

THE TURTLE CONSERVANCY



INDEPENDENT AUDITORS' REPORT
AND
FINANCIAL STATEMENTS

DECEMBER 31, 2021

TURTLE CONSERVANCY

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HINRICHER & COUSINO, LLP

Certified Public Accountants

3275 Old Conejo Road Thousand Oaks, California 91320

805-496-1883 | 805-496-5602 | www.hccpasllp.com



INDEPENDENT AUDITORS' REPORT

To the Board of Directors
of The Turtle Conservancy

We have audited the accompanying financial statements of the Turtle Conservancy (a nonprofit organization), which comprise the statement of financial position as of December 31, 2021, and the related statements of activities, cash flows, and functional expenses 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 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 evaluation of 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 Turtle Conservancy as of December 31, 2021, 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.

Hirricher & Cousino LLP

Thousand Oaks, California

October 17, 2022

TURTLE CONSERVANCY
STATEMENT OF FINANCIAL POSITION
December 31, 2021

ASSETS

Current assets:	
Cash and restricted cash	\$ 898,675
Pledges and accounts receivable	15,770
Inventory	64,644
Investments	6,438
Total current assets	985,527
Property and equipment, net of accumulated depreciation	644,000
Other assets:	
Prepaid expenses and other assets	34,189
Intangible assets, net of accumulated amortization	108,033
	142,222
Total assets	\$ 1,771,749

LIABILITIES

Current liabilities:	
Accounts payable	\$ 112,705
Accrued expenses and other liabilities	58,274
Purchase commitment - short term	266,666
Total current liabilities	437,645
Long term liabilities	
Paycheck protection program loan	140,585
Note payable	535,127
Total long term liabilities	675,712
Total liabilities	1,113,357

NET ASSETS

Net assets:	
Without donor-imposed restrictions	(190,541)
With donor-imposed restrictions	848,933
Total net assets	658,392
Total liabilities and net assets	\$ 1,771,749

See accompanying independent auditors' report and notes to financial statements.

TURTLE CONSERVANCY**STATEMENT OF ACTIVITIES**

For the Year Ended December 31, 2021

	Without Donor Imposed Restrictions	With Donor Imposed Restrictions	Total
Public support, revenue, and reclassifications			
Contributions	\$ 1,167,754	\$ 747,584	\$ 1,915,338
Sales, net of costs of \$23,454	(11,911)	0	(11,911)
Rental income	200	0	200
Membership fees	144,730	0	144,730
Investment income	412	0	412
Miscellaneous income	51,069	0	51,069
Paycheck protection program loan forgiveness	138,997	0	138,997
Net assets released from restrictions	426,042	(426,042)	0
Total support, revenue, and reclassifications	<u>1,917,293</u>	<u>321,542</u>	<u>2,238,835</u>
Expenses			
Program services	1,722,215	0	1,722,215
Fundraising expenses	164,478	0	164,478
Supporting services			
Management and general	117,865	0	117,865
Total expenses	<u>2,004,558</u>	<u>0</u>	<u>2,004,558</u>
Change in net assets	(87,265)	321,542	234,277
Net assets at beginning of year	<u>(103,276)</u>	<u>527,391</u>	<u>424,115</u>
Net assets at end of year	<u>\$ (190,541)</u>	<u>\$ 848,933</u>	<u>\$ 658,392</u>

See accompanying independent auditors' report and notes to financial statements.

TURTLE CONSERVANCY

STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2021

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	\$ 234,277
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:	
Depreciation and amortization	67,014
Donated stock	(5,067)
Unrealized (gains)/losses on investments	(273)
Paycheck protection program loan forgiveness	(138,997)
(Increase) or decrease in:	
Pledges and accounts receivable	3,224
Inventory	(21,764)
Prepaid expense & other assets	3,738
Increase or (decrease) in:	
Accounts payable	52,334
Accrued expenses and other liabilities	4,580
Due to related parties	(1,992)
Net cash provided by (used in) operating activities	<u>197,074</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of fixed assets	<u>(25,874)</u>
Net cash provided by (used in) financing activities	<u>(25,874)</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Proceeds from paycheck protection program loan	140,585
Payments on purchase commitment	(266,667)
Proceeds from notes payable	<u>268,168</u>
Net cash provided by (used in) financing activities	<u>142,086</u>
Total increase (decrease) in cash	313,286
Cash and restricted cash, beginning of year	<u>585,389</u>
Cash and restricted cash, end of year	<u>\$ 898,675</u>
Reconciliation of cash and restricted cash:	
Cash - operation	\$ 77,879
Program related restricted cash	820,796
	<u>\$ 898,675</u>
Supplemental Information:	
Interest paid	\$ 80
Income taxes paid	\$ 0
The PPP loan was forgiven in accordance with the CARES Act during the year.	\$ 138,997
Securities were donated during the year.	\$ 5,067

See accompanying independent auditors' report and notes to financial statements.

TURTLE CONSERVANCY
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2021

	Program Expenses								Supporting Services			
	BCC	Bolson	Bolson USA	Geometric	Global	Pritchard Collection	Yniphora	Other Programs	Total Programs	General & Administrative	Fundraising	Total
Payroll and related expenses	\$ 315,000	\$ 2,113	\$ 479	\$ 2,113	\$ 116,759	\$ 46,665	\$ 1,769	\$ 16,223	\$ 501,121	\$ 48,689	\$ 74,970	\$ 624,780
Advertising & marketing	273	0	0	0	779	0	0	48	1,100	1,904	53,080	56,084
Animal adoption expense	487	0	0	0	0	0	0	336	823	0	0	823
Animal care & supplies	43,434	0	0	0	0	0	0	0	43,434	0	0	43,434
Auto expenses	3,464	0	0	0	0	1,429	0	0	4,893	0	105	4,998
Bank fees	2,992	16	0	83	0	0	(70)	14	3,035	412	3,523	6,970
Communications	1,092	0	0	0	0	0	0	0	1,092	3,575	0	4,667
Computer equipment & software	1,234	0	0	14	2,012	0	0	41	3,301	1,760	2,044	7,105
Dues & subscriptions	2,038	0	0	0	4,163	0	0	0	6,201	231	3,804	10,236
Global education programs	400	0	0	0	65,228	0	0	0	65,628	0	0	65,628
Grant giving	0	54,856	20,000	235,820	0	0	0	63,595	374,271	0	0	374,271
Insurance	36,536	0	0	0	0	0	0	0	36,536	5,523	0	42,059
Interest	0	0	0	0	0	1,502	0	0	1,502	79	0	1,581
License and taxes	2,678	0	0	0	0	5	0	84	2,767	330	0	3,097
Meals and entertainment	1,131	0	0	0	102	919	0	0	2,152	3,488	539	6,179
Membership expenses	40,187	0	0	0	0	0	0	0	40,187	0	5,468	45,655
Miscellaneous	0	0	0	0	0	0	0	0	0	0	6,275	6,275
Office supplies	681	0	0	169	105	537	0	0	1,492	1,227	4,643	7,362
Postage & mailing service	1,908	0	0	178	3,541	457	0	0	6,084	238	2,620	8,942
Printing and copying	1,054	0	0	0	313	0	0	292	1,659	551	1,290	3,500
Professional services	26,318	11,531	0	3,608	0	3,891	0	0	45,348	45,776	5,110	96,234
Project expenses	2,500	9,000	0	2,670	270	17,988	15,000	6,575	54,003	0	0	54,003
Rent	210,000	0	0	0	0	19,966	0	0	229,966	0	0	229,966
Repairs and maintenance	101,608	0	0	0	180	465	0	0	102,253	0	0	102,253
Small equipment	1,799	0	0	0	261	82	0	0	2,142	0	0	2,142
Supplies	22,584	0	0	45	0	13,314	0	802	36,745	639	588	37,972
Travel expenses	3,748	0	0	320	203	1,450	0	48	5,769	1,750	419	7,938
Utilities	76,779	0	0	0	0	0	0	0	76,779	0	0	76,779
Veterinary expense	6,611	0	0	0	0	0	0	0	6,611	0	0	6,611
Total expenses before depreciation and amortization	906,536	77,516	20,479	245,020	193,916	108,670	16,699	88,058	1,656,894	116,172	164,478	1,937,544
Depreciation and amortization	54,938	2,556	0	0	789	2,156	4,882	0	65,321	1,693	0	67,014
Total expenses	<u>\$ 961,474</u>	<u>\$ 80,072</u>	<u>\$ 20,479</u>	<u>\$ 245,020</u>	<u>\$ 194,705</u>	<u>\$ 110,826</u>	<u>\$ 21,581</u>	<u>\$ 88,058</u>	<u>\$ 1,722,215</u>	<u>\$ 117,865</u>	<u>\$ 164,478</u>	<u>\$ 2,004,558</u>

See accompanying independent auditors' report and notes to financial statements.

TURTLE CONSERVANCY
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2021

NOTE 1 – DESCRIPTION OF ORGANIZATION

The Turtle Conservancy (the "TC") is dedicated to protecting the world's most endangered tortoises and turtles and their habitats through innovative and strategic conservation, land preservation, training, education, field programs, and targeted assurance colonies. The TC is supported primarily through donor contributions.

The TC was organized May 21, 2005, as a not-for-profit corporation in California under Section 501 (c)(3) of the Internal Revenue Code. Presently the TC would need to substantially scale back its operations without the financial support of its founder (See notes 3 and 8).

During the year ended December 31, 2021, the TC funded the following programs:

International Animal and Land Conservation - The TC, along with its partner organizations, are responsible for managing and funding several international programs, with the 2 largest based in (a) Mexico - the 43,540 acre San Ignacio preserve in the Bolson de Mapimi and 18,600 acres of the nearby Guimbalete preserve in the Chihuahuan Desert of northern Mexico to protect the critically endangered Bolson Tortoise (b) South Africa - 865 acres in the Breede River Valley, east of Cape Town, which is understood to be the one of last habitats with a viable population of the Geometric tortoise. The TC is looking to expand the preserve by an additional 222 acres, with this being finalized in the Summer of 2022. In addition, the TC provides practical and financial support for turtle conservation projects implemented by partner organizations in Argentina, Madagascar, the Philippines, Australia and elsewhere.

Captive Breeding Program - Based in Southern California, the TC breeds a great number of critically endangered turtles and tortoises in terms of combined species and numbers. We manage 19 of the world's most endangered species, and have over 500 animals belonging to 40 different species. During 2021 we hatched 48 endangered turtles and tortoises. The center creates a long-term plan for each species that we hold and breed and defines the desired outcome in terms of potential need for repatriation, reintroduction, or other conservation needs.

Local and Global Education - During 2021, the TC proceeded to expand its education program by continuing our collaboration with a local high school, The Thacher School, to develop a pioneering scientific curriculum through the lens of turtles. The students study many topics including chelonian husbandry, conservation, ecosystems, and animal biology. The TC also partnered with The Thacher School to plan for summer camps for middle school children from underserved communities from Los Angeles County and surrounding areas.

Pritchard Collection – Following the TC's acquisition in 2020 of the Chelonian Research Institute (CRI) and its entire catalog and museum-piece collection (Dr. Peter Pritchard's collection), the TC has spent 2021 updating the cataloging and preserving some of 14,000 specimens, representing 270 of the world's approximately 350+ recognized species of turtles.

TURTLE CONSERVANCY
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2021

NOTE 1 – DESCRIPTION OF ORGANIZATION (Continued)

Promoting Appreciation for the Wonder of Turtles Worldwide - To inspire conservation awareness and action to save the world's turtles and tortoises, the TC used a number of different approaches during 2021:

- (1) publication of *The Tortoise*, Volume 3, Number 2 - a cutting edge conservation magazine bringing additional awareness to an ever-increasing global audience. Jointly with the Chelonian Research Foundation, the Turtle Conservancy published No. 8 of the “Turtles of the World, Annotated Checklist and Atlas of Taxonomy”.

- (2) global media outreach through public service announcements and documentaries.

- (3) social media - this program reaches people around the worldwide with 176,000 followers on Facebook, 22,000 followers on Twitter and 138,000 followers on Instagram. The TC also publishes a monthly newsletter that is emailed out to 10,870 subscribers.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Statement Presentation

The TC presents its financial statements in accordance with Generally Accepted Accounting Principles (“GAAP”) for not-for-profit organizations. Under this guidance, the TC is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor-imposed restrictions and net assets with donor imposed restrictions. In addition, the TC is required to present a statement of cash flows and a statement of functional expenses.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities (e.g. the fair value of financial instruments, potential impairments to fixed assets and accrued expenses) at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Contributed Services

Contributions of donated services that create or enhance assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received.

The TC received a significant amount of donated services from unpaid volunteers who assist with the TC's program services and its fundraising campaigns. No amounts have been reflected in the financial statements for these services because the criteria for recognition have not been satisfied.

In-Kind Contributions

Contributions of non-cash goods and similar items, such as advertising, are recorded at the estimated fair value on the date of the contribution. Contributions of services that (1) create or enhance non-financial assets or those that require specialized skills, (2) are provided by individuals possessing those skills, and

TURTLE CONSERVANCY
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2021

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(3) would typically need to be purchased if not provided by donation are recorded at their fair value in the period received. For the year ended December 31, 2021, there were no non-cash in-kind donations.

Support and Revenue

In conformity with GAAP, contributions received are recorded as without donor-imposed restrictions support or with donor-imposed restrictions support, depending on the existence and/or nature of any donor restrictions. Donor-imposed support is reported as an increase in net assets with donor-imposed restrictions. When a restriction expires (that is, when stipulated time restrictions end, or purpose of restriction is accomplished), net assets with donor-imposed restrictions are reclassified as net assets without donor-imposed restrictions. If donor-restricted support whose restrictions are met in the same reporting period, such support is reported as without donor-imposed support on the Statement of Activities.

Unconditional Promises to Give

Unconditional promises to give are recognized as revenues in the period received and as assets, decrease of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Cash and Cash Equivalents

The TC considers cash and short-term deposits to include all stable highly liquid instruments with an original maturity date of three months or less. At December 31, 2021, the TC had no cash equivalents.

Investments

The TC presents its investments in accordance with GAAP for not-for-profit organizations. Under this guidance investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets and are allocated among the two classifications of net assets.

Inventory

Inventory consists of magazines for sale which are carried at the lower of cost or market. Cost is determined using the first in, first out method.

Museum and Exhibit Collections

The collections are held in furtherance of public service and education, kept unencumbered, cared for, and preserved and any proceeds of collection items sold will be used to acquire other items for collections and/or for direct care of existing collection pieces. Under GAAP guidance collections held for these purposes do not require capitalization on the statement of financial position.

The Pritchard collection was acquired during the year ended December 31, 2020, for an agreed upon price of \$800,000 (See note 1). It is management's intention to preserve the collection and to display the collection for public education in a museum type setting at the Ojai, California location. Accordingly, the TC has not capitalized its acquisitions of museum and exhibit collections.

TURTLE CONSERVANCY
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2021

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment

Purchased property and equipment are stated at cost. Donated property is stated at fair market value at the date of acquisition. Such donations are reported as unrestricted revenue unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted revenue. Depreciation is computed using the straight-line method for financial statement purposes over estimated useful lives of twenty years for buildings and improvements and five years for furniture and equipment.

Expenditures for maintenance and repairs are charged directly to the appropriate operating account at the time the expense is incurred. Expenditures determined to represent additions and betterments are capitalized.

Income Tax

The TC is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and therefore has made no provision for federal and state income taxes in the accompanying financial statements. In addition, the Internal Revenue Service has determined that the TC is not a "private foundation" within the meaning of Section 509(a) of the Internal Revenue Code. There was no unrelated business income for the year ended December 31, 2021. As of December 31, 2021, the TC's information returns generally remain open for the last three years.

Advertising Costs

Advertising costs are expensed as incurred. Total advertising costs for the year ended December 31, 2021, was \$56,084.

Functional Expenses

The costs of program and supporting service activities have been summarized on a functional basis in the statement of functional expenses. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Directly identifiable expenses are charged to programs and supporting activities. Expenses related to more than one function are allocated to programs and supporting services based on the ratio of each activity's direct salary costs to total direct salary costs for all activities. These are called shared costs and include utilities, occupancy, telephone, and other various costs.

Application of New Accounting Standard

In February 2016, FASB issued ASU 2016-02, *Leases*. ASU 2016-02 requires entities to recognize all leased assets, with a corresponding liability, on the statement of financial position. Entities will also be required to present additional disclosures regarding the nature and extent of leasing activities. The requirements of this ASU are effective for the TC for the fiscal year beginning after December 15, 2021. The TC is in the process of evaluating the impact of this standard and potential effects on the financial statements.

TURTLE CONSERVANCY
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2021

NOTE 3 – CONCENTRATION OF CREDIT RISK

The TC maintains bank accounts at one high credit quality financial institution. Accounts are insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC). At times, the account balances may exceed the institution's federally insured limits. At December 31, 2021, the TC had \$646,873 of uninsured cash.

For the year ended December 31, 2021, the founder of the TC contributed \$848,774 which represents 41% of total revenue and contributions.

NOTE 4 – INVENTORY

At December 31, 2021, inventory at cost consisted of printed issues of the Tortoise magazine and merchandise totaling \$64,644.

NOTE 5 – PROPERTY AND EQUIPMENT

Property and equipment consist of the following at December 31, 2021:

Buildings and improvements	\$1,146,073
Equipment	224,698
Furniture and fixtures	<u>100,868</u>
	1,471,639
Less accumulated depreciation	<u>(827,639)</u>
	<u>\$ 644,000</u>

Depreciation expense for the year ended December 31, 2021, was \$59,403.

NOTE 6 – INTANGIBLE ASSETS

At December 31, 2021, intangible assets consist of capitalized costs related to obtaining a conditional use permit from the County of Ventura. At December 31, 2021, the costs, net of accumulated amortization of \$48,947, was \$108,033. Amortization expense for the year ended December 31, 2021, was \$7,610.

NOTE 7 – COMMITMENTS AND CONTINGENCIES

The TC leases its facilities in Ojai, California from a related party pursuant to a 10-year lease expiring on October 31, 2022 (See note 8). For the year ended December 31, 2021, rent expense paid to the related party was \$210,000. The lease provides for an additional ten-year extension at the option of the TC. The TC is also responsible for utilities and insurance costs. For the year ended December 31, 2021, utilities and property insurance expenses were \$97,197.

TURTLE CONSERVANCY
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2021

NOTE 7 – COMMITMENTS AND CONTINGENCIES (Continued)

On January 13, 2021, the TC entered into a lease agreement with a storage office. The storage office was used to temporarily store the museum pieces purchased for the Pritchard collection. The lease was paid on a monthly basis starting in January 2021 and ended October 2021. For the year ended December 31, 2021, total lease payments were \$19,966.

NOTE 8 – RELATED PARTY TRANSACTIONS

The TC pays rent to McNell (see Note 7). For the year ended December 31, 2021, the amount of rent paid to McNell was \$210,000.

On November 1, 2020, the TC signed a promissory note with the founder of the TC. For the year ended December 31, 2021, the balance was \$535,127. See Note 9 for details.

For the year ended December 31, 2021, the TC received contributions totaling \$725,000 from its founder.

The TC does business with other foreign non-profit organizations where the TC and/or CEO is part of the board of the foreign non-profit organizations. Under GAAP, we determined that there was no need to consolidate the financials.

NOTE 9 – PURCHASE COMMITMENT

On August 17, 2020, the TC entered into a purchase agreement for museum pieces with the Chelonian Research Institute Corporation (“CRI”) for \$800,000 consisting of three equal installments (See Note 2). The final payment of \$266,666 is due on August 17, 2022 and is included on the statement of financial position under current liabilities.

NOTE 10 – NOTE PAYABLE

On November 1, 2020 the TC signed a nine-year promissory note with the founder of the TC for the principal sum of one million dollars (\$1,000,000). Out of this amount, only \$535,127 has been withdrawn. The note bears interest of 0.39% per annum. No monthly or annual payments are due on the note until November 1, 2029, at which time the entire balance is due with accrued interest. The note may be prepaid at any time without penalty. All payments are to be applied first to accrued and unpaid interest and then to reduction of the principal balance. Payments of interest and principal may be wholly in kind or in money or partly in kind and partly in money. None of the TC assets are pledged as collateral. At December 31, 2021, the principal and accrued interest balance was \$535,127.

NOTE 11 – PAYCHECK PROTECTION PROGRAM (PPP) LOAN

On May 15, 2020, the TC obtained a Paycheck Protection Program (“PPP”) loan from Chase Bank in the amount of \$138,997. Payments on the loan do not begin until ten-months after the 24-week covered period ends which is expected to be September 2021. The interest rate is one-percent (1%) per annum and there are no assets pledged as collateral. Under the terms of the PPP loan, the TC may apply for

TURTLE CONSERVANCY
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2021

NOTE 11 – PAYCHECK PROTECTION PROGRAM (PPP) LOAN (Continued)

forgiveness of the loan if the TC meets certain requirements. Management intends to apply for forgiveness as soon as possible and believes the TC meets the necessary requirements for forgiveness. In accordance with GAAP the PPP loan has been recorded as long-term liabilities on the statement of financial position.

On May 27, 2021, the Small Business Administration (“SBA”) notified the TC that the PPP loan was forgiven, and accordingly, the TC recognized \$138,997 of income and is shown as as “Paycheck protection program loan forgiveness” on the statement of activities.

On February 24, 2021, the TC received a second PPP loan in the amount of \$140,585. The terms of the second loan are similar to the first PPP loan.

NOTE 12 – NET ASSETS WITH DONOR IMPOSED RESTRICTIONS

At December 31, 2021, net assets with donor-imposed restrictions are restricted for the following purposes:

Subject to expenditure for a specified purpose:

In Situ	\$ 146,154
Geometric	441,703
Bolson	63,123
Pacific Pond	24,577
Yniphora Program	164,751
Other Programs	8,625
	<u>\$ 848,933</u>

NOTE 13 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS:

The TC monitors its liquidity so that it is able to meet its operating needs and other contractual commitments while maximizing the investment of its excess operating cash. The TC has the following financial assets that could readily be made available within one year of the statement of financial position to fund expenses:

Cash - Operations	\$ 77,879
Pledges and accounts receivable	15,770
Investments	6,438
	<u>\$ 100,087</u>

In addition to financial assets available to meet general expenditures over the year, the TC operates with a balanced budget and anticipates covering its general expenditures through contributions, merchandise sales, and tours.

TURTLE CONSERVANCY
NOTES TO FINANCIAL STATEMENTS
For the Year Ended December 31, 2021

NOTE 14 – COVID-19 PANDEMIC

During March 2020, the COVID-19 pandemic developed rapidly throughout the world and has affected the TC both financially and operationally. Federal, state, and local government agencies have instituted restrictions in an effort to contain and slow the spread of COVID-19. These restrictions have had a significant impact on global supply chains, businesses, and communities. The pandemic has affected the TC's ability to continue programs, however management has taken steps to mitigate this effect on the TC's personnel, programs, and financial impact.

The COVID-19 pandemic is expected to continue to impact global commerce and the TC's 2022 operations. The duration and impact of the pandemic to the TC and its financial results cannot be reasonably estimated at this time.

NOTE 15 – EVALUATION OF SUBSEQUENT EVENTS

The TC received notice on June 16, 2022, that the PPP loan (See Note 11) was forgiven by the Small Business Administration (SBA).

On August 17, 2022, the TC had made a commitment to donate money for the purchase of land in South Africa for a "tortoise farm". The TC will not own any part of the land but has committed to donate funds for the land. On August 25, 2022, a wire transfer of \$531,369 had been made for the South Africa project.