

International Rivers Network and Affiliates

Consolidated Financial Statements
and Independent Auditor's Report

December 31, 2023 and 2022

International Rivers Network and Affiliates

Consolidated Financial Statements
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Contents

Independent Auditor's Report.....	1-3
<i>Consolidated Financial Statements</i>	
Consolidated Statements of Financial Position.....	4
Consolidated Statements of Activities	5-6
Consolidated Statements of Functional Expenses	7-8
Consolidated Statements of Cash Flows.....	9
Notes to Consolidated Financial Statements.....	10-19

INDEPENDENT AUDITOR’S REPORT

To the Board of Directors of
International Rivers Network and Affiliates

Opinion

We have audited the accompanying consolidated financial statements of International Rivers Network and Affiliates (collectively, “the Organization”), which comprise the consolidated statements of financial position as of December 31, 2023 and 2022; the related consolidated statements of activities, functional expenses, and cash flows for the years 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 the Organization as of December 31, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits 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 the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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.

Responsibilities of Management for the Consolidated Financial Statements (continued)

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 the Organization'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, including omissions, 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 the Organization'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 the Organization's ability to continue as a going concern for a reasonable period of time.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

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.

Handwritten signature in black ink that reads "Rogers + Company PLLC". The signature is written in a cursive, flowing style.

Vienna, Virginia
May 7, 2024

International Rivers Network and Affiliates

Consolidated Statements of Financial Position December 31, 2023 and 2022

	2023	2022
Assets		
Cash and cash equivalents	\$ 1,276,363	\$ 1,178,286
Grants and contributions receivable, net	1,456,140	1,253,175
Prepaid expenses and other assets	22,176	28,349
Right-of-use asset – operating lease	11,943	26,139
Deposits	3,400	3,400
Total assets	<u>\$ 2,770,022</u>	<u>\$ 2,489,349</u>
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	\$ 93,261	\$ 119,607
Conditional grants	16,358	9,674
Lease liability – operating lease	11,943	26,139
Total liabilities	<u>121,562</u>	<u>155,420</u>
Net Assets		
Without donor restrictions	489,671	437,770
With donor restrictions	2,158,789	1,896,159
Total net assets	<u>2,648,460</u>	<u>2,333,929</u>
Total liabilities and net assets	<u>\$ 2,770,022</u>	<u>\$ 2,489,349</u>

See accompanying notes.

International Rivers Network and Affiliates

Consolidated Statement of Activities
For the Year Ended December 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support			
Grants and contributions	\$ 142,719	\$ 2,058,057	\$ 2,200,776
In-kind contributions	300	-	300
Interest income	1,689	-	1,689
Foreign currency exchange gains	-	-	-
Miscellaneous revenue	-	-	-
Net assets released from restrictions	1,795,427	(1,795,427)	-
Total revenue and support	1,940,135	262,630	2,202,765
Expenses			
Program services	1,679,917	-	1,679,917
Supporting services:			
Management and general	124,249	-	124,249
Fundraising	84,068	-	84,068
Total supporting services	208,317	-	208,317
Total expenses	1,888,234	-	1,888,234
Change in Net Assets	51,901	262,630	314,531
Net Assets, beginning of year	437,770	1,896,159	2,333,929
Net Assets, end of year	\$ 489,671	\$ 2,158,789	\$ 2,648,460

See accompanying notes.

International Rivers Network and Affiliates

Consolidated Statement of Activities
For the Year Ended December 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support			
Grants and contributions	\$ 140,139	\$ 1,465,536	\$ 1,605,675
In-kind contributions	27,810	-	27,810
Interest income	534	-	534
Miscellaneous revenue	21,884	-	21,884
Net assets released from restrictions	1,904,874	(1,904,874)	-
	2,095,241	(439,338)	1,655,903
Expenses			
Program services	1,706,336	-	1,706,336
Supporting services:			
Management and general	181,358	-	181,358
Fundraising	14,355	-	14,355
	195,713	-	195,713
Total expenses	1,902,049	-	1,902,049
Change in Net Assets	193,192	(439,338)	(246,146)
Net Assets, beginning of year	244,578	2,335,497	2,580,075
Net Assets, end of year	\$ 437,770	\$ 1,896,159	\$ 2,333,929

See accompanying notes.

International Rivers Network and Affiliates

Consolidated Statement of Functional Expenses For the Year Ended December 31, 2023

	Program Services	Supporting Services			Total Expenses
		Management and General	Fundraising	Total Supporting Services	
Salaries	\$ 901,064	\$ 49,922	\$ 42,507	\$ 92,429	\$ 993,493
Employee benefits	61,373	9,460	198	9,658	71,031
Payroll taxes	29,885	3,421	4,228	7,649	37,534
Professional fees	178,973	41,295	902	42,197	221,170
Grants to others	181,033	-	-	-	181,033
Travel and meals	173,612	1,208	-	1,208	174,820
Conferences, conventions, and meetings	56,041	1,302	-	1,302	57,343
Dues, licenses, and other fees	7,840	2,425	29,535	31,960	39,800
Information technology	32,528	2,530	1,542	4,072	36,600
Occupancy	16,124	603	222	825	16,949
Telephone	14,961	1,830	-	1,830	16,791
Insurance	3,430	8,369	125	8,494	11,924
Equipment rental and maintenance	11,771	-	-	-	11,771
Copying and printing	5,414	-	4,434	4,434	9,848
Supplies	2,743	39	-	39	2,782
Advertising and promotion	1,921	-	-	-	1,921
Staff training	1,106	-	375	375	1,481
Postage and shipping	69	344	-	344	413
In-kind	-	300	-	300	300
Miscellaneous	29	1,201	-	1,201	1,230
Total Expenses	\$ 1,679,917	\$ 124,249	\$ 84,068	\$ 208,317	\$ 1,888,234

See accompanying notes.

International Rivers Network and Affiliates

Consolidated Statement of Functional Expenses
For the Year Ended December 31, 2022

	Program Services	Supporting Services			Total Expenses
		Management and General	Fundraising	Total Supporting Services	
Salaries	\$ 891,984	\$ 77,682	\$ 7,890	\$ 85,572	\$ 977,556
Employee benefits	52,763	4,401	810	5,211	57,974
Payroll taxes	35,638	5,275	589	5,864	41,502
Grants to others	314,400	-	-	-	314,400
Professional fees	138,010	39,969	132	40,101	178,111
Travel and meals	86,282	1,104	-	1,104	87,386
Conferences, conventions, and meetings	87,214	-	-	-	87,214
Information technology	30,300	10,918	827	11,745	42,045
Dues, licenses, and other fees	21,333	1,790	3,981	5,771	27,104
Occupancy	17,952	2,194	58	2,252	20,204
Telephone	15,425	650	4	654	16,079
Insurance	2,919	8,678	21	8,699	11,618
Copying and printing	4,806	-	-	-	4,806
Supplies	3,422	141	-	141	3,563
Equipment rental and maintenance	2,476	156	-	156	2,632
Postage and shipping	579	465	43	508	1,087
Advertising and promotion	17	-	-	-	17
Staff training	-	10	-	10	10
In-kind	-	27,810	-	27,810	27,810
Miscellaneous	816	115	-	115	931
Total Expenses	\$ 1,706,336	\$ 181,358	\$ 14,355	\$ 195,713	\$ 1,902,049

See accompanying notes.

International Rivers Network and Affiliates

Consolidated Statements of Cash Flows For the Years Ended December 31, 2023 and 2022

	2023	2022
Cash Flows from Operating Activities		
Change in net assets	\$ 314,531	\$ (246,146)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Change in present value discount on multi-year grants and contributions receivable	10,361	11,483
Amortization of right-of-use asset – operating lease	14,049	14,049
Change in operating assets and liabilities:		
(Increase) decrease in:		
Grants and contributions receivable	(213,326)	246,335
Prepaid expenses and other assets	6,173	8,808
Right-of-use asset – operating lease	147	(40,188)
(Decrease) increase in:		
Accounts payable and accrued expenses	(26,346)	(17,077)
Conditional grants	6,684	(2,188)
Lease liability – operating lease	(14,196)	26,139
	98,077	1,215
Net cash provided by operating activities		
	98,077	1,215
Cash and Cash Equivalents, beginning of year	1,178,286	1,177,071
Cash and Cash Equivalents, end of year	\$ 1,276,363	\$ 1,178,286

See accompanying notes.

International Rivers Network and Affiliates

Notes to Consolidated Financial Statements
December 31, 2023 and 2022

1. Nature of Operations

International Rivers Network (IRN) is a California nonprofit organization founded in 1986, and headquartered in Oakland, California. IRN's mission is to protect the rights of rivers and communities that depend on them. IRN works with river-dependent and dam-affected communities to ensure their voices are heard and their rights are respected. IRN helps to build well-resourced, active networks of civil society groups to create the change. IRN undertakes independent, investigative research, generating robust data and evidence to inform policies and campaigns. IRN exposes and resists destructive projects, while also engaging with all relevant stakeholders, including industry and policymakers, to develop a vision that protects rivers and the communities that depend upon them. Programs and activities are primarily funded through grants and contributions.

In 2006, IRN founded a supporting organization called the Fund for International Rivers (FIR), a California nonprofit organization. IRN has a controlling interest in FIR through both financial and economic control.

In 2016, IRN formed Yi Tai Ru Wo California, LLC (YTRW CA) to facilitate funding for the foreign operations of the two entities in China. All of these entities are wholly-owned subsidiaries of IRN. On October 26, 2021, YTRW CA submitted its application to cancel its California registration. YTRW CA is expected to close in 2024.

2. Summary of Significant Accounting Policies

Principles of Consolidation

The accompanying consolidated financial statements include the account balances of activities of IRN, FIR, and YTRW CA. All intercompany balances and significant transactions have been eliminated in consolidation. Except when referred to separately, all entities are collectively referred to as "the Organization" throughout the accompanying consolidated financial statements and related notes.

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 estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates.

International Rivers Network and Affiliates

Notes to Consolidated Financial Statements
December 31, 2023 and 2022

2. Summary of Significant Accounting Policies (continued)

Basis of Accounting and Presentation

The Organization's consolidated financial statements are prepared on the accrual basis of accounting. Net assets are reported based on the presence or absence of donor-imposed restrictions as follows:

- *Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.
- *Net Assets With Donor Restrictions* – Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Cash Equivalents

The Organization considers as cash equivalents all highly liquid investments, which can be converted into known amounts of cash and have a maturity period of 90 days or less at the time of purchase.

Grants and Contributions Receivable

Grants and contributions receivable represent unconditional amounts committed to the Organization. All grants and contributions receivable are reflected at either net realizable value or at net present value based on projected cash flows. Grants and contributions receivable due in more than one year are discounted to present value based on management's estimate of the risk adjusted rate of return, which was 4.23% and 4.41% at December 31, 2023 and 2022, respectively. Management determines the allowance for doubtful accounts based upon review of outstanding receivables, historical collection information, and existing economic conditions. No allowance for uncollectible grants and contributions receivable has been established at both December 31, 2023 and 2022, as all amounts are deemed fully collectible.

International Rivers Network and Affiliates

Notes to Consolidated Financial Statements
December 31, 2023 and 2022

2. Summary of Significant Accounting Policies (continued)

Property and Equipment

Property and equipment acquisitions with a cost in excess of \$2,500 and a projected useful life exceeding one year are capitalized and recorded at cost. Depreciation and amortization is computed using the straight-line method over the estimated useful lives of the individual assets, which range from three to five years. Repairs and maintenance costs are expensed as incurred.

Operating Leases

The Organization determines if an arrangement is a lease at inception. Operating lease is included in the right-of-use (“ROU”) assets, which represent the Organization’s right to use an underlying asset for the lease terms, and lease liabilities represent the Organization’s obligation to make lease payments arising from the lease. Operating ROU lease assets and liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. As the Organization’s lease does not provide an implicit rate, the Organization used a risk-free rate based on the information available at the commencement date in determining the present value of lease payments.

The ROU assets also include any lease payments made and exclude lease incentives. The Organization’s lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. Lease expense for lease payments is recognized in a straight-line basis over the lease term.

Revenue Recognition

Revenue Accounted for in Accordance with Contribution Accounting

Grants and contributions that are nonreciprocal are recognized as revenue when cash, securities, or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. The Organization reports gifts of cash and other assets as restricted support if they are received or promised with donor stipulations that limit the use of the donated funds to one of the Organization’s programs or to a future year. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions.

International Rivers Network and Affiliates

Notes to Consolidated Financial Statements
December 31, 2023 and 2022

2. Summary of Significant Accounting Policies (continued)

Revenue Recognition (continued)

Revenue Accounted for in Accordance with Contribution Accounting (continued)

The Organization receives certain promises to give, collected over multiple accounting periods, and classifies the portion receivable in future accounting periods as restricted revenue. The Organization discounts the promises to give using an appropriate discount rate over the contribution period, if material.

Conditional grants contain a donor-imposed condition that represents a barrier that must be overcome before the Organization is entitled to the assets transferred or promised. Failure to overcome the barrier gives the donor a right of return of the assets it has transferred, or gives the promisor a right of release from its obligation to transfer its assets. Conditional grants are recognized as revenue, either with or without donor restrictions, when donor-imposed conditions are substantially met and any barriers are overcome. Donor restrictions are also satisfied when qualifying expenditures are incurred for the donor-specified program.

In-Kind Contributions

The value of contributions that enhance a nonfinancial asset, which are considered specialized and can be estimated, and would have been purchased if not donated, are reflected in the accompanying consolidated statements of activities as in-kind contributions. In-kind contributions consist primarily of legal services and other professional services that benefit both program and supporting services. In-kind contributions are recognized as revenue and expense in the accompanying statements of activities at their estimated fair value, as provided by the donor, at the date of receipt, or calculated fair value of use of property in the period the property is used.

Foreign Currency Transactions and Translations

The Organization conducts a portion of its operations internally, and accordingly, transacts in the local currency of these countries. Additionally, certain assets and liabilities of the Organization are held in local currencies of various countries, and translated at the month-end and year-end exchange rates for purposes of consolidation. Gains and losses from foreign currency transactions and translations for the year are included net in expenses in the accompanying consolidated statements of activities and functional expenses, as they relate to the Organization's operations.

International Rivers Network and Affiliates

Notes to Consolidated Financial Statements
December 31, 2023 and 2022

2. Summary of Significant Accounting Policies (continued)

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the consolidated statements of activities. The consolidated statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Advertising and Promotion Expenses

Advertising and promotion costs are expensed as incurred and totaled \$1,921 and \$17 for the years ended December 31, 2023 and 2022, respectively.

Reclassifications

Certain amounts in the 2022 consolidated financial statements have been reclassified to conform to the 2023 presentation. These reclassifications have no effect on the change in net assets previously reported.

Subsequent Events

In preparing these consolidated financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through May 7, 2024, the date the consolidated financial statements were available to be issued.

3. Liquidity and Availability

The Organization strives to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Management periodically reviews the Organization's liquid asset needs and adjusts the cash and cash equivalent balances as necessary. Additionally, the Organization considers net assets with donor restrictions for use in current programs that are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures.

International Rivers Network and Affiliates

Notes to Consolidated Financial Statements
December 31, 2023 and 2022

3. Liquidity and Availability (continued)

Financial assets that are available for general expenditures within one year of the consolidated statements of financial position date comprise the following at December 31:

	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 1,276,363	\$ 1,178,286
Grants and contributions receivable, due in less than one year	<u>1,179,782</u>	<u>674,864</u>
Total available for general expenditures	<u>\$ 2,456,145</u>	<u>\$ 1,853,150</u>

4. Concentrations of Risk

Credit Risk

Financial instruments that potentially subject the Organization to significant concentrations of credit risk consist of cash and cash equivalents. The Organization maintains cash deposit and transaction accounts with various financial institutions and these values, from time to time, exceed insurable limits under the Federal Deposit Insurance Corporation (FDIC). The Organization has not experienced any credit losses on its cash and cash equivalents to date as it relates to FDIC insurance limits. Management periodically assesses the financial condition of these financial institutions and believes that the risk of any credit loss is minimal.

As of December 31, 2023 and 2022, the Organization maintained \$63,940 and \$42,793, respectively, of cash on hand in foreign financial institutions. The majority of funds held in foreign financial institutions outside the United States are uninsured.

Revenue Risk

During the years ended December 31, 2023 and 2022, a substantial portion of the Organization's revenue was generated from four and two sources, respectively. The donations totaled 84% and 58% of the Organization's total revenue and support for the years ended December 31, 2023 and 2022, respectively. A potential reduction or change in funding from these sources in the future could significantly impact the Organization's ability to carry out its program activities.

International Rivers Network and Affiliates

Notes to Consolidated Financial Statements
December 31, 2023 and 2022

5. Grants and Contributions Receivable

Grants and contributions receivable are promised as follows at December 31:

	<u>2023</u>	<u>2022</u>
Receivable in less than one year	\$ 1,179,782	\$ 674,864
Receivable in one to five years	<u>291,500</u>	<u>603,814</u>
Total grants and contributions receivable	1,471,282	1,278,678
Less: present value discount	<u>(15,142)</u>	<u>(25,503)</u>
Grants and contributions receivable, net	<u>\$ 1,456,140</u>	<u>\$ 1,253,175</u>

6. Net Assets With Donor Restrictions

Net assets with donor restrictions were restricted for the following purposes at December 31:

	<u>2023</u>	<u>2022</u>
Purpose restricted:		
Africa programs	\$ 607,402	\$ 38,380
China programs	462,476	106,665
Southeast Asia programs	440,503	967,871
Latin America programs	86,985	67,427
South Asia programs	62,510	36,252
Grants to others	-	10,000
Time restricted	<u>498,913</u>	<u>669,564</u>
Total net assets with donor restrictions	<u>\$ 2,158,789</u>	<u>\$ 1,896,159</u>

7. Commitments and Contingencies

Membership Agreement

The Organization maintains a month-to-month membership agreement for shared office space for its headquarters in the United States, located in Oakland, California. Expenses for shared office space under the membership agreement varies depending on the number of offices used.

International Rivers Network and Affiliates

Notes to Consolidated Financial Statements
December 31, 2023 and 2022

7. Commitments and Contingencies (continued)

Operating Leases

The Organization leases office space under an operating lease arrangement for its international operations in Thailand. This operating lease commenced on November 1, 2021 and is scheduled to expire on October 31, 2024. The lease requires fixed monthly payments over the term of the lease.

The Organization also leases office space under a short-term operating lease arrangement for its international operations in South Africa. The operating lease agreement requires fixed monthly payments over the terms of the leases, and expires in March 2025.

Supplemental qualitative information related to the operating lease is as follows at and for the year ended December 31:

	2023	2022
Operating lease cost (lease expense)	\$ 14,400	\$ 14,400
Cash paid for amounts included in the measurement of lease liabilities – operating cash flows	\$ 14,400	\$ 14,400
Right of use assets obtained in exchange for lease obligations	\$ 11,943	\$ 26,139
Weighted-average remaining lease term (in years)	0.83	1.80
Weighted-average discount rate	1.04%	1.04%

Maturities of the lease liability under the Organization's operating lease are as follows for the year ending December 31:

2024	\$ 12,000
Less: discount to present value at 1.04%	(57)
Present value of operating lease liability	\$ 11,943

International Rivers Network and Affiliates

Notes to Consolidated Financial Statements
December 31, 2023 and 2022

7. Commitments and Contingencies (continued)

Foreign Operations

As described in Notes 1 and 2, in connection with its worldwide programmatic activities, the Organization operates in various countries outside the United States, including Brazil, India, South Africa, and Thailand. Foreign operations are subject to risks inherent in operating under different legal systems and various political and economic environments. Among the risks are changes in existing tax laws, possible limitations on foreign investment and income repatriation, government price or foreign exchange controls, and restrictions on currency exchange.

8. Allocation of Expenses from Management and General Activities

The consolidated financial statements report categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Where feasible, the Organization allocates its expenses directly to specific functions. The expenses that are allocated indirectly include salaries, employee benefits, and payroll taxes, which are allocated on the basis of estimates of time and effort. Additionally, other expenses are allocated based on an overhead allocation calculated by the percentage of staff time spent on each function.

9. Retirement Plan

The Organization maintains a 403(b) plan, which covers substantially all employees meeting certain age and service requirements. Participants may contribute a portion of their annual compensation, subject to limitations established by the Internal Revenue Service. The Organization does not provide employer contributions to the plan.

10. Income Taxes

IRN is exempt from payment of taxes on income other than net unrelated business income under Section 501(c)(3) of the Internal Revenue Code (IRC). For the years ended December 31, 2023 and 2022, there was no unrelated business income and, accordingly, no federal or state income taxes have been recorded.

FIR is qualified as a tax-exempt organization under IRC Section 501(c)(3), and is exempt from payment of taxes on income other than net unrelated business income. For the years ended December 31, 2023 and 2022, there was no unrelated business income and, accordingly, no federal or state income taxes have been recorded.

International Rivers Network and Affiliates

Notes to Consolidated Financial Statements
December 31, 2023 and 2022

10. Income Taxes (continued)

YTRW CA is a disregarded entity for income tax reporting purposes and, its income or loss is reported on the tax return of IRN. YTRW CA is subject to a minimum franchise tax for the State of California.

Management considers whether any material tax positions have taken are more likely than not to be sustained upon examination by the applicable taxing authority. Management believes that any tax positions taken are supported by substantial authority, and, hence, do not need to be measured or disclosed in the accompanying consolidated financial statements. Management has evaluated the Organization's tax positions and concluded that the Organization's consolidated financial statements do not include any uncertain tax positions.