

# **Conservation International Foundation and Affiliates**

Statements of Receipts and Disbursements – Cash  
Basis for The International Bank for Reconstruction  
and Development Funded Program  
Global Environment Facility Trust Fund  
June 30, 2017 and 2016

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**Independent Auditor's Report**

To the Audit Committee  
Conservation International Foundation and Affiliates

**Report on the Financial Statements**

We have audited the accompanying statements of receipts and disbursements – cash basis of The International Bank for Reconstruction and Development (the Bank) Funded Program, Global Environment Facility Trust Fund (the Program) of Conservation International Foundation and Affiliates (collectively, CI) for the years ended June 30, 2017 and 2016, and the related note to the financial statements.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting described in Note 1; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these 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 audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash receipts and disbursements of the Program of CI for the years ended June 30, 2017 and 2016, in accordance with the cash basis of accounting described in Note 1.

**Basis of Accounting**

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

**Restriction on Use**

This report is intended solely for the information and use of the Audit Committee, Board of Directors and management of CI and for filing with Global Environment Facility (GEF) Council and the Bank as Trustee of the Program and is not intended to be and should not be used by anyone other than these specified parties.

*RSM US LLP*

McLean, Virginia  
December 6, 2017

**Conservation International Foundation and Affiliates –  
The International Bank for Reconstruction and Development Funded Program  
Global Environment Facility Trust Fund**

**Statements of Receipts and Disbursements – Cash Basis  
Years Ended June 30, 2017 and 2016**

	<b>2017</b>	<b>2016</b>
Receipts:		
Cash receipts for funded projects	\$ -	\$ 7,108,022
<b>Total receipts</b>	<b>-</b>	<b>7,108,022</b>
Disbursements:		
Grants disbursed for funded projects	5,831,271	1,240,487
Refunds owed to the CI-GEF Trust Fund	-	28
<b>Total disbursements</b>	<b>5,831,271</b>	<b>1,240,515</b>
<b>Excess of cash receipts (under) over disbursements</b>	<b>(5,831,271)</b>	<b>5,867,507</b>
Beginning cash balance	<b>6,265,838</b>	398,331
Ending cash balance	<b>\$ 434,567</b>	<b>\$ 6,265,838</b>

See note to the financial statements.

**Conservation International Foundation and Affiliates –  
The International Bank for Reconstruction and Development Funded Program  
Global Environment Facility Trust Fund**

**Note to Financial Statements**

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**Note 1. Nature of Activities and Significant Accounting Policies**

**Nature of activities:** Conservation International Foundation and Affiliates (CI), founded in 1987, imagines a healthy prosperous world in which societies are forever committed to caring for and valuing nature for the long-term benefit of people and all life on Earth. By building upon a strong foundation of science, partnership and field demonstration, CI empowers societies to responsibly and sustainably care for nature for the well-being of humanity.

Much like CI, the Global Environment Facility (GEF) believes that every person on Earth deserves a healthy environment and the fundamental benefits that nature provides. Since its inception in 1991, the GEF has improved the lives of billions of people while creating conditions for sustainable development. By investing in the planet, the GEF is investing in the human capital of this generation — and of generations to come. Bringing together 183 countries in partnership with international institutions, civil society organizations and the private sector, the GEF is the largest public funder of projects to improve the global environment. The GEF channels funding through GEF agencies, which are responsible for assisting eligible governments and nonprofit organizations in the development, implementation and management of GEF projects.

In 2013, CI became one of the first nonprofit organizations to be accredited as a GEF agency. As such, CI directly assists national governments in incorporating global environment concerns into their policies, programs and projects. As an agency of the GEF, CI disburses funding for global conservation and sustainable development initiatives.

CI is committed to working with all governments and engaging with all sectors in society to achieve our ultimate goal of improved human well-being, particularly focusing on the essential services that nature provides such as fresh water, food, health, livelihoods and climate resilience.

A summary of Global Environment Facility Trust Fund's (the Program) significant accounting policies follows:

**Basis of presentation:** The accompanying statements of receipts and disbursements – cash basis for the years ended June 30, 2017 and 2016, were prepared based on the cash receipts received and disbursements paid during the periods for the Program. The cash basis of accounting is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America (U.S. GAAP); therefore, the statements are not intended to be a presentation in conformity with U.S. GAAP. Receipts are reported when collected rather than when pledged/earned, and disbursements are reported when paid rather than when incurred.

**Subsequent events:** CI evaluated subsequent events through December 6, 2017, which is the date the financial statements were available to be issued.