RAINFOREST PARTNERSHIP  
(A Nonprofit Corporation)  
Austin, Texas  

INDEPENDENT AUDITORS’ REPORT  
AND  
FINANCIAL STATEMENTS  

Year Ended December 31, 2013
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FINANCIAL SECTION
INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Rainforest Partnership
Austin, Texas

We have audited the accompanying financial statements of Rainforest Partnership (A Nonprofit Corporation), which comprise the statement of financial position as of December 31, 2013, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

Management’s Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor’s Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial statements 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 entity’s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Rainforest Partnership as of December 31, 2013, 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.

August 12, 2014
RAINFOREST PARTNERSHIP  
(A Nonprofit Corporation)  
Austin, Texas  

STATEMENT OF FINANCIAL POSITION  
As of December 31, 2013

ASSETS  
Current Assets  
Cash and Cash Equivalents $ 50,221  
Other Current Asset 480  
Total Current Assets 50,701  
Property and Equipment, Net of Accumulated Depreciation 11,260  
Total Assets $ 61,961

LIABILITIES AND NET ASSETS  
Current Liabilities  
Accounts Payable and Accrued Expenses $ 3,915  
Total Current Liabilities 3,915  
Total Liabilities 3,915

Net Assets  
Unrestricted Net Assets 58,046  
Temporarily Restricted Net Assets -  
Permanently Restricted Net Assets -  
Total Net Assets 58,046  

TOTAL LIABILITIES AND NET ASSETS $ 61,961

The accompanying notes to financial statements form an integral part of this statement.
RAINFOREST PARTNERSHIP  
(A Nonprofit Corporation)  
Austin, Texas

STATEMENT OF ACTIVITIES

For The Year Ended December 31, 2013

<table>
<thead>
<tr>
<th>REVENUES</th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants</td>
<td>$ 42,200</td>
<td>$</td>
<td>$ 42,200</td>
</tr>
<tr>
<td>In-Kind Contributions</td>
<td>319,401</td>
<td>-</td>
<td>319,401</td>
</tr>
<tr>
<td>Contributions</td>
<td>25,610</td>
<td>-</td>
<td>25,610</td>
</tr>
<tr>
<td>Special Events</td>
<td>96,381</td>
<td>-</td>
<td>96,381</td>
</tr>
<tr>
<td>Investment Income</td>
<td>136</td>
<td>-</td>
<td>136</td>
</tr>
<tr>
<td><strong>TOTALS</strong></td>
<td>483,728</td>
<td>-</td>
<td>483,728</td>
</tr>
</tbody>
</table>

| Released from Restrictions    | -            | -                      | -      |

| Total Revenues                | 483,728      | -                      | 483,728|

<table>
<thead>
<tr>
<th>EXPENSES</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Program Services</td>
<td>385,640</td>
<td>-</td>
</tr>
<tr>
<td>Management and General</td>
<td>66,636</td>
<td>-</td>
</tr>
<tr>
<td>Fundraising</td>
<td>5,425</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>457,701</td>
<td>-</td>
</tr>
</tbody>
</table>

| Change in Net Assets          | 26,027       | -                      | 26,027 |

| Net Assets, Beginning of Year | 32,019       | -                      | 31,969 |

| Net Assets, End of Year       | $ 58,046     | $                      | $ 57,996|

The accompanying notes to financial statements  
form an integral part of this statement.
RAINFOREST PARTNERSHIP  
(A Nonprofit Corporation)  
Austin, Texas  

STATEMENT OF FUNCTIONAL EXPENSES  

Year Ended December 31, 2013  

<table>
<thead>
<tr>
<th></th>
<th>Program Services</th>
<th>General &amp; Administrative</th>
<th>Fundraising</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payroll &amp; Related Expenses</td>
<td>$22,985</td>
<td>$1,704</td>
<td>$-</td>
<td>$24,689</td>
</tr>
<tr>
<td>Space Costs</td>
<td>1,707</td>
<td>5,158</td>
<td>$-</td>
<td>6,865</td>
</tr>
<tr>
<td>Supplies</td>
<td>761</td>
<td>1,481</td>
<td>$-</td>
<td>2,242</td>
</tr>
<tr>
<td>Contractual</td>
<td>16,193</td>
<td>1,815</td>
<td>$-</td>
<td>18,008</td>
</tr>
<tr>
<td>Training &amp; Travel</td>
<td>6,558</td>
<td>131</td>
<td>$-</td>
<td>6,689</td>
</tr>
<tr>
<td>In-Kind Contributions</td>
<td>267,217</td>
<td>51,377</td>
<td>836</td>
<td>319,430</td>
</tr>
<tr>
<td>Insurance</td>
<td>-</td>
<td>1,816</td>
<td>$-</td>
<td>1,816</td>
</tr>
<tr>
<td>Information Technology</td>
<td>2,100</td>
<td>3,786</td>
<td>$-</td>
<td>5,886</td>
</tr>
<tr>
<td>Project Activities</td>
<td>67,554</td>
<td>(11,638)</td>
<td>4,589</td>
<td>60,505</td>
</tr>
<tr>
<td>Depreciation</td>
<td>-</td>
<td>9,400</td>
<td>$-</td>
<td>9,400</td>
</tr>
<tr>
<td>Other</td>
<td>565</td>
<td>1,606</td>
<td>$-</td>
<td>2,171</td>
</tr>
<tr>
<td><strong>TOTAL EXPENSES</strong></td>
<td><strong>$385,640</strong></td>
<td><strong>$66,636</strong></td>
<td><strong>$5,425</strong></td>
<td><strong>$457,701</strong></td>
</tr>
</tbody>
</table>

The accompanying notes to financial statements form an integral part of this statement.
Cash Flows Provided (Used) by Operating Activities
Change in Net Assets $ 26,027

Adjustments to Reconcile Change in Net Assets to
Net Cash Provided (Used) by Operating Activities
Depreciation 9,400
Decrease (Increase) In:
   Grants & Contracts Receivable -
   Accounts Payable 10
   Accrued Expenses 470
   Payroll Liabilities (1,303)
   Other Current Liabilities -

Net Cash Provided (Used) by Operating Activities 34,124

Cash Flows Provided (Used) for Investing Activities:
Purchase of Fixed Assets -

Net Cash Provided (Used) by Investing Activities -

Net Increase (Decrease) in Cash 34,124
Cash and Cash Equivalents - Beginning of Period 16,097

Cash and Cash Equivalents - End of Period $ 50,221

The accompanying notes to financial statements form an integral part of this statement.
RAINFOREST PARTNERSHIP  
(A Nonprofit Corporation)  
Austin, Texas  

NOTES TO FINANCIAL STATEMENTS  
Year Ended December 31, 2013  

1. GENERAL INFORMATION  

Rainforest Partnership (the Corporation) is an international non-profit social enterprise committed to protecting tropical rainforests. We partner with communities in Latin America to develop sustainable economic alternatives to deforestation, making it more valuable for them to keep their forests standing. By creating a global network – linking people to people, community to community – we act as a catalyst to create long-term economic and environmental sustainability.  

Using a root-up approach, Rainforest Partnership matches the needs and desires, culture, knowledge and skill of local communities to economic development opportunities unique to each individual forest.  

- Our experienced local teams work directly with our partner communities to help create economically and ecologically long-term sustainable income sources.  
- Our partner communities are protecting their forests into the future because it is now more valuable standing than cut down.  

Summary of successes to date include:  
- Preserved 9,000 acres of rainforest in Peru.  
- Helped 40 women create a sustainable income source in Ecuador and Peru.  
- Created a community-owned business for 40 families in Peru.  
- Projects supported by in-country local team members and partners.  
- Four projects in two countries in three years.  

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  

Basis of Accounting  
The accompanying financial statements have been prepared on the accrual basis of accounting. Contributions received are recorded as unrestricted, temporarily restricted and permanently restricted support depending on the existence or nature of donor stipulations.
2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Classification of Net Assets
Net assets and revenue, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Corporation and changes therein are classified as follows:

Unrestricted net assets – Net assets that are not subject to donor-imposed restrictions.

Temporarily restricted net assets – Net assets subject to donor-imposed stipulations which expire when the stipulated purpose for which the resource was restricted has been fulfilled.

Cash and Equivalents
For the purpose of the statements of cash flows, the Corporation considers cash and highly liquid investments with maturities of three months or less when purchased to be cash equivalents.

Investments
Investments consist of debt and equity securities and are recorded at market value.

Property and Equipment
Property and equipment are recorded at cost or fair market value if donated. The costs of significant improvements or renovations are capitalized. Costs of routine repairs and maintenance are charged to expense as incurred. Depreciation is calculated using the straight-line method over estimated lives of three to seven years. Assets purchased with a cost in excess of $200 are capitalized.

Federal Income Taxes
The Corporation is exempt from Federal income taxes under Section 501(a) of the Internal Revenue Code (IRS) as an organization described in Section 501(c)(3).

Functional Accounting
The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly certain costs have been allocated among the programs and supporting services benefited. Expenses that can be identified with a specific program or that relate to a specific source of revenue are allocated directly to that program.
RAINFOREST PARTNERSHIP  
(A Nonprofit Corporation)  
Austin, Texas  

NOTES TO FINANCIAL STATEMENTS  
Year Ended December 31, 2013  

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)  

Use of Estimates  
The preparation of financial statements in conformity with U.S. 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 the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.  

Credit Risk  
Financial instruments which potentially subject the Corporation to credit risk consist of cash and cash equivalents. The Corporation’s deposits did not exceed the federal depository insurance limits as of December 31, 2013.  

3. PROPERTY AND EQUIPMENT  

Major classes of property and equipment consisted of the following:  

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Furniture and Fixtures</td>
<td>$11,607</td>
</tr>
<tr>
<td>Computer &amp; Related Equipment</td>
<td>31,880</td>
</tr>
<tr>
<td>Other Assets</td>
<td>775</td>
</tr>
<tr>
<td></td>
<td>44,262</td>
</tr>
<tr>
<td>Less Accumulated Depreciation</td>
<td>(33,002)</td>
</tr>
<tr>
<td>Property and Equipment, Net</td>
<td>$11,260</td>
</tr>
</tbody>
</table>

Depreciation expense for the year ended December 31, 2013 was $9,400.  

4. LEASE COMMITMENTS  

The Corporation leases its administration office under a month-to-month lease agreement that began May 1, 2009. The monthly lease payments have been waived as a donation from the owner. Total in-kind rental expense for 2013 was $48,000.
RAINFOREST PARTNERSHIP
(A Nonprofit Corporation)
Austin, Texas

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2013

5. IN-KIND CONTRIBUTIONS

The Corporation received $316,520 in in-kind contributions during 2013. The in-kind contributions are included in the Rainforest Partnership programs, management and general, and fundraising activities and fixed assets. Below is a breakdown of in-kind contributions for 2013.

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fundraising</td>
<td>$23,976</td>
</tr>
<tr>
<td>Office Supplies</td>
<td>3,377</td>
</tr>
<tr>
<td>Professional Services</td>
<td>206,683</td>
</tr>
<tr>
<td>Rent</td>
<td>48,000</td>
</tr>
<tr>
<td>Furniture and Computer Equipment</td>
<td>37,394</td>
</tr>
<tr>
<td><strong>Total In-Kind Contributions</strong></td>
<td><strong>$319,430</strong></td>
</tr>
</tbody>
</table>

6. SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the balance sheet date but before the financial statements are issued. We have evaluated subsequent events through the issuance date of the audit report, August 15, 2014 noted no subsequent events to be disclosed.