u>2,292,555</u>
<b>Net Assets, End of Year</b>	<u>\$ 1,772,519</u>	<u>\$ 534,028</u>	<u>\$ 2,306,547</u>

The accompanying Notes are an integral  
part of these financial statements

# The International Wilderness Leadership Foundation, Inc. d/b/a The WILD Foundation

## Statement of Cash Flows

Increase (Decrease) in Cash and Cash Equivalents

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Year ended December 31, 2014

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### Cash Flows From Operating Activities

Change in net assets	\$ 13,992
Adjustments to reconcile change in net assets to net cash provided by operating activities	
Depreciation	26,616
Provision for bad debts	9,000
Unrealized loss on investments	2,485
Realized loss on investments	2,359
Loss on disposal of assets	1,939
Donated investments	(109,439)
Increase (decrease) from changes in assets and liabilities	
Grants and pledges receivable	213,271
Prepaid expenses and other current assets	4,658
Accounts payable	(5,159)
Accrued wages and taxes	16,172
Other accrued expenses	(22,064)
Grants payable	170,123
Net cash provided by operating activities	<u>323,953</u>

### Cash Flows From Investing Activities

Proceeds from sale of investments	193,398
Purchases of investments	(411,556)
Purchases of equipment	(12,036)
Net cash used by investing activities	<u>(230,194)</u>

### Cash Flows From Financing Activities

Payments on note payable	<u>(2,880)</u>
Net cash used by financing activities	<u>(2,880)</u>

**Net Increase in Cash and Cash Equivalents** 90,879

**Cash and Cash Equivalents, Beginning of Year** 1,212,554

**Cash and Cash Equivalents, End of Year** \$ 1,303,433

### Supplemental Information

Cash paid for interest	<u><u>\$ 109</u></u>
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The accompanying Notes are an integral  
part of these financial statements

# The International Wilderness Leadership Foundation, Inc. d/b/a The WILD Foundation

## Notes to Financial Statements

December 31, 2014

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### Note 1 - Nature of Organization and Significant Accounting Policies

*Nature of Organization.* The International Wilderness Leadership Foundation, Inc. d/b/a The WILD Foundation (the "Organization") is a not-for-profit corporation established in 1974 to provide protection and promote understanding of wilderness and wildlife throughout the world. Funding for the Organization is obtained through contributions from foundations and individuals that support conservation issues.

*Use of Estimates.* The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

*Basis of Accounting.* The financial statements of the Organization have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

*Net Asset Classification.* The Organization distinguishes between contributions received for each net asset category in accordance with donor-imposed restrictions. The Organization complies with established standards for external reporting by not-for-profit organizations, which requires that resources be classified for reporting purposes into three net asset categories according to externally (donor) imposed restrictions. The three net asset categories are as follows:

*Unrestricted Net Assets.* Unrestricted net assets are not subject to donor-imposed stipulations.

*Temporarily Restricted Net Assets.* Temporarily restricted net assets are subject to donor-imposed stipulations that may or will be met either by actions of the Organization or the passage of time. Once the stipulation is met, the assets are released from restriction and the expenditure is recorded in the activities of unrestricted net assets.

*Permanently Restricted Net Assets.* Permanently restricted net assets are subject to donor-imposed stipulations that require the donated assets to be maintained permanently by the Organization. Generally, the donors of these assets would permit the Organization to use all or part of the income earned on the corpus for general or specific purposes. Currently, there are no permanently restricted net assets.

*Functional Allocation of Expenses.* Direct expenses have been allocated to the applicable program for which the expenses were incurred. Indirect expenses have been allocated between program and supporting services based on an analysis of personnel time and space utilized for the related activities.

*Cash and Cash Equivalents.* The Organization considers all highly liquid debt instruments with maturities of three months or less to be cash equivalents. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of those financial instruments.

# The International Wilderness Leadership Foundation, Inc. d/b/a The WILD Foundation

## Notes to Financial Statements

December 31, 2014

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### Note 1 - Nature of Organization and Significant Accounting Policies (continued)

*Investments.* The Organization's investments are stated at fair value. Fair value is 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. The Organization's management determines the valuation policies utilizing information provided by the investment advisors and custodians.

Unrealized gains and losses are included in the change in net assets in the accompanying statement of activities. Investment income and gains restricted by donors are reported as increases in unrestricted net assets if the restrictions are met (either a stipulated time period ends or a purpose restriction is accomplished) in the reporting period in which the income and gains are recognized.

*Fair Value Measurements.* The Organization reports using fair value measurements, which among other things requires enhanced disclosures about investments that are measured and reported at fair value and establishes a framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurements. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Equities and mutual funds are investments which are publicly traded and are valued using quoted prices in active markets. There have been no changes in the methodologies used at December 31, 2014.

# The International Wilderness Leadership Foundation, Inc. d/b/a The WILD Foundation

## Notes to Financial Statements

December 31, 2014

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### Note 1 - Nature of Organization and Significant Accounting Policies (continued)

*Fair Value Measurements (continued).* The method described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

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

*Grants and Pledges Receivable.* Grants and pledges receivable are stated net of allowances for uncollectible accounts. At the time receivables are originated, the Organization considers an allowance for doubtful accounts based on the creditworthiness of the donor. The allowance is continually reviewed and adjusted to maintain the allowance at a level considered adequate to cover future uncollectible amounts. The allowance is management's best estimate of uncollectible amounts and is determined based on historical performance that is tracked by the Organization on an ongoing basis. Management believes that all grants and pledges receivable are fully collectible at December 31, 2014.

*Property and Equipment.* It is the Organization's policy to capitalize property and equipment at cost for purchases over \$500, while repair and maintenance items are charged to expense. Donations of property and equipment are capitalized at their estimated fair value at the date of gift. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Property and equipment are depreciated using the straight-line method over the estimated useful lives of the assets. In general, asset lives are as follows:

	<u>Life in Years</u>
Building and improvements	10 - 40
Vehicles	5 - 7
Furniture, fixtures and equipment	3 - 10

Depreciation expense for the year ended December 31, 2014 was \$26,616.

*Works of Art.* It is the Organization's policy to capitalize works of art at cost for purchases, while donations are capitalized at their estimated fair value at the date of gift. Works of art are not depreciated as the estimated useful lives are extraordinarily long.

*Impairment of Long-Lived Assets.* In the event that facts and circumstances indicate that property and equipment, or other assets, may be impaired, an evaluation of recoverability would be performed.

# The International Wilderness Leadership Foundation, Inc. d/b/a The WILD Foundation

## Notes to Financial Statements

December 31, 2014

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### Note 1 - Nature of Organization and Significant Accounting Policies (continued)

*Impairment of Long-Lived Assets (continued).* If an evaluation is required, the estimated future undiscounted cash flows associated with the asset are compared to the asset's carrying amount to determine if a write-down to market value would be necessary. No impairment losses were recorded during the year ended December 31, 2014.

*Contributions.* Contributions are recognized when the donation is received. Donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets. Contributions and grants that are restricted by the donor or grantor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized.

*Contributed Services.* Contributed services are recognized if services received (a) create or enhance non-financial assets or (b) require specialized skills and are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. There were no contributed services, qualifying for recognition, for the year ended December 31, 2014.

A substantial number of individuals have made contributions of their time to assist the Organization in a variety of tasks and services. The value of these services is not recorded in the accompanying financial statements, as these services do not meet the criteria for recognition.

*Advertising.* The Organization expenses advertising costs, including donated advertising, as they are incurred. Advertising expenses for the year ended December 31, 2014 were \$46,725.

*Foreign Currency Transactions.* The functional currencies of the Organization's foreign operations are the West African CFA Franc and South African Rand. The translation of foreign currency into U.S. dollars is performed for statement of financial position accounts using the exchange rate in effect at the financial position date, and for support and revenue and functional expense accounts using a weighted average exchange rate during the period. The cumulative foreign currency translation loss was \$3,989 for the year ended December 31, 2014.

*Income Taxes.* The Organization is a nonprofit corporation exempt from income taxes as described in Section 501(c)(3) of the Internal Revenue Code and is classified by the Internal Revenue Service as other than a private foundation. Accordingly, no provision for income taxes has been made.

The Organization utilizes the provisions of ASC 740, pertaining to accounting for uncertainty in income taxes. The pronouncement requires the use of a more-likely-than-not recognition criteria before and separate from the measurement of a tax position. An entity shall initially recognize the financial statement effects of a tax position when it is more likely than not, based on the technical merits, that the position will be sustained upon examination. With respect to the Organization, this would primarily relate to the determination of unrelated business taxable income and to the maintenance of its tax exempt status.

# The International Wilderness Leadership Foundation, Inc. d/b/a The WILD Foundation

## Notes to Financial Statements

December 31, 2014

### Note 1 - Nature of Organization and Significant Accounting Policies (continued)

*Income Taxes (continued).* Management has evaluated the adopted policies and procedures that have been implemented to provide assurance that income is properly characterized and activities that jeopardize its tax exempt status are within limits established under existing tax code and regulations. Management has determined the effects of uncertain tax positions are not material to the Organization for recognition or disclosure in the accompanying financial statements and, accordingly, no income tax liability has been recorded for uncertain income tax positions in the accompanying financial statements.

Income tax years from 2011 through the current year are open for examination. Penalties and interest may be assessed on income taxes that are delinquent.

*Subsequent Events.* The Organization evaluates events and transactions occurring subsequent to the date of the financial statements for matters requiring recognition or disclosure in the financial statements. The accompanying financial statements consider events through May 8, 2015, the date at which the financial statements were available for release.

### Note 2 - Investments

The Organization's fair value hierarchy for those investment assets measured at fair value on a recurring basis is as follows at December 31, 2014:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
U.S. Equities	<u>\$ 212,148</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 212,148</u>
Mutual Funds				
Large blend	153,443	-	-	153,443
Large value	119,997	-	-	119,997
Treasury bond	41,658	-	-	41,658
Large core	15,827	-	-	15,827
Real estate	5,346	-	-	5,346
Small growth	683	-	-	683
Total mutual funds	<u>336,954</u>	<u>-</u>	<u>-</u>	<u>336,954</u>
Total Investments at Fair Value	<u>\$ 549,102</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 549,102</u>

*Changes in Fair Value Levels.* The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

# The International Wilderness Leadership Foundation, Inc. d/b/a The WILD Foundation

## Notes to Financial Statements

December 31, 2014

### Note 2 - Investments (continued)

The Organization evaluated the significance of transfers between levels based upon the nature of the financial instruments and size of the transfer relative to total net assets available for benefits. For the year ended December 31, 2014, there were no significant transfers in or out of levels 1, 2, or 3.

Investment income consisted of the following for the year ended December 31, 2014:

Interest and dividends earned on investments	\$ 17,718
Unrealized loss on investments	(2,485)
Realized loss on investments	(2,359)
	<u>\$ 12,874</u>

### Note 3 – Note Payable

The Organization has a vehicle note payable with outstanding borrowings of \$2,196 at December 31, 2014. The agreement bears interest at 2.9%, and is due in monthly principal and interest payments of \$249 through August 2015. The agreement is collateralized by a vehicle.

### Note 4 – Board-Designated Net Assets

Board designated net assets are unrestricted net assets subject to self imposed limits by action of the governing body. The Board of Directors has designated net assets for the following purposes at December 31, 2014:

	<b>January 1 2014 Balance</b>	<b>Designations</b>	<b>Expenditures</b>	<b>December 31, 2014 Balance</b>
Operating reserve	\$ 175,000	\$ -	\$ -	\$ 175,000
Conservation projects	195,641	293,968	(247,181)	242,428
Executive reserve	-	250,000	-	250,000
	<u>\$ 370,641</u>	<u>\$ 543,968</u>	<u>\$ (247,181)</u>	<u>\$ 667,428</u>

### Note 5 – Temporarily Restricted Net Assets

The balances of temporarily restricted net assets are as follows at December 31, 2014:

	<b>January 1, 2014 Balance</b>	<b>Receipts</b>	<b>Disbursements</b>	<b>December 31, 2014 Balance</b>
Conservation projects	\$ 673,755	\$ 2,206,877	\$(2,346,604)	\$ 534,028
2014 general support	135,000	-	(135,000)	-
	<u>\$ 808,755</u>	<u>\$ 2,206,877</u>	<u>\$(2,481,604)</u>	<u>\$ 534,028</u>

# The International Wilderness Leadership Foundation, Inc. d/b/a The WILD Foundation

## Notes to Financial Statements

December 31, 2014

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### Note 6 - Related Party Transactions

The Organization paid consulting fees to a member of the Board of Directors for conservation purposes. Consulting fees paid to the related party for the year ended December 31, 2014 were \$2,000. The Organization paid for book publication services from a company controlled by members of the Board of Directors. Publication expenses paid to the related party for the year ended December 31, 2014 were \$10,486.

### Note 7 – Employee Benefit Plan

The Organization sponsors a 401(k) plan (the Plan). Under the terms of the Plan, employees may contribute a percentage of their pre-tax compensation into the Plan, subject to certain limits set by the Internal Revenue Code (IRC) and Plan documents. The Plan covers all employees who are at least 21 years of age and have completed at least three months of service. The Company may make discretionary contributions, which are fully vested. The Organization's contributions totaled \$12,727 for the year ended December 31, 2014.

### Note 8 - Concentrations

*Bank Deposits.* The Organization routinely maintains cash balances in excess of federally insured limits.

*Investments.* The Organization's investments subject to credit risk consist primarily of equities and mutual funds. The credit risk is reduced by maintaining the investments in a variety of funds. The investment funds are held and managed by a single financial institution trustee.

# The International Wilderness Leadership Foundation, Inc. d/b/a The WILD Foundation

## Schedule of Functional Expenses

Year ended December 31, 2014

	Program Services	Supporting Services		Total
		Fundraising	General and Administrative	
Salaries and wages	\$ 303,777	\$ 73,956	\$ 92,367	\$ 470,100
Payroll taxes	23,407	5,893	7,265	36,565
Employee benefits	28,253	6,167	13,934	48,354
Grants and projects	2,371,412	-	-	2,371,412
Professional fees	145,515	3,205	42,367	191,087
Travel, meals and entertainment	136,170	16,252	13,302	165,724
Advertising and promotion	42,760	2,858	1,107	46,725
Office expenses	12,879	1,565	7,658	22,102
Miscellaneous	6,772	-	13,242	20,014
Dues and subscriptions	4,540	330	8,448	13,318
Insurance	-	-	10,469	10,469
Bad debt expense	-	-	9,000	9,000
Bank and investment fees	1,995	-	6,805	8,800
Congress expense	-	6,063	-	6,063
Total expenses before depreciation	3,077,480	116,289	225,964	3,419,733
Depreciation	-	-	26,616	26,616
Total expenses	<u>\$ 3,077,480</u>	<u>\$ 116,289</u>	<u>\$ 252,580</u>	<u>\$ 3,446,349</u>