

WASHINGTON WILDLIFE AND RECREATION COALITION

Financial Statements

For the Years Ended December 31, 2015 and 2014

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Independent Accountant's Review Report

**To the Board of Directors
Washington Wildlife and Recreation Coalition
Seattle, Washington**

We have reviewed the accompanying statements of financial position of Washington Wildlife and Recreation Coalition (a not-for-profit corporation) (the "Coalition") as of December 31, 2015 and 2014, and the related statements of activities and changes in net assets and cash flows for the years then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Coalition management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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 designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

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

Clark Nuber PS

Certified Public Accountants
October 26, 2016



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WASHINGTON WILDLIFE AND RECREATION COALITION

Statements of Financial Position
December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Assets		
Current Assets:		
Cash and cash equivalents	\$ 316,780	\$ 315,090
Pledges receivable	26,166	28,501
Prepaid expenses	<u>10,153</u>	<u>8,272</u>
Total Current Assets	353,099	351,863
Lease security deposit	<u>2,689</u>	<u>2,689</u>
Total Assets	<u>\$ 355,788</u>	<u>\$ 354,552</u>
Liabilities and Net Assets		
Current Liabilities:		
Accounts payable	\$ -	\$ 10,237
Accrued expenses	<u>18,976</u>	<u>21,265</u>
Total Liabilities	18,976	31,502
Net Assets:		
Unrestricted	277,072	259,985
Temporarily restricted	<u>59,740</u>	<u>63,065</u>
Total Net Assets	<u>336,812</u>	<u>323,050</u>
Total Liabilities and Net Assets	<u>\$ 355,788</u>	<u>\$ 354,552</u>

See accompanying notes and independent accountant's review report.

WASHINGTON WILDLIFE AND RECREATION COALITION

**Statements of Activities and Changes in Net Assets
For the Years Ended December 31, 2015 and 2014**

	<u>2015</u>	<u>2014</u>
Unrestricted Activities		
Unrestricted Revenue and Support:		
Contributions	\$ 595,101	\$ 600,081
Other revenue	5,449	5,805
Net assets released from restrictions	<u>23,325</u>	<u>23,235</u>
Total Unrestricted Revenue and Support	623,875	629,121
Expenses:		
Salaries, taxes, and benefits	415,367	417,596
Meetings and events	48,105	68,025
Rent	30,820	29,978
Website and software	19,604	15,783
Financial services	15,860	14,325
Travel	12,598	13,660
Consulting costs	11,639	10,982
Training	11,603	12,785
Equipment and maintenance	8,221	9,140
Photocopying and printing	7,037	6,834
Phone, fax, and internet	5,296	5,716
Bank and credit card fees	3,962	3,840
Postage	3,536	3,492
Insurance and licenses	3,073	3,097
Photography and design	2,844	10,982
Dues and subscriptions	2,359	2,243
Supplies	1,683	2,373
Database consulting	1,300	1,881
Newsletter	610	1,677
Public relations	170	7,210
Miscellaneous	<u>1,101</u>	<u>1,203</u>
Total Expenses	606,788	642,822
Change in Unrestricted Net Assets	17,087	(13,701)
Temporarily Restricted Activities		
Temporarily Restricted Revenue and Support:		
Contributions	20,000	79,300
Net assets released from restrictions	<u>(23,325)</u>	<u>(23,235)</u>
Change in Temporarily Restricted Net Assets	(3,325)	56,065
Total Change in Net Assets	13,762	42,364
Net assets, beginning of year	<u>323,050</u>	<u>280,686</u>
Net Assets, End of Year	\$ 336,812	\$ 323,050

See accompanying notes and independent accountant's review report.

WASHINGTON WILDLIFE AND RECREATION COALITION

Statements of Cash Flows
For the Years Ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Cash Flows From Operating Activities:		
Change in net assets	\$ 13,762	\$ 42,364
Adjustments to reconcile change in net assets to net cash provided by operating activities-		
Change in operating assets:		
Pledges receivable	2,335	12,284
Prepaid expenses	(1,881)	592
Change in operating liabilities:		
Accounts payable	(10,237)	5,746
Accrued expenses	(2,289)	(14,026)
	<u>1,690</u>	<u>46,960</u>
Net Cash Provided by Operating Activities	1,690	46,960
Net Change in Cash and Cash Equivalents	1,690	46,960
Cash and Cash Equivalents:		
Beginning of year	<u>315,090</u>	<u>268,130</u>
End of Year	<u>\$ 316,780</u>	<u>\$ 315,090</u>

See accompanying notes and independent accountant's review report.

WASHINGTON WILDLIFE AND RECREATION COALITION

Notes to Financial Statements For the Years Ended December 31, 2015 and 2014

Note 1 - Nature of Operations and Significant Accounting Policies

Coalition - Washington Wildlife and Recreation Coalition (the Coalition) is a nonprofit citizens group that leverages public funds for new local and state parks, wildlife habitat and farmland preservation. The Coalition promotes and advocates for state and federal funding for parks, wildlife habitat and working lands across Washington State. In 1989, the Coalition founded the Washington Wildlife and Recreation Program (WWRP grant program) to address the need to preserve more land for outdoor recreation and wildlife habitat. The Coalition also leads the national Land and Water Conservation Fund (LWCF) Coalition in Washington State, promoting federal investments in Washington's natural heritage and outdoor recreation economy.

The Coalition provides management services for a related entity, the Washington Wildlife and Recreation Coalition Action Fund (the Fund). While the Coalition has a controlling interest in the Fund (due to overlap in a portion of the board members) it does not have an economic interest. Therefore, the operations of the Fund are not consolidated in these financial statements of the Coalition. See Note 5.

Basis of Presentation - The Coalition maintains its accounting records using the accrual method of accounting, whereby revenues are recorded when earned and expenses when incurred. Under accounting principles generally accepted in the United States of America (U.S. GAAP), the Coalition is required to report financial information regarding its financial position and activities according to three classes of net assets:

Unrestricted Net Assets - Net assets that are not subject to donor-imposed stipulations.

Temporarily Restricted Net Assets - Net assets subject to donor-imposed stipulations that will be met by actions of the Coalition or the passage of time.

Permanently Restricted Net Assets - Net assets subject to donor-imposed stipulations that require the gift to be invested, and only the income from such investments may be used to support the intended cause. At December 31, 2015 and 2014, there were no permanently restricted net assets.

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law. Expirations of temporary restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled or the stipulated time period has lapsed) are reported as reclassifications between the applicable classes of net assets.

Cash and Cash Equivalents - For the purpose of the statements of cash flows, the Coalition considers all highly liquid investments with initial maturities of three months or less to be cash equivalents.

Concentration of Credit Risk - At times, the Coalition has cash and investments in single institutions in excess of federally insured limits.

Contributions and Pledges Receivable - Contributions, which include unconditional promises to give, are recognized as revenue in the period received. All pledges receivable at December 31, 2015 and 2014 were due within one year. There was no allowance for uncollectible pledges at December 31, 2015 and 2014.

WASHINGTON WILDLIFE AND RECREATION COALITION

Notes to Financial Statements For the Years Ended December 31, 2015 and 2014

Note 1 - Continued

Federal Income Taxes - The Internal Revenue Service has determined that the Coalition is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for federal income tax has been provided.

Functional Allocation of Expenses - Certain costs incurred by the Coalition have been allocated among program, fundraising and management and general, based on estimates and evaluations made by management. See Note 6.

Use of Estimates - The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events - The Coalition has evaluated subsequent events through October 26, 2016, the date on which the financial statements were available to be issued.

Note 2 - Temporarily Restricted Net Assets

Temporarily restricted net assets consisted of funds restricted for program purposes at December 31, 2015 and 2014.

For the years ended December 31, 2015 and 2014, respectively, \$23,325 and \$23,235 of temporarily restricted net assets were released from restriction for program purposes.

Note 3 - Lease Commitments

The Coalition entered into a lease agreement in June 2013 for its office space under a long-term, noncancelable operating lease that expires on June 30, 2018.

The Coalition entered into a lease agreement in December 2013 for a copier and printer for office and administrative use under a lease agreement that expires on December 31, 2018.

Subsequent to year end, in June 2016, the Coalition signed a lease agreement for new additional general office space in Olympia, and a shared services agreement for the same space with a lease term of June 1, 2016 through May 31, 2018.

Future minimum rental payments during the terms of existing noncancelable operating leases are as follows:

For the Year Ending December 31,

2016	\$	36,065
2017		40,851
2018		<u>20,008</u>
	\$	<u><u>96,924</u></u>

Rent expense was \$30,820 and \$29,978 for the years ended December 31, 2015 and 2014, respectively.

WASHINGTON WILDLIFE AND RECREATION COALITION

Notes to Financial Statements For the Years Ended December 31, 2015 and 2014

Note 4 - SIMPLE IRA Plan

The Coalition provides an employee SIMPLE IRA plan that is exempt under section 403(b)(7) of the Internal Revenue Code. Eligible employees include those employees who earn at least \$5,000 in the calendar year and who have earned at least \$1,000 in the prior calendar year. Employees may contribute a discretionary amount to the plan. The Coalition has the option to contribute a matching contribution equal to the employee's discretionary contribution up to a limit of 3% of the employee compensation for the year. The Coalition's contribution for the years ended December 31, 2015 and 2014 was \$8,780 and \$9,840, respectively.

Note 5 - Related Party Transaction

The Coalition sponsors and provides management services for a related entity, the Washington Wildlife and Recreation Coalition Action Fund (the Fund). The Fund provides lobbying activities to work with local and state governments to encourage legislative matters. Subject to the terms and conditions of a Shared Services Agreement, the Fund relies on the Coalition to perform various management services. These shared service fees totaled \$5,110 for each of the years ended December 31, 2015 and 2014, and are included in other revenue on the statements of activities and changes in net assets.

Approximately 41% and 33% of contributions were from board members or their employers for the years ended December 31, 2015, and 2014, respectively.

Note 6 - Classification of Expenses

Functional expenses for the years ended December 31 were as follows:

	<u>2015</u>	<u>2014</u>
Program	\$ 427,563	\$ 511,614
Management and general	131,950	84,295
Fundraising	<u>47,275</u>	<u>46,913</u>
	<u>\$ 606,788</u>	<u>\$ 642,822</u>

Note 7 - Joint Costs

During the years ended December 31, 2015 and 2014, the Coalition incurred joint costs of \$30,344 and \$47,485, respectively, for informational materials and activities that included fundraising appeals. For 2015, the Coalition allocated \$28,205 to fundraising expense, \$1,807 to program expense, and \$332 to management and general expense. For 2014, the Coalition allocated \$25,655 to fundraising expense, and \$21,830 to program expense.