

*Rainforest Trust*

Financial Statements  
and  
Independent Auditors' Report

December 31, 2018



**Halt Buzas & Powell, LTD**

TRUST, INTEGRITY AND A COMMITMENT TO YOUR SUCCESS

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## Independent Auditors' Report

To the Board of Directors  
Rainforest Trust  
Warrenton, Virginia

We have audited the accompanying financial statements of Rainforest Trust (the Organization), which comprise the statement of financial position as of December 31, 2018, and the related statements of activities, functional expenses, and cash flows for the year then ended, 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 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.

### ***Auditors' 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 auditors' 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.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2018, 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.

*Halt, Buzas & Powell, Ltd.*

Alexandria, Virginia

May 15, 2019

**Rainforest Trust**  
**Statement of Financial Position**  
**December 31, 2018**

**Assets**

Current assets:

Cash and cash equivalents	\$ 55,545,837
Accounts receivable	14,457
Contributions receivable	2,768,285
Investments	1,117,837
Prepaid expenses	<u>65,972</u>

Total current assets 59,512,388

Property and equipment, net	63,130
Deposits	<u>7,083</u>

Total assets \$ 59,582,601

**Liabilities and Net Assets**

Current liabilities:

Accounts payable and accrued expenses	\$ 163,873
Deferred rent	<u>1,266</u>

Total liabilities 165,139

Net assets:

Without donor restrictions	(1,957,206)
With donor restrictions	<u>61,374,668</u>

Total net assets 59,417,462

Total liabilities and net assets \$ 59,582,601

See accompanying notes to the financial statements.

3.

**Rainforest Trust**  
**Statement of Activities**  
**For the Year Ended December 31, 2018**

	Without donor restrictions	With donor restrictions	Total
<b>Revenues:</b>			
Contributions	\$ 2,803,493	\$ 45,034,788	\$ 47,838,281
Investment income	1,018,433	-	1,018,433
In-kind contributions	27,529	-	27,529
Net assets released from restrictions:			
Satisfaction of donor restrictions	<u>9,232,604</u>	<u>(9,232,604)</u>	<u>-</u>
Total revenues	<u>13,082,059</u>	<u>35,802,184</u>	<u>48,884,243</u>
<b>Expenses:</b>			
<b>Program services:</b>			
World Land and Biodiversity Conservation	<u>13,324,813</u>	<u>-</u>	<u>13,324,813</u>
<b>Support services:</b>			
Fundraising	1,081,596	-	1,081,596
General and administrative	<u>143,136</u>	<u>-</u>	<u>143,136</u>
Total support services	<u>1,224,732</u>	<u>-</u>	<u>1,224,732</u>
Total expenses	<u>14,549,545</u>	<u>-</u>	<u>14,549,545</u>
Change in net assets	(1,467,486)	35,802,184	34,334,698
Net (deficit) assets, beginning of year	<u>(489,720)</u>	<u>25,572,484</u>	<u>25,082,764</u>
Net (deficit) assets, end of year	<u>\$ (1,957,206)</u>	<u>\$ 61,374,668</u>	<u>\$ 59,417,462</u>

See accompanying notes to the financial statements.

4.

**Rainforest Trust**  
**Statement of Functional Expenses**  
**For the Year Ended December 31, 2018**

	World Land and Biodiversity Conservation	Fundraising	General and administrative	Total support services	Total expenses
Advertising and promotional	\$ 224,498	\$ 43,309	\$ 30	\$ 43,339	\$ 267,837
Bank fees	41,105	14,005	5,266	19,271	60,376
Conferences, conventions and meetings	64,736	7,865	334	8,199	72,935
Consultants	123,105	60,163	18,107	78,270	201,375
Depreciation	15,394	1,249	165	1,414	16,808
Dues and subscription	14,431	17,857	1,230	19,087	33,518
Insurance	11,388	833	110	943	12,331
Legal fees	4,548	369	49	418	4,966
Miscellaneous expense	251	57	147	204	455
Office supplies	59,422	8,326	4,092	12,418	71,840
Partnerships - rapid response & feasibility studies	193,543	-	-	-	193,543
Payroll, payroll taxes and benefits	1,886,165	809,111	110,302	919,413	2,805,578
Postage and shipping	5,249	14,737	113	14,850	20,099
Printing and publications	86,202	26,919	-	26,919	113,121
Professional fees	935	40,791	530	41,321	42,256
Project grants	10,209,681	-	-	-	10,209,681
Rent and utilities	94,838	7,767	1,042	8,809	103,647
Telephone and communication	13,788	965	126	1,091	14,879
Travel	239,777	24,372	1,110	25,482	265,259
Website	35,757	2,901	383	3,284	39,041
Total expenses	<u>\$ 13,324,813</u>	<u>\$ 1,081,596</u>	<u>\$ 143,136</u>	<u>\$ 1,224,732</u>	<u>\$ 14,549,545</u>

See accompanying notes to the financial statements

5.

**Rainforest Trust**  
**Statement of Cash Flows**  
**For the Year Ended December 31, 2018**

Cash flows from operating activities:	
Change in net assets	\$ <u>34,334,698</u>
Adjustments to reconcile change in net assets to net cash used in operating activities:	
Depreciation	16,808
Deferred rent	(4,508)
Donated investments	(34,504,864)
Realized gain on investments	(702,788)
Unrealized loss on investments	125,899
Decrease (increase) in assets:	
Accounts receivable	(14,457)
Contributions receivable	(768,314)
Prepaid expenses	(10,998)
Increase (decrease) in liabilities:	
Accounts payable and accrued expenses	<u>140,109</u>
Total adjustments	<u>(35,723,113)</u>
Net cash used in operating activities	<u>(1,388,415)</u>
Cash flows from investing activities:	
Proceeds from sales of investments	35,955,840
Purchases of property and equipment	(35,197)
Purchases of investments	<u>(710,513)</u>
Net cash provided by investing activities	<u>35,210,130</u>
Net increase in cash and cash equivalents	33,821,715
Cash and cash equivalents, beginning of year	<u>21,724,122</u>
Cash and cash equivalents, end of year	<u>\$ 55,545,837</u>

See accompanying notes to the financial statements.

6.



**Rainforest Trust**  
**Notes to the Financial Statements**  
**December 31, 2018**

**1. Organization**

Rainforest Trust (the Organization) is a nonprofit organization incorporated under the laws of New York and established exclusively for charitable purposes. Originally incorporated as World Parks Endowment on December 8, 1988, the Organization changed its name to Rainforest Trust in 2013.

The Organization was established in order to provide funds for conservation of parks and protected areas around the world that are of international importance for the conservation of biological diversity. Its program emphasizes the conservation of private lands, especially through acquisitions of critical sites for conservation.

**2. Summary of Significant Accounting Policies**

**a. Basis of presentation**

The Organization's financial statements are presented in accordance with generally accepted accounting principles for nonprofit organizations. Under those principles, the Organization is required to report information regarding its financial position and activities according to two classes of net assets:

- *Net Assets Without Donor Restrictions* represent resources that are not subject to donor imposed restrictions and are available for operations at management's discretion.
- *Net Assets With Donor Restrictions* represent resources restricted by donors. Some donor restrictions are temporary in nature and those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity. When a donor restriction expires, that is, when a purpose restriction is accomplished or time restriction has elapsed, donor restricted net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the accompanying statement of activities.

**b. Basis of accounting**

The Organization's financial statements are prepared on the accrual basis of accounting. Accordingly, revenues are recognized when earned and expenses when obligations are incurred.

**Rainforest Trust**  
**Notes to the Financial Statements**  
**December 31, 2018**

**c.** Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses and their functional allocation during the reporting period. Actual results could differ from those estimates.

**d.** Fair value measurements

The Organization reports its fair value measures using a three-level hierarchy that prioritizes the inputs used to measure fair value. The objective of a fair value measurement is to determine 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. Accordingly, the fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets and liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). Inputs used to measure fair value are categorized as follows:

- Level 1 - quoted prices in active markets for identical assets or liabilities.
- Level 2 - inputs, other than quoted prices, that are observable for the asset or liability either directly or indirectly, including inputs from markets that are not considered to be active.
- Level 3 - unobservable inputs which are typically based on the Organization's own assumptions, as there is little, if any, related market activity.

In determining the appropriate levels, the Organization performs a detailed analysis of the assets and liabilities that are subject to the standard. At each reporting period, all assets and liabilities for which the fair value measurement is based on significant unobservable inputs are classified as Level 3. There were no Level 3 inputs for any assets held by the Organization at December 31, 2018.

**Rainforest Trust**  
**Notes to the Financial Statements**  
**December 31, 2018**

**e.** Income taxes

The Organization is exempt from federal and local income taxes under Section 501(c)(3) of the Internal Revenue Code on income derived from activities related to its exempt purpose. This code section enables the Organization to accept donations that qualify as charitable contributions to the donor. The Organization is subject to income taxes on taxable income from unrelated business activities. For the year ended December 31, 2018, the Organization did not recognize income tax expense in the accompanying financial statements as there was no unrelated business taxable income.

The Organization is not aware of any activities that would jeopardize their tax-exempt status that would require recognition in the accompanying financial statements. Generally, tax returns are subject to examination by taxing authorities for up to three years from the date a completed return is filed. If there are material omissions of income, tax returns may be subject to examination for up to six years. It is the Organization's policy to recognize interest and/or penalties related to uncertain tax positions, if any, in the accompanying financial statements. As of December 31, 2018, the Organization had no uncertain tax positions which should be recognized as a liability.

**f.** Cash and cash equivalents

For financial statement purposes, the Organization classifies demand deposits and short-term investments with an original maturity of three months or less as cash equivalents.

**g.** Accounts receivable

Accounts receivable are due in less than one year and stated at their net realizable value. Reserves are established for receivables that are delinquent and considered uncollectible based on periodic reviews by management. At December 31, 2018, all receivables are fully collectible, therefore, no allowance for doubtful accounts has been recognized.

**h.** Contributions receivable

Contributions receivable are unconditional promises to give that are recognized as contributions when the promise is received. Contributions receivable that are expected to be collected in less than one year are reported at net realizable value.

**Rainforest Trust**  
**Notes to the Financial Statements**  
**December 31, 2018**

Amounts that are expected to be collected in more than one year are recorded at the present value of their estimated future cash flows. The cash flows are discounted at a discount rate commensurate with the risk involved. Amortization of the resulting discount is recognized as additional contribution revenue. Reserves are established for receivables that are delinquent and considered uncollectible based on periodic reviews by management. At December 31, 2018, all receivables are fully collectible, therefore, no allowance for doubtful accounts has been recognized.

**i. Investments**

Investments are reported at fair value and realized and unrealized gains and losses are reported in the accompanying statement of activities as increases or decreases in unrestricted net assets, unless the income or loss is restricted temporarily or permanently by donor restrictions or law. The Organization invests in a variety of investments that are exposed to various risks, such as fluctuations in market value and credit risk. It is reasonably possible that changes in risks in the near term could materially affect investment balances and amounts reported in the accompanying financial statements.

**j. Property and equipment, net**

Property and equipment acquisitions are recorded in the financial statements at cost, net of accumulated depreciation. Depreciation expense is computed using the straight-line method over the estimated useful lives of the assets, which is five to seven years for furniture and computer equipment.

The Organization's policy is to capitalize major additions and improvements over \$500. Repairs and maintenance which do not significantly add to the value of assets are expensed as incurred.

**k. Deferred rent and lease incentives**

Deferred rent is recorded and amortized to the extent the total minimum rental payments allocated to the current period on a straight-line basis exceed, or are less than, the cash payments required. Lease incentives received as part of a lease agreement are recognized on a straight-line basis over the life of the lease as a reduction to rent expense.

**Rainforest Trust**  
**Notes to the Financial Statements**  
**December 31, 2018**

**I.** Measure of operations

The accompanying statement of activities reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to the Organization's ongoing programmatic services and interest and dividends earned on investments. Nonoperating activities are limited to resources that generate return from investments and other activities considered to be of a more unusual or nonrecurring nature. Realized gains and unrealized losses on investments are classified as nonoperating activities.

**m.** Revenue recognition

*i. Contributions*

Contributions are recognized as revenue when received or promised and are recorded net of any current year allowance or discount activity. The Organization reports gifts of cash and other assets as donor restricted support if they are received or promised with donor stipulations that limit the use of the donated assets to the Organization's programs or to a future year. When a donor restriction expires, that is, when a purpose restriction is accomplished or time restriction has elapsed, donor restricted net assets are reclassified to net assets without donor restrictions and reported in the accompanying statement of activities as net assets released from restrictions. Contributions that are restricted by the donor are reported as net assets without donor restrictions if the restriction expires in the same reporting period in which the contribution is recognized.

*ii. In-kind contributions*

Donated materials, services and use of facilities are recorded at fair value when an unconditional commitment is received and are recognized as in-kind contributions as revenue and expense in the accompanying financial statements. Contributions of services are recognized when services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. The value of such services is recorded based on the estimated fair value of services provided and is classified as in-kind contributions revenue and expense charged to programs and supporting services based on the program or support services directly benefited.

**Rainforest Trust**  
**Notes to the Financial Statements**  
**December 31, 2018**

n. Functional allocation of expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the accompanying statement of activities. Accordingly, certain costs have been allocated among programs and supporting services benefited. Such allocations are determined by management on an equitable basis.

The expenses that are allocated include the following:

<u>Expense</u>	<u>Method of Allocation</u>
Salaries and benefits	Time and effort
Occupancy	Percentage of total direct expenses (including allocated salaries and benefits) allocated to each functional class to total expenses
Depreciation	Percentage of total direct expenses (including allocated salaries and benefits) allocated to each functional class to total expenses

o. Adoption of new accounting standard

The Organization has adopted the financial statement presentation and disclosure standards contained in the Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-14, *Presentation of Financial Statements for Not-for-Profit Entities*, modifying ASC 958. The change has been applied as of these financial statements with no effect on beginning net assets.

**3. Liquidity and Availability**

The following represents the Organization's financial assets at December 31:

Financial assets at year end:	<u>2018</u>
Cash	\$ 55,545,837
Accounts receivable	14,457
Contribution receivable	2,768,285
Investments	<u>1,117,837</u>
Total financial assets	<u>59,446,416</u>
Less amounts not available within one year:	
Net assets with donor restrictions	61,374,668
Less net assets with purpose restrictions to be met in less than a year	<u>(15,553,594)</u>
Total	<u>45,821,074</u>
Financial assets available to meet general expenditures within one year	<u>\$ 13,625,342</u>

**Rainforest Trust**  
**Notes to the Financial Statements**  
**December 31, 2018**

The Organization's goal is generally to maintain financial assets to meet 9 months of operating expenses (approximately \$6,250,000). As part of its liquidity plan, excess cash is invested in short-term investments, including money market accounts and certificates of deposit.

**4. Concentrations of Credit Risk**

The Organization maintains bank deposits that, at times, may exceed the Federal Deposit Insurance Corporation (FDIC) limits. At December 31, 2018, the Organization had bank deposits in excess of FDIC limits of \$2,935,220.

**5. Investments and Fair Value Measurements**

Investments are comprised of the following at December 31:

	<u>2018 Cost</u>	<u>2018 Fair Value</u>
Mutual funds	\$ 180,211	\$ 190,639
Unsecured consumer credit notes	143,335	143,335
Exchange traded products	<u>793,822</u>	<u>783,863</u>
Total investments	<u>\$ 1,117,368</u>	<u>\$ 1,117,837</u>

Investment income is comprised of the following for the year ended December 31:

	<u>2018</u>
Interest and dividends	\$ 441,544
Realized gain on investments	702,788
Unrealized loss on investments	<u>(125,899)</u>
Total investment income	<u>\$ 1,018,433</u>

The table below presents the Organization's fair value hierarchy for those assets measured at fair value on a recurring basis at December 31, 2018:

	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
Mutual funds	\$ 190,639	\$ -	\$ 190,639
Unsecured consumer credit notes	-	143,335	143,335
Exchange traded products	<u>783,863</u>	<u>-</u>	<u>783,863</u>
Total investments	<u>\$ 974,502</u>	<u>\$ 143,335</u>	<u>\$ 1,117,837</u>

**Rainforest Trust**  
**Notes to the Financial Statements**  
**December 31, 2018**

**6. Sustainability Fund**

In 2014, the Organization received an investment portfolio worth approximately \$495,000. The vision of this fund is to provide a source of funding for habitat preservation in tropical regions throughout the world for endangered and threatened species. Once the fund reaches \$1.4 million dollars, or after five years, whichever comes first, the Organization can start disbursing these funds. Disbursements shall be used for land acquisition protection. Up to 50% of disbursements for the given year can be used for land reclamation and reforestation. Recipient of the disbursements will be deemed by the board to be responsible stewards of the land and funds, and financially sound and sustainable. At December 31, 2018, the total fund balance was \$1,075,620.

In late 2018, the Organization received a donation of approximately \$258,000 which was intended for the sustainability of one of the Organization's programs. As of May 15, 2019, which is the date the financial statements were available to be issued, the terms of the sustainability fund have not been established. At December 31, 2018, the total fund balance was \$259,655.

**7. Property and Equipment, Net**

The following is a summary of property and equipment held at December 31:

	<u>2018</u>
Furniture and computer equipment	\$ 101,551
Accumulated depreciation	<u>(38,421)</u>
Total property and equipment, net	<u>\$ 63,130</u>

Depreciation expense for the year ended December 31, 2018 was \$16,808.

**8. Land**

In performing its exempt purpose, the Organization may acquire and distribute various land plots in order to facilitate the conservation of those lands. It is not the policy of the Organization to own and hold land, therefore the Organization does not recognize the income and the distribution of the above land in the financial statements.



**Rainforest Trust**  
**Notes to the Financial Statements**  
**December 31, 2018**

**9. Net Assets with Donor Restrictions**

Net assets were released from donor restrictions during the year ended December 31, 2018 for the following purposes:

	<u>2018</u>
Airo Pai - Peru	\$ 483,293
Alan'Ankafobe - Madagascar	7,679
Anjiabe - Madagascar	115,174
Armonia - Bolivia	820
BTMacaw	2,097
Bagwa Mbo/ Mak-Betchou - (ERDF) Cameroon	31,160
Balanga - DRC	165,285
Blue Eyed Ground Dove - Brazil	38,956
Bolson Tortoise Preserve - Mexico	60,440
Bugun - India	43,556
CEDIA - Peru	417,796
Canande	890,129
Cardamom - Cambodia	1,715
Cerro Amay - Guatemala	138,912
Cerro Chucanti - Panama	101,205
Conservation	142
Conservation Action Fund (CAF)	854
Copalinga	291,755
Daintree NP - Australia	34,797
Dinagat - Philippines	24,647
Dodo River - Cote d'Ivoire	65,055
Douala Edea Gaz. - Cameroon	72,227
Dumarao-Mendoza Palawan - Forest Pond Turtle - Philippines	33,326
EThekwini KwaZulu - South Africa	17,473
Ecominga - Ecuador	523,507
El Tallonal - Puerto Rico	440
Embera Siapiadara (GPF) - Colombia	144
Fazenda Almas - Brazil	96,154
Forest of Hope - Palau	22,580
Francois's Langur - Vietnam	34,598
Galapagos	813,920
Geometric Tortoise - South Africa	39,273
Gola Forest - Liberia	91,042
Golfo Dulce - Costa Rica	44,017
Hirola - Kenya	99,475
ICFC Initiative	97
Imawbum NP - Myanmar	33,333
Jocotoco - Ecuador	201,562
Kaempfer's Woodpecker - Brazil	14,396
Kampot Karst Hill - Cambodia	43,833
Kenyir State Park - Malaysia	591,750
Kim Bang - Vietnam	113,136

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**Rainforest Trust**  
**Notes to the Financial Statements**  
**December 31, 2018**

Net assets released from restriction (continued)	<u>2018</u>
Kluet - Sumatra	87,973
Lagoinha	8,034
Lake Nyaguo - Uganda	51,792
Los Tities de San Juan - Colombia	18,260
Lost Rainforest - Madagascar	65,010
Lumbasumba - Nepal	67,919
Magdalena/Paujil	75,834
Magombera - Tanzania	142,549
Mahamyaing WS - Myanmar	32,817
Mangabe - Madagascar	62,594
Marine Protected Areas - Bangladesh	25,000
Mbe Mnts CW - Nigeria	66,618
Mnt. Manengouba - Cameroon	48,800
Morne - Haiti	142,120
Nakanacagi Bat Cave - Fiji	11,260
Nantu Wildlife Sanctuary - Indonesia	128,524
OBO NP Buffer Zone - Sao Tome	39,143
Onpone/ Amedzofe - Ghana	105,387
Other Restricted	63,312
Palawan - Philippines	13,750
Perija - Colombia	35,649
Phnom Tben - Cambodia	83,680
Prachitgad (AERF) - India	32,421
REGUA - Brazil	41,565
Red Panda PCF - Nepal	31,244
Rungan River Peat Swamp Forest - Borneo	132,593
Sabah Protected Areas - Malaysia	484,708
Sangihe - Indonesia	14,891
Selva Maya - Guatemala	241,636
Sierra Santa Cruz - Guatemala	40,844
Soutpansberg Mnt - South Africa	714,251
Spix's Macaw - Brazil	15,395
Sre Ambel - Cambodia	33
Sustainability Fund	750
Taita Apalis - Kenya	41
Tapichalaca	3,305
Thoniê - New Calidonia	45,455
Tsinjoarivo - 10.5% - Madagascar	179,710
West Java Protected Area Network - 10.5% - Indonesia	<u>75,987</u>
Total net assets released from restrictions	<u>\$ 9,232,604</u>

**Rainforest Trust**  
**Notes to the Financial Statements**  
**December 31, 2018**

At December 31, 2018, net assets with donor restrictions were available for the following programs:

	2018
African Parks - Chad	\$ 16,444
Airo Pai - Peru	479,556
Alan'Ankafobe-Madagascar	11,097
Amathole - Eastern Highlands South Africa	32,527
Ana Guassa - Ethiopia	108,696
Anjiabe - Madagascar	459,663
Atewa - Ghana	22,222
Bagwa Mbo/ Mak-Betchou - (ERDF) Cameroon	334,171
Balanga - DRC	404,444
Bengangai (Chimps) - South Sudan	245,826
Binh Son - Vietnam	46,183
Blue Eyed Ground Dove - Brazil	21,473
Buenaventura - Ecuador	7,306
Bugun - India	132,535
Bukit - Sumatra	746,198
Bull Run PA - Belize	2,400,000
Canande	288,476
Cerro Amay - Guatemala	4,215,736
Cerro Chucanti - Panama	163,654
Conservation	22,120
Conservation Action Fund (CAF)	24,049
Copalinga	11,173
Cotton-top - Colombia	92,820
Devisor Land Titling (CEDIA) - Peru	2,723,840
Dinagat - Philippines	8,533
Dodo River - Cote d'Ivoire	113,846
Douala Edea Gaz. - Cameroon	44,916
Dumarao-Mendoza Palawan - Forest Pond Turtle - Philippines	131,865
EThekwini KwaZulu - South Africa	63,542
Ecominga - Ecuador	44,570
El Dorado - Colombia	761,057
El Tallonal - Puerto Rico	109,450
Embera Siapiadara (GPF) - Colombia	307,925
Endangered Parrots - Mexico	46,911
Forest of Hope - Palau	146,371
Francois's Langur - Vietnam	86,496
Galapagos	1,030,955
Garron de Andivia (Star Frontlet) - Colombia	539,951
Geometric Tortoise - South Africa	22,000
Gola Forest - Liberia	5,736
Golfo Dulce - Costa Rica	234,560
Gorongosa - Mozambique	329,670
Guimbalete (Bolson 2) - Mexico	255,000
Hirola - Kenya	319,260
Hon Khoai - Vietnam	76,484
ICFC Initiative	547

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**Rainforest Trust**  
**Notes to the Financial Statements**  
**December 31, 2018**

Net assets with donor restrictions available (continued)	2018
Imawbum NP - Myanmar	133,333
Ivato - Madagascar	134,598
Jocotoco - Ecuador	250,998
Jorupe	365,563
Kaempfer's Woodpecker - Brazil	30,769
Kampot Karst Hill - Cambodia	73,260
Kenyir State Park - Malaysia	1,295,464
Kien Luong Karst - Vietnam	65,934
Kim Bang - Vietnam	372,308
Kluet - Sumatra	1,591,846
Kolombangara - Solomon Isl.	371,494
Kon Ha Comm PA - Vietnam	296,238
Kosnipata - Peru	293,385
La Carranchia - Colombia	192,791
Lagoinha	40,007
Lake Nyaguo - Uganda	168,740
Las Balsas	186,440
Los Tities de San Juan - Colombia	256,695
Lost Rainforest - Madagascar	539,352
Lumbasumba - Nepal	114,011
Mae Nyaw Kee - Myanmar	11,111
Magdalena/Paujil	224,023
Magombera - Tanzania	272,092
Mahamyaing WS - Myanmar	54,822
Maleo - Sulawesi - Indonesia	164,879
Mangabe - Madagascar	35,284
Marine Protected Areas - Bangladesh	522,704
Mashpi Reserve	943,569
Mbe Mnts CW - Nigeria	266,470
Mnt. Manengouba - Cameroon	300,964
Mono Tocon - Peru	43,011
Monte Mojino - Mexico	170,845
Morne - Haiti	57,880
Nakanacagi Bat Cave - Fiji	202,885
Nantu Wildlife Sanctuary - Indonesia	599,511
Narupa - Ecuador	316,236
Numbala - Ecuador	458,288
OBO NP Buffer Zone - Sao Tome	179,111
Oku Comm. Res. (Grauer's Gorilla) - DRC	1,062,180
Onpone/ Amedzofe - Ghana	79,038
Other Restricted	21,557,200
PC Stream Tree Frog - 10.5% - Ecuador	78,213
Palawan - Philippines	93,724
Perija - Colombia	268,841
Philippine Eagle - Philippines	102,593
Prachitgad (AERF) - India	113,456
ProAves - Colombia	1,100

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**Rainforest Trust**  
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Net assets with donor restrictions available (continued)	2018
REGUA - Brazil	146,186
Red Panda PCF - Nepal	119,633
Regua Vidal - Brazil	4,125
River Dolphin - Indonesia	277,343
Rungan River Peat Swamp Forest - Borneo	490,951
Sabah Protected Areas - Malaysia	394,289
Salina Reserve - Cayman Islands	109,660
Selva Maya - Guatemala	619,299
Selva de Ventanas - Colombia	40,586
Serra Bonita - Brazil	9,450
Sierra Santa Cruz - Guatemala	28,601
Soutpansberg Mnt - South Africa	536,025
Spix's Macaw - Brazil	764,755
Sre Ambel - Cambodia	335,196
Sustainability Fund	1,335,275
Taita Apalis - Kenya	237,580
Tanoe - Cote d'Ivoire	19,307
Tapichalaca	11,948
Teanu & Tinakula - Solomon Islands	63,956
Thoniê - New Calidonia	636,292
Tofala Hills - Cameroon	63,899
Tree Kangaroo - PNG	117,667
Tsinjoarivo - 10.5% - Madagascar	824,286
Valle Tranquilo - Mexico	817,612
West Java Protected Area Network - 10.5% - Indonesia	579,576
Zalon-Tuang (Pangolins) - Myanmar	148,061
Total net assets with donor restrictions	\$ 61,374,668

**10. Concentrations of Revenue Risk**

During the year ended December 31, 2018, the Organization received \$34,333,720 from one donor which is approximately 70% of its total revenue and support. Any significant reduction in revenue and support may adversely impact the Organization financial position and operations.

**11. Retirement Plan**

The Organization sponsors a SIMPLE-IRA (Savings Incentive Match Plan for Employees) to its full-time employees who are eligible to participate upon their date of hire. The Organization matches 100% of each eligible participant's elective deferrals up to 3% of each eligible participant's annual compensation. Retirement plan expense was \$48,063 for the year ending December 31, 2018.

**Rainforest Trust**  
**Notes to the Financial Statements**  
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**12. Commitment**

Operating leases

In March 2015, the Organization entered into an agreement to lease office space. The four year lease calls for base monthly rent payments of \$7,083 with an annual increase of three percent. In addition, rent payments were abated for the first two months of the lease. The agreement expired on March 31, 2019, and will continue on a month-to-month basis until June 2019. In April 2019, a new agreement to lease a different office space was signed. The lease starts on June 15, 2019 and ends on June 30, 2021, with a base monthly payment of \$18,286. Rent expense for the year ending December 31, 2018 was \$90,088.

Aggregate future minimum lease payments are as follows for the years ending December 31:

2019	\$ 152,953
2020	222,728
2021	<u>94,175</u>
Total	<u>\$ 469,856</u>

**13. Advertising Expense**

The Organization expenses the cost of advertising as incurred. Advertising expense was \$267,837 for the year ended December 31, 2018.

**14. Subsequent Events**

In preparing the financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through May 15, 2019, which is the date the financial statements were available to be issued. Except for the event disclosed in Note 12, there were no subsequent events that require recognition of, or disclosure in, these financial statements.