

**CENTER FOR ORANGUTAN AND
CHIMPANZEE CONSERVATION, INC.**

**CONSOLIDATED FINANCIAL
STATEMENTS**

SEPTEMBER 30, 2022

**CENTER FOR ORANGUTAN AND CHIMPANZEE CONSERVATION, INC.
CONSOLIDATED FINANCIAL STATEMENTS**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Center for Orangutan and Chimpanzee
Conservation, Inc.
Wauchula, Florida

Opinion

We have audited the accompanying consolidated financial statements of Center for Orangutan and Chimpanzee Conservation, Inc. (a non-profit organization) and affiliate, (the Organization), which comprise the consolidated statement of financial position as of September 30, 2022, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Organization as of September 30, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in

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accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

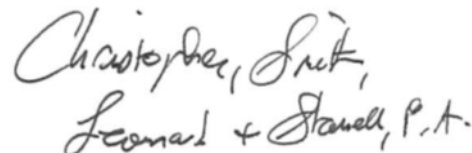
In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited the Organization's 2021 consolidated financial statements, and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated May 7, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2021, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.



**CHRISTOPHER, SMITH,
LEONARD & STANELL, P.A.**

June 26, 2023
Bradenton, Florida

CENTER FOR ORANGUTAN AND CHIMPANZEE CONSERVATION, INC.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 2022
(WITH SUMMARIZED COMPARATIVE TOTALS AS OF SEPTEMBER 30, 2021)

<u>ASSETS</u>				
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>2022 Totals</u>	<u>Summarized 2021 Totals</u>
Current Assets				
Cash and cash equivalents	\$ 4,408,443	\$ 475,000	\$ 4,883,443	\$ 4,707,578
Investments	2,006,824	-	2,006,824	1,049,967
Total Current Assets	6,415,267	475,000	6,890,267	5,757,545
Interest in net assets of the Community Foundation of Tampa Bay	35,418	-	35,418	41,412
Other assets	1,500	-	1,500	1,500
Property, plant and equipment, net	7,547,847	-	7,547,847	6,775,981
Total assets	\$ 14,000,032	\$ 475,000	\$ 14,475,032	\$ 12,576,438
<u>LIABILITIES AND NET ASSETS</u>				
Current Liabilities				
Accounts payable	\$ 55,269	\$ -	\$ 55,269	\$ 70,288
Accrued salaries and expenses	54,953	-	54,953	39,788
Total Current Liabilities	110,222	-	110,222	110,076
Net Assets				
Net assets without donor restrictions				
Undesignated	13,854,392	-	13,854,392	11,794,950
Board designated	35,418	-	35,418	41,412
Net assets with donor restrictions	-	475,000	475,000	630,000
Total net assets	13,889,810	475,000	14,364,810	12,466,362
TOTAL LIABILITIES AND NET ASSETS	\$ 14,000,032	\$ 475,000	\$ 14,475,032	\$ 12,576,438

The accompanying notes are an integral part of these consolidated financial statements.

CENTER FOR ORANGUTAN AND CHIMPANZEE CONSERVATION, INC.
CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(WITH SUMMARIZED COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2021)

	Without Donor Restrictions	With Donor Restrictions	2022 Totals	Summarized 2021 Totals
PUBLIC SUPPORT AND REVENUE				
Revenue				
Events	\$ 191,893	\$ -	\$ 191,893	\$ 50,676
Gift shop sales	36,748	-	36,748	21,822
Support				
Contributions	1,346,396	-	1,346,396	1,309,569
Foundations and grants	2,660,584	300,000	2,960,584	4,925,158
Interest and dividend income	11,469	-	11,469	1,795
Net realized and unrealized gain/(loss) on investments	(3,200)	-	(3,200)	3,395
Other revenue	45,247	-	45,247	85,202
TOTAL REVENUES AND SUPPORT	4,289,137	300,000	4,589,137	6,397,617
Net assets released from restriction	455,000	(455,000)	-	-
Total Revenues and Support	4,744,137	(155,000)	4,589,137	6,397,617
EXPENSES				
Program services	2,384,869	-	2,384,869	2,051,337
Supporting services:				
Management and general	169,724	-	169,724	171,056
Fund raising	136,096	-	136,096	139,474
TOTAL EXPENSES	2,690,689	-	2,690,689	2,361,867
Change in Net Assets	2,053,448	(155,000)	1,898,448	4,035,750
NET ASSETS AT BEGINNING OF YEAR	11,836,362	630,000	12,466,362	8,430,612
NET ASSETS AT END OF YEAR	\$ 13,889,810	\$ 475,000	\$ 14,364,810	\$ 12,466,362

The accompanying notes are an integral part of these consolidated financial statements.

CENTER FOR ORANGUTAN AND CHIMPANZEE CONSERVATION, INC.
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(WITH SUMMARIZED COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2021)

EXPENSES	Program Services	Management and General	Fundraising	2022 Totals	Summarized 2021 Totals
Payroll expenses–caregivers	\$ 1,357,174	\$ –	\$ –	\$ 1,357,174	\$ 1,125,193
Salaries and wages–office and contract labor	–	62,497	–	62,497	70,110
Salaries–fundraising	–	–	76,137	76,137	65,776
	<u>1,357,174</u>	<u>62,497</u>	<u>76,137</u>	<u>1,495,808</u>	<u>1,261,079</u>
Food–Apes	183,340	–	–	183,340	131,057
Healthcare–Apes	162,921	–	–	162,921	189,132
Utilities–Apes	52,108	–	–	52,108	43,911
Supplies–Apes	70,216	–	–	70,216	104,997
Caging upkeep	107,259	–	–	107,259	82,470
Maintenance in animal areas	50,977	–	–	50,977	23,463
Other program services	35,594	–	–	35,594	30,322
Licenses and taxes	2,329	411	1,893	4,633	5,089
Grounds maintenance	37,840	12,613	–	50,453	26,395
Insurance	49,490	5,499	–	54,989	59,852
Utilities	–	11,101	–	11,101	19,610
Professional fees	–	30,170	–	30,170	24,700
Promotional items	–	–	15,943	15,943	9,952
Postage and printing	–	–	7,940	7,940	19,345
Events	–	–	9,892	9,892	15,858
Donor software	–	–	9,626	9,626	11,538
Office expense	–	16,808	14,665	31,473	31,237
	<u>752,074</u>	<u>76,602</u>	<u>59,959</u>	<u>888,635</u>	<u>828,928</u>
Depreciation	<u>275,621</u>	<u>30,625</u>	<u>–</u>	<u>306,246</u>	<u>271,860</u>
	<u>\$ 2,384,869</u>	<u>\$ 169,724</u>	<u>\$ 136,096</u>	<u>\$ 2,690,689</u>	<u>\$ 2,361,867</u>

The accompanying notes are an integral part of these consolidated financial statements.

CENTER FOR ORANGUTAN AND CHIMPANZEE CONSERVATION, INC.
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(WITH SUMMARIZED COMPARATIVE TOTALS FOR THE YEAR ENDED
SEPTEMBER 30, 2021)

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 1,898,448	\$ 4,035,750
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	306,246	271,860
(Increase) Decrease in operating assets:		
Interest in net assets of community foundation	5,994	(8,378)
Contributions receivable	-	87,500
Other assets	-	(800)
Increase (Decrease) in operating liabilities:		
Accounts payable	(15,019)	39,206
Accrued expenses	15,165	16,136
Net Cash Provided By Operating Activities	2,210,834	4,441,274
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(956,857)	(1,049,967)
Purchase of fixed assets	(1,078,112)	(1,469,434)
Net Cash Used By Investing Activities	(2,034,969)	(2,519,401)
Net (Decrease) Increase in Cash and Cash Equivalents	175,865	1,921,873
Cash and Cash Equivalents at Beginning of Year	4,707,578	2,785,705
Cash and Cash Equivalents at End of Year	\$ 4,883,443	\$ 4,707,578

The accompanying notes are an integral part of these consolidated financial statements.

CENTER FOR ORANGUTAN AND CHIMPANZEE CONSERVATION, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization

The Center for Orangutan and Chimpanzee Conservation, Inc. (the Organization) is engaged in providing a permanent sanctuary in a safe and enriching environment for orangutans and chimpanzees in need of long-term care. The Organization also acts as a resource center for education about these endangered primates and the necessity for their conservation in the wild as well as their protection in captivity. The Organization was founded in 1993.

Basis of Accounting

The consolidated financial statements of the Center for Orangutan and Chimpanzee Conservation, Inc. (the Organization) have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles as prescribed by the Financial Accounting Standards Board (FASB) in the Accounting Standards Codification (ASC). Revenues are recognized when earned and expenses are recognized when the liability is incurred.

Principles of Consolidation

These consolidated financial statements include the activities of the Organization's wholly owned subsidiary, COCC, Inc., (the subsidiary) which is a for-profit corporation, which owns land and equipment used by the Organization. All significant intercompany transactions have been eliminated from these consolidated financial statements. The year end of the subsidiary is based on a calendar year end and therefore, differs from the Organization. However, no material differences are noted.

Revenue Recognition

Exchange transactions are reported as revenues from contracts from customers under Topic 606. The Organization records revenue from exchange transactions based on a five-step model for its customers with contracts: identify the contract, identify performance obligations, determine the transaction price, allocate the contract transaction price to the performance obligations, and recognize the revenue when control of goods or services is transferred to the customer.

Revenues from contracts result primarily from special events, gift shop sales and group tour sales, which are exchange transactions. For each of these revenues, there is a single performance obligation and are recognized at a point in time.

CENTER FOR ORANGUTAN AND CHIMPANZEE CONSERVATION, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Revenue Recognition - Continued

Revenues from Contracts :	
Point in time	
Special Events	\$ 191,893
Gift Shop Sales	<u>36,748</u>
	<u>\$ 228,641</u>

Non-exchange Transactions

Non-exchange transactions include certain grants, in-kind contributions, and donations and gifts. The Organization recognized grants revenue either based on the terms of the contract service period or to the extent that expenses have been incurred and the resulting revenue earned. Unconditional donations and gifts are recognized at the time when a donor makes a cash donation or an unconditional promise to give to the Organization. Conditional promises to give are recognized as revenue when the barrier is overcome or the conditions on which they depend are substantially met. Donor restricted donations and gifts whose restrictions are met in the same period are reported as changes in net assets without donor restrictions in these consolidated financial statements. Donor restricted contributions whose restrictions are not yet met are reported as changes in net assets with donor restrictions until the restriction is met. When a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the consolidated statement of activities as net assets released from restrictions.

Financial Statement Presentation

The financial statement presentation follows the provisions as set forth in the FASB ASC for Financial Statements of Not-for-Profit Organizations. As a result, the Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions, as applicable.

Cash and Cash Equivalents

For the purposes of the consolidated statement of cash flows, the Organization considers all highly liquid investments with a maturity date of three months or less to be cash and cash equivalents. Cash and money market funds held with investment accounts are considered a cash equivalent.

CENTER FOR ORANGUTAN AND CHIMPANZEE CONSERVATION, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Investments

Investments include marketable securities with readily determined fair market values. Investments are stated at their fair market value. Unrealized gains and losses are included in the consolidated statement of activities. Investment income and gains restricted by a donor are reported as increases in net assets without donor restrictions if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

Interest in the Net Assets of the Community Foundation of Tampa Bay

The Organization has established the Center for Great Apes Endowment Fund within the Community Foundation of Tampa Bay with its own funds and specified itself as a beneficiary of these funds. The Community Foundation of Tampa Bay has variance power and legal ownership of the funds. An asset has been established for the fair value of these funds, which is generally equivalent to the present value of future payments expected to be received by the Organization, or the fair value of the Organization's interest in the assets underlying the account.

Fair Value Measurements

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures, provides the framework for measuring fair value.

The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority. Level 2 inputs consist of observable inputs other than quoted prices for identical assets (Level 1). Level 3 inputs are unobservable and have the lowest priority. The Organization uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Organization measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 2 inputs are used for investments for which Level 1 inputs were not available. Level 3 inputs would only be used if Level 1 or Level 2 inputs were not available.

The asset or liability 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 measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. There have been no changes in the valuation methodologies used at September 30, 2022.

CENTER FOR ORANGUTAN AND CHIMPANZEE CONSERVATION, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Use of Estimates

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

Property, Plant, and Equipment

Property, plant, and equipment are carried at cost. Depreciation is computed on the straight-line method for financial statement purposes. The estimated useful lives of the assets are 3 to 40 years. The Organization has established a capitalization policy for all items with an estimated useful life of greater than one year and a cost greater than \$1,000. Donated land, property and equipment are recorded as contributions at their estimated fair market value on the date of donation. Such donations are reported as unrestricted contributions 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 contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. Routine maintenance and repairs that do not extend the estimated useful life of an asset are charged to expense when incurred. Depreciation expense for the year ended September 30, 2022 was \$306,246.

Income Taxes

The Organization follows the guidance in ASC 740, *Income Taxes*. The Organization and its subsidiary believe that they have no uncertain tax positions for which the Organization may be liable. However, amounts asserted by tax authorities could be different than the Organization's position. Accordingly, the Organization's provisions on federal, state or local tax-related matters could change as revised estimates are made or the underlying matters are settled or otherwise resolved.

As of September 30, 2022, the Organization does not believe that its estimates on such tax positions will significantly increase or decrease within the next twelve months. The Organization has no other ongoing federal, state or local tax audits; however, the Organization's tax returns for the three previous years remain open to examination.

CENTER FOR ORANGUTAN AND CHIMPANZEE CONSERVATION, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Income Taxes - Continued

The Organization is a tax-exempt organization described in section 501(c)(3) of the Internal Revenue Code and, accordingly, there is no provision for income taxes. The Organization is not classified as a private foundation within the meaning of section 509(a) of the Internal Revenue Code.

The Organization's wholly owned subsidiary (COCC, Inc.) is a for profit corporation which owns land and equipment used by the Organization. As the subsidiary did not have taxable income, no provision for income taxes has been made. The subsidiary has net operating loss carry-forwards of approximately \$1,500,000, which expire between 2027 and 2042. In addition, temporary differences have resulted due to the difference in recognition of amortization expense on intangible assets in accordance with generally accepted accounting principles versus the method used for income taxes. Due to the uncertainty regarding the level of future earnings, a valuation allowance has been recorded to estimate that the full amount of deferred tax assets will not be realized within the expiration period.

In Kind Contributions

In kind contributions are recorded as contributions in the accompanying consolidated financial statements at their estimated current value on the date of receipt when applicable. Contributions of services are recognized only if services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and typically would be purchased if not provided by donation. During the current year, there were no material in-kind contributions.

Concentration of Credit Risk

The Organization maintains cash balances at a financial institution, which is insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 at September 30, 2022. The Organization has not experienced any losses and management believes any risk is minimal.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been detailed in the consolidated statement of functional expenses and summarized on a functional basis in the consolidated statement of activities. Salaries and other expenses which

CENTER FOR ORANGUTAN AND CHIMPANZEE CONSERVATION, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Functional Allocation of Expenses - Continued

are associated with a specific program are charged directly to that program. Salaries and other expenses which benefit more than one program are allocated to the various programs based on relative benefit provided.

The operating expenses are allocated on a square-footage basis. Salaries and related benefits are allocated on the basis of estimates of time and effort.

Summarized Financial Information

The consolidated financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's consolidated financial statements for the year ended September 30, 2021, from which the summarized information was derived.

Financial Instruments Not Measured at Fair Value

The Organization does not measure certain financial instruments at fair value on a recurring basis; however, these financial instruments are recorded at amounts that approximate fair value due to their liquid or short-term nature. Such financial assets and financial liabilities include cash and cash equivalents, accounts payable and accrued expenses.

Evaluation of Subsequent Events

The Organization has evaluated subsequent events through June 26, 2023 which is the date the consolidated financial statements were available to be issued.

NOTE 2 - INVESTMENTS

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies from the previous year.

Certificates of deposit are included in the Organization's investment brokerage account. The Organization considers these accounts held with a third party brokerage to be investments. Certificates of deposit are valued based on current yields of similar instruments with comparable durations considering the credit

CENTER FOR ORANGUTAN AND CHIMPANZEE CONSERVATION, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2 - INVESTMENTS - CONTINUED

worthiness of the issuer. Interest in net assets of the Community Foundation of Tampa Bay is measured at the fair value of the Organization's interest in the net assets of the Community Foundation of Tampa Bay (Foundation) at year end. The interest in the net assets of the Foundation are unobservable to other market participants.

	<u>Total</u>	<u>Fair Value</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Interest in net assets of Community				
Certificates of Deposit	\$ 2,006,824	\$ -0-	\$ 2,006,824	\$ -0-
Foundation of Tampa Bay	<u>35,418</u>	<u>-0-</u>	<u>-0-</u>	<u>35,418</u>
	<u>\$ 2,042,242</u>	<u>\$ -0-</u>	<u>\$ 2,006,824</u>	<u>\$ 35,418</u>

The following tables set forth a summary of the changes in fair value of the assets classified as Level 3 on a recurring basis:

Interest in Net Assets of Community Foundation of Tampa Bay

Beginning Balance	\$ 41,412
Change in value of interest in net assets of the Foundation	<u>(5,994)</u>
Ending Balance	<u>\$ 35,418</u>

NOTE 3 - PROPERTY, PLANT, AND EQUIPMENT

Property, plant, and equipment consist of the following:

Construction in progress	\$ 919,910
Chutes	770,016
Equipment and other	972,771
Fencing	147,210
Habitats	4,042,501
Land	791,623
Night houses	2,729,742
Support facilities	1,041,935
Wells and pumps	<u>18,753</u>
	11,434,461
Accumulated depreciation	<u>(3,886,614)</u>
Net property and equipment	<u>\$ 7,547,847</u>

CENTER FOR ORANGUTAN AND CHIMPANZEE CONSERVATION, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 4 - NET ASSETS WITH DONOR RESTRICTIONS

At September 30, 2022, net assets with donor restrictions are restricted for the following purposes or periods:

Subject to expenditures for specified purposes:

Capital expenditure	<u>\$ 475,000</u>
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In the consolidated statement of financial position, net assets with donor restrictions are included in cash and cash equivalents.

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of passage of time or other events specified by donors during the year ended September 30, 2022 in the amount of \$455,000.

NOTE 5 - ENDOWMENT

The Organization has established an endowment account which is held at the Community Foundation of Tampa Bay (Community Foundation). Since the original donations used to fund the account were not designated or restricted by the donor, the Organization classified their endowment account as net assets without donor restrictions, board designated net assets. Therefore, the earnings received from the endowment account may be used at the Board of Directors' discretion. The endowment account held at the Community Foundation is invested as part of a pooled investment account which is managed by the Community Foundation which has adopted an investment policy for endowment assets that attempts to protect the principal of the funds, provide long-term income returns, and protect the funds against long-term inflation. Income is distributed to the Organization from time to time to be used as detailed by the Organization's Board of Directors or reinvested into the endowment fund.

The changes in the Organization's board designated endowment net assets for the year ended September 30, 2022 are as follows:

Endowment net assets, October 1, 2021	\$ 41,412
Investment return	
Investment income	696
Net depreciation (realized and unrealized)	<u>(6,385)</u>
Total investment return	(5,689)
Investment fees and expenses	<u>(305)</u>
Endowment net assets, September 30, 2022	<u>\$ 35,418</u>

CENTER FOR ORANGUTAN AND CHIMPANZEE CONSERVATION, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 6 - LIQUIDITY AND AVAILABLE RESOURCES

The following table reflects the Organization's financial assets as of September 30, 2022, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year.

Financial assets	\$ 14,475,032
Less those unavailable for general expenditure	
Within one year due to:	
Restricted by donor with time or purpose restrictions	475,000
Less assets that are not in spendable form:	
Land, buildings, and equipment	7,547,847
Other assets	<u>1,500</u>
	<u>\$ 6,450,685</u>

The Organization receives contributions throughout the year that may be subject to donor restriction. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Organization must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due within the next year.