Rainforest Action Network

Financial Statements

For the Year Ended June 30, 2015
(With Summarized Comparative Totals for 2014)
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
of Rainforest Action Network
San Francisco, California

Report on the Financial Statements

We have audited the accompanying financial statements of Rainforest Action Network, which comprise the statement of financial position as of June 30, 2015, and the related statement 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 Action Network as of June 30, 2015, 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.

Report on Summarized Comparative Information

We have previously audited Rainforest Action Network's 2014 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 29, 2014. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2014, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Armanino LLP
San Francisco, California

October 16, 2015
RAINFOREST ACTION NETWORK  
Statement of Financial Position  
June 30, 2015  
(With Comparative Totals for 2014)

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**ASSETS**

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$3,889,972</td>
<td>$3,477,636</td>
</tr>
<tr>
<td>Grants, pledges and contributions receivable, net</td>
<td>480,279</td>
<td>1,807,918</td>
</tr>
<tr>
<td>Other receivables</td>
<td>3,517</td>
<td>4,863</td>
</tr>
<tr>
<td>Prepaid expenses and other current assets</td>
<td>84,949</td>
<td>80,266</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td><strong>4,458,717</strong></td>
<td><strong>5,370,683</strong></td>
</tr>
<tr>
<td><strong>Noncurrent assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property and equipment, net</td>
<td>26,436</td>
<td>42,435</td>
</tr>
<tr>
<td>Deposits</td>
<td>47,870</td>
<td>47,870</td>
</tr>
<tr>
<td><strong>Total noncurrent assets</strong></td>
<td><strong>74,306</strong></td>
<td><strong>90,305</strong></td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>$4,533,023</strong></td>
<td><strong>$5,460,988</strong></td>
</tr>
</tbody>
</table>

**LIABILITIES AND NET ASSETS**

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable</td>
<td>$29,652</td>
<td>$17,116</td>
</tr>
<tr>
<td>Accrued payroll liabilities</td>
<td>210,653</td>
<td>155,968</td>
</tr>
<tr>
<td>Other accrued liabilities</td>
<td>82,749</td>
<td>156,030</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td><strong>323,054</strong></td>
<td><strong>329,114</strong></td>
</tr>
<tr>
<td><strong>Net assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrestricted</td>
<td>3,445,757</td>
<td>3,050,685</td>
</tr>
<tr>
<td>Temporarily restricted</td>
<td>764,212</td>
<td>2,081,189</td>
</tr>
<tr>
<td><strong>Total net assets</strong></td>
<td><strong>4,209,969</strong></td>
<td><strong>5,131,874</strong></td>
</tr>
<tr>
<td><strong>Total liabilities and net assets</strong></td>
<td><strong>$4,533,023</strong></td>
<td><strong>$5,460,988</strong></td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of these financial statements.
RAINFOREST ACTION NETWORK
Statement of Activities
For the Year Ended June 30, 2015
(With Comparative Totals for 2014)

<table>
<thead>
<tr>
<th></th>
<th>2015 Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Total</th>
<th>2014 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue and support</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public support and membership</td>
<td>$546,380</td>
<td>$9,607</td>
<td>$555,987</td>
<td>$683,349</td>
</tr>
<tr>
<td>Major gifts/family foundations</td>
<td>1,921,689</td>
<td>33,124</td>
<td>1,954,813</td>
<td>3,484,259</td>
</tr>
<tr>
<td>Grants and contributions</td>
<td>177,050</td>
<td>1,165,135</td>
<td>1,342,185</td>
<td>3,506,524</td>
</tr>
<tr>
<td>In-kind contributions</td>
<td>71,328</td>
<td>-</td>
<td>71,328</td>
<td>65,738</td>
</tr>
<tr>
<td></td>
<td>2,716,447</td>
<td>1,207,866</td>
<td>3,924,313</td>
<td>7,739,870</td>
</tr>
<tr>
<td>Special events income</td>
<td>698,564</td>
<td>-</td>
<td>698,564</td>
<td>505,652</td>
</tr>
<tr>
<td>Less: special events expenses</td>
<td>(212,292)</td>
<td>-</td>
<td>(212,292)</td>
<td>(223,925)</td>
</tr>
<tr>
<td>Net special events income</td>
<td>486,272</td>
<td>-</td>
<td>486,272</td>
<td>281,727</td>
</tr>
<tr>
<td>Net assets released from restrictions</td>
<td>2,524,843</td>
<td>(2,524,843)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>5,727,562</td>
<td>(1,316,977)</td>
<td>4,410,585</td>
<td>8,021,597</td>
</tr>
<tr>
<td>Investment income</td>
<td>533</td>
<td>-</td>
<td>533</td>
<td>1,283</td>
</tr>
<tr>
<td>Total revenue and support</td>
<td>5,728,095</td>
<td>(1,316,977)</td>
<td>4,411,118</td>
<td>8,022,880</td>
</tr>
<tr>
<td>Expenses</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program services</td>
<td>4,368,040</td>
<td>-</td>
<td>4,368,040</td>
<td>3,703,847</td>
</tr>
<tr>
<td>Management and general</td>
<td>201,573</td>
<td>-</td>
<td>201,573</td>
<td>196,347</td>
</tr>
<tr>
<td>Fundraising</td>
<td>763,410</td>
<td>-</td>
<td>763,410</td>
<td>715,085</td>
</tr>
<tr>
<td>Total expenses</td>
<td>5,333,023</td>
<td>-</td>
<td>5,333,023</td>
<td>4,615,279</td>
</tr>
<tr>
<td>Change in net assets</td>
<td>395,072</td>
<td>(1,316,977)</td>
<td>(921,905)</td>
<td>3,407,601</td>
</tr>
<tr>
<td>Net assets at beginning of year</td>
<td>3,050,685</td>
<td>2,081,189</td>
<td>5,131,874</td>
<td>1,724,273</td>
</tr>
<tr>
<td>Net assets at end of year</td>
<td>$3,445,757</td>
<td>$764,212</td>
<td>$4,209,969</td>
<td>$5,131,874</td>
</tr>
</tbody>
</table>

The accompanying notes are integral part of these financial statements.
### RAINFOREST ACTION NETWORK

**Statement of Functional Expenses**

For the Year Ended June 30, 2015

(With Comparative Totals for 2014)

<table>
<thead>
<tr>
<th>Service</th>
<th>Program Services</th>
<th>Management and General</th>
<th>Fundraising</th>
<th>Total</th>
<th>2014 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advertising</td>
<td>$ 446</td>
<td>$ -</td>
<td>$ -</td>
<td>$ 446</td>
<td>$ -</td>
</tr>
<tr>
<td>Bank charges and fees</td>
<td>196</td>
<td>2,513</td>
<td>14,147</td>
<td>16,856</td>
<td>26,537</td>
</tr>
<tr>
<td>Campaign supplies</td>
<td>11,101</td>
<td>-</td>
<td>-</td>
<td>11,101</td>
<td>6,989</td>
</tr>
<tr>
<td>Communication services</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>20,335</td>
</tr>
<tr>
<td>Contract services</td>
<td>688,938</td>
<td>26,131</td>
<td>60,717</td>
<td>775,786</td>
<td>622,056</td>
</tr>
<tr>
<td>Direct mail</td>
<td>64,454</td>
<td>-</td>
<td>41,992</td>
<td>106,446</td>
<td>107,954</td>
</tr>
<tr>
<td>Employee development and training</td>
<td>60,815</td>
<td>1,489</td>
<td>8,156</td>
<td>70,460</td>
<td>42,405</td>
</tr>
<tr>
<td>Equipment leases</td>
<td>6,208</td>
<td>286</td>
<td>1,195</td>
<td>7,689</td>
<td>7,841</td>
</tr>
<tr>
<td>Equipment maintenance and repair</td>
<td>3,588</td>
<td>165</td>
<td>691</td>
<td>4,444</td>
<td>1,357</td>
</tr>
<tr>
<td>Events</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2,540</td>
</tr>
<tr>
<td>Grants to third parties</td>
<td>258,331</td>
<td>-</td>
<td>-</td>
<td>258,331</td>
<td>255,000</td>
</tr>
<tr>
<td>Insurance</td>
<td>3,831</td>
<td>9,949</td>
<td>737</td>
<td>14,517</td>
<td>13,403</td>
</tr>
<tr>
<td>Legal services</td>
<td>3,574</td>
<td>4,248</td>
<td>-</td>
<td>7,822</td>
<td>21,016</td>
</tr>
<tr>
<td>List rental</td>
<td>-</td>
<td>-</td>
<td>5,110</td>
<td>5,110</td>
<td>5,631</td>
</tr>
<tr>
<td>Meetings, conferences and conventions</td>
<td>106,258</td>
<td>3,634</td>
<td>9,508</td>
<td>119,400</td>
<td>104,569</td>
</tr>
<tr>
<td>Membership dues</td>
<td>6,609</td>
<td>32</td>
<td>432</td>
<td>7,073</td>
<td>7,523</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>15,829</td>
<td>385</td>
<td>1,944</td>
<td>18,158</td>
<td>31,761</td>
</tr>
<tr>
<td>Newsletters</td>
<td>15,600</td>
<td>-</td>
<td>3,359</td>
<td>18,959</td>
<td>27,335</td>
</tr>
<tr>
<td>Office supplies and equipment</td>
<td>48,399</td>
<td>948</td>
<td>7,487</td>
<td>56,834</td>
<td>33,925</td>
</tr>
<tr>
<td>Photography and videography</td>
<td>5,003</td>
<td>27</td>
<td>563</td>
<td>5,593</td>
<td>5,777</td>
</tr>
<tr>
<td>Postage and shipping</td>
<td>4,812</td>
<td>352</td>
<td>5,483</td>
<td>10,647</td>
<td>11,689</td>
</tr>
<tr>
<td>Printing and copying</td>
<td>36,781</td>
<td>1,045</td>
<td>12,888</td>
<td>50,714</td>
<td>43,863</td>
</tr>
<tr>
<td>Publication and subscriptions</td>
<td>44,480</td>
<td>33</td>
<td>874</td>
<td>45,387</td>
<td>30,505</td>
</tr>
<tr>
<td>Recruitment services</td>
<td>1,355</td>
<td>-</td>
<td>1,309</td>
<td>2,664</td>
<td>1,320</td>
</tr>
<tr>
<td>Rent, depreciation and utilities</td>
<td>224,395</td>
<td>10,083</td>
<td>42,141</td>
<td>276,619</td>
<td>270,314</td>
</tr>
<tr>
<td>Salaries, payroll taxes and benefits</td>
<td>2,419,286</td>
<td>133,801</td>
<td>456,326</td>
<td>3,009,413</td>
<td>2,466,364</td>
</tr>
<tr>
<td>Software leases</td>
<td>11,744</td>
<td>541</td>
<td>2,260</td>
<td>14,545</td>
<td>12,271</td>
</tr>
<tr>
<td>Taxes, fees, fines, penalties</td>
<td>345</td>
<td>4,687</td>
<td>66</td>
<td>5,098</td>
<td>4,268</td>
</tr>
<tr>
<td>Telecommunications</td>
<td>47,842</td>
<td>680</td>
<td>3,912</td>
<td>52,434</td>
<td>47,248</td>
</tr>
<tr>
<td>Travel</td>
<td>263,274</td>
<td>544</td>
<td>10,785</td>
<td>274,603</td>
<td>286,445</td>
</tr>
<tr>
<td>Volunteer and intern expenses</td>
<td>1,347</td>
<td>-</td>
<td>-</td>
<td>1,347</td>
<td>1,992</td>
</tr>
<tr>
<td>Website</td>
<td>13,199</td>
<td>-</td>
<td>13,199</td>
<td>29,308</td>
<td>29,308</td>
</tr>
<tr>
<td>In-kind expenses</td>
<td>-</td>
<td>-</td>
<td>71,328</td>
<td>71,328</td>
<td>65,738</td>
</tr>
<tr>
<td></td>
<td>$ 4,368,040</td>
<td>$ 201,573</td>
<td>$ 763,410</td>
<td>$ 5,333,023</td>
<td>$ 4,615,279</td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of these financial statements.
RAINFOREST ACTION NETWORK  
Statement of Cash Flows  
For the Year Ended June 30, 2015  
(With Comparative Totals for 2014)  

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flows from operating activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in net assets</td>
<td>$(921,905)</td>
<td>$3,407,601</td>
</tr>
<tr>
<td>Adjustments to reconcile change in</td>
<td></td>
<td></td>
</tr>
<tr>
<td>net assets to net cash provided by</td>
<td></td>
<td></td>
</tr>
<tr>
<td>operating activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td>25,434</td>
<td>26,039</td>
</tr>
<tr>
<td>Changes in operating assets and</td>
<td></td>
<td></td>
</tr>
<tr>
<td>liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants, pledges and contributions</td>
<td>1,327,639</td>
<td>(918,742)</td>
</tr>
<tr>
<td>receivable</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other receivables</td>
<td>1,346</td>
<td>4,633</td>
</tr>
<tr>
<td>Prepaid expenses and other current</td>
<td>(4,683)</td>
<td>(29,870)</td>
</tr>
<tr>
<td>assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable</td>
<td>12,536</td>
<td>(3,982)</td>
</tr>
<tr>
<td>Accrued payroll liabilities</td>
<td>54,685</td>
<td>(5,842)</td>
</tr>
<tr>
<td>Other accrued liabilities</td>
<td>(73,281)</td>
<td>127,348</td>
</tr>
<tr>
<td>Net cash provided by operating</td>
<td>421,771</td>
<td>2,607,185</td>
</tr>
<tr>
<td>activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash flows from investing activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acquisition of property and</td>
<td>(9,435)</td>
<td>(29,119)</td>
</tr>
<tr>
<td>equipment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net increase in cash and cash</td>
<td>412,336</td>
<td>2,578,066</td>
</tr>
<tr>
<td>equivalents</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents at</td>
<td>3,477,636</td>
<td>899,570</td>
</tr>
<tr>
<td>beginning of year</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents at end of</td>
<td>$3,889,972</td>
<td>$3,477,636</td>
</tr>
<tr>
<td>year</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of these financial statements.
1. Organization

Rainforest Action Network ("RAN") was established in 1985 as a California nonprofit public charity corporation to conduct research and educate the public about environmental issues. RAN's mission is to campaign for the forests, their inhabitants and the natural systems that sustain life by transforming the global marketplace through education, grassroots organizing and non-violent direct action. Since it was founded, RAN has played a key role in strengthening the worldwide rainforest conservation movement through supporting activists in rainforest countries as well as organizing and mobilizing consumers and community action groups throughout the United States.

2. Summary of Significant Accounting Policies

Basis of accounting

The accompanying financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") applicable to nonprofit organizations.

Basis of presentation

Financial accounting standards require nonprofit organizations to classify net assets in the accompanying statement of financial position and statement of activities in three classes of net assets based on the existence or absence of donor imposed restrictions.

Unrestricted Net Assets represent the portion of net assets that is neither temporarily nor permanently restricted by donor-imposed stipulations. These net assets are intended for use by the management and the Board of Directors for general operations.

Temporarily Restricted Net Assets represent the portion of net assets for which use is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of RAN.

Permanently Restricted Net Assets represent the portion of net assets for which use is permanently limited by donor-imposed stipulations that neither expire by passage of time nor can be removed by actions of RAN. There are no permanently restricted net assets at June 30, 2015.

Cash and cash equivalents

Cash and cash equivalents are defined as cash, savings and deposits that have a maturity of three months or less when acquired.
2. Summary of Significant Accounting Policies (continued)

Receivables

Unconditional pledges and contributions receivable are reported at fair value and recorded in the period pledged or received. Grants that are considered exchange transactions are recorded as revenue when earned. Grants that are non-exchange transactions are considered contributions and accounted for accordingly. Other receivables are stated at the amount management expects to collect from outstanding balances. Receivables to be received after one year are presented net of a discount at a rate of return commensurate with the risks involved determined at the respective dates of the original contributions.

Receivables are reviewed by management for collectability and an allowance for doubtful accounts is established when needed. The allowance for doubtful accounts is based on historical experience and an evaluation of the outstanding receivables at the end of the year. Account balances are charged off against the allowance for doubtful accounts after all means of collection have been exhausted and the potential for recovery is considered remote. There was no allowance for doubtful account recorded at June 30, 2015.

Property and equipment

Property and equipment are valued at cost or, if donated, at fair market value on the date of donation. The cost of property and equipment greater than $1,000 is capitalized. Maintenance and repairs are charged to expense as incurred. Furnishings and equipment are depreciated using the straight-line method over the estimated useful lives of the assets which range from three to seven years. Leasehold improvements are amortized over the lesser of the estimated useful life of the respective assets or the related lease term.

Support and revenue recognition

Contributions are recorded at fair value and are recognized as revenue when the donor makes an unconditional promise to give. Unconditional promises to give are recognized as revenue and receivables in the period in which notification of the promise is received. Donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

In-kind contributions

RAN receives gifts in kind, such as event space and catering for its annual special event. Gifts in kind received through donation are valued and recorded as revenue at their fair value at the time the contribution is received. The value of such items received during the year ended June 30, 2015 amounted to $71,328.
2. Summary of Significant Accounting Policies (continued)

Donated investments

Cash receipts from the sale of donated financial assets that upon receipt were directed without any imposed limitations for sale and were converted nearly immediately into cash is classified as cash flows from operating activities, unless the donor restricted the use of the contributed resources to long-term purposes, in which case those cash receipts should be classified as cash flows from financing activities. RAN received donated stock amounting to $91,046 during 2015, which RAN immediately converted into cash.

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 among the programs and supporting services based on management's estimates. The remaining costs are charged directly to the appropriate functional category.

Use of estimates

The preparation of the financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, and revenue and expenses, as well as contingent assets and liabilities during the reporting period. Actual results could differ from those estimates.

Income taxes

RAN has been determined to be exempt from federal and state income taxes pursuant to Section 501(c) (3) of the Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code and generally is not subject to state or federal income taxes.

RAN assesses tax positions taken or expected to be taken against more-likely-than-not recognition threshold and measurement attributes for financial statement recognition. Based on an analysis prepared by RAN, it was determined that RAN believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements.

Comparative information and reclassifications

The financial statements include certain comparative information for which the prior year information is summarized in total but not by net asset class. Accordingly, such information should be read in conjunction with RAN's financial statements for the year ended June 30, 2014, from which the summarized information is derived.
2. Summary of Significant Accounting Policies (continued)

Concentration of credit risk

RAN deposits cash with two financial institutions. Such amounts may at times exceed Federal Deposit Insurance Corporation limits. To date, RAN has not experienced any losses in these accounts.

 Receivables consist primarily of unsecured amounts due from companies and foundations. Credit risk is mitigated by the number of companies and foundations comprising the receivable balance. Based on past experiences, an evaluation of the outstanding receivables at the end of the year and other known circumstances, an allowance for doubtful accounts is maintained for amounts deemed to be uncollectible.

Subsequent events

RAN has evaluated subsequent events through October 16, 2015, the date the financial statements were available to be issued. No subsequent events have occurred that would have a material impact on the presentation of RAN's financial statements.

3. Property and Equipment

Property and equipment consists of the following at June 30, 2015:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Furniture and equipment</td>
<td>$111,408</td>
</tr>
<tr>
<td>Leasehold improvements</td>
<td>27,286</td>
</tr>
<tr>
<td>Less: accumulated depreciation</td>
<td>112,258</td>
</tr>
<tr>
<td></td>
<td>$ 26,436</td>
</tr>
</tbody>
</table>

Depreciation expense for 2015 amounted to $25,434.

4. Allocation of Joint Costs

Costs of joint activities that are identifiable with a particular function are charged to that function and joint costs are allocated between fund development and the appropriate program or management and general function. RAN incurred joint costs of $108,180 for the informational materials and activities that included fund-raising appeals during the year ended June 30, 2015. Of those costs, $28,126 was allocated to fund-raising expenses and $80,054 was allocated to public education during the year ended June 30, 2015. These allocations were based on management's analyses of the costs pertaining to the underlying direct program and fundraising expenses which were associated with various mailings.
5. Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following programs at June 30, 2015:

<table>
<thead>
<tr>
<th>Program</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Climate Program</td>
<td>$77,632</td>
</tr>
<tr>
<td>Rainforest Free Paper</td>
<td>264,139</td>
</tr>
<tr>
<td>Agribusiness Campaign</td>
<td>188,855</td>
</tr>
<tr>
<td>Protect an Acre</td>
<td>165,280</td>
</tr>
<tr>
<td>Communications</td>
<td>22,771</td>
</tr>
<tr>
<td>Digital</td>
<td>15,382</td>
</tr>
<tr>
<td>Carbon Action Fund</td>
<td>15,298</td>
</tr>
<tr>
<td>Shared/Training</td>
<td>14,855</td>
</tr>
</tbody>
</table>

$764,212

During 2015, RAN released $2,524,843 from temporarily restricted net assets to unrestricted net assets.

6. Leases

In September 2012, RAN entered into an operating lease for its office located in San Francisco, California. The lease has a term of 7 years, beginning January 1, 2013, and expiring on December 31, 2019. The lease calls for monthly payments of $17,773 during the initial year, increases annually for the next three years (2014 to 2016) by $539 per month, and increases annually for the following three years (2017 to 2019) by another $808 per month on the anniversary of the rent commencement date. RAN recognizes rent expense on a straight line basis. Deferred rent at June 30, 2015 amounted to $42,471.

RAN also leases office equipment under various operating lease agreements which expire within one to five years.

Future minimum lease payments under operating leases as of June 30, 2015 are as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>$233,291</td>
</tr>
<tr>
<td>2017</td>
<td>240,599</td>
</tr>
<tr>
<td>2018</td>
<td>249,523</td>
</tr>
<tr>
<td>2019</td>
<td>256,904</td>
</tr>
<tr>
<td>2020</td>
<td>130,876</td>
</tr>
</tbody>
</table>

Total minimum operating lease payments $1,111,193

Rent expense for the year ended June 30, 2015 was $244,385.
7. Retirement Plan

RAN sponsors a Savings Incentive Match Plan for Employees of Small Employers (SIMPLE) IRA plan covering all employees who meet certain minimum requirements. Under the Plan, RAN provides a matching contribution to each employee's Simple IRA equal to the employee's salary reduction contributions up to a limit of 3% of the employee's compensation for the calendar year.

The amount of pension contribution recognized as expense in 2015 amounted to $39,184.

8. Commitments and Contingencies

In the normal course of business there are outstanding various commitments and contingent liabilities, such as commitments to enter into and/or renew contracts related to ongoing operational activities, which are not reflected in the financial statements. Such commitments and contingencies also include risks associated with various economic and operating factors, which include (a) contractual restrictions and donor conditions which obligate RAN to fulfill certain requirements as set forth in legal instruments, (b) funding levels which vary based on factors beyond RAN's control, such as general economic conditions, (c) service agreements with outside contractors, and (d) financial risks associated with funds on deposit in accounts at financial institutions. Management believes that such commitments or contingencies have been properly addressed, appropriate amounts have been accrued (where necessary), and there will not be any resolution with a material adverse effect on the financial statements.