

**AMAZON CONSERVATION TEAM**

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Financial Statements

December 31, 2005 and 2004

# AMAZON CONSERVATION TEAM

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INDEPENDENT AUDITORS' REPORT

Board of Directors  
Amazon Conservation Team  
Arlington, Virginia

We have audited the accompanying statement of financial position of the Amazon Conservation Team (a non-profit organization) as of December 31, 2005 and 2004 the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

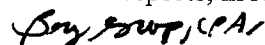
We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We did not audit Instituto de Etnobiologia, the Colombian Operation, and Amazon Conservation Team - ACT Brazil, the Brazilian Operation. These operations were audited by other accountants, whose audit reports expressed unqualified opinions.

In our opinion, based on our audits and the report of other auditors, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Amazon Conservation Team as of December 31, 2005 and 2004, and its activities and changes in net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 5, 2006 on our consideration of Amazon Conservation Team's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audits.

The accompanying Schedule of Expenditures of Federal Awards and other supplementary information is presented for purposes of additional analysis as required by U. S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

  
Alexandria, Virginia  
May 5, 2006

**AMAZON CONSERVATION TEAM**

Statement of Financial Position

As of December 31, 2005

(With Summarized Information for 2004)

	2005			2004
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>	
<b>ASSETS</b>				
Current assets				
Cash and equivalents	\$ 349,838	\$ 988,201	\$ 1,338,039	\$ 786,140
Grants and accounts receivable	105,809	1,063,966	1,169,775	240,504
Prepaid expenses	9,637	-	9,637	9,182
Total current assets	<u>465,284</u>	<u>2,052,167</u>	<u>2,517,451</u>	<u>1,035,826</u>
Property and equipment				
Office equipment & furniture	62,112	-	62,112	62,112
Less: accumulated depreciation	(43,773)	-	(43,773)	(34,372)
	<u>18,339</u>	<u>-</u>	<u>18,339</u>	<u>27,740</u>
Other assets				
Field operating advances	-	209,770	209,770	-
Security deposit and others	3,917	-	3,917	5,119
Total other assets	<u>3,917</u>	<u>209,770</u>	<u>213,687</u>	<u>5,119</u>
<b>TOTAL ASSETS</b>	<u>\$ 487,540</u>	<u>\$ 2,261,937</u>	<u>\$ 2,749,477</u>	<u>\$1,068,685</u>
<b>LIABILITIES</b>				
Current Liabilities				
Accounts payable	\$ 13,394	\$ -	\$ 13,394	\$ 11,957
Accrued wages	-	-	-	43,130
Other accrued expenses	543	-	543	10,757
Refundable advance	38,669	-	38,669	-
Total current liabilities	<u>52,606</u>	<u>-</u>	<u>52,606</u>	<u>65,844</u>
Total liabilities	<u>52,606</u>	<u>-</u>	<u>52,606</u>	<u>65,844</u>
<b>NET ASSETS</b>				
Net assets	<u>434,934</u>	<u>2,261,937</u>	<u>2,696,871</u>	<u>1,002,841</u>
Total net assets	<u>434,934</u>	<u>2,261,937</u>	<u>2,696,871</u>	<u>1,002,841</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 487,540</u>	<u>\$ 2,261,937</u>	<u>\$ 2,749,477</u>	<u>\$1,068,685</u>

See accompanying notes to financial statements.

## AMAZON CONSERVATION TEAM

Statement of Activities and Changes in Net Assets  
 Year Ended December 31, 2005  
 (With Summarized Information for 2004)

	2005			2004
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>	<u>Total</u>
<b>REVENUE</b>				
Grants	\$ 190,000	\$ 2,738,213	\$ 2,928,213	\$1,177,675
Grants-government	1,163,594	-	1,163,594	661,742
Contributions	658,808	98,185	756,993	793,930
Investment income	8,912	-	8,912	3,654
Other income	3,258	-	3,258	33,114
Net assets released from restrictions:				
Satisfaction of program and time restrictions	1,345,301	(1,345,301)	-	-
Total revenue	<u>3,369,873</u>	<u>1,491,097</u>	<u>4,860,970</u>	<u>2,670,115</u>
<b>EXPENSES</b>				
Program expenses:				
Biodiversity	1,283,065	-	1,283,065	843,104
Health	523,699	-	523,699	715,357
Culture	811,734	-	811,734	996,393
Total Program	<u>2,618,498</u>	<u>-</u>	<u>2,618,498</u>	<u>2,554,854</u>
Support expenses:				
General and administrative	485,804	-	485,804	410,850
Fundraising	62,638	-	62,638	85,803
Total support	<u>548,442</u>	<u>-</u>	<u>548,442</u>	<u>496,653</u>
Total expenses	<u>3,166,940</u>	<u>-</u>	<u>3,166,940</u>	<u>3,051,507</u>
Change in net assets	202,933	1,491,097	1,694,030	(381,392)
<b>NET ASSETS, BEGINNING</b>	<u>232,001</u>	<u>770,840</u>	<u>1,002,841</u>	<u>1,384,233</u>
<b>NET ASSETS, ENDING</b>	<u>\$ 434,934</u>	<u>\$ 2,261,937</u>	<u>\$ 2,696,871</u>	<u>\$1,002,841</u>

See accompanying notes to financial statements.

**AMAZON CONSERVATION TEAM**

Statement of Functional Expenses  
 Year Ended December 31, 2005  
 (With Summarized Information for 2004)

	2005					2004	
	Biodiversity	Health	Culture	Program	General & Administrative	Fundraising	Total
Salaries and wages	\$ 57,931	\$ 23,646	\$ 36,650	\$ 118,227	\$ 206,053	\$ 13,512	\$ 337,792
Payroll taxes and benefits	11,703	4,776	7,404	23,883	29,913	995	54,791
Field operations and supplies	1,183,256	482,962	748,591	2,414,809	8,256	-	2,423,065
Contract labor	8,571	3,498	5,422	17,491	79,072	26,615	123,178
Travel	15,307	6,248	9,684	31,239	22,722	5,220	59,181
Rent	-	-	-	-	47,747	-	47,747
Meeting and conference	338	138	213	689	27,107	-	27,796
Printing, reproduction, translation	111	45	70	226	1,858	14,799	16,883
Telephone and internet	5,028	2,052	3,181	10,261	4,728	544	15,533
Office expense and supplies	197	80	125	402	10,982	8	11,392
Accounting	-	-	-	-	9,977	-	9,977
Insurance	-	-	-	-	9,653	-	9,653
Depreciation	-	-	-	-	9,401	-	9,401
Bank charges	150	61	95	306	6,238	-	6,544
Miscellaneous	-	-	-	-	4,048	-	4,048
Postage and delivery	377	154	239	770	2,494	620	3,884
Equipment rental and maintenance	33	13	21	67	1,921	-	1,988
Educational materials/publications	56	23	35	114	1,311	-	1,425
Licenses and permits	7	3	4	14	893	325	1,232
Dues and subscriptions	-	-	-	-	1,005	-	1,005
Training	-	-	-	-	425	-	425
<b>TOTAL EXPENSES</b>	<b>\$ 1,283,065</b>	<b>\$ 523,699</b>	<b>\$ 811,734</b>	<b>\$ 2,618,498</b>	<b>\$ 485,804</b>	<b>\$ 62,638</b>	<b>\$ 3,166,940</b>
							<b>\$ 3,051,507</b>

See accompanying notes to financial statements.



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## AMAZON CONSERVATION TEAM

Statements of Cash Flows  
Years Ended December 31,

	2005	2004
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 1,694,030	\$ (381,392)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Depreciation	9,401	9,652
Loss on asset disposal	-	2,940
Changes in assets:		
(Increase) decrease in:		
Grants and accounts receivable	(929,271)	229,024
Prepaid expenses	(455)	28,339
Other assets	(208,568)	(1,086)
Changes in liabilities:		
Increase (decrease) in:		
Accounts payable	1,437	(4,191)
Accrued expenses	(43,130)	44,500
Other accrued expenses	(10,214)	-
Refundable advance	38,669	-
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>	<b>551,899</b>	<b>(72,214)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	-	(2,770)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>-</b>	<b>(2,770)</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>551,899</b>	<b>(74,984)</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<b>786,140</b>	<b>861,124</b>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b>\$ 1,338,039</b>	<b>\$ 786,140</b>

See accompanying notes to financial statements.

## AMAZON CONSERVATION TEAM

Notes to financial statements

December 31, 2005 and 2004

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### NOTE A - ORGANIZATION AND NATURE OF ACTIVITIES

#### Organization

Amazon Conservation Team (ACT) is a not-for-profit organization incorporated under the laws of Virginia in 1998. ACT's mission is to work in partnership with indigenous people to conserve biodiversity, health, and culture in tropical America. It has long been ACT's conviction that the people who best *know, use, and protect* biodiversity are the indigenous people who live in tropical forests. This is reflected in the Amazon, where the most traditional indigenous groups are found within the largest, most intact expanses of remaining forest.

ACT champions conservation strategies that combine indigenous knowledge with western science, and believes that in order to have a real impact on biodiversity conservation, projects must work closely with social, cultural, and political realities at the local and regional level. The key to ACT's success is its commitment to the implementation of conservation initiatives conceived by and with the indigenous communities with which they work. To date, ACT has partnered with over 25 indigenous groups across the Amazon Basin in Brazil, Colombia, Ecuador, Suriname and Venezuela.

### NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Basis of presentation

The financial statements of ACT are presented on the accrual basis of accounting. Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-for-Profit Organizations. Under SFAS No. 117, ACT is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. ACT has no permanently restricted net assets.

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 ACT's financial statements for the year ended December 31, 2004 from which the summarized information was derived.

#### Financial credit risk

ACT maintains its cash in bank accounts, which at times exceed federally insured limits. ACT has not experienced any losses on such accounts and believes it is not exposed to any significant credit risk on its cash balances.

**AMAZON CONSERVATION TEAM**

Notes to financial statements

December 31, 2005 and 2004

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**NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Contributions

ACT also elected to adopt SFAS No. 116, *Accounting for Contributions Received and Contributions Made* in 1994. In accordance with SFAS No. 116, contributions received are recorded as unrestricted or temporarily restricted support depending on the existence and/or nature of any donor restrictions.

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as a increase in temporarily restricted net assets, depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets. Donated materials and equipment are recorded at their fair market value.

Cash and cash equivalents

For the purposes of reporting cash flows, ACT considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Property and equipment

Property and equipment are stated at cost. Property and equipment is depreciated using the straight-line method over the useful lives of the property of between three and seven years.

Functional allocation of expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

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 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.

Income Taxes

ACT is exempt from income taxes as a non-profit organization under section 501(c)(3) of the Internal Revenue Code. ACT does not generate unrelated business income.



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**AMAZON CONSERVATION TEAM**

Notes to financial statements

December 31, 2005 and 2004

**NOTE C - CASH AND CASH EQUIVALENTS**

A summary of ACT's cash and cash equivalents is as follows:

	<u>2005</u>	<u>2004</u>
Money market	\$859,323	\$330,031
Operating account	477,798	455,191
Petty cash and other	918	918
	<u>\$1,338,039</u>	<u>\$786,140</u>

**NOTE D - GRANTS AND ACCOUNTS RECEIVABLE**

ACT had grants and accounts receivable totaling \$1,169,775 and \$240,504 at December 31, 2005 and 2004, respectively.

**NOTE E - RETIREMENT PLAN**

ACT maintains a 403(b) annuity plan in which all employees are eligible to participate. ACT contributes 1% of the participant's salary to the plan. The retirement match totaled \$2,122 and \$2,428 for the year ended December 31, 2005 and 2004, respectively.

**NOTE F - PROPERTY AND EQUIPMENT**

Property and equipment and accumulated depreciation at December 31, 2005, are as follows:

Asset Category	Estimated Lives	Cost	Accumulated Depreciation	Net
Furniture and fixtures	7 years	\$ 8,299	\$ 5,442	\$ 2,857
Office equipment	3-7 years	19,028	11,719	7,309
Computer equipment	5 years	26,978	18,805	8,173
Computer software	3 years	5,995	5,995	-
Government Assets		1,812	1,812	-
		<u>\$62,112</u>	<u>\$43,773</u>	<u>\$18,339</u>

Property and equipment and accumulated depreciation at December 31, 2004, are as follows:

Asset Category	Estimated Lives	Cost	Accumulated Depreciation	Net
Furniture and fixtures	7 years	\$ 8,299	\$ 4,461	\$ 3,838
Office equipment	3-7 years	19,028	9,069	9,959
Computer equipment	5 years	26,978	13,659	13,319
Computer software	3 years	5,995	5,371	624
Government Assets		1,812	1,812	-
		<u>\$62,112</u>	<u>\$34,372</u>	<u>\$27,740</u>



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**AMAZON CONSERVATION TEAM**Notes to financial statements  
December 31, 2005 and 2004**NOTE G - LEASE COMMITMENTS**

In May of 2001, ACT entered into a five-year office lease for its Arlington, Virginia location, which expires on June 30, 2006. Rent expense totaled \$47,747 for the years ended December 31, 2005 and 2004.

Minimum annual rental commitments at December 31, 2005 are as follows:

2006	\$24,454
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**NOTE H - OPERATING RESERVE**

As of December 31, 2005 and 2004, ACT had an operating reserve balance of \$390,000 and \$200,000, respectively.

**NOTE I - TEMPORARILY RESTRICTED SUPPORT AND REVENUE**

As of December 31, 2005 and 2004, temporarily restricted net assets were available for the following purposes:

	<u>Balance</u> <u>12/31/2004</u>	<u>Additions</u>	<u>Releases</u>	<u>Balance</u> <u>12/31/2005</u>
Suriname/Brazil Border Region Xingu Mapping, Management and Protection	\$295,973	\$1,639,835	\$412,584	<b>\$1,523,224</b>
Tatuyo Vaupes Expedition	147,100	355,535	233,013	<b>269,622</b>
Conservation corridor	20,500	-	20,500	-
Colombia miscellaneous grants	110,121	-	55,896	<b>54,225</b>
Shamans & Apprentices	12,055	138,568	33,541	<b>117,082</b>
Vaupes Tatuyo	-	9,278	9,278	-
Women's Program	9,433	20,000	29,433	-
Ecuador Health Study	50,400	69,000	41,249	<b>78,151</b>
Traditional Medicine Clinics Shamans, Apprentices and Novices	2,509	-	2,509	-
Wayana Mapping	24,639	63,375	88,014	-
Hoti Tribe	8,348	10,000	8,348	<b>10,000</b>
Training Centers	46,835	18,000	64,835	-
Brazil miscellaneous grants	42,927	-	42,927	-
Suriname miscellaneous grants	-	250,000	92,717	<b>157,283</b>
HQ miscellaneous grants	-	60,000	44,200	<b>15,800</b>
	-	15,000	15,000	-
	-	187,807	151,257	<b>36,550</b>
<b>Total</b>	<b><u>\$770,840</u></b>	<b><u>\$2,036,398</u></b>	<b><u>\$1,345,301</u></b>	<b><u>\$2,261,937</u></b>



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**AMAZON CONSERVATION TEAM**  
 Schedule of Expenditures of Federal Awards  
 Twelve Months Ended December 31, 2005

<u>Grants</u>	<u>CFDA Number</u>	<u>Pass Through</u>	<u>Grant Number</u>	<u>Federal Award</u>	<u>Grant Expended This Year</u>
<i>U.S. Agency for International Development:</i>					
Sustainable Development for Colombian Indigenous Communities	N/A	No	514-A-00-03-00201-00	\$ 1,810,512	\$ 617,295
Xingu Indigenous Park Conservation and Surveillance	N/A	No	512-A-00-04-00029-00	800,000	477,293
National Park Buffer Zones in Colombia	N/A	Yes	514-A-00-05-00306-00	<u>1,927,586</u>	<u>69,006</u>
<b>TOTAL</b>				<b><u>\$ 4,538,098</u></b>	<b><u>\$ 1,163,594</u></b>

**NOTE 1: Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

See accompanying notes to financial statements.



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Independent Auditor's Report on Compliance and on Internal Control  
Over Financial Reporting Based on an Audit of Financial Statements  
Performed in Accordance with *Government Auditing Standards*

Board of Directors  
Amazon Conservation Team  
Arlington, Virginia

We have audited the financial statements of the Amazon Conservation Team as of and for year ended December 31, 2005, and have issued our report thereon dated May 5, 2006. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

*Compliance*

As part of obtaining reasonable assurance about whether Amazon Conservation Team's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of 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 that are required to be reported under *Government Auditing Standards*.

*Internal Control Over Financial Reporting*

In planning and performing our audit, we considered Amazon Conservation Team's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of the audit committee, management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Alexandria, VA  
May 5, 2006



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Independent Auditors' Report on Compliance with Requirements  
Applicable to Each Major Program and Internal Control  
Over Compliance in Accordance with *OMB Circular A-133*

Board of Directors  
Amazon Conservation Team  
Arlington, Virginia

*Compliance*

We have audited the financial statements of the Amazon Conservation Team with the types of compliance requirements described in the U.S. *Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2005. Amazon Conservation Team's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs are the responsibility of Amazon Conservation Team's management. Our responsibility is to express an opinion on Amazon Conservation Team's compliance based on our audit.

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 Amazon Conservation Team's compliance with those requirements and performing other procedures, as we considered necessary. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Amazon Conservation Team's compliance with those requirements.

In our opinion, Amazon Conservation Team complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2005. However, the results of our auditing procedures disclosed no instances of noncompliance with those requirements, which are required to be reported in accordance with *OMB Circular A-133*.

*Internal Control over Compliance*

The management of Amazon Conservation Team is responsible for establishing and maintaining effective internal controls over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Amazon Conservation Team's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedure for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with *OMB Circular A-133*.



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Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended for the information of the audit committee, management, federal awarding agencies and pass-through entities and should not be used by anyone other than these specified parties.

*Berry Group, CPA's*

Alexandria, VA  
May 5, 2006



BERRY GROUP, P.C.  
CERTIFIED PUBLIC ACCOUNTANTS

AMAZON CONSERVATION TEAM

Schedule of Findings and Questioned Costs  
Year Ended December 31, 2005

I. Summary of Audit Results

A. Financial Statement Items

- (1) An unqualified opinion was issued.
- (2) There were no reportable conditions.
- (3) There was no material noncompliance to the financial statements.

B. Single Audit Items

- (1) There were no reportable conditions in internal control over major programs.
- (2) An unqualified opinion was issued relating to compliance for major programs.
- (3) There were no audit findings required to be reported under Section 510(a).
- (4) Major programs:

Expenditures

U.S. Agency for International Development:

Sustainable Development for Colombian Indigenous Communities	\$617,295
Xingu Indigenous Park Conservation and Surveillance	477,293

- (5) The auditee is a low-risk auditee under Section 530.

II. Findings relating to the financial statements audited in accordance with *Government Auditing Standards*

None

III. Findings and Questioned costs for Federal Awards using Section 510 (a).

None