

Big Cat Rescue Corporation

Audited Financial Statements

December 31, 2022 and 2021

Big Cat Rescue Corporation

Contents

Independent Auditors' Report	3 - 5
Financial Statements	
Statements of Financial Position	6
Statements of Activities and Changes in Net Assets	7
Statements of Functional Expenses	8
Statements of Cash Flows	9
Notes to Financial Statements	10 – 21



Independent Auditors' Report

To the Board of Directors
Big Cat Rescue Corporation

Opinion

We have audited the accompanying financial statements of Big Cat Rescue Corporation (the Organization), which comprise the statements of financial position as of December 31, 2022 and 2021 and the related statements of activities, functional expenses and cash flows for the years 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 Big Cat Rescue Corporation as of December 31, 2022 and 2021 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Big Cat Rescue Corporation 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 Big Cat Rescue Corporation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's 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 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 Big Cat Rescue Corporation'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 Big Cat Rescue Corporation'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.

Report on Summarized Comparative Information

We have previously audited the Big Cat Rescue Corporation 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated March 24, 2022. In our opinion, the summarized comparative information presented herein as of December 31, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

FRSCPA, PLLC

St. Petersburg, Florida
March 18, 2023

Big Cat Rescue Corporation
Statements of Financial Position
December 31, 2022 and 2021

	2022	2021
<u>ASSETS</u>		
Current Assets		
Cash and cash equivalents	\$ 7,242,245	\$ 6,682,330
Cash, board-designated reserve	631,382	631,382
Certificates of deposit	120,000	309,580
Current portion of mortgages receivable	7,015	6,524
Investments	606,521	813,985
Grants and contributions receivable	73,217	118,137
Inventory	12,601	64,339
Total current assets	8,692,981	8,626,277
Beneficial interest in endowment funds held by others	920,274	1,089,505
Mortgages receivable, less current portion	306,895	315,849
Other real estate owned	1,898,151	1,898,151
Property and equipment, net	4,035,357	4,146,763
Total assets	\$ 15,853,658	\$ 16,076,545
<u>LIABILITIES AND NET ASSETS</u>		
Current Liabilities		
Accounts payable and accrued expenses	\$ 26,722	\$ 36,329
Total current liabilities	26,722	36,329
Total liabilities	26,722	36,329
Net assets:		
Without Donor Restrictions:		
Undesignated	14,275,280	14,319,329
Designated by board for operations	500,000	500,000
Designated by board for wall fund	131,382	131,382
Total net assets without donor restrictions	14,906,662	14,950,711
With Donor Restrictions	920,274	1,089,505
Total net assets	15,826,936	16,040,216
Total liabilities and net assets	\$ 15,853,658	\$ 16,076,545

See accompanying notes to financial statements.

Big Cat Rescue Corporation

Statement of Activities and Changes in Net Assets Year ended December 31, 2022 (with comparative totals for 2021)

	Without Donor Restrictions	With Donor Restrictions	Total	
			2022	2021
Support and Revenue:				
Contributions and grants	\$ 1,772,437	\$ –	\$ 1,772,437	\$ 2,303,851
Bequests	869,206	–	869,206	286,153
In-kind services and contributions	95,069	–	95,069	60,359
Special events (net of expenses of \$1,362 and \$0)	48,206	–	48,206	21,767
Rental income	16,602	–	16,602	15,963
Investment (loss) income	(599,137)	(119,632)	(718,769)	719,746
Gift shop (net of cost of goods sold of \$108,159 and \$86,004)	(4,416)	–	(4,416)	33,531
Other income	509,998	–	509,998	183,885
Support and revenue before releases	2,707,965	(119,632)	2,588,333	3,625,255
Net assets released from restrictions	49,599	(49,599)	–	–
Total support and revenue	2,757,564	(169,231)	2,588,333	3,625,255
Expenses:				
Program services	2,332,081	–	2,332,081	2,142,273
Management and general	414,872	–	414,872	270,984
Fundraising	54,660	–	54,660	46,319
Total expenses	2,801,613	–	2,801,613	2,459,576
Change in net assets	(44,049)	(169,231)	(213,280)	1,165,679
Net assets, beginning of year	14,950,711	1,089,505	16,040,216	14,874,537
Net assets, end of year	\$ 14,906,662	\$ 920,274	\$ 15,826,936	\$ 16,040,216

See accompanying notes to financial statements.

Big Cat Rescue Corporation

Statements of Functional Expenses

Year ended December 31, 2022 (with comparative totals for 2021)

	<i>Program Services</i>				<i>Supporting services</i>		Cost of goods sold	Total 2022	Total 2021
	Animal Care	Advocacy	In Situ Conservation Grants	Total Program	Management and General	Fundraising			
Conferences, conventions, and meetings	\$ 44,971	\$ –	\$ –	\$ 44,971	\$ –	\$ –	\$ –	\$ 44,971	\$ 7,105
Contributions	310,176	–	110,850	421,026	–	–	–	421,026	108,001
Equipment rental and maintenance	22,017	–	–	22,017	–	–	–	22,017	22,577
Salaries and payroll expenses	357,658	167,216	–	524,874	159,589	33,120	–	717,583	690,411
Animal care and education activities	412,439	–	–	412,439	–	–	–	412,439	430,289
Taxes	3,000	–	–	3,000	–	–	–	3,000	1,038
Advertising	10,289	–	–	10,289	–	5,058	–	15,347	16,388
Legal and accounting fees	125,047	–	–	125,047	11,749	–	–	136,796	287,325
Donated use of facilities	42,000	–	–	42,000	–	–	–	42,000	25,526
Office expense	4,065	–	–	4,065	1,236	256	–	5,557	4,932
Postage and shipping	19,453	–	–	19,453	5,915	1,228	–	26,596	26,320
Printing and publications	5,953	5,914	–	11,867	–	8,367	–	20,234	26,897
Other professional fees	90,200	–	–	90,200	29,704	–	–	119,904	140,398
Bank and credit card fees	–	–	–	–	7,337	–	–	7,337	7,471
Insurance	6,355	–	–	6,355	–	–	–	6,355	36,249
Legislation efforts	–	187,428	–	187,428	–	–	–	187,428	89,991
Other expense	6,668	–	–	6,668	39	5,259	–	11,966	8,931
Technology	146,934	32,830	–	179,764	–	–	–	179,764	207,987
Telephone	21,742	–	–	21,742	6,611	1,372	–	29,725	31,111
Travel	6,148	–	–	6,148	–	–	–	6,148	10,522
Other real estate owned expense	–	–	–	–	192,692	–	–	192,692	94,679
Gift shop cost of goods sold	–	–	–	–	–	–	108,159	108,159	86,004
Cost of direct benefit to donors	–	–	–	–	–	–	1,362	1,362	–
Depreciation	192,728	–	–	192,728	–	–	–	192,728	185,428
Total expenses by function	1,827,843	393,388	110,850	2,332,081	414,872	54,660	109,521	2,911,134	2,545,580
Less expenses included with revenues on the statement of activities									
Gift shop cost of goods sold	–	–	–	–	–	–	(108,159)	(108,159)	(86,004)
Cost of direct benefit to donors	–	–	–	–	–	–	(1,362)	(1,362)	–
Total expenses included in expense section on the statement of activities	\$ 1,827,843	\$ 393,388	\$ 110,850	\$ 2,332,081	\$ 414,872	\$ 54,660	\$ –	\$ 2,801,613	\$ 2,459,576

See accompanying notes to financial statements.

Big Cat Rescue Corporation

Statements of Cash Flows Years ended December 31, 2022 and 2021

	2022	2021
Cash flows from operating activities:		
Change in net assets	\$ (213,280)	\$ 1,165,679
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities:		
Depreciation	192,728	185,428
Net change in value of endowment funds	169,231	(103,616)
Net gain on investments	441,722	(92,837)
Changes in operating assets and liabilities:		
Grants and contributions receivable	44,920	108,242
Inventory	51,738	31,804
Accounts payable and accrued expenses	(9,607)	(57,715)
Net cash provided by operating activities	677,452	1,236,985
Cash flows from investing activities:		
Principal payments received from mortgages receivable	8,463	6,260
Issuance of new mortgage receivable	–	(85,000)
Redemptions of certificates of deposit, net of purchases	189,580	102,933
Purchases of investments	(251,230)	(635,106)
Proceeds from sale of other real estate	–	74,646
Proceeds from sale of investments	16,972	7,271
Purchases of property and equipment	(81,322)	(68,387)
Net cash used in investing activities	(117,537)	(597,383)
Net change in cash and cash equivalents	559,915	639,602
Cash and cash equivalents, beginning of year	7,313,712	6,674,110
Cash and cash equivalents, end of year	\$ 7,873,627	\$ 7,313,712

See accompanying notes to financial statements.

Big Cat Rescue Corporation

Notes to financial statements December 31, 2022 and 2021

1. Nature of Activities

Big Cat Rescue Corporation (the Organization) is a nonprofit organization in Hillsborough County, Florida which was formed under the laws of the State of Florida on April 4, 1995. Our Organization's mission is to provide the best home we can for the cats in our care, end abuse of big cats in captivity and prevent extinction of big cats in the wild. We accomplish this through educational guided tours of the sanctuary, which houses a substantial number of abused, abandoned, orphaned or retired big cats, school education programs, multi-month training programs including housing for interns from around the world, advocacy, and support of in situ conservation projects.

The primary sources of income from the Organization normally are derived from educational tours and contributions from individuals, foundations and corporations. We stopped doing general public tours in March 2020 due to COVID and as a result had no tour revenue in 2022 and 2021.

2. Significant Accounting Policies

The financial statements are prepared in accordance with accounting principles generally accepted in the United States of America.

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Net assets without donor restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. The Organization's board may designate assets without restrictions for specific operational purposes from time to time.

Net assets with donor restrictions – Net assets subject to stipulations imposed by donors. Some donor restrictions are temporary in nature; those restrictions will be met by actions

Big Cat Rescue Corporation

Notes to financial statements December 31, 2022 and 2021

of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. The Organization places its cash with high quality financial institutions. At times, cash may be in excess of FDIC insurance limits. The Organization does not believe it is exposed to any significant credit risk on cash.

Contributions and Unconditional Promises

Contributions and unconditional promises to give are measured at their fair values and are reported as an increase in net assets when received. Contributions are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire or are otherwise satisfied in the fiscal year in which the contributions are recognized. Contributions receivable are written off when deemed uncollectible.

Amounts restricted for future periods or restricted for specific purposes are reported as net assets with donor restrictions. When a donor-stipulated time restriction ends, or a purpose restriction is accomplished, the restricted net assets are reclassified to net assets without restrictions and reported as satisfactions of program restrictions and net assets released. Conditional contributions are recognized as revenue when the conditions on which they depend have been substantially met.

Inventory

The Organization's inventory consists of gift shop merchandise. Inventory is valued at the lower of cost or net realizable value, and the cost of items is calculated using a first-in, first-out (FIFO) basis.

Big Cat Rescue Corporation

Notes to financial statements December 31, 2022 and 2021

Mortgages Receivable and Allowance for credit losses

Mortgages receivable primarily represent amounts due to the Organization from sales of investment properties. The Organization will occasionally issue a mortgage on a property that is not related to the sale of an investment property. Mortgages receivable are carried at their remaining unpaid balance. All loans are secured with mortgages on the underlying property. Interest income is recognized monthly as mortgage payments are due.

Mortgage receivables are determined to be past due or delinquent based on how recently payments have been received. The Organization establishes an allowance for credit losses based on management's evaluation of the collectability of mortgages, including the nature of the loan, estimated realizable value of the underlying collateral, historical loss experience, specific impaired loans, economic conditions, and other risk factors. Uncollectible loans are charged off when collection efforts have been exhausted. Properties re-acquired through foreclosure or similar action are recorded at the lesser of the remaining mortgage balance or the fair value of the property on the date re-acquired. No allowance for credit losses was recorded as of December 31, 2022 and 2021.

Other Real Estate Owned

The Organization has received real estate through donations and has also purchased real estate. When the Organization holds the property as an investment, the property is classified as Other Real Estate Owned on the Statement of Financial Position. Such property is reported at cost, if purchased; and if received as a donation, is initially recorded at fair value. The fair values of such assets are determined by independent appraisals and/or other relevant factors.

After acquisition, the property is not depreciated and is reported at cost unless the fair value of the property drops below the cost, in which case the property is reported at fair value.

Property and Equipment

Property and equipment is recorded at the cost purchased or fair value at date of gift, if contributed, and is depreciated using the straight-line method over the estimated useful life of the respective asset, which is 5 years for equipment and vehicles and 39 years for buildings and structures. The Organization's policy is to record capital expenditures greater than \$2,500 as property and equipment.

Big Cat Rescue Corporation

Notes to financial statements December 31, 2022 and 2021

Admissions, Merchandising, and Grant Revenues

The Organization records admissions, merchandising and grant revenues as earned. The Organization records gifts of long-lived assets as revenue when they are received unconditionally, at their fair value.

Animal Collections

In accordance with industry practice, animal collections are recorded at the nominal amount of \$1, as there is no objective basis for establishing value. Additionally, animal collections have numerous attributes, including species, age, sex and endangered status, whereby it is impracticable to assign value. The Organization does not purchase animals. Rescue costs are recorded as expenditures as they are incurred.

Donated Use of Facilities, Materials and Services

Vehicles, materials and the use of facilities received as donations are recorded and reflected in the accompanying financial statements at their fair values at the date of receipt. During 2022 and 2021, the Organization was donated the use of facilities at two shopping malls with a value of \$42,000 and \$25,526, respectively. The use of facilities in one of the shopping malls ended in January 2021. Increase is related to inflation in rental property during 2022.

Donated professional services (which include accounting and legal services) are reflected in the statement of activities at their fair value. The Organization recorded no donated professional services during the years ended December 31, 2022 and 2021.

Volunteer services not requiring specialized skills are not reflected in the financial statements. The Organization received 31,295 and 55,371 volunteer hours donated by volunteers and interns during the years ended December 31, 2022 and 2021, respectively.

Functional Allocation of Expenses

The costs of providing the Organization's various programs and other activities have been summarized on a functional basis in a separate statement of functional expenses. Accordingly, certain costs have been allocated to program services, management and general and fund-raising.

Big Cat Rescue Corporation

Notes to financial statements December 31, 2022 and 2021

Advertising

The Organization follows the policy of charging the costs of advertising to expense as incurred. Advertising expense was \$15,347 and \$16,388, respectively for the years ending December 31, 2022 and 2021.

Fair Value of Financial Instruments

The fair value of financial instruments is measured as the amount that could be received upon the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value hierarchy is used to prioritize the quality and reliability of the information used to determine fair values. Categorization within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The fair value hierarchy is defined into the following three categories:

Level 1: Quoted market prices in active markets for identical assets or liabilities.

Level 2: Observable market-based inputs or unobservable inputs corroborated by market data.

Level 3: Unobservable inputs not corroborated by market data.

Fair value estimates discussed herein are based upon certain market assumptions and pertinent information available to management. The respective carrying value of certain on-balance-sheet financial instruments approximated their fair values due to the short-term nature of these instruments. These financial instruments include cash and equivalents, certificates of deposit, grants and contributions receivable, inventory, accounts payable and accrued expenses.

Income Tax Status

The Organization qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code (IRC).

The Organization is subject to tax on unrelated business income related to merchandise sales revenues. No income tax provision has been accrued in the financial statements because the amounts have been determined to be immaterial. Management is not aware of any activities that would jeopardize the Organization's tax-exempt status.

The Organization follows the income tax standard for uncertain tax positions. The Organization has evaluated their tax positions and determined they have no uncertain tax positions as of

Big Cat Rescue Corporation

Notes to financial statements December 31, 2022 and 2021

December 31, 2022. Should the Organization’s tax returns be challenged in the future, the Organization’s 2019 tax year and years thereafter are open for examination by the IRS.

Summarized Financial Information for 2021

The financial information for the year ended December 31, 2021, presented for comparative purposes, is not intended to be a complete presentation. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America (GAAP). Accordingly, such information should be read in conjunction with our audited financial statements for the year ended December 31, 2021, from which the summarized information was derived.

3. Beneficial interest in endowment funds held by others

The Organization has four endowment funds with the Community Foundation of Tampa Bay (Community Foundation). Two of these funds are shown on the Balance Sheet as “Beneficial interest in endowment fund held by others” and represent the Organization’s undivided interest in a pool of investment assets held and managed by the Community Foundation. The funds were established to provide future financial support to the Organization. The endowment plus the earnings on the endowment investments are recorded as net assets with donor restrictions. Grants paid to the Organization from these funds are reported as releases of net assets with donor restrictions in the Statement of Activities and Changes in Net Assets.

The majority of the endowment assets are traded in active markets and would be classified as Level 1 assets in the fair value hierarchy. The Community Foundation reports the endowment value to the Organization. The fair value of the Organization’s interest in these assets are as follows:

<i>December 31,</i>	2022	2021
Challenge grant #3	\$ 338,077	\$ 396,845
Endowment fund	582,197	692,660
Total endowment funds	\$ 920,274	\$ 1,089,505

Big Cat Rescue Corporation

Notes to financial statements December 31, 2022 and 2021

The changes in the fair value of the endowment interest are as follows for the years ended December 31, 2022 and 2021:

<i>Year ended December 31,</i>	2022	2021
Fair value, beginning of year	\$ 1,089,505	\$ 985,889
Grants to the Organization	(49,599)	(45,458)
Change in value	(119,632)	149,074
Fair value, end of year	\$ 920,274	\$ 1,089,505

In addition to the funds disclosed above, the Community Foundation holds two additional funds designated as benefiting the Organization. The Community Foundation has variance power over these funds, which allows the Community Foundation to modify any restrictions on the funds, including re-designating the funds to another beneficiary organization, as determined by the sole judgment of the Community Foundation's governing board. As a result, these funds are not considered assets of the Organization and are not included in the Organization's financial statements. The Organization records distributions from designated funds as unrestricted support.

The fair value of the two designated funds, which are not included in the Organization's financial statements, are as follows for the year ended December 31, 2022 and 2021:

<i>As of December 31,</i>	2022	2021
Designated fund #1	\$ 192,145	\$ 228,602
Designated fund #2	101,481	119,123
Total designated funds	\$ 293,626	\$ 347,725

Big Cat Rescue Corporation

Notes to financial statements December 31, 2022 and 2021

4. Mortgages Receivable

The Organization provides financing, secured by mortgages, for sales of real estate investments. At December 31, 2022 and 2021, loans receivable consists of the following:

<i>As of December 31,</i>	2022	2021
Mortgage receivable (Lantana), interest at 8%; monthly principal and interest payments of \$653; due January 16, 2045; secured by land and building	\$ 81,305	\$ 82,581
Mortgage receivable (Oconee), interest at 9.50%; monthly principal and interest payments of \$631; due March 15, 2042; secured by land and building	63,350	64,910
Mortgage receivable (Meadowview), interest at 4.50%; monthly principal and interest payments of \$502; due August 1, 2048; secured by land and building	86,792	90,491
Mortgage receivable (Nassau), interest at 7.75%; monthly principal and interest payments of \$700; due July 1, 2048; secured by land and building	82,463	84,391
Total mortgages receivable	313,910	322,373
Less: current portion	(7,015)	(6,524)
Mortgages receivable, long term	\$ 306,895	\$ 315,849

The principal amounts due on mortgages receivable for years subsequent to December 31, 2022 are as follows:

<u>Year ending December 31:</u>	
2023	\$ 7,015
2024	7,545
2025	8,195
2026	8,623
2027	9,630
Thereafter	272,902
	\$ 313,910

Big Cat Rescue Corporation

Notes to financial statements December 31, 2022 and 2021

5. Property and Equipment

Property and equipment at December 31, 2022 and 2021 consists of the following:

<i>December 31,</i>	2022	2021
Land	\$ 2,347,548	\$ 2,347,548
Buildings and structures	2,467,515	2,457,621
Equipment	641,468	596,645
Vehicles	194,073	236,682
Office equipment	125,428	98,822
	5,776,032	5,737,318
<u>Less: accumulated depreciation</u>	<u>(1,740,675)</u>	<u>(1,590,555)</u>
	\$ 4,035,357	\$ 4,146,763

Depreciation expense for the years ended December 31, 2022 and 2021 was \$192,728 and \$185,428, respectively.

6. Investments

Investments are summarized as follows:

<i>December 31,</i>	2022		2021	
	Fair Value	Cost	Fair Value	Cost
Stocks	\$ 37,946	\$ 135,805	\$ 44,130	\$ 49,964
Gold coins	228,417	270,816	135,923	139,230
Cryptocurrency	340,158	817,001	633,932	633,932
Total investments	\$ 606,521	\$ 1,223,622	\$ 813,985	\$ 823,126

Accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of quoted prices in active markets for identical assets, Level 2 inputs are observable market-based values of similar assets, and Level 3 inputs are unobservable and have the lowest priority. At December 31, 2022 and 2021, fair value by asset category is as follows:

Big Cat Rescue Corporation

Notes to financial statements December 31, 2022 and 2021

	Level 1	Level 2	Level 3	Total
<i>December 31, 2022</i>				
Stocks	\$ 37,946	\$ –	\$ –	\$ 37,946
Gold coins	–	228,417	–	228,417
Cryptocurrency	340,158	–	–	340,158
Total investments	\$ 378,104	\$ 228,417	\$ –	\$ 606,521
<i>December 31, 2021</i>				
Stocks	\$ 44,130	\$ –	\$ –	\$ 44,130
Gold coins	–	135,923	–	135,923
Cryptocurrency	633,932	–	–	633,932
Total investments	\$ 678,062	\$ 135,923	\$ –	\$ 813,985

Investment income from the above investments is reported as a change in net assets without donor restrictions. The following schedule details the investment income recognized in the statement of activities for the years ended December 31, 2022 and 2021, from these investments above as well as from the Organization's mortgages receivable, real estate and endowments:

<i>Year ended December 31,</i>	2022	2021
Realized and unrealized (loss) gain from investments	\$ (899,243)	\$ 205,903
Interest and dividend income	13,074	26,215
Income from other real estate owned	263,899	319,318
Interest from mortgages receivable	23,133	19,236
Beneficial (loss) interest in endowment funds	(119,632)	149,074
Investment (loss) income	\$ (718,769)	\$ 719,746

Big Cat Rescue Corporation

Notes to financial statements December 31, 2022 and 2021

7. Liquidity

The Organization's financial assets as of December 31, 2022 and available within one year of the balance sheet date for general expenditure are as follows:

<i>December 31,</i>	2022
Cash and equivalents	\$ 7,242,245
Cash, board-designated reserve	631,382
Certificates of deposit	120,000
Current portion of mortgages receivable	7,015
Investments	606,521
Grants and contributions receivable	73,217
Inventory	12,601
	\$ 8,692,981

The financial assets above have been reduced by amounts not available for general use because of donor imposed restrictions within one year of the balance sheet date.

The Organization's beneficial interest in endowment funds consist of restricted endowments held by others. The endowments are not readily available for general expenditure. As described in Note 3, the endowment funds make quarterly grants to the Organization. Approximately \$60,000 of grants from the endowment funds are expected to be made to the Organization within the next 12 months.

The Organization holds other real estate with a cost of \$1,898,151 which is available for sale. The Organization has no intention to sell these properties for liquidity purposes. However, the properties could be sold and the proceeds made available to the Organization if necessary.

8. Retirement Plan

The Organization sponsors a SIMPLE IRA contribution plan that covers the majority of all employees. The Organization contributes a matching contribution up to 3% of the employee's compensation for the calendar year. For the years ended December 31, 2022 and 2021 the Organization contributed \$15,381 and \$16,157, respectively, to the retirement plan.

Big Cat Rescue Corporation

Notes to financial statements December 31, 2022 and 2021

9. Net Assets with Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes or periods.

<i>December 31,</i>	2022	2021
<u>Not subject to spending policy or appropriation:</u>		
Beneficial interest in endowment funds held by others	\$ 920,274	\$ 1,089,505
	\$ 920,274	\$ 1,089,505

Net assets were released from restrictions by events as follows for the year ended December 31, 2022 and 2021.

<i>Year ending December 31,</i>	2022	2021
<u>Distributions (proceeds not restricted by donor):</u>		
Beneficial interest in endowment funds held by others	\$ 49,599	\$ 45,458
	\$ 49,599	\$ 45,458

10. Subsequent Events

Management has evaluated subsequent events through March 18, 2023, which is the date of the financial statements were available to be issued.