

**THE WILD ANIMAL SANCTUARY**  
**FINANCIAL STATEMENTS**  
**and**  
**INDEPENDENT AUDITORS' REPORT**  
**DECEMBER 31, 2023**

**THE WILD ANIMAL SANCTUARY**

**TABLE OF CONTENTS**

	<b><u>Page</u></b>
<b><u>Independent Auditors' Report</u></b>	<b>1</b>
<b><u>Financial Statements</u></b>	
<b>Statement of Financial Position</b>	<b>2</b>
<b>Statement of Activities</b>	<b>3</b>
<b>Statement of Functional Expenses</b>	<b>4</b>
<b>Statement of Cash Flows</b>	<b>5</b>
<b>Notes to Financial Statements</b>	<b>6 - 13</b>

**FEIS & COMPANY, P.C.**

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*CERTIFIED PUBLIC ACCOUNTANTS*  
193 SOUTH 27TH AVENUE, SUITE 100  
BRIGHTON, COLORADO 80601-2662  
(303) 659-1200 • FAX (303) 659-1204

MEMBER OF  
AMERICAN INSTITUTE OF CPAs  
COLORADO SOCIETY OF CPAs

ROBERT R. FEIS, CPA

**INDEPENDENT AUDITORS' REPORT**

**Board of Directors  
The Wild Animal Sanctuary  
Keenesburg, Colorado**

**Opinion**

We have audited the accompanying financial statements of The Wild Animal Sanctuary (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023, 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 The Wild Animal Sanctuary as of December 31, 2023 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The Wild Animal Sanctuary 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 The Wild Animal Sanctuary's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

## Auditors' 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, including omissions, 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 The Wild Animal Sanctuary's 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 The Wild Animal Sanctuary's 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.

*Leis & Co., P.C.*

**CERTIFIED PUBLIC ACCOUNTANTS**

Brighton, CO

May 15, 2024

**THE WILD ANIMAL SANCTUARY**  
**(a Non-Profit Corporation)**  
**STATEMENT OF FINANCIAL POSITION**  
**December 31, 2023**

**ASSETS**

	<b>2023</b>
<b>Current Assets</b>	
Cash and cash equivalents (Note 1)	\$ 4,676,247
Cash - Restricted (Note 1)	67,310
Investments (Note 1)	71,206
Inventory (Note 1)	335,904
Prepaid expenses (Note 1)	279,777
Other current assets	1,264,306
<b>Total Current Assets</b>	<b>6,694,750</b>
<b>Property and Equipment</b>	
Property and equipment - at cost (Note 1)	60,196,238
Less: accumulated depreciation	(17,781,960)
<b>Net Property and Equipment</b>	<b>42,414,278</b>
<b>Total Assets</b>	<b>\$ 49,109,028</b>

**LIABILITIES AND NET ASSETS**

<b>Current Liabilities</b>	
Accounts payable	\$ 170,906
Accrued liabilities	107,352
Current portion of long-term debt	546,685
<b>Total Current Liabilities</b>	<b>824,943</b>
<b>Long-Term Debt (net of current portion)</b>	<b>19,509,114</b>
<b>Total Liabilities</b>	<b>20,334,057</b>
<b>Net Assets</b>	
Without donor restrictions	24,528,258
With donor restrictions	4,246,713
<b>Total Net Assets</b>	<b>28,774,971</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 49,109,028</b>

See independent auditors' report.  
The accompanying notes on pages 6 to 13 are an  
integral part of the financial statements.

**THE WILD ANIMAL SANCTUARY**  
(a Non-Profit Corporation)  
**STATEMENT OF ACTIVITIES**  
For the Year Ended December 31, 2023

	2023		Totals
	Without Donor Restriction	With Donor Restriction	
<b>Revenue and Support</b>			
Contributions	\$ 11,145,608	\$ 8,097,338	\$ 19,242,946
Special event revenue	552,454	-	552,454
Less: direct event expenses	(150,717)	-	(150,717)
In-kind donations	11,066,053	-	11,066,053
Other income	3,663,652	-	3,663,652
Net assets released from restrictions:			
Satisfaction of program restrictions	8,097,338	(8,097,338)	-
<b>Total Revenue and Support</b>	<u>34,374,388</u>	<u>-</u>	<u>34,374,388</u>
<b>Expenses</b>			
Animal care	17,488,686	-	17,488,686
Refuge	2,021,625	-	2,021,625
Wild Horse Refuge	2,126,095	-	2,126,095
Education	5,197,156	-	5,197,156
Rescue	2,157,583	-	2,157,583
Administration	1,348,489	-	1,348,489
Fundraising	661,600	-	661,600
<b>Total Expenses</b>	<u>31,001,233</u>	<u>-</u>	<u>31,001,233</u>
<b>Change in Net Assets</b>	3,373,155	-	3,373,155
<b>Net Assets, Beginning of the year</b>	<u>21,155,103</u>	<u>4,246,713</u>	<u>25,401,816</u>
<b>Net Assets, End of the year</b>	<u>\$ 24,528,258</u>	<u>\$ 4,246,713</u>	<u>\$ 28,774,971</u>

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integral part of the financial statements.

**THE WILD ANIMAL SANCTUARY**  
(a Non-Profit Corporation)  
**STATEMENT OF FUNCTIONAL EXPENSES**  
For the Year Ended December 31, 2023

	Animal Care/Op	Refuge	Wild Horse Refuge	Education	Rescue	Total Programs	Administration	Fundraising	2023 Total Functional Expenses
Personnel	\$ 3,364,101	\$ 575,424	\$ 22,065	\$ 1,335,508	\$ -	\$ 5,297,098	\$ 1,060,726	\$ 264,463	\$ 6,622,287
Community Outreach	-	-	5,000	40,737	-	45,737	-	-	45,737
Animal Care/Maintenance	11,567,246	194,608	-	16,768	50,081	11,828,703	-	-	11,828,703
Food/Merchandise Expense	-	-	-	471,331	-	471,331	-	-	471,331
Program Supplies	353,470	211,908	450,157	109,861	15,705	1,141,100	8,436	74,819	1,224,355
Contract/Professional Svcs	228,290	13,199	202,311	372,901	1,182	817,882	98,807	564	917,253
Communications	33,897	9,991	5,095	1,317,118	5,986	1,372,087	31,559	800	1,404,446
Office Expense	74,608	10,277	127,268	197,536	10,050	419,739	76,217	284,020	779,976
Travel/Transportation	248,468	106,845	18,342	24,149	2,019,225	2,417,030	-	-	2,417,030
Staff Development/Donor Cultivation	4,684	400	38,700	25,003	500	69,288	5,545	21,663	96,496
Occupancy	197,499	76,392	1,025,438	694,846	-	1,994,176	8,238	6,486	2,008,900
Depreciation	1,105,812	817,010	231,719	591,397	54,082	2,800,021	43,178	8,785	2,851,984
Insurance	310,610	5,571	-	-	772	316,953	15,783	-	332,736
	<u>\$ 17,488,686</u>	<u>\$ 2,021,625</u>	<u>\$ 2,126,095</u>	<u>\$ 5,197,156</u>	<u>\$ 2,157,583</u>	<u>\$ 28,991,144</u>	<u>\$ 1,348,489</u>	<u>\$ 661,600</u>	<u>\$ 31,001,233</u>

See independent auditors' report.  
The accompanying notes on pages 6 to 13 are an  
integral part of the financial statements.

**THE WILD ANIMAL SANCTUARY  
STATEMENT OF CASH FLOWS  
For the Year Ended December 31, 2023**

	<b>2023</b>
<b>Cash Flow from Operating Activities:</b>	
Change in Net Assets	\$ 3,373,155
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:	
Gain (Loss) on sale of assets	(1,000)
Unrealized gain on investments	(13,428)
PPP Loan forgiveness	-
Depreciation	2,851,984
Change in:	
Other assets	(235,378)
Inventory	(123,779)
Prepays	1,322,452
Accounts payable	(2,604)
Accrued liabilities	7,088
Net Cash Provided By (Used in) Operating Activities	7,178,490
<b>Cash Flow from Investing Activities:</b>	
Purchases of property and equipment	(19,643,466)
Purchases of investments	(262,542)
Proceeds from sale of investments	363,321
Net Cash Used In Investing Activities	(19,542,687)
<b>Cash Flow from Financing Activities:</b>	
Proceeds from long-term debt	13,647,706
Payments on long-term debt	(475,842)
Net Cash Used In Investing Activities	13,171,864
<b>Net Increase (Decrease) In Cash and Cash Equivalents</b>	807,667
<b>Cash and Cash Equivalents, Beginning of the year</b>	3,868,580
<b>Cash and Cash Equivalents, End of the year</b>	\$ 4,676,247

See independent auditors' report.  
The accompanying notes on pages 6 to 13 are an  
integral part of the financial statements.



**THE WILD ANIMAL SANCTUARY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**1. Summary of Significant Accounting Policies**

**A. Purpose**

The Sanctuary is a 501(c)(3) public nonprofit organization that has been in operation for more than 43 years and is dedicated to savings and providing lifelong homes for captive exotic and endangered species of wildlife, as well as many other types of animals. The Sanctuary specializes in the rescue and rehabilitation of Lions, Tigers, Bears, Leopards, Mountain Lions, Wolves, Mustangs and other captive animals that come from illegal or abusive situations. The Wild Animal Sanctuary encompasses more than 33,000-acres with its four separate facilities and provides large natural habitats ranging from 5 to 300 acres in size for its rescued carnivores to live in - as well as open ranges varying in size from 7,000-acres to more than 22,500-acres for its rescued Mustangs to enjoy. The Sanctuary operates with more than 85 full time employees and more than 140 community-based volunteers.

**B. Basis of Accounting**

The financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Revenues are recognized when earned and determined to be realizable: contributions are reported when cash, other assets, or an unconditional promise to give is received: and expenses are recognized when the product or service has been received and the liability incurred.

**C. Estimates in the Financial Statements**

The preparation of financial statements in conformity with generally accepted accounting principles (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 the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

See independent auditors' report.

**THE WILD ANIMAL SANCTUARY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**1. Summary of Significant Accounting Policies - (continued)**

**D. Financial Statement Presentation**

The financial statements of The Wild Animal Sanctuary are prepared based upon accounting principles generally accepted in the United States of America for not-for-profit entities. The Organization has adopted the provisions of Statement of Financial Accounting Standards Codification 958 (*ASC 958*) Financial Statements of *Not-for-Profit Organizations*. Under this statement, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: with donor restrictions and without donor restrictions. In addition, contributions received are recorded as with donor restrictions support based on the existence and nature of any donor restrictions. The two classes of net assets are as follows:

**Without donor restrictions**

Without donor restrictions are net assets currently available at the discretion of the Board for the use in the Organization's operations.

**With donor restrictions**

With donor restrictions are net assets which are stipulated by donors or grantors for specific operating purposes or future periods.

**E. Net Assets**

The Organization reports all contributions and grants as unrestricted revenue unless the donor imposes specific restrictions as to the use of the contribution or grant.

**F. Cash and Cash Equivalents**

For purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Amounts included in restricted cash represent funds set aside in an endowment fund. Restricted cash has been separately stated on the balance sheet. Restricted cash balance at December 31, 2023 is \$67,310.

See independent auditors' report.

**THE WILD ANIMAL SANCTUARY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**1. Summary of Significant Accounting Policies - (continued)**

**G. Concentrations of Credit Risk**

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash and cash equivalents and accounts receivable. The Organization places its cash and cash equivalents with creditworthy, high-quality, financial institutions. Concentration risks associated with accounts receivable are limited as no significant balances are due from any single entity.

As of December 31, 2023, the organization's cash deposits had a carrying balance of \$4,676,247 and corresponding bank balances as follows:

	<u>2023</u>
Insured Deposits	\$ 340,307
Cash on hand	389,438
Uninsured	<u>3,945,417</u>
<b>Total Cash and Cash Equivalents</b>	<b><u>\$ 4,675,162</u></b>

**H. Advertising**

The Organization uses various advertising, communications and public relations strategies to promote its programs amongst the audience it serves, and expenses all costs as incurred. Advertising, communications and public relations expense for the year ended December 31, 2023 was \$1,109,757.

**I. Functional Allocation of Expenses**

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated by the indirect method based on management's estimates.

**J. Promises to Give**

Promises to give are recorded at their estimated fair value. Amounts due later than one year, if any, are recorded at the present value of estimated future cash flows. The Organization estimates the allowance based on analysis of specific donors, taking into consideration the age of past due pledges and an assessment of the donor's ability to pay. At December 31, 2023, management of the Organization considers all promises to be collectible; therefore, no allowance has been recorded. Promises to give for the year ended December 31, 2023 were \$0.

See independent auditors' report.

**THE WILD ANIMAL SANCTUARY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**1. Summary of Significant Accounting Policies - (continued)**

**K. Fair Value Measurements**

In accordance with the requirements of Statement of Financial Accounting Standards Codification 820, *Fair Value Measurements*, the Organization uses a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three levels: quoted market prices in active markets for identical assets and liabilities (Level 1), inputs other than quoted market prices that are observable for the asset or liability, either directly or indirectly (Level 2), and unobservable inputs from the asset or liability (Level 3).

The Organization's financial instruments include cash and cash equivalents, receivables, and accounts payable. The fair value of these financial instruments approximates their carrying amounts based on current market indicators such as prevailing interest rates and their nearness to maturity.

**L. Property and Equipment**

Property and equipment valued at \$5,000 or more are recorded at cost and depreciated using the straight-line method over an estimated useful life of three to forty years.

As of December 31, 2023, the organization's property and equipment consisted of the following:

Land and Improvements	\$ 30,702,948
Buildings and Equipment	17,436,177
Habitat	405,378
Vehicles and Machinery	<u>11,651,735</u>
Total Fixed Assets	\$ 60,196,238
Less: Accumulated Depreciation	<u>(17,781,960)</u>
	<u>\$ 42,414,278</u>

Depreciation expense for the year ended December 31, 2023 was \$2,851,983.

**M. Prepaid Expenses**

Prepaid expenses are expenditures made in advance of when the economic benefit of the cost will be realized, and which will be expensed in future periods. Prepaid expenses primarily consist of deposit for land purchase, prepaid insurance and dues. Prepaid expenses for the year ended December 31, 2023 was \$279,777.

See independent auditors' report.

**THE WILD ANIMAL SANCTUARY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**1. Summary of Significant Accounting Policies - (continued)**

**N. Inventory**

Inventory is valued at cost using the first-in-first-out costing method. The balance in inventory for the year ended December 31, 2023 was \$335,904.

**O. Asset Liquidity**

From time to time, the Organization may receive support from restricted contributions. Because a donors' restriction requires resources to be used in a particular manner in a future period, the Organization must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditures within one year. As part the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.

Financial current assets at year end	\$6,413,888
Less: current liabilities	<u>(823,858)</u>
Financial assets available to meet cash needs within one year	<u>\$ 5,590,030</u>

**2. Income Taxes**

The Organization is exempt from income tax under Internal Revenue Code Section 501(c) (3).

In accordance with accounting principles generally accepted in the United States of America, a private entity is required to disclose any material uncertain tax positions that management believes does not meet a "more-likely-than-not" standard of being sustained under an income tax audit and to record a liability for any such income tax, including penalties and related interest expense. Management has not identified any uncertain tax positions that require the recording of a liability mentioned above or further disclosure. Tax years ending December 31, 2021 through 2023 remain subject to examination by the Internal Revenue Service.

See independent auditors' report.

**THE WILD ANIMAL SANCTUARY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**3. Contributions and In-kind Donations**

Contributions and in-kind donations are recorded as without donor restriction or with donor restriction depending on the existence or nature of donor restrictions. All unconditional unrestricted contributions are considered to be available for unrestricted use in the accounting period when the donor makes an unconditional promise to give to the Organization. Contributions that are restricted by the donor are reported as increases in with donor restriction net assets depending on the nature of the restrictions. When a time restriction ends or a purpose restriction is accomplished, with donor restrictions are reclassified to without donor restricted net assets. If a restriction is fulfilled in the same time period in which the contribution is received, the Organization reports the support as restricted and shows funds released from restriction when the restricted purpose is met. Donations of property, equipment, supplies and other goods and services are recorded as support at their estimated fair market value on the date of gift. These donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets, goods and services donated with explicit restrictions regarding their use are reported as with donor restricted support and reclassified to without donor restriction net assets when placed in service. During the year ended December 31, 2023, the Organization received in-kind donations that totaled \$11,066,053. The in-kind contributions consisted primarily of donated animal food.

**4. Investments**

The Wild Animal Sanctuary investments at December 31, 2023 are described below. The investments have a readily determinable value and are considered as Level 1 investments based on the fair value measurement described in Note 1. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

See independent auditors' report.

**THE WILD ANIMAL SANCTUARY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**5. Long-Term Debt**

The following is a summary of all long-term debt for the year ended December 31, 2023.

	<u>December 31, 2023</u>
Notes payable - various equipment, (carrying amount of \$1,276,913), due in monthly installments ranging from \$776 to \$11,806 with interest ranging from 0.00% to 17.41% through 2028.	\$ 616,058
Note payable on land purchases to various banks, (carrying amount of \$18,750,000), due in monthly installments ranging from \$42,481 and interest ranging from 7.25% to 7.67% through February 2053.	4,845,927
Note payable on land improvements to Metro City Bank, (carrying amount of \$1,500,000), due in monthly installments of \$10,397 with interest at 7.5% through September 2041.	<u>14,593,814</u>
<b>Total debt</b>	<b>\$ 20,055,799</b>
<b>Less: Current Maturities</b>	<b>(546,685)</b>
<b>Long-term debt</b>	<b>\$ <u>19,509,114</u></b>

Maturities of long-term debt are as follows:

Maturities of long-term debt are as follows:

December 31, 2024	\$ 546,685
2025	578,102
2026	433,121
2027	466,084
2028	477,633
2029-2033	2,650,320
Thereafter	<u>14,903,854</u>
<b>Total</b>	<b>\$ <u>20,055,799</u></b>

Interest expense for the year ended December 31, 2023, totaled \$1,651,650.

See independent auditors' report.

**THE WILD ANIMAL SANCTUARY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**6. Note Receivable Related Party**

In 2020, the Organization acquired and invested in The International Exotic Animal Sanctuary (IEAS). Beginning in fiscal year 2020, the Organization provided financial support to assist in the operations of IEAS. IEAS is considered a related party to the Organization and as of December 31, 2023, the note receivable from IEAS includes a balance due of \$1,179,713. The note receivable is an installment note bearing 0% interest, with the full balance due by December 31, 2022. In January 2024 IEAS transferred ownership of all assets to the Organization to fully pay off the note balance. In addition, as of January 1, 2024 the Sanctuary and IEAS formally merged organizations and all assets and activities are owned and conducted by The Wild Animal Sanctuary.

**7. Conservation Easement**

The Wild Animal Sanctuary has secured a conservation easement on the property known as the Wild Animal Refuge for preservation of the land. "Conservation easement" is the generic term for easements granted for preservation of land areas for outdoor recreation, protection of a relatively natural habitat for fish, wildlife, or plants, or a similar ecosystem, preservation of open space for the scenic enjoyment of the public or pursuant to a Federal, State, or local governmental conservation policy, and preservation of a historically important land area or historic building.

**8. Subsequent Events**

In accordance with the provisions of Statement of Financial Accounting Standards Codification 855, Subsequent Events, management must evaluate, through the date the financial statements are issued or are available to be issued, events or transactions that may require recognition or disclosure in the financial statements, and to disclose the date through which subsequent events were evaluated. The Organization's financial statements were available to be issued on the date of the auditor's report and this is the date through which subsequent events were evaluated. Management has not identified any events requiring disclosure.

See independent auditors' report.