

The Turtle Survival Alliance Foundation dba Turtle Survival Alliance

Report on Financial Statements

Years Ended December 31, 2023 and 2022



**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 statement of financial position as of December 31, 2023 and 2022, 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, 2023 and 2022, 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
October 8, 2024



The Turtle Survival Alliance Foundation
dba Turtle Survival Alliance
Statements of Financial Position
December 31, 2023 and 2022

	2023	2022
Assets		
Current Assets		
Cash and cash equivalents	\$ 2,313,795	\$ 828,926
Grants receivable	340,000	966,274
Related party pledges receivable	511,101	325,058
Inventory	-	18,598
Investments	12,935,615	13,425,267
Total Current Assets	16,100,511	15,564,123
Non-Current Assets		
Deposits	-	2,000
Cash surrender value of life insurance policy	85,468	78,712
Depreciable property and equipment, net	970,064	1,035,546
Investments restricted for permanent endowment	137,559	137,559
Total Non-Current Assets	1,193,091	1,253,817
Total Assets	\$ 17,293,602	\$ 16,817,940
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	\$ 377,601	\$ 92,656
Accrued expenses	84,726	66,882
Deferred revenue	-	34,736
Current portion of long-term debt	5,610	5,282
Total Current Liabilities	467,937	199,556
Noncurrent Liabilities		
Long-term debt, net of current portion	14,477	19,167
Total Noncurrent Liabilities	14,477	19,167
Total Liabilities	482,414	218,723
Net Assets		
Without Donor Restrictions		
Undesignated	2,297,527	1,550,260
Board designated	13,155,445	13,601,482
Total Net Assets Without Donor Restrictions	15,452,972	15,151,742
With Donor Restrictions	1,358,216	1,447,475
Total Net Assets	16,811,188	16,599,217
Total Liabilities and Net Assets	\$ 17,293,602	\$ 16,817,940

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, 2023 and 2022**

	2023			2022		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support						
Contributions of cash and other financial assets	\$ 1,506,411	\$ 733,090	\$ 2,239,501	\$ 1,731,920	\$ 412,034	\$ 2,143,954
Gain on PPP loan forgiveness	-	-	-	107,851	-	107,851
Conference registration fees	112,058	-	112,058	60,988	-	60,988
Inventory sales, net	40,736	-	40,736	50,616	-	50,616
Membership dues	18,703	-	18,703	16,769	-	16,769
Loss on life insurance policy	-	-	-	9,441	-	9,441
Conference	378	-	378	9,368	-	9,368
Other Income	1,091	-	1,091	909	-	909
Contributions of nonfinancial assets	76,722	-	76,722	81,359	-	81,359
Investment income (loss), net	1,666,730	11,269	1,677,999	(2,692,265)	(30,825)	(2,723,090)
Net assets released from restrictions	833,618	(833,618)	-	258,150	(258,150)	-
Total Revenue and Support	<u>\$ 4,256,447</u>	<u>\$ (89,259)</u>	<u>\$ 4,167,188</u>	<u>\$ (364,894)</u>	<u>\$ 123,059</u>	<u>\$ (241,835)</u>

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, 2023 and 2022**

	2023			2022		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Expenses						
Program Services						
Animal management	\$ 778,359	\$ -	\$ 778,359	\$ 512,628	\$ -	\$ 512,628
Field conservation	2,143,326	-	2,143,326	1,337,286	-	1,337,286
Conference	173,626	-	173,626	376,655	-	376,655
Total Program Services	3,095,311	-	3,095,311	2,226,569	-	2,226,569
Supporting Services						
Management and general	448,631	-	448,631	320,591	-	320,591
Fundraising	411,275	-	411,275	340,260	-	340,260
Total Supporting Services	859,906	-	859,906	660,851	-	660,851
Total Expenses	3,955,217	-	3,955,217	2,887,420	-	2,887,420
Change in Net Assets	301,230	(89,259)	211,971	(3,252,314)	123,059	(3,129,255)
Beginning Net Assets, As Originally Stated	-	-	-	18,420,610	643,638	19,064,248
Prior period restatement	-	-	-	(16,554)	680,778	664,224
Beginning Net Assets, Restated	15,151,742	1,447,475	16,599,217	18,404,056	1,324,416	19,728,472
Ending Net Assets	<u>\$ 15,452,972</u>	<u>\$ 1,358,216</u>	<u>\$ 16,811,188</u>	<u>\$ 15,151,742</u>	<u>\$ 1,447,475</u>	<u>\$ 16,599,217</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, 2023

	Program Services				Supporting Services			Total Expenses
	Animal Management	Field Conservation	Conference	Total	Management and General	Fundraising	Total	
Grants	\$ -	\$ 1,460,781	\$ -	\$ 1,460,781	\$ -	\$ -	\$ -	\$ 1,460,781
Salaries and wages	214,419	153,157	12,253	379,829	116,399	116,399	232,798	612,627
Contract services	30,466	163,755	76,165	270,386	22,850	87,590	110,440	380,826
Consultants	78,328	84,059	-	162,387	21,015	7,642	28,657	191,044
Payroll taxes	74,415	53,154	4,252	131,821	40,397	40,396	80,793	212,614
Employee benefits	60,784	21,204	707	82,695	31,099	27,565	58,664	141,359
Repairs and maintenance	101,737	1,060	-	102,797	2,119	1,060	3,179	105,976
Legal fees	-	83,826	-	83,826	28,692	-	28,692	112,518
Travel	21,901	34,280	16,188	72,369	15,235	7,617	22,852	95,221
Nonfinancial assets	46,033	16,112	3,069	65,214	2,301	9,207	11,508	76,722
Animal management	44,861	22,430	-	67,291	680	-	680	67,971
Depreciation	7,869	28,851	8,524	45,244	11,803	8,525	20,328	65,572
Utilities	58,882	-	-	58,882	1,266	3,166	4,432	63,314
Miscellaneous	12,012	9,185	28,262	49,459	5,651	15,544	21,195	70,654
Cost of goods sold	-	-	6,206	6,206	18,617	37,233	55,850	62,056
Professional services	-	1,143	-	1,143	53,740	2,287	56,027	57,170
Rent	-	-	-	-	23,312	23,313	46,625	46,625
Dues and membership	3,712	371	-	4,083	22,273	10,765	33,038	37,121
Marketing	7,456	7,767	5,903	21,126	-	9,942	9,942	31,068
Insurance	6,404	-	-	6,404	22,704	-	22,704	29,108
Conference	6,741	1,838	11,031	19,610	409	408	817	20,427
Postage	1,784	-	553	2,337	1,906	1,907	3,813	6,150
Supplies	317	70	247	634	2,785	106	2,891	3,525
Bank charges	-	101	-	101	3,266	-	3,266	3,367
Interest	238	182	266	686	112	603	715	1,401
Total Expenses	\$ 778,359	\$ 2,143,326	\$ 173,626	\$ 3,095,311	\$ 448,631	\$ 411,275	\$ 859,906	\$ 3,955,217

**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
Salaries and wages	192,969	77,097	29,765	299,831	109,800	211,131	320,931	620,762
Contract services	97,966	118,749	40,259	256,974	42,578	82,725	125,303	382,277
Other	6,303	917	179,381	186,601	37,861	2,152	55,570	226,614
Cost of goods sold	-	-	1,729	1,729	10,371	5,186	15,557	17,286
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
Nonfinancial assets	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
Website	10,612	10,612	-	21,224	11,540	10,612	22,152	43,376
Supplies	7,466	-	8,755	16,221	1,752	-	1,752	17,973
Bank charges	-	16,521	-	16,521	-	-	-	16,521
Animal management	7,559	4,230	-	11,789	-	-	-	11,789
Printing and copying	-	-	-	-	7,635	-	7,635	7,635
Postage	1,326	61	1,321	2,708	2,628	-	2,628	5,336
Total Expenses	\$ 512,628	\$ 1,337,286	\$ 376,655	\$ 2,226,569	\$ 320,591	\$ 340,260	\$ 676,408	\$ 2,887,420

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

The Turtle Survival Alliance Foundation
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Statements of Cash Flows
Years Ended December 31, 2023 and 2022

	2023	2022
Cash Flows From Operating Activities		
Change in net assets	\$ 211,971	\$ (2,979,255)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	65,482	68,267
Investment (income) loss, net	(1,677,999)	2,723,090
Gain on PPP loan forgiveness	-	(107,851)
Change in:		
COVID relief grants receivable	-	130,062
Grants receivable	626,274	(432,829)
Related party pledges receivable	(186,043)	(325,058)
Inventory	18,598	(173)
Deposits	2,000	-
Accounts payable	284,945	(21,104)
Accrued expenses	17,844	(95)
Deferred revenue	(34,736)	34,736
Cash surrender value of life insurance policy	(6,756)	50
Net cash used in operating activities	(678,420)	(910,160)
Cash Flows From Investing Activities		
Purchase of investments	-	(1,115,175)
Proceeds from sale of investments	2,167,651	583,223
Purchases of property and equipment	-	(81,146)
Net cash provided by (used in) investing activities	2,167,651	(613,098)
Cash Flows From Financing Activities		
Payments on long-term debt	(4,362)	(6,685)
Net cash used in financing activities	(4,362)	(6,685)
Net Increase (Decrease) in Cash and Cash Equivalents	1,484,869	(1,529,943)
Cash and Cash Equivalents, Beginning of Year	828,926	2,358,869
Cash and Cash Equivalents, End of Year	\$ 2,313,795	\$ 828,926
Supplemental Disclosure		
Cash paid for interest	\$ 1,401	\$ -

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

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

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 Bangladesh, India, Madagascar, Vietnam, China, Cambodia, Belize, Brazil, Colombia, Chittagong, Egypt, Indonesia, Kenya, Malaysia, and Mexico.

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
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Notes to Financial Statements

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.

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 credit loss 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 credit loss when deemed necessary. The allowance is based on prior years' experience and management's analysis of specific accounts. Credit losses 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 \$62,056 and \$17,826 for the years ended December 31, 2023 and 2022, 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

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, 2023 and 2022.

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.

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.

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Notes to Financial Statements

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	2023	2022	Usage in Programs/Activities	Donor Restriction	Fair Value Techniques
Legal services	\$ 59,400	\$ -	General program	None	Contributed services valued at estimated fair value based on current notes for identical services
President's services	-	48,566	General program	None	Contributed services valued at estimated fair value based on current notes for identical services
Food	9,071	22,842	Animal management	None	Estimated wholesale prices of identical or similar products if purchased in the region
Equipment and supplies	8,251	9,951	Field conservation	None	Estimated wholesale prices of identical or similar products if purchased in the region
	<u>\$ 76,722</u>	<u>\$ 81,359</u>			

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).

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Notes to Financial Statements

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.

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 – 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, 2023 and 2022.

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

Mutual funds: Valued at fair market value of securities held at year-end as provided by broker December 31, 2023 and 2022.

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, 2023 and 2022.

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, 2023 and 2022. 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.

The Turtle Survival Alliance Foundation
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Notes to Financial Statements

	Fair Value Measurements at December 31, 2023		
	Level 1	Level 2	Level 3
	-----	-----	-----
Equity securities	\$ 8,007,107	\$ -	\$ -
Mutual funds:			
Traditional	69,327	-	-
Fixed income	4,996,740	-	-
	<u>\$ 13,073,174</u>	<u>\$ -</u>	<u>\$ -</u>

	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>

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 D – Property and Equipment, Net

Property and equipment as of December 31, 2023 and 2022 are summarized below:

	2023	2022
	-----	-----
Depreciable Assets:		
Land and improvements	\$ 158,769	\$ 158,769
Buildings	1,128,147	1,128,147
Furniture and fixtures	2,630	2,630
Machinery and equipment	136,857	136,857
Animal enclosures	75,166	75,076
	-----	-----
Total	1,501,569	1,501,479
Less: Accumulated depreciation	(531,505)	(465,933)
	-----	-----
Total Property and Equipment, Net	<u>\$ 970,064</u>	<u>\$ 1,035,546</u>

Depreciation expense for the years ended December 31, 2023 and 2022, was \$65,572 and \$68,267, respectively.

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Note E – Long-Term Debt

Long-term debt as of December 31, 2023 and 2022 consist of the following:

	2023	2022
<p>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.</p>	\$ 20,087	\$ 24,449
Total Long-Term Debt	20,087	24,449
Less: Current portion of long-term debt	(5,610)	(5,282)
Long-Term Debt, Net of Current Portion	\$ 14,477	\$ 19,167

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

2024	\$ 5,610
2025	5,965
2026	6,340
2027	2,172
	\$ 20,087

Total interest expense was \$1,401 and \$0 for the years ended December 31, 2023 and 2022, respectively.

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Note F – 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, 2023 and 2022 are summarized below:

	Operating Endowment	TSA Stewardship Fund	Total
Beginning Balance, 1/1/2022	\$ 45,299	\$ 16,247,009	\$ 16,292,308
Investment income	(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	37,444	13,564,038	13,601,482
Investment Income	11,091	1,697,946	1,709,037
Support fees	-	(49,573)	(49,573)
Board approved withdrawals	-	(2,105,501)	(2,105,501)
Ending Balance, 12/31/2023	<u>\$ 48,535</u>	<u>\$ 13,106,910</u>	<u>\$ 13,155,445</u>

Note G – Net Assets with Donor Restrictions

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

	2023	2022
Subject to Time Restrictions	\$ 851,101	\$ 1,033,065
Subject to Purpose Restrictions		
Programs		
Bangladesh	-	8,115
Belize	75,947	94,643
Cambodia	7,608	7,608
China	1,031	13,531
Chittagong	-	5,698
Egypt	-	25,358
Hudson-Manouria	3,000	3,000
Indonesia	20,836	20,836
Kenya	458	278
Madagascar	-	5,504
Mexico	71,265	-
NAFTRG	47,044	39,159

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NA SAFE	\$ 60,967	\$ -
Special Projects	21,058	5,198
TSC	-	17,821
Vietnam	<u>18,971</u>	<u>-</u>
Total Programs	328,185	246,749
Unappropriated endowment earnings	41,371	30,102
Endowment restricted by donor in perpetuity	<u>137,559</u>	<u>137,559</u>
Total Subject to Purpose Restrictions	<u>507,115</u>	<u>414,410</u>
Total Restricted	<u>\$ 1,358,216</u>	<u>\$ 1,447,475</u>

Note H – 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, 2023 and 2022:

	2023			
	Unrestricted	Time or Purpose Restricted	Restricted in Perpetuity	Total
Donor-restricted endowment funds with purpose restrictions	\$ -	\$ 41,371	\$ 137,559	\$ 178,930
Total funds	<u>\$ -</u>	<u>\$ 41,371</u>	<u>\$ 137,559</u>	<u>\$ 178,930</u>
Changes in endowment net assets:				
Endowment net assets, beginning of year	\$ -	\$ 30,102	\$ 137,559	\$ 167,661
Contributions	-	-	-	-
Investment loss	-	11,269	-	11,269
Endowment net assets, end of year	<u>\$ -</u>	<u>\$ 41,371</u>	<u>\$ 137,559</u>	<u>\$ 178,930</u>

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	2022			Total
	Unrestricted	Time or Purpose Restricted	Restricted in Perpetuity	
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>
Changes in endowment net assets:				
Endowment net assets, beginning of year	\$ -	\$ 58,626	\$ 137,559	\$ 196,185
Contributions	-	2,301	-	2,301
Investment income	-	(30,825)	-	(30,825)
Endowment net assets, end of year	<u>\$ -</u>	<u>\$ 30,102</u>	<u>\$ 137,559</u>	<u>\$ 167,661</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, 2023 and 2022.

Note I – Related Party Transactions

Pledges receivable from related parties totaled \$511,101 and \$325,058 at December 31, 2023 and 2022, 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, 2023 and 2022.

The Foundation's board members contributed a total of \$10,250 and \$13,200 for the years ended December 31, 2023 and 2022, 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 \$1,197,587 and \$368,288 of donations from affiliates during the years ended December 31, 2023 and 2022, respectively.

Note J – Retirement Plan

The Foundation provides a 403(b) Plan to provide retirement benefits for its employees. Employees may contribute up to 100% of eligible compensation or the maximum allowed by law. The Foundation matches employees' contributions dollar for dollar up to 3% of the employees' compensation. The Foundation made matching contributions of \$44,245 and \$16,335 during the years ended December 31, 2023 and 2022, respectively.

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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.

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>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 2,313,795	\$ 828,926
Grants receivable	340,000	966,274
Related party pledges receivable	511,101	325,058
Investments	<u>13,073,174</u>	<u>13,562,826</u>
Total Current Financial Assets	16,238,070	15,683,084
Less amounts not available to be used within one year:		
Net assets with donor restrictions	(1,358,216)	(1,447,475)
Board designated: Operating Endowment	(48,535)	(37,444)
Board designated: TSA Stewardship Fund	(13,106,910)	(13,564,038)
Add back: Net assets with purpose or time restrictions to be met in less than a year	<u>1,220,657</u>	<u>1,309,916</u>
Total Amounts Not Available to be Used Within One Year	<u>(13,293,004)</u>	<u>(13,739,041)</u>
Total Financial Assets Available to Meet Cash Needs for Expenditures Within One Year	<u>\$ 2,945,066</u>	<u>\$ 1,944,043</u>

Note L – Prior Period Restatement

A prior period restatement of \$664,224 was made to adjust grants receivable, accounts payable, net assets with donor restrictions, revenues, and expenses as of July 1, 2021.

Note M – 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.