

WILD SALMON CENTER

Audited Consolidated Financial Statements

For the Years Ended
December 31, 2018 and 2017



McDONALD JACOBS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Wild Salmon Center

We have audited the accompanying consolidated financial statements of Wild Salmon Center (a nonprofit corporation), which comprise the consolidated statements of financial position as of December 31, 2018 and 2017, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated 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 audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the organization's preparation and fair presentation of the consolidated 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 organization'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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of Wild Salmon Center as of December 31, 2018 and 2017, and changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The consolidating information in Schedules I and II (supplementary information) is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

McDonald Jacobson, P.C.

Portland, Oregon
April 15, 2019

WILD SALMON CENTER
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
December 31, 2018 and 2017

	2018	2017
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 3,951,287	\$ 3,999,214
Investments	5,966,946	5,890,900
Accounts receivable	-	27,316
Pledges receivable, current portion	1,660,948	1,122,126
Prepaid expenses, deposits, and supplies	116,211	97,804
Total current assets	11,695,392	11,137,360
Pledges receivable, net	1,396,834	1,927,324
TOTAL ASSETS	\$ 13,092,226	\$ 13,064,684
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable and accrued expenses	\$ 270,071	\$ 327,228
Total liabilities	270,071	327,228
Net assets:		
Without donor restrictions:		
Undesignated	3,611,783	3,306,985
Board designated	775,000	775,000
Total without donor restrictions	4,386,783	4,081,985
With donor restrictions	8,435,372	8,655,471
Total net assets	12,822,155	12,737,456
TOTAL LIABILITIES AND NET ASSETS	\$ 13,092,226	\$ 13,064,684

See notes to consolidated financial statements.

WILD SALMON CENTER
CONSOLIDATED STATEMENTS OF ACTIVITIES
For the years ended December 31, 2018 and 2017

	2018		2017		
	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and support:					
Grants and contributions	\$ 1,876,779	\$ 3,349,215	\$ 1,304,452	\$ 2,089,354	\$ 3,393,806
Donated materials and services	8,669	757	48,644	29,600	78,244
Investment income	28,873	114,590	69,392	43,325	112,717
Net realized/unrealized gains (losses)	(64,471)	(323,521)	115,217	134,206	249,423
Other income	164	23,905	15,986	300	16,286
Net assets released from restrictions:					
Satisfaction of purpose and time restrictions	3,385,045	(3,385,045)	2,653,091	(2,653,091)	-
Total revenue and support	<u>5,235,059</u>	<u>(220,099)</u>	<u>4,206,782</u>	<u>(356,306)</u>	<u>3,850,476</u>
Expenses:					
Program services:					
North America Program	2,564,110	-	1,761,476	-	1,761,476
Western Pacific Network	458,108	-	511,930	-	511,930
Science	202,596	-	211,791	-	211,791
Communications and other programs	569,878	-	443,424	-	443,424
Total program services	3,794,692	-	2,928,621	-	2,928,621
General and administrative	376,540	-	434,232	-	434,232
Development and fundraising	759,029	-	793,460	-	793,460
Total expenses	<u>4,930,261</u>	<u>-</u>	<u>4,156,313</u>	<u>-</u>	<u>4,156,313</u>
Change in net assets	304,798	(220,099)	50,469	(356,306)	(305,837)
Net assets:					
Beginning of year	4,081,985	8,655,471	4,031,516	9,011,777	13,043,293
End of year	<u>\$ 4,386,783</u>	<u>\$ 8,435,372</u>	<u>\$ 4,081,985</u>	<u>\$ 8,655,471</u>	<u>\$ 12,737,456</u>

See notes to consolidated financial statements.

WILD SALMON CENTER
STATEMENT OF FUNCTIONAL EXPENSES
For the year ended December 31, 2018

	Program Services							Total
	North America Program	Western Pacific Network	Science	Communi-cation and Other	Total	Management and General	Development and Fundraising	
Salaries and related expenses	\$ 997,034	\$ 178,028	\$ 123,686	\$ 285,547	\$ 1,584,295	\$ 222,272	\$ 499,054	\$ 2,305,621
Subgrants	1,302,058	210,000	45,000	119,597	1,676,655	-	-	1,676,655
Professional services	98,920	16,387	1,200	90,769	207,276	52,979	45,612	305,867
Advertising and promotion	316	-	-	17,430	17,746	-	17,070	34,816
Rent	35,897	7,630	6,937	25,999	76,463	33,640	28,430	138,533
Office and telecommunication	14,676	2,327	5,596	11,918	34,517	16,195	33,587	84,299
Travel	73,567	37,172	18,942	5,919	135,600	4,599	91,547	231,746
Conference	3,056	849	430	1,622	5,957	-	18,821	24,778
Insurance	21	4,498	-	-	4,519	16,050	21	20,590
Dues and subscriptions	7,998	30	105	4,287	12,420	1,448	4,664	18,532
Other operating costs	30,567	1,187	700	6,790	39,244	29,357	20,223	88,824
Total expenses	\$ 2,564,110	\$ 458,108	\$ 202,596	\$ 569,878	\$ 3,794,692	\$ 376,540	\$ 759,029	\$ 4,930,261

See notes to financial statements.

WILD SALMON CENTER
STATEMENT OF FUNCTIONAL EXPENSES
For the year ended December 31, 2017

	Program Services						Total
	North America Program	Western Pacific Network	Science	Communi- cation and Other	Management and General	Development Fundraising	
Salaries and related expenses	\$ 831,039	\$ 290,008	\$ 130,525	\$ 250,417	\$ 243,068	\$ 492,521	\$ 2,237,578
Subgrants	594,740	140,000	22,500	25,000	-	-	782,240
Professional services	219,906	8,468	29,600	83,583	73,453	46,830	461,840
Advertising and promotion	5,826	2,007	-	15,163	130	18,547	41,673
Rent	31,116	14,072	7,092	25,648	38,748	29,158	145,834
Office and telecommunication	9,747	4,847	2,208	9,832	24,184	51,138	101,956
Travel	61,729	35,933	19,322	7,362	2,632	88,485	215,463
Conference	1,936	10,889	-	11	1,090	49,548	63,474
Insurance	-	4,557	-	-	15,083	376	20,016
Other operating costs	5,192	998	544	26,323	29,943	16,857	79,857
Depreciation	245	151	-	85	5,901	-	6,382
Total expenses	\$ 1,761,476	\$ 511,930	\$ 211,791	\$ 443,424	\$ 434,232	\$ 793,460	\$ 4,156,313

See notes to financial statements.

WILD SALMON CENTER
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the years ended December 31, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Cash flows from operating activities:		
Cash received from grants, contracts, and contributions	\$ 5,217,662	\$ 3,583,086
Other cash receipts	51,385	21,901
Investment earnings	143,463	112,717
Cash paid to employees and suppliers	<u>(4,996,399)</u>	<u>(3,905,297)</u>
Net cash flows from operating activities	<u>416,111</u>	<u>(187,593)</u>
 Cash flows from investing activities:		
Proceeds from the sale of investments	362,500	3,210,029
Purchases of investments	<u>(826,538)</u>	<u>(3,851,244)</u>
Net cash flows from investing activities	<u>(464,038)</u>	<u>(641,215)</u>
 Net change in cash and cash equivalents	(47,927)	(828,808)
 Cash and cash equivalents - beginning of year	<u>3,999,214</u>	<u>4,828,022</u>
 Cash and cash equivalents - end of year	<u><u>\$ 3,951,287</u></u>	<u><u>\$ 3,999,214</u></u>

See notes to consolidated financial statements.

WILD SALMON CENTER
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2018 and 2017

1. NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Organization

Wild Salmon Center (the Organization or WSC), founded in 1992, is an incorporated association. The mission of Wild Salmon Center is to promote the conservation and sustainable use of wild salmon ecosystems across the Pacific Rim. WSC identifies science-based solutions to sustain wild salmonids and the human communities and livelihoods that depend on them. The primary source of revenue is contributions from foundations, individuals and businesses.

The Organization's primary programs include:

North America Program: The North America Program conducts conservation activities in the states of California, Oregon, Washington, and Alaska as well as British Columbia, Canada. Through collaboration with public and private partners, this Program focuses on building and leading coalitions to ensure the long-term abundance and viability of North America's strongest remaining wild salmon and steelhead populations.

Western Pacific Program: The Western Pacific Program is working to ensure effective long-term protection of a network of salmon strongholds in Russia. In collaboration with partners, this Program conducts conservation activities in Kamchatka, Sakhalin Island, and in the Khabarovsk region in the Russian Far East.

Science Program: Wild Salmon Center's Science Program conducts research and draws together the best available information and data, so that the Organization and its partners can best conserve the North Pacific's wild salmon ecosystems.

Stronghold Fund: WSC has established a new Fund, to be spent on the highest priority wild salmon and steelhead conservation and partnership initiatives throughout the Pacific Rim. The Fund will target only the strongest wild salmon and steelhead rivers in the Pacific.

WILD SALMON CENTER
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Continued
December 31, 2018 and 2017

1. NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

- *Net Assets Without Donor Restrictions* - Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.
- *Net Assets With Donor Restrictions* - Net assets subject to donor- (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Consolidated Financial Presentation

The consolidated financial statements include the accounts of Wild Salmon Center and The Stronghold Fund, a nonprofit organization established to facilitate one of WSC's programs (collectively, the Organization). All inter-organization transactions and balances have been eliminated.

Cash and Cash Equivalents

For the purposes of the statements of cash flows, the Organization considers all highly liquid investments available for current use with maturities of three months or less, at the time of purchase, to be cash equivalents.

Investments

Investments are carried at fair value. Investment income earned on net assets with donor restrictions is reported as an increase in net assets with donor restrictions and classified according to the nature of the restriction.

Accounts Receivable

Accounts receivable are reported at the amount management expects to collect on balances outstanding at year-end. Management provides for probable uncollectible amounts through a charge to the change in net assets and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to the receivable. At December 31, 2017, management determined an allowance for uncollectible accounts was unnecessary.

WILD SALMON CENTER
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Continued
December 31, 2018 and 2017

1. NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Pledges Receivable

Contributions, which include unconditional promises to give (pledges), are recognized as revenues in the period the Organization is notified of the commitment. Conditional promises to give are not recognized until they become unconditional, that is when the conditions on which they depend are substantially met. Bequests are recorded as revenue at the time the Organization has an established right to the bequest and the proceeds are measurable.

Property and Equipment

Additions to property and equipment with values exceeding \$5,000 are capitalized. Property and equipment are carried at cost, or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

Donated Materials and Services

In-kind contributions of equipment and other materials are recorded where there is an objective basis upon which to value these contributions and where the contributions are an integral part of the Organization's activities.

The Organization reports as revenue the fair value of contributed services received where the services require specialized skills, are provided by individuals possessing these skills, and represent services that would have been purchased had they not been donated.

Some of the Organization's operations are staffed by volunteers. These volunteer services have not been recognized in the accompanying consolidated financial statements since the criteria for recording these contributed services have not been met.

Deferred Revenue

Fees received in advance for events to be held in a subsequent period are deferred and recorded as a liability and recognized as revenue during the period in which the event occurs.

Functional Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities and in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The expenses that are allocated include salaries and related costs, occupancy, office and telecommunications, insurance, and other, which are allocated on the basis of estimates of time and effort.

WILD SALMON CENTER
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Continued
December 31, 2018 and 2017

1. NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Income Taxes

Wild Salmon Center and The Stronghold Fund are exempt from federal and state income taxes under Internal Revenue Code Section 501(c)(3) and applicable state law. Based on certain tax law changes, the Organization may be subject to unrelated business income tax related to transportation benefits. Any provision for income taxes associated with these changes is estimated to be immaterial. The Organization has no other activities subject to unrelated business income tax. At times, the Organization may engage in lobbying activities. To the extent that activities exceed allowable limits, the Organization accrues estimated excise taxes. Accrued amounts included in the financial statements are not material. The Organization is not a private foundation.

The Organization follows the provisions of FASB ASC *Topic Accounting for Uncertainty in Income Taxes*. Management has evaluated the Organization's tax positions and concluded that there are no uncertain tax positions that require adjustment to the consolidated financial statements to comply with provisions of this Topic.

Change in Accounting Principle

The Organization has implemented Accounting Standards Update (ASU) 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*. The Update modified net asset classification and enhances disclosures regarding liquidity and availability of resources and functional expense reporting. The Update has been applied retrospectively to all periods presented.

Use of Estimates

The preparation of consolidated 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events

The Organization has evaluated all subsequent events through April 15, 2019, the date the consolidated financial statements were available to be issued.

WILD SALMON CENTER
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Continued
December 31, 2018 and 2017

2. LIQUIDITY MANAGEMENT

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its primary operations to be general expenditures. It excludes financial assets with donor or other restrictions limiting their use.

The Organization has various sources of liquidity at its disposal, including cash and cash equivalents, pledges receivable, marketable debt and equity securities and a line of credit. Financial assets of the Organization consist of the following at December 31, 2018:

	<u>Total</u>	<u>Board Designated</u>	<u>With Donor Restrictions</u>	<u>Available for General Expenditure</u>
Financial assets at year-end:				
Cash and cash equivalents	\$ 3,951,287	\$ -	\$ 1,493,705	\$ 2,457,582
Pledges receivable, current	1,660,948	-	1,339,638	321,310
Investments convertible to cash in the next 12 months	<u>5,966,946</u>	<u>775,000</u>	<u>4,205,195</u>	<u>986,751</u>
Total financial assets at year-end	<u>\$ 11,579,181</u>	<u>\$ 775,000</u>	<u>\$ 7,038,538</u>	<u>\$ 3,765,643</u>

Board designated funds may be released for spending upon approval of the Board.

3. INVESTMENTS

Investments are carried at fair value and consist of the following at December 31:

	<u>2018</u>	<u>2017</u>
Cash and equivalents	\$ 968,548	\$ 904,824
U.S. treasury securities	1,577,594	1,322,273
Corporate bonds	1,209,884	1,095,780
Equities	<u>2,210,920</u>	<u>2,568,023</u>
Total investments	<u>\$ 5,966,946</u>	<u>\$ 5,890,900</u>

WILD SALMON CENTER
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Continued
December 31, 2018 and 2017

4. PLEDGES RECEIVABLE

Pledges receivable are unsecured and due as follows at December 31:

	<u>2018</u>	<u>2017</u>
Due within one year	\$ 1,660,948	\$ 1,122,126
Due in two to five years	1,155,000	1,886,027
Over five years	<u>475,000</u>	<u>275,000</u>
Total pledges receivable	3,290,948	3,283,153
Less discount for long-term pledges	<u>233,166</u>	<u>233,703</u>
Net pledges receivable	<u>\$ 3,057,782</u>	<u>\$3,049,450</u>
Current	\$ 1,660,948	\$ 1,122,126
Long-term	<u>1,396,834</u>	<u>1,927,324</u>
Net pledges receivable	<u>\$ 3,057,782</u>	<u>\$3,049,450</u>

Long-term pledges are discounted to present value at a rate of 5%.

5. PROPERTY AND EQUIPMENT

Property and equipment consist of the following at December 31:

	<u>2018</u>	<u>2017</u>
Furniture	\$ 131,495	\$ 131,495
Office equipment	34,636	34,636
Computer equipment	29,257	29,257
Leasehold improvements	<u>67,545</u>	<u>67,545</u>
	262,933	262,933
Less accumulated depreciation	<u>262,933</u>	<u>262,933</u>
Property and equipment, net	<u>\$ -</u>	<u>\$ -</u>

6. LINE OF CREDIT

The Organization has a \$500,000 line of credit with Wells Fargo Bank. Interest payments on the outstanding balance are to be made monthly at a floating rate equal to 1.0% over the bank prime rate or the floor rate of 5.75%, whichever is greater (6.5% as of December 31, 2018). The line of credit is secured by all supplies, receivables and equipment of the Organization and matures on May 1, 2019. There were no advances on the line at December 31, 2018 and 2017.

WILD SALMON CENTER
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Continued
December 31, 2018 and 2017

7. BOARD DESIGNATED NET ASSETS

Board designated net assets are held as an operating reserve and total \$775,000 at December 31, 2018 and 2017.

8. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions, including time restricted pledges, are restricted to the following activities at December 31:

	<u>2018</u>	<u>2017</u>
Stronghold Fund	\$ 7,175,728	\$ 6,899,185
North America Program	885,162	967,233
Western Pacific Network	75,906	304,513
Salmon Science	215,483	334,540
Other purposes	8,093	-
Time restricted - general support	<u>75,000</u>	<u>150,000</u>
Total net assets with donor restrictions	<u>\$ 8,435,372</u>	<u>\$ 8,655,471</u>

9. EMPLOYEE BENEFIT PLAN

The Organization has a defined contribution salary deferral 401(K) plan covering all eligible full-time employees based in the United States. Under the plan, these employees are eligible to contribute to the plan after six months of employment. Employees may contribute up to the statutory limit of their pre-tax earnings each period and the Organization will match employee contributions up to seven percent. The Organization's contributions to the plan during 2018 and 2017 totaled approximately \$92,900 and \$84,700, respectively.

WILD SALMON CENTER
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Continued
December 31, 2018 and 2017

10. LEASE COMMITMENTS

The Organization leases its Portland office facilities under an agreement expiring July 31, 2022. Current monthly rent is \$11,191 subject to annual increases. The Organization also leases office equipment under operating leases expiring through December 2020 and December 2021 with current monthly rent totaling \$760.

Total rent expense approximated \$138,500 and \$137,500 for 2018 and 2017, respectively.

Future minimum lease payments under non-cancelable leases are as follows:

Year ending December 31, 2019	\$ 144,800
2020	148,200
2021	151,000
2022	<u>84,400</u>
Total	<u>\$ 528,400</u>

11. CONCENTRATIONS OF CREDIT RISK

The Organization maintains its cash balances in several financial institutions. Balances in each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Cash balances in excess of insured limits were approximately \$3,474,000 and \$3,213,000 at December 31, 2018 and 2017, respectively.

Credit risk for pledges receivable is concentrated in that 97% of the balance is due from two individuals, including one board member, and three foundations at December 31, 2018 and 79% of the balance is due from two board members and one foundation at December 31, 2017. In addition, one donor provided approximately 16% of the Organization's total revenue in 2018.

WILD SALMON CENTER
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, Continued
December 31, 2018 and 2017

12. FAIR VALUE MEASUREMENTS

Assets and liabilities recorded at fair value in the statement of financial position are categorized based upon the level of judgment associated with the inputs used to measure their fair value. Level inputs are defined as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets and liabilities.

Level 2: Observable inputs other than those included in Level 1, such as quoted market prices for similar assets or liabilities in active markets, or quoted market prices for identical assets or liabilities in inactive markets.

Level 3: Unobservable inputs reflecting management's own assumptions about the inputs used in pricing the asset or liability. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair values requires significant management judgment or estimation.

Fair values of assets measured on a recurring basis at December 31, 2018 and 2017 are as follows:

	Fair Value	Level 1	Level 2
<u>December 31, 2018</u>			
Investments:			
U.S. treasury securities	\$ 1,577,594	\$ 1,577,594	\$ -
Corporate bonds	1,209,884	-	1,209,884
Equity securities	1,883,457	1,883,457	-
Exchange traded funds	271,096	271,096	-
Real estate investment trust	56,367	-	56,367
 <u>December 31, 2017</u>			
Investments:			
U.S. treasury securities	\$ 1,322,273	\$ 1,322,273	\$ -
Corporate bonds	1,095,780	-	1,095,780
Equity securities	2,312,102	2,312,102	-
Exchange traded funds	213,256	213,256	-
Real estate investment trust	42,665	-	42,665

Fair value of investments in U.S. treasury and equity securities are determined by reference to quoted market prices and other relevant information generated by market transactions. Fair value for investments in corporate bonds and the real estate investment trust are provided by custodians and are based on pricing models that incorporate available trade, bid and other market information.

SUPPLEMENTARY INFORMATION

WILD SALMON CENTER
SCHEDULE I - CONSOLIDATING STATEMENT OF FINANCIAL POSITION
December 31, 2018

	Wild Salmon Center	Stronghold Fund	Eliminating Entries	Consolidated Total
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 2,892,438	\$ 1,058,849	\$ -	\$ 3,951,287
Investments	1,761,751	4,205,195	-	5,966,946
Pledges receivable, current portion	1,135,948	525,000	-	1,660,948
Prepaid expenses, deposits, and supplies	115,629	582	-	116,211
Total current assets	5,905,766	5,789,626	-	11,695,392
 Pledges receivable, net	 4,762	 1,392,072	 -	 1,396,834
 TOTAL ASSETS	 \$ 5,910,528	 \$ 7,181,698	 \$ -	 \$ 13,092,226
 LIABILITIES AND NET ASSETS				
Current liabilities:				
Accounts payable and accrued expenses	\$ 264,101	\$ 5,970	\$ -	\$ 270,071
Total liabilities	264,101	5,970	-	270,071
Net assets:				
Without donor restrictions:				
Undesignated	3,611,783	-	-	3,611,783
Board designated	775,000	-	-	775,000
Total without donor restrictions	4,386,783	-	-	4,386,783
With donor restrictions	1,259,644	7,175,728	-	8,435,372
Total net assets	5,646,427	7,175,728	-	12,822,155
 TOTAL LIABILITIES AND NET ASSETS	 \$ 5,910,528	 \$ 7,181,698	 \$ -	 \$ 13,092,226

See independent auditor's report.

WILD SALMON CENTER
SCHEDULE II - CONSOLIDATING STATEMENT OF ACTIVITIES
For the year ended December 31, 2018

	<u>Wild Salmon Center</u>	<u>Stronghold Fund</u>	<u>Eliminating Entries</u>	<u>Consolidated Total</u>
Revenue and support:				
Grants and contributions	\$ 4,519,416	1,119,078	\$ (412,500)	\$ 5,225,994
Donated materials and services	9,426	-	-	9,426
Investment income	28,873	114,590	-	143,463
Net realized/unrealized losses	(64,471)	(323,521)	-	(387,992)
Other income	24,069	-	-	24,069
Total revenue and support	<u>4,517,313</u>	<u>910,147</u>	<u>(412,500)</u>	<u>5,014,960</u>
Expenses:				
Program services:				
North America Program	2,564,110	-	-	2,564,110
Western Pacific Network	458,108	-	-	458,108
Science	202,596	-	-	202,596
Communications and other programs	348,774	633,604	(412,500)	569,878
Total program services	3,573,588	633,604	(412,500)	3,794,692
General and administrative	376,540	-	-	376,540
Development and fundraising	759,029	-	-	759,029
Total expenses	<u>4,709,157</u>	<u>633,604</u>	<u>(412,500)</u>	<u>4,930,261</u>
Change in net assets	(191,844)	276,543	-	84,699
Net assets:				
Beginning of year	<u>5,838,271</u>	<u>6,899,185</u>	<u>-</u>	<u>12,737,456</u>
End of year	<u>\$ 5,646,427</u>	<u>\$ 7,175,728</u>	<u>\$ -</u>	<u>\$ 12,822,155</u>

See independent auditor's report.