



Certified Public Accountants
and Financial Advisors

**INTERNATIONAL RIVERS NETWORK
AND SUBSIDIARIES**

Consolidated Financial Statements
December 31, 2017 and 2016

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
International Rivers Network

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of International Rivers Network (a nonprofit organization) and Subsidiaries, which comprise the consolidated statement of financial position as of December 31, 2017, and the related consolidated statements of activities, functional expenses and cash flows for the year 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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.



Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of International Rivers Network and Subsidiaries as of December 31, 2017, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Prior Period Financial Statements

The consolidated financial statements of International Rivers Network and Subsidiaries as of and for the year ended December 31, 2016, were audited by DZH Phillips, LLP, who merged with Squar Milner LLP as of January 1, 2018, and whose reported dated October 11, 2017, expressed an unmodified opinion on those statements.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion of the consolidated financial statements as of and for the year ended December 31, 2017 as a whole. The accompanying supplementary information within pages 17 – 26 is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information as of and for the year ended December 31, 2017 has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information as of and for the year ended December 31, 2017 is fairly stated in all material respects in relation to the consolidated financial statements as a whole. The supplementary information as of and for the year ended December 31, 2016 was audited by DZH Phillips LLP, whose report dated October 11, 2017, expressed an unmodified opinion on such information in relation to the consolidated financial statements as a whole.

SQUAR MILNER LLP

San Francisco, California
May 29, 2019

INTERNATIONAL RIVERS NETWORK AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
December 31, 2017 and 2016

	2017	2016
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 377,925	\$ 558,944
Investments	95,737	199,226
Pledges and grants receivable	694,923	752,973
Other receivables	-	14,734
Prepaid expenses	40,788	54,128
Total current assets	1,209,373	1,580,005
Pledges and grants receivable beyond one year, net	49,383	100,902
Deposits	26,291	26,291
Property and equipment, net	23,784	29,404
Total assets	\$ 1,308,831	\$ 1,736,602
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable and accrued expenses	\$ 72,583	\$ 33,688
Accrued time-off liability	128,241	146,649
Deferred revenue	-	2,271
Passthrough grants payable	-	20,456
Total current liabilities	200,824	203,064
Deferred rent	-	23,180
Security deposit	3,365	3,710
Total liabilities	204,189	229,954
Net Assets		
Unrestricted		
Available for operations	(227,038)	214,497
Designated as an operating reserve	-	31,253
Total unrestricted	(227,038)	245,750
Temporarily restricted	1,331,680	1,260,898
Total net assets	1,104,642	1,506,648
Total liabilities and net assets	\$ 1,308,831	\$ 1,736,602

INTERNATIONAL RIVERS NETWORK AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF ACTIVITIES
For the Years Ended December 31, 2017 and 2016

	2017			2016		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
SUPPORT AND REVENUE						
Foundation and corporate grants	\$ 75,024	\$ 1,552,929	\$ 1,627,953	\$ 8,424	\$ 1,411,365	\$ 1,419,789
Contributions	311,687	-	311,687	224,567	1,750	226,317
Contract revenue	6,306	-	6,306	88,113	-	88,113
Interest and dividends	6,217	-	6,217	9,705	-	9,705
Gains from investments	21,479	-	21,479	11,729	-	11,729
Other income	38,747	-	38,747	5,955	-	5,955
Net assets released from restrictions:						
Purpose accomplished or time restriction met	1,482,147	(1,482,147)	-	1,575,124	(1,575,124)	-
TOTAL SUPPORT AND REVENUE	<u>1,941,607</u>	<u>70,782</u>	<u>2,012,389</u>	<u>1,923,617</u>	<u>(162,009)</u>	<u>1,761,608</u>
EXPENSES						
Program services	1,841,895	-	1,841,895	1,655,642	-	1,655,642
Supporting services:						
Administration	293,185	-	293,185	264,091	-	264,091
Fundraising	279,315	-	279,315	257,085	-	257,085
TOTAL EXPENSES	<u>2,414,395</u>	<u>-</u>	<u>2,414,395</u>	<u>2,176,818</u>	<u>-</u>	<u>2,176,818</u>
CHANGE IN NET ASSETS	(472,788)	70,782	(402,006)	(253,201)	(162,009)	(415,210)
NET ASSETS AT BEGINNING OF YEAR	<u>245,750</u>	<u>1,260,898</u>	<u>1,506,648</u>	<u>498,951</u>	<u>1,422,907</u>	<u>1,921,858</u>
NET ASSETS AT END OF YEAR	<u>\$ (227,038)</u>	<u>\$ 1,331,680</u>	<u>\$ 1,104,642</u>	<u>\$ 245,750</u>	<u>\$ 1,260,898</u>	<u>\$ 1,506,648</u>

INTERNATIONAL RIVERS NETWORK AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2017

	Program Services	Supporting Services		Total
		Administration	Fundraising	
Salaries	\$ 879,819	\$ 145,151	\$ 115,500	\$ 1,140,470
Payroll taxes	65,825	10,140	9,176	85,141
Employee benefits	98,764	11,384	7,015	117,163
Professional fees	193,890	75,493	66,690	336,073
Occupancy	113,775	10,931	46,927	171,633
Travel and meals	200,807	3,431	10,988	215,226
Dues, licenses, and other fees	43,338	4,982	11,106	59,426
Grants to others	42,491	-	-	42,491
Copying and printing	5,246	3,392	4,776	13,414
Conferences, conventions, and meetings	57,764	446	453	58,663
Depreciation	12,365	1,800	1,830	15,995
Supplies	21,629	2,031	678	24,338
Equipment rental and maintenance	7,452	4,942	744	13,138
Telephone	11,976	2,608	399	14,983
Information technology	4,699	629	639	5,967
Postage and shipping	1,205	467	1,220	2,892
Insurance	242	5,950	176	6,368
Staff training	825	218	18	1,061
Advertising and promotion	264	165	980	1,409
Bad debts	75,540	-	-	75,540
Miscellaneous	3,979	9,025	-	13,004
Total Expenses	<u>\$ 1,841,895</u>	<u>\$ 293,185</u>	<u>\$ 279,315</u>	<u>\$ 2,414,395</u>

INTERNATIONAL RIVERS NETWORK AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2016

	Program Services	Supporting Services		Total
		Administration	Fundraising	
Salaries	\$ 889,614	\$ 152,299	\$ 180,867	\$ 1,222,780
Payroll taxes	71,487	11,335	14,739	97,561
Employee benefits	105,727	13,530	14,863	134,120
Professional fees	162,214	49,368	4,515	216,097
Occupancy	114,601	11,308	13,070	138,979
Travel and meals	132,571	5,831	3,531	141,933
Dues, licenses, and other fees	18,583	5,097	10,264	33,944
Grants	80,901	-	-	80,901
Copying and printing	9,835	63	5,915	15,813
Conferences, conventions, and meetings	16,593	229	269	17,091
Depreciation	12,276	1,723	1,995	15,994
Supplies	11,833	1,455	803	14,091
Equipment rental and maintenance	8,537	4,054	775	13,366
Telephone	10,476	766	619	11,861
Information technology	5,544	573	701	6,818
Postage and shipping	1,202	547	2,428	4,177
Insurance	1,077	4,306	341	5,724
Staff training	2,155	807	124	3,086
Advertising and promotion	416	800	1,266	2,482
Total Expenses	<u>\$ 1,655,642</u>	<u>\$ 264,091</u>	<u>\$ 257,085</u>	<u>\$ 2,176,818</u>

INTERNATIONAL RIVERS NETWORK AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2017 and 2016

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (402,006)	\$ (415,210)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	15,996	15,994
Loss on asset disposals	682	-
Bad debts	75,540	-
Gains from investments	(21,479)	(11,729)
(Increase) decrease in operating assets:		
Pledges, grants and other receivables	73,357	(112,195)
Prepaid expenses	13,340	(4,894)
Increase (decrease) in operating liabilities:		
Accounts payable and accrued expenses	14,301	(96,950)
Accrued time-off liability	(18,408)	39,075
Deferred revenue	(2,271)	(40,139)
Passthrough grants payable	(20,456)	(20,044)
Deferred rent	(23,180)	(2,020)
Security deposit	(345)	2,510
Net cash used in operating activities	(294,929)	(645,602)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(11,058)	(10,222)
Net decrease in certificates of deposit	-	100,816
Purchase of investments	(28,492)	(120,175)
Proceeds from the sale of investments	153,460	247,497
Net cash provided by investing activities	113,910	217,916
Net decrease in cash and cash equivalents	(181,019)	(427,686)
CASH AND CASH EQUIVALENTS - beginning of the year	558,944	986,630
CASH AND CASH EQUIVALENTS - end of the year	\$ 377,925	\$ 558,944

INTERNATIONAL RIVERS NETWORK AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2017 and 2016

1. DESCRIPTION OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

International Rivers Network (IRN) is a California nonprofit organization founded in 1986 and located in Berkeley, California. IRN is headquartered in Oakland, California and its activities are primarily supported by private grants and contributions.

In 2006 Fund for International Rivers (FIR), a California nonprofit organization, was founded as a supporting organization of IRN.

In 2014, IRN formed Yi Tai Rui Wo (Beijing) Environmental Consulting Company Limited to carry out its mission in China. It also formed Yi Tai Rui Wo Environmental Consulting Company Limited (HK) as a holding company of the Beijing entity.

In 2016, IRN formed Yi Tai Ru Wo California, LLC (CA) to facilitate funding for the foreign operations.

IRN protects rivers and defends the rights of communities that depend on them.

IRN works with river-dependent and dam-affected communities to ensure their voices are heard and their rights are respected. IRN helps to build well-resourced, active networks of civil society groups to create the change. IRN undertakes independent, investigative research, generating robust data and evidence to inform policies and campaigns. IRN exposes and resists destructive projects, while also engaging with all relevant stakeholders, including industry and policymakers, to develop a vision that protects rivers and the communities that depend upon them.

Significant accounting policies are described below:

Basis of Consolidation

The consolidated financial statements include the accounts and activities of IRN, FIR and IRN's three subsidiaries, Yi Tai Rui Wo (Beijing) Environmental Consulting Company Limited, Yi Tai Rui Wo Environmental Consulting Company Limited, and Yi Tai Ru Wo California, LLC. All significant inter-company accounts and transactions have been eliminated in the consolidated financial statements.

Method of Accounting

The financial statements of IRN and its subsidiaries have been prepared using the accrual method of accounting which involves the recognition of revenues and gains when earned and expenses and losses when incurred.

INTERNATIONAL RIVERS NETWORK AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2017 and 2016

1. DESCRIPTION OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

Cash and Cash Equivalents

For purposes of the statement of cash flows, IRN considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Investments

Investments in marketable securities are recorded at fair value based on quoted prices in active markets. Investments in debt securities are reported at fair value using pricing models maximizing the use of observable inputs for similar securities. Unrealized gains and losses are included in the change in net assets. Investment income, gains and losses are reported as increases in the unrestricted net assets unless a donor restricts their use.

Fair Value Measurements

IRN considers the use of market-based information over entity specific information in valuing its marketable investments, using a three-level hierarchy for fair value measurements based on the nature of inputs used in the valuation of an asset or liability at the measurement date.

The three-level hierarchy for fair value measurements is defined as follows:

- *Level 1* inputs to the valuation methodology - quoted prices (unadjusted) for identical assets or liabilities in active markets.
- *Level 2* inputs to the valuation methodology - quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the investment.
- *Level 3* inputs to the valuation methodology - unobservable and significant to the fair value measurement.

An investment's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

Pledges and Grants Receivable

Pledges and grants receivable include unconditional commitments from various foundations and individuals that are stated at the net realizable amount that management expects to collect. No allowance for uncollectible promises to give were provided at December 31, 2017 and 2016 as management believes that all promises to give are fully collectible. Pledges and grants receivable beyond one year are discounted to the present value of expected future cash flows using a risk-based discount rate.

INTERNATIONAL RIVERS NETWORK AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2017 and 2016

1. DESCRIPTION OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

Property, Equipment and Depreciation

IRN records acquisitions of items with a cost of \$1,000 or more and significant leasehold improvements as property and equipment. Property and equipment are recorded at cost when purchased and fair value when received as donation. Depreciation is provided over the estimated useful lives of respective assets, primarily two to ten years, using the straight-line method of depreciation.

Income Tax Status

IRN and FIR are qualified as tax exempt organizations under Internal Revenue Code Section 501(c)(3) and by the California Revenue and Taxation Code under Section 23701(d). Accordingly, no provision has been made for income taxes in the accompanying consolidated financial statements.

Yi Tai Rui Wo (Beijing) Environmental Consulting Company Limited and Yi Tai Rui Wo Environmental Consulting Company Limited are subject to taxation in China and Hong Kong. The accompanying consolidated financial statements do not include any provision for income taxes as either these subsidiaries experienced net losses or their carried over losses were sufficient to reduce their taxable income to zero for the years ended December 31, 2017 and 2016. The earnings of these subsidiaries are considered to be indefinitely reinvested and accordingly, no U.S. federal or state deferred income taxes have been provided thereon. Upon distribution of earnings in the form of dividends or otherwise, the income would be subject to U.S. income taxes.

Yi Tai Ru Wo California, LLC is a pass through entity for income tax reporting purposes and, accordingly, does not pay tax on its taxable income. Instead, income or loss is reported on the tax return of IRN. The entity is subject to a minimum franchise tax for the State of California.

Each year, management considers whether any material tax positions IRN and FIR have taken are more likely than not to be sustained upon examination by the applicable taxing authority. Management believes that any tax positions taken are supported by substantial authority, and, hence, do not need to be measured or disclosed in the accompanying consolidated financial statements.

Description of Net Assets

The net assets of IRN are reported in three classes as follows:

Unrestricted net assets represent net assets that are not subject to donor-imposed stipulations. The Board of Directors has designated a portion of the unrestricted net assets as operating reserves.

Temporarily restricted net assets represent net assets subject to donor-imposed stipulations that may or will be met either by actions of IRN and/or the passage of time.

Permanently restricted net assets represent net assets where the use has been restricted by donor imposed stipulations that neither expire by passage of time nor can otherwise be removed by actions of IRN. IRN does not have any permanently restricted net assets.

INTERNATIONAL RIVERS NETWORK AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2017 and 2016

1. DESCRIPTION OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

Grants and Contributions

Grants and contributions are recognized when the donors makes a promise to IRN that is, in substance, unconditional. IRN 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. 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 statement of activities as net assets released from restrictions.

Gifts of property and equipment are recorded as unrestricted support unless explicit donor stipulations specify how the donated asset must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, IRN reports expirations of donor restrictions when donated or acquired long-lived assets are placed in service.

In-Kind Services

IRN records contributed professional services at their fair value if the services received require specialized skill, are provided by individuals with those skills, and would typically need to be purchased if not received through donation.

Functional Allocation of Expenses

Shared expenses that benefit two or more activities of IRN are allocated among program and supporting activities based on the ratio of each activity's direct cost less distorting direct expenses to total direct costs of all activities.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant accounting estimates reflected in the IRN's financial statements include the valuation of investments, valuation of grants and pledges receivable, and the functional allocation of expenses. Actual results could differ from those estimates.

INTERNATIONAL RIVERS NETWORK AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2017 and 2016

1. DESCRIPTION OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

Foreign Operations

IRN's foreign wholly owned for-profit subsidiaries are located in China and Hong Kong. Additionally, in connection with its worldwide activities, IRN operates in various countries outside the United States including Brazil, South Africa, India, Thailand and Australia. Foreign operations are subject to risks inherent in operating under different legal systems and various political and economic environments. Among the risks are changes in existing tax laws, possible limitations on foreign investment and income repatriation, government price or foreign exchange controls, and restrictions on currency exchange.

The financial statements of the foreign subsidiaries are prepared using U.S. dollars as the functional currency. As a result, the transactions of those operations that are denominated in foreign currencies are remeasured into U.S. dollars, and any resulting gains or losses are included in earnings.

Recently Issued Accounting Standards

In August 2016, The Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-14, Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities (ASU 2016-14). ASU 2016-14 changes how a not-for-profit organization classifies its net assets, as well as the information it presents in financial statements and notes about its liquidity, financial performance, and cash flows. ASU 2016-14 requires expanded presentation and disclosures to help not-for-profits provide more relevant information about their resources (and the changes in those resources) to donors, grantors, creditors, and other users. These include qualitative and quantitative requirements in the following areas: (1) net asset classes; (2) investment return; (3) expenses; (4) liquidity and availability of resources; and (5) presentation of operating cash flows. ASU 2016-14 will be effective for annual financial statements issued for fiscal years beginning after December 15, 2017. IRN is currently assessing the potential impact of this guidance on its financial statements.

Subsequent Events

IRN has evaluated subsequent events through May 29, 2019, the date on which the consolidated financial statements were available to be issued.

2. CONCENTRATIONS OF CREDIT RISK

Financial instruments that potentially subject IRN to concentrations of credit risk consist principally of cash and cash equivalents. Risks associated with cash and cash equivalents are mitigated by banking with creditworthy institutions. Such balances with any one institution in the United States may, at times, be in excess of federally insured amounts (currently \$250,000 per depositor). Cash held in foreign bank accounts are not federally insured and amounted to \$92,260 at December 31, 2017. IRN has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk.

During the years ended December 31, 2017 and 2016, 62% and 69% of grants were from four and three grantors, respectively. At December 31, 2017 and 2016, 62% and 82% of pledges and grants receivable were from three and four grantors, respectively.

INTERNATIONAL RIVERS NETWORK AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2017 and 2016

3. UNRESTRICTED DEFICIT

For the years ended December 31, 2017 and 2016, IRN had a change in unrestricted net assets of (\$472,788) and (\$253,201) resulting in an ending unrestricted deficit in net assets at December 31, 2017 of \$227,038.

4. INVESTMENTS

Investments at December 31, 2017 and 2016 included the following:

	<u>2017</u>	<u>2016</u>
Exchange traded funds	\$ 31,779	\$ 58,234
Fixed income	9,977	9,974
Mutual funds	24,773	56,275
Stocks	29,208	74,743
	<u>\$ 95,737</u>	<u>\$ 199,226</u>

The components of total investment return are included in unrestricted net assets and are reflected below:

	<u>2017</u>	<u>2016</u>
Realized gains (losses)	\$ 22,573	\$ 19,890
Unrealized gains (losses)	(1,094)	(8,161)
Interest and dividends	2,881	6,364
Interest - other accounts	3,336	3,341
	<u>\$ 27,696</u>	<u>\$ 21,434</u>

INTERNATIONAL RIVERS NETWORK AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2017 and 2016

5. FAIR VALUE MEASUREMENTS

Fair values of assets measured on a recurring basis at December 31, 2017 and 2016 are as follows:

	2017		
	Level 1	Level 2	Total
Exchange traded funds	\$ 31,779	\$ -	\$ 31,779
Fixed income	-	9,977	9,977
Mutual funds	24,773	-	24,773
Stocks	29,208	-	29,208
	<u>\$ 85,760</u>	<u>\$ 9,977</u>	<u>\$ 95,737</u>

	2016		
	Level 1	Level 2	Total
Exchange traded funds	\$ 58,234	\$ -	\$ 58,234
Fixed income	-	9,974	9,974
Mutual funds	56,275	-	56,275
Stocks	74,743	-	74,743
	<u>\$ 189,252</u>	<u>\$ 9,974</u>	<u>\$ 199,226</u>

6. PLEDGES AND GRANTS RECEIVABLE

Pledges and grants receivable at December 31, 2017 and 2016 consisted of the following:

	2017	2016
Receivable in less than one year	\$ 694,923	\$ 752,973
Receivable in one to five years	55,000	105,000
	749,923	857,973
Less: discount to present value	(5,617)	(4,098)
	<u>\$ 744,306</u>	<u>\$ 853,875</u>

These receivables have been discounted using interest rates ranging from 4.8% to 5.9%.

INTERNATIONAL RIVERS NETWORK AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2017 and 2016

7. PROPERTY AND EQUIPMENT

Property and equipment consists of the following:

	<u>2017</u>	<u>2016</u>
Furniture and equipment	\$ 77,146	\$ 67,551
Leasehold improvements	23,443	23,443
Library	<u>5,000</u>	<u>5,000</u>
Total property and equipment	105,589	95,994
Less: Accumulated depreciation	<u>(81,805)</u>	<u>(66,590)</u>
Property and equipment, net	<u>\$ 23,784</u>	<u>\$ 29,404</u>

For the years ended December 31, 2017 and 2016, depreciation expense amounted to \$15,995 and \$15,994, respectively.

8. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purposes:

	<u>2017</u>	<u>2016</u>
Latin America programs	\$ 244,900	\$ 374,683
South Asia programs	22,090	274,755
Southeast Asia programs	464,948	258,431
Restricted to future periods	-	162,784
China programs	281,931	124,675
Africa programs	103,016	60,160
North America programs	13,050	-
Grants to others	-	2,910
Policy	<u>201,745</u>	<u>2,500</u>
	<u>\$ 1,331,680</u>	<u>\$ 1,260,898</u>

INTERNATIONAL RIVERS NETWORK AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2017 and 2016

9. CONDITIONAL GRANTS

At December 31, 2017, IRN had the following conditional promises to give:

<u>Condition</u>	<u>Balance</u>
Approval of progress reports	<u>\$ 21,653</u>

The conditions on these promises were not met as of December 31, 2017, and therefore they are not recognized as support in the accompanying consolidated financial statements.

10. LINE OF CREDIT

IRN has a \$100,000 unsecured line of credit with an interest rate of 11% per annum. There was no outstanding balance as of December 31, 2017.

11. OPERATING LEASES

IRN leases its offices under non-cancellable operating lease arrangements ranging in monthly payments from \$378 to \$10,700 expiring at various times through January 2020. In March 2018, the Organization terminated its Oakland office lease of \$10,700 per month and entered into a new lease agreement at \$2,800 per month through October 2019. Future minimum payments under these arrangements are as follows:

<u>Year ending December 31,</u>	
2018	\$ 97,290
2019	62,380
2020	<u>380</u>
	<u>\$ 160,050</u>

Rent expense for the years ended December 31, 2017 and 2016 was \$141,439 and \$133,342, respectively.

SUPPLEMENTARY INFORMATION

INTERNATIONAL RIVERS NETWORK AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
December 31, 2017

	International Rivers Network	Fund for International Rivers	Yi Tai Rui Wo (Beijing) Environmental Consulting Company Limited	Yi Tai Rui Wo Environmental Consulting Company Limited	Yi Tai Rui Wo California, LLC	Eliminations	Total
ASSETS							
Current Assets:							
Cash and cash equivalents	\$ 361,675	\$ 12,135	\$ 3,650	\$ -	\$ 465	\$ -	\$ 377,925
Investments	-	95,737	-	-	-	-	95,737
Pledges and grants receivable	694,923	-	-	-	-	-	694,923
Other receivables	-	-	-	-	-	-	-
Prepaid expenses	36,070	-	4,718	-	-	-	40,788
Intercompany receivables	325,504	-	-	-	-	(325,504)	-
Total current assets	1,418,172	107,872	8,368	-	465	(325,504)	1,209,373
Pledges and grants receivable beyond one year, net	49,383	-	-	-	-	-	49,383
Deposits	26,291	-	-	-	-	-	26,291
Property and equipment, net	23,657	-	127	-	-	-	23,784
Investments in subsidiaries	(214,720)	-	-	100,000	-	114,720	-
Total assets	<u>\$ 1,302,783</u>	<u>\$ 107,872</u>	<u>\$ 8,495</u>	<u>\$ 100,000</u>	<u>\$ 465</u>	<u>\$ (210,784)</u>	<u>\$ 1,308,831</u>
LIABILITIES AND NET ASSETS							
Current Liabilities:							
Accounts payable and accrued expenses	\$ 66,535	\$ -	\$ 6,048	\$ -	\$ -	\$ -	\$ 72,583
Accrued time off liability	128,241	-	-	-	-	-	128,241
Passthrough grants payable	-	-	-	-	-	-	-
Intercompany payables	-	109,474	-	-	216,030	(325,504)	-
Total current liabilities	194,776	109,474	6,048	-	216,030	(325,504)	200,824
Security deposit	3,365	-	-	-	-	-	3,365
Total liabilities	<u>198,141</u>	<u>109,474</u>	<u>6,048</u>	<u>-</u>	<u>216,030</u>	<u>(325,504)</u>	<u>204,189</u>
Net assets							
Unrestricted							
Available for operations	(227,038)	(1,602)	-	-	-	1,602	(227,038)
Designated as operating reserve	-	-	-	-	-	-	-
Controlling interest	-	-	2,447	100,000	(215,565)	113,118	-
Total unrestricted	(227,038)	(1,602)	2,447	100,000	(215,565)	114,720	(227,038)
Temporarily restricted	1,331,680	-	-	-	-	-	1,331,680
Total net assets	<u>1,104,642</u>	<u>(1,602)</u>	<u>2,447</u>	<u>100,000</u>	<u>(215,565)</u>	<u>114,720</u>	<u>1,104,642</u>
Total liabilities and net assets	<u>\$ 1,302,783</u>	<u>\$ 107,872</u>	<u>\$ 8,495</u>	<u>\$ 100,000</u>	<u>\$ 465</u>	<u>\$ (210,784)</u>	<u>\$ 1,308,831</u>

INTERNATIONAL RIVERS NETWORK AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
December 31, 2016

	International Rivers Network	Fund for International Rivers	Yi Tai Rui Wo (Beijing) Environmental Consulting Company Limited	Yi Tai Rui Wo Environmental Consulting Company Limited	Yi Tai Rui Wo California LLC	Eliminations	Total
ASSETS							
Current Assets:							
Cash and cash equivalents	\$ 366,083	\$ 10,454	\$ 91,837	\$ -	\$ 90,570	\$ -	\$ 558,944
Investments	-	199,226	-	-	-	-	199,226
Pledges and grants receivable	752,973	-	-	-	-	-	752,973
Other receivables	5,922	-	8,812	-	-	-	14,734
Prepaid expenses	26,687	-	27,441	-	-	-	54,128
Intercompany receivables	257,430	-	-	-	-	(257,430)	-
Total current assets	1,409,095	209,680	128,090	-	90,570	(257,430)	1,580,005
Pledges and grants receivable beyond one year, net	100,902	-	-	-	-	-	100,902
Deposits	26,291	-	-	-	-	-	26,291
Property and equipment, net	28,896	-	508	-	-	-	29,404
Investments in subsidiaries	157,176	-	-	100,000	-	(257,176)	-
Total assets	<u>\$ 1,722,360</u>	<u>\$ 209,680</u>	<u>\$ 128,598</u>	<u>\$ 100,000</u>	<u>\$ 90,570</u>	<u>\$ (514,606)</u>	<u>\$ 1,736,602</u>
LIABILITIES AND NET ASSETS							
Current Liabilities:							
Accounts payable and accrued expenses	\$ 32,530	\$ -	\$ 1,158	\$ -	\$ -	\$ -	\$ 33,688
Accrued time off liability	133,565	-	13,084	-	-	-	146,649
Deferred revenue	2,271	-	-	-	-	-	2,271
Passthrough grants payable	20,456	-	-	-	-	-	20,456
Intercompany payables	-	-	-	-	257,430	(257,430)	-
Total current liabilities	188,822	-	14,242	-	257,430	(257,430)	203,064
Deferred rent	23,180	-	-	-	-	-	23,180
Security deposit	3,710	-	-	-	-	-	3,710
Total liabilities	215,712	-	14,242	-	257,430	(257,430)	229,954
Net assets							
Unrestricted							
Available for operations	214,497	209,680	-	-	-	(209,680)	214,497
Designated as operating reserve	31,253	-	-	-	-	-	31,253
Controlling interest	-	-	114,356	100,000	(166,860)	(47,496)	-
Total unrestricted	245,750	209,680	114,356	100,000	(166,860)	(257,176)	245,750
Temporarily restricted	1,260,898	-	-	-	-	-	1,260,898
Total net assets	1,506,648	209,680	114,356	100,000	(166,860)	(257,176)	1,506,648
Total liabilities and net assets	<u>\$ 1,722,360</u>	<u>\$ 209,680</u>	<u>\$ 128,598</u>	<u>\$ 100,000</u>	<u>\$ 90,570</u>	<u>\$ (514,606)</u>	<u>\$ 1,736,602</u>

INTERNATIONAL RIVERS NETWORK AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2017

	International Rivers Network	Fund for International Rivers	Yi Tai Rui Wo (Beijing) Environmental Consulting Company Limited	Yi Tai Rui Wo Environmental Consulting Company Limited	Yi Tai Rui Wo California, LLC	Eliminations	Total
SUPPORT AND REVENUE							
Foundation and corporate grants	\$ 1,862,427	\$ -	\$ -	\$ -	\$ -	\$ (234,474)	\$ 1,627,953
Contributions	311,687	-	-	-	-	-	311,687
Contract revenue	-	-	6,306	-	-	-	6,306
Interest and dividends	3,209	2,881	127	-	-	-	6,217
Gains from investments	-	21,479	-	-	-	-	21,479
Fee for services	-	-	48,600	-	-	(48,600)	-
Other income (expenses)	38,327	482	(62)	-	-	-	38,747
TOTAL SUPPORT AND REVENUE	2,215,650	24,842	54,971	-	-	(283,074)	2,012,389
EXPENSES							
Program services	1,674,910	234,474	166,880	-	48,705	(283,074)	1,841,895
Supporting services:							
Administration	291,535	1,650	-	-	-	-	293,185
Fundraising	279,315	-	-	-	-	-	279,315
TOTAL EXPENSES	2,245,760	236,124	166,880	-	48,705	(283,074)	2,414,395
CHANGE IN NET ASSETS BEFORE LOSSES FROM SUBSIDIARIES	(30,110)	(211,282)	(111,909)	-	(48,705)	-	(402,006)
Losses from investments in subsidiaries	(371,896)	-	-	-	-	371,896	-
CHANGE IN NET ASSETS	(402,006)	(211,282)	(111,909)	-	(48,705)	371,896	(402,006)
NET ASSETS AT BEGINNING OF YEAR	1,506,648	209,680	114,356	100,000	(166,860)	(257,176)	1,506,648
NET ASSETS AT END OF YEAR	\$ 1,104,642	\$ (1,602)	\$ 2,447	\$ 100,000	\$ (215,565)	\$ 114,720	\$ 1,104,642

INTERNATIONAL RIVERS NETWORK AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2016

	International Rivers Network	Fund for International Rivers	Yi Tai Rui Wo (Beijing) Environmental Consulting Company Limited	Yi Tai Rui Wo Environmental Consulting Company Limited	Yi Tai Rui Wo California LLC	Eliminations	Total
SUPPORT AND REVENUE							
Foundation and corporate grants	\$ 1,569,789	\$ -	\$ -	\$ -	\$ -	\$ (150,000)	\$ 1,419,789
Contributions	226,317	-	-	-	-	-	226,317
Contract revenue	7,750	-	80,363	-	-	-	88,113
Interest and dividends	3,222	6,364	119	-	-	-	9,705
Gains from investments	-	11,729	-	-	-	-	11,729
Fee for services	-	-	196,500	15,700	-	(212,200)	-
Other income	6,087	-	(132)	-	-	-	5,955
TOTAL SUPPORT AND REVENUE	1,813,165	18,093	276,850	15,700	-	(362,200)	1,761,608
EXPENSES							
Program services	1,451,116	150,000	219,594	30,272	166,860	(362,200)	1,655,642
Supporting services:							
Administration	257,981	6,110	-	-	-	-	264,091
Fundraising	257,085	-	-	-	-	-	257,085
TOTAL EXPENSES	1,966,182	156,110	219,594	30,272	166,860	(362,200)	2,176,818
CHANGE IN NET ASSETS BEFORE LOSSES FROM SUBSIDIARIES	(153,017)	(138,017)	57,256	(14,572)	(166,860)	-	(415,210)
Losses from investments in subsidiaries	(262,193)	-	-	-	-	262,193	-
CHANGE IN NET ASSETS	(415,210)	(138,017)	57,256	(14,572)	(166,860)	262,193	(415,210)
NET ASSETS AT BEGINNING OF YEAR	1,921,858	347,697	57,100	114,572	-	(519,369)	1,921,858
NET ASSETS AT END OF YEAR	\$ 1,506,648	\$ 209,680	\$ 114,356	\$ 100,000	\$ (166,860)	\$ (257,176)	\$ 1,506,648

INTERNATIONAL RIVERS NETWORK AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2017

	Program Services								Supporting Services							
	IRN Communications	IRN Campaigns	Fund for International Rivers	Yi Tai Rui Wo (Beijing) Environmental Consulting Company Limited	Yi Tai Rui Wo Environmental Consulting Company Limited	Yi Tai Rui Wo California, LLC	Eliminations	Total Programs	IRN Administration	FIR Administration	Yi Tai Rui Wo (Beijing) Environmental Consulting Company Limited Administration	Yi Tai Rui Wo Environmental Consulting Company Limited Administration	Yi Tai Rui Wo California, LLC	Total Administration	IRN Fundraising	Total
Salaries	\$ 43,990	\$ 740,046	\$ -	\$ 95,783	\$ -	\$ -	\$ -	\$ 879,819	\$ 145,151	\$ -	\$ -	\$ -	\$ -	\$ 145,151	\$ 115,500	\$ 1,140,470
Payroll taxes	3,654	37,151	-	25,020	-	-	-	65,825	10,140	-	-	-	-	10,140	9,176	85,141
Employee benefits	6,381	76,120	-	16,264	-	-	-	98,764	11,384	-	-	-	-	11,384	7,015	117,164
Professional fees	7,985	183,512	-	2,392	-	-	-	193,890	73,882	1,611	-	-	-	75,493	66,690	336,072
Occupancy	3,501	87,484	-	22,790	-	-	-	113,775	10,931	-	-	-	-	10,931	46,927	171,633
Travel and meals	1,293	198,855	-	659	-	-	-	200,807	3,431	-	-	-	-	3,431	10,988	215,226
Dues, licenses, and other fees	8,669	32,149	-	2,416	-	105	-	43,338	4,943	39	-	-	-	4,982	11,106	59,427
Grants to others	-	42,491	-	-	-	-	-	42,491	-	-	-	-	-	-	-	42,491
Copy and printing	150	5,086	-	10	-	-	-	5,246	3,392	-	-	-	3,392	4,776	13,414	
Conferences, conventions, and meetings	197	57,544	-	23	-	-	-	57,764	446	-	-	-	446	453	58,663	
Depreciation	609	11,375	-	381	-	-	-	12,365	1,800	-	-	-	1,800	1,830	15,995	
Supplies	455	20,784	-	389	-	-	-	21,629	2,031	-	-	-	2,031	678	24,337	
Equipment rental and maintenance	687	6,393	-	372	-	-	-	7,452	4,942	-	-	-	4,942	744	13,138	
Telephone	133	11,704	-	139	-	-	-	11,976	2,608	-	-	-	2,608	399	14,983	
Information technology	321	4,378	-	-	-	-	-	4,699	629	-	-	-	629	639	5,967	
Postage and shipping	78	885	-	242	-	-	-	1,205	467	-	-	-	467	1,220	2,892	
Insurance	12	230	-	-	-	-	-	242	5,950	-	-	-	5,950	176	6,368	
Staff training	6	819	-	-	-	-	-	825	218	-	-	-	218	18	1,061	
Advertising and promotion	174	90	-	-	-	-	-	264	165	-	-	-	165	980	1,409	
Miscellaneous	-	3,979	-	-	-	-	-	3,979	9,025	-	-	-	9,025	-	13,004	
Bad debt	-	75,540	-	-	-	-	-	75,540	-	-	-	-	-	-	75,540	
Intercompany expenses	-	-	234,474	-	-	48,600	(283,074)	-	-	-	-	-	-	-	-	
Total Expenses	\$ 78,294	\$ 1,596,617	\$ 234,474	\$ 166,880	\$ -	\$ 48,705	\$ (283,074)	\$ 1,841,895	\$ 291,535	\$ 1,650	\$ -	\$ -	\$ -	\$ 293,185	\$ 279,315	\$ 2,414,395

INTERNATIONAL RIVERS NETWORK AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2016

	Program Services								Supporting Services							
	IRN Communications	IRN Campaigns	Fund for International Rivers	Yi Tai Rui Wo (Beijing) Environmental Consulting Company Limited	Yi Tai Rui Wo Environmental Consulting Company Limited	Yi Tai Rui Wo California, LLC	Eliminations	Total Programs	IRN Administration	FIR Administration	Yi Tai Rui Wo (Beijing) Environmental Consulting Company Limited Administration	Yi Tai Rui Wo Environmental Consulting Company Limited Administration	Yi Tai Rui Wo California, LLC	Total Administration	IRN Fundraising	Total
Salaries	\$ 56,347	\$ 713,072	\$ -	\$ 120,195	\$ -	\$ -	\$ -	\$ 889,614	\$ 152,299	\$ -	\$ -	\$ -	\$ -	\$ 152,299	\$ 180,867	\$ 1,222,780
Payroll taxes	4,384	33,804	-	33,299	-	-	-	71,487	11,335	-	-	-	-	11,335	14,739	97,561
Employee benefits	4,345	80,087	-	21,295	-	-	-	105,727	13,530	-	-	-	-	13,530	14,863	134,120
Professional fees	2,626	156,722	-	2,866	-	-	-	162,214	43,277	6,091	-	-	-	49,368	4,515	216,097
Occupancy	4,027	88,902	-	21,672	-	-	-	114,601	11,308	-	-	-	-	11,308	13,070	138,979
Travel and meals	466	115,796	-	16,309	-	-	-	132,571	5,831	-	-	-	-	5,831	3,531	141,933
Dues, licenses, and other fees	6,532	9,682	-	1,737	272	360	-	18,583	5,078	19	-	-	-	5,097	10,264	33,944
Grants	-	80,901	150,000	-	-	-	(150,000)	80,901	-	-	-	-	-	-	-	80,901
Copy and printing	31	9,578	-	225	-	-	-	9,835	63	-	-	-	-	63	5,915	15,813
Conferences, conventions, and meetings	86	15,959	-	548	-	-	-	16,593	229	-	-	-	-	229	269	17,091
Depreciation	645	11,249	-	381	-	-	-	12,276	1,723	-	-	-	-	1,723	1,995	15,994
Supplies	184	11,243	-	406	-	-	-	11,833	1,455	-	-	-	-	1,455	803	14,091
Equipment rental and maintenance	247	8,025	-	265	-	-	-	8,537	4,054	-	-	-	-	4,054	775	13,366
Telephone	197	10,053	-	226	-	-	-	10,476	766	-	-	-	-	766	619	11,861
Information technology	325	5,219	-	-	-	-	-	5,544	573	-	-	-	-	573	701	6,818
Postage and shipping	-	1,064	-	138	-	-	-	1,202	547	-	-	-	-	547	2,428	4,177
Insurance	109	968	-	-	-	-	-	1,077	4,306	-	-	-	-	4,306	341	5,724
Staff training	787	1,337	-	31	-	-	-	2,155	807	-	-	-	-	807	124	3,086
Advertising and promotion	294	122	-	-	-	-	-	416	800	-	-	-	-	800	1,266	2,482
Intercompany expenses	-	15,700	-	-	30,000	166,500	(212,200)	-	-	-	-	-	-	-	-	-
Total Expenses	\$ 81,632	\$ 1,369,483	\$ 150,000	\$ 219,593	\$ 30,272	\$ 166,860	\$ (362,200)	\$ 1,655,642	\$ 257,981	\$ 6,110	\$ -	\$ -	\$ -	\$ 264,091	\$ 257,085	\$ 2,176,818

INTERNATIONAL RIVERS NETWORK AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2017

	International Rivers Network	Fund for International Rivers	Yi Tai Rui Wo (Beijing) Environmental Consulting Company Limited	Yi Tai Rui Wo Environmental Consulting Company Limited	Yi Tai Rui Wo California, LLC	Eliminations	Total
CASH FLOWS FROM OPERATING ACTIVITIES							
Change in net assets	\$ (402,006)	\$ (211,282)	\$ (111,909)	\$ -	\$ (48,705)	\$ 371,896	\$ (402,006)
Adjustments to reconcile change in net assets to net cash from operating activities:							
Depreciation	15,615	-	381	-	-	-	15,996
Loss on asset disposals	682	-	-	-	-	-	682
Bad debts	75,540	-	-	-	-	-	75,540
Gains from investments	-	(21,479)	-	-	-	-	(21,479)
Losses from investments in subsidiaries	371,896	-	-	-	-	(371,896)	-
(Increase) Decrease in operating assets:							
Pledges, grants and other receivables	(3,529)	-	8,812	-	-	68,074	73,357
Prepaid expenses	(9,383)	-	22,723	-	-	-	13,340
Increase (decrease) in operating liabilities:							
Accounts payable and accrued expenses	9,411	109,474	4,890	-	(41,400)	(68,074)	14,301
Accrued time-off liability	(5,324)	-	(13,084)	-	-	-	(18,408)
Deferred revenue	(2,271)	-	-	-	-	-	(2,271)
Passthrough grants payable	(20,456)	-	-	-	-	-	(20,456)
Deferred rent	(23,180)	-	-	-	-	-	(23,180)
Security deposit	(345)	-	-	-	-	-	(345)
Net cash provided by (used in) operating activities	6,650	(123,287)	(88,187)	-	(90,105)	-	(294,929)
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of property and equipment	(11,058)	-	-	-	-	-	(11,058)
Purchase of investments	-	(28,492)	-	-	-	-	(28,492)
Proceeds from the sale of investments	-	153,460	-	-	-	-	153,460
Net cash provided by (used in) investing activities	(11,058)	124,968	-	-	-	-	113,910
Net increase (decrease) in cash and cash equivalents	(4,408)	1,681	(88,187)	-	(90,105)	-	(181,019)
CASH AND CASH EQUIVALENTS - beginning of the year	366,083	10,454	91,837	-	90,570	-	558,944
CASH AND CASH EQUIVALENTS - end of the year	\$ 361,675	\$ 12,135	\$ 3,650	\$ -	\$ 465	-	\$ 377,925

INTERNATIONAL RIVERS NETWORK AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2016

	International Rivers Network	Fund for International Rivers	Yi Tai Rui Wo (Beijing) Environmental Consulting Company Limited	Yi Tai Rui Wo Environmental Consulting Company Limited	Yi Tai Rui Wo California, LLC	Eliminations	Total
CASH FLOWS FROM OPERATING ACTIVITIES							
Change in net assets	\$ (415,210)	\$ (138,017)	\$ 57,256	\$ (14,572)	\$ (166,860)	\$ 262,193	\$ (415,210)
Adjustments to reconcile change in net assets to net cash from operating activities:							
Depreciation	15,612	-	382	-	-	-	15,994
(Gains) losses from investments	-	(11,729)	-	-	-	-	(11,729)
(Gains) losses from investments in subsidiaries	262,193	-	-	-	-	(262,193)	-
(Increase) Decrease in operating assets:							
Pledges, grants and other receivables	(461,613)	-	41,988	50,000	-	257,430	(112,195)
Prepaid expenses	(4,080)	-	(814)	-	-	-	(4,894)
Increase (decrease) in operating liabilities:							
Accounts payable and accrued expenses	(40,659)	(3,500)	(2,791)	(50,000)	257,430	(257,430)	(96,950)
Accrued time-off liability	34,356	-	4,719	-	-	-	39,075
Deferred revenue	(9,302)	-	(30,837)	-	-	-	(40,139)
Passthrough grants payable	(20,044)	-	-	-	-	-	(20,044)
Deferred rent	(2,020)	-	-	-	-	-	(2,020)
Security deposit	2,510	-	-	-	-	-	2,510
Net cash provided by (used in) operating activities	<u>(638,257)</u>	<u>(153,246)</u>	<u>69,903</u>	<u>(14,572)</u>	<u>90,570</u>	<u>-</u>	<u>(645,602)</u>
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of property and equipment	(10,222)	-	-	-	-	-	(10,222)
Net decrease in certificates of deposit	100,816	-	-	-	-	-	100,816
Purchase of investments	-	(120,175)	-	-	-	-	(120,175)
Proceeds from the sale of investments	-	247,497	-	-	-	-	247,497
Net cash provided by (used in) investing activities	<u>90,594</u>	<u>127,322</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>217,916</u>
Net increase (decrease) in cash and cash equivalents	(547,663)	(25,924)	69,903	(14,572)	90,570	-	(427,686)
CASH AND CASH EQUIVALENTS - beginning of the year	<u>913,746</u>	<u>36,378</u>	<u>21,934</u>	<u>14,572</u>	<u>-</u>	<u>-</u>	<u>986,630</u>
CASH AND CASH EQUIVALENTS - end of the year	<u>\$ 366,083</u>	<u>\$ 10,454</u>	<u>\$ 91,837</u>	<u>\$ -</u>	<u>\$ 90,570</u>	<u>\$ -</u>	<u>\$ 558,944</u>

INTERNATIONAL RIVERS NETWORK AND SUBSIDIARIES
STATEMENT OF ACTIVITIES – IRN ONLY
For the Year Ended December 31, 2017

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
SUPPORT AND REVENUE			
Foundation and corporate grants	\$ 309,498	\$ 1,552,929	\$ 1,862,427
Contributions	311,687	-	311,687
Interest and dividends	3,209	-	3,209
Other income	38,327	-	38,327
Net assets released from restrictions:			
Purpose accomplished or time restriction met	1,482,147	(1,482,147)	-
TOTAL SUPPORT AND REVENUE	<u>2,144,868</u>	<u>70,782</u>	<u>2,215,650</u>
EXPENSES			
Program services	1,674,910	-	1,674,910
Supporting services:			
Administration	291,535	-	291,535
Fundraising	279,315	-	279,315
TOTAL EXPENSES	<u>2,245,760</u>	<u>-</u>	<u>2,245,760</u>
CHANGE IN NET ASSETS BEFORE LOSSES FROM SUBSIDIARIES	(100,892)	70,782	(30,110)
Losses from investments in subsidiaries	(371,896)	-	(371,896)
CHANGE IN NET ASSETS	(472,788)	70,782	(402,006)
NET ASSETS AT BEGINNING OF YEAR	<u>245,750</u>	<u>1,260,898</u>	<u>1,506,648</u>
NET ASSETS AT END OF YEAR	<u>\$ (227,038)</u>	<u>\$ 1,331,680</u>	<u>\$ 1,104,642</u>

INTERNATIONAL RIVERS NETWORK AND SUBSIDIARIES
STATEMENT OF ACTIVITIES – IRN ONLY
For the Year Ended December 31, 2016

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
SUPPORT AND REVENUE			
Foundation and corporate grants	\$ 8,424	\$ 1,561,365	\$ 1,569,789
Contributions	224,567	1,750	226,317
Contract revenue	7,750	-	7,750
Interest and dividends	3,222	-	3,222
Other income	6,087	-	6,087
Net assets released from restrictions:			
Purpose accomplished or time restriction met	1,725,124	(1,725,124)	-
TOTAL SUPPORT AND REVENUE	<u>1,975,174</u>	<u>(162,009)</u>	<u>1,813,165</u>
EXPENSES			
Program services	1,451,116	-	1,451,116
Supporting services:			
Administration	257,981	-	257,981
Fundraising	257,085	-	257,085
TOTAL EXPENSES	<u>1,966,182</u>	<u>-</u>	<u>1,966,182</u>
CHANGE IN NET ASSETS BEFORE LOSSES FROM SUBSIDIARIES	8,992	(162,009)	(153,017)
Losses from investment in subsidiaries	(262,193)	-	(262,193)
CHANGE IN NET ASSETS	(253,201)	(162,009)	(415,210)
NET ASSETS AT BEGINNING OF YEAR	<u>498,951</u>	<u>1,422,907</u>	<u>1,921,858</u>
NET ASSETS AT END OF YEAR	<u>\$ 245,750</u>	<u>\$ 1,260,898</u>	<u>\$ 1,506,648</u>