THE RAINFOREST FUND, INC.

FINANCIAL STATEMENTS AND INDEPENDENT ACCOUNTANTS' REVIEW REPORT

YEAR ENDED DECEMBER 31, 2023

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DDK & COMPANY LLP
CERTIFIED PUBLIC ACCOUNTANTS

1 Penn Plaza, New York, NY 10119
T. 212.997.0600 F. 212.997.0466

50 Jericho Quadrangle, Jericho, NY 11753
T. 516.277.9700 F. 516.277.9701

www.ddkcpas.com
A Member Firm of Morison Global

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

The Board of Directors
The Rainforest Fund, Inc.

We have reviewed the accompanying financial statements of The Rainforest Fund, Inc. (the "Organization"), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of entity management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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.

Accountants' Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of The Rainforest Fund, Inc. and to meet our ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

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T. 516.277.9700 F. 516.277.9701

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Accountants' Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

DDK & Company LLP

New York, New York
November 14, 2024

THE RAINFOREST FUND, INC.
STATEMENT OF FINANCIAL POSITION
December 31, 2023

ASSETS

Cash and cash equivalents	$	291,821
Investments		3,403,671
Prepaid expenses and other assets		5,388
Security deposit		17,067
Total assets	$	3,717,947

LIABILITIES AND NET ASSETS

Liabilities		
Accounts payable and accrued expenses	$	724
Total liabilities		724
Commitments and contingencies		
Net Assets		
Without donor restrictions		3,717,223
Total net assets		3,717,223
Total liabilities and net assets	$	3,717,947

THE RAINFOREST FUND, INC.
STATEMENT OF ACTIVITIES
Year Ended December 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and support			
Contributions	$ 33,352	$ -	$ 33,352
Investment icnome:			
Interest and dividends, net of interest and investment expenses	96,464	-	96,464
Net realized and unrealized gain on investments	184,319	-	184,319
Total revenue and support	314,135	-	314,135
Expenses			
Program services:			
Project support	838,746	-	838,746
Total program services	838,746	-	838,746
Supporting services:			
General and administrative	111,397	-	111,397
Fundraising	55,962	-	55,962
Total supporting services	167,359	-	167,359
Total expenses	1,006,105	-	1,006,105
Decrease in net assets	(691,970)	-	(691,970)
Net assets at beginning of year	4,409,193	-	4,409,193
Net assets at end of year	$ 3,717,223	$ -	$ 3,717,223

THE RAINFOREST FUND, INC.
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended December 31, 2023

	Program Services	Supporting Services: General and Administrative	Supporting Services: Fundraising	Total
Salaries	$ 19,333	$ 19,333	$ 19,333	$ 57,999
Payroll taxes and employee benefits	6,547	6,547	6,547	19,641
Consulting	15,307	15,307	15,307	45,921
Support to related international organizations	779,890	-	-	779,890
Foreign taxes	-	7,572	-	7,572
Insurance	-	2,846	-	2,846
Office	-	33,887	-	33,887
Professional fees	-	11,130	-	11,130
Rent	12,754	12,754	12,754	38,262
Telephone	1,195	1,195	1,195	3,585
Travel and entertainment	2,264	-	-	2,264
Utilities	826	826	826	2,478
Website	630	-	-	630
Total	$ 838,746	$ 111,397	$ 55,962	$ 1,006,105

THE RAINFOREST FUND, INC.
STATEMENT OF CASH FLOWS
Year Ended December 31, 2023

Cash Flows From Operating Activities		
Decrease in net assets	$	(691,970)
Adjustments to reconcile decrease in net assets to net cash used in operating activities:		
Realized and unrealized gain on investments		(184,319)
Changes in operating assets and liabilities:		
Prepaid expenses		(3,262)
Accounts payable and accrued expenses		913
Net cash used in operating activities		(878,638)
Cash Flows From Investing Activities		
Purchases of investments		(76,970)
Proceeds from sale of investments		1,130,026
Net cash provided by investing activities		1,053,056
Net increase in cash and cash equivalents		174,418
Cash and cash equivalents at beginning of year		117,403
Cash and cash equivalents at end of year	$	291,821
Supplemental Disclosure of Cash Flow Information		
Interest paid	$	1,257
Foreign taxes paid	$	7,572

THE RAINFOREST FUND, INC.
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2023

NOTE 1 - NATURE OF ACTIVITIES

The Rainforest Fund, Inc. (the "Organization") is a charitable foundation; its mission is to protect and support indigenous peoples and traditional populations of the Rainforest in their efforts to protect their environment and defend their rights, to promote a sustainable development of their communities, and to challenge government practices which have a damaging effect on their environment.

The Organization carries out its mission by funding programs and projects aimed at supporting indigenous peoples and traditional populations of the Rainforest to assert and defend their rights, to fight against development programs which have damaging effects on their environment, and to carry out various projects promoting the governance and the economic development of their communities.

The Organization provides financial support for projects in the field undertaken by related national organizations called Rainforest Foundation Norway, Rainforest Foundation UK, and Rainforest Foundation US. Other organizations working in the fields of human rights and the environment can seek support from the Organization.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Organization's financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America.

Basis of Financial Statement Presentation

Contributions received are recorded as without donor restriction, or with donor restriction, depending on the existence and/or nature of any donor restrictions.

Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires (that is, when a stipulated or implied time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restriction.

The Organization reports information regarding its financial position according to two classes of net assets: net assets with donor restrictions and net assets without donor restrictions.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Basis of Financial Statement Presentation (Continued)

Accordingly, the net assets of the Organization and changes therein are classified and reported as follows:

1) Net assets without donor restrictions include assets, revenues, and gains that are available for support of the Organization's general operations.

2) Net assets with donor restrictions include contributions that are donor restricted for uses which have not yet been fulfilled either by the passage of time or by purpose. At December 31, 2023, the Organization did not have net assets with donor restrictions.

Cash and Cash Equivalents

Cash and cash equivalents include highly liquid investments with an original maturity of three months or less when acquired.

Investments

Investments are reported at fair value, with realized and unrealized gains and losses, interest and dividends recorded as investment income.

Contributions

Contributions are recognized when the donors makes a promise to give to the Organization that is, in substance, unconditional. Contributions are recorded net of estimated uncollectable amounts. The Organization had no contributions receivable at December 31, 2023.

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated by the donor for future periods or are restricted by the donor for specified purposes are reported as net assets with donor restrictions, which increases that net asset class. A donor restriction expires when a stipulated time restriction ends, when an unconditional promise with an implied time restriction is collected, or when a purpose restriction is accomplished.

Property and Equipment

Property and equipment are stated at cost, less accumulated depreciation. Major expenditures for property and equipment and those which substantially increase useful lives are capitalized. Repairs and maintenance are expensed as incurred. When assets are retired or otherwise disposed of, their cost and related accumulated depreciation are removed from the accounts and resulting gains and losses are included in operations. Depreciation is accounted for on the straight-line method over the estimated useful lives of the assets.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Income Taxes

The Organization is a not-for-profit organization that is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code; the Organization is also exempt from state and local income taxes. Accordingly, no provision for income taxes has been made in the financial statements. In addition, the Organization is subject to tax on unrelated business income at statutory corporate income tax rates. However, the Organization did not have any unrelated business income for the year ended December 31, 2023.

The Board of Directors of the Organization has concluded that there are no uncertain tax positions that would require recognition in the financial statements. If the Organization was to incur an income tax liability in the future, interest on any income tax liability would be reported as interest expense and penalties on any income tax liability would be reported as income taxes. The Organization's conclusions regarding uncertain tax positions may be subject to review and adjustment at a later date based upon ongoing analyses of tax laws, regulations and interpretations thereof as well as other factors.

Functional Allocation of Expenses

The cost of providing the various programs and supporting services have been summarized on a functional basis. Certain costs have been allocated based on management’s evaluation of the benefit related to the particular costs, while overhead expenses have been allocated based on time spent.

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 that affect the reported amounts of assets, liabilities, revenues, and expenses, and the disclosure of contingent assets and liabilities. Actual results could differ from these estimates.

Subsequent Events

Management has evaluated subsequent events or transactions occurring through November 14, 2024, the date the financial statements were available to be issued.

NOTE 3 - CASH AND CASH EQUIVALENTS

Cash and cash equivalents at December 31, 2023 consisted of the following:

	Without Donor Restrictions	With Donor Restrictions	Total
Checking accounts	$ 21,314	$ -	$ 21,314
Savings and money market accounts	270,507	-	270,507
	$ 291,821	$ -	$ 291,821

NOTE 4 - FAIR VALUE MEASUREMENTS

Basis of Fair Value Measurement

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted observable quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1 Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

NOTE 4 - FAIR VALUE MEASUREMENTS *(Continued)*

Basis of Fair Value Measurement *(Continued)*

The Organization has an investment in a limited partnership ("Limited Partnership") which is classified in Level 3 of the fair value hierarchy. The Limited Partnership has established valuation processes and procedures for Level 3 investments to ensure proper reporting in accordance with U.S. GAAP. The Limited Partnership is responsible for the valuation processes and procedures for the Level 3 investment, including the development of written valuation policies and procedures, conducting periodic reviews of the valuation policies, and determining the proper and consistent application of the valuation policies. The determination of fair value using these methodologies takes into consideration a range of factors, including, but not limited to, the price at which the investment was acquired, the nature of the investment, local market conditions, trading values on public exchanges for comparable securities, current and projected operating performance, and financing transactions subsequent to the acquisition of the investment. These valuation methodologies involve a significant degree of judgment by the Limited Partnership.

The following table presents by level, within the fair value hierarchy, a summary of the Organization's investment assets at fair value as of December 31, 2023. Investment assets are classified in their entirety based upon the lowest level of input that is significant to the fair value measurement.

Description	Total	Quoted Prices in Active Market for Identical Assets (Level 1)	Significant Unobservable Inputs (Level 3)
Exchange – traded and close-end funds	$ 1,390,553	$ 1,390,553	$ -
Limited partnership	2,013,118	-	2,013,118
Total	$ 3,403,671	$ 1,390,553	$ 2,013,118

The Limited Partnership invests in domestic and international public and private securities in Level 1, 2 and 3. There are no restrictions on redemption, sale, or liquidation. Redemptions require a 60 day prior written notice. The following is a roll forward of the Level 3 investment for the year ended December 31, 2023:

	Amounts
Balance at January 1, 2023	$ 2,503,656
Distributions	(500,000)
Interest and dividend income	61,627
Investment expenses	(3,601)
Foreign taxes paid	(5,368)
Net realized and unrealized loss on investment	(43,196)
Balance at December 31, 2023	$ 2,013,118

NOTE 5 - BOARD DESIGNATED FUNDS

As of December 31, 2023, the Board of Directors has designated $756,000 of net assets without donor restrictions as a general fund to support the mission of the Organization. Since that amount resulted from an internal designation and is not donor-restricted, it is classified and reported within net assets without donor restrictions.

NOTE 6 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization's financial assets as of the statement of financial position date, reduced by amounts not available for general use within one year of the statement of financial position date because of internal designations.

	Amounts
Cash and cash equivalents	$ 291,821
Investments	3,403,671
Total financial assets	3,695,492
Less: board-designated funds	(756,000)
Financial assets available to meet cash needs for general expenditures within one year	$ 2,939,492

The Organization has a goal to maintain financial assets, which consist of cash, cash equivalents, and investments, on hand to meet one year of normal operating expenses, which are, on average, approximately $220,000 per year. The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. In addition, as part of its liquidity management, the Organization invests cash in excess of daily requirements in various investments.

NOTE 7 - RELATED PARTY TRANSACTIONS

The Treasurer of the Organization owns and operates a limited partnership hedge fund which manages the Limited Partnership in which the Organization has invested. The Treasurer, as part of his duties, directs the Organization's investments throughout the year. The Organization's investment in the Limited Partnership at December 31, 2023 was $2,013,118.

NOTE 8 - PROPERTY AND EQUIPMENT, NET

Major classes of property and equipment are summarized as follows:

	Estimated Useful Lives - Years	Amounts
Equipment	5	$ 3,070
Furniture and fixtures	7	3,619
Software	3	5,354
Total cost		12,043
Less: Accumulated depreciation		12,043
Property and equipment, net		$ -

There was no depreciation expense for the year ended December 31, 2023.

NOTE 9 - RENTAL INFORMATION

On February 15, 2019, the Organization entered into a lease agreement for an office facility. The term of the lease was for 5 years, commencing on April 2019 and expired March 31, 2024. The lease required monthly installments according to an escalating rent schedule and payment of specific operating costs. The lease was not renewed in 2024.

Rent expense totaled $38,262 for the year ended December 31, 2023.

Total future minimum rental payments required under the non-cancelable operating lease agreement as of December 31, 2023 are approximately as follows:

Year Ending December 31,	Amounts
2024	9,600
	$ 9,600

NOTE 10 - RISKS AND UNCERTAINTIES

Investments

At December 31, 2023, the investment balance at two brokerage firms totaling $1,390,553 exceeded the insured SIPC limit by approximately $391,000. The brokerage firm also provides additional insurance for amounts above the SIPC limit.

Investments in securities are generally exposed to various risks, such as interest rate, credit, and overall market volatility risks. Due to the level of risks associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term that could have a material effect on the Organization

Cash and cash equivalents

At December 31, 2023, bank cash balances exceeded the FDIC insurance limit by approximately $34,000.

NOTE 11 - CONCENTRATION OF RISK

For the year ended December 31, 2023, 39% of total grants and contributions revenue was from two donors.

NOTE 12 - EMPLOYEE BENEFIT PLAN

The Organization participates in a 403(b) Profit Sharing Plan (the “Plan”). As allowed under Section 403(b) of the Internal Revenue Code, the Plan provides tax-deferred salary deductions for eligible employees. Participants must be 21 years of age and have completed six months of service and may make voluntary contributions to the Plan, not to exceed the federally determined maximum allowable contribution. The Organization discretionarily matches a percentage of participants’ compensation equal to 50% of each participant’s deferred compensation, not to exceed 3% of the participant’s annual compensation.

New employees are eligible to participate on the earlier of the first day of the plan year or the first day of the seventh month of the plan year which coincides with the date following satisfaction of the eligibility requirements. For the year ended December 31, 2023, the Organization made a contribution of $2,320 to the Plan.

NOTE 13 - DESCRIPTION OF PROGRAMS

The following summarizes the Organization's projects during the year ended December 31, 2023:

Kenya: The purpose of this project is to secure Chepkitate Ogiek Community ancestral lands, Ingenious forests, traditional knowledge and livelihoods. (CIPDP Chepkitale Indigenous People Development Project)

Central African Republic: The purpose of this project is to work with forest communities to implement key actions identified in their management plans, particularly sustainable livelihoods. The project continues to engage with indigenous peoples Baka and Bantu and support self-led forest management, agricultural production, and increasing access to markets and finance.

Uganda: This project supports the Batwa people's youth to advocate for Batwa culture and human rights at the local and national stages (FPP) (UOBDU- United Organization for Batwa Development in Uganda)

The Republic of Congo: Reinforcing the Baka Community advocacy capacity in the Mossok DJA Forest area (APETDS) - This project aims to promote rights-based approaches in development and conservation. It builds upon the previous year's work with 16 communities in the MESSOK DJA region, continuing efforts to empower these communities by providing them with the necessary strength and knowledge regarding their rights.

Democratic Republic of Congo: Support of the Pygmy Indigenous Peoples in their quest for the respect of their rights (ANAPAC) - The project was executed with great success the previous year in the northern provinces of Tshopo and the eastern region of the Democratic Republic of Congo (DRC), significantly enhancing the cultural identity of the indigenous people. In 2022 the purpose was to expand the project to six additional provinces in Maidombe and South Kivu, encompassing both the eastern and western parts of the DRC, with the same objective. The aim was to empower the younger generation with the tools they need to safeguard and uphold their land, resources, and heritage.

Costa Rica: Support Indigenous people Bribri de Saltire Punterenas Province in defense of their ancestral land and legal rights (FPP) - The Organization's support has played a crucial role in empowering the Bribri and neighboring Broran communities to defend themselves against illegal and violent attacks by invaders. Additionally, there is an urgent need to strengthen their cultural identity and overcome government resistance.

Brazil: Association Terra Indigena do Xingu - A new project, led by the Kaibi Tribe, aims to establish a medicinal plant resource that will benefit all indigenous communities in the Lower XINGU region. This initiative seeks to preserve and strengthen indigenous knowledge of medicinal plants, ensuring it is passed on to the younger generation and doesn't remain limited to a few elders.

NOTE 13 - DESCRIPTION OF PROGRAMS *(Continued)*

Brazil: Amapa Indigenous and Tradition rights - To strengthen indigenous and Quilombola communities response to advance of deforestation and recognition of traditional land rights (ECAM). This new project responds to the current challenges posed by deforestation and the loss of rights under the previous government. Its primary goal is to bolster the representation of Indigenous and Quilombola communities at the state level and advocate for the recognition of traditional land rights.

Brazil: Amazonia Alerta - AmazonAlerta is a nonprofit organization with operations in Brazil and the UK. It collaborates closely with indigenous communities in the Amazon region to monitor and report on environmental issues and related crimes.

Panama: Advancing legal rights and territorial monitoring of the Wounaan and Embera communities (RF US) - In its second year, the project's main objective is to provide resources and technical support to Wounaan and Embera communities. This support aims to help them protect their land rights and monitor their territories, particularly to combat deforestation in indigenous lands.

Indonesia: Territorial security and access to Justice for the Indigenous Peoples of Dayak Bahar in Mahakam Ulu - Long Lsun (PNP - Perkumpulan Nurani Perempuan) - PNP is a women's organization dedicated to living alongside and safeguarding the DAYAK communities. They aim to uphold social justice and protect the human rights of the DAYAK people, offering assistance through regular discussions with the Long Lsun community. Their primary objective is to foster unity under the banner of "ONE VOICE, ONE GOAL" to preserve vital natural resources such as land, forests, and rivers. They achieve this through village meetings, focus group discussions, and territorial management workshops, with a particular focus on engaging the village's youth.

Borneo: Defending customary lands of the Dayak Bekati in the West (YMKL) - This project is in its second year and the purpose is to secure effective recognition and protection of indigenous peoples' rights to their land and forests and to rebuild sustainable livelihoods.

The Philippines: Intensifying environmental protection and ancestral land demarcation (CALG Coalition Against Land Grabbing) - This project is the continuation from the previous year which was successful in reaching out to a greater number of indigenous communities and file successful applications for 40 villages.