



# **The Turtle Survival Alliance Foundation dba Turtle Survival Alliance**

Report on Financial Statements

Years Ended December 31, 2022 and 2021



**The Turtle Survival Alliance Foundation  
dba Turtle Survival Alliance  
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### ***Independent Auditor's Report***

To the Board of Directors of  
The Turtle Survival Alliance Foundation  
dba Turtle Survival Alliance  
Charleston, South Carolina

#### ***Opinion***

We have audited the financial statements of The Turtle Survival Alliance Foundation dba Turtle Survival Alliance, which comprise the statements of financial position as of December 31, 2022 and 2021, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of The Turtle Survival Alliance Foundation dba Turtle Survival Alliance as of December 31, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 Turtle Survival Alliance Foundation dba Turtle Survival Alliance and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about The Turtle Survival Alliance Foundation dba Turtle Survival Alliance's ability to continue as a going concern for one year after the date that the financial statements are issued.

## ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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 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 Turtle Survival Alliance Foundation dba Turtle Survival Alliance'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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about The Turtle Survival Alliance Foundation dba Turtle Survival Alliance'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.

*Veris LLC*

Mount Pleasant, South Carolina  
September 4, 2023



**The Turtle Survival Alliance Foundation**  
**dba Turtle Survival Alliance**  
**Statements of Financial Position**  
**December 31, 2022 and 2021**

	2022	2021
<b>Assets</b>		
Current Assets		
Cash and cash equivalents	\$ 828,926	\$ 2,358,869
Grants receivable	432,829	-
Related party pledges receivable	325,058	-
COVID relief grants receivable	-	130,062
Inventory	18,598	18,425
Investments	13,425,267	15,616,405
Total Current Assets	15,030,678	18,123,761
Non-Current Assets		
Deposits	2,000	2,000
Cash surrender value of life insurance policy	78,712	78,762
Depreciable property and equipment, net	1,035,546	931,892
Non-depreciable property and equipment	-	90,775
Investments restricted for permanent endowment	137,559	137,559
Total Non-Current Assets	1,253,817	1,240,988
<b>Total Assets</b>	<b>\$ 16,284,495</b>	<b>\$ 19,364,749</b>
<b>Liabilities and Net Assets</b>		
Current Liabilities		
Accounts payable	\$ 73,435	\$ 94,539
Accrued expenses	66,882	66,977
Deferred revenue	34,736	-
Current portion of long-term debt	5,282	12,466
Total Current Liabilities	180,335	173,982
Noncurrent Liabilities		
Long-term debt, net of current portion	19,167	126,519
Total Noncurrent Liabilities	19,167	126,519
Total Liabilities	199,502	300,501
Net Assets		
Without Donor Restrictions		
Undesignated	1,741,376	2,128,302
Board designated	13,601,482	16,292,308
Total Net Assets Without Donor Restrictions	15,342,858	18,420,610
With Donor Restrictions	742,135	643,638
Total Net Assets	16,084,993	19,064,248
<b>Total Liabilities and Net Assets</b>	<b>\$ 16,284,495</b>	<b>\$ 19,364,749</b>

See accompanying notes to financial statements and independent auditor's report.

**The Turtle Survival Alliance Foundation**  
**dba Turtle Survival Alliance**  
**Statements of Activities**  
**Years Ended December 31, 2022 and 2021**

	2022			2021		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenue and Support</b>						
Contributions of cash and other financial assets	\$ 1,906,482	\$ 387,472	\$ 2,293,954	\$ 1,535,540	\$ 184,836	\$ 1,720,376
Gain on PPP loan forgiveness	107,851	-	107,851	81,500	-	81,500
Conference registration fees	60,988	-	60,988	600	-	600
Inventory sales, net	50,616	-	50,616	33,748	-	33,748
Membership dues	16,769	-	16,769	30,711	-	30,711
Loss on life insurance policy	9,441	-	9,441	-	-	-
Program income	9,368	-	9,368	2,940	-	2,940
Other Income	909	-	909	120	-	120
COVID relief grants	-	-	-	204,598	-	204,598
Contributions of nonfinancial assets	81,359	-	81,359	85,671	-	85,671
Tryon book sales	-	-	-	-	365	365
Investment (loss) income, net	(2,692,265)	(30,825)	(2,723,090)	3,185,720	15,301	3,201,021
Net assets released from restrictions	258,150	(258,150)	-	36,217	(36,217)	-
Total Revenue and Support	\$ (190,332)	\$ 98,497	\$ (91,835)	\$ 5,197,365	\$ 164,285	\$ 5,361,650

See accompanying notes to financial statements and independent auditor's report.

**The Turtle Survival Alliance Foundation  
dba Turtle Survival Alliance  
Statements of Activities  
Years Ended December 31, 2022 and 2021**

	2022			2021		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>Expenses</b>						
Program services						
Animal management	\$ 512,628	\$ -	\$ 512,628	\$ 397,811	\$ -	\$ 397,811
Field conservation	1,337,286	-	1,337,286	1,814,641	-	1,814,641
Conference	376,655	-	376,655	4,221	-	4,221
Total Program Services	2,226,569	-	2,226,569	2,216,673	-	2,216,673
Supporting Services						
Management and general	320,591	-	320,591	430,972	-	430,972
Fundraising	340,260	-	340,260	286,319	-	286,319
Total Supporting Services	660,851	-	660,851	717,291	-	717,291
Total Expenses	2,887,420	-	2,887,420	2,933,964	-	2,933,964
Change in Net Assets	(3,077,752)	98,497	(2,979,255)	2,263,401	164,285	2,427,686
Beginning Net Assets	18,420,610	643,638	19,064,248	16,157,209	479,353	16,636,562
Ending Net Assets	<u>\$ 15,342,858</u>	<u>\$ 742,135</u>	<u>\$ 16,084,993</u>	<u>\$ 18,420,610</u>	<u>\$ 643,638</u>	<u>\$ 19,064,248</u>

**The Turtle Survival Alliance Foundation**  
**dba Turtle Survival Alliance**  
**Statement of Functional Expenses**  
**Year Ended December 31, 2022**

	Program Services				Supporting Services			Total Expenses
	Animal Management	Field Conservation	Conference	Total	Management and General	Fundraising	Total	
Grants	\$ -	\$ 954,649	\$ -	\$ 954,649	\$ 10,400	\$ -	\$ 10,400	\$ 965,049
Payroll	192,969	77,097	29,765	299,831	109,800	211,131	320,931	620,762
Contractual services	97,966	118,749	40,259	256,974	42,578	82,725	125,303	382,277
Other	6,303	917	181,110	188,330	48,232	7,338	55,570	243,900
Travel	82	40,783	102,335	143,200	11,192	-	11,192	154,392
Facilities and equipment	43,138	43,925	1,360	88,423	25,250	-	25,250	113,673
Insurance	42,011	22,278	-	64,289	27,898	9,867	37,765	102,054
In-kind contributions	48,991	17,199	2,628	68,818	2,628	9,913	12,541	81,359
Depreciation	8,210	30,265	9,122	47,597	11,996	8,674	20,670	68,267
Utilities	45,995	-	-	45,995	7,062	-	7,062	53,057
Supplies	7,466	-	8,755	16,221	1,752	-	1,752	17,973
Website	10,612	10,612	-	21,224	11,540	10,612	22,152	43,376
Bank fees	-	16,521	-	16,521	-	-	-	16,521
Animal care	7,559	4,230	-	11,789	-	-	-	11,789
Printing and copying	-	-	-	-	7,635	-	7,635	7,635
Postage and mailings	1,326	61	1,321	2,708	2,628	-	2,628	5,336
Total Expenses	<u>\$ 512,628</u>	<u>\$ 1,337,286</u>	<u>\$ 376,655</u>	<u>\$ 2,226,569</u>	<u>\$ 320,591</u>	<u>\$ 340,260</u>	<u>\$ 660,851</u>	<u>\$ 2,887,420</u>

See accompanying notes to financial statements and independent auditor's report.



**The Turtle Survival Alliance Foundation  
dba Turtle Survival Alliance  
Statement of Functional Expenses  
Year Ended December 31, 2021**

	Program Services				Supporting Services			Total Expenses
	Animal Management	Field Conservation	Conference	Total	Management and General	Fundraising	Total	
Grants	\$ -	\$ 1,454,223	\$ -	\$ 1,454,223	\$ 28,789	\$ -	\$ 28,789	\$ 1,483,012
Payroll	188,503.00	90,936	-	279,439	109,284	199,216.00	308,500	587,939
Contractual services	31,874	87,364	-	119,238	79,037	50,766	129,803	249,041
Other	3,927	14,161	-	18,088	17,892	2,915	20,807	38,895
Travel	707	22,734	-	23,441	5,470	-	5,470	28,911
Facilities and equipment	9,012	50,723	-	59,735	26,370	-	26,370	86,105
Insurance	-	1,337	-	1,337	104,292	-	104,292	105,629
Depreciation	8,823	40,247	94	49,164	9,558	6,350	15,908	65,072
Utilities	48,446	1,818	190	50,454	8,011	-	8,011	58,465
Supplies	3,764	16,900	-	20,664	567	-	567	21,231
Website	-	-	-	-	27,594	1,717	29,311	29,311
Bank fees	-	2,259	-	2,259	1,867	-	1,867	4,126
Animal care	81,458	11,333	-	92,791	-	-	-	92,791
Printing and copying	-	235	-	235	109	13,807	13,916	14,151
Postage and mailings	830	613	-	1,443	5,797	-	5,797	7,240
In-kind contributions	20,467	19,758	3,937	44,162	4,237	11,548	15,785	59,947
Interest	-	-	-	-	2,008	-	2,008	2,008
Advertising	-	-	-	-	80	-	80	80
Fundraising	-	-	-	-	10	-	10	10
Total Expenses	<u>\$ 397,811</u>	<u>\$ 1,814,641</u>	<u>\$ 4,221</u>	<u>\$ 2,216,673</u>	<u>\$ 430,972</u>	<u>\$ 286,319</u>	<u>\$ 717,291</u>	<u>\$ 2,933,964</u>

**The Turtle Survival Alliance Foundation**  
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**Statements of Cash Flows**  
**Years Ended December 31, 2022 and 2021**

	2022	2021
<b>Cash Flows From Operating Activities</b>		
Change in net assets	\$ (2,979,255)	\$ 2,427,686
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	68,267	65,072
Investment income, net	2,723,090	(3,201,021)
Gain on PPP loan forgiveness	(107,851)	(81,500)
Change in:		
COVID relief grants receivable	130,062	(130,062)
Grants receivable	(432,829)	3,126
Related party pledges receivable	(325,058)	20,000
Inventory	(173)	(730)
Accounts payable	(21,104)	28,458
Accrued expenses	(95)	(31,625)
Deferred revenue	34,736	-
Cash surrender value of life insurance policy	50	13
Net cash used in operating activities	(910,160)	(900,583)
<b>Cash Flows From Investing Activities</b>		
Decrease in cash restricted for endowment	-	(365)
Purchase of investments	(1,115,175)	(467,297)
Proceeds from sale of investments	583,223	1,551,891
Purchases of property and equipment	(81,146)	(127,623)
Net cash (used in) provided by investing activities	(613,098)	956,606
<b>Cash Flows From Financing Activities</b>		
Proceeds from long-term debt	-	107,851
Payments on long-term debt	(6,685)	(3,900)
Net cash (used in) provided by financing activities	(6,685)	103,951
<b>Net Increase in Cash and Cash Equivalents</b>	(1,529,943)	159,974
<b>Cash and Cash Equivalents, Beginning of Year</b>	2,358,869	2,198,895
<b>Cash and Cash Equivalents, End of Year</b>	<u>\$ 828,926</u>	<u>\$ 2,358,869</u>
<b>Supplemental Disclosure</b>		
Interest paid	<u>\$ -</u>	<u>\$ 2,008</u>

**The Turtle Survival Alliance Foundation**  
**dba Turtle Survival Alliance**  
**Notes to Financial Statements**

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**Note A – Summary of Significant Accounting Policies and Practices**

The Turtle Survival Alliance Foundation dba Turtle Survival Alliance (the Foundation) is a non-profit organization located in South Carolina. The Foundation's mission is transforming passion for turtles into effective conservation action through a global network of living collections and recovery programs. The Foundation is supported primarily through contributions, conference fees, and membership dues.

The Foundation provides conservation efforts in various countries throughout the world and collaborates with other organizations to provide these services in Myanmar (through the Wildlife Conservation Society, which is authorized to conduct financial transactions in Burma in accordance with the Office of Foreign Assets Control issued by the Department of Treasury), Bangladesh, India, Madagascar, Vietnam, China, Cambodia, Belize, Brazil, Colombia, Chittagong, Egypt, Indonesia, Kenya, Malaysia, Mexico, and South Sudan.

Basis of Accounting

The Foundation's financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles of the United States of America, and accordingly reflect all significant receivables, payables, and other liabilities. Under this basis, revenue is recognized when earned and expenditures are recognized when incurred.

Basis of Presentation

The Foundation's financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) of the United States of America in its Accounting Standards Codification (ASC) 958 – 205, *Not-For-Profit Entities – Presentation of Financial Statements*. These standards require classification of net assets and changes in net assets as net assets without donor restrictions and net assets with donor restrictions as follows:

Net assets without donor restrictions – Net assets that are not subject to or are no longer subject to donor-imposed stipulations.

Net assets with donor restrictions – Net assets whose use is limited by donor-imposed time and/or purpose restrictions.

Revenue and support are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor restrictions on the net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets. The Foundation has adopted a policy to classify donor restricted contributions as without donor restrictions to the extent that donor restrictions were met in the year the contribution was received.

Functional Allocation of Expenses

Expenses are primarily charged to program services, management and general, and fundraising expenses based on direct expenses incurred. Expenses not directly chargeable are allocated to the categories of program services, management and general, and fundraising based upon management's estimates. Management reviews and adjusts its methodology for these estimates periodically.

**The Turtle Survival Alliance Foundation  
dba Turtle Survival Alliance  
Notes to Financial Statements**

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Use of Estimates and Assumptions

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

Cash and Cash Equivalents

All unrestricted, highly liquid investments purchased with an original maturity of three months or less are considered to be cash equivalents for financial statement purposes.

COVID Relief Grants Receivable

COVID relief grants receivable represent amounts awarded by various government agencies for COVID relief. COVID relief grants receivable are due within one year and are recorded at their net realizable value. Management estimates an allowance for uncollectable COVID relief grants receivable based on current economic conditions, historical trends, and current and past experience with the individual grantors.

Grants Receivable

Grants receivable represent amounts awarded by various government agencies and not-for-profit organizations. Grants receivable are due within one year and are recorded at their net realizable value. Management estimates an allowance for uncollectible grants receivable based on current economic conditions, historical trends, and current and past experience with individual grantors.

Pledges Receivable

Unconditional pledges are recognized as receivables and revenue or gains in the period the pledge is received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional pledges are recognized only when the conditions on which they depend are substantially met, and the promises become unconditional. Unconditional pledges due in subsequent years are reported at present value of their net realizable value, using risk free interest rates applicable to the years in which the promises are to be received.

The Foundation uses the allowance method to determine uncollectible pledges when deemed necessary. The allowance is based on prior years' experience and management's analysis of specific accounts. Bad debts are charged to expense in the year they are considered uncollectible. Recoveries are credited to revenue in the year collected.

Inventory

Inventory consists of merchandise used for retail sales and is stated at cost. Inventory sales are reflected net of cost of goods sold of \$17,826 and \$18,685 for the years ended December 31, 2022 and 2021, respectively.

Endowment Funds

The Board of Directors of the Foundation has interpreted the State Prudent Management of Institutional Funds Act (SPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as permanently restricted net assets (a) original gifts donated to the permanent endowment, (b) subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of donor-restricted endowment fund that is not classified as permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by SPMIFA.

**The Turtle Survival Alliance Foundation**  
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**Notes to Financial Statements**

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In accordance with SPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund
2. The purposes of the Foundation and the donor-restricted endowment fund
3. General economic conditions
4. The possible effect of inflation and deflation
5. The expected total return from income and the appreciation of investments
6. Other resources of the Foundation
7. The investment policies of the Foundation

Investments

The Foundation carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair market value based on quoted market prices. Unrealized gains and losses are included in the Statement of Activities. Investment income, interest and dividends, and gains/losses are reported as without donor restrictions or with donor restrictions, depending on the nature of investment.

Fair Value Measurements

FASB ASC Topic 820, *Fair Value Measurements and Disclosures* (ASC 820) defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles and expands disclosures about fair value measurements. ASC 820 was effective for the Foundation's financial assets and liabilities for the years ended December 31, 2022 and 2021.

Property and Equipment

Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Generally, items costing \$5,000 or more are capitalized; lesser amounts for property and equipment are expensed. Depreciation is computed using the straight-line methods based on the items' estimated useful lives ranging from 3 to 39 years. Management periodically determines if any property and equipment is impaired and removes fully-depreciated assets from the accounts.

Collections

The Foundation's collections of turtles are not capitalized and recognized as assets on the Statement of Financial Position. Any expenditures or receipts related to purchases, program service expense, or animal sales revenue are reported separately in the Statement of Activities in the period in which they occur. The Foundation holds its collections for public exhibition, education, research, and conservation activities, rather than for financial gain. It is impracticable to attempt to assign values to the collection, because the animals have certain attributes, such as species, sex, age, breeding potential, and relationship to others in the ecosystem that make it difficult to determine an objective basis for valuation.

**The Turtle Survival Alliance Foundation**  
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**Notes to Financial Statements**

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**Revenue Recognition**

The Foundation records revenue upon receipt of donations or, in the event of an unconditional promise to give, when the commitment has been made to the Foundation. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. Conditional promises to give are not included as support until the conditions are substantially met. Membership dues range from \$25 to \$200 and are recorded at the time the member joins. Conference registration fees are recognized when received.

**Contributed Nonfinancial Assets**

The Foundation records various types of in-kind contributions for goods and professional services provided to the Foundation that would create or enhance nonfinancial assets or required specialized skills and would typically need to be purchased if not provided by donation. These items are recorded at the estimated fair market value. The amounts reflected in the accompanying financial statements as in-kind contributions are offset by like amounts included in expenses.

Gifts of goods and equipment are reported as support without donor restrictions unless explicit donor stipulations specify how the donated asset must be used. Gifts of long-lived assets with explicit donor restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted donor support. Absent explicit donor stipulations about how long those assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

Donated services are recognized as contributions in accordance with ASC 958 – 605, *Not-For-Profit Entities – Revenue Recognition* (ASC 958-605), if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Foundation.

The following are the in-kind contributions for the years ended December 31:

Nonfinancial Asset	2022	2021	Usage in Programs/Activities	Donor Restriction	Fair Value Techniques
President's services	\$ 48,566	\$ 57,737	General program	None	Contributed services valued at estimated fair value based on current notes for identical services
Food	22,842	25,725	Animal management	None	Estimated wholesale prices of identical or similar products if purchased in the region
Equipment and supplies	9,951	2,209	Field conservation	None	Estimated wholesale prices of identical or similar products if purchased in the
	<u>\$ 81,359</u>	<u>\$ 85,671</u>			

**Advertising Expenses**

The Foundation expenses advertising cost as they incurred. Advertising expenses totaled \$0 and \$80 for the years ended December 31, 2022 and 2021, respectively.

**The Turtle Survival Alliance Foundation  
dba Turtle Survival Alliance  
Notes to Financial Statements**

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**Income Tax Status**

The Foundation is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and exempt from state income taxes under the laws of South Carolina. Therefore, no provision for income taxes has been provided for. The Foundation qualifies for the charitable contribution deduction under Section 170(b)(1) and has been classified as an organization that is not a private foundation under Section 509(a)(2).

The FASB provides guidance on the Foundation's evaluation of accounting for uncertainty in income taxes. Management evaluated the Foundation's tax position and concluded that the Foundation had taken no uncertain tax positions that require adjustment to the financial statements to comply with the provision of this guidance.

**Adoption of Accounting Pronouncement**

In September 2020, the FASB issued ASU 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosure by Not-for-Profit Entities for Contributed Nonfinancial Assets*. ASU 2020-07 was issued in order to improve transparency in the reporting of contributed nonfinancial assets, also known as gifts-in-kind, for nonprofit organizations. The main provisions of ASU 2020-07 require an organization to present contributed nonfinancial assets as a separate line item in the Statement of Activities, apart from contributions of cash and other financial assets. The Organization adopted this standard on January 1, 2022 using the modified retrospective approach.

In February 2016, the FASB issued Accounting Standards Update (ASU) 2016-02, *Leases (Topic 842)*. Topic 842 includes a lease accounting model that recognizes two types of leases - finance leases and operating leases. Topic 842 requires that lease arrangements longer than 12 months result in an entity recognizing a "right of use" asset and a lease liability payable. The Organization did not have any material contracts greater than 12 months and therefore Topic 842 did not have a material impact on the Organization's financial statements.

**Note B – Concentrations of Risk**

The Foundation maintains its cash and cash equivalents in bank deposit accounts which, at times, may exceed federally insured limits. The Foundation has not experienced any losses in such accounts and management believes the Foundation is not exposed to any significant credit risk on cash and cash equivalents.

**Note C – COVID Relief Grants Receivable**

COVID relief grants receivable totaled \$0 and \$130,062 as of December 31, 2022 and 2021, respectively. Bad debt expense was \$0 for both years ended December 31, 2022 and 2021. The allowance for doubtful accounts was \$0 as of December 31, 2022 and 2021.

**The Turtle Survival Alliance Foundation**  
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**Notes to Financial Statements**

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**Note D – Fair Value of Financial Assets and Liabilities**

The Foundation has adopted the provisions of FASB ASC 820, *Fair Value Measurements and Disclosures*, for its financial assets and liabilities and is required to provide additional disclosures. FASB ASC 820 clarifies that fair value is an exit price, representing the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Foundation utilizes market data or assumptions that market participants would use in pricing the asset or liability. FASB ASC 820 establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value. These tiers include: Level 1, defined as observable inputs such as quoted prices in active markets; Level 2, defined as inputs other than quoted prices in active markets that are either directly or indirectly observable; and Level 3, defined as unobservable inputs about which little or no market data exists, therefore requiring an entity to develop its own assumptions. Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2022 and 2021.

*Equity securities:* Valued at the closing price reported on the active market on which the individual securities are traded.

*Mutual funds:* Valued at the net asset value (NAV) of shares held by the Foundation at December 31, 2022 and 2021.

The Foundation does not have any financial assets or liabilities measured at fair value on a recurring basis categorized as Level 3, and there were no transfers in or out of Level 3 during the years ended December 31, 2022 and 2021.

The following tables sets forth by level within FASB ASC 820's fair value hierarchy, the Foundation's financial assets and liabilities accounted for at fair value on a recurring basis as of December 31, 2022 and 2021. As required by FASB ASC 820, assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Foundation's assessment of the significance of a particular input to the fair value measurement requires judgment, and may affect the valuation of fair value assets and liabilities and their placement within the fair value hierarchy levels.

Fair Value Measurements at December 31, 2022			
	Level 1	Level 2	Level 3
Equity securities	\$ 7,758,071	\$ -	\$ -
Mutual funds:			
Traditional	1,045,101	-	-
Fixed income	4,759,654	-	-
	<u>\$ 13,562,826</u>	<u>\$ -</u>	<u>\$ -</u>



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	Fair Value Measurements at December 31, 2021		
	Level 1	Level 2	Level 3
Equity securities	\$ 10,486,208	\$ -	\$ -
Mutual funds:			
Traditional	224,294	-	-
Fixed income	5,043,462	-	-
	<u>\$ 15,753,964</u>	<u>\$ -</u>	<u>\$ -</u>

As of December 31, 2022 and 2021, the Foundation had \$828,926 and \$2,358,869, respectively, of cash including cash held in brokerage accounts, which are not classified as a Level as prescribed within FASB ASC 820.

The determination of the fair value above incorporates various factors required under FASB ASC 820. These factors include not only the credit standing of the counterparties involved and the impact of credit enhancements, but also the impact of the Foundation's nonperformance risk on its liabilities.

**Note E – Property and Equipment, Net**

Property and equipment as of December 31, 2022 and 2021 are summarized below:

	2022	2021
Depreciable Assets:		
Land and improvements	\$ 158,769	\$ 158,769
Buildings	1,128,147	956,226
Furniture and fixtures	2,630	2,630
Machinery and equipment	136,857	136,857
Animal enclosures	75,076	75,076
Total	1,501,479	1,329,558
Less: Accumulated depreciation	(465,933)	(397,666)
Total Depreciable Assets, Net	1,035,546	931,892
Non-depreciable Assets:		
Construction in progress	-	90,775
Total Non-depreciable Assets	-	90,775
Total Property and Equipment, Net	<u>\$ 1,035,546</u>	<u>\$ 1,022,667</u>

Depreciation expense for the years ended December 31, 2022 and 2021, was \$68,267 and \$65,072, respectively.

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**Note F – Long-Term Debt**

Long-term debt as of December 31, 2022 and 2021 consist of the following:

	<u>2022</u>	<u>2021</u>
In April 2017, the Foundation entered into a secured note payable with Heritage Trust Federal Credit Union (now REV Federal Credit Union) for the purchase of a building. The original note was for \$50,000 with monthly payments of \$557, including interest at a fixed rate of 6.10%. The note matures in April 2027.	\$ 24,449	\$ 31,134
Note payable to a bank in conjunction with the Paycheck Protection Program. The Organization applied for loan forgiveness and had the full amount forgiven during the year ended December 31, 2022. In accordance ASC 405-20, <i>Liabilities – Extinguishments of Liabilities</i> , the amount that has been forgiven is recognized in the Statement of Activities as a gain on PPP loan forgiveness.	<u>-</u>	<u>107,851</u>
Total Long-Term Debt	24,449	138,985
Less: Current portion of long-term debt	<u>(5,282)</u>	<u>(12,466)</u>
Long-Term Debt, Net of Current Portion	<u><u>\$ 19,167</u></u>	<u><u>\$ 126,519</u></u>

The principal payments for the next five years are as follows:

December 31,	
2023	5,282
2024	5,610
2025	5,965
2026	6,340
2027	1,252
Thereafter	<u>-</u>
	<u><u>\$ 24,449</u></u>

Total interest expense was \$0 and \$2,008 for the years ended December 31, 2022 and 2021, respectively.

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**Note G – Net Assets without Donor Restrictions**

During 2013, the Board of Directors established the Operating Endowment to be used for operating expenses for field programs. During 2016, the Board of Directors established the TSA Stewardship Fund in order to further its charitable purpose and mission. Net assets designated by the Board as of December 31, 2022 and 2021 are summarized below:

	Operating Endowment	TSA Stewardship Fund	Total
Beginning Balance, 1/1/2021	\$ 31,912	\$ 14,550,082	\$ 14,581,994
Investment income	13,387	2,239,146	2,252,533
Support fees	-	(52,569)	(52,569)
Board approved withdrawals	-	(489,650)	(489,650)
Ending Balance, 12/31/2021	45,299	16,247,009	16,292,308
Investment loss	(3,373)	(2,629,811)	(2,633,184)
Support fees	(2,551)	(53,160)	(55,711)
Board approved withdrawals	(1,931)	-	(1,931)
Ending Balance, 12/31/2022	<u>\$ 37,444</u>	<u>\$ 13,564,038</u>	<u>\$ 13,601,482</u>

**Note H – Net Assets with Donor Restrictions**

The Foundation's net assets with donor restrictions are restricted for the following purposes at December 31:

	2022	2021
Subject to Time Restrictions	\$ 325,058	\$ 23,126
Subject to Purpose Restrictions		
Programs		
Bangladesh	8,115	8,115
Belize	97,310	71,888
Cambodia	7,608	6,608
China	13,531	13,531
Chittagong	5,698	3,651
Colombia	-	21,686
Egypt	25,358	25,708
Hudson-Manouria	3,000	3,000
India	-	13,148
Indonesia	20,836	20,836
Kenya	278	1,179
Madagascar	5,504	76,012
Mexico	-	312
Myanmar	-	12,145
NAFTRG	39,159	15,580

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Rescue	\$ -	\$ 37,369
Special Projects	5,192	5,192
South Sudan	6	6
Vietnam	17,821	9,756
TSC	-	78,605
Total Programs	249,416	424,327
Unappropriated endowment earnings	30,102	58,626
Endowment restricted by donor in perpetuity	137,559	137,559
Total Subject to Purpose Restrictions	417,077	620,512
Total Restricted	<u>\$ 742,135</u>	<u>\$ 643,638</u>

**Note I – Donor-restricted Endowment**

During 2011, the Foundation received a bequest of the Bern Tryon Library. The bequest contains various herpetological books and papers which the Foundation is selling. All proceeds are permanently restricted by the donor and the earnings are available to be used for the preservation of the bog turtle. The donated books and papers have questionable or uncertain value and no alternative use adds value to the Foundation. Therefore, the donated books are being recognized in the financial statements as they are sold.

Endowment net assets consisted of the following at December 31, 2022 and 2021:

	2022			
	Unrestricted	Time or Purpose Restricted	Restricted in Perpetuity	Total
Donor-restricted endowment funds with purpose restrictions	\$ -	\$ 30,102	\$ 137,559	\$ 167,661
Total funds	<u>\$ -</u>	<u>\$ 30,102</u>	<u>\$ 137,559</u>	<u>\$ 167,661</u>
<b>Changes in endowment net assets:</b>				
Endowment net assets, beginning of year	\$ -	\$ 58,626	\$ 137,559	\$ 196,185
Contributions	-	2,301	-	2,301
Investment loss	-	(30,825)	-	(30,825)
Endowment net assets, end of year	<u>\$ -</u>	<u>\$ 30,102</u>	<u>\$ 137,559</u>	<u>\$ 167,661</u>

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	2021			
	Unrestricted	Time or Purpose Restricted	Restricted in Perpetuity	Total
Donor-restricted endowment funds with purpose restrictions	\$ -	\$ 58,626	\$ 137,559	\$ 196,185
Total funds	<u>\$ -</u>	<u>\$ 58,626</u>	<u>\$ 137,559</u>	<u>\$ 196,185</u>
<b>Changes in endowment net assets:</b>				
Endowment net assets, beginning of year	\$ -	\$ 43,690	\$ 137,194	\$ 180,884
Contributions	-	(365)	365	-
Investment income	-	15,301	-	15,301
Endowment net assets, end of year	<u>\$ -</u>	<u>\$ 58,626</u>	<u>\$ 137,559</u>	<u>\$ 196,185</u>

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or SPMIFA requires the Foundation to retain as funds of perpetual duration. In accordance with generally accepted accounting principles, deficiencies of this nature are required to be reported in unrestricted net assets. There were no such deficiencies at December 31, 2022 and 2021.

**Note J – Related Party Transactions**

Pledges receivable from related parties totaled \$325,058 and \$0 at December 31, 2022 and 2021, respectively.

Management evaluates the collectability of receivables and records an allowance for estimated uncollectible amounts. Management has determined that no allowance is necessary at December 31, 2022 and 2021.

The Foundation's board members contributed a total of \$13,200 and \$60,650 for the years ended December 31, 2022 and 2021, respectively.

Certain members of the Foundation's Board of Directors are employees of affiliates such as Wildlife Conservation Society (WCS), which are direct donors to the Foundation and also party to a number of joint venture agreements relating to field projects undertaken by the Foundation and the affiliates. The Foundation disburses funds to affiliates in relation to its project obligations from funds received under grants which support the specific projects. The Foundation received \$368,288 and \$1,703,936 of donations from affiliates during the years ended December 31, 2022 and 2021, respectively.

**Note K – Liquidity and Availability of Financial Assets**

The Foundation's working capital and cash flows have seasonal variations during the year attributable to the timing of support and contributions. To manage liquidity, the Foundation evaluates cash on a quarterly basis as part of the detail review of the internal financial statements, and estimates cash needs based on budgeted and current expenses.

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The following reflects the Foundation's financial assets as of the balance sheet date, reduced by amounts not available for general use within one year of the balance sheet date because of contractual or donor-imposed restrictions or internal designations.

	<u>2022</u>	<u>2021</u>
Cash and cash equivalents	\$ 828,926	\$ 2,358,869
Grants receivable	432,829	-
Related party pledges receivable	325,058	-
COVID relief grants receivable	-	130,062
Investments	<u>13,562,826</u>	<u>15,753,964</u>
Total Current Financial Assets	15,149,639	18,242,895
Less amounts not available to be used within one year:		
Net assets with donor restrictions	(742,135)	(643,638)
Board designated: Operating Endowment	(37,444)	(45,299)
Board designated: TSA Stewardship Fund	(13,564,038)	(16,247,009)
Add back: Net assets with purpose or time restrictions to be met in less than a year	<u>604,576</u>	<u>506,079</u>
Total Amounts Not Available to be Used Within One Year	<u>(13,739,041)</u>	<u>(16,429,867)</u>
Total Financial Assets Available to Meet Cash Needs for Expenditures Within One Year	<u><u>\$ 1,410,598</u></u>	<u><u>\$ 1,813,028</u></u>

**Note L – Subsequent Events**

Management has evaluated subsequent events through the date which the financial statements were available to be issued. Based upon this evaluation, there were no material adjustments to these financial statements.