

**WILDAID, INC.**

**FINANCIAL STATEMENTS**

**For the Years Ended  
December 31, 2011 and 2010**

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Independent Auditors' Report

Board of Directors  
WildAid, Inc.

We have audited the accompanying statements of financial position of WildAid, Inc. (a California nonprofit organization) as of December 31, 2011 and 2010, and the related statements of activities, cash flows and functional expenses for the years then ended. These financial statements are the responsibility of WildAid, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of WildAid, Inc. as of December 31, 2011 and 2010, and the changes in its net assets and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

*Bregante + Company LLP*

San Francisco, California

June 5, 2012

**WILDAID, INC.**

**STATEMENTS OF FINANCIAL POSITION**

**December 31, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 1,218,670	\$ 1,578,553
Contributions and grants receivable	593,950	431,408
Advances to field programs	60,843	60,428
Prepaid expenses	55,015	28,537
Property and equipment, net of accumulated depreciation of \$32,930 and \$29,051	10,640	3,778
Security deposits	<u>45,025</u>	<u>11,335</u>
Total assets	<u>\$ 1,984,143</u>	<u>\$ 2,114,039</u>
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities:		
Accounts payable	\$ 261,060	\$ 34,591
Special events deposits	25,120	-
Accrued expenses	<u>21,186</u>	<u>5,964</u>
Total liabilities	307,366	40,555
Net assets:		
Unrestricted	846,861	683,319
Temporarily restricted	<u>829,916</u>	<u>1,390,165</u>
Total net assets	<u>1,676,777</u>	<u>2,073,484</u>
Total liabilities and net assets	<u>\$ 1,984,143</u>	<u>\$ 2,114,039</u>

See accompanying notes and auditors' report.

**WILDAID, INC.**

**STATEMENTS OF ACTIVITIES**

**For the Years Ended December 31, 2011 and 2010**

	2011			2010		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Revenue and support:						
Contributions	\$ 508,152	\$ 227,323	\$ 735,475	\$ 361,553	\$ 201,288	\$ 562,841
Grants and awards	374,130	2,186,324	2,560,454	456,809	2,488,667	2,945,476
Federated campaigns	-	15,830	15,830	-	-	-
Special events revenue	347,669	-	347,669	-	-	-
Contributed goods and services	-	200,631,944	200,631,944	-	67,987,102	67,987,102
Investment income	417	-	417	591	-	591
Other	1,736	1,843	3,579	44,753	-	44,753
Net assets released from restrictions:						
Satisfaction of restrictions	<u>203,601,391</u>	<u>(203,601,391)</u>	<u>-</u>	<u>70,002,502</u>	<u>(70,002,502)</u>	<u>-</u>
Total revenue and support	204,833,495	(538,127)	204,295,368	70,866,208	674,555	71,540,763
Expenses:						
Program services	204,056,617	22,122	204,078,739	70,199,058	39,023	70,238,081
Support services:						
Management and general	158,476	-	158,476	272,131	-	272,131
Fundraising	<u>454,860</u>	<u>-</u>	<u>454,860</u>	<u>142,897</u>	<u>-</u>	<u>142,897</u>
Total support services	<u>613,336</u>	<u>-</u>	<u>613,336</u>	<u>415,028</u>	<u>-</u>	<u>415,028</u>
Total expenses	<u>204,669,953</u>	<u>22,122</u>	<u>204,692,075</u>	<u>70,614,086</u>	<u>39,023</u>	<u>70,653,109</u>
Changes in net assets	163,542	(560,249)	(396,707)	252,122	635,532	887,654
Net assets, beginning of year	<u>683,319</u>	<u>1,390,165</u>	<u>2,073,484</u>	<u>431,197</u>	<u>754,633</u>	<u>1,185,830</u>
Net assets, end of year	<u>\$ 846,861</u>	<u>\$ 829,916</u>	<u>\$ 1,676,777</u>	<u>\$ 683,319</u>	<u>\$ 1,390,165</u>	<u>\$ 2,073,484</u>

See accompanying notes and auditors' report.

**WILDAID, INC.****STATEMENTS OF CASH FLOWS****For the Years Ended December 31, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
Cash flows from operating activities:		
Changes in net assets	\$ (396,707)	\$ 887,654
Adjustments to reconcile changes in net assets to net cash provided (used) by operating activities:		
Depreciation	6,044	6,537
Uncollectible pledges	22,122	48,000
Gain on sale of equipment	(500)	-
(Increase) decrease in assets:		
Contributions and grants receivable	(184,664)	146,703
Advances to field programs	(415)	(48,057)
Prepaid expenses	(26,478)	15,733
Security deposits	(33,690)	(1,500)
Increase (decrease) in liabilities:		
Accounts payable	226,469	(88,694)
Special events deposits	25,120	-
Accrued expenses	<u>15,222</u>	<u>5,959</u>
Total adjustments	<u>49,230</u>	<u>84,681</u>
Net cash provided (used) by operating activities	<u>(347,477)</u>	<u>972,335</u>
Cash flows from investing activities:		
Proceeds from sale of property and equipment	500	-
Purchases of property and equipment	<u>(12,906)</u>	<u>(1,727)</u>
Net cash used by investing activities	<u>(12,406)</u>	<u>(1,727)</u>
Net increase (decrease) in cash	(359,883)	970,608
Cash and cash equivalents, beginning of year	<u>1,578,553</u>	<u>607,945</u>
Cash and cash equivalents, end of year	<u>\$ 1,218,670</u>	<u>\$ 1,578,553</u>

**Noncash investing activities:**

Fully depreciated property and equipment with original costs of \$800 and \$6,835 was disposed of during the years ended December 31, 2011 and 2010, respectively.

See accompanying notes and auditors' report.

**WILDAID, INC.**

**STATEMENTS OF FUNCTIONAL EXPENSES**

**For the Years Ended December 31, 2011 and 2010**

2011

	Program Services				Total Program Services	Support Services		Total Support Services	Total Expenses
	China	Galápagos	Climate Change	Other Programs		Management and General	Fundraising		
Operating expenses:									
Salaries and benefits	\$ 213,604	\$ 87,810	\$ 142,081	\$ 172,049	\$ 615,544	\$ 78,957	\$ 85,238	\$ 164,195	\$ 779,739
Professional services	295,085	116,245	72,832	156,824	640,986	11,190	12,467	23,657	664,643
Occupancy	64,345	22,714	8,853	22,864	118,776	16,293	4,531	20,824	139,600
PSA/video production	310,260	2,514	57,082	29,370	399,226	-	474	474	399,700
Media, website, phone, survey	105,726	6,382	7,482	164,798	284,388	3,834	17,464	21,298	305,686
Marine protection	-	535,381	710	127,979	664,070	-	-	-	664,070
Equipment/computer/software expensed	2,801	53,671	17,443	57,492	131,407	5,869	4,133	10,002	141,409
Travel	117,972	49,108	43	145,830	312,953	6,357	28,320	34,677	347,630
Printing and postage	20,930	755	656	19,175	41,516	7,491	41,838	49,329	90,845
Supplies and miscellaneous	4,948	2,583	50	10,717	18,298	4,872	4,822	9,694	27,992
Conferences and events	37,972	9,039	297	69,170	116,478	6,461	247,458	253,919	370,397
Program expense, other	9,439	8,582	-	46,004	64,025	3,125	826	3,951	67,976
Insurance, fees and bank charges	2,421	5,150	-	3,945	11,516	13,473	7,289	20,762	32,278
<b>Total operating expenses</b>	<b>1,185,503</b>	<b>899,934</b>	<b>307,529</b>	<b>1,026,217</b>	<b>3,419,183</b>	<b>157,922</b>	<b>454,860</b>	<b>612,782</b>	<b>4,031,965</b>
	29.4%	22.3%	7.6%	25.5%	84.8%	3.9%	11.3%	15.2%	100%
Non-operating expenses:									
Uncollected prior year pledges	-	12,122	-	10,000	22,122	-	-	-	22,122
Depreciation	1,178	576	-	3,736	5,490	554	-	554	6,044
In-kind donations	196,571,565	-	4,060,379	-	200,631,944	-	-	-	200,631,944
<b>Total non-operating expenses</b>	<b>196,572,743</b>	<b>12,698</b>	<b>4,060,379</b>	<b>13,736</b>	<b>200,659,556</b>	<b>554</b>	<b>-</b>	<b>554</b>	<b>200,660,110</b>
<b>Total expenses</b>	<b>\$ 197,758,246</b>	<b>\$ 912,632</b>	<b>\$ 4,367,908</b>	<b>\$ 1,039,953</b>	<b>\$ 204,078,739</b>	<b>\$ 158,476</b>	<b>\$ 454,860</b>	<b>\$ 613,336</b>	<b>\$ 204,692,075</b>
	96.5%	0.4%	2.0%	0.4%	99.4%	0.1%	0.2%	0.3%	100.0%

See accompanying notes and auditors' report.

**WILDAID, INC.**

**STATEMENTS OF FUNCTIONAL EXPENSES (Continued)**

**For the Years Ended December 31, 2011 and 2010**

2010

	Program Services				Total Program Services	Support Services		Total Support Services	Total Expenses
	China	Galápagos	Climate Change	Other Programs		Management and General	Fundraising		
Operating expenses:									
Salaries and benefits	\$ 183,374	\$ 112,613	\$ 46,940	\$ 27,595	\$ 370,522	\$ 100,188	\$ 82,439	\$ 182,627	\$ 553,149
Professional services	317,610	112,032	17,730	76,493	523,865	56,112	-	56,112	579,977
Occupancy	63,955	16,920	2,432	15,585	98,892	27,296	-	27,296	126,188
PSA/video production	164,133	-	101,497	35,820	301,450	66	375	441	301,891
Media, website, phone, survey	193,298	9,324	44,887	13,205	260,714	8,698	6,543	15,241	275,955
Marine protection	-	115,385	-	24,972	140,357	-	-	-	140,357
Equipment/computer/software expensed	10,371	182,746	747	45,436	239,300	21,297	1,665	22,962	262,262
Travel	95,174	47,857	8,353	37,708	189,092	15,426	3,410	18,836	207,928
Printing and postage	17,561	13,556	1,051	4,447	36,615	4,927	24,328	29,255	65,870
Supplies and miscellaneous	20,482	11,539	442	2,636	35,099	9,992	3,624	13,616	48,715
Conferences and events	1,185	11,947	-	62	13,194	1,214	20,513	21,727	34,921
Insurance, fees and bank charges	1,619	1,013	41	183	2,856	11,401	-	11,401	14,257
<b>Total operating expenses</b>	<b>1,068,762</b>	<b>634,932</b>	<b>224,120</b>	<b>284,142</b>	<b>2,211,956</b>	<b>256,617</b>	<b>142,897</b>	<b>399,514</b>	<b>2,611,470</b>
	40.9%	24.3%	8.6%	10.9%	84.7%	9.8%	5.5%	15.3%	100%
Non-operating expenses:									
Uncollected prior year pledges	-	39,023	-	-	39,023	8,977	-	8,977	48,000
Depreciation	-	-	-	-	-	6,537	-	6,537	6,537
In-kind donations	65,292,862	-	2,694,240	-	67,987,102	-	-	-	67,987,102
<b>Total non-operating expenses</b>	<b>65,292,862</b>	<b>39,023</b>	<b>2,694,240</b>	<b>-</b>	<b>68,026,125</b>	<b>15,514</b>	<b>-</b>	<b>15,514</b>	<b>68,041,639</b>
<b>Total expenses</b>	<b>\$ 66,361,624</b>	<b>\$ 673,955</b>	<b>\$ 2,918,360</b>	<b>\$ 284,142</b>	<b>\$ 70,238,081</b>	<b>\$ 272,131</b>	<b>\$ 142,897</b>	<b>\$ 415,028</b>	<b>\$ 70,653,109</b>
	93.9%	1.0%	4.1%	0.4%	99.4%	0.4%	0.2%	0.6%	100.0%

See accompanying notes and auditors' report.



# WILDAID, INC.

## NOTES TO FINANCIAL STATEMENTS

December 31, 2011 and 2010

### **NOTE A -- Description of organization**

WildAid, Inc.'s (WildAid) mission is to end the illegal wildlife trade in our lifetimes by reducing demand through public awareness campaigns and providing comprehensive marine protection.

Founded in 2000, WildAid is headquartered in San Francisco, with programs in the United States, China, India, Ecuador, Costa Rica, Canada, the United Kingdom and Indonesia. The WildAid conservation approach is unique and effective. WildAid focuses on addressing the underlying demand for endangered species products and on strengthening the protection of these animals in the field. WildAid is well-known for their work on sharks, tigers, elephants, rhinos, and other threatened species.

WildAid is the only organization that focuses on reducing the demand for endangered species products by specifically targeting consumers with engaging public service announcements and education initiatives. In the same way corporations employ celebrities and athletes to promote their products, WildAid enlists popular Chinese and Western celebrities to dissuade consumers from purchasing products with our "When the Buying Stops, the Killing Can Too" message. WildAid produces innovative multimedia campaigns, and secures over \$200 million of donated media support.

The "Conservation through Communication" program is focused on Asia, where demand for these products is highest. WildAid creates culturally-sensitive multimedia public awareness campaigns. WildAid's distribution network includes television, cable, internet, mobile devices, magazines, outdoor billboards, LCD screens and monitors in government buildings, shopping centers, banks, university cafeterias, trains, subways, taxis, metro rails, airplanes, hospitals and airports.

The communications by the numbers:

- ❖ 1 billion people reached per week in China
- ❖ 200 million+ USD of donated media support
- ❖ 500 million people reached per week in India
- ❖ 150+ public service announcements in multiple languages, versions and formats
- ❖ 80+ international celebrities and sporting ambassadors
- ❖ 60+ media partners in TV, transportation, outdoor, video, internet and print

In the field, WildAid is currently focused on protecting the Galápagos Marine Reserve in Ecuador, the Daram Marine Reserve in West Papua, Indonesia, and Corbett National Park in India. WildAid works with local community members, government agencies and ministries, and other non-governmental organizations to collaboratively determine the most urgent issues and develop the most appropriate actions for effective protection of these key habitats. The

See auditors' report.

**WILDAID, INC.**

**NOTES TO FINANCIAL STATEMENTS (Continued)**

**December 31, 2011 and 2010**

**NOTE A -- Description of organization (continued)**

marine program elements include establishment of no-take/fishing zones, native species protection, patrol boat acquisition and maintenance, creating informant networks, sniffer dog policing, installation and training for satellite monitoring, arrest and prosecution of poachers, community outreach and public awareness campaigns. In Corbett National Park, WildAid's current priorities are to purchase and equip rapid response units, to ensure safe migration routes for wildlife, and to work with surrounding communities to raise awareness and encourage stewardship.

**NOTE B -- Summary of significant accounting policies**

**Basis of accounting**

The financial statements are presented using the accrual basis of accounting.

**Cash and cash equivalents**

WildAid considers all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents.

**Advances to field programs**

WildAid advances funds to field offices in various countries to support field operations. Such funds are recorded as advances to field programs when wired, and are expensed quarterly, based upon receipted expenses incurred, as reported by the field offices (see Note D).

**Concentration of credit risk**

Financial instruments that potentially subject WildAid to concentrations of credit risk consist principally of cash and contributions and grants receivable. The majority of WildAid's cash is maintained with one financial institution. The aggregate balances at times may exceed federally insured limits. Management believes WildAid is not exposed to any significant credit risk with respect to contributions and grants receivables and temporary cash balances over insured limits.

WildAid maintains cash balances (advances to field programs) at financial institutions in foreign countries. The majority of funds invested in foreign countries are uninsured and represent funding for the quarterly activities.

See auditors' report.

**WILDAID, INC.**

**NOTES TO FINANCIAL STATEMENTS (Continued)**

**December 31, 2011 and 2010**

**NOTE B -- Summary of significant accounting policies (continued)**

**Fair value of financial instruments**

The carrying amount of cash and cash equivalents, contributions and grants receivable, advances to field programs, prepaid expenses, security deposits, accounts payable, special events deposits and accrued expenses are stated at a fair value or approximate fair value.

**Property and equipment**

Property and equipment, if purchased, are recorded at cost or, if donated, at fair market value at the time of receipt. Property and equipment are depreciated on a straight-line basis over their estimated useful lives ranging from three to five years. WildAid generally capitalizes assets with an original cost over \$1,500. Depreciation expense for the years ended December 31, 2011 and 2010 was \$6,044 and \$6,537, respectively. The cost of maintenance and repairs which do not improve or extend the lives of the respective assets are expensed currently.

Equipment purchased for use in foreign field offices is expensed as acquired. In the Galápagos and Indonesia programs, equipment acquired is placed in immediate service with the Galápagos National Park Service or the Daram Marine Reserve, under contractual agreement, with annual review by WildAid. The total cost of equipment expensed during the years ended December 31, 2011 and 2010 was \$106,200 and \$228,000, respectively, and includes \$180,822 and \$34,223 for the Galápagos and Indonesia programs, respectively.

**Net assets**

The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America for not-for-profit organizations. The financial activities are classified into three classes of net assets: unrestricted, temporarily restricted and permanently restricted net assets.

Unrestricted: Those net assets and activities which represent the portion of expendable funds available to support operations. A portion of these net assets may be designated by the Board of Directors for specific purposes.

Temporarily restricted: Those net assets and activities which are donor-restricted for: (a) support of specific operating activities; (b) investment for a specified term; (c) use in a specified future period; or (d) acquisition of long-lived assets.

See auditors' report.

**WILDAID, INC.**

**NOTES TO FINANCIAL STATEMENTS (Continued)**

**December 31, 2011 and 2010**

**NOTE B -- Summary of significant accounting policies (continued)**

**Net assets (continued)**

Permanently restricted: Those net assets and activities which are permanently donor-restricted for holdings of: (a) assets donated with stipulations that they be preserved and not to be sold; or (b) assets donated with stipulations that they be invested to provide a permanent source of income. WildAid had no permanently restricted net assets at December 31, 2011 and 2010.

**Revenue recognition**

WildAid recognizes all grants and donor contributions in the year they are committed. This practice may have the effect of creating large year-to-year variances in total revenue because multi-year grants are recognized only in the year committed. Contributions without donor-imposed restrictions are reported as unrestricted support. Contributions with donor-imposed restrictions are reported as either temporarily restricted or permanently restricted support, depending upon the type of restriction.

The expiration of a donor-imposed restriction on a contribution is recognized in the period in which the restriction expires. This occurs by increasing unrestricted net assets and decreasing temporarily restricted net assets in the Statements of Activities and the release from restrictions is reported separately from other transactions.

A picture of realized revenue and expenses for a fiscal year – the actual annual operating activity of WildAid – is provided in the first column of the Statements of Activities: unrestricted revenue and support, expenses, and changes in net assets.

Promises to pay over more than one accounting cycle are recorded at the present value of the contribution if the present value discount is material.

Donated goods and specialized services are recorded as contributions at their estimated value on the date of receipt. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use are reported as restricted support.

**Contributed goods and services**

Contributions in-kind are recognized in accordance with generally accepted accounting principles. Donated goods are recorded at their estimated fair value as of the date of the donation. Contributed services, which require a specialized skill and which WildAid would have paid for if not donated, are recorded at the estimated fair value at the time services are rendered. In-kind donations received in foreign countries consist primarily of public service

See auditors' report.

**WILDAID, INC.**

**NOTES TO FINANCIAL STATEMENTS (Continued)**

**December 31, 2011 and 2010**

**NOTE B -- Summary of significant accounting policies (continued)**

**Contributed goods and services (continued)**

announcements (see Note F). In addition to time recorded in the financial statements, WildAid's work was made possible by substantial volunteer time that does not require recognition in the financial statements.

**Functional allocation of expenses**

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statements of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

**Income taxes**

WildAid is tax-exempt under Section 501(c)(3) of the Internal Revenue Code and Section 23701d of the Revenue and Taxation Code of the State of California. Accordingly, no provision for income taxes has been reflected in these financial statements.

As required by the Income Taxes Topic of the FASB Accounting Standards Codification, WildAid recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. WildAid does not believe its financial statements include any uncertain tax positions.

WildAid's federal income tax returns for tax years 2007 and beyond remain subject to examination by the Internal Revenue Service. WildAid's California income tax returns for tax years 2006 and beyond remain subject to examination by state tax authorities.

**Use of estimates**

The preparation of financial statements in conformity with generally accepted accounting principles 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.

**NOTE C -- Contributions and grants receivable**

WildAid typically ends the year with grants receivable from several sources including individuals, foundations and institutions.

See auditors' report.

**WILDAID, INC.**

**NOTES TO FINANCIAL STATEMENTS (Continued)**

**December 31, 2011 and 2010**

**NOTE C -- Contributions and grants receivable (continued)**

The amounts receivable from these sources at December 31 are as follows:

	<u>2011</u>	<u>2010</u>
Individuals and other	\$ 95,485	\$ 27,620
Foundations	20,916	363,886
Institutions	<u>477,549</u>	<u>39,902</u>
Total contributions and grants receivable	<u>\$ 593,950</u>	<u>\$ 431,408</u>

**NOTE D -- Advances to field programs**

Advances to field programs as of December 31 consist of the following:

	<u>2011</u>	<u>2010</u>
China	\$ 60,124	\$ 50,613
Galápagos Islands	<u>719</u>	<u>9,815</u>
Total field advances	<u>\$ 60,843</u>	<u>\$ 60,428</u>

**NOTE E -- Property and equipment**

Property and equipment consist of the following at December 31:

	<u>2011</u>	<u>2010</u>
Furniture and fixtures	\$ 9,240	\$ 7,132
Equipment	<u>34,330</u>	<u>25,697</u>
	43,570	32,829
Less accumulated depreciation	<u>(32,930)</u>	<u>(29,051)</u>
Property and equipment, net	<u>\$ 10,640</u>	<u>\$ 3,778</u>

Depreciation expense for the years ended December 31, 2011 and 2010 was \$6,044 and \$6,537, respectively.

See auditors' report.

**WILDAID, INC.**

**NOTES TO FINANCIAL STATEMENTS (Continued)**

**December 31, 2011 and 2010**

**NOTE F -- In-kind donations**

The estimated fair value of donated supplies and expert services received are recorded as contributions. Significant donations of advertisement space on print and electronic billboards, airtime on television, the internet and radio, and advertising in magazines occurred during 2011 and 2010 in the countries of China and India. The participation of these media vendors is an irreplaceable part of WildAid's program to educate the public, reduce the demand for endangered animal products and is a significant part of WildAid's world-wide mission.

WildAid has obtained an independent, third-party valuation from CTR Market Research Company, LTD for donations of advertisement space in certain China markets in 2011 and 2010, the value of which is included in the financial statements. Valuations were not obtained for the balance of the China markets or for the India markets so the value of those services is not included in the financial statements. WildAid's international media partners do not receive any tax relief due to the pro-bono nature of the services provided. The media outlet, media type and value of in-kind media services included as in-kind revenue and expense for the years ended December 31, 2011 and 2010 is as follows:

<u>Media Outlet</u>	<u>2011 Rank</u>	<u>2011</u>	<u>2010</u>
CCTV	1	\$ 91,711,098	\$ 24,415,728
Liaoning TV	2	85,301,321	29,442,400
Shandong Education TV	3	9,256,387	*
Shanghai TV	4	4,490,261	3,804,751
Yunnan TV (more outlets in 2011)	5	4,092,602	625,760
Guangdong TV News	6	1,488,590	*
Shaanxi TV	7	1,298,035	*
Guizhou TV	8	790,451	855,595
Other TV		<u>1,940,663</u>	<u>8,707,270</u>
		200,369,408	67,851,504
Magazines		<u>262,536</u>	<u>135,598</u>
Total		<u>\$ 200,631,944</u>	<u>\$ 67,987,102</u>

\* Not monitored in 2010

See auditors' report.

**WILDAID, INC.**

**NOTES TO FINANCIAL STATEMENTS (Continued)**

**December 31, 2011 and 2010**

**NOTE F** -- **In-kind donations** (continued)

Furthermore, WildAid has over 80 celebrities worldwide who have donated their time to be featured in WildAid's public service announcements. Along with filming, they often participate in campaign launches and other media events as well. No value is booked to reflect their donated time, although the value of their participation is invaluable to the delivery of WildAid's message.

**NOTE G** -- **Temporarily restricted net assets and net assets released from restrictions**

Temporarily restricted net assets at December 31 are available for the following programs:

	<u>2011</u>	<u>2010</u>
Galápagos Islands	\$ 379,270	\$ 977,035
Climate change	209,469	231,998
Indonesia	150,377	123,011
Canada	33,263	39,472
SF/Pacific Shark Campaign	-	18,649
Marine protected areas	<u>57,537</u>	<u>-</u>
Total temporarily restricted net assets	<u>\$ 829,916</u>	<u>\$ 1,390,165</u>

Net assets were released from donor restrictions during the years ended December 31, 2011 and 2010 by incurring expenses satisfying the purpose of the restriction, by the passage of time, or by the occurrence of other specific events as follows:

	<u>2011</u>	<u>2010</u>
China	\$ 197,525,592	\$ 66,219,823
Galápagos Islands	912,630	634,931
Climate change	4,367,908	2,918,360
India	303,640	93,175
Indonesia	223,621	59,688
Canada	6,229	29,927
SF/Pacific Shark Campaign	73,934	46,353
Marine protected areas	<u>187,837</u>	<u>245</u>
Net assets released from restrictions	<u>\$ 203,601,391</u>	<u>\$ 70,002,502</u>

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**WILDAID, INC.**

**NOTES TO FINANCIAL STATEMENTS (Continued)**

**December 31, 2011 and 2010**

**NOTE H -- Lease commitments**

WildAid leased office space in San Francisco, California under an agreement which expired September 30, 2010. WildAid leased a different office space in the same building for a three-year term beginning October 2, 2010.

WildAid leases various office facilities and equipment in the United Kingdom, Beijing, China, and the Galápagos Islands under noncancelable lease agreements expiring at various dates through 2013. The facility leases provide for various rate adjustments and renewal options. WildAid also leases office space in India on a month-to-month basis.

Future minimum lease payments under the operating leases are as follows:

<u>Years Ending December 31,</u>	
2012	\$ 109,456
2013	<u>61,296</u>
	<u>\$ 170,752</u>

Total rent expense under all leases was \$133,037 and \$112,317 for the years ended December 31, 2011 and 2010.

**NOTE I -- Retirement plan**

WildAid maintains a qualified 401(k) retirement plan for all eligible employees. Employees may make contributions to the plan up to the maximum amount allowed by the Internal Revenue Code. WildAid made contributions to the plan of \$11,341 and \$0 for the years ended December 31, 2011 and 2010, respectively. WildAid adopted a Safe Harbor Amendment effective January 1, 2012, matching employee contributions up to a maximum of 4%.

**NOTE J -- Cooperative agreement with World Wildlife Fund**

On January 10, 2011, WildAid entered into a cooperative agreement with the World Wildlife Fund (WWF) to fund and install a radar-based surveillance and monitoring system at three specific sites within the Galápagos Marine Reserve in order to reduce the incidence of illegal activities and to improve the safety conditions for regular maritime traffic. The total original value of the cooperative agreement was \$649,024. WildAid's initial plan to subgrant \$324,512 to WWF over nine months has been extended. Under the agreement, WWF will match WildAid's investment at a 1:1 ratio and WWF is responsible for administering the contract with

See auditors' report.

**WILDAID, INC.**

**NOTES TO FINANCIAL STATEMENTS (Continued)**

**December 31, 2011 and 2010**

**NOTE J -- Cooperative agreement with World Wildlife Fund (continued)**

the third-party radar vendor. As of the end of 2011, 50% of WildAid's portion was paid to WWF for project implementation. The project is expected to be completed by December 31, 2012. WildAid and WWF have cooperated on several projects in the Galápagos Islands since 2004.

**NOTE K -- Concentration of revenue and support**

During the year ended December 31, 2011, a grant from one Foundation accounted for approximately 13% of total grants and awards revenue and support.

**NOTE L -- Subsequent events**

The date to which events occurring after December 31, 2011 have been evaluated for possible adjustments to the financial statements or disclosure is June 5, 2012, which is the date on which the financial statements were available to be issued.

See auditors' report.