
VENTANA WILDLIFE SOCIETY

Reviewed Financial Statements

March 31, 2009

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ACCOUNTANTS' REVIEW REPORT

To the Board of Directors
Ventana Wildlife Society
Salinas, California

We have reviewed the accompanying statement of financial position of Ventana Wildlife Society (the Organization) as of March 31, 2009, and the related statements of activities, changes in net assets, functional expenses and cash flows for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of the Organization.

A review consists principally of inquires of the organization personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

The prior year summarized comparative information has been derived from the March 31, 2008 financial statements, which were audited by another firm which expressed an unqualified opinion on them in their report dated February 2, 2009.

Scholl, Chyo & Company
Certified Public Accountants
A Professional Corporation

December 30, 2009

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VENTANA WILDLIFE SOCIETY

Statement of Financial Position March 31, 2009 and 2008

	2009 (Reviewed)	2008 (Audited)
Assets		
Cash and cash equivalents	\$ 134,452	\$ 75,141
Board designated cash reserves	50,002	-
Accounts receivable	8,131	16,258
Deposits	4,383	6,802
Property and equipment (net)	999,201	1,004,932
Total assets	<u>\$ 1,196,169</u>	<u>\$ 1,103,133</u>
Liabilities and net assets		
Accounts payable	\$ 25,821	\$ 28,212
Accrued liabilities	13,870	15,263
Deposits	2,410	8,795
Total liabilities	<u>42,101</u>	<u>52,270</u>
Net assets		
Unrestricted	529,531	425,863
Temporarily restricted	54,537	55,000
Permanently restricted	570,000	570,000
Total net assets	<u>1,154,068</u>	<u>1,050,863</u>
Total liabilities and net assets	<u>\$ 1,196,169</u>	<u>\$ 1,103,133</u>

The accompanying notes and accountants' review report
are an integral part of these financial statements.

VENTANA WILDLIFE SOCIETY
Statement of Activities and Changes in Net Assets
Fiscal Years Ended March 31, 2009 and 2008

	Unrestricted	Temporarily Restricted	Permanently Restricted	Totals 2009 (Reviewed)	Totals 2008 (Audited)
Support and revenue					
Grants	\$ 352,482	\$ 116,200	\$ -	\$ 468,682	\$ 460,225
Contributions	150,942	-	-	150,942	67,939
Fees for service	145,036	-	-	145,036	228,543
Insurance proceeds (net)	74,768	-	-	74,768	323
Membership	60,454	-	-	60,454	40,620
Special events (net)	34,499	-	-	34,499	52,943
In kind contributions	17,450	-	-	17,450	15,457
Interest income	95	-	-	95	381
Net assets released from restrictions					
Restrictions satisfied by expenditure	<u>116,663</u>	<u>(116,663)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total support and revenue	<u>952,389</u>	<u>(463)</u>	<u>-</u>	<u>951,926</u>	<u>866,431</u>
Expenses					
Program services	<u>692,075</u>	<u>-</u>	<u>-</u>	<u>692,075</u>	<u>777,142</u>
Supporting services					
General and administrative	98,684	-	-	98,684	101,002
Fundraising	<u>57,962</u>	<u>-</u>	<u>-</u>	<u>57,962</u>	<u>32,824</u>
Total supporting services	<u>156,646</u>	<u>-</u>	<u>-</u>	<u>156,646</u>	<u>133,826</u>
Total expenses	<u>848,721</u>	<u>-</u>	<u>-</u>	<u>848,721</u>	<u>910,968</u>
Increase (decrease) in net assets	\$ 103,668	\$ (463)	\$ -	\$ 103,205	\$ (44,537)
Net assets at beginning of year	<u>425,863</u>	<u>55,000</u>	<u>570,000</u>	<u>1,050,863</u>	<u>1,095,400</u>
Net assets at end of year	<u>\$ 529,531</u>	<u>\$ 54,537</u>	<u>\$ 570,000</u>	<u>\$ 1,154,068</u>	<u>\$ 1,050,863</u>

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VENTANA WILDLIFE SOCIETY
Statement of Functional Expenses

	Fiscal Year Ended March 31, 2009 (Reviewed)			Fiscal Year Ended March 31, 2008 (Audited)				
	Programs	General & Admin	Fundraising	Total	Programs	General & Admin	Fundraising	Total
Staff costs	\$ 310,353	\$ 73,066	\$ 14,035	\$ 397,454	\$ 417,053	\$ 73,114	\$ 16,293	\$ 506,460
Contract services	88,525	1,368	28,358	118,251	37,682	820	6,633	45,135
Occupancy costs	57,437	5,538	1,304	64,279	50,700	5,084	1,246	57,030
Staff travel and vehicles maintenance	56,788	1,697	496	58,981	62,890	7,410	1,507	71,807
Depreciation	44,348	-	-	44,348	65,555	-	-	65,555
Volunteer travel	34,653	-	-	34,653	39,499	-	-	39,499
Supplies	24,391	1,994	2,849	29,234	26,703	2,035	1,148	29,886
In-kind	15,450	2,000	-	17,450	14,503	924	30	15,457
Equipment rent and maintenance	12,870	436	436	13,742	13,696	1,005	637	15,338
Insurance	11,690	2,924	-	14,614	11,833	2,094	-	13,927
Accounting and legal fees	10,952	3,515	512	14,979	8,859	3,053	487	12,399
Transmitter equipment	8,835	-	-	8,835	-	-	-	-
Printing	6,951	1,065	1,030	9,046	6,656	1,288	1,288	9,232
Postage and shipping	5,277	976	764	7,017	3,608	937	620	5,165
Misc	2,516	1,861	796	5,173	9,047	950	721	10,718
Aerial tracking equipment	700	-	-	700	6,355	-	-	6,355
Dues and membership	339	1,082	375	1,796	2,503	1,149	2,214	5,866
Interest and loan fees	-	1,162	-	1,162	-	1,139	-	1,139
Membership/donors expense	-	-	7,007	7,007	-	-	-	-
	\$ 692,075	\$ 98,684	\$ 57,962	\$ 848,721	\$ 777,142	\$ 101,002	\$ 32,824	\$ 910,968

The accompanying notes and accountants' review report are an integral part of these financial statements.

VENTANA WILDLIFE SOCIETY
Statement of Cash Flows
Fiscal Years Ended March 31, 2009 and 2008

	<u>2009</u> <u>(Reviewed)</u>	<u>2008</u> <u>(Audited)</u>
Operating activities		
Change in net assets	\$ 103,205	\$ (44,537)
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	44,348	65,555
(Gain) or loss on sale of fixed assets	(95)	(323)
(Increase) decrease in current assets		
Accounts receivable	8,127	95,992
Prepaid expenses	2,419	(2,419)
Increase (decrease) in current liabilities		
Accounts payable	(2,391)	(18,131)
Accrued payroll liabilities	(1,393)	(5,048)
Deposits	<u>(6,385)</u>	<u>3,645</u>
Net cash provided (used) by investing activities	<u>147,835</u>	<u>94,734</u>
Investing activities		
Cash provided (used) by investing activities		
Purchase of equipment (net of dispositions)	(38,522)	(37,584)
Increase in Board designated cash reserves	<u>(50,002)</u>	<u>-</u>
Net cash provided (used) by investing activities	<u>(88,524)</u>	<u>(37,584)</u>
Net increase (decrease) in cash and cash equivalents	59,311	57,150
Beginning cash and cash equivalents	<u>75,141</u>	<u>17,991</u>
Ending cash and cash equivalents	<u>\$ 134,452</u>	<u>\$ 75,141</u>

The accompanying notes and accountants' review report
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VENTANA WILDLIFE SOCIETY
Notes to Financial Statements

March 31, 2009 and 2008

NOTE 1

**NATURE OF ACTIVITIES AND
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

ORGANIZATION

Ventana Wildlife Society (the Organization) is a California non-profit corporation. The Organization was formed in 1977. The Organization's program includes species recovery, habitat restoration, and education and outreach. The Organization maintains several rearing and release facilities for endangered California Condors. Research and education is performed at their Discovery Center and Bird Banding Lab in Big Sur, California, as well as numerous other sites throughout California.

INCOME TAX STATUS

No provision is made for income taxes as the Organization is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue code and California state tax code 23701(d). In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A)(vi) and has been classified as an organization that is not a private foundation under Section 509(a)(2).

BASIS OF PRESENTATION

The Organization's financial statements have been prepared on the accrual basis of accounting in accordance with United States (U.S.) generally accepted accounting principles and the AICPA *Accounting and Auditing Guide for Non-Profit Organizations*.

Financial statement presentation follows the recommendation of Financial Accounting Standards No. 117 "*Financial Statements of Not-for-Profit Organization*." Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets. Assets are sequenced according to their liquidity, that is, their nearness of conversion to cash. Liabilities are sequenced according to the nearness of their maturity and resulting use of cash. Additionally, the Organization is required to present a statement of cash flows.

USE OF ESTIMATES

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liability at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

The accompanying accountants' review report
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VENTANA WILDLIFE SOCIETY
Notes to Financial Statements

March 31, 2009 and 2008

CASH AND EQUIVALENTS

For purposes of the statement of financial position and the statement of cash flows, the Organization considers all short-term investments with an original maturity of three months or less to be cash equivalents.

RECEIVABLES

Accounts receivable are carried at their estimated collectible amounts. The Organization does not maintain an allowance for uncollectible accounts based on its history of collection success. Bad debts, for which there were none recorded for the fiscal years ended March 31, 2009 and 2008, are reported on the direct write-off method of accounting.

REVENUE RECOGNITION FOR CONTRIBUTIONS

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

PROPERTY AND EQUIPMENT

The Organization capitalizes all expenditures for property and equipment in excess of \$500 when such property has an expected life of one year or more.

Property and equipment are carried at cost or, if donated, at approximate fair value at date of donation. Depreciation is computed using the straight-line method over estimated useful life ranging from 5 to 30 years.

RECOGNITION OF DONATED ASSETS

The Organization reports gifts of cash and other assets at their estimated fair market value as of the date of contribution. Such donations are recorded as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit 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 support. Absent explicit donor stipulations about how long these long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

RECOGNITION OF DONATED SERVICES

The Organization records donated services as revenues in the period received only when the services received create or enhance non-financial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

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VENTANA WILDLIFE SOCIETY
Notes to Financial Statements

March 31, 2009 and 2008

Additionally, not included in the accompanying financial statements is the value of a substantial number of volunteers (including Board members) that have donated significant amounts for organizational and fundraising activities.

FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various programs and supporting services have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on management estimates.

NOTE 2

CASH AND CASH EQUIVALENTS

Cash and cash equivalents as of March 31 consist of the following:

	<u>2009</u>	<u>2008</u>
Demand deposit accounts	\$ 128,625	\$ 69,034
Money market and CD accounts	<u>5,827</u>	<u>6,107</u>
Subtotal	134,452	75,141
Board designated reserve funds held in money market account	<u>50,002</u>	-
Total	<u>\$ 184,454</u>	<u>\$ 75,141</u>

During the fiscal year ended March 31, 2009 the Board of Directors implemented a policy of maintaining Board-designated reserve funds. These funds are available for use at the discretion of the Board.

NOTE 3

RECEIVABLES

Accounts receivable as of March 31 consists of the following:

	<u>2009</u>	<u>2008</u>
Demand deposit accounts	\$ 7,931	\$ 16,258
Other receivables	<u>200</u>	-
Total	<u>\$ 8,131</u>	<u>\$ 16,258</u>

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VENTANA WILDLIFE SOCIETY
Notes to Financial Statements

March 31, 2009 and 2008

NOTE 4
PROPERTY AND EQUIPMENT (NET)

Property and equipment as of March 31 were as follows:

	<u>2009</u>	<u>2008</u>
Land	\$ 847,500	\$ 847,500
Buildings	137,134	132,738
Equipment	187,341	198,611
Leasehold improvements	9,555	9,555
Construction in progress	10,463	-
Vehicles	<u>89,635</u>	<u>123,773</u>
	1,281,628	1,312,177
Accumulated depreciation	<u>(282,427)</u>	<u>(307,245)</u>
Net property and equipment	<u>\$ 999,201</u>	<u>\$ 1,004,932</u>

Included in land is a parcel of unimproved land which was recorded at fair market value of \$570,000 in 2006. This property was purchased with a restricted contribution. Under the terms of the contribution agreement, the property is to remain in a relatively natural state so as to not disturb nesting bald eagles, or other programs consistent with the Organization's mission, "conserving native wildlife and their habitat." In the event of dissolution, the Organization will transfer said property to another qualifying non-profit organization chartered with similar charitable purposes. Consequently, it is reported as permanently restricted.

The construction in progress represents progress work on a building which sustained damage as a result of a fire during the fiscal year ended March 31, 2009 as more full described in Note 9 to these financial statements.

NOTE 5
COMMITMENTS AND CONTINGENCIES

CREDIT CARDS

The Organization has established credit limits up to \$7,500 for credit cards to be used by authorized officers or representatives of the Organization.

REVOLVING LINE OF CREDIT

The Organization maintains a \$21,000 revolving line of credit for use in organizational activities. Advances on the credit line are payable upon demand and carry an interest rate

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VENTANA WILDLIFE SOCIETY
Notes to Financial Statements

March 31, 2009 and 2008

of 12.75% as of March 31, 2009 and 2008. During the years ended March 31, 2009 and 2008 a total of zero dollars and \$17,000 were advanced and repaid respectively.

NOTE 6
TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets at March 31 are available for the following purposes:

	<u>2009</u>	<u>2008</u>
Restoration of Discovery Center facilities at Andrew Molera State Park	\$ 54,537	\$ 25,000
Natural Science Education Programs	-	30,000
	<u>\$ 54,537</u>	<u>\$ 55,000</u>

NOTE 7
LEASE OBLIGATIONS

The Organization leases two properties – administrative offices and a residence for interns – under month to month leases. Total rent paid on these leases for the years ending March 31, 2009 and 2008 were \$42,884 and \$36,098 respectively.

In addition, in 2006, the Organization entered into a tenant in common agreement for the use of property in Big Sur. Rent payments under this agreement consist of payment of the property taxes, all charges associated with water testing and annual water permit, cost of maintenance of the water system and USDA Forest Service annual road fees. This agreement provides a bargain purchase option for the property expiring September 2011. In addition, the Organization is required to maintain insurance. Total rent paid under this agreement for the years ending March 31, 2009 and 2008 was \$7,727 and \$7,206 respectively.

Future obligations to pay rent under the tenants in common agreement are computed based on average cost for the prior two years. Scheduled lease payments for the next five years are as follows:

The accompanying accountants' review report
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VENTANA WILDLIFE SOCIETY
Notes to Financial Statements

March 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
2009	n/a	\$ 7,920
2010	10,548	\$ 7,920
2011	10,548	\$ 7,920
2012	10,548	\$ 7,920
2013	10,548	\$ 7,920
2014	10,548	n/a
	<u>\$ 52,740</u>	<u>\$ 39,600</u>

NOTE 8

FUNDS HELD AT COMMUNITY FOUNDATION

The Community Foundation for Monterey County (CFMC) holds endowment funds for the Organization. Under the terms of the restricted endowments fund agreement, the Board of Governors of the CFMC has full authority as to the investment and reinvestment of the fund assets. The Organization or other donors may add additional gifts to the fund at any time. The earnings payout of the fund is evaluated at least annually by CFMC taking into account the total return from investments, fees, expenses and the effects of inflation. The market value of the Organization's share of the pooled investments as of March 31, 2009 and 2008 were \$13,926 and \$19,505, respectively.

These balances are not reflected in the accompanying financial statements as the funds do not fall under the recognition requirements of the Statement of Financial Accounting Standards (SFAS) No. 136.

NOTE 9

BIG SUR FIRE

During the fiscal year ended March 31, 2009 the Organization suffered losses due to the Basin Complex Fire which severely damaged the Organization's condor sanctuary in Big Sur, California. The fire destroyed two large condor aviaries, a bathroom and outdoor shower, condor kennels and other equipment and supplies. The majority of the Organization's losses were covered by commercial insurance and contributions from the public and other charitable organizations. The reported net insurance proceeds represent the amounts received in excess of the book value of the destroyed assets.

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