ADVENTURERS AND SCIENTISTS FOR CONSERVATION, INC.  
(dba ADVENTURE SCIENTISTS)  

COMPiled FINANCIAL STATEMENTS  

December 31, 2019
### COMPILED FINANCIAL STATEMENTS

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</tr>
</tbody>
</table>
ACCOUNTANTS' COMPILATION REPORT

To the Board of Directors
Adventurers and Scientists for Conservation, Inc. (dba Adventure Scientists)
Bozeman, Montana

Management is responsible for the accompanying financial statements of Adventurers and Scientists for Conservation, Inc. dba Adventure Scientists (a nonprofit organization), which comprise the statement of financial position as of December 31, 2019, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any assurance on these financial statements.

We are not independent with respect to Adventurers and Scientists for Conservation, Inc. dba Adventure Scientists.

Amatics CPA Group
Bozeman, Montana
May 8, 2020
## ADVENTURE SCIENTISTS
### STATEMENT OF FINANCIAL POSITION
#### December 31, 2019

**ASSETS**

### CURRENT ASSETS
- Cash and cash equivalents $ 613,251
- Investments 509,513
- Accounts receivable 85,215
- Pledges receivable, current portion 395,096
- Inventory 26,320
- Prepaid expenses 8,071

$ 1,637,466

### FIXED ASSETS
- Vehicle 12,000
- Leasehold improvement 7,000
- Accumulated depreciation (3,833)

15,167

### OTHER ASSETS
- Pledges receivable, net of current portion 166,300

Total assets $ 1,818,933

See the accompanying accountants' compilation report and the notes to the financial statements.

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**LIABILITIES AND NET ASSETS**

### CURRENT LIABILITIES
- Payroll liabilities $ 1,704
- Accounts payable and accrued liabilities 21,300
- Note payable - ORV 150,000

$ 173,004

### NET ASSETS
- Without donor restrictions 770,390
- With donor restrictions (See Note 8 on page 13) 875,539

1,645,929

Total liabilities and net assets $ 1,818,933
## REVENUE AND SUPPORT

<table>
<thead>
<tr>
<th></th>
<th>Without Donor Restrictions</th>
<th>With Donor Restrictions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributions and pledges</td>
<td>$391,663</td>
<td>$546,396</td>
<td>$938,059</td>
</tr>
<tr>
<td>Grants</td>
<td>49,000</td>
<td>-</td>
<td>49,000</td>
</tr>
<tr>
<td>Sponsorships</td>
<td>135,816</td>
<td>-</td>
<td>135,816</td>
</tr>
<tr>
<td>In-kind contributions</td>
<td>49,536</td>
<td>-</td>
<td>49,536</td>
</tr>
<tr>
<td>Other revenue</td>
<td>9,513</td>
<td>-</td>
<td>9,513</td>
</tr>
<tr>
<td>Fee for service</td>
<td>212,895</td>
<td>-</td>
<td>212,895</td>
</tr>
<tr>
<td>Satisfaction of program restrictions</td>
<td>712,341</td>
<td>(712,341)</td>
<td></td>
</tr>
<tr>
<td><strong>Total revenue and support</strong></td>
<td><strong>1,560,764</strong></td>
<td><strong>(165,945)</strong></td>
<td><strong>1,394,819</strong></td>
</tr>
</tbody>
</table>

## EXPENSES

<table>
<thead>
<tr>
<th></th>
<th>Without Donor Restrictions</th>
<th>With Donor Restrictions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program</td>
<td>841,614</td>
<td>-</td>
<td>841,614</td>
</tr>
<tr>
<td>Fundraising</td>
<td>240,768</td>
<td>-</td>
<td>240,768</td>
</tr>
<tr>
<td>General and administrative</td>
<td>121,535</td>
<td>-</td>
<td>121,535</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td><strong>1,203,917</strong></td>
<td>-</td>
<td><strong>1,203,917</strong></td>
</tr>
</tbody>
</table>

## CHANGE IN NET ASSETS

<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Net assets at beginning of year</td>
<td>413,543</td>
<td>1,041,484</td>
<td>1,455,027</td>
</tr>
<tr>
<td><strong>Total change in net assets</strong></td>
<td><strong>356,847</strong></td>
<td><strong>(165,945)</strong></td>
<td><strong>190,902</strong></td>
</tr>
</tbody>
</table>

## NET ASSETS AT END OF YEAR

<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(See Note 8 on page 13)</td>
<td>$770,390</td>
<td>$875,539</td>
<td>$1,645,929</td>
</tr>
</tbody>
</table>

See the accompanying accountants' compilation report and the notes to the financial statements.
ADVENTURE SCIENTISTS
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended December 31, 2019

<table>
<thead>
<tr>
<th></th>
<th>Program Services</th>
<th>Fundraising</th>
<th>General and Administrative</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Computer/tech</td>
<td>$25,974</td>
<td>$3,090</td>
<td>$6,358</td>
<td>$35,422</td>
</tr>
<tr>
<td>Depreciation</td>
<td>1,913</td>
<td>502</td>
<td>218</td>
<td>2,633</td>
</tr>
<tr>
<td>Equipment</td>
<td>10,159</td>
<td>2,500</td>
<td>-</td>
<td>12,659</td>
</tr>
<tr>
<td>Fees</td>
<td>786</td>
<td>654</td>
<td>84</td>
<td>1,524</td>
</tr>
<tr>
<td>Insurance</td>
<td>11,769</td>
<td>2,534</td>
<td>1,122</td>
<td>15,425</td>
</tr>
<tr>
<td>Meetings</td>
<td>15,141</td>
<td>14,145</td>
<td>3,595</td>
<td>32,881</td>
</tr>
<tr>
<td>Office</td>
<td>12,619</td>
<td>3,622</td>
<td>1,254</td>
<td>17,495</td>
</tr>
<tr>
<td>Personnel and payroll expenses</td>
<td>591,274</td>
<td>162,624</td>
<td>67,364</td>
<td>821,262</td>
</tr>
<tr>
<td>Professional and legal</td>
<td>13,197</td>
<td>974</td>
<td>27,017</td>
<td>41,188</td>
</tr>
<tr>
<td>Promotional materials</td>
<td>20,645</td>
<td>2,814</td>
<td>7,640</td>
<td>31,099</td>
</tr>
<tr>
<td>Publications/media</td>
<td>25,062</td>
<td>1,561</td>
<td>174</td>
<td>26,797</td>
</tr>
<tr>
<td>Registration/dues</td>
<td>12,175</td>
<td>10,766</td>
<td>1,138</td>
<td>24,079</td>
</tr>
<tr>
<td>Rent</td>
<td>33,990</td>
<td>9,558</td>
<td>3,595</td>
<td>47,143</td>
</tr>
<tr>
<td>Shipping</td>
<td>7,597</td>
<td>394</td>
<td>15</td>
<td>8,006</td>
</tr>
<tr>
<td>Supplies</td>
<td>11,408</td>
<td>260</td>
<td>78</td>
<td>11,746</td>
</tr>
<tr>
<td>Travel</td>
<td>39,449</td>
<td>22,724</td>
<td>927</td>
<td>63,100</td>
</tr>
<tr>
<td>Utilities</td>
<td>6,199</td>
<td>1,502</td>
<td>651</td>
<td>8,352</td>
</tr>
<tr>
<td>Vehicle expenses</td>
<td>2,257</td>
<td>544</td>
<td>305</td>
<td>3,106</td>
</tr>
<tr>
<td></td>
<td>$841,614</td>
<td>$240,768</td>
<td>$121,535</td>
<td>$1,203,917</td>
</tr>
</tbody>
</table>

See the accompanying accountants' compilation report and the notes to the financial statements.
ADVENTURE SCIENTISTS  
STATEMENT OF CASH FLOWS  
Year Ended December 31, 2019

CASH FLOWS FROM OPERATING ACTIVITIES  
Change in net assets $ 190,902  
Adjustments to reconcile change in net assets to net cash provided by operating activities:  
  Depreciation 2,633  
Changes in operating assets and liabilities:  
  (Increase) decrease in:  
    Accounts receivable (63,268)  
    Pledges receivable 180,117  
    Prepaid expenses 987  
    Inventory (26,319)  
Increase (decrease) in:  
  Accounts payable and accrued liabilities 1,076  
  Accrued payroll and payroll taxes (27,622)  
Net cash provided by operating activities $ 258,506

CASH FLOWS FROM INVESTING ACTIVITIES  
Purchase of property and equipment (7,000)  
Purchase of investments (509,513)  
Net cash used by investing activities (516,513)

NET CHANGE IN CASH AND CASH EQUIVALENTS (258,007)  
Cash and cash equivalents at beginning of year 871,258  
CASH AND CASH EQUIVALENTS AT END OF YEAR $ 613,251

See the accompanying accountants' compilation report and the notes to the financial statements.
1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations:
Adventurers and Scientists for Conservation, Inc. (the Organization), a Montana nonprofit corporation, dba Adventure Scientists, was formed in 2011. The Organization became a 501(c)3 nonprofit organization in 2014. The Organization equips partners with data collected from the outdoors that are crucial to unlocking solutions to the world’s environmental challenges. By leveraging the skills of the outdoor adventure community they are uniquely able to gather difficult-to-obtain data at any scale, in any environment.

Basis of Accounting:
The accompanying financial statements have been prepared in accordance with accounting standards generally accepted in the United States of America (“GAAP”), as codified by the Financial Accounting Standards Board (“FASB”).

Classification of Net Assets:
Contributions are recorded when received, unless susceptible to accrual, and expenses are recognized when incurred. Net assets, revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified as follows:

Net Assets without Donor Restrictions - Net assets that are not subject to donor imposed stipulations. These net assets are intended for use by management and the Board of Directors for general operations. These net assets also include net assets that have been designated by the Board for certain uses.

Net Assets with Donor Restrictions – Net assets subject to donor imposed restrictions that either expire by the passage of time or can be fulfilled by actions of the Organization pursuant to the donor stipulations. Donor-imposed restrictions are increases in net assets without donor restrictions when restrictions are met in the same reporting period. This net asset classification also includes net assets subject to donor-imposed stipulations that require they be maintained permanently by the Organization. Generally, the donors of these assets permit the use of all or part of the income earned on any related investments for general or specific purposes.

Donor restricted contributions (if any) are reported as an increase to net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions.

Inventory:
Inventory is valued at the lower of cost or market on a first-in, first-out basis. Inventory is comprised of merchandise for resale.
1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents:
For the purposes of the statement of cash flows, the Organization considers all cash and other highly liquid investments with an original maturity of less than three months as cash equivalents.

The Organization maintains its cash balances in financial institutions. Balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000 per institution. Deposits at December 31, 2019, exceeded FDIC limits by $587,187.

Receivables:
Unconditional pledges are recognized as revenues or gains in the period received. Conditional pledges are recognized when the conditions on which they depend are substantially met. Pledges receivable that are expected to be collected within one year are recorded at their net realizable value. Management believes receivables as of December 31, 2019 to be fully collectible; therefore, no allowance for doubtful accounts is presented.

Property and Equipment:
The Organization capitalizes property and equipment over $5,000, and with a useful life in excess of one year. Lesser amounts are expensed. Property and equipment is stated at cost or, if donated, at the estimated fair market value at the date of donation. Depreciation of property is computed using the straight-line method over the estimated useful lives of the assets, which is five years. Normal repair and maintenance costs are expensed as incurred.

Revenue:

In-Kind Contributions
The Organization records various types of in-kind support, including goods and services. GAAP requires recognition of professional services received if those services (a) create or enhanced long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributions of tangible assets are recognized at fair value when received.

Grants
Grants consist of funds awarded for a specific purpose or project and have reporting requirements. Grants are recognized as revenue in the period cash or assets are transferred or grants are awarded.

Contributions and Pledges
The Organization classifies revenue as contributions and pledges if funds are awarded by a philanthropic organization, private individuals or private funds given through a public foundation or family foundation. These funds may have reporting requirements. Revenue is recognized, including unconditional pledges, in the period cash or assets are transferred or pledges are received.
1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue (Continued):

Sponsorship
Sponsorships consist of funds received from corporate partners that support the philanthropic
giving programs. These revenues are recognized in the period cash or assets are transferred or
sponsorships are promised.

Project Management Fees
These consist of fees earned from partners for project management services. Revenues are
recognized monthly as the services are provided to the partners.

Advertising:
The Organization expensed advertising costs as they are incurred. Advertising expenses are
included in promotion materials and publications/media on the statement of functional
expenses.

Functional Allocation of Expenses:
Most expenses are charged directly to the program, to fundraising, or to the general and
administrative based on specific identification; however, some indirect expenses are allocated
between program, fundraising, and general and administrative.

Income Taxes:
The Organization is exempt from federal and state income taxes under section 501(c)(3) of the
Internal Revenue Code, and therefore has made no provision for federal income taxes in the
accompanying financial statements. The determination of tax-exempt status is considered to
be a tax position taken with respect to the provisions of GAAP. The Organization’s policy is
to evaluate the likelihood that its uncertain tax positions will prevail upon examination based
on the extent to which those positions have substantial support within the Internal Revenue
Code and Regulations, Revenue Rulings, court decisions, and other evidence. It is the opinion
of management that the Organization has no uncertain tax positions that would be subject to
recognition under these standards. The Organization files Form 990 in the U.S. federal
jurisdiction. The Organization’s employer identification number is 45-3345338.

Use of Estimates:
The preparation of financial statements in conformity with accounting principles generally
accepted in the United States of America requires management to make estimates and
assumptions that affect certain reported amounts and disclosures. Accordingly, actual results
could differ from those estimates.

Change in Accounting Principle:
In 2019, the Organization adopted the new accounting standards related to accounting for
revenue and contracts with customers (FASB Accounting Standards Updates (ASU) 2014-09
Revenue from Contracts with Customers (Topic 606) and 2018-08 Clarifying the Scope and the Accounting
Guidance for Contributions Received and Contributions Made.
1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Change in Accounting Principle (Continued):

ASU 2014-09 establishes a new contract and control-based revenue recognition model, changing the basis for deciding when revenue is recognized over time or at a point in time, and expanding disclosures about revenue. The Organization has implemented ASU 2014-09 and adjusted the presentation in the financial statements accordingly. The adoption of this standard did not have a significant impact on the financial statements.

ASU 2018-08 assists entities in evaluating whether transactions should be accounted for as contributions or exchange transactions and determining whether a contribution is conditional. The Organization implemented the provisions of ASU 2018-08 applicable to contributions received under a modified prospective basis. The adoption of this standard did not have a significant impact on the financial statements.

2. FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs.

The three levels of the fair value hierarchy under ASC 820 are described as follows:

Level 1 - Quoted market prices in active markets for identical assets or liabilities.

Level 2 - Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted market prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 - Unobservable inputs for the asset or liability. Unobservable inputs shall be used to measure fair value to the extent that the observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Fair values of assets measured on a recurring basis at December 31, 2019 are as follows: mutual funds (level 1) in the amount of $509,513. Mutual funds are valued at the quoted market price for the individual funds.
3. RELATED PARTY TRANSACTIONS

During the year ended December 31, 2019, the Organization received $114,328 of related party donations from management, board members and organizations related to board members.

4. PROMISES TO GIVE

Pledges receivable (unconditional promises to give) as of December 31, 2019 are as follows:

<table>
<thead>
<tr>
<th>Amounts due in:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than one year</td>
<td>$ 395,096</td>
</tr>
<tr>
<td>One to five years</td>
<td>166,300</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Less: current portion</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(395,096)</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Pledges receivable, net of current portion</td>
<td>$ 166,300</td>
</tr>
</tbody>
</table>

5. NOTE PAYABLE

As of December 31, 2019, the Organization held a $150,000 promissory note payable to Open Road Ventures, LLC that bears 1% annual interest. The terms state that if the Organization has $270,000 of cash on December 31, 2019, $10,000 is due on that date and the remaining $140,000 is due in 2020. Based on the Organization's year end cash balance, the entire amount is classified as current and due within one year. In March 2020, the Organization paid $10,000 on the note payable.

6. IN-KIND SUPPORT

During the year ended December 31, 2019, the Organization recorded in-kind support as follows:

<table>
<thead>
<tr>
<th>In-kind support</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional and legal</td>
<td>$ 12,400</td>
</tr>
<tr>
<td>Promotional materials</td>
<td>24,867</td>
</tr>
<tr>
<td>Computers/tech</td>
<td>5,329</td>
</tr>
<tr>
<td>Equipment</td>
<td>2,928</td>
</tr>
<tr>
<td>Office</td>
<td>2,160</td>
</tr>
<tr>
<td>Shipping</td>
<td>1,565</td>
</tr>
<tr>
<td>Meetings</td>
<td>287</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$ 49,536</td>
</tr>
</tbody>
</table>

7. RETIREMENT PLAN

The Organization contributes to a Savings Incentive Match Plan for Employees (SIMPLE). According to the plan, the Organization will match each participant’s elective salary deferrals, dollar for dollar, up to 3% of each participant’s compensation. During the year ended December 31, 2019, the Organization made a matching contribution to the SIMPLE plan of $11,914.
8. **NET ASSETS WITH DONOR RESTRICTIONS**

Net assets of the Organization consist of balances that are restricted to various project commitments based on donor-imposed restrictions. The restricted amounts as of December 31, 2019 are listed as follows:

Subject to the passage of time:

- Restricted contributions to be used in 2020 $ 301,554
- Pledges receivable, proceeds of which are not restricted by donors but which are unavailable until due 103,796

Subject to expenditure for specific purpose:

- Microplastics project 12,589
- Pledges receivable, the proceeds of which have been restricted by donors 457,600

Total restricted amounts $ 875,539

9. **LEASES**

The Organization has an operating lease for the office space it occupies with a monthly lease payment of $1,950 and a termination date of December 31, 2022. The monthly lease payments are set to increase to $2,250 per month on January 1, 2020. The $2,250 will stay fixed until December 31, 2022. Future minimum lease payments are $27,000 for each 2020, 2021 and 2022. Total rent expense for the year ended December 31, 2019 was $23,400.

10. **LIQUIDITY AND AVAILABILITY OF RESOURCES**

Financial assets available for general expenses (without donor or other restrictions limiting their use), within one year of the statement of position date, comprise the following:

- Cash and cash equivalents $ 600,662
- Investments 509,513
- Pledges receivable, current 103,796
- Prepaid expenses 8,071

Total financial assets available $ 1,222,042

The Organization has not adopted a liquidity management plan for the year ended December 31, 2019. The total financial assets available do not include assets with donor restrictions.
11. CONCENTRATIONS

During the year ended December 31, 2019, approximately 22 percent of the Organization’s revenue was contributed by two donors. As of December 31, 2019, approximately 53 percent of pledges receivable are due from two donors.

12. SUBSEQUENT EVENTS

Date of Management Evaluation
Management has evaluated subsequent events through May 8, 2020, the date on which the financial statements were available to be issued.