## FINANCIAL STATEMENTS

# **FUNDACION YAGUARA PANAMA**

Report of the Independent Auditors to the Foundational Council

For the year ended 31 December 2023 and 2022

31 de october, 2024

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# INDEPENDIENT AUDITOR'S REPORT TO THE YAGUARA PANAMA FOUNDATION COUNCIL.

#### Introduction

We have audited the financial statements of FUNDACION YAGUARA PANAMA, which include the balance sheet statement of December 31, 2023 y 2022, the corresponding statements of income and cash flows, for the year ended on that date. and notes to the financial statements that include a summary of significant accounting policies and other explanatory information.

In our opinion, the attached financial statements present fairly, in all material respects, the financial position of FUNDACION YAGUARA PANAMA as of December 31, 2023 y 2022, its financial performance, and its cash flows for the year completed on that date in accordance with the International Financial Reporting Standards for Small and Medium-Sized Entities (IFRS for SMEs), with the standards and interpretations issued by the International Accounting Standards Board (IASB) translated into Spanish as of December 31, year 2015.

#### Basis of opinion

We have carried out our audit in accordance with International Standards on Auditing (ISA). Our responsibilities in accordance with these standards are described in the Auditor's responsibilities in relation to the Audit of Financial Statements section of our report. We are independent from FUNDACION YAGUARA PANAMA, in accordance with the provisions of the Code of Ethics for Accounting Professionals of the International Ethics Standards Council for Accountants and have fulfilled our responsibilities in accordance with said requirements. We believe that the audit evidence we have obtained provides a sufficient and appropriate basis for our opinion.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, have been the most significant in our audit of the Financial Statements for the current year.

These matters have been addressed in the context of our audit of the Financial Statements as a whole and in forming our opinion thereon, and we do not express a separate opinion on these matters.

Funds in special proyects

How the key issue was addressed in audit.

Our audit procedures included:

- We request details and analysis of the FUNDACION YAGUARA PANAMA.
- I observe the behavior of payments in bank deposits throughout the year

# Responsibilities of the Administration and those in charge of Corporate Governance in relation to the Financial Statements.

Management is responsible for the preparation and fair presentation of the Financial Statements in accordance with International Financial Reporting Standards, and for the system of internal control that Management determines necessary to permit the preparation of Financial Statements that are free of material errors, whether due to fraud or error.

In preparing the Financial Statements, management is responsible for evaluating the Company's ability to continue as a going concern, disclosing, if applicable, matters related to such ability and the use of the going concern basis of accounting as an assumption. fundamental part of the accounting policies, unless the administration or the Panamanian State intends to liquidate the Company, cease operations, or has no other alternative but to do so.

Management and those charged with governance are responsible for supervising the process of preparation and fair presentation of the Company's Financial Statements.

#### Responsibilities of the Auditor in relation to the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements are free of material misstatement, whether due to fraud or error, and to issue an audit report that expresses our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit performed in accordance with ISA standards will always detect significant errors if they exist.

Errors may arise from fraud or error and are considered material if, individually or in the aggregate, they could be expected to influence the economic decisions that users make in these Financial Statements.

## Other Legal and Regulatory Requirements

In accordance with law 280 of December 30, 2021, which regulates the profession of the Authorized Public Accountant in the Republic of Panama, we declare:

- That the direction, execution, and supervision of this Audit work of the FUNDACION YAGUARA PANAMA for the year ending December 31, 2023 y 2022, has been physically carried out in Panamanian territory.
- That the direction, execution and supervision of this Audit work of the FUNDACION YAGUARA PANAMA to which this report refers, is made up of: Auditor Lucas A. Morales coordinator, Lic. Iris Archibold support and Yamileth Diaz management and process analysts

The audit partners who have produced this report are independent auditors; the CPAs, Lucas A. Morales R. and Iris Archibold Ávila.

Lic. Iris Archibold

Idoneidad # 7274

Morales Archibold & Co.

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31 de October, 2024

Panamá, República de Panamá

# **Balance Sheet**

December 31st 2023 and 2022 (U\$\$ Dollars)

	Notes	2023	2022
ASSETS			
CURRENT ASSETS			
Cash Bank	(Note C)	401,103	500,971
<b>Total Current Assets</b>	_	401,103	500,971
Total Assets	_ _	401,103	500 071
Total Assets	=	401,103	500,971
LIABILITY AND EQUITY			
CURRENT LIABILITY			
Proyects Specials liability	(Note D)	129,370	255,623
<b>Total de Current Liability</b>	<u>-</u>	129,370	255,623
Foundation Capital			
Fundation's Accumulated Results		245,348	197,283
Adjust and reserve			9,296
Period Loss and Benefits 2023 and 2022		26,385	38,769
<b>Total Benefits Accumulated</b>	_ _	271,733	245,348
TOTAL LIABILITY AND EQUITY		401,103	500,971
	=	<u> </u>	

See notes to the financial statements.

## **Income Statements**

To December 31st 2023 and 2022 (U\$\$ Dóllars)

	Notes	2023	2022
INCOME			
Donations and Programs		481,607	258,863
Intereses		829	678
Net Income		482,436	259,541
EXPENSES FOR ACTIVITIES	(Note E)	456,051	220,773
Net Loss and Benefits for the Period 2023 y 2022	2	26,385	38,769
Net Benefits		26,385	38,769

## **Cash Flow Statement**

December 31st 2023 and 2022 ( U\$\$ Dollars )

	2023	2022
Cash Flow From Operating Activities		
Net Income	26,385	38,769
Adjustments to reconcile net income to net cash provided by operating activities		
Proyects Specials liability	(125,953)	(14,069)
Cash flow net provided by operating activities	(99,568)	24,700
Cash Flow net provided by inversion's activities		
Cash net used in activitie's inversion	-	-
Cash flow from financing activities Proceeds From		
Accumulated Benefits of the Fundation		
Adjust and reserve	-	11,787
Net cash used in financing		11,787
Net increase (decrease) in cash	(99,568)	36,487
Cash Balance at End of Period	401,103	500,671
Cash Balance at Begin of Period	500,671	464,184
Net Increse (Decrease) in Cash	(99,568)	36,487

Financial Statement's Notes

For the Year Ended 31st December 2023 and 2022

## **Note A: NATURE OF THE NON-PROFIT FOUNDATION**

**FUNDACION YAGUARA PANAMA.**, Legally made based on the laws of Republic of Panama, according to the public record, September 9th 2015. Based on the scriptures # 19073 registered Folio 25026588 Asiento No 1 September 14 st 2015.

The Yaguara Panama foundation is located within the City of Knowledge Area, located in the Clayton sector, district of Ancon, province of Panama, through the lease agreement, which granted the agreement of affiliation, which are areas of special zones for the development of research and innovation, having benefits in exemption of direct taxes for their contributions in matters of value.

The Yaguara Foundation, in public deed 28,188 of one (01) of November of 2017, and that by resolved number Two Hundred Sixty-PJ-Two Hundred and Sixty (260-PJ-260) of twelve (12) of October of two thousand and seventeen (2017), and that by Resolution number zero two eight-R-zero two eight (028-R-028) of twenty-one (21) March two thousand seventeen (2017) the Minister of Government delegated to the Vice Minister of Government, the signature of the resolved ones and recognize the Non-Profit Private Interest Associations and Foundations and all matters derived from said recognition. That after the analysis of the documentation provided, which was found in accordance with the legal provisions that regulate the matter, the Ministry of Government of the Republic of Panama, in use of its powers, recognizes that the Yaguara Panama Foundation meets the requirements established in article thirty-seven (37) of the Executive Decree sixty-two (62) of March thirty-two thousand seventeen (2017). Given this information, said ratification is in the Ministry of Economy and Finance to grant the power to issue donation receipts.

#### **Organization**

Yaguara Panama Foundation is a non-profit organization focused on scientific research and the conservation of wild cats in Panama. Its mission is to conserve the six feline species found in this country: puma, ocelot, margay, oncilla, jaguarundi, with a special emphasis on the jaguar. The Foundation also aims to preserve their habitat through science, education, and working closely with local communities. Yaguara also collaborates with Panama's Ministry of the Environment, the private sector, and national and international non-profit organizations, universities and research centers to carry out its aims.

Yaguara focuses its actions in communities that coexist with felines to reduce the humanjaguar conflict and ensure the survival of the species through scientific research, the use of technology, sustainable farm practices, and economic alternatives linked to ecotourism and environmental education. Yaguara uses advanced scientific tools to study the population and mobility of wild cats and their main prey in order to mitigate the human-jaguar conflict.

Yaguara also works closely with local communities and ranchers to develop and implement effective ways to protect their livestock by reducing the vulnerability of farms to feline attacks to avoid their senseless killing. These efforts include education, technical assistance and economic alternatives using scientific research as its core. The aforementioned activities have been carried out throughout Panama in legally protected areas and priority conservation sites, since focusing strategic efforts on these feline umbrella species also helps to conserve other animals that share their habitats and/or are vulnerable to the same threats.

The Foundation's programs are focused on:

- Scientific research
- Humans and wild cat conflict (HWC)
- Assistance in cases of feline depredation, abuse and illegal hunting.
- Education, awareness and environmental dissemination

A succinct program summary follows:

1. Scientific research: Science is at the heart of Yaguara's conservation efforts for the jaguar and other wild cats. The Foundation generates extensive scientific data through population studies with camera traps and GPS-enabled tracking collars to observe the movement of jaguars, cougars and ocelots, as well as other mammals such as mountain pigs and tapirs.

These advanced technologies provide Yaguara with information on the number of individuals who live in each area and how their population behaves over time. We track movements of wild cats such as jaguars to know where they are; we can also study their habits, such as at what hours they prefer to hunt. The data helps the Foundation ascertain their health status, the threats they face and inform how we can help to ensure their survival in the wild.

Yaguara has created the most complete and up-to-date database of land mammals in Panama with information from trap cameras in more than 30 study areas in the country that include 655 specific sites that have recorded 40,234 night hours (2012-2019).

We are currently preparing the first National Jaguar and Terrestrial Mammal Census to support conservation planning and improved management of the human wildlife conflict. In addition, we are working together with the University of Panama to develop a database on the genetic variability that affects wildlife.

Lastly, Yaguara maintains an active program of scholarships and awards to support and train student and professional biologists on wild life feline conservation. The Foundation shares with them scientific data in close collaboration with national and international specialists, while providing advice on their final degree projects at the Bachelor, Master and Doctorate levels.

2. Humans and wild cat conflict (HWC): Habitat loss has reduced the historical range of the jaguar, causing its populations to compete with humans for the same space and resources. This interaction has generated a conflict that usually ends with their life at the hands of farmers that retaliate for the loss of their domestic animals.

We are working with communities, ranchers, farmers and government entities to identify and implement sustainable anti-depredation measures, offering technical assistance and economic alternatives to demonstrate that both cattle raising and jaguar conservation can coexist. This includes the application of effective actions to protect livestock to reduce the vulnerability of farms against feline attacks through management plans that minimize the conflict with jaguars.

In addition to technical assistance, Yaguara promotes the establishment of other financial mechanisms such as compensation funds, financial incentives and economic alternatives aimed at conserving jaguars and their associated ecosystems.

The contribution of scientific research is an innovative mechanism for the creation of differentiated tourist destinations that can support the economy of local communities. For example, the sale of feline footprints to tourists or hosting wildlife expeditions can be a source of funding that is also vital for field research aimed at the conservation of priority species such as the jaguar.

3. Assistance in cases of feline depredation, abuse and illegal hunting: Yaguara provides technical assistance to Panama's Ministry of Environment for the investigation and verification of cases concerning the death of wild cats like jaguars and pumas that occur as a result of retaliation for the depredation of domestic animals such as cattle. The Foundation also keeps track of feline abuse cases and illegal hunting practices.

Together with the aforementioned Ministry, Yaguara has monitored more than 130 conflicts in communities from 2017 to 2019. The Foundation has been directly responsible for avoiding almost all jaguar deaths where it has been able to focus its efforts, with the exception of three felines whose cases are now subject to ongoing criminal proceedings.

Our work with the Ministry of Environment and the Agricultural Insurance Institute permitted the inclusion of insurance to cattle ranchers against the depredation of carnivores such as jaguars, cougars and prairie wolves in the 2019 Agricultural Insurance Manual.

This collaboration has also allowed Yaguara to make better decisions based on scientific information to transform the human-feline conflict and turn it into peaceful co-existence. It also helped establish the first Saturday of March as Panama's National Wild Cat Day, giving felines the relevance they deserve as a vital part of the country's ecosystem balance.

**4. Education, awareness and environmental dissemination:** Yaguara works mainly in capacity building, community management and environmental education, and awareness and outreach to promote and expand active social participation for the protection and conservation of the jaguar and its habitat. We aim to help the species become a cherished symbol for the communities with whom it coexists.

Our educational programs and technical assistance have benefited about 5,000 people in the past three years. More than 30 education workshops and 70 awareness talks are held annually in all areas that Yaguara Panama has projects, mainly in places affected by the jaguar/human conflict. We also hold talks in universities, academic and research centers, companies, government offices and non-governmental organizations.

Yaguara has worked with the Howard Hughes Medical Institute on the "WildCam Darien" project since 2017 to develop educational resources based on scientific research on wildlife in the Darien National Park and the Soberania National Park. A website with this information is available free of charge to educators and the general public in Spanish and English.

The Foundation has also worked since 2018 with the Small Grants Program (PPD) of the United Nations Development Program (UNDP) in the project "Conservation of the jaguar habitat through community participation in Darien and Chepo". This endeavour has yielded the first network of local environmental promoters for the conservation of felines, providing them with a solid base of knowledge that allows them to both inspire and influence their community with actions that promote the coexistence between beings humans and these species.

This conservation project has allowed Panama to be one of two beneficiary countries in the American continent with a special fund for the conservation of jaguars at local communities that have worked together with Yaguara. This has allowed us to channel resources to support initiatives led by local promoters that highlight the importance of ecological tourism, the inclusion of anti-depredation measures in livestock farms, environmental education campaigns, etc.

In addition, Yaguara participates actively in radio programs with national and local coverage to reach a greater number of people so they know what is being done, why is being done and how it benefits them. The results of our projects are also promoted by social media such as Twitter, Facebook and Instagram. We also actively use other local legacy media, like magazines, television and newspapers. Yaguara scientists also published more than 40 scientific articles, books, reviews and other publications in 2017-2019. They also present the results of their ongoing research in national and international scientific platforms such as congresses, symposia, seminars and others.

## Sources of finances and income

Financial support for the Yaguara Panama Foundation derives from different sources:

- i) Government Funds: Projects with the Panamanian Government executed with the Ministry of the Environment and with the National Secretariat for Science, Technology, and Innovation (SENACYT).
- ii) Projects with international organizations, such as the United Nations Development Program (UNDP) through the Small Grants Program (PPD) financed by the Global Environmental Fund (GEF).
- iii) Donations from private companies and foundations, such as the Howard Hughes Medical Institute.
- iv) Donations from individuals
- v) Proyect (UNEP) Big Cats Wildcats/MSP project (GEF-7),
- vi) Income from the sale of merchandising and other products.

#### **Note B: Principal Accounting Policies**

The principals accounting policies make for preparation that these financial statements are the following.

These policies have been applied in relation with the last year accountancy statements.

## **Base of Preparation**

The financial statements have been made according to the International Financial Laws (collectively named NIIFs) given by the Accountancy International Council.

#### **Monetary Unit**

The monetary unit is the balboa, which is the equivalent of the United States of America's dollar.

## **Note C: Cash Bank**

Title C. Cush Dunk	2023	2022
Banco General		
03-01-01-139392-0 GEF Big Cats	129,370	256,415
04-01-99-417926-7 Ahorros Fund. Yaguará	7,472	7,403
04-01-99-738864-0 Ahorros Fund. Yaguará	236,283	206,764
03-01-01-107965-6 Fund. Yagurá	27,978	30,389
	401,103	500,971

# Note D: Proyects Specials Liability

United Nations Environment Programme Project Cooperation Agreement GFL-11207-14C0003-SB-017721

	2023	2022
Proyects Specials Liability	129,370	255,623

# **Note E: EXPENSES FOR ACTIVITIES**

# **Detail Expenses (Operation)**

	2023	2022
Rent		
Charges bank	796	568
Fuel	7,399	264
Communications	3,820	155
Field consumables	22,911	3,496
Field equipment	23,978	14,017
Mantenance equipment	20,996	
Office expenses	1,704	1,042
Salary	171,423	152,840
Publications	605	
Services Contractors	2,538	27,164
Professional Fees	99,562	10,365
Seminars	11,384	
Taxes	520	251
Guardianship of felines	457	721
Travel and expenses	87,960	9,890
	456,051	220,773

#### Note F- INCOME TAX PAYABLE

The commercial activities of the company are subject to income tax in Panama, the income tax return, as well as other tax obligations, for the period ended December 31, 2023 and 2022, they are subject to review by the fiscal authorities of the Ministry of Economy and Finance.

Paragraph 2, of Article 699 of the Fiscal Code of the Republic of Panama, requires that the tax returns of income coincide with the financial statements of the taxpayer, the banks and financial institutions of the country. The inconsistency of the income tax return with the financial statements or IFRS, may, if proven, be considered as tax fraud.

The taxable profit shown in the Income Tax Returns may differ from the profit before income tax shown in the financial statements, due to non-deductible expenses made separately; for the purposes of filing the Affidavits of Income and the financial statements. The effective effective rate of income tax is 25% on the net taxable income. The YAGUARA FOUNDATION, being a non-profit organization with an environmental conservation objective, is not a contributor to this tax.

Tax returns for the last three years, including the year ended December 31, 2023, are subject to review by the tax authorities of the Ministry of Economy and Finance.

## Note G- RECLASSIFICATIONS

Some accounts shown in the financial statements as of December 31, 2023 and 2022 and for the years ended on those dates, have been reclassified for purposes of comparison with the accounts shown in the financial statements.

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