



**Adventurers and Scientists for Conservation, Inc.
(dba Adventure Scientists)
Financial Statements
with
Independent Auditors' Report
For the Year Ended March 31, 2024**

Adventurers and Scientists for Conservation, Inc. (dba Adventure Scientists)
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RUDD & COMPANY^{INC.}

certified public accountants | business consultants

INDEPENDENT AUDITORS' REPORT

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

Opinion

We have audited 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 March 31, 2024, 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 our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Adventurers and Scientists for Conservation, Inc. dba Adventure Scientists as of March 31, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Adventurers and Scientists for Conservation, Inc. dba Adventure Scientists and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Adventurers and Scientists for Conservation, Inc. dba Adventure Scientists' ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Adventurers and Scientists for Conservation, Inc. dba Adventure Scientists' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Adventurers and Scientists for Conservation, Inc. dba Adventure Scientists' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit

Rudd & Company, PLLC

Bozeman, Montana
November 25, 2024

Adventurers and Scientists for Conservation, Inc. (dba Adventure Scientists)
Statement of Financial Position
As of March 31, 2024

Assets

Current Assets

Cash and cash equivalents	\$ 164,301
Accounts receivable	31,982
Pledges receivable	1,282,970
Prepaid expenses	15,757
	<hr/>
Total Current Assets	1,495,010

Property and Equipment

Vehicles	12,000
Equipment	20,213
Accumulated depreciation	(30,107)
	<hr/>
Net Property and Equipment	2,106

Other Assets

Investments	1,101,058
Pledges receivable, noncurrent	500,000
Operating right-of-use lease asset	164,942
Software, net of accumulated amortization of \$91,056	146,944
	<hr/>
Total Other Assets	1,912,944

Total Assets	<hr/> <u>3,410,060</u>
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Liabilities and Net Assets

Current Liabilities

Accounts payable and accrued expenses	73,627
Accrued payroll and payroll taxes	62,253
Short-term operating lease liability	68,751
	<hr/>
Total Current Liabilities	204,631

Long-term operating lease liability	96,224
	<hr/>

Total Liabilities	<hr/> <u>300,855</u>
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Net Assets

Without donor restrictions	1,344,259
With donor restrictions	1,764,946
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Total Net Assets	3,109,205

Total Liabilities and Net Assets	<hr/> <u>\$ 3,410,060</u>
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The accompanying notes are an integral part of these statements.

Adventurers and Scientists for Conservation, Inc. (dba Adventure Scientists)
Statement of Activities
For the Year Ended March 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Totals
Revenues and Support			
Contributions and pledges	\$ 995,273	\$ 1,444,527	\$ 2,439,800
Sponsorships	67,740	-	67,740
Project management fees	182,625	-	182,625
In-kind contributions	26,741	-	26,741
Total Revenue and Support	<u>1,272,379</u>	<u>1,444,527</u>	<u>2,716,906</u>
Net Assets Released from Restrictions			
Time restrictions	424,581	(424,581)	-
Project restrictions	89,989	(89,989)	-
Total Net Assets Released from Restrictions	<u>514,570</u>	<u>(514,570)</u>	<u>-</u>
Expenses			
Program services	1,930,702	-	1,930,702
General and administrative	336,539	-	336,539
Fundraising	232,413	-	232,413
Total Expenses	<u>2,499,654</u>	<u>-</u>	<u>2,499,654</u>
Other Income			
Other income	376	-	376
Loss on disposal of asset	(4,492)	-	(4,492)
Investment realized/unrealized gain	6,224	-	6,224
Investment income	47,345	-	47,345
Total Other Income	<u>49,453</u>	<u>-</u>	<u>49,453</u>
Change in Net Assets	(663,252)	929,957	266,705
Net Assets, Beginning of Year	2,007,511	864,726	2,872,237
Prior Period Adjustment (Note 9)	-	(29,737)	(29,737)
Net Assets, Beginning of Year, Restated	<u>2,007,511</u>	<u>834,989</u>	<u>2,842,500</u>
Net Assets, End of Year	<u>\$ 1,344,259</u>	<u>\$ 1,764,946</u>	<u>\$ 3,109,205</u>

The accompanying notes are an integral part of these statements.

Adventurers and Scientists for Conservation, Inc. (dba Adventure Scientists)
Statement of Functional Expenses
For the Year Ended March 31, 2024

	Program Services	General and Administrative	Fundraising	Totals
Computer/tech	\$ 46,645	\$ 11,029	\$ 13,206	\$ 70,880
Depreciation and amortization	55,139	13,037	15,611	83,787
Equipment	2,018	477	572	3,067
Fees	1,853	438	525	2,816
Insurance	9,051	2,140	2,562	13,753
In-kind	17,611	4,144	4,986	26,741
Meetings	7,439	1,759	2,106	11,304
Office	5,688	1,345	1,610	8,643
Personnel and payroll expenses	1,512,367	237,761	113,971	1,864,099
Professional and legal	56,552	13,308	16,011	85,871
Promotional materials	8,226	1,945	2,329	12,500
Publications/media	6,887	1,628	1,950	10,465
Registration/dues	18,984	4,489	5,375	28,848
Rent	46,842	11,025	13,262	71,129
Shipping	4,869	1,151	1,379	7,399
Supplies	3,723	880	1,054	5,657
Staff development	45,244	10,698	12,810	68,752
Travel	76,830	18,166	21,753	116,749
Utilities	4,284	1,013	1,213	6,510
Vehicle expense	154	36	44	234
Volunteer	296	70	84	450
Total	<u>\$ 1,930,702</u>	<u>\$ 336,539</u>	<u>\$ 232,413</u>	<u>\$ 2,499,654</u>

The accompanying notes are an integral part of these statements.

Adventurers and Scientists for Conservation, Inc. (dba Adventure Scientists)
Statement of Cash Flows
For the Year Ended March 31, 2024

Cash Flows from Operating Activities

Change in Net Assets	\$ 236,968
Adjustment to reconcile change in net assets to net cash used by operating activities	
Depreciation and amortization	83,787
Loss on disposal of asset	4,492
Investment unrealized gain	(6,224)
(Increase) decrease in current assets:	
Accounts receivable	66,893
Pledges receivable	(391,356)
Operating right-of-use lease asset	68,170
Prepaid expenses	(722)
Increase (decrease) in current liabilities:	
Accounts payable and accrued expenses	(28,424)
Accrued payroll and payroll taxes	62,253
Operating lease liability	(68,137)
Net Cash Provided by Operating Activities	<u>27,700</u>

Cash Flows from Investing Activities

Purchase of investments	(630,862)
Proceeds from sale of investments	<u>94,933</u>
Net Cash Used by Investing Activities	<u>(535,929)</u>
Net Change in Cash and Cash Equivalents	<u>(508,229)</u>
Cash and Cash Equivalents, Beginning of Year	<u>672,530</u>
Cash and Cash Equivalents, End of Year	<u>\$ 164,301</u>

Supplemental Disclosure of Cash and Non-Cash Flow Information

Non-cash donations of goods and services	\$ 26,741
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The accompanying notes are an integral part of these statements.

Adventurers and Scientists for Conservation, Inc. (dba Adventure Scientists)
Notes to the Financial Statements
For the Year Ended March 31, 2024

1. Significant Accounting Policies

Organization and 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 2015. 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.

Adventurers and Scientists for Conservation, Inc. (dba Adventure Scientists)
Notes to the Financial Statements
For the Year Ended March 31, 2024

1. 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. Deposits at March 31, 2024 did not exceed the FDIC limit.

Accounts Receivable

The Organization uses the direct write-off method to account for bad debts. Accounts receivable are reviewed periodically and those accounts, which are considered doubtful, are charged off to operating expenses. The use of this method does not result in a material difference from the allowance method required by accounting principles generally accepted in the United States. The Organization does not charge finance charges on aged receivables. Accounts receivable at March 31, 2023 was \$54,643.

Pledges Receivable

Pledges receivable that are expected to be collected after one year are recorded at their net realizable value. Management believes receivables as of March 31, 2024 to be fully collectible; therefore, no allowance for doubtful accounts is presented. As of March 31, 2024, 71% of pledges receivable are due from four donors.

Investments

Investments in marketable securities with readily determinable fair values are reported at their fair value in the statement of financial position with the annual change in fair value being recorded as unrealized gains (losses) in the change in net assets without donor restrictions. Investments held in securities are insured by the Securities Investor Protection Corporation (SIPC) up to \$500,000 for securities and cash. Investments include cash balances that are insured by the FDIC up to \$250,000. At March 31, 2024, no cash deposits classified as investments exceeded the FDIC limits.

Adventurers and Scientists for Conservation, Inc. (dba Adventure Scientists)
Notes to the Financial Statements
For the Year Ended March 31, 2024

1. Significant Accounting Policies (continued)

Property, Equipment and Software

The Organization capitalizes purchased assets over \$5,000, and with a useful life in excess of one year. Lesser amounts are expensed. Property, equipment and software is stated at cost or, if donated, at the estimated fair market value at the date of donation. Depreciation and amortization of property, equipment and software is computed using the straight-line method over the estimated useful lives of the assets. Future amortization expenses are \$76,667 for 2025 and \$70,277 for 2026. Normal repair and maintenance costs are expensed as incurred. Estimated useful lives of property, equipment and software are as follows:

Equipment	3-5 years
Vehicles	3-5 years
Software	3 years

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

The Organization receives grants from public agencies, as well as private organizations and individuals, to be used for specific programs or purposes, which may include general operations. Unconditional grant awards are recorded as grant revenue in the period in which they are awarded. Grants having the existence of a condition, but lacking in both the existence of a barrier and right of return to the resource provided, are classified as restricted grant revenue until the conditions are met. Conditional grant awards, having both the existence of a barrier and right of return to the resource provider, are classified as refundable advances when received as a cash advance and are recognized as revenue when the awards are expended for the purposes of the grant or other conditions are satisfied.

Contributions and Pledges

Contributions are recognized when the donor makes a promise to give to Adventure Scientists that is, in substance, unconditional. Unconditional donor promises to give are reported at fair value at the date that there is sufficient verifiable evidence documenting that a promise was made by the donor and received by the Organization. Contributions of donor-restricted gifts are recognized at the time of the gift.

Adventurers and Scientists for Conservation, Inc. (dba Adventure Scientists)
Notes to the Financial Statements
For the Year Ended March 31, 2024

1. Significant Accounting Policies (continued)

Revenue (continued)

The gifts are reported as either net assets without donor restrictions or net assets with donor restrictions if they are received with donor stipulations that sufficiently limit the use of the donated assets. When a donor restriction expires, through the passage of time or when the purpose is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Sponsorships

Sponsorship funds are received from corporate partners that support the Organization through philanthropic giving programs.

Project Management Fees

The Organization receives project management fee revenue for services provided or work performed for other organizations. Revenue is billed on a reimbursement basis, and recognized as reimbursable expenses are incurred. All funds are considered to be without donor restriction as the expenses have already been incurred.

Advertising

The Organization expenses 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. Allocations are based on actual wages by function as a percentage of total wages.

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 and Form 199 in the state of California. The Organization's employer identification number is 45-3345338.

Adventurers and Scientists for Conservation, Inc. (dba Adventure Scientists)
Notes to the Financial Statements
For the Year Ended March 31, 2024

1. Significant Accounting Policies (continued)

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.

Adoption of New Accounting Standard

In June 2016, the FASB issued guidance (FASB ASC 326) which significantly changed how entities will measure credit losses for most financial assets and certain other instruments that aren't measured at fair value through net income. The most significant change in this standard is a shift from the incurred loss model to the expected loss model. Under the standard, disclosures are required to provide users of the financial statements with useful information in analyzing an entity's exposure to credit risk and the measurement of credit losses. Financial assets held by the Organization that are subject to the guidance in FASB ASC 326 were accounts receivables.

The Organization adopted the standard effective April 1, 2023. The impact of the adoption was not considered material to the financial statements.

Subsequent Events

Management has evaluated subsequent events through November 25, 2024, the date on which the financial statements were available to be issued.

As of March 31, 2024, pledges receivable includes a stock donation initially valued at \$85,698. Subsequent to March 31, 2024, management has been informed that the estimated value of the pledge has decreased to approximately \$25,000. Management intends to record the loss in value on the pledge during the year ending March 31, 2025.

2. Related Party Transactions

During the year ended March 31, 2024, the Organization received \$200,059 of related party donations from management, board members and organizations related to board members. All donations were conducted on terms equivalent to arms-length transactions.

3. Fair Value Measurements

The Organization has determined the fair value of their investments through the application of the FASB Accounting Standards Codification (ASC) for financial instruments measured at fair value on a recurring basis.

Adventurers and Scientists for Conservation, Inc. (dba Adventure Scientists)
Notes to the Financial Statements
For the Year Ended March 31, 2024

3. Fair Value Measurements (continued)

The standard defines the fair value, establishes a framework for measuring fair value in accordance with accounting principles generally accepted in the United States and expands disclosures about fair value measurements.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. The framework establishes a three-tier fair value hierarchy that prioritizes the inputs in measuring fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements), and the lowest priority to unobservable inputs (Level 3 measurements). These tiers are 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 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.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. All investments measured at fair value are considered to be Level 1 assets.

Cost and fair values of investments at March 31, 2024 are as follows:

	Cost	Fair Value (Level 1)	Total Investments
Marketable exchange-traded funds	\$ 373,019	\$ 378,562	\$ 378,562
Money market	705,000	705,000	705,000
Insured deposit account	-	-	17,496
	<u>\$ 1,078,019</u>	<u>\$ 1,083,562</u>	<u>\$ 1,101,058</u>

Investment income for the year ended March 31, 2024 includes the following:

Interest and dividends	\$ 47,345
Unrealized gains	<u>6,224</u>
Total investment income	<u>\$ 53,569</u>

Adventurers and Scientists for Conservation, Inc. (dba Adventure Scientists)
Notes to the Financial Statements
For the Year Ended March 31, 2024

4. Retirement Plan

The Organization adopted 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 March 31, 2024, the Organization made a matching contribution to the SIMPLE plan of \$18,223.

5. In-Kind Support

Donations of supplies and other nonfinancial assets are recorded as contributions without donor restriction at their estimated fair value based upon current market rates for similar items at the time of receipt. The following in-kind donations were recognized for the year ended March 31, 2024:

	Program Services	General and Administrative	Fundraising	Total
Professional and legal	\$ 1,152	\$ 272	\$ 326	\$ 1,750
Promotional materials	16,447	3,889	4,660	24,991
	<u>\$ 17,599</u>	<u>\$ 4,161</u>	<u>\$ 4,986</u>	<u>\$ 26,741</u>

6. Net Assets with Donor Restrictions

Net assets of the Organization consist of balances that are restricted to various project and timing commitments based on donor-imposed restrictions. The restricted amounts as of March 31, 2024 are listed as follows:

Purpose Restrictions	
Restoration Project	\$ 209,527
Timing Restrictions - Pledges receivable	
To be received in FY 2025	1,055,419
To be received in FY 2026 or later	<u>500,000</u>
	<u>\$ 1,764,946</u>

7. Leases

The Organization leases a building in a non-cancelable operating leases. The lease expires on June 30, 2026. The Organization’s policy is to included in the determination of the right-of-use asset and lease liability any renewal options when the options are reasonably certain to be exercised. No options existed for the reported lease.

Adventurers and Scientists for Conservation, Inc. (dba Adventure Scientists)
Notes to the Financial Statements
For the Year Ended March 31, 2024

7. Leases

If the contract provides the Organization the right to substantially all the economic benefits and the right to direct and use of the identified asset, it is considered to be or contain a lease. Right-of-use (ROU) assets and the lease liabilities are recognized at the lease commencement date based on the present value of the future lease payments over the expected lease term.

The lease liability is initially and subsequently recognized based on the present value of its future lease payments. The weighted-average discount rate is based on the discount rate implicit in the lease, or if the implicit rate is not readily determinable from the lease, then the Organization estimates an applicable incremental borrowing rate. The incremental borrowing rate is estimated using the Organization's applicable borrowing rates and the contractual lease term.

The Organization has elected the short-term lease exemption for all leases with a term of 12 months or less for both existing and ongoing operating leases to not recognize the asset and liability for these leases. Lease payments for short-term leases are recognized on the straight-line basis.

Total operating lease costs for the year ended March 31, 2024 was \$71,129 for the lease under ASC 842, Leases, and \$0 for short-term leases under the exemption.

The following summarizes the weighted-average remaining lease term and weighted-average discount rate at March 31, 2024:

Weighted-average remaining lease term	
Operating leases	2.25 Years
Weighted-average discount rate	
Operating leases	4.61%

Adventurers and Scientists for Conservation, Inc. (dba Adventure Scientists)
Notes to the Financial Statements
For the Year Ended March 31, 2024

7. Leases (continued)

Future minimum operating lease payments are as follows:

Fiscal year 2025	\$ 74,651
Fiscal year 2026	78,382
Fiscal year 2027	<u>20,490</u>
Total lease payments	173,523
Less interest	<u>(8,548)</u>
Present value of lease liabilities	<u>\$ 164,975</u>

8. Liquidity and Availability of Resources

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

Cash and cash equivalents	\$ 164,301
Accounts receivable	31,982
Pledges receivable	1,282,970
Investments	1,101,058
Less: net assets with donor restrictions	<u>(1,264,946)</u>
Total Financial Assets Available	<u>\$ 1,315,365</u>

The Organization is substantially supported by contributions and project management fees. The Organization has various sources of liquidity at its disposal, including cash and cash equivalents and receivables. The Organization strives to maintain three to six months of operating costs in reserves. This allows the Organization to appropriately respond to emergency or unforeseen situations. Furthermore, reserve funds allow the Organization to maintain needed cash flow through the fiscal year.

9. Prior Period Adjustment

At March 31, 2023, net assets with donor restrictions and pledges receivable were overstated by \$29,737 which related to a pledge that had already been recognized. After the adjustment, pledges receivable and net assets with donor restrictions were reduced by \$29,737 and beginning net assets with donor restrictions was restated as \$834,989. The adjustment had no effect on changes in net assets for the year ended March 31, 2024.