

**FINANCIAL STATEMENTS**



**AMAZON CONSERVATION ASSOCIATION**

**FOR THE YEAR ENDED DECEMBER 31, 2023**

# AMAZON CONSERVATION ASSOCIATION

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## CPAs & ADVISORS

### INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Amazon Conservation Association  
Washington, D.C.

#### **Opinion**

We have audited the accompanying financial statements of Amazon Conservation Association (the Organization), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities and change in net assets, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2023, and the change 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 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 the 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 Organization's ability to continue as a going concern within one year after the date that the 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 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 generally accepted auditing standards will always detect a material misstatement when it exists.

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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, including omissions, 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 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 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 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 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.

A handwritten signature in black ink that reads "Gelman Rosenberg & Freedman". The signature is written in a cursive, flowing style.

August 6, 2024

## AMAZON CONSERVATION ASSOCIATION

STATEMENT OF FINANCIAL POSITION  
AS OF DECEMBER 31, 2023

## ASSETS

## CURRENT ASSETS

Cash and cash equivalents	\$ 2,526,273
Contributions and grants receivable	500,563
Loan receivable	84,906
Prepaid expenses and other assets	<u>3,786</u>
Total current assets	<u>3,115,528</u>

## FIXED ASSETS

Equipment and furniture	23,379
Website	<u>45,000</u>
	68,379
Less: Accumulated depreciation and amortization	<u>(61,863)</u>
Net fixed assets	<u>6,516</u>

## OTHER ASSETS

Contributions and grants receivable, net	479,340
Right-of-use asset, net	137,662
Deposits	<u>6,558</u>
Total other assets	<u>623,560</u>

**TOTAL ASSETS****\$ 3,745,604**

## LIABILITIES AND NET ASSETS

## CURRENT LIABILITIES

Accounts payable and accrued liabilities	\$ 449,708
Accrued salaries and related benefits	23,060
Refundable advances	83,263
Operating lease liability	<u>96,258</u>
Total current liabilities	652,289

## NONCURRENT LIABILITIES

Operating lease liability, net	<u>66,559</u>
Total liabilities	<u>718,848</u>

## NET ASSETS

Without donor restrictions:	
Undesignated	1,392,414
Board designated	<u>600,000</u>
Without donor restrictions net assets	1,992,414
With donor restrictions	<u>1,034,342</u>
Total net assets	<u>3,026,756</u>

**TOTAL LIABILITIES AND NET ASSETS****\$ 3,745,604**

See accompanying notes to financial statements.

## AMAZON CONSERVATION ASSOCIATION

STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>SUPPORT AND REVENUE</b>			
Contributions and grants	\$ 2,093,851	\$ 1,157,929	\$ 3,251,780
Other revenue	17,811	-	17,811
Net assets released from donor restrictions	<u>810,696</u>	<u>(810,696)</u>	<u>-</u>
Total support and revenue	<u>2,922,358</u>	<u>347,233</u>	<u>3,269,591</u>
<b>EXPENSES</b>			
Program Services:			
Protect Wild Places	1,097,762	-	1,097,762
Empower People	703,166	-	703,166
Put Science and Technology to Work	<u>1,020,953</u>	<u>-</u>	<u>1,020,953</u>
Total program services	<u>2,821,881</u>	<u>-</u>	<u>2,821,881</u>
Supporting Services:			
Management and General	248,914	-	248,914
Fundraising	<u>412,852</u>	<u>-</u>	<u>412,852</u>
Total supporting services	<u>661,766</u>	<u>-</u>	<u>661,766</u>
Total expenses	<u>3,483,647</u>	<u>-</u>	<u>3,483,647</u>
Change in net assets	(561,289)	347,233	(214,056)
Net assets at beginning of year	<u>2,553,703</u>	<u>687,109</u>	<u>3,240,812</u>
<b>NET ASSETS AT END OF YEAR</b>	<b><u>\$ 1,992,414</u></b>	<b><u>\$ 1,034,342</u></b>	<b><u>\$ 3,026,756</u></b>

**AMAZON CONSERVATION ASSOCIATION**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

	Program Services				Supporting Services			Total Expenses
	Protect Wild Places	Empower People	Put Science and Technology to Work	Total Program Services	Management and General	Fundraising	Total Supporting Services	
Grant awards	\$ 830,004	\$ 425,797	\$ 445,797	\$ 1,701,598	\$ -	\$ -	\$ -	\$ 1,701,598
Salaries and benefits	203,649	203,649	430,139	837,437	60,572	314,004	374,576	1,212,013
Accounting	-	-	-	-	100,061	-	100,061	100,061
Professional fees	14,882	14,882	31,432	61,196	4,426	22,946	27,372	88,568
Occupancy	14,532	14,532	30,694	59,758	4,322	22,407	26,729	86,487
Travel and entertainment	-	9,611	9,611	19,222	60,146	-	60,146	79,368
Office supplies and equipment	12,785	12,785	27,003	52,573	3,803	19,713	23,516	76,089
Meetings and conferences	10,719	10,719	22,641	44,079	3,188	16,528	19,716	63,795
Office expense	6,067	6,067	12,814	24,948	1,194	9,354	10,548	35,496
Printing and copying	3,018	3,018	6,375	12,411	898	4,654	5,552	17,963
Depreciation and amortization	-	-	-	-	9,677	-	9,677	9,677
Business insurance	1,102	1,102	2,327	4,531	328	1,699	2,027	6,558
Phone and communications	654	654	1,381	2,689	195	1,008	1,203	3,892
Postage and delivery	350	350	739	1,439	104	539	643	2,082
<b>TOTAL</b>	<b>\$ 1,097,762</b>	<b>\$ 703,166</b>	<b>\$ 1,020,953</b>	<b>\$ 2,821,881</b>	<b>\$ 248,914</b>	<b>\$ 412,852</b>	<b>\$ 661,766</b>	<b>\$ 3,483,647</b>

See accompanying notes to consolidated financial statements.

**AMAZON CONSERVATION ASSOCIATION**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Change in net assets	\$ (214,056)
Adjustments to reconcile change in net assets to net cash used by operating activities:	
Depreciation and amortization	9,677
Change in discount on long-term contributions and grants receivable	20,660
Amortization of right-of-use asset	80,779
Decrease (increase) in:	
Accounts receivable	259
Contributions and grants receivable	(461,964)
Prepaid expenses and other assets	16,214
Increase (decrease) in:	
Accounts payable and accrued liabilities	387,446
Accrued salaries and related benefits	3,291
Refundable advances	(117,050)
Operating lease liability	<u>(92,362)</u>
Net cash used by operating activities	<u>(367,106)</u>
Net decrease in cash and cash equivalents	(367,106)
Cash and cash equivalents at beginning of year	<u>2,893,379</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b><u>\$ 2,526,273</u></b>



# AMAZON CONSERVATION ASSOCIATION

## NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

#### Organization -

Amazon Conservation Association (the Organization) is a non-profit organization, incorporated and located in the District of Columbia. The Organization's mission is to unite science, innovation and people to protect the western Amazon - the greatest wild forest on earth. This mission is accomplished through the following:

- Protecting wild places through creating new conservation areas, managing lands and natural resources for a changing climate, and connecting vital areas for species conservation; and
- Empowering people to become champions for conservation while improving their quality of life by education initiatives, building local partnerships and knowledge, and promoting forest-friendly livelihoods;
- Putting science and conservation to work by managing premier biological research stations, and using cutting-edge technology to detect, analyze and stop deforestation.

Through employing this holistic approach to conservation, the Organization aims to achieve its vision of a thriving Amazon that sustains the full diversity of life. These activities are funded primarily through contributions and grants from foundations, government agencies, and individuals.

#### Program services -

**Protect Wild Places** - The Organization protects critical ecosystems and biodiversity in Peru and Bolivia by helping create and manage protected areas; ensuring landscape connectivity essential for species survival and climate adaptation; and directly addressing threats to local habitats. The Organization further helps protect the entire Amazon basin by employing the satellite, drone, and radar technologies to identify, analyze, and report the most urgent cases of deforestation and fires across all nine Amazonian countries in real-time. Examples of this work include supporting the creation of over 24 conservation areas protecting 9.3 million acres of irreplaceable ecosystems across Peru and Bolivia; planting hundreds of thousands of trees to restore damaged habitats; and supporting local communities, indigenous groups, and governments to develop management plans that ensure sustainable resource use and conservation efforts in protected areas and indigenous territories in the long-run.

**Empower People** - The Organization empowers local people by building a forest-based economy that can fuel sustainable development and climate resilience to the region; combating nature crimes to stop illegal deforestation and improve the long-term protection of natural resources; and building the next generation of conservationists. Examples of this work include providing indigenous groups and government authorities with real-time data on illegal deforestation so they can take action before the destruction gets to a point of no return; training prosecutors and judges to understand and use satellite and drone technologies in the prosecution of environmental crimes; supporting local producer groups in the production, transformation, marketing, and sale of forest goods like açai berries and Brazil nuts as an alternative to destructive livelihoods like gold mining; and providing training for local people on a wide variety of conservation-related topics, such as forest fire prevention, human-wildlife conflict mitigation, species protection, and more.

**Put Science and Technology to Work** - The Organization develops innovative conservation solutions through science and technology by employing their network of biological research stations in Peru and Bolivia as living laboratories where they carry out and host robust scientific research; developing and testing cutting-edge technologies to be used to advance understanding and protection of the Amazon; and facilitating learning and education of the next generation of scientists and conservationists.

# AMAZON CONSERVATION ASSOCIATION

## NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION (Continued)

Program services (continued) -

Furthermore, the Organization's real-time monitoring program integrates the latest advances in satellite-based technologies, artificial intelligence, and machine learning to provide a regional perspective of the challenges and opportunities for the entire Amazon, such as through analyses on the impact of roads, carbon, and fires. Examples of this work include monitoring biodiversity health with the tropic's largest camera trap grid; developing and managing the Amazonian Fruits and Climate Change Observatory to provide local producers and decision makers in Bolivia data on sustainable production; hosting scientists and students from around the world to conduct research on the impacts of climate change at four premier biological stations; and developing a fire monitoring app that can be used by the public and media to track fires happening in any Amazonian nation in real-time.

Basis of presentation -

The accompanying financial statements are presented on the accrual basis of accounting, and in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) related to nonprofit entities. As such, net assets are reported within two net asset classifications: without donor restrictions and with donor restrictions. Descriptions of the two net asset categories are as follows:

- **Net Assets Without Donor Restrictions** - Net assets available for use in general operations and not subject to donor restrictions are recorded as "net assets without donor restrictions". Net assets set aside solely through the actions of the Board are referred to as Board Designated and are also reported as net assets without donor restrictions.
- **Net Assets With Donor Restrictions** - Net assets may be subject to donor-imposed stipulations that are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Donor imposed restrictions are released when the restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Other donor imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue without donor restrictions when the assets are placed in service.

New accounting pronouncement adopted -

Accounting Standards Update (ASU) 2016-13, *Financial Instruments – Credit Losses* (Topic 326), replaces the incurred loss impairment methodology in current U.S. GAAP with a methodology that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates. Under the standard, disclosures are required to provide users of the financial statements with useful information in analyzing an entity's exposure to credit risk and the measurement of credit losses. Financial assets held by the Organization that are subject to the guidance in FASB ASC 326 are loans receivable. The Organization implemented the ASU on January 1, 2023, using a modified retrospective approach. Management performed an analysis during the year ended December 31, 2023 and determined that the allowance was deemed immaterial and resulted in enhanced disclosures only.

# AMAZON CONSERVATION ASSOCIATION

## NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION (Continued)

#### Cash and cash equivalents -

The Organization considers all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents. Bank deposit accounts are insured by the Federal Deposit Insurance Corporation ("FDIC") up to a limit of \$250,000. At times during the year, the Organization maintains cash balances in excess of the FDIC insurance limits. Management believes the risk in these situations to be minimal.

#### Contributions and grants receivable -

Contributions and grants receivable include unconditional promises to give that are expected to be collected in future years. Contributions and grants receivable are recorded at their fair value, which is measured as the present value of the future cash flows. The discount on long-term contributions and grants receivable is computed using the risk-adjusted interest rates applicable to the years in which the promises to give were received. Amortization of the discount is included in contributions and grants.

#### Fixed assets -

Fixed assets in excess of \$5,000 are capitalized and stated at cost. Fixed assets are depreciated on a straight-line basis over the estimated useful lives of the related assets, generally three to five years. The cost of maintenance and repairs is recorded as expenses are incurred. Depreciation and amortization expense for the year ended December 31, 2023 totaled \$9,677.

#### Income taxes -

The Organization is exempt from Federal income tax under Section 501(a) of the Internal Revenue Code ("IRC"), as an organization described in IRC Section 501(c)(3). Accordingly, no provision for income taxes has been made in the accompanying financial statements. The Organization is not a private foundation.

#### Support from contributions and grants -

Contributions are recognized in the appropriate category of net assets in the period received. The Organization performs an analysis of the individual contribution agreement to determine if the funding stream follows the contribution rules or if it should be recorded as an exchange transaction depending upon whether the transaction is deemed reciprocal or nonreciprocal in accordance with ASC Topic 958.

Support from contributions is recognized upon notification of the award and satisfaction of all conditions, if applicable. Conditional promises to give are not recognized until the conditions on which they depend are substantially met. Contributions, including grants qualifying as contributions, that are unconditional but have donor restrictions are recognized as "without donor restrictions" only to the extent of actual expenses incurred in compliance with the donor imposed restrictions and satisfaction of time restrictions. Contributions with donor restrictions either in excess of expenses incurred or with time restrictions are shown as net assets with donor restrictions in the accompanying financial statements.

## AMAZON CONSERVATION ASSOCIATION

### NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION (Continued)

Support from contributions and grants (continued) -

Conditional contributions contain a right of return and a measurable barrier. Contributions are recognized when conditions have been satisfied. Conditional contributions received in advance of meeting specified conditions established by donors are recorded as refundable advances. The Organization's refundable advances totaled \$83,263 as of December 31, 2023.

In addition, the Organization may obtain funding source agreements related to conditional contributions, which will be received in future years. The Organization's unrecognized conditional contributions to be received in future years totaled \$1,055,465 as of December 31, 2023.

Use of estimates -

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Functional allocation of expenses -

The costs of providing the Organization's programs and supporting services have been summarized on a functional basis in the Statement of Activities and Change in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Expenses directly attributed to a specific functional area are reported as direct expenses within that functional area and expenses that benefited more than one functional area, such as salaries and benefits, were allocated based on estimated time and effort.

Foreign operations -

A significant portion of the Organization's activities and programs is in foreign operating environments, and any disruption in these geographic locations could adversely affect the Organization.

Foreign currency translation -

The U.S. Dollar is the functional currency for the Organization's worldwide operations. Transactions in currencies other than U.S. Dollars are translated into dollars at the rate of exchange in effect during the month of the transaction. Assets and liabilities denominated in currencies other than U.S. Dollars are translated into U.S. dollars at the exchange rate in effect at the date of the Statement of Financial Position.

#### 2. CONTRIBUTIONS AND GRANTS RECEIVABLE

The Organization has received written promises to give from various donors totaling \$1,000,563 as of December 31, 2023.

**AMAZON CONSERVATION ASSOCIATION**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**2. CONTRIBUTIONS AND GRANTS RECEIVABLE (Continued)**

Contributions and grants receivable that are due in more than one year have been recorded at the net present value of their estimated future cash flows using a discount rate of 4.31%.

Contributions and grants receivable are expected to be collected as follows as of December 31, 2023:

Less than one year	\$ 500,563
One to five years	<u>500,000</u>
Total	1,000,563
Less: Allowance to discount balance to present value	<u>(20,660)</u>
<b>CONTRIBUTIONS AND GRANTS RECEIVABLES, NET</b>	<b><u>\$ 979,903</u></b>

**3. LOAN RECEIVABLE**

During December 2021, the Organization entered into a loan receivable agreement with The Asociacion para la Conservacion e Investigacion de Ecosistemas Andino Amazonicos (ACEAA), an Affiliate (Note 10), whereby ACEAA borrowed \$230,000 on an interest-free, unsecured basis. As of December 31, 2023, the total sum of \$84,906 is due to the Organization.

**4. NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions consist of the following at December 31, 2023:

Subject to expenditure for specified purpose:	
Protect Wild Places	\$ 326,447
Empower People	326,447
Put Science and Technology to Work	<u>381,448</u>
<b>TOTAL NET ASSETS WITH DONOR RESTRICTIONS</b>	<b><u>\$ 1,034,342</u></b>

The following net assets with donor restrictions were released from donor restrictions by incurring expenses which satisfied the restricted purposes specified by the donors:

Purpose restrictions accomplished:	
Protect Wild Places	\$ 242,619
Empower People	245,765
Put Science and Technology to Work	<u>322,312</u>
<b>TOTAL NET ASSETS RELEASED FROM DONOR RESTRICTIONS</b>	<b><u>\$ 810,696</u></b>

**AMAZON CONSERVATION ASSOCIATION**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**5. LIQUIDITY AND AVAILABILITY**

Financial assets available for use for general expenditures within one year of the Statement of Financial Position date comprise the following:

Cash and cash equivalents	\$ 2,526,273
Contributions and grants receivable	500,563
Loan receivable	<u>84,906</u>
Subtotal financial assets available within one year	3,111,742
Less: Donor restricted funds	(1,034,342)
Less: Board designated funds	<u>(600,000)</u>

**FINANCIAL ASSETS AVAILABLE TO MEET CASH NEEDS  
FOR GENERAL EXPENDITURES WITHIN ONE YEAR** **\$ 1,477,400**

The Organization has a policy to structure their financial assets to be available and liquid as its obligations become due. As of December 31, 2023, the Organization had financial assets equal to approximately five months of operating expenses. The Organization's Board designated funds can be released to meet the financial needs of the Organization upon Board approval.

In addition, the Organization has a line of credit agreement (as further discussed in Note 6) which allows for additional available borrowings up to \$150,000.

**6. LINE OF CREDIT**

During January 2021, the Organization obtained a \$150,000 bank line of credit without a maturity date. The loan agreement is reviewed annually by the bank. Amounts borrowed under this agreement bear interest at the Wall Street Journal prime rate plus 1.5% (8.5% at December 31, 2023). The line is secured by cash held in accounts at the same financial institution. There was no outstanding balance on this line of credit as of December 31, 2023.

**7. LEASE COMMITMENTS**

The Organization follows FASB ASC 842 for leases. The Organization has elected the practical expedient that allows lessees to choose to not separate lease and non-lease components by class of underlying asset and is applying this expedient to all relevant asset classes.

The Organization leases office space in Washington, D.C. The lease commenced during February 2015 and will expire in August 2025. Base monthly rent is \$6,308, increasing by a factor of 2.75% each lease year which is being amortized on a basis to achieve straight-line rent expense over the life of the lease. Upon adoption of FASB ASC 842 on January 1, 2022, the Organization recorded a right-of-use asset in the amount of \$297,989. The Organization recorded an operating lease liability in the amount of \$343,762 by calculating the present value using the discount rate of 1.37%.

Lease expense for the year ended December 31, 2023 totaled \$83,570, which is included in Occupancy in the Statement of Functional Expenses. The total cash paid for the year ended December 31, 2023 was \$95,153 for the operating lease.

**AMAZON CONSERVATION ASSOCIATION**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**7. LEASE COMMITMENTS (Continued)**

The following is a schedule of the future minimum lease payments due under the operating lease, net of imputed interest, as of December 31, 2023:

<u>Year Ending December 31,</u>		
2024		\$ 97,770
2025		<u>66,822</u>
Subtotal		164,592
Less: Imputed interest		<u>(1,775)</u>
Subtotal		162,817
Less: Current portion		<u>(96,258)</u>
<b>LONG-TERM PORTION</b>		<b><u>\$ 66,559</u></b>

**8. RETIREMENT PLAN**

The Organization provides retirement benefits to its employees through a defined contribution plan covering all employees working twenty or more hours per week and after three months of service. The Organization provides a 100% match of each eligible employee's contribution, up to 5% of covered compensation. Contributions to the Plan during the year ended December 31, 2023 totaled \$40,955.

**9. CONCENTRATION OF REVENUE**

Approximately 35% of the Organization's support and revenue for the year ended December 31, 2023 was derived from one donor. The Organization has no reason to believe that its relationship with this donor will be discontinued in the foreseeable future.

**10. AFFILIATE TRANSACTIONS**

ACCA is a non-profit civil association incorporated under the laws of Peru. It was founded in 1999. ACCA works with the Organization toward the achievement of the Organization's goals and objectives in Peru. The Organization provides some funding to ACCA to support its programs. The Organization does not have any control over ACCA.

ACEAA is a non-profit organization incorporated under the laws of Bolivia. It was founded in 2011. ACEAA works with the Organization toward the achievement of the Organization's goals and objectives in Bolivia. The Organization provides some funding to ACEAA to support its programs. The Organization does not have any control over ACEAA.

During the year ended December 31, 2023, the Organization made payments of \$842,324 and \$700,327 to ACCA and ACEAA, respectively. The Organization also charged \$69,589 to ACCA for services performed. As of December 31, 2023, there is an amount of \$401,229 due from the Organization to ACCA. ACEAA owed \$84,906 to the Organization at December 31, 2023, under the loan receivable referred to in Note 3.

**AMAZON CONSERVATION ASSOCIATION**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**11. SUBSEQUENT EVENTS**

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through August 6, 2024, the date the financial statements were issued.