

PANTHERA CORPORATION

New York, New York

CONSOLIDATED FINANCIAL STATEMENTS

Including Independent Auditors' Report

As of and for the Years Ended December 31, 2015 and 2014

PANTHERA CORPORATION

TABLE OF CONTENTS As of and for the Years Ended December 31, 2015 and 2014

Independent Auditors' Report	1 - 2
Consolidated Financial Statements	
Consolidated Statements of Financial Position	3
Consolidated Statements of Activities and Changes in Net Assets	4
Consolidated Statement of Functional Expenses - 2015	5
Consolidated Statement of Functional Expenses - 2014	6
Consolidated Statements of Cash Flows	7
Notes to Consolidated Financial Statements	8 - 17

INDEPENDENT AUDITORS' REPORT

Board of Directors
Panthera Corporation
New York, New York

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Panthera Corporation which comprise the consolidated statements of financial position as of December 31, 2015 and 2014, and the related consolidated statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated 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.

Auditors' 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 audits 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 auditors' 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 entity'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 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 consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Board of Directors
Panthera Corporation

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Panthera Corporation as of December 31, 2015 and 2014, and the 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.

Baker Tilly Virchow Krause, LLP

New York, New York
March 30, 2016

CONSOLIDATED FINANCIAL STATEMENTS

PANTHERA CORPORATION

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION As of December 31, 2015 and 2014

	2015	2014
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 4,422,971	\$ 4,294,057
Accounts receivable	90,356	110,651
Donations and pledges receivable	6,168,137	6,851,460
Marketable securities	5,335	31,373
Other current assets	497,799	728,541
Total Current Assets	11,184,598	12,016,082
Long-Term Assets		
Long-term pledges, net	41,447,400	47,307,000
Fixed assets, net	1,870,231	1,688,601
Other long-term assets	8,122	7,740
Total Long-Term Assets	43,325,753	49,003,341
TOTAL ASSETS	\$ 54,510,351	\$ 61,019,423
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 751,641	\$ 711,059
Deferred rent liability	4,546	1,347
Deferred revenue	153,841	191,224
Total Current Liabilities	910,028	903,630
LONG-TERM LIABILITIES		
Deferred rent liability	3,052	-
Total Long-Term Liabilities	3,052	-
Total Liabilities	913,080	903,630
NET ASSETS		
Unrestricted	1,617,351	1,765,497
Temporarily restricted	51,979,920	58,350,296
Total Net Assets	53,597,271	60,115,793
TOTAL LIABILITIES AND NET ASSETS	\$ 54,510,351	\$ 61,019,423

See accompanying notes to consolidated financial statements.

PANTHERA CORPORATION

CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS For the Years Ended December 31, 2015 and 2014

	2015	2014
CHANGES IN UNRESTRICTED NET ASSETS		
OPERATING REVENUE		
Contributions	\$ 2,081,673	\$ 4,834,850
Grant income	396,453	643,281
Other	134,674	19,841
Net realized loss on marketable securities	(469,495)	(103)
Net assets released from restrictions	12,411,454	8,013,704
Total Operating Revenue	14,554,759	13,511,573
EXPENSES		
Programs	10,728,683	11,276,975
Management and general	1,687,568	1,174,615
Fundraising	2,235,618	1,849,733
Total Expenses	14,651,869	14,301,323
Net Operating Loss	(97,110)	(789,750)
NON-OPERATING ITEM		
Accumulated unrealized foreign currency translation adjustments	(51,036)	4,871
Non-operating (decrease) increase	(51,036)	4,871
Decrease in Unrestricted Net Assets	(148,146)	(784,879)
CHANGES IN TEMPORARILY RESTRICTED NET ASSETS		
Contributions	6,041,078	60,854,872
Net assets released from restrictions	(12,411,454)	(8,013,704)
(Decrease) Increase in Temporarily Restricted Net Assets	(6,370,376)	52,841,168
(Decrease) Increase in Net Assets	(6,518,522)	52,056,289
NET ASSETS, Beginning of Year	60,115,793	8,059,504
NET ASSETS, END OF YEAR	\$ 53,597,271	\$ 60,115,793

See accompanying notes to consolidated financial statements.

PANTHERA CORPORATION

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES For the Year Ended December 31, 2015

	Programs								Support Services				Total Expenses
	Tiger	Lion	Snow		Puma	Leopard	Cheetah	Special Projects/ Scholarships and Awards	Total Program Services	Management and		Total Support Services	
			Leopard	Jaguar						General	Fundraising		
Salaries and Contracted Staff	\$ 984,932	\$ 460,909	\$ 498,709	\$ 1,036,244	\$ 185,318	\$ 392,962	\$ 127,793	\$ 7,813	\$ 3,694,680	\$ 859,362	\$ 1,123,945	\$ 1,983,307	\$ 5,677,987
Benefits	167,111	47,187	99,040	328,440	51,348	32,178	18,121	1,521	744,946	180,500	210,042	390,542	1,135,488
Contracted Services	526,881	317,864	351,158	123,071	-	84,331	26,667	350,000	1,779,972	-	-	-	1,779,972
Awards	-	-	-	-	-	-	-	1,240,660	1,240,660	-	-	-	1,240,660
Field Supplies and Equipment	140,337	28,545	61,435	368,161	43,869	166,385	53,903	4,090	866,725	34,906	141	35,047	901,772
Travel/Lodging/Meals	186,705	79,482	104,255	346,873	31,516	72,015	43,877	566	865,289	41,707	188,214	229,921	1,095,210
Occupancy	84,975	36,128	30,465	86,228	24,784	17,712	4,198	3,583	288,073	132,588	75,253	207,841	495,914
Technology/Telephone	76,061	97,031	36,077	97,122	35,040	92,298	30,891	503	465,023	18,614	38,015	56,629	521,652
Office Supplies	4,954	7,637	2,260	25,009	3,648	4,365	1,568	15	49,456	13,391	3,150	16,541	65,997
Professional Services	44,005	23,986	16,645	220,516	34,766	87,677	6,782	-	434,377	277,358	544,452	821,810	1,256,187
Depreciation/Amortization	6,634	4,077	3,463	74,756	5,014	2,487	1,207	263	97,901	10,392	6,784	17,176	115,077
Conference/Meetings	7,233	144	43	3,253	1,741	597	561	-	13,572	14	75	89	13,661
Other	28,600	19,114	8,377	93,295	5,817	27,252	5,389	165	188,009	118,736	45,547	164,283	352,292
TOTAL	\$ 2,258,428	\$ 1,122,104	\$ 1,211,927	\$ 2,802,968	\$ 422,861	\$ 980,259	\$ 320,957	\$ 1,609,179	\$ 10,728,683	\$ 1,687,568	\$ 2,235,618	\$ 3,923,186	\$ 14,651,869

See accompanying notes to consolidated financial statements.

PANTHERA CORPORATION

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2014

	Programs								Support Services				
	Tiger	Lion	Snow		Puma	Leopard	Cheetah	Special Projects/ Scholarships and Awards	Total Program Services	Management and Fundraising		Total Support Services	Total Expenses
			Leopard	Jaguar						General	Fundraising		
Salaries and Contracted Staff	\$ 791,914	\$ 372,478	\$ 432,914	\$ 872,979	\$ 144,663	\$ 192,196	\$ 52,385	\$ 25,203	\$ 2,884,732	\$ 462,033	\$ 775,019	\$ 1,237,052	\$ 4,121,784
Benefits	94,643	36,621	85,166	237,403	41,515	20,827	5,784	8,633	530,592	127,765	121,397	249,162	779,754
Contracted Services	1,934,403	292,280	198,095	154,066	36,000	77,300	22,500	350,000	3,064,644	46,233	-	46,233	3,110,877
Awards	-	-	-	-	-	-	-	1,500,103	1,500,103	-	-	-	1,500,103
Field Supplies and Equipment	234,803	119,819	125,699	353,763	28,786	66,952	7,535	-	937,357	5,516	4,483	9,999	947,356
Travel/Lodging/Meals	313,025	91,488	106,892	392,349	19,467	42,612	4,819	-	970,652	42,222	105,027	147,249	1,117,901
Occupancy	61,148	26,496	34,022	86,262	18,406	17,358	4,853	10,690	259,235	95,683	71,731	167,414	426,649
Technology/Telephone	54,019	74,680	26,673	94,659	18,803	56,401	10,274	892	336,401	5,294	31,685	36,979	373,380
Office Supplies	3,861	2,991	2,900	50,639	2,312	1,579	75	-	64,357	12,592	2,576	15,168	79,525
Professional Services	21,195	17,813	8,732	341,284	28,465	10,957	1,928	-	430,374	222,666	613,519	836,185	1,266,559
Depreciation/Amortization	23,986	14,124	16,109	45,803	4,778	8,320	2,691	5,232	121,043	41,004	36,689	77,693	198,736
Conference/Meetings	3,929	1,182	147	6,425	90	194	-	-	11,967	-	201	201	12,168
Other	35,271	19,520	17,192	74,917	4,258	12,493	1,867	-	165,518	113,607	87,406	201,013	366,531
TOTAL	\$ 3,572,197	\$ 1,069,492	\$ 1,054,541	\$ 2,710,549	\$ 347,543	\$ 507,189	\$ 114,711	\$ 1,900,753	\$ 11,276,975	\$ 1,174,615	\$ 1,849,733	\$ 3,024,348	\$ 14,301,323

See accompanying notes to consolidated financial statements.

PANTHERA CORPORATION

CONSOLIDATED STATEMENTS OF CASH FLOWS For the Years Ended December 31, 2015 and 2014

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	\$ (6,518,522)	\$ 52,056,289
Adjustments to reconcile changes in net assets to net cash flows used in operating activities:		
Effect of foreign currency translation adjustments	(51,036)	4,871
Depreciation/amortization expense	115,077	198,736
Amortization of discount on long-term pledges	(140,400)	-
Change in accumulated unrealized foreign currency exchange	51,036	(4,871)
Provision for deferred rent	6,251	(16,163)
Donated marketable securities	(2,296,613)	(140,504)
Realized loss (gain) on sale of fixed assets	5,875	(7,082)
Realized loss on sale of marketable securities	469,495	103
Donated equipment	-	(39,190)
Changes in operating assets and liabilities:		
Accounts receivable	20,295	40,432
Donations and pledges receivable	683,323	(6,188,469)
Other current assets	230,742	(139,969)
Long-term pledges	6,000,000	(47,314,740)
Accounts payable and accrued expenses	40,582	457,961
Deferred revenue and other long-term assets	(37,765)	85,633
Total Adjustments	5,096,862	(53,063,252)
Net Cash Used In Operating Activities	(1,421,660)	(1,006,963)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(322,239)	(1,584,139)
Proceeds from sales of fixed assets	19,657	42,511
Proceeds from sales of marketable securities	1,853,156	109,472
Net Cash Provided by (Used In) Investing Activities	1,550,574	(1,432,156)
Increase (Decrease) in Cash and Cash Equivalents	128,914	(2,439,119)
CASH AND CASH EQUIVALENTS, Beginning of Year	4,294,057	6,733,176
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 4,422,971	\$ 4,294,057

See accompanying notes to consolidated financial statements.

PANTHERA CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
As of and for the Years Ended December 31, 2015 and 2014

NOTE 1 - Description of Organization and Summary of Significant Accounting Policies

Organization

Panthera Corporation is a not-for-profit wildlife conservation organization incorporated in the State of Delaware. Panthera Corporation has a controlling and economic interest in a number of foreign not-for-profit entities, together known as "Panthera". Panthera's mission is the conservation of the world's 38 wild cat species, many of which are endangered or threatened. Panthera develops, implements, and oversees wild cat conservation strategies on a global scale. Panthera's large scale initiatives with tigers, lions, snow leopards, jaguars, pumas, leopards, cheetahs, and other species currently span four continents. Panthera conducts critical research, enacts effective conservation measures, works closely with the world's top cat biologists, various governments and related agencies, local and international non-governmental organizations ("NGO's"), assists and trains felid biologists, and educates the local and international populations as to felid conservation. Field work is performed in North America, South America, Africa and Asia in numerous individual countries.

A brief summary of Panthera's major programs follows:

Tiger - Panthera, through various individual programs, seeks to increase wild tiger populations by at least 50% across key sites over the next decade. In addition, Panthera identifies and creates safe corridors for the species to move between core populations.

Lion - Panthera combines an understanding of lion ecology in human dominated landscapes with techniques that provide local communities with the ability and incentive to avoid conflict with lions. In addition, Panthera also works to curtail widespread wire-snare poaching which is pervasive in many key lion landscapes, including Kafue (Zambia), Niassa (Mozambique) and Hwange (Zimbabwe).

Snow Leopard - Panthera developed a state-of-the-art global range map and database of snow leopard habitat and helps delineate critical conservation units and identify prevailing threats. Using the database to target populations that require conservation, Panthera's efforts are geared towards a range-wide approach in conserving the snow leopards.

Jaguar - Panthera utilizes a range-wide approach focusing on the entire spectrum including prey, key populations, mitigating threats, education and building genetic corridors in which jaguars can move safely. Panthera works closely with ranchers to develop methods and models to demonstrate that cattle ranching and jaguar conservation can co-exist.

Puma - Panthera is working to better understand and protect pumas in three key parts of their range: the Western US (northwest Wyoming and the San Francisco Bay Area), the region of Torres del Paine National Park in the Chilean Patagonia and in northern Mexico. Panthera's work includes studying the effects of wolf reintroduction and human hunting on puma populations, utilizing innovative camera technology to observe the secret social lives of pumas, and mitigating human-puma conflict.

Leopard - Panthera seeks to reduce the widespread traditional use of leopard skins by the Shembe Nazareth Baptist Church in southern Africa. In addition, Panthera has established a network of surveillance sites across South Africa and neighboring countries to monitor changes in key leopard populations.

Cheetah - Panthera aims to protect cheetahs by addressing direct threats to them, their prey base, and their habitats. To do this, Panthera gathers critical ecological data by surveying and monitoring populations and their prey, collaborating with local law enforcement officials and partners, and working with local communities to mitigate conflict and create cheetah-positive landscapes within communities.

PANTHERA CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
As of and for the Years Ended December 31, 2015 and 2014

NOTE 1 - Description of Organization and Summary of Significant Accounting Policies (cont.)

Panthera's approach to protecting cheetahs has a dual focus: developing a program in Africa that can eventually be expanded across the cheetah's African range and focusing on the small remaining population of Asiatic cheetahs in Iran.

Special Project, Scholarships and Awards – Panthera provides scholarship, research and project funding awards to post-graduate students in advanced degree programs, and research and conservation awards to individuals and organizations implementing conservation projects on wild cats.

Panthera, in conjunction with the American Museum of Natural History, developed a global felid genetic database to understand the impact of large scale genetic issues impacting felids.

Summary of Significant Accounting Policies

Basis of Financial Statement Presentation

Panthera's consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"), and include the accounts of Panthera and the not-for-profit entities in which Panthera has a controlling and economic interest. These entities consist of: Fundación Pantera Colombia ("Panthera Colombia"); Panthera Wildlife Trust Ltd. ("Panthera UK"); Corporacion Panthera ("Panthera Costa Rica"); Panthera Brasil ("Panthera Brazil"); Panthera Wild Cat Conservation SA ("Panthera South Africa"); Panthera Wild Cat Conservation Zambia Ltd. ("Panthera Zambia"), and Conservación Panthera Mexico AC ("Panthera Mexico"). All significant intercompany balances and transactions have been eliminated in consolidation.

Estimates

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

Revenue

Panthera's primary source of financial support consists of donations from the general public.

Operating Indicator

Panthera considers all unrestricted major central operations revenue and expenses to be part of its normal operations and considers net operating income (loss) as its operating indicator.

PANTHERA CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
As of and for the Years Ended December 31, 2015 and 2014

NOTE 1 - Description of Organization and Summary of Significant Accounting Policies (cont.)

Non-Operating Items

Non-operating items include changes in unrealized gain or loss on marketable securities and accumulated unrealized foreign currency exchange amounts. These items are not included as part of the operating indicator and are reported separately in the consolidated statements of activities and changes in net assets.

Statements of Cash Flows

For purposes of the consolidated statements of cash flows, Panthera considers all highly liquid debt instruments with an original maturity of three months or less, at the date of purchase, to be cash equivalents.

Fair Value Measurements

Panthera establishes a framework for measuring the fair value of financial assets and liabilities and nonfinancial assets and liabilities which are measured at fair value on a recurring (annual) basis in the form of a fair value hierarchy that prioritizes the inputs into valuation techniques used to measure fair value into three broad levels. This hierarchy gives the highest priority to unadjusted quoted prices in active markets and the lowest priority to unobservable inputs. Further, financial assets and liabilities are classified by level in their entirety based upon the lowest level of input that was significant to the fair value measurement. The three levels of the fair value hierarchy are as follows:

- Level 1: Unadjusted quoted market prices in active markets for identical assets or liabilities that are accessible at the measurement date.
- Level 2: Quoted prices in inactive markets for identical assets or liabilities, quoted prices for similar assets or liabilities in active or inactive markets, or other observable inputs either directly related to the asset or liability or derived principally from corroborated observable market data.
- Level 3: Level 3: Unobservable inputs due to the fact that there is little or no market activity and/or data. This entails using assumptions in models which estimate what market participants would use in pricing the asset or liability.

Marketable Securities

Panthera classifies its marketable securities that have readily determinable fair values as components of Level 1 and are recorded at fair value. Unrealized holding gains and losses on marketable securities are excluded from the operating indicator and are reported as a separate component of unrestricted net assets as non-operating items until realized. Realized gains and losses from the sale of securities are determined on a first-in, first-out basis. A decline in the market value of any securities below cost deemed to be other than temporary results in an impairment to reduce the carrying amount to fair value and is treated as a realized loss at time of other than temporary impairment. To determine if an impairment is other than temporary, Panthera considers all available information relevant to the collectability of the security, including past events, current conditions, and reasonable and supportable forecasts when developing estimates of cash flows expected to be collected.

PANTHERA CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
As of and for the Years Ended December 31, 2015 and 2014

NOTE 1 - Description of Organization and Summary of Significant Accounting Policies (cont.)

Donor-Imposed Restrictions

Panthera reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. All donor-restricted contributions are reported in the first instance as an increase in temporarily restricted net assets. When a donor restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the revenue section of the consolidated statements of activities and changes in net assets, as net assets released from restrictions.

Unconditional Promises to Give (Donations Receivable)

When Panthera receives unconditional promises to give that are expected to be collected by Panthera within one year, they are recorded as contributions at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using average risk-free interest rates adjusted by risk premium, applicable to the year in which the promises are received. Amortization of the discounts is included in contribution revenue or as an increase in temporarily restricted assets, as appropriate.

Unconditional Promises to Give to Others

When Panthera makes unconditional promises to give to others, a liability and expense is recorded at the time of such promise.

Conditional Promises to Give (Donations Receivable)

When Panthera receives conditional promises to give, they are not included as contributions by Panthera until the conditions have been substantially met.

Conditional Promises to Give to Others

When Panthera makes conditional promises to give to others, no liability or expense is recorded by Panthera until the conditions have been substantially met.

Allowance for Doubtful Accounts

Periodically, the individual accounts, donations receivable and long-term pledge balances are reviewed and evaluated as to their collectability, and a provision for doubtful accounts is estimated based on the amounts Panthera expects to collect on the receivable balance. Receivables are charged against the allowance for doubtful accounts when management has determined that further collection efforts are not warranted.

Inventories

Inventories, which are not significant and consist mainly of field cameras, are included in the consolidated statements of financial position caption "other current assets", and are valued at the lower of cost or market utilizing the weighted average cost method.

PANTHERA CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
As of and for the Years Ended December 31, 2015 and 2014

NOTE 1 - Description of Organization and Summary of Significant Accounting Policies (cont.)

Fixed Assets

Fixed assets are carried at cost or, if donated, at fair value on date of donation. Leasehold improvements, furniture and fixtures, and equipment in excess of \$5,000 or lower amounts in certain foreign countries as required by regulation, that are under the direct control of Panthera are capitalized and amortized/depreciated over their estimated useful lives using the straight-line method starting the month in which they are put into service. Leasehold improvements are amortized over the lesser of the estimated useful life of the improvement or remaining life of the lease; furniture and fixtures are depreciated over five (5) years; and, equipment is depreciated over three (3) to five (5) years. Equipment purchased for use in the field by non-Panthera employees for the various programs and projects is expensed when acquired. The carrying amounts of assets and the related accumulated depreciation or amortization are removed from the accounts when such assets are disposed of and any resulting gain or loss is included in operations in the year of disposal.

Impairment of Long-Lived Assets

Panthera assesses the recoverability of its long-lived assets, such as property and equipment, whenever events or changes in circumstances indicate that the carrying value of the assets may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future net cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized by the amount by which the carrying amount of the asset exceeds the fair value of the asset. No such events or circumstances occurred during the years ended December 31, 2015 and 2014 and, accordingly, Panthera has not recognized any asset impairment.

Vacation Liability

Panthera's policy is to pay for unused accrued vacation time in the event of employee termination. The estimated vacation liability is accrued as earned and aggregated approximately \$49,600 and \$28,000 at December 31, 2015 and 2014, respectively, and is included in the consolidated statements of financial position caption "accounts payable and accrued expenses".

Income Taxes

Panthera Corporation qualifies as a U.S. tax-exempt organization under the existing provisions of Internal Revenue Code Section 501(c)(3) and donations to Panthera Corporation are tax deductible to the donor. Panthera's foreign entities are all incorporated as not-for-profit organizations and are generally exempt from income taxes. Panthera recognizes the effect of income tax positions only when the tax positions are more likely than not of being sustained. Management is not aware of any violations of Panthera Corporation's or related entities not-for-profit status, nor of any exposure to business income tax. Panthera Corporation's tax year 2012 and subsequent years are subject to audits by the applicable taxing jurisdictions.

In-kind Contributions

During the years ended December 31, 2015 and 2014, Panthera received in-kind contributions of services, amounting to approximately \$503,100 and \$309,700, respectively, at fair value that are included in contributions and expense in the consolidated statements of activities and changes in net assets. In-kind contributions relate mainly to website advertising.

PANTHERA CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
As of and for the Years Ended December 31, 2015 and 2014

NOTE 1 - Description of Organization and Summary of Significant Accounting Policies (cont.)

Allocated Expenses

Panthera's expenses have been summarized on a functional basis in accordance with U.S. GAAP. Most expenses may be identified to their related program or supporting service and are recorded accordingly. Certain other expenses, consisting mainly of occupancy, technology, professional fees, and depreciation and amortization, have been allocated based on estimated usage, the percentage of each program's direct expenses over total program costs, or other bases considered appropriate given the nature of the expense.

Reclassifications

Certain reclassifications were made to the 2014 consolidated statement of functional expenses to conform to the 2015 presentation. These reclassifications had no impact on the changes in net assets previously reported.

NOTE 2 - Fair Value Measurements

Panthera had marketable securities at December 31, 2015 and 2014, which cost approximated fair value. Panthera's accounting policy is to recognize transfers between levels of the fair value hierarchy on the date of the event or change in circumstances that caused the transfer. There were no transfers into or out of Level 1, Level 2, or Level 3 for the years ended December 31, 2015 or 2014.

Fair Value of Other Financial Instruments

At December 31, 2015 and 2014, Panthera's other financial instruments consist of cash and cash equivalents, receivables, accounts payable, and other current liabilities. The carrying amounts of these financial instruments approximate fair value due to their short-term maturities.

NOTE 3 - Donations and Pledges Receivable

Included in donations and pledges receivable at December 31, 2015 and 2014 are the following unconditional promises:

	<u>2015</u>	<u>2014</u>
Unrestricted	\$ 168,137	\$ 107,995
Restricted as to Purpose	-	743,465
Restricted as to Time	<u>48,000,000</u>	<u>54,000,000</u>
Total	48,168,137	54,851,460
Less Unamortized Discount	<u>(552,600)</u>	<u>(693,000)</u>
Net Unconditional Promises	<u>\$ 47,615,537</u>	<u>\$ 54,158,460</u>

PANTHERA CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS As of and for the Years Ended December 31, 2015 and 2014

NOTE 3 - Donations and Pledges Receivable (cont.)

Amounts Due in		
Less than one year	\$ 6,168,137	\$ 6,851,460
One to five years	30,000,000	30,000,000
More than five years	<u>12,000,000</u>	<u>18,000,000</u>
Total	<u>\$ 48,168,137</u>	<u>\$ 54,851,460</u>

The risk adjusted discount rate utilized for determining the amount of unamortized discount was 0.26%.

NOTE 4 - Fixed Assets, Net

Fixed assets consist of the following as of December 31, 2015 and 2014:

	2015	2014
Land	\$ 1,267,648	\$ 1,267,648
Construction in Progress	117,260	-
Leasehold Improvements	1,006,181	940,390
Furniture and Fixtures	230,283	163,583
Equipment	<u>637,659</u>	<u>592,251</u>
	3,259,031	2,963,872
Less Accumulated Depreciation and Amortization	<u>(1,388,800)</u>	<u>(1,275,271)</u>
Net Fixed Assets	<u>\$ 1,870,231</u>	<u>\$ 1,688,601</u>

NOTE 5 - Temporarily Restricted Net Assets

Temporarily restricted net assets at December 31, 2015 and 2014 are comprised of contributions restricted by the donors for the following:

	2015	2014
Future New Programs	\$ 2,071,807	\$ 1,300,000
Tiger Program	877,467	1,963,728
Lion Program	120,231	172,670
Jaguar Program	393,171	465,433
Snow Leopard Program	98,420	79,511
Other Programs	970,424	1,061,954
Time Restriction	<u>47,447,400</u>	<u>53,307,000</u>
Total Temporarily Restricted Net Assets	<u>\$ 51,979,920</u>	<u>\$ 58,350,296</u>

PANTHERA CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
As of and for the Years Ended December 31, 2015 and 2014

NOTE 5 - Temporarily Restricted Net Assets (cont.)

At December 31, 2015 and 2014, donations and net long-term pledges receivable included amounts restricted by donors of approximately \$48,000,000 and \$54,050,500, respectively.

NOTE 6 - Related Party Transactions

During the years ended December 31, 2015 and 2014, a significant portion of the unrestricted and temporarily restricted contributions were received from members of Panthera's Board of Directors or their related associations. Donations receivable and long-term pledges from Directors or their related associations at December 31, 2015 and 2014 amounted to approximately \$48,000,000 and \$54,720,000, respectively.

NOTE 7 - Retirement Plans

Under the Panthera Corporation 401(k) Retirement Plan (the "Plan") provisions, all employees may make elective contributions of amounts up to the federal limitations. Panthera makes employee elective contribution matching contributions to the Plan on, at a minimum, an annual plan year basis. Panthera's Plan contains "safe harbor provisions", whereby Panthera's matching employee elective contribution is 100% of salary deferrals up to 3% of the employee's gross pay plus 50% of salary deferrals in excess of 3% but none for salary deferrals in excess of 5% of compensation. Panthera's matching employee elective contributions vest immediately.

Panthera is the sponsor of a nonqualified deferred compensation plan ("457(f)") and a related salary reduction contributions plan ("457(b)"). Under the "457" plan agreements, Panthera is required to only fund the nonqualified 457(f) deferred compensation plan annually, based on a specified funding schedule. The funding of the 457(b) salary reduction contributions plan is solely the responsibility of the participant. Pension expense under the 457(f) plan for the years ended December 31, 2015 and 2014 aggregated approximately \$24,500 and \$6,800, respectively. At December 31, 2015, Panthera's future contingent obligation under the 457(f) plan approximates \$47,000 through 2018.

In 2015, Panthera UK instituted a defined contribution plan whereby the employer contributions aggregate 2% of gross pre-tax salaries.

Total pension expense under all retirement plans for the years ended December 31, 2015 and 2014 aggregated approximately \$162,800 and \$106,100, respectively.

NOTE 8 - Commitments and Contingencies

Office Leases

Panthera entered into a non-cancelable operating lease for New York office space, effective February 1, 2015 that expires on January 31, 2025. In addition, Panthera entered into a non-cancelable lease for office space in London, effective January 23, 2014 for a term of three (3) years and non-cancellable leases for office space in Colombia, for a term of one (1) year.

PANTHERA CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
As of and for the Years Ended December 31, 2015 and 2014

NOTE 8 - Commitments and Contingencies (cont.)

At December 31, 2015, minimum future lease payments under these leases consist of the following:

2016	\$ 376,800
2017	339,100
2018	336,700
2019	336,700
2020	336,700
Thereafter	<u>1,405,300</u>
Total	<u>\$ 3,131,300</u>

Rent expense, including month-to-month cancellable leases, real estate taxes and other specified operating expenses required by lease provisions, for the years ended December 31, 2015 and 2014 aggregated approximately \$403,500 and \$367,700, respectively.

Letter of Credit

In conjunction with an office lease, Panthera obtained a \$213,350 irrevocable standby letter of credit from a bank for the benefit of the landlord. The letter of credit, which expires October 31, 2016, is collateralized by Panthera's deposit accounts with the bank.

Conditional Promises to Give to Panthera

At December 31, 2015, conditional pledges aggregated \$1,893,800 for unrestricted purposes, tiger, leopard and snow leopard programs and will be due and payable as follows:

Less than One Year	\$ 1,431,900
One to Five Years	<u>461,900</u>
Total	<u>\$ 1,893,800</u>

Each annual payment from the donors is conditional upon, among other things, the donor's approval of the annual goals and priorities, and submission of milestone reports by Panthera.

Concentration of Credit Risk

Financial instruments which potentially subject Panthera to concentrations of credit risk consist principally of temporary cash investments and receivables. Panthera places its temporary cash investments with high credit quality financial institutions; however, in the event of the financial institution's insolvency, recovery of Panthera's assets on deposit may be limited to account insurance by the FDIC or other protection afforded such deposits. At December 31, 2015, included within donations receivable and long-term pledges is approximately \$48,000,000 of pledges from three donors.

PANTHERA CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
As of and for the Years Ended December 31, 2015 and 2014

NOTE 8 - Commitments and Contingencies (cont.)

Other

Panthera has a long-term employment contract with an employee which expires March 31, 2018. Under the terms of the contract, certain payments are required to be paid if, as defined in the contract, premature termination of employment without cause occurs. Payments resulting from premature termination could amount to the remaining compensation under the term of the contract and additional amounts for benefits and other items which total approximately \$900,000 at December 31, 2015.

Subsequent Events

Transactions and events subsequent to December 31, 2015 through March 30, 2016 were reviewed by management and no items were noted that require additional consideration or disclosure in the accompanying consolidated financial statements.