

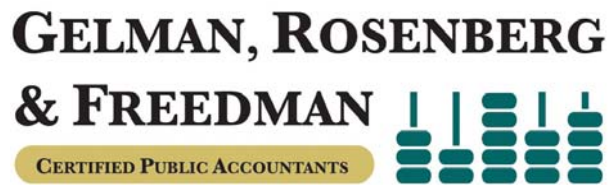
**COMBINED FINANCIAL STATEMENTS**



the Jane Goodall Institute

**THE JANE GOODALL INSTITUTE FOR WILDLIFE  
RESEARCH, EDUCATION AND CONSERVATION  
AND RELATED ENTITY**

**FOR THE YEAR ENDED DECEMBER 31, 2013  
WITH SUMMARIZED FINANCIAL  
INFORMATION FOR 2012**



To the Board of Directors  
The Jane Goodall Institute for Wildlife Research, Education and  
Conservation and Related Entity  
Vienna, Virginia

In planning and performing our audit of the combined financial statements of The Jane Goodall Institute for Wildlife Research, Education and Conservation and Related Entity (the Institute) as of and for the year ended December 31, 2013, in accordance with auditing standards generally accepted in the United States of America, we considered the Institute's internal control over financial reporting (internal control) as a basis for designing our auditing procedures, for the purpose of expressing our opinion on the combined financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Institute's internal control. Accordingly, we do not express an opinion on the effectiveness of the Institute's internal control.

Our consideration of the Institute's internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in the Institute's internal control that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all such deficiencies have been identified. However, as discussed below, we identified certain deficiencies in the Institute's internal control that we consider to be significant deficiencies.

A deficiency in the Institute's internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency or combination of deficiencies in the Institute's internal control, such that there is a reasonable possibility that a material misstatement of the Institute's combined financial statements will not be prevented, or detected and corrected on a timely basis. We did not identify any deficiencies in the Institute's internal control that we consider to be material weaknesses.

### **SIGNIFICANT DEFICIENCIES**

A significant deficiency is a deficiency, or a combination of deficiencies, in the Institute's internal control, that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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We consider the following deficiencies in the Institute's internal control to be significant deficiencies:

### **Documentation of Travel Related Expenditures**

**Previous Years Comment:** During the audit, we noted instances of missing receipts for various staff. We recommend that the Institute emphasize the importance of submitting the proper documentation for credit card charges.

**2013 Status:** In addition to several instances of missing credit card receipts, we noted that the Institute is using a credit card clearing account for each card-holding employee. Balances accumulated in many of these accounts over several months, and were only cleared by submission of receipts/reports subsequent to year-end in preparation for the audit. We continue to recommend that the Institute enforce requirements to submit receipts and submit them in a timely manner. If this is not feasible, we recommend that the Institute withdraw card privileges for non-complying staff. Per discussion, the threshold for requiring credit card receipts has been raised to \$50. We recommend that this revised threshold be documented in the updated written accounting manual (see comment "Policies and Procedures Manual").

**Management's Response:** Management agrees there have been lagging issues regarding the credit card receipts and timely submission of monthly charges. As of November 1, 2014 a policy will be put in place outlining timely submission of original receipts. The VP of Finance will ensure compliance.

### **Compliance with U.S. Government Terrorism Requirements**

**2012 Comment:** In accordance with Executive Order (EO) 13224 (and as outlined as a general provision in all USAID awards), recipients of U.S. Government funds must adhere to specific requirements on screening all potential vendors, employees, suppliers and sub-recipients to ensure the organization is not conducting business with excluded parties (as defined by the US Government); further, such screening should be documented in writing. During our audit, we noted that the Institute does not consistently document its due diligence in this area. The failure to screen such parties increases the possibility that U.S. Government funds may inadvertently be provided to individuals or organizations deemed to be excluded parties by the United States Government. Accordingly, we recommend that management ensure a screening process is conducted and properly documented.

**2013 Status:** We continued to note instances where the screening process was not documented. There are some cases where a vendor or contractor has been used for several years. We recommend that the Institute revisit these continuing relationships to verify that checks are properly documented.

**Management's Response:** Management was made aware of this issue and realizes this is a significant concern. Because remote connections can be volatile, JGI, USA checks each time there is a disbursement made through the corporate office, even if the vendor has been previously checked against the watch list. The Director of Accounting is the responsible party.

### **Congo Office Reconciliations**

**2012 Comment:** We noted that concise and accurate schedules were not available to support several balances in the Congo field office including a balance of \$36,000 in salary advances, \$27,000 in accounts payable and \$95,000 in salaries and taxes payable. Upon further inquiry, management noted that these balances most likely need to be adjusted, which is expected to occur when the program staff visits the office to investigate. We strongly recommend that the Institute reconcile all field accounts to detailed schedules (not general ledger detail) on a monthly basis.

**2013 Status:** In Congo and other field offices, schedules were not available to support balances. We continue to recommend that the Institute obtain and review these schedules on a monthly basis.

**Management's Response:** Balance sheet reconciliations for accounts other than cash have been challenging to implement. The accounting staff across the continent of Africa does not have the training to complete these reconciliations. The VP of Finance has been working with the VP of Africa Programs to formulate a policy, provide a training platform, and ensure compliance moving forward. The goal is to begin receiving all reconciled balance sheet accounts in January, 2015.

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### **OTHER AREAS OF CONCERN**

In addition to the aforementioned significant deficiencies, we noted other areas of concern we believe merit the attention of management.

#### **Federal Expense Reporting vs. Recording**

**2013 Comment:** At the commencement of our audit, we were provided a schedule of federal expenditures that did not agree to the expenditures per the general ledger, because the Institute had reconciled what had been cumulatively reported to the government on reports completed by the program staff to what had been recorded in Navision. We strongly recommend that financial reports to the federal government be completed by Finance staff and checked against what is reported in Navision.

#### **Policies and Procedures Manual**

**Previous Years Comment:** It has come to our attention that the current policies and procedures manual has not been updated since 2003. Accordingly, the current manual includes many policies that are either outdated or no longer in place. We recommend that the Institute update its formal accounting policies and procedures manual as soon as possible.

**2012 Status:** We noted that the Institute is in progress of developing a draft field manual, which has not yet been finalized. The current manual includes a procurement threshold of three or more bids for purchases over \$500 (the Institute is not in compliance with this). We recommend that updated policies for the field as well as HQ be finalized and implemented in the upcoming year.

**2013 Status:** The Field Manual was approved and implemented in 2013. We continue to recommend that the Institute update HQ policies to accurately reflect procedures.

### **Credit Card Approval**

**2011 Comment:** During the course of our audit work, it came to our attention that the credit card charges incurred by the Founder and the President are currently reviewed and approved by the Executive Vice President of Finance. We recommend that all expense reports and credit card charges for these two individuals be sent to a member of the Board of Directors on a quarterly basis for review and approval for reasonableness. The review process by a Board member should not delay the reimbursement process or the accounting for the transactions.

**2012 Status:** Effective July 1, 2012 a member of the Board of Directors was to review and approve the reasonableness of all of the Founder and President's credit card charges and expense reports on a quarterly basis. We noted that this review was not consistently documented, and continue to recommend review and approval.

**2013 Status:** We continue to recommend formal documentation of the Founder and President's credit card charges and expense reports.

### **Field Office Monitoring**

**2011 Comment:** As of December 31, 2011, the Institute maintained four field offices in Africa. At the present time each field office submits to the Headquarters office a monthly balance sheet and income statement as well as all bank statements and reconciliations to support the cash balances at the end of each month. However, to enhance the controls over the field offices and to have more complete financial information, we recommend that the field offices submit to the Headquarters office reconciled schedules for all other asset and liability accounts which had balances over a certain threshold (determined by management of the Institute) on a monthly basis.

**2012 Status:** We continued to note that Headquarters does not receive all schedules to support asset and liability accounts. In addition, we noted certain balances in the Congo office were not believed by management to be correct as of the end of the fiscal year (see comment "Congo Office Reconciliations"). We continue to recommend enhanced monitoring for all field office asset and liability accounts.

**2013 Status:** We continue to recommend enhanced monitoring for the field office accounts. Specifically, the Finance department should be involved in the review of these accounts, not only the Africa program staff. Schedules were not available to support balance sheet accounts, and we also noted significant year-end entries to adjust the balances.

### **Grants Receivable**

**2011 Comment:** During the year, there were two instances where items were recorded as revenue when awarded, and then again when the money was received (as opposed to offsetting the previously recorded receivable). We recommend that upon receipt of all grant payments, the grants receivable schedule be reviewed in detail so that the receipt is properly posted to either offset an existing receivable or to a revenue account (as this represents a new award).

**2012 Status:** We noted another case where revenue and a receivable were recorded when awarded, and recorded again when the funds were received. Accordingly, we had to record an entry to reduce current year revenue. We therefore continue to recommend that the grants receivable account be properly reconciled on a monthly basis.

**2013 Status:** We did not note any instances of double recording of grants during the current year.

### **Reporting**

**2012 Comment:** We noted that during the current year, the Institute did not report the amount of cost share met on its quarterly 425 reports. In addition, we noted that the Institute had not been reporting cumulative expenses on the form as required. These are required parts of the form and we recommend that it be completed each quarter.

**2013 Comment:** Cost share is now reported on the 425 forms.

### **Contracts**

**2012 Comment:** We noted several agreements which were not signed by one or both parties. We also noted two instances where vendors were working under expired contracts. We recommend the Institute increase diligence in making sure that executed and current contracts are maintained for all contractors used.

**2013 Status:** During our current year testwork, we continued to note that contracts on file were not the fully executed version. We did not note any expired contracts in our sample.

### **Asset and Liability Schedules and Reconciliations**

**2012 Comment:** During the current year audit, we noted instances where certain asset and liability accounts (e.g. schedules) required investigation and adjustments to properly reconcile the accounts at December 31, 2012. Following is a summary of some of the accounts that required adjustments and the issues noted:

- A formal schedule of gift annuities was not maintained during the year. As a result, we noted two cases where people were overpaid for their annuity this year. We recommend that the gift annuities schedule be updated every month.
- Accrued expenses include \$58,000 which dates back to 2009 and 2011. We recommend that the Institute resolve these outstanding liabilities.
- Noted staff receivable and accounts payable clearing accounts which required write-offs of stale/outdated items. Entries have been made during the current year and none of these balances were material to the combined financial statements. We recommend that in the future all accounts be reconciled monthly.
- We noted that the temporarily restricted schedule includes numerous reclasses between categories with no support as to the reason for the change (indicating that the categories are being used as budgeting tools vs. based on actual donor restrictions). We also noted that many additions are based on receipts during the year, and no support is available to document what restriction was imposed by the donor. In addition, we noted one instance where a grant passed through to the Institute by the federal government was not indicated as such. We recommend that the Institute clean up this schedule during the current year.

Based upon the aforementioned items, we recommend that all asset and liability account reconciliations at the end of each month be properly reviewed and approved. The review process should ensure that all items on the schedule are current in nature and that the schedule agrees to the general ledger balance at the end of the month.

**2013 Status:** We continued to note schedules not maintained or requiring clean up. Following is an update of items noted prior year:

- A formal schedule of gift annuities is still not maintained during the year. As a result, we noted an additional case where people were overpaid for their annuity this year. We recommend that the gift annuities schedule be updated every month.
- Accrued expenses include approximately \$24,000 which dates back to 2009. We recommend that the Institute resolve these outstanding liabilities. We also noted a grant payable which has been outstanding since 2010, and for which the grant agreement has expired.
- During 2013 we noted several stale deposits in transit and outstanding checks on the bank reconciliation.
- We noted improvement in US staff receivable and accounts payable clearing account balances carried, but approximately \$2,000 in outdated staff travel advances due at year-end.
- We continue to recommend review of the temporarily restricted schedule. We noted that the dates applicable to grants need to be updated. In addition, there continue to be reclasses and postings which are not supported. We also continued to note that many additions are based on receipts during the year, and no support is available to document what restriction was imposed by the donor. In other instances, amounts were recorded based on the full amount obligated during 2013. The Institute should record items consistently.

#### **Indirect Rate Calculation**

**2013 Comment:** The Institute's indirect rate is dated October 2011 and does not accurately reflect the rate of the organization. In addition, we noted two federal grants were charged different indirect rates. Per our discussions the variance is due to adjustments after reconciling the life of the grant, but specific documentation regarding this calculation was not available.

#### **Inventory**

**2013 Comment:** An inventory count has not been conducted in several years. We recommend that this be completed during 2014.

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The purpose of this communication is solely to describe the scope of our testing of internal control over financial reporting and the results of that testing. This communication is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering The Jane Goodall Institute for Wildlife Research, Education and Conservation and Related Entity's internal control over financial reporting. Accordingly, this communication is not suitable for any other purpose.

*Gelman Rosenberg & Freedman*

September 15, 2014



**THE JANE GOODALL INSTITUTE FOR WILDLIFE RESEARCH,  
EDUCATION AND CONSERVATION AND RELATED ENTITY**

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# GELMAN, ROSENBERG

## & FREEDMAN

CERTIFIED PUBLIC ACCOUNTANTS



### INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
The Jane Goodall Institute for Wildlife Research, Education and  
Conservation and Related Entity  
Vienna, Virginia

We have audited the accompanying combined financial statements of The Jane Goodall Institute for Wildlife Research, Education and Conservation and Related Entity (the Institute), which comprise the combined statement of financial position as of December 31, 2013, and the related combined statements of activities and change in net assets, functional expenses and cash flows for the year then ended, and the related notes to the combined financial statements.

#### Management's Responsibility for the Financial Statements

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

#### Auditor's Responsibility

Our responsibility is to express an opinion on these combined financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the combined financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the combined financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the combined financial position of the Institute as of December 31, 2013, and the combined change in its net assets and its combined cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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### **Report on Summarized Comparative Information**

We have previously audited the Institute's 2012 combined financial statements, and we expressed an unmodified audit opinion on those audited combined financial statements in our report dated October 2, 2013. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2012, is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Gelman Rosenberg & Freedman*

September 15, 2014

**THE JANE GOODALL INSTITUTE FOR WILDLIFE RESEARCH,  
EDUCATION AND CONSERVATION AND RELATED ENTITY**

**COMBINED STATEMENT OF FINANCIAL POSITION  
AS OF DECEMBER 31, 2013  
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2012**

| <b>ASSETS</b>  |    | <u>2013</u>                 | <u>2012</u>                 |
|--|----|-----------------------------|-----------------------------|
| <b>CURRENT ASSETS</b>  |    |                             |                             |
| Cash and cash equivalents:   |    |                             |                             |
| Funds held in United States  | \$ | 509,563                     | \$ 369,035                  |
| Funds held in foreign countries  |    | <u>581,306</u>              | <u>1,428,913</u>            |
| Total cash and cash equivalents  |    | 1,090,869                   | 1,797,948                   |
| Investments (Notes 2, 8 and 9)   |    | 5,291,201                   | 5,570,039                   |
| Grants receivable  |    | 2,021,867                   | 1,196,337                   |
| Other receivables  |    | 737,678                     | 741,765                     |
| Prepaid expenses   |    | 96,792                      | 49,855                      |
| Inventory  |    | 38,846                      | 41,441                      |
| Property, equipment and leasehold improvements, net of<br>accumulated depreciation and amortization (Note 3) |    | <u>1,002,509</u>            | <u>798,144</u>              |
| Total current assets   |    | <u>10,279,762</u>           | <u>10,195,529</u>           |
| <b>OTHER ASSETS</b>  |    |                             |                             |
| Security deposit   |    | <u>18,477</u>               | <u>18,477</u>               |
| <b>TOTAL ASSETS</b>  |    | <b><u>\$ 10,298,239</u></b> | <b><u>\$ 10,214,006</u></b> |
| <b>LIABILITIES AND NET ASSETS</b>  |    |                             |                             |
| <b>LIABILITIES</b>   |    |                             |                             |
| Line of credit (Note 9)  | \$ | 800,000                     | \$ 670,584                  |
| Accounts payable and accrued liabilities   |    | <u>837,411</u>              | <u>912,211</u>              |
| Total liabilities  |    | <u>1,637,411</u>            | <u>1,582,795</u>            |
| <b>NET ASSETS</b>  |    |                             |                             |
| Unrestricted   |    | 5,306,296                   | 5,032,476                   |
| Temporarily restricted (Note 5)  |    | 3,136,804                   | 3,381,007                   |
| Permanently restricted (Note 6)  |    | <u>217,728</u>              | <u>217,728</u>              |
| Total net assets   |    | <u>8,660,828</u>            | <u>8,631,211</u>            |
| <b>TOTAL LIABILITIES AND NET ASSETS</b>  |    | <b><u>\$ 10,298,239</u></b> | <b><u>\$ 10,214,006</u></b> |

**THE JANE GOODALL INSTITUTE FOR WILDLIFE RESEARCH,  
EDUCATION AND CONSERVATION AND RELATED ENTITY**

**COMBINED STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 2013  
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2012**

|  | <u>2013</u>         |                                   |                                   | <u>2012</u>       |                   |
|--|---------------------|-----------------------------------|-----------------------------------|-------------------|-------------------|
|  | <u>Unrestricted</u> | <u>Temporarily<br/>Restricted</u> | <u>Permanently<br/>Restricted</u> | <u>Total</u>      | <u>Total</u>      |
| <b>REVENUE</b>   |                     |                                   |                                   |                   |                   |
| Contributions and grants   | \$ 4,201,135        | \$ 6,028,723                      | \$ -                              | \$10,229,858      | \$ 9,899,284      |
| Bequests   | 811,385             | -                                 | -                                 | 811,385           | 288,846           |
| Lecture tour and honorariums   | 776,388             | -                                 | -                                 | 776,388           | 437,501           |
| Merchandise sales  | 4,608               | -                                 | -                                 | 4,608             | 18,426            |
| Royalties, license fees and<br>other income  | 549,466             | -                                 | -                                 | 549,466           | 606,559           |
| Investment income (Note 2)   | 497,367             | -                                 | -                                 | 497,367           | 280,458           |
| Special events, net of direct<br>costs of \$39,059                                       | 199,085             | -                                 | -                                 | 199,085           | 215,376           |
| In-kind contributions  | -                   | -                                 | -                                 | -                 | 68,281            |
| Net assets released from<br>restriction - satisfaction of<br>donor restrictions (Note 5) | <u>6,272,926</u>    | <u>(6,272,926)</u>                | <u>-</u>                          | <u>-</u>          | <u>-</u>          |
| Total revenue  | <u>13,312,360</u>   | <u>(244,203)</u>                  | <u>-</u>                          | <u>13,068,157</u> | <u>11,814,731</u> |
| <b>EXPENSES</b>  |                     |                                   |                                   |                   |                   |
| Program Services:  |                     |                                   |                                   |                   |                   |
| Animal Welfare and<br>Conservation   | 8,589,796           | -                                 | -                                 | 8,589,796         | 7,370,053         |
| Education  | 1,817,151           | -                                 | -                                 | 1,817,151         | 1,935,006         |
| Communications and<br>Membership   | <u>486,039</u>      | <u>-</u>                          | <u>-</u>                          | <u>486,039</u>    | <u>554,607</u>    |
| Total program services   | <u>10,892,986</u>   | <u>-</u>                          | <u>-</u>                          | <u>10,892,986</u> | <u>9,859,666</u>  |
| Supporting Services:   |                     |                                   |                                   |                   |                   |
| Fundraising  | 1,168,435           | -                                 | -                                 | 1,168,435         | 1,513,530         |
| Management and General   | <u>939,136</u>      | <u>-</u>                          | <u>-</u>                          | <u>939,136</u>    | <u>514,747</u>    |
| Total supporting<br>services   | <u>2,107,571</u>    | <u>-</u>                          | <u>-</u>                          | <u>2,107,571</u>  | <u>2,028,277</u>  |
| Total expenses   | <u>13,000,557</u>   | <u>-</u>                          | <u>-</u>                          | <u>13,000,557</u> | <u>11,887,943</u> |
| Change in net assets from<br>operating activities before<br>other items                  | <u>311,803</u>      | <u>(244,203)</u>                  | <u>-</u>                          | <u>67,600</u>     | <u>(73,212)</u>   |

THE JANE GOODALL INSTITUTE FOR WILDLIFE RESEARCH,  
EDUCATION AND CONSERVATION AND RELATED ENTITY

COMBINED STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 2013  
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2012

|  | 2013                       |                            |                          | 2012                       |                            |
|--|----------------------------|----------------------------|--------------------------|----------------------------|----------------------------|
|  | Unrestricted               | Temporarily Restricted     | Permanently Restricted   | Total                      | Total                      |
| <b>OTHER ITEMS</b>                             |                            |                            |                          |                            |                            |
| Exchange rate (loss) gain                      | \$ (29,958)                | \$ -                       | \$ -                     | \$ (29,958)                | \$ 36,561                  |
| Unrealized (loss) gain on investments (Note 2) | <u>(8,025)</u>             | <u>-</u>                   | <u>-</u>                 | <u>(8,025)</u>             | <u>199,208</u>             |
| Total other items                              | <u>(37,983)</u>            | <u>-</u>                   | <u>-</u>                 | <u>(37,983)</u>            | <u>235,769</u>             |
| Change in net assets                           | 273,820                    | (244,203)                  | -                        | 29,617                     | 162,557                    |
| Net assets at beginning of year                | <u>5,032,476</u>           | <u>3,381,007</u>           | <u>217,728</u>           | <u>8,631,211</u>           | <u>8,468,654</u>           |
| <b>NET ASSETS AT END OF YEAR</b>               | <b><u>\$ 5,306,296</u></b> | <b><u>\$ 3,136,804</u></b> | <b><u>\$ 217,728</u></b> | <b><u>\$ 8,660,828</u></b> | <b><u>\$ 8,631,211</u></b> |

**THE JANE GOODALL INSTITUTE FOR WILDLIFE RESEARCH  
EDUCATION AND CONSERVATION AND RELATED ENTITY**

**STATEMENT OF FUNCTIONAL EXPENSE  
FOR THE YEAR ENDED DECEMBER 31, 2013  
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2012**

|   | <b>2013</b>                                    |                     |  |                                   |
|---|--|---------------------|--|-----------------------------------|
|   | <b>Program Services</b>                        |                     |  |                                   |
|   | <b>Animal<br/>Welfare and<br/>Conservation</b> | <b>Education</b>    | <b>Communications<br/>and Membership</b> | <b>Total Program<br/>Services</b> |
| Salaries  | \$ 1,835,987                                   | \$ 620,935          | \$ 197,068                               | \$ 2,653,990                      |
| Taxes and benefits (Note 7)                         | 763,492  | 163,557             | 39,794                                   | 966,843                           |
| Other personnel costs                               | 1,189,184                                      | 47,211              | 4,160                                    | 1,240,555                         |
| Professional services                               | 120,146  | 49,429              | 13,695                                   | 183,270                           |
| Telephone and fax                                   | 87,295   | 20,998              | 2,359                                    | 110,652                           |
| Postage and delivery                                | 6,443  | 7,964               | 615                                      | 15,022                            |
| Printing and photocopying                           | 65,228   | 4,370               | 244                                      | 69,842                            |
| Equipment, depreciation,<br>repairs and maintenance | 405,937  | 23,079              | 12,655                                   | 441,671                           |
| Travel  | 496,292  | 256,210             | 17,892                                   | 770,394                           |
| Bank fees, insurance and<br>registration fees       | 63,196   | 39,147              | 12,491                                   | 114,834                           |
| Direct mail   | 10,777   | 16,165              | 5,388                                    | 32,330                            |
| Supplies  | 72,399   | 16,497              | 2,710                                    | 91,606                            |
| Dues, fees, and subscriptions                       | 1,313  | 1,154               | 445                                      | 2,912                             |
| Field expense                                       | 2,490,231                                      | 117,444             | -  | 2,607,675                         |
| Occupancy costs (Note 4)                            | 276,084  | 100,199             | 22,848                                   | 399,131                           |
| Event expense                                       | 98,144   | 28,532              | 232                                      | 126,908                           |
| Database management and<br>fulfillment              | 2,232  | 3,401               | 3,014                                    | 8,647                             |
| Bad debt  | -  | -                   | -  | -                                 |
| Subtotal  | 7,984,380                                      | 1,516,292           | 335,610                                  | 9,836,282                         |
| Allocation of management<br>and general             | 126,827  | 126,827             | 63,413                                   | 317,067                           |
| Allocation of joint costs                           | 478,589  | 174,032             | 87,016                                   | 739,637                           |
| <b>TOTAL</b>  | <b>\$ 8,589,796</b>                            | <b>\$ 1,817,151</b> | <b>\$ 486,039</b>                        | <b>\$ 10,892,986</b>              |

|                            |                                   |  |                      |                      | 2012 |
|----------------------------|-----------------------------------|--|----------------------|----------------------|------|
| <b>Supporting Services</b> |                                   |  |                      |                      |      |
| <b>Fundraising</b>         | <b>Management<br/>and General</b> | <b>Total<br/>Supporting<br/>Services</b> | <b>Total</b>         | <b>Total</b>         |      |
| \$ 263,403                 | \$ 873,082                        | \$ 1,136,485                             | \$ 3,790,475         | \$ 3,981,296         |      |
| 71,392                     | 180,218                           | 251,610                                  | 1,218,453            | 1,241,217            |      |
| 4,479                      | 5,226                             | 9,705                                    | 1,250,260            | 689,485              |      |
| 45,468                     | 51,781                            | 97,249                                   | 280,519              | 422,960              |      |
| 8,144                      | 3,405                             | 11,549                                   | 122,201              | 155,138              |      |
| 11,101                     | 568                               | 11,669                                   | 26,691               | 20,569               |      |
| 616                        | 738                               | 1,354                                    | 71,196               | 87,516               |      |
|                            |                                   |  |                      |                      |      |
| 45,632                     | 15,415                            | 61,047                                   | 502,718              | 343,946              |      |
| 63,087                     | 14,310                            | 77,397                                   | 847,791              | 700,914              |      |
|                            |                                   |  |                      |                      |      |
| 72,803                     | 43,544                            | 116,347                                  | 231,181              | 208,773              |      |
| 1,232,728                  | 18,860                            | 1,251,588                                | 1,283,918            | 1,417,978            |      |
| 7,984                      | 9,315                             | 17,299                                   | 108,905              | 71,410               |      |
| 396                        | 462                               | 858                                      | 3,770                | 13,072               |      |
| 231                        | -                                 | 231                                      | 2,607,906            | 1,792,283            |      |
| 30,328                     | 36,320                            | 66,648                                   | 465,779              | 561,977              |      |
| 13,069                     | 812                               | 13,881                                   | 140,789              | 90,169               |      |
|                            |                                   |  |                      |                      |      |
| 37,211                     | 2,147                             | 39,358                                   | 48,005               | 53,656               |      |
| -                          | -                                 | -  | -                    | 35,584               |      |
|                            |                                   |  |                      |                      |      |
| 1,908,072                  | 1,256,203                         | 3,164,275                                | 13,000,557           | 11,887,943           |      |
|                            |                                   |  |                      |                      |      |
| -                          | (317,067)                         | (317,067)                                | -                    | -                    |      |
| (739,637)                  | -                                 | (739,637)                                | -                    | -                    |      |
|                            |                                   |  |                      |                      |      |
| <b>\$ 1,168,435</b>        | <b>\$ 939,136</b>                 | <b>\$ 2,107,571</b>                      | <b>\$ 13,000,557</b> | <b>\$ 11,887,943</b> |      |



**THE JANE GOODALL INSTITUTE FOR WILDLIFE RESEARCH,  
EDUCATION AND CONSERVATION AND RELATED ENTITY**

**COMBINED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2013  
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2012**

|  | <u>2013</u>                | <u>2012</u>                |
|--|----------------------------|----------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>  |                            |                            |
| Change in net assets   | \$ 29,617                  | \$ 162,557                 |
| Adjustments to reconcile change in net assets to net cash (used) provided by operating activities: |                            |                            |
| Depreciation and amortization  | 53,646                     | 83,989                     |
| Realized gain on sale of investments   | (233,041)                  | (3,278)                    |
| Unrealized loss (gain) on investments  | 8,025                      | (199,208)                  |
| Loss on disposal of assets   | -                          | 8,194                      |
| Bad debt expense   | -                          | 35,584                     |
| (Increase) decrease in:  |                            |                            |
| Grants receivable  | (825,530)                  | 1,213,060                  |
| Other receivables  | 4,087                      | 4,512                      |
| Prepaid expenses   | (46,937)                   | 130,758                    |
| Inventory  | 2,595                      | (16,360)                   |
| Increase (decrease) in:  |                            |                            |
| Accounts payable and accrued liabilities   | (74,800)                   | (115,285)                  |
| Security deposit   | -                          | (67,000)                   |
| Net cash (used) provided by operating activities   | <u>(1,082,338)</u>         | <u>1,237,523</u>           |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>  |                            |                            |
| Purchases of property and equipment  | (258,011)                  | (188,285)                  |
| Net sales (purchases) of investments   | <u>503,854</u>             | <u>(249,917)</u>           |
| Net cash provided (used) by investing activities   | <u>245,843</u>             | <u>(438,202)</u>           |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>  |                            |                            |
| Borrowings (payments) on line of credit  | <u>129,416</u>             | <u>(229,416)</u>           |
| Net cash provided (used) by financing activities   | <u>129,416</u>             | <u>(229,416)</u>           |
| Net (decrease) increase in cash and cash equivalents   | (707,079)                  | 569,905                    |
| Cash and cash equivalents at beginning of year   | <u>1,797,948</u>           | <u>1,228,043</u>           |
| <b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>  | <b><u>\$ 1,090,869</u></b> | <b><u>\$ 1,797,948</u></b> |
| <b>SUPPLEMENTAL INFORMATION</b>  |                            |                            |
| Interest Paid  | <b><u>\$ 18,288</u></b>    | <b><u>\$ 26,599</u></b>    |
| Donated Securities   | <b><u>\$ -</u></b>         | <b><u>\$ 7,906</u></b>     |

**THE JANE GOODALL INSTITUTE FOR WILDLIFE RESEARCH,  
EDUCATION AND CONSERVATION AND RELATED ENTITY**

**NOTES TO COMBINED FINANCIAL STATEMENTS  
DECEMBER 31, 2013**

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

Organization -

The Jane Goodall Institute for Wildlife Research, Education and Conservation (the Institute) was incorporated as a nonprofit organization under the laws of the State of California in 1977. The Institute contributes to the preservation of great apes and their habitats through conservation, education and promotion of sustainable livelihoods in local communities; improves global understanding and treatment of great apes through research, public education and advocacy; and engages a worldwide network of young people who take responsible action on behalf of humans, animals and the environment.

The Jane Goodall Institute, Inc. - Tanzania (JGI-Tanzania) is a legally registered organization located in Tanzania and receives the majority of its support from The Jane Goodall Institute for Wildlife Research, Education and Conservation. The current programs are funded by various public and private donors.

Program services -

Program services are segregated by type of activity within the Combined Statement of Activities and Change in Net Assets. The following indicates the specific activities that are included in each program area and promoted by the Institute:

- **Animal Welfare and Conservation**

Conservation activities ensure the long-term preservation of wildlife habitats, including reforestation and an extensive community-centered conservation program. Expenses include those related to the TACARE (Lake Tanganyika Catchment Reforestation and Education) program in Tanzania and similar initiatives in other African countries, as well as the Institute's Tanzanian Roots & Shoots program. Animal welfare activities ensure the physical and psychological well-being of animals in general, particularly chimpanzees. Animal welfare and conservation activities include the Institute's sanctuary in the Republic of Congo. In the United States, the Institute lends assistance to organizations seeking to address the welfare of captive chimpanzees kept for pets, entertainment and medical testing.

- **Education**

Education efforts heighten global awareness of the issues facing wild and captive great apes, particularly chimpanzees, and foster an awareness and understanding of the interdependence of all life, and empower youth to take action on behalf of people, animals and the environment. These types of expenses include those related to the Dr. Goodall's United States tours, including efforts to educate policy makers, and Jane Goodall's Roots & Shoots program, the Institute's global environmental and humanitarian youth program.

- **Communications and Membership**

Communication efforts promote the Institute's work to the general public, inform in regular updates the progress and outcomes of its efforts in conservation and development, wildlife research, and humanitarian and environmental education, and seek to heighten global awareness of the threats facing chimpanzees and other conservation issues. Communication efforts also entail creation of educational materials and their distribution to Institute members and the general public. This work is done through the Institute's website, print materials, videos and promotion of Dr. Jane Goodall's lecture tour and media appearances.

**THE JANE GOODALL INSTITUTE FOR WILDLIFE RESEARCH,  
EDUCATION AND CONSERVATION AND RELATED ENTITY**

**NOTES TO COMBINED FINANCIAL STATEMENTS  
DECEMBER 31, 2013**

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

**Basis of presentation -**

The accompanying combined financial statements are presented on the accrual basis of accounting, and in accordance with *FASB ASC 958-810, Not-for-Profit Entities, Consolidation*. All intercompany transactions have been eliminated during combination.

The combined financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Institute's combined financial statements for the year ended December 31, 2012, from which the summarized information was derived.

**Cash and cash equivalents -**

Cash and cash equivalents include cash on hand and other highly liquid instruments with maturities of less than three months.

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 Institute maintains cash balances in excess of the FDIC insurance limits. Management believes the risk in these situations to be minimal.

At December 31, 2013, the Institute maintained cash and cash equivalents of \$581,306 in foreign countries. The majority of these funds are uninsured.

**Foreign operations -**

The combined financial statements include activity of The Jane Goodall Institute, Inc. - Tanzania. The accounting records are maintained in the functional currency of the foreign country, the Tanzanian Shilling. In addition, the Institute maintains offices in Uganda, the Republic of Congo, the Democratic Republic of Congo and Guinea.

Assets and liabilities denominated in each respective countries' functional currency are converted into U.S. dollars at year-end exchange rates, and revenue and expense accounts are translated at the average rates in effect during the year. Exchange gains and losses are reported in the Combined Statement of Activities and Change in Net Assets.

**Grants receivable -**

Grants receivable approximate fair value. Management considers all amounts to be fully collectible. Accordingly, an allowance for doubtful accounts has not been established.

**Other receivables -**

Other receivables consist of general trade receivables, travel advances, accrued interest and other miscellaneous receivables that are stated at their net realizable value.

Management considers all amounts to be collectible. Accordingly, an allowance for doubtful accounts has not been established.

**Property, equipment and leasehold improvements -**

Furniture and equipment costing in excess of \$2,500 are capitalized and depreciated over the life of the asset ranging from three to seven years. Leasehold improvements are capitalized and amortized over the life of the lease and buildings are amortized over the life of the building. All costs (direct and indirect) associated with self-construction of fixed assets are capitalized.

THE JANE GOODALL INSTITUTE FOR WILDLIFE RESEARCH,  
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NOTES TO COMBINED FINANCIAL STATEMENTS  
DECEMBER 31, 2013

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

Inventory -

Inventory, consisting of books, videotapes, brochures and other resource materials held for resale, is stated at the lower of cost or net realized value. Cost is determined on the first-in, first-out basis.

Investments -

Investments are presented in the combined financial statements at their readily determinable fair value. Interest and dividend income is recorded as revenue when earned. Realized gains and losses from investments are included in investment income, which is reflected in the Combined Statement of Activities and Change in Net Assets. Unrealized gains and losses are reflected as an other item in the Combined Statement of Activities and Change in Net Assets.

Net asset classification -

The net assets are reported in three self-balancing groups as follows:

- **Unrestricted net assets** include unrestricted revenue and contributions received without donor-imposed restrictions. These net assets are available for the operation of the Institute.
- **Temporarily restricted net assets** include revenue and contributions subject to donor-imposed stipulations that will be met by the actions of the Institute and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Combined Statement of Activities and Change in Net Assets as net assets released from restrictions.
- **Permanently restricted net assets** represent funds restricted by the donor to be maintained in-perpetuity by the Institute.

Income taxes -

The Institute is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in the accompanying combined financial statements. The Institute is not a private foundation.

As an independently registered non-governmental organization (NGO), The Jane Goodall Institute, Inc. - Tanzania (JGI-Tanzania) is subject to taxes on its net investment income. JGI-Tanzania did not earn any investment income. Accordingly, no provision for income taxes has been made in the accompanying combined financial statements.

Uncertain tax positions -

For the year ended December 31, 2013, the Institute has documented its consideration of FASB ASC 740-10, *Income Taxes*, that provides guidance for reporting uncertainty in income taxes and has determined that no material uncertain tax positions qualify for either recognition or disclosure in the financial statements.

The Federal Form 990, *Return of Organization Exempt from Income Tax*, is subject to examination by the Internal Revenue Service, generally for three years after it is filed.

THE JANE GOODALL INSTITUTE FOR WILDLIFE RESEARCH,  
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NOTES TO COMBINED FINANCIAL STATEMENTS  
DECEMBER 31, 2013

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

Contributions and grants -

Contributions and grants are recorded as revenue in the year notification is received from the donor. Contributions and grants are recognized as unrestricted support only to the extent of actual expenses incurred in compliance with the donor-imposed restrictions and satisfaction of time restrictions. Contributions and grants received in excess of expenses incurred are shown as temporarily restricted net assets in the accompanying combined financial statements. Contributions and grants with donor-imposed restrictions that are met in the same accounting period are reported as unrestricted net assets.

In-kind contributions -

In-kind contributions are recorded at their fair market value. The Institute makes extensive use of volunteers in many of their programs, have a volunteer Board of Directors, and does not attempt to place a dollar value on these donated services.

For the year ended December 31, 2013, the Organizations did not record any in-kind contributions.

Functional allocation of expenses -

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

Fair value measurement -

The Institute adopted the provisions of FASB ASC 820, *Fair Value Measurement*. FASB ASC 820 defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs (assumptions that market participants would use in pricing assets and liabilities, including assumptions about risk) used to measure fair value, and enhances disclosure requirements for fair value measurements. The Institute accounts for a significant portion of its financial instruments at fair value or considers fair value in their measurement.

2. **INVESTMENTS**

The investments are recorded at readily determinable fair value. Investments at December 31, 2013 are as follows:

|                          |                            |
|--------------------------|----------------------------|
| Money market funds       | \$ 399,122                 |
| Mutual funds             | 1,210,078                  |
| Stocks                   | 834,264                    |
| Bonds                    | <u>2,847,737</u>           |
| <b>TOTAL INVESTMENTS</b> | <b><u>\$ 5,291,201</u></b> |

An unrealized loss of \$8,025 is reported as an other item in the Combined Statement of Activities and Change in Net Assets. Investment income for the year ended December 31, 2013 consisted of the following:

|                                |                          |
|--------------------------------|--------------------------|
| Interest and dividends         | \$ 264,326               |
| Realized gain                  | <u>233,041</u>           |
| <b>TOTAL INVESTMENT INCOME</b> | <b><u>\$ 497,367</u></b> |

**THE JANE GOODALL INSTITUTE FOR WILDLIFE RESEARCH,  
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**NOTES TO COMBINED FINANCIAL STATEMENTS  
DECEMBER 31, 2013**

**3. PROPERTY, EQUIPMENT AND LEASEHOLD IMPROVEMENTS**

Property, equipment and leasehold improvements at December 31, 2013 are comprised of the following:

|  |           |                         |
|--|-----------|-------------------------|
| Furniture  | \$        | 41,685                  |
| Software   |           | 206,804                 |
| Computer hardware  |           | 85,761                  |
| Equipment  |           | 82,412                  |
| Leasehold improvements and buildings                       |           | 224,917                 |
| Construction in progress-chimpanzee reserve                |           | 754,369                 |
| Vehicles   |           | <u>147,208</u>          |
|  |           | 1,543,156               |
| Less: Accumulated depreciation and amortization            |           | <u>(540,647)</u>        |
| <b>PROPERTY, EQUIPMENT AND LEASEHOLD IMPROVEMENTS, NET</b> | <b>\$</b> | <b><u>1,002,509</u></b> |

**4. LEASE COMMITMENTS**

Beginning September 1, 2012, the Institute entered into an eight-year lease for office space which expires April 30, 2021 with one five-year option to renew at prevailing market rates. The lease includes a rent abatement for the first eight months. Rent expense (including operating expenses and real estate taxes) under these agreements for the year ended December 31, 2013 totaled \$367,087.

Accounting principles generally accepted in the United States of America require that the total rent commitment should be recognized on a straight-line basis over the term of the lease. Accordingly, the difference between the actual monthly payments and the rent expense being recognized for financial statement purposes is recorded as a deferred rent liability (included in accounts payable and accrued liabilities on the combined statement of financial position).

Future minimum lease payments, excluding operating expenses and real estate taxes, are as follows:

| <u>Year Ending December 31,</u> |           |                         |
|---------------------------------|-----------|-------------------------|
| 2014                            | \$        | 229,972                 |
| 2015                            |           | 236,339                 |
| 2016                            |           | 242,877                 |
| 2017                            |           | 249,586                 |
| 2018                            |           | 256,465                 |
| Thereafter                      |           | <u>626,183</u>          |
|                                 | <b>\$</b> | <b><u>1,841,422</u></b> |

The Institute also leases office space in foreign countries under short-term lease agreements.

THE JANE GOODALL INSTITUTE FOR WILDLIFE RESEARCH,  
EDUCATION AND CONSERVATION AND RELATED ENTITY

NOTES TO COMBINED FINANCIAL STATEMENTS  
DECEMBER 31, 2013

5. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets consisted of the following at December 31, 2013:

|                                 |                     |
|---------------------------------|---------------------|
| Animal Welfare and Conservation | \$ <u>3,136,804</u> |
|---------------------------------|---------------------|

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

|                                 |                     |
|---------------------------------|---------------------|
| Animal Welfare and Conservation | \$ <u>6,272,926</u> |
|---------------------------------|---------------------|

6. PERMANENTLY RESTRICTED NET ASSETS

The Institute's permanently restricted net assets consist of donor-restricted endowment funds. As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors 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.

Permanently restricted net assets represent \$217,728 of contributions restricted by the donors to be invested in-perpetuity. Interest earned on the invested balance is to be used to support the general operations of the Institute.

7. RETIREMENT PLAN

Retirement benefits are available for all regular, full-time employees. Eligible employees are covered by a 401(k) pension plan. The Institute contributes five percent of an employee's base salary annually. Contributions made by the Institute during the year ended December 31, 2013, amounted to \$106,796.

8. FAIR VALUE MEASUREMENT

In accordance with FASB ASC 820, *Fair Value Measurement*, the Institute has categorized its financial instruments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

Investments recorded in the Combined Statement of Financial Position are categorized based on the inputs to valuation techniques as follows:

**Level 1.** These are investments where values are based on unadjusted quoted prices for identical assets in an active market the Institute has the ability to access.

**Level 2.** These are investments where values are based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, or model-based valuation techniques that utilize inputs that are observable either directly or indirectly for substantially the full-term of the investments.

**Level 3.** These are investments where inputs to the valuation methodology are unobservable and significant to the fair value measurement.

**THE JANE GOODALL INSTITUTE FOR WILDLIFE RESEARCH,  
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**NOTES TO COMBINED FINANCIAL STATEMENTS  
DECEMBER 31, 2013**

**8. FAIR VALUE MEASUREMENT (Continued)**

Following is a description of the valuation methodology used for investments measured at fair value. There have been no changes in the methodologies used at December 31, 2013.

- *Money market funds* - Fair value is equal to the reported net asset value of the fund.
- *Mutual funds* - Fair value is equal to the reported net asset value of the fund, which is the price at which additional shares can be obtained.
- *Stocks* - Valued at the closing price reported on the active market in which the individual securities are traded.
- *Bonds* - Fair value is based upon current yields available on comparable securities of issuers with similar ratings, the security's terms and conditions, and interest rate and credit risk.

The table below summarizes, by level within the fair value hierarchy, the Institute's investments as of December 31, 2013:

|                     | <b>Quoted Prices in<br/>Active Markets<br/>for Identical<br/>Assets<br/>(Level 1)</b> | <b>Significant<br/>Other<br/>Observable<br/>Inputs<br/>(Level 2)</b> | <b>Significant<br/>Unobservable<br/>Inputs<br/>(Level 3)</b> | <b>Total</b>               |
|---------------------|---|--|--|----------------------------|
| <b>Investments:</b> |   |  |  |                            |
| Money market funds  | \$ 399,122  | \$ -   | \$ -   | \$ 399,122                 |
| Mutual funds        | 1,210,078   | -  | -  | 1,210,078                  |
| Stocks              | 834,264   | -  | -  | 834,264                    |
| Bonds               | <u>-</u>  | <u>2,847,737</u>   | <u>-</u>   | <u>2,847,737</u>           |
| <b>TOTAL</b>        | <b><u>\$ 2,443,464</u></b>  | <b><u>\$ 2,847,737</u></b>   | <b><u>\$ -</u></b>   | <b><u>\$ 5,291,201</u></b> |

**9. LINE OF CREDIT**

The Institute has a revolving line of credit with the financial institution that manages its investments. The line of credit is secured by the Institute's investment portfolio. Borrowings on the line of credit bear interest at the prime rate (3.25% at December 31, 2013) minus 1.00%. The outstanding borrowings on the line of credit at December 31, 2013 totaled \$800,000.

**10. ALLOCATION OF JOINT COSTS**

The Institute conducts direct mail campaigns and special events that have a programmatic and fundraising content. Accordingly, certain costs associated with the direct mail campaigns and the special events have been allocated among the programs and supporting services benefited.

The method of allocating costs was based primarily on the programmatic and fundraising content of the activities. The total amount of the costs incurred as of December 31, 2013 totaled \$1,232,728.

The joint costs were allocated as follows:

|                                 |                          |
|---------------------------------|--------------------------|
| Animal Welfare and Conservation | \$ 478,589               |
| Education                       | 174,032                  |
| Communications and Membership   | <u>87,016</u>            |
|                                 | <b><u>\$ 739,637</u></b> |



**THE JANE GOODALL INSTITUTE FOR WILDLIFE RESEARCH,  
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**NOTES TO COMBINED FINANCIAL STATEMENTS  
DECEMBER 31, 2013**

**11. CONTINGENCY**

The Institute receives grants from various agencies of the United States Government. Such grants are subject to audit under the provisions of OMB Circular A-133. The ultimate determination of amounts received under the United States Government grants is based upon the allowance of costs reported to and accepted by the United States Government as a result of the audits. Audits in accordance with the provisions of OMB Circular A-133 have been completed for all required fiscal years through 2013. Until such audits have been accepted by the United States Government, there exists a contingency to refund any amount received in excess of allowable costs. Management is of the opinion that no material liability will result from such audits.

**12. SUBSEQUENT EVENTS**

In preparing these combined financial statements, the Institute has evaluated events and transactions for potential recognition or disclosure through September 15, 2014, the date the combined financial statements were issued.