

**SAFARI CLUB INTERNATIONAL**

**Consolidated Financial Statements and  
Independent Auditor's Report**

**June 30, 2023 and 2022**

# SAFARI CLUB INTERNATIONAL

## TABLE OF CONTENTS YEARS ENDED JUNE 30, 2023 AND 2022

---

<b>Independent Auditor’s Report</b>	1 - 2
<b>Financial Statements</b>	
Consolidated Statements of Financial Position	3 - 4
Consolidated Statements of Activities and Changes in Net Assets	5 - 6
Consolidated Statements of Functional Revenue and Expenses	7 - 8
Consolidated Statements of Cash Flows	9
Notes to the Consolidated Financial Statements	10 - 27

## **Independent Auditor's Report**

jlksenberger.com

To the Board of Directors of  
Safari Club International

### **Opinion**

We have audited the accompanying consolidated financial statements of Safari Club International (a nonprofit organization), which comprise the consolidated statements of financial position as of June 30, 2023, and the related consolidated statements of activities and changes in net assets, functional revenues and expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Safari Club International as of June 30, 2023, and the changes in its consolidated net assets and its consolidated cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of Safari Club International and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Prior Period Consolidated Financial Statements**

The consolidated financial statements of Safari Club International as of June 30, 2022 were audited by other auditors whose report dated July 27, 2023 expressed an unmodified opinion on those consolidated statements.

### **Responsibilities of Management for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Safari Club International's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance

and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Safari Club International's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Safari Club International's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

*JLK Rosenberg, LLP*

Irvine, California  
April 9, 2024

**SAFARI CLUB INTERNATIONAL**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2023 AND 2022**

<b>ASSETS</b>	2023	2022
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 1,241,649	\$ 3,299,534
Accounts Receivable, Net of Allowance for Doubtful		
Accounts of \$108,812 and \$94,059 in 2023 and 2022, Respectively	1,861,602	3,180,470
Related Party Receivable	834,049	390,182
Pledges Receivable	13,900	7,700
Corporate Sponsorship Receivable	512,369	840,774
Notes Receivable		735,000
Inventories	628,644	617,529
Prepaid Expenses:		
Convention	491,354	173,098
Other Programs	486,822	707,826
Total Current Assets	6,070,389	9,952,113
<b>NONCURRENT ASSETS</b>		
Pledges Receivable, net of current portion	5,050	6,600
Corporate Sponsorship Receivable , net of current portion	-	57,557
Long-term Investments	9,158,793	7,730,456
Deposit, related party	12,086	72,884
Intellectual Property	2,675,149	2,675,149
Property and Equipment, net	5,620,517	382,663
Right of use Assets	469,404	-
Total Noncurrent Assets	17,940,999	10,925,309
Total Assets	\$ 24,011,388	\$ 20,877,422

**SAFARI CLUB INTERNATIONAL**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2023 AND 2022**

	2023	2022
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Line of Credit	\$ 1,600,000	\$ -
Accounts Payable and Accrued Liabilities	6,026,682	4,152,759
Unearned Revenue:		
Convention	2,702,483	4,840,229
Safari Publications, current portion	450,026	507,330
Annual Membership	290,636	189,697
Sponsorships	516,829	-
Long-Term Memberships, current portion	615,980	625,514
Other Programs	2,344,080	2,576,314
Note Payable - related party, current portion	39,454	-
Lease Liabilities, current portion	369,301	-
Total Current Liabilities	14,955,471	12,891,843
<b>LONG-TERM LIABILITIES</b>		
Notes Payable - related party	4,058,841	-
Lease Liabilities, net of current portion	100,951	-
Unearned Revenue, Long-Term		
Safari Publications	292,962	-
Sponsorships	60,513	-
Long-Term Membership	5,133,920	5,634,300
Total Liabilities	24,602,658	18,526,143
<b>NET ASSETS</b>		
Without Donor Restrictions	(1,096,376)	1,816,476
With Donor Restrictions	505,106	534,803
Total Net Assets	(591,270)	2,351,279
Total Liabilities and Net Assets	\$ 24,011,388	\$ 20,877,422

**SAFARI CLUB INTERNATIONAL**  
**CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUES AND OTHER SUPPORT</b>			
Convention & Events	\$ 18,110,382	\$ -	\$ 18,110,382
Insurance Proceeds	425,000		425,000
Dues and Subscriptions	2,066,539	-	2,066,539
Membership Services and Product Sales	1,145,451	-	1,145,451
Advertising and Sponsorships	2,431,940	-	2,431,940
Contributions	1,405,043	1,076,787	2,481,830
Investment Income	690,352	31,758	722,110
Other	89,053	-	89,053
Net Assets Released from Restrictions:			
Satisfaction of Program Restrictions	1,138,242	(1,138,242)	-
Total Revenues and Other Support	27,502,002	(29,697)	27,472,305
<b>EXPENSES</b>			
Program Services:			
Governmental Affairs	3,234,416	-	3,234,416
Total Program Services	3,234,416	-	3,234,416
Supporting Services:			
Fundraising	14,909,781	-	14,909,781
Membership Services	8,025,984	-	8,025,984
General and Administrative	4,244,673	-	4,244,673
Total Supporting Services	27,180,438	-	27,180,438
Total Expenses	30,414,854	-	30,414,854
<b>CHANGES IN NET ASSETS</b>	(2,912,852)	(29,697)	(2,942,549)
Net Assets - Beginning of Year	1,816,476	534,803	2,351,279
<b>NET ASSETS - END OF YEAR</b>	\$ (1,096,376)	\$ 505,106	\$ (591,270)

**SAFARI CLUB INTERNATIONAL**  
**CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUES AND OTHER SUPPORT</b>			
Convention & Events	\$ 11,778,754	\$ -	\$ 11,778,754
Insurance Proceeds	309,350		309,350
Dues and Subscriptions	2,027,989	-	2,027,989
Membership Services and Product Sales	912,553	-	912,553
Advertising and Sponsorships	2,181,069	-	2,181,069
Contributions	1,379,761	103,157	1,482,918
Investment Income	(775,726)	(53,259)	(828,985)
Other	822	-	822
Net Assets Released from Restrictions:			-
Satisfaction of Program Restrictions	113,914	(113,914)	-
Total Revenues and Other Support	17,928,486	(64,016)	17,864,470
<b>EXPENSES</b>			
Program Services:			
Governmental Affairs	2,730,042	-	2,730,042
Total Program Services	2,730,042	-	2,730,042
Supporting Services:			
Fundraising	8,687,088	-	8,687,088
Membership Services	6,564,601	-	6,564,601
General and Administrative	3,010,106	-	3,010,106
Total Supporting Services	18,261,795	-	18,261,795
Total Expenses	20,991,837	-	20,991,837
<b>CHANGES IN NET ASSETS</b>	(3,063,351)	(64,016)	(3,127,367)
Net Assets - Beginning of Year	4,879,827	598,819	5,478,646
<b>NET ASSETS - END OF YEAR</b>	\$ 1,816,476	\$ 534,803	\$ 2,351,279



**SAFARI CLUB INTERNATIONAL**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL REVENUES AND EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	Governmental Affairs	Fundraising/ Convention	Membership Services	General and Administrative	Totals
<b>REVENUE AND OTHER SUPPORT</b>					
Convention	\$ 46,034	\$ 18,016,372	\$ 13,026	\$ 34,950	\$ 18,110,382
Insurance Proceeds	-	425,000	-	-	425,000
Dues and Subscriptions	-	-	2,066,539	-	2,066,539
Membership Services and Product Sales	-	-	1,144,651	800	1,145,451
Advertising and Sponsorships	-	360,900	2,071,040	-	2,431,940
Contributions	83,953	-	1,303,392	1,094,485	2,481,830
Investment Income	-	-	32,579	689,531	722,110
Other Revenue	-	-	50	89,003	89,053
	<u>-\$ 129,987</u>	<u>\$ 18,802,272</u>	<u>\$ 6,631,277</u>	<u>\$ 1,908,769</u>	<u>\$ 27,472,305</u>
Total					
<b>EXPENSES</b>					
Convention Events	\$ 246,054	\$ 7,083,776	\$ 185,874	\$ 256,793	\$ 7,772,497
Salaries and Wages	1,230,097	1,334,821	2,565,403	1,583,139	6,713,460
Production Costs - Subscriptions & Publications	-	-	1,203,834	-	1,203,834
Occupancy and Supplies	303,965	322,603	213,846	502,760	1,343,174
Conferences and Meetings	55,411	550,951	40,014	428,548	1,074,924
Liability and Other Insurance	9,058	298,414	177,881	68,163	553,516
Programs and Projects	211,877	39,637	16,724	25,293	293,531
SCIF Rent	225,806	53,522	107,233	192,575	579,136
Legal and Accounting Services	1,182	-	1,956	353,011	356,149
Consulting	653,762	254,375	885,669	58,923	1,852,729
Depreciation and Amortization	1,941	20,911	25,919	85,539	134,310
Cost of Sales - Member Services and Products	-	-	609,195	-	609,195
Printing	1,181	132,864	60,268	4,905	199,218
Promotion and Development	43,373	698,148	1,381,102	25,649	2,148,272
Postage and Freight	1,867	45,224	168,843	37,952	253,886
Maintenance and Security	28,088	8,605	17,288	12,941	66,922
Travel	220,754	524,451	364,885	418,884	1,528,974
Refunds and Bad Debts	-	173,253	-	-	173,253
Hotel Cancellation Penalty	-	3,368,226	-	-	3,368,226
Taxes	-	-	50	-	50
Other	-	-	-	189,598	189,598
	<u>\$ 3,234,416</u>	<u>\$ 14,909,781</u>	<u>\$ 8,025,984</u>	<u>\$ 4,244,673</u>	<u>\$ 30,414,854</u>
Total					

The accompanying notes are integral part of these consolidated financial statements.

**SAFARI CLUB INTERNATIONAL**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL REVENUES AND EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2022**

	Governmental Affairs	Fundraising	Membership Services	General and Administrative	Total
<b>REVENUE AND OTHER SUPPORT</b>					
Convention	\$ 26,625	\$ 11,756,856	\$ (4,727)	\$ -	\$ 11,778,754
Insurance Proceeds	-	309,350	-	-	309,350
Dues and Subscriptions	-	-	2,032,489	(4,500)	2,027,989
Membership Services and					
Product Sales	-	-	871,903	40,650	912,553
Advertising and Sponsorships	-	320,300	1,860,769	-	2,181,069
Contributions	182,504	-	1,294,643	5,771	1,482,918
Investment Income	-	-	(52,462)	(776,523)	(828,985)
Other	-	121	10	691	822
	<u>\$ 209,129</u>	<u>\$ 12,386,627</u>	<u>\$ 6,002,625</u>	<u>\$ (733,911)</u>	<u>\$ 17,864,470</u>
<b>EXPENSES</b>					
Convention Events	\$ 78,566	\$ 6,238,815	\$ 187,220	\$ 158,554	\$ 6,663,155
Salaries, Wages, and Benefits	876,237	903,079	2,096,204	1,126,999	5,002,519
Production Costs - Subscriptions	-	-	1,042,910	-	1,042,910
Occupancy and Supplies	216,683	131,879	167,706	473,889	990,157
Conferences and Meetings	8,522	693	47,419	290,438	347,072
Liability and Other Insurance	8,963	157,411	195,513	47,849	409,736
Programs and Projects	272,978	32,140	5,996	6,307	317,421
SCIF Grants	-	-	-	-	-
SCIF Donated Goods and Services	-	-	-	-	-
Rent	162,520	56,387	112,973	109,715	441,595
Legal and Accounting Services	2,333	-	238	403,743	406,314
Consulting	806,690	194,150	620,816	65,799	1,687,455
Depreciation	2,592	6,772	27,315	40,723	77,402
Cost of Sales - Membership					
Services and Products	-	-	387,352	-	387,352
Printing	32,229	206,170	45,731	10,279	294,409
Promotion and Development	117,040	254,028	1,318,157	22,712	1,711,937
Postage and Freight	8,673	43,603	145,547	32,469	230,292
Maintenance and Security	13,459	5,218	22,739	11,166	52,582
Travel	122,557	374,309	143,238	209,204	849,308
Bad Debt	-	82,434	(2,523)	-	79,911
Taxes	-	-	50	51	101
Other	-	-	-	209	209
	<u>\$ 2,730,042</u>	<u>\$ 8,687,088</u>	<u>\$ 6,564,601</u>	<u>\$ 3,010,106</u>	<u>\$ 20,991,837</u>

The accompanying notes are integral part of these consolidated financial statements.

**SAFARI CLUB INTERNATIONAL  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

	2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Changes in Net Assets	\$ (2,942,549)	\$ (3,127,367)
Adjustments to Reconcile Changes in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	134,310	77,402
Realized and Unrealized Gains on Investments, Net Allowance (Recovery) for Bad Debts	(402,424)	1,099,179
Right of use Assets	-	79,911
Increase (Decrease) in Cash Resulting from Changes in:		
Accounts, Corporate Sponsorship, Pledges, and Notes Receivable	848	-
Intercompany Receivable	2,435,180	(2,765,434)
Inventories	(443,867)	-
Prepaid Expenses	(11,115)	(122,030)
Deposit, Related Party	(97,252)	(230,151)
Accounts Payable and Accrued Liabilities	60,798	715
Unearned Revenue	1,873,923	2,924,258
Net Cash From Operating Activities	(1,358,103)	3,677,292
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds From Sale of Investments	195,769	1,145,503
Purchases of Investments	(1,221,682)	(212,569)
Acquisition of Subsidiary	-	(1,050,000)
Purchases of Property and Equipment	(1,248,164)	(148,785)
Net Cash From Investing Activities	(2,274,077)	(265,851)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Borrowings from Line of Credit	1,600,000	-
Payments on Notes Payable From Related Party	(25,705)	-
Net Cash From Financing Activities	1,574,295	-
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(2,057,885)	1,347,924
Cash and Cash Equivalents - Beginning of Year	3,299,534	1,951,610
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 1,241,649	\$ 3,299,534
<b>NONCASH INVESTING AND FINANCING ACTIVITIES:</b>		
Borrowing on Note Payable With Related Party to Finance Property and Equipment Purchase	\$ 4,124,000	\$ -

# Safari Club International

## Notes to the Consolidated Financial Statements

---

### Note 1 - Summary of Significant Accounting Policies:

#### a. Organization and Nature of Operations

Safari Club International (SCI or the Organization), a nonprofit organization incorporated in the state of Arizona on January 1, 2000, is dedicated to educating the public concerning sport hunting, preserving the rights of hunters, promoting safe, legal and ethical hunting, and promoting wildlife conservation worldwide.

Prior to January 1, 2000, Safari Club operated as a single 501(c)(3) charitable organization. A corporate restructuring was implemented January 1, 2000, in which Safari Club changed its name to Safari Club International Foundation (SCIF). SCIF maintains a portion of the existing operations, while the remaining operations were transitioned to the newly formed 501(c)(4) social welfare organization titled Safari Club International (SCI). SCI and SCIF have some common members of management and some common members on the board of directors.

The intent of the corporate restructuring was for SCI to become more involved in advocacy for hunters' rights through increased legislative lobbying and limited political activities, which are limited and/or prohibited for 501(c)(3) charitable organizations. Therefore, the 501(c)(4) social welfare organization was formed to perform that role and the corresponding operations were transitioned to SCI. The restructuring was also beneficial to SCIF by retaining the operations and programs of wildlife conservation, outdoor education, wildlife related humanitarian services, etc. to improve its ability to raise charitable donations.

On August 30, 2021, SCI acquired certain assets of Texas Trophy Hunters Association (TTHA), including all intellectual property and membership lists, see Note 2. The SCI consolidated financial statements, include the amounts of TTHA and SCI (collectively, the Organization) as of that date. All inter-organization accounts, transactions, and balances have been eliminated in consolidation.

#### b. Basis of Presentation

The Organization's consolidated financial statements have been prepared in accordance with the American Institute of Certified Public Accountants (AICPA) Not-For-Profit Industry Guidance within the Financial Accounting Standards Board (FASB) Codification (the Guidance). Under the Guidance, the Organization is required to provide consolidated financial statements which are prepared to focus on the organization as a whole and to present balances and transactions according to the existence or absence of donor-imposed restrictions.

# Safari Club International

## Notes to the Consolidated Financial Statements

---

### Note 1 - Summary of Significant Accounting Policies (Continued):

#### b. Basis of Presentation (Continued)

Revenues, gains, expenses, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified and reported as follows:

*Without Donor Restrictions* – Net assets that are not subject to donor-imposed stipulations may be expendable for any purpose in performing the primary objectives of the Organization.

*With Donor Restrictions* – Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Organization and/or the passage of time. As the restrictions are satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Organization's consolidated financial statements as net assets released from restriction. Donor-restricted contributions received and expended in the same reporting period are recorded as support without donor restrictions. Contributions of cash or other assets without donor stipulations concerning the use of such assets are reported as revenues without donor restrictions. Contributions of cash or other assets with donor stipulations are reported as revenues of net assets with donor restrictions. The restrictions are considered to be released at the time such assets are placed in service.

#### c. Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make a number of estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, expenses, and disclosures concerning contingent assets and liabilities at the date of the consolidated financial statements. Estimates also affect the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

#### d. Cash and Cash Equivalents

Cash and cash equivalents include short-term certificates of deposit, money market investment accounts, and other marketable securities purchased with original maturities of three months or less.

The Organization, in the normal course of business, maintains checking and savings account balances. Balances on deposits are insured by the Federal Deposit Insurance Corporation (FDIC) up to specified limits. Balances in excess of FDIC limits are uninsured. As of June 30, 2023 and 2022, a portion of the cash balances at financial institutions exceeded the balance insured by the FDIC.

# Safari Club International

## Notes to the Consolidated Financial Statements

---

### Note 1 - Summary of Significant Accounting Policies (Continued):

e. Accounts and Corporate Sponsorship Receivable

Accounts receivable consist primarily of amounts due from advertisers, convention auction purchases, and chapters.

Corporate sponsorship receivable consists primarily of amounts due from long-term corporate sponsorship contracts.

Accounts and corporate sponsorship receivable are stated at the amount management expects to collect. Management provides for probable, uncollectible amounts through a charge to operations and a credit to a valuation allowance based on the assessment of the current status of individual balances. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and credit to accounts and corporate sponsorship receivable.

The corporate sponsorship receivable is expected to be collected according to the payment terms within the contracts as follows:

Year Ending June 30,	Amount
2024	\$ 512,369
Thereafter	-
Total Expected Collections	\$ 512,369

f. Note Receivable

As of June 30, 2022, Note receivable includes a note to a similar organization in the amount of \$735,000 which requires quarterly interest payments at 10% until maturity in November 2024. In January 2023 the entire unpaid balance was collected in full.

Notes receivable are considered impaired if full principal or interest payments are not made in accordance with the contractual terms. There are no past due notes receivable as of June 30, 2023 and 2022.

# Safari Club International

## Notes to the Consolidated Financial Statements

---

### Note 1 - Summary of Significant Accounting Policies (Continued):

g. Pledges Receivable

Unconditional promises to give are recognized as assets and revenues in the period the promise is received. Unconditional promises to give that are to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the fair value of their estimated future cash flows as of the date of the promise to give through the use of a present value discount technique. In periods subsequent to initial recognition, unconditional promises to give are reported at the amount management expects to collect and are discounted over the collection period using the same discount rate as determined at the time of initial recognition. The discount rate determined at the initial recognition of the unconditional promise to give is based upon management's assessment of many factors, including when the pledge is expected to be collected, the creditworthiness of the other parties, SCI's past collection experience and its policies concerning the enforcement of promises to give, expectations about possible variations in the amount or timing, or both, of the cash flows and other factors concerning the pledge's collectability. Amortization of the discounts is included in support from contributions. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Management provides for probably, uncollectible amounts through a charge to operations and a credit to valuation allowance based on the assessment of the current status of individual balances.

h. Long-Term Deposit

Effective fiscal 2013, SCIF and SCI entered into a memorandum of understanding (MOU) for facilities use, shared services, and grant agreements. The terms require that SCI shall deposit SCIF available funds in the amount equal to two months' rent. SCIF may apply all or part of the deposit to any unpaid rent or other charges due from SCI or to cure any other defaults of SCI. No interest is paid on the deposit. The MOU expired and the security deposit of \$65,798 was offset against the due to related party amount as of June 30, 2023.

i. Contributions

Contributions received are considered to be available for general use unless specifically restricted by the donor. Amounts received that are designated for future periods or are restricted by the donor for specific purposes are reported as support with donor restrictions. When a donor's stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the consolidated statements of activities and changes in net assets as Net Assets Released from Restrictions. Restricted support, where restrictions are met in the same period as the contribution is made, is shown as support without donor restrictions.

# Safari Club International

## Notes to the Consolidated Financial Statements

---

### Note 1 - Summary of Significant Accounting Policies (Continued):

j. Inventories

Inventories consist mainly of record books, engraving supplies, merchandise inventories, world hunting awards, and Cabela's gift certificates. Record books, engraving supplies, merchandise inventories, world hunting awards, and gift certificates are stated at the lower of cost (using the first-in, first-out method) or net realizable value.

k. Program Revenue, Unearned Revenue, Prepaid Expenses and Insurance Proceeds

Convention revenue and expenses related to the Organization's annual conventions are deferred and recognized when the convention is held. The SCI convention is conducted by SCI and all revenues accrue to SCI. However, certain proceeds from auction items, sweepstakes, and other activities may be dedicated for the benefit of SCIF, and if so, the revenues are paid directly to SCIF.

There were some continued challenges due to COVID-19 that impacted SCI's 2022 convention. As a result, SCI received insurance proceeds of \$425,000 and \$309,350 in 2023 and 2022 relating to this event representing the decline in exhibitor revenue.

SCI has one-year, three-year, and life memberships. TTHA has one-year, three-year, and five-year memberships. Membership dues are on an anniversary-date basis and include multiple distinct performance obligations, including publications and general member services. Dues revenue is allocated among the performance obligations and is recognized when each of the performance obligations are satisfied, as follows:

- Bi-monthly magazine – upon publication
- Monthly newspaper – upon publication
- General member benefits – ratably over the membership period. SCI recognizes life memberships over a period of 20 years based on historical experience and expected mortality

Unearned membership revenue is reflected as unearned revenue on the consolidated statements of financial position.

Magazine and newspaper advertising revenue is deferred and recognized as each issue is published. Sponsorships are billed when contracts are signed and, as a result, the Organization recorded deferred revenue (contract liability) and accounts receivable for any amounts the Organization has a right to invoice for which services/events have not been provided. Corporate sponsorship revenue is deferred and recognized in the period in which the performance obligations are met.

Revenue from record book sales and the related record book production costs are deferred and recognized when the record book is published and delivered.



# Safari Club International

## Notes to the Consolidated Financial Statements

---

### Note 1 - Summary of Significant Accounting Policies (Continued):

l. Investments

The Organization accounts for its investments at fair value. The fair value is based on quoted market prices. Changes in value are shown as unrealized gains or losses on the consolidated statements of activities and changes in net assets.

Investments are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in risks in the near term could materially affect account balances and the amounts reported in the Organization's consolidated financial statements.

m. Property and Equipment

Property and equipment are initially recorded at cost when purchased or fair value as of the date contributed. Generally, property and equipment additions in excess of \$5,000 are capitalized. Depreciation is recorded using the straight-line method over the estimated useful lives of the related assets, which range from 2 to 25 years.

n. Intellectual Property

The Organization capitalizes amounts paid for copyrights and trademarks at cost. The Organization believes the trademarks and copyrights have an indefinite life and therefore, no amortization is recorded.

o. Impairment of Long-lived Assets

The Organization reviews long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset 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 future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value less costs to sell. No impairment charges were recorded for 2023 and 2022.

# Safari Club International

## Notes to the Consolidated Financial Statements

---

### Note 1 - Summary of Significant Accounting Policies (Continued):

p. In-kind Donated Materials and Services

Donated materials are reflected as contributions in the consolidated statements of activities and changes in net assets at their estimated fair values at the date of receipt. Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased. No amounts have been reflected in the consolidated financial statements for certain donated volunteer services because they did not qualify for recording under generally accepted accounting principles; however, a substantial number of volunteers have donated significant amounts of their time and perform a variety of tasks that assist the Organization in certain administrative and committee assignments.

q. Functional Assignments of Revenues and Expenses

All revenues and expenses are allocated based upon the functions to which they relate in the Organization's consolidated statements of functional revenues and expenses. These functions are consistent with the Organization's overall goals as an organization. Revenues and expenses were allocated among the following functional categories on the basis of specific- identification, estimates of time spent, and benefits derived:

- SCIF Programs
- Governmental Affairs
- Fundraising
- Membership Services
- General and Administrative

r. Common Costs

Direct costs are allocated to the Organization based on the direct functionality or direct benefit to the entity. If indirect costs are common to or benefit both SCI, SCIF, and TTHA, certain allocation methodologies are used based on the nature of the expense or activity to ensure that the entity is absorbing a reasonable prorata share.

s. Advertising Costs

Advertising costs are expensed as incurred. The Organization utilizes many forms of advertising and promotion in order to communicate and accomplish its mission of protecting the freedom to hunt and promoting wildlife conservation worldwide. Advertising costs totaled \$2,108,271 and \$1,711,937 for the years ended June 30, 2023 and 2022, respectively.

# Safari Club International

## Notes to the Consolidated Financial Statements

---

### Note 1 - Summary of Significant Accounting Policies (Continued):

#### t. Income Taxes

SCI is a nonprofit organization under Internal Revenue Code (IRC) Section 501(c)(4) and, as such, it is exempt from both federal and Arizona income taxes. TTHA is a wholly owned subsidiary that is disregarded for tax purposes. Accordingly, no provision for federal or state income taxes has been reflected in the Organization's consolidated financial statements. The Organization evaluates its uncertain tax positions, if any, on a continual basis through review of its policies and procedures, review of its regular tax filings, and discussions with outside experts. As of June 30, 2023 and 2022, management does not believe any uncertain tax positions exist.

#### u. Lease Arrangement

SCI has adopted FASB ASC 842, Leases, with a date of initial application of July 1, 2022. SCI determines whether an arrangement is or contains a lease at contract inception. For leases with a lease term greater than one year, SCI recognizes a lease asset for its right to use the underlying leased asset and a lease liability for the corresponding lease obligation. Operating leases meeting the requirements, are included in operating lease right-of-use ("ROU") assets, and the corresponding operating lease liability in SCI's statement of financial position as of June 30, 2023. Operating lease right-of-use assets and operating lease liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. In determining the present value of lease payments, SCI has elected to use a risk-free rate of a period comparable with that of the lease term, as allowable under ASC 2021-09. SCI considers the lease term to be the noncancelable period that it has the right to use the underlying asset, including all periods covered by an option to (1) extend the lease if SCI is reasonably certain to exercise the option, (2) terminate the lease if SCI is reasonably certain not to exercise that option, and (3) extend, or not to terminate, the lease in which exercise of the option is controlled by the lessor.

The operating lease right-of-use assets also include any lease payments made and is net of lease incentives received or receivable. Lease expense is recognized on a straight-line basis over the expected lease term. Variable lease expenses are recorded when incurred.

SCI has elected, for all underlying classes of assets, to not recognize ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less at lease commencement, and do not include an option to purchase the underlying asset that SCI is reasonably certain to exercise. SCI recognizes lease costs associated with short-term leases each month as the expense is incurred.

# Safari Club International

## Notes to the Consolidated Financial Statements

### Note 1 - Summary of Significant Accounting Policies (Continued):

#### v. Subsequent Events

SCI evaluated subsequent events through April 9, 2024, which is the date the consolidated financial statements were available to be issued. See Note 15 for subsequent event disclosures.

### Note 2 - Business Combination:

On August 30, 2021, SCI executed a bill of sale to acquire certain assets of Texas Trophy Hunters Association, Ltd. This transaction is considered an asset acquisition pursuant to Financial Accounting Standards Board Accounting Standards Codification Topic 958-805. As such, the Company is required to recognize and measure the identifiable assets acquired and liabilities assumed at the acquisition date fair value.

The following table summarizes the estimated fair values of assets acquired and liabilities assumed at the date of acquisition:

Intellectual Property	\$	1,943,349
Liabilities Assumed: Unearned Revenue		(893,349)
Cash Paid	\$	<u>1,050,000</u>

### Note 3 - Liquidity and Availability:

Financial assets available for general expenditure, that is, without donor restrictions limiting their use, within one year of the consolidated statement of financial position date, comprise the following at June 30:

	2023	2022
Cash and Cash Equivalents	\$ 1,241,649	\$ 3,299,534
Accounts Receivable, Net	2,695,651	3,570,652
Pledges Receivable	13,900	7,700
Notes Receivable, Net	512,369	840,774
Long-Term Investments	9,158,793	7,730,456
Total Financial Assets	13,622,362	15,449,116
Less: Funds Subject to Donor Restrictions	(505,106)	(534,803)
Total Financial Assets Available	\$ <u>13,117,256</u>	\$ <u>14,911,313</u>

As part of its liquidity management plan, SCI invests cash in excess of daily requirements in investments. Additionally, SCI has a \$6,700,000 line of credit, as further disclosed in Note 8.

# Safari Club International

## Notes to the Consolidated Financial Statements

### Note 4 - Investments and Fair Value Measurements:

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted 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* – Valuations based on unadjusted quoted prices for identical assets or liabilities in active markets;

*Level 2* – Valuations based on quoted prices for similar assets or liabilities or identical assets or liabilities in less active markets, such as dealer or broker markets; and

*Level 3* – Valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable, such as pricing models, discounted cash flow models and similar techniques not based on market, exchange, dealer, or broker-traded transactions.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the valuation methodologies used at June 30, 2023 and 2022.

*Exchange Traded Funds:* Valued at the daily closing price as reported by the active market on which it is traded.

The following table presents assets measured at fair value by classification within the fair value hierarchy as of June 30, 2023.

	Level 1	Level 2	Level 3	Total
Exchange Traded Funds:				
Intermediate Term Bond	\$ 3,421,241	\$ -	\$ -	3,421,241
Mid-Cap Blend	362,163	-	-	362,163
Large-Cap	2,976,544	-	-	2,976,544
Small-Cap Blend	436,133	-	-	436,133
Short Term Bond	-	-	-	-
High Yield Bond	662,581	-	-	662,581
International	899,370	-	-	899,370
Structured Investments	400,760	-	-	400,760
Total Investment at Fair Value	<u>\$ 9,158,793</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,158,793</u>

# Safari Club International

## Notes to the Consolidated Financial Statements

### Note 4 - Investments and Fair Value Measurements (Continued):

The following table presents assets measured at fair value by classification within the fair value hierarchy as of June 30, 2022.

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Exchange Traded Funds:				
Intermediate Term Bond	\$ 2,365,28	\$ -	\$ -	\$ 2,365,280
Mid-Cap Blend	307,864	-	-	307,864
Large-Cap Blend	2,451,712	-	-	2,451,712
Small-Cap Blend	395,480	-	-	395,480
Short Term Bond	643,076	-	-	643,076
High Yield Bond	582,585	-	-	582,585
International Bond	984,459	-	-	984,459
Total Investment at Fair Value	<u>\$ 7,730,456</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,730,456</u>

Investment income consists of the following for the years ended June 30:

	<u>2023</u>	<u>2022</u>
Interest and Dividends	\$ 332,924	\$ 284,243
Net Realized (Losses) Gains on Investments	(60,006)	423,771
Net Unrealized Gains (Losses) on Investments	462,430	(1,522,950)
Fees on Investments	(13,238)	(14,049)
Total Investment Income (Loss)	<u>\$ 722,110</u>	<u>\$ (828,985)</u>

### Note 5 - Property and Equipment:

A summary of property and equipment as of June 30 follows:

	<u>2023</u>	<u>2022</u>
Land	\$ 1,111,935	\$ -
Building-Hunters Embassy	4,240,960	-
Office Furniture and Equipment	1,989,746	1,914,873
Software Development in Progress	186,188	243,820
Less: Accumulated Depreciation	<u>(1,908,312)</u>	<u>(1,776,020)</u>
Property and Equipment, Net	<u>\$ 5,620,517</u>	<u>\$ 382,663</u>

Depreciation expense charged to operations was \$134,310 and \$77,402 for the years ended June 30, 2023 and 2022, respectively.

# Safari Club International

## Notes to the Consolidated Financial Statements

### Note 6 - Life Hunter Advocate Society:

The Life Hunter Advocate Society (LHAS) was established with the purpose of accepting contributions and funding advocacy projects. All contributions by SCI life members to the LHAS are held in a segregated account and are included in long-term investments in the Organization's consolidated balance sheets.

The change in the LHAS fund for the year ended June 30, 2023 is as follows:

	With Donor Restrictions			Total
	Without Restrictions	Time/ Purpose Restricted	Restricted in Perpetuity	
LHAS Net Assets, July 1, 2022	\$ -	\$ 463,115	\$ -	\$ 463,115
Contributions and Pledge Payments	-	3,150	-	3,150
Investment Return:				
Net Realized and Unrealized Losses	-	19,651	-	19,651
Dividends and Interest	-	12,799	-	12,799
Appropriation of LHAS Assets for Expenditure	-	(34,692)	-	(34,692)
LHAS Net Assets, June 30, 2023	\$ -	464,023	\$ -	\$ 464,023
Pledges Receivable, Net (Restricted)		18,950		
LHAS Net Assets Time/Purpose Restricted		\$ 482,973		

# Safari Club International

## Notes to the Consolidated Financial Statements

**Note 6 - Life Hunter Advocate Society (Continued):**

The change in the LHAS fund for the year ended June 30, 2022 is as follows:

	With Donor Restrictions			
	Without Restrictions	Time/ Purpose Restricted	Restricted in Perpetuity	Total
LHAS Net Assets, July 1, 2021	\$ -	\$ 459,749	\$ -	\$ 459,749
Contributions and Pledge Payments	-	35,900	-	35,900
Investment Return:				
Net Realized and Unrealized Losses	-	(62,584)	-	(62,584)
Dividends and Interest	-	10,053	-	10,053
Appropriation of LHAS Assets for Expenditure	-	19,997	-	19,997
LHAS Net Assets, June 30, 2022	\$ -	463,115	\$ -	\$ 463,115
Pledges Receivable, Net (Restricted)		14,300		
LHAS Net Assets Time/Purpose Restricted		\$ 477,415		

**Note 7 - Related Party Transactions:**

Many members of the board of directors volunteer their time and perform a variety of tasks that assist SCI, SCIF, and TTHA in certain administrative and committee assignments.

A new agreement was entered into with SCIF effective May 14, 2020. The new agreement has an initial term of two years and shall auto-renew for additional terms of equal length thereafter, unless terminated by either party providing 90 days' written notice.

The agreement calls for SCI to lease certain facilities from SCIF based upon the estimated usage of the space by SCI and SCIF. The usage of the space will be reviewed periodically but not less than every two years, at which time the annual rent payments will be adjusted to reflect the new usage estimates. For the years ended June 30, 2023 and 2022, SCIF charged SCI \$490,702 and \$441,594, respectively, for the use of facilities.

The agreement also requires SCI to pay, on a monthly basis, an allocated share of property taxes, utilities, janitorial services, and property insurance. The expenses recognized by SCI related to these facilities expenses totaled \$294,813 and \$218,353 for the years ended June 30, 2023 and 2022, respectively. Additionally, SCI received from SCIF reimbursement of allocated expenses totaling \$194,589 and \$250,426 for the years ended June 30, 2023 and 2022, respectively.



# Safari Club International

## Notes to the Consolidated Financial Statements

---

### Note 7 - Related Party Transactions (Continued):

As of June 30, 2023 and 2022, amounts due from SCIF totaled \$924,454 and \$288,838 respectively, which are included in accounts receivable in the consolidated statements of financial position.

During 2023 and 2022, SCI paid \$261,918 and \$305,324 to a law firm in which the spouse of a board member is a partner. The Organization has a payable balance at June 30, 2023 and 2022 of \$28,768 and \$67,989, respectively. This contractual relationship ceased in February 2023.

In March 2023, the SCI acquired a building in Washington DC from SCIF, a related organization for \$5,155,000. The purchase price was determined based on an independent third-party appraisal. Management believes that the transaction was conducted on terms substantially similar to those that would prevail in transactions with unrelated parties. Simultaneous with the purchase of the building, the SCI entered into a note agreement with SCIF for a portion of the purchase price, in the principal amount of \$4,124,000 and maturing on April 1, 2041. For the first sixty (60) months from the date of the note, the note carries an annual interest rate of 9.5% (“Initial Rate”). For the remaining term of the note, the interest rate will be adjusted based on the prime rate plus 2%, but in no event shall the rate of interest increase or decrease by more than 2% over the initial rate. The outstanding balance of this note amounted to \$4,098,295 as of June 30, 2023.

### Note 8 - Securities and Based Line Credit:

In October 2019, SCI obtained a securities-based line of credit in the amount of \$6,700,000. Outstanding draws are secured by a portion of SCI’s investment portfolio and are charged interest at the one-month LIBOR plus 2.25% (effective rate of 3.55% and 4.30% at June 30, 2023 and 2022, respectively). The outstanding balance under this line of credit was \$1,600,000 and \$0 at June 30, 2023 and 2022.

### Note 9 - Commitments:

SCI leases space for its annual conventions and has entered into agreements for events through the 2030 convention. The leases require either minimum food and beverage sales, or a license fee as well as penalties ranging up to 100% of total anticipated revenues determined by the date of cancellation. Hotels in the areas have also been booked. In June, 2023, SCI cancelled its contracts for its 2026-2030 events in New Orleans and Indianapolis as a result of its decision to remain in Nashville through 2034. As a result of the cancellations, SCI incurred various cancellation charges. SCI worked with the hotels and agreed on mitigated damages of approximately \$3,368,000. This amount has been accrued as of June 30, 2023 and is included in Accrued Liabilities in the consolidated statement of financial position. Based on the terms of the agreement, SCI’s ultimate liability for the cancellations may be reduced by up to approximately \$1.1 million, if the Hotels are able to recoup some of the lost revenue through new bookings by the Hotels. This potential reduction in the liability will be recognized in the periods in which they become known. In addition, under the new 10 year commitment for Nashville, SCI will receive a \$50,000 credit against its costs each year, which will be recognized when applied each year.

# Safari Club International

## Notes to the Consolidated Financial Statements

---

### Note 9 - Commitments (Continued):

SCI has entered into agreements for future events through 2034 as follows:

2024 - 2034	Music City Center	Nashville, TN
-------------	-------------------	---------------

SCI also entered into advertising and sponsorship contracts. Payments are made according to schedules outlined in the contracts and expenses in the periods in which the advertising airs.

### Note 10 - Exchange Transactions:

In the normal course of operations, SCI trades marketing exposure in return for products. These transactions are recorded at fair value when the goods and services are received. Amounts included in revenue and expense resulting from such exchange transactions was \$146,274 for the year ended June 30, 2023. Amounts included in revenue and expense resulting from such exchange transactions was \$163,549 for the year ended June 30, 2022.

### Note 11 - Lease Arrangements:

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. The standard requires lessees to recognize the assets and liabilities that arise from leases in the balance sheet. Additionally, in July 2018, the FASB issued ASU 2018-11, *Leases (Topic 842) – Targeted Improvements*, which, among other things, provides an additional transition method that would allow entities to not apply the guidance in ASU 2016-02 in the comparative periods presented in the financial statements and instead recognize a cumulative-effect adjustment to the opening balance of member’s equity in the period of adoption. The Organization adopted Topic 842 and its related amendments as of July 1, 2022, which resulted in the recognition of right-of-use assets of \$815,154 and operating lease liabilities of \$815,154. The Organization elected to adopt the transition relief provisions from ASU 2018-11, which resulted in no cumulative effect adjustment at adoption for the Organization.

#### *Operating Leases*

The Organization leases office space and certain equipment under noncancelable operating leases expiring in various years through 2024. The leases may contain renewal options and escalation clauses. Termination of the leases are generally prohibited unless there is a violation under the lease agreement. The Organization’s office space lease requires variable payments for the building’s property taxes, insurance, and common area maintenance. These variable lease payments are not included in lease payments used to determine lease liability and are recognized as variable costs when incurred. The Organization’s lease agreements do not contain any material residual value guarantees or material restrictive covenants.

# Safari Club International

## Notes to the Consolidated Financial Statements

### Note 11 - Lease Arrangements (Continued):

#### *Quantitative Disclosures*

The lease cost and other required information for the year ended June 30, 2023:

Operating lease costs	\$	398,999
Short-term lease costs		791,776
Variable lease costs		22,780
		<hr/>
Total lease costs, net	\$	1,213,555

Amounts reported in the consolidated statements of financial position as of June 30, 2023 were as follows:

Operating leases:		
Operating lease ROU assets	\$	469,404
Operating lease liabilities	\$	470,252

Other information related to leases for the year ended June 30, 2023 are as follows:

Supplemental cash flow information:

Cash paid for amounts included in the measurement of lease liabilities:

Operating cash outflow from operating leases	\$	398,150
Lease liabilities arising from obtaining right-of-use assets:		
Operating leases	\$	815,154

Other information related to leases was as follows:

Weighted average remaining lease term:		
Operating leases		1.2 years
Weighted average discount rate:		
Operating leases		8.5%

# Safari Club International

## Notes to the Consolidated Financial Statements

### Note 11 - Lease Arrangements (Continued):

Future minimum lease payments and reconciliation to the consolidated statements of financial position at June 30, 2023, is as follows:

Year Ending June 30,		
2024	\$	392,132
2025		101,768
Thereafter		-
Total undiscounted lease payments		493,900
Less: interest		(23,648)
Total operating lease liabilities	\$	470,252

### Note 12 - Retirement Plan:

SCI has a 401(k) plan available to all eligible employees with more than 1,000 hours of service. SCI matches 30% of each participant's deferral contributions up to 30% of compensation or up the maximum contribution allowed by the IRC. These matching contributions vest over a five-year period. In 2023 and 2022, employer matching contributions totaled \$109,463 and \$90,666, net of forfeitures, respectively.

### Note 13 - Net Assets:

Net assets with donor restrictions are restricted for the following purposes or periods at June 30:

	2023	2022
Subject to Expenditure for Specified Purpose:		
Life Hunter Advocate Society	\$ 482,973	\$ 477,415
Miscellaneous Hunter Advocacies	22,133	57,388
Total Net Assets with Donor Restrictions	\$ 505,106	\$ 534,803

Net assets were released from donor restrictions by incurring expense satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the years ended June 30 as follows:

	2023	2022
Satisfaction of Purpose Restrictions:		
Life Hunter Advocate Society	\$ 2,842	\$ 20,745
Miscellaneous Hunter Advocacies	1,135,400	93,169
Total Satisfaction of Purpose Restrictions:	\$ 1,138,242	\$ 113,914

# Safari Club International

## Notes to the Consolidated Financial Statements

---

### **Note 14 - Contingencies:**

SCI is involved in various disputes and matters of litigation generally incidental to their business. SCI engages in these lawsuits as plaintiff or friend of the court in an effort to influence legislation affecting hunting. Management does not believe any existing matters will ultimately have a significant impact on SCI's financial position or results of operations.

### **Note 15 - Subsequent Events:**

On January 31, 2024, the Organization filed for the Employee Retention Credit ("ERC") in accordance with the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act"). Management believes the Organization is eligible for the refundable retention credits under the qualitative method criteria as defined in the CARES Act. The credit amount under this criteria is approximately \$999,800 plus interest. This amount will be recognized when conditions have been met to do so.