Audits of the Financial Statements of the Inter-American Tropical Tuna Commission and the Agreement on the International Dolphin Conservation Program

For the Year Ended December 31, 2025

Daniel Hill, CPA

Lavine, Lofgren, Morris & Engelberg, LLP

About Lavine, Lofgren, Morris & Engelberg, LLP (“LLME”)

- Full-service CPA firm, founded in 1985
- Based in La Jolla, California
- Over 100 employees
- Audits and attestation, tax, and accounting services
- Independent of every attestation client

Our Audit Opinion

- Unmodified (“clean”) opinions issued
- Covers combined IATTC/AIDCP and standalone AIDCP statements
- Audited under U.S. auditing standards (GAAS) set by the AICPA
- Reasonable assurance the statements are fairly presented
- Report dated June 30, 2026

Internal Controls

- Controls support accurate reporting and fraud detection
- We obtain an understanding of the control system
- No opinion on operating effectiveness
- Significant deficiencies and material weaknesses reported to those charged with governance
  - None noted during our audits

Supplemental Information

- Combining schedules – IATTC
- Statement of National Program Funds – AIDCP
- Fairly stated in relation to the financial statements as a whole

Results of Operations

- **Major assets:** cash and cash equivalents, investments
- **Major liabilities:** accounts payable, accrued compensation, deferred revenue
- **Both entities:** revenues exceeded expenditures in 2025

Results of Operations

- **Revenue:** member contributions (IATTC), vessel assessments (AIDCP)
- **Expenditures:** personnel and observer costs
- Positive cash flows from operations
- Overall cash decrease – driven by 2025 investments

Basis of Accounting

- Each entity uses its own basis of accounting
- Policies and differences from U.S. GAAP disclosed in Note 1
- Financial statements are management’s responsibility
- We audit them with risk-based procedures

Significant Differences from U.S. GAAP

- Investments held at cost, not fair value
- Some revenue recognized when received, not when earned
- Past-due vessel assessments recorded only once a payment plan exists
- Equipment expensed when purchased, not capitalized
- Leases and pension costs recorded when due

Principles of Combination

- Presented as combined, not consolidated
- Consolidation implies ownership; combination does not
- Inter-entity transactions eliminated, but shown in standalone AIDCP statements

Other Disclosures and Schedules

- Note 2 – Liquidity; Note 3 – Credit risk concentration
- Notes 4 through 7 – Breakdowns of amounts reported elsewhere
- Note 8 – Member contributions (IATTC); vessel assessments (AIDCP)
- Note 9 – Classification of expenditures
- Combining schedules and Statement of National Program Funds