

**ECOHEALTH ALLIANCE, INC.
AND
WILDLIFE PRESERVATION TRUST
INTERNATIONAL, INC.**

**CONSOLIDATED FINANCIAL STATEMENTS,
AUDITOR'S REPORTS AND SCHEDULE
RELATED TO OFFICE OF MANAGEMENT
AND BUDGET CIRCULAR A-133**

JUNE 30, 2015

**ECOHEALTH ALLIANCE, INC.
AND
WILDLIFE PRESERVATION TRUST
INTERNATIONAL, INC.**

TABLE OF CONTENTS

**Independent Auditor's Report on Consolidated Financial
Statements and Supplementary Information**

Exhibit

- A - Consolidated Balance Sheet**
- B - Consolidated Statement of Activities**
- C - Consolidated Statement of Functional Expenses**
- D - Consolidated Statement of Cash Flows**

Notes to Consolidated Financial Statements

Schedule of Expenditures of Federal Awards

Notes to Schedule of Expenditures of Federal Awards

**ECOHEALTH ALLIANCE, INC.
AND
WILDLIFE PRESERVATION TRUST
INTERNATIONAL, INC.**

**TABLE OF CONTENTS
(continued)**

**Report on Internal Control Over Financial Reporting and
on Compliance and Other Matters Based on an Audit of
Financial Statements Performed in Accordance with
Government Auditing Standards**

**Report on Compliance for Each Major Federal Program;
Report on Internal Control Over Compliance**

Schedule of Findings and Questioned Costs



**Independent Auditor's Report on Consolidated Financial Statements
and Supplementary Information**

**Board of Directors
EcoHealth Alliance, Inc. and
Wildlife Preservation Trust International, Inc.**

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of EcoHealth Alliance, Inc. and Wildlife Preservation Trust International, Inc., which comprise the consolidated balance sheet as of June 30, 2015, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 EcoHealth Alliance, Inc. and Wildlife Preservation Trust International, Inc. as of June 30, 2015, and the changes in their net assets and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited EcoHealth Alliance, Inc. and Wildlife Preservation Trust International, Inc.'s June 30, 2014 consolidated financial statements, and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated February 20, 2015. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2014 is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, 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 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 is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 8, 2016 on our consideration of EcoHealth Alliance, Inc. and Wildlife Preservation Trust International, Inc.'s internal control over financial reporting and on our tests of their compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering EcoHealth Alliance, Inc. and Wildlife Preservation Trust International, Inc.'s internal control over financial reporting and compliance.

Loeb & Troper LLP

January 8, 2016, except for the schedule
of expenditures of federal awards, as to
which the date is March 7, 2016

**ECOHEALTH ALLIANCE, INC.
AND
WILDLIFE PRESERVATION TRUST
INTERNATIONAL, INC.**

CONSOLIDATED BALANCE SHEET

JUNE 30, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
ASSETS		
Cash and cash equivalents	\$ 573,659	\$ 762,356
Investments (Note 3)	2,224,915	2,145,286
Contributions receivable-current		675
Government contracts receivable	1,735,465	1,846,059
Accounts receivable	66,000	
Prepaid expenses	80,104	83,945
Security deposits	33,333	33,333
Fixed assets - net (Note 4)	40,193	65,272
	<u>4,753,669</u>	<u>4,936,926</u>
Total assets	<u>\$ 4,753,669</u>	<u>\$ 4,936,926</u>
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	\$ 952,568	\$ 1,921,437
Deferred rent payable (Note 8)	82,500	27,500
Refundable advances	20,518	
	<u>1,055,586</u>	<u>1,948,937</u>
Total liabilities	<u>1,055,586</u>	<u>1,948,937</u>
Net assets (Exhibit B)		
Unrestricted	3,458,466	2,853,842
Temporarily restricted (Note 7)	239,617	134,147
	<u>3,698,083</u>	<u>2,987,989</u>
Total net assets	<u>3,698,083</u>	<u>2,987,989</u>
Total liabilities and net assets	<u>\$ 4,753,669</u>	<u>\$ 4,936,926</u>

See independent auditor's report.

The accompanying notes are an integral part of these statements.

**ECOHEALTH ALLIANCE, INC. AND
WILDLIFE PRESERVATION TRUST
INTERNATIONAL, INC.**

EXHIBIT B

CONSOLIDATED STATEMENT OF ACTIVITIES

**YEAR ENDED JUNE 30, 2015
(With Summarized Financial Information
for the Year Ended June 30, 2014)**

	2015			2014
	Unrestricted	Temporarily Restricted	Total	
Operating revenues and other support				
Government contracts and grants	\$ 8,602,395		\$ 8,602,395	\$ 7,638,469
Foundations - contributions	82,172	\$ 205,527	287,699	112,446
Corporations - contributions	57,399	3,000	60,399	139,993
Bequests	1,040	6,748	7,788	85,588
Individuals - contributions	412,088	32,000	444,088	440,524
Service fees	285,000		285,000	20,000
Special events	312,018		312,018	413,318
Interest and dividends (Note 3)	55,375		55,375	55,290
Other revenues	110,323		110,323	121,267
Net assets released from restrictions (Note 7)	141,805	(141,805)		
	<u>10,059,615</u>	<u>105,470</u>	<u>10,165,085</u>	<u>9,026,895</u>
Total operating revenues and other support				

-continued-

**ECOHEALTH ALLIANCE, INC. AND
WILDLIFE PRESERVATION TRUST
INTERNATIONAL, INC.**

**EXHIBIT B
-2-**

CONSOLIDATED STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2015

**(With Summarized Financial Information
for the Year Ended June 30, 2014)**

	2015			2014
	Unrestricted	Temporarily Restricted	Total	
Expenses (Exhibit C)				
Program service				
Research and education	\$ 8,078,967		\$ 8,078,967	\$ 7,552,145
Supporting services				
Management and general	625,586		625,586	708,357
Fund raising	690,942		690,942	635,961
Direct costs of special events	83,750		83,750	101,735
Total supporting services	<u>1,400,278</u>		<u>1,400,278</u>	<u>1,446,053</u>
Total expenses	<u>9,479,245</u>		<u>9,479,245</u>	<u>8,998,198</u>
Operating gain (loss)	580,370	\$ 105,470	685,840	28,697
Nonoperating activities				
Investment gains (Note 3)	<u>24,254</u>		<u>24,254</u>	<u>244,812</u>
Change in net assets (Exhibit D)	604,624	105,470	710,094	273,509
Net assets - beginning of year	<u>2,853,842</u>	<u>134,147</u>	<u>2,987,989</u>	<u>2,714,480</u>
Net assets - end of year (Exhibit A)	<u>\$ 3,458,466</u>	<u>\$ 239,617</u>	<u>\$ 3,698,083</u>	<u>\$ 2,987,989</u>

See independent auditor's report.

The accompanying notes are an integral part of these statements.

ECOHEALTH ALLIANCE, INC. AND
WILDLIFE PRESERVATION TRUST
INTERNATIONAL, INC.

EXHIBIT C

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2015
(With Summarized Financial Information
for the Year Ended June 30, 2014)

	Supporting Services				Total		
	Research and Education	Management and General	Fund Raising	Direct Costs of Special Events	Total	2015	2014
Salaries	\$ 2,469,196	\$ 279,377	\$ 279,914		\$ 559,291	\$ 3,028,487	\$ 2,774,815
Payroll taxes and employee benefits	807,480	49,268	91,551		140,819	948,299	974,235
Total salaries and related expenses	<u>3,276,676</u>	<u>328,645</u>	<u>371,465</u>		<u>700,110</u>	<u>3,976,786</u>	<u>3,749,050</u>
Professional fees	217,093	27,384	96,914		124,298	341,391	185,904
Subcontracted services	2,998,798					2,998,798	3,476,672
Grants to other organizations	78,998					78,998	101,075
Field costs	58,132		36,243		36,243	94,375	104,702
Meetings and conferences	185,522	11,367	38,358		49,725	235,247	121,410
Travel and entertainment	543,906	16,677	37,844		54,521	598,427	326,706
Occupancy (Note 8)	379,759	199,884	47,031		246,915	626,674	485,796
Printing	28,998	1,108	24,956		26,064	55,062	44,873
Postage	10,808	866	6,101		6,967	17,775	11,329
Supplies	25,735	7,888	2,404		10,292	36,027	27,461
Telephone	55,846	11,392	2,681		14,073	69,919	65,978
Dues and subscriptions	29,882	1,041	245		1,286	31,168	18,150
Depreciation and amortization	28,404	15,090	3,551		18,641	47,045	48,704
Catering and facility rental				\$ 83,750	83,750	83,750	101,735
Information technology	158,176	4,244	23,149		27,393	185,569	128,653
Investment expenses		13,242			13,242	13,242	11,773
Interest expense	2,234					2,234	
Total other than salaries and related expenses	<u>4,802,291</u>	<u>310,183</u>	<u>319,477</u>	<u>83,750</u>	<u>713,410</u>	<u>5,515,701</u>	<u>5,260,921</u>
Total expenses	8,078,967	638,828	690,942	83,750	1,413,520	9,492,487	9,009,971
Less expenses netted against investment income		(13,242)			(13,242)	(13,242)	(11,773)
Total expenses reported on the statement of activities (Exhibit B)	<u>\$ 8,078,967</u>	<u>\$ 625,586</u>	<u>\$ 690,942</u>	<u>\$ 83,750</u>	<u>\$ 1,400,278</u>	<u>\$ 9,479,245</u>	<u>\$ 8,998,198</u>

See independent auditor's report.

The accompanying notes are an integral part of these statements.

EXHIBIT D

**ECOHEALTH ALLIANCE, INC.
AND
WILDLIFE PRESERVATION TRUST
INTERNATIONAL, INC.**

CONSOLIDATED STATEMENT OF CASH FLOWS

YEARS ENDED JUNE 30, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
Cash flows from operating activities		
Change in net assets (Exhibit B)	\$ 710,094	\$ 273,509
Adjustments to reconcile change in net assets to net cash used by operating activities		
Depreciation and amortization	47,045	48,704
Realized and unrealized gain on investments	(37,496)	(256,585)
Decrease (increase) in assets		
Contributions receivable	675	246,531
Government contracts receivable	110,594	(201,199)
Accounts receivable	(66,000)	
Prepaid expenses and other receivables	3,841	(20,640)
Increase (decrease) in liabilities		
Accounts payable and accrued expenses	(968,869)	(407,937)
Deferred rent payable	55,000	27,500
Refundable advances	20,518	
Net cash used by operating activities	<u>(124,598)</u>	<u>(290,117)</u>
Cash flows from investing activities		
Proceeds from sale of investments	285,384	354,888
Purchase of investments	(327,517)	(398,405)
Fixed asset acquisitions	<u>(21,966)</u>	<u>(18,243)</u>
Net cash used by investing activities	<u>(64,099)</u>	<u>(61,760)</u>
Cash flows from financing activities		
Proceeds from line of credit	150,000	
Repayment of line of credit	<u>(150,000)</u>	
Net cash from financing activities	<u>-</u>	
Net change in cash and cash equivalents	(188,697)	(351,877)
Cash and cash equivalents - beginning of year	<u>762,356</u>	<u>1,114,233</u>
Cash and cash equivalents - end of year	<u>\$ 573,659</u>	<u>\$ 762,356</u>
Supplemental disclosure of cash flow information		
Cash paid during the year for interest	<u>\$ 2,234</u>	

See independent auditor's report.

The accompanying notes are an integral part of these statements.

**ECOHEALTH ALLIANCE, INC.
AND
WILDLIFE PRESERVATION TRUST
INTERNATIONAL, INC.**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2015

NOTE 1 - ORGANIZATION AND TAX STATUS

On June 22, 2010, Wildlife Trust, Inc. changed its name to EcoHealth Alliance, Inc.

EcoHealth Alliance, Inc. was incorporated on July 20, 2000 in the Commonwealth of Massachusetts. EcoHealth Alliance, Inc.'s mission is to integrate innovative science-based solutions and partnerships that increase capacity to achieve two interrelated goals: protecting global health by preventing the outbreak of emerging diseases and safeguarding ecosystems by promoting conservation.

EcoHealth Alliance, Inc. is funded primarily by government contracts and grants and contributions.

Wildlife Preservation Trust International, Inc. (WPTI) was incorporated on January 7, 1976 in the state of Pennsylvania. WPTI is a dormant corporation. In 2000, WPTI transferred the predominance of its assets to Wildlife Trust Inc., now known as EcoHealth Alliance, Inc.

EcoHealth Alliance, Inc. and WPTI are exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and are related through common control.

EcoHealth Alliance, Inc. and WPTI are collectively referred to as "EHA."

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting - The financial statements are prepared on the accrual basis of accounting.

Principles of consolidation - All material intercompany transactions and balances have been eliminated in the consolidation.

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 and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

-continued-

**ECOHEALTH ALLIANCE, INC.
AND
WILDLIFE PRESERVATION TRUST
INTERNATIONAL, INC.**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2015

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash equivalents - EHA considers highly liquid instruments purchased with original maturities of three months or less to be cash equivalents. EHA has periodically throughout the year maintained balances in various operating and money market accounts in excess of federally insured limits.

Investments - Investments are recorded at fair value. EHA invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term, based upon the markets' fluctuations, and that such changes could materially affect EHA's financial statements. Interest and dividends are recorded as operating income. Realized and unrealized gains on investments are recorded as nonoperating income.

Contributions receivable - Unconditional promises to give that are expected 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 present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met.

Government contracts receivable - Government contracts receivable are recorded when qualifying expenditures are incurred and EHA has a signed contract for services.

Accounts receivable - EHA records receivables based on established rates or contracts for services provided or for grants as they are earned. Interest income is not accrued or recorded on outstanding accounts receivable.

Allowance for doubtful accounts - EHA determines whether an allowance for uncollectibles should be provided for contributions, government contracts receivable and accounts receivable. Such estimates are based on management's assessment of the aged basis of its contributions and other sources, current economic conditions and historical information. Contributions, government contracts receivable and accounts receivable are written off against the allowance for doubtful accounts when all reasonable collection efforts have been exhausted. As of June 30, 2015, no allowance was deemed necessary or recorded by management.

-continued-

**ECOHEALTH ALLIANCE, INC.
AND
WILDLIFE PRESERVATION TRUST
INTERNATIONAL, INC.**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2015

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fixed assets - Fixed assets are recorded at cost and depreciated over their estimated useful lives using the straight-line method. Leasehold improvements are recorded at cost and are amortized over the shorter of the term of the lease or their estimated useful lives using the straight-line method. Items with a cost in excess of \$5,000 and an estimated useful life of greater than one year are capitalized.

Refundable advances - Payments from government agencies in excess of qualifying expenses under the terms of the contract are reflected on the balance sheet as refundable advances.

Net assets - Unrestricted net assets include funds having no restriction as to use or purpose imposed by donors. Temporarily restricted net assets are those whose use has been limited by donors to a specific time period or purpose.

Revenues from government contracts and grants - Revenues from government agencies are recognized when earned. Expense-based grants are recognized as allowable expenses are incurred. Performance-based grants are recognized as milestones are achieved.

Contributions - Unconditional contributions, including promises to give cash and other assets, are reported at fair value at the date the contribution is received. Contributions are reported as either temporarily or permanently 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 as unrestricted net assets and reported in the consolidated statement of activities as net assets released from restrictions.

Service fees - Service fees are received from proprietary corporations for research projects performed under the terms of their respective contracts. Revenue is recognized as projects are completed.

Functional allocation of expenses - The costs of providing EHA's programs and other activities have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Subcontracted services - Subcontracted services are recorded when services are rendered. Advances to subcontractors are recorded as an asset. As of June 30, 2015 and 2014, there were no advances to subcontractors.

-continued-

**ECOHEALTH ALLIANCE, INC.
AND
WILDLIFE PRESERVATION TRUST
INTERNATIONAL, INC.**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2015

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Grants to other organizations - EHA grants funds to charitable organizations for specific programs. Grants are recorded when approved by the EHA Board of Directors. Funds approved for payment are recorded as grants payable. As of June 30, 2015 and 2014, there were no outstanding grants payable.

Rent expense - EHA leases space at various locations. All leases are operating leases. Leases are reflected on the straight-line basis. Deferred rent represents the difference between fixed payments and rent expense.

Measure of operations - EHA includes in its measure of operations all revenues and expenses that are an integral part of its program and supporting services.

Prior-year summarized comparative information - The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the financial statements for the year ended June 30, 2014, from which the summarized information was derived.

Fair Value Measurements

Fair Value Measurements establishes a framework for measuring fair value. The framework 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 below. Level 1 inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that EHA has the ability to access. 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.

-continued-

**ECOHEALTH ALLIANCE, INC.
AND
WILDLIFE PRESERVATION TRUST
INTERNATIONAL, INC.**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2015

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair Value Measurements (continued)

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. The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodology used for assets measured at fair value. There has been no change in the methodology used at June 30, 2015 as compared to 2014.

Corporate bonds, government and government agency bonds, U.S. Treasury bonds and notes, common stock, and exchange-traded funds (ETFs) - Valued at the closing price reported on the active market on which the individual securities are traded.

The method described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while EHA believes its valuation method is appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The assets at fair value as of June 30, 2015 and 2014 are set forth by level within the fair value hierarchy in Note 3.

Uncertainty in income taxes - EHA has determined that there are no material uncertain tax positions that require recognition or disclosure in the consolidated financial statements. Periods ending June 30, 2012 and subsequent remain subject to examination by applicable taxing authorities.

Subsequent events - Subsequent events have been evaluated through January 8, 2016, which is the date the consolidated financial statements were available to be issued.

Reclassification - To conform 2014 information to the 2015 presentation, \$27,500 was reclassified from accounts payable and accrued expenses to deferred rent payable and \$20,000 was reclassified from corporations-contributions to service fees.

-continued-

**ECOHEALTH ALLIANCE, INC.
AND
WILDLIFE PRESERVATION TRUST
INTERNATIONAL, INC.**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2015

NOTE 3 - INVESTMENTS

	2015	2014
	(Level 1)	(Level 1)
	<u> </u>	<u> </u>
Bonds		
Corporate bonds	\$ 245,503	\$ 299,743
Government and government agency bonds	146,411	113,276
U.S. Treasury bonds and notes	69,556	44,956
Common stock		
Basic materials	98,495	137,794
Consumer goods	342,676	346,827
Energy		25,170
Financial	268,130	214,473
Healthcare	297,344	283,180
Industrials	144,299	112,617
Information technology	29,034	51,443
Services	299,420	221,757
Technology	195,355	205,097
Exchange-traded funds (ETFs) - equities	<u>5,133</u>	<u>4,936</u>
Investments reported on the fair value hierarchy	2,141,356	2,061,269
Cash equivalents	<u>83,559</u>	<u>84,017</u>
Total investments	<u>\$ 2,224,915</u>	<u>\$ 2,145,286</u>

-continued-

**ECOHEALTH ALLIANCE, INC.
AND
WILDLIFE PRESERVATION TRUST
INTERNATIONAL, INC.**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2015

NOTE 3 - INVESTMENTS (continued)

Investment income consists of the following:

	<u>2015</u>	<u>2014</u>
Interest and dividends	\$ <u>55,375</u>	\$ <u>55,290</u>
Realized and unrealized gains on investments	37,496	256,585
Investment fees	<u>(13,242)</u>	<u>(11,773)</u>
Net realized and unrealized gains on investments	<u>24,254</u>	<u>244,812</u>
Total investment income	\$ <u><u>79,629</u></u>	\$ <u><u>300,102</u></u>
Operating	\$ 55,375	\$ 55,290
Non-operating	<u>24,254</u>	<u>244,812</u>
	\$ <u><u>79,629</u></u>	\$ <u><u>300,102</u></u>

NOTE 4 - FIXED ASSETS

	<u>2015</u>	<u>2014</u>	<u>Estimated Useful Lives</u>
Office equipment	\$ 69,473	\$ 47,507	3 years
Furniture and fixtures	86,681	86,681	10 years
Leasehold improvements	<u>472,824</u>	<u>472,824</u>	10 years
	628,978	607,012	
Accumulated depreciation and amortization	<u>(588,785)</u>	<u>(541,740)</u>	
	\$ <u><u>40,193</u></u>	\$ <u><u>65,272</u></u>	

-continued-

**ECOHEALTH ALLIANCE, INC.
AND
WILDLIFE PRESERVATION TRUST
INTERNATIONAL, INC.**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2015

NOTE 5 - LINE OF CREDIT

On January 16, 2010, EHA established an unsecured line of credit with The Haverford Trust Company, enabling it to borrow, from time to time, an amount not exceeding \$700,000. The interest rate was 4% at June 30, 2015. Interest expense for the year ended June 30, 2015 was \$2,234. The line of credit did not have any outstanding balance at December 31, 2015. The line of credit expires January 13, 2017.

NOTE 6 - PENSION

EHA has a 403(b) defined contribution pension plan covering employees who meet age and length of service requirements. Pension expense was \$123,066 and \$120,782 for the years ended June 30, 2015 and 2014, respectively.

NOTE 7 - TEMPORARILY AND PERMANENTLY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purposes:

	<u>2015</u>	<u>2014</u>
Conservation medicine field activities	\$ 119,787	\$ 102,907
Research programs	<u>119,830</u>	<u>31,240</u>
	<u>\$ 239,617</u>	<u>\$ 134,147</u>

Temporarily restricted net assets have been released from restrictions by satisfying the following purposes:

	<u>2015</u>
Conservation medicine field activities	\$ 71,647
Research programs	<u>70,158</u>
	<u>\$ 141,805</u>

-continued-

**ECOHEALTH ALLIANCE, INC.
AND
WILDLIFE PRESERVATION TRUST
INTERNATIONAL, INC.**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2015

NOTE 8 - OCCUPANCY

Rent expense is recorded on the straight-line basis. Deferred rent as of June 30, 2015 and 2014 was \$82,500 and \$27,500, respectively. In 2005, EHA entered into a ten-year and five-month lease for office space in New York. On September 24, 2013 the lease was extended until December 31, 2023. Rent expense for the years ended June 30, 2015 and 2014 was \$424,600 and \$299,800, respectively.

Minimum lease payments are as follows:

Year Ending June 30,	
2016	\$ 369,600
2017	397,100
2018	424,600
2019	424,600
2020	424,600
Thereafter	<u>1,651,100</u>
	<u>\$ 3,691,600</u>

NOTE 9 - CONTINGENCIES

EHA is responsible to report to various government agencies. These agencies, as well as the New York State Attorney General's Bureau of Charities Registration, the Internal Revenue Service, and the Office of Inspector General have the right to audit EHA. These agencies have the right to audit fiscal as well as programmatic compliance, i.e., research and field survey documentation among other compliance requirements. Management believes that the results of such audits, if any, will not have an adverse effect on the consolidated financial statements.

**ECOHEALTH ALLIANCE, INC.
AND
WILDLIFE PRESERVATION TRUST
INTERNATIONAL, INC.**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2015

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-through Entity Identification Number	Federal Expenditures
<i>Research and Development Cluster</i>			
U.S. Department of Interior			
Fish and Wildlife Service			
Endangered Species Conservation - Recovery Implementation Funds	15.657		\$ 13,020
Wildlife Without Borders - Mexico	15.641		29,286
Great Apes Conservation Fund	15.629		<u>19,170</u>
Total U.S. Department of Interior			<u>61,476</u>
National Science Foundation			
Biological Sciences	47.074		
Viral Pathogens			15,507
EcohealthNet			<u>129,266</u>
Total Biological Sciences			144,773
Risk of Animal and Plant Infectious Diseases Through Trade			
Pass-through from Arizona State University		15-588	<u>20,887</u>
Total National Science Foundation			<u>165,660</u>
U.S. Department of Defense			
Defense Threat Reduction Agency			
Biosurveillance Ecosystem Implementation	12.UNKNOWN		1,136,458
Rift Valley Fever in South Africa	12.UNKNOWN		946,611
Global Rapid Identification System	12.UNKNOWN		<u>294,329</u>
Total U.S. Department of Defense			<u>2,377,398</u>
U.S. Department of Health and Human Services			
National Institutes of Health			
Allergy, Immunology and Transplantation Research	93.855		681,400
Pass-through from Columbia University Center for Excellence		6(GG008377)	<u>78,771</u>
Total Allergy, Immunology and Transplantation Research			760,171

-continued-

**ECOHEALTH ALLIANCE, INC.
AND
WILDLIFE PRESERVATION TRUST
INTERNATIONAL, INC.**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2015**

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-through Entity Identification Number	Federal Expenditures
<i>Research and Development Cluster (continued)</i>			
U.S. Department of Health and Human Services (continued)			
Biomedical Research and Research Training Pass-through from Arizona State University	93.859	12-850	\$ 73,775
Center for Disease Control Bushment Services	93.UNKNOWN		<u>9</u>
Total U.S. Department of Health and Human Services			<u>833,955</u>
U.S. Department of Homeland Security			
Centers for Homeland Security Pass-through from University of Minnesota	97.061	N/A	<u>61,576</u>
U.S. Agency for International Development			
Land Use Change	98.UNKNOWN		900,317
Emerging Pandemic Threat Program Pass-through from University of California-Davis	98.UNKNOWN	N/A	<u>4,179,765</u>
Total U.S. Agency for International Development			<u>5,080,082</u>
U.S. Department of Agriculture			
Development of the Global Ranavirus Reporting System	10.UNKNOWN		<u>22,248</u>
Total Research and Development Cluster			<u>8,602,395</u>
Total expenditures of federal awards			<u>\$ 8,602,395</u>

See independent auditor's report.

The accompanying notes are an integral part of this schedule.

**ECOHEALTH ALLIANCE, INC.
AND
WILDLIFE PRESERVATION TRUST
INTERNATIONAL, INC.**

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2015

NOTE 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of EcoHealth Alliance, Inc. and Wildlife Preservation Trust International, Inc. under programs of the federal government for the year ended June 30, 2015. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the Schedule presents only a selected portion of the operations of EcoHealth Alliance, Inc. and Wildlife Preservation Trust International, Inc., it is not intended to and does not present the financial position, changes in net assets or cash flows of EcoHealth Alliance, Inc. and Wildlife Preservation Trust International, Inc.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-122, *Cost Principles for Non-profit Organizations*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

**ECOHEALTH ALLIANCE, INC.
AND
WILDLIFE PRESERVATION TRUST
INTERNATIONAL, INC.**

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2015

NOTE 3 - SUBRECIPIENTS

Of the federal expenditures presented in the Schedule, EcoHealth Alliance, Inc. and Wildlife Preservation Trust International, Inc. provided federal awards to subrecipients as follows:

<u>CFDA Number</u>	<u>Program Name</u>	<u>Amount Provided to Subrecipient</u>
12.UNKNOWN	U.S. Department of Defense Defense Threat Reduction Agency Biosurveillance Ecosystem Implementation	\$ 566,197
	Rift Valley Fever in South America	357,360
	Global Rapid Identification System	15,718
93.855	Allergy, Immunology and Transplantation Research	228,000
93.859	Biomedical Research and Research Training	19,382
15.641	Wildlife Without Borders - Mexico	14,238
98.UNKNOWN	U.S. Agency for International Development - Land Use Change	266,545
97.061	Centers for Homeland Security	21,135
15.629	Great Apes Conservation Fund	14,158



**Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed
in Accordance with Government Auditing Standards**

Independent Auditor's Report

**Board of Directors
EcoHealth Alliance, Inc. and
Wildlife Preservation Trust International, Inc.**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of EcoHealth Alliance, Inc. and Wildlife Preservation Trust International, Inc., which comprise the consolidated balance sheet as of June 30, 2015, 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, and have issued our report thereon dated January 8, 2016.

Internal Control over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered EcoHealth Alliance, Inc. and Wildlife Preservation Trust International, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of EcoHealth Alliance, Inc. and Wildlife Preservation Trust International, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of EcoHealth Alliance, Inc. and Wildlife Preservation Trust International, Inc.'s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether EcoHealth Alliance, Inc. and Wildlife Preservation Trust International, Inc.'s consolidated financial statements are free from material misstatement, we performed tests of their compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of consolidated financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Loeb & Troper LLP

January 8, 2016



**Report on Compliance for Each Major Federal Program;
Report on Internal Control Over Compliance**

Independent Auditor's Report

**Board of Directors
EcoHealth Alliance, Inc. and
Wildlife Preservation Trust International, Inc.**

Report on Compliance for Each Major Federal Program

We have audited EcoHealth Alliance, Inc. and Wildlife Preservation Trust International, Inc.'s compliance with the types of compliance requirements described in the OMB Circular A-133 *Compliance Supplement* that could have a direct and material effect on each of EcoHealth Alliance, Inc. and Wildlife Preservation Trust International, Inc.'s major federal programs for the year ended June 30, 2015. EcoHealth Alliance, Inc. and Wildlife Preservation Trust International, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to their federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of EcoHealth Alliance, Inc. and Wildlife Preservation Trust International, Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about EcoHealth Alliance, Inc. and Wildlife Preservation Trust International, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of EcoHealth Alliance, Inc. and Wildlife Preservation Trust International, Inc.'s compliance.

Opinion on Each Major Federal Program

In our opinion, EcoHealth Alliance, Inc. and Wildlife Preservation Trust International, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of their major federal programs for the year ended June 30, 2015.

Report on Internal Control Over Compliance

Management of EcoHealth Alliance, Inc. and Wildlife Preservation Trust International, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered EcoHealth Alliance, Inc. and Wildlife Preservation Trust International, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of EcoHealth Alliance, Inc. and Wildlife Preservation Trust International, Inc.'s internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Loeb & Troper LLP

March 7, 2016

**ECOHEALTH ALLIANCE, INC.
AND
WILDLIFE PRESERVATION TRUST
INTERNATIONAL, INC.**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2015

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	<u>Unmodified</u>		
Internal control over financial reporting:			
Material weakness(es) identified?	_____ yes	<u> X </u>	no
Significant deficiency(ies) identified?	_____ yes	<u> X </u>	none reported
Noncompliance material to financial statements noted?	_____ yes	<u> X </u>	no

Federal Awards

Internal control over major programs:			
Material weakness(es) identified?	_____ yes	<u> X </u>	no
Significant deficiency(ies) identified?	_____ yes	<u> X </u>	none reported
Type of auditor's report issued on compliance for major programs:	<u>Unmodified</u>		
Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133?	_____ yes	<u> X </u>	no

Identification of major program:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
Various	Research and Development Cluster

Dollar threshold used to distinguish between Type A and Type B programs:	<u>\$300,000</u>
---	------------------

Auditee qualified as low-risk auditee?	<u> X </u> yes	_____ no
--	------------------	----------

**ECOHEALTH ALLIANCE, INC.
AND
WILDLIFE PRESERVATION TRUST
INTERNATIONAL, INC.**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2015

Section II - Financial Statement Findings

No matters were reported.

Section III - Federal Award Findings and Questioned Costs

No matters were reported.