

WILDLIFE INFORMATION CENTER, INC.
(A NON PROFIT ORGANIZATION)
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2023

Draft

TABLE OF CONTENTS

Independent Auditors' Report	1-2
<u>FINANCIAL STATEMENTS</u>	
Statement of Assets, Liabilities, and Net Assets - Modified Cash Basis	3
Statement of Support, Revenue, Expenses, and Changes in Net Assets - Modified Cash Basis	4
Statement of Functional Expenses - Modified Cash Basis	5
Notes to Financial Statements	6-11

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
of Wildlife Information Center, Inc.
Slatington, Pennsylvania

Opinion

We have audited the accompanying financial statements of Wildlife Information Center, Inc. (a nonprofit organization), which comprise the statement of assets, liabilities, and net assets - modified cash basis as of December 31, 2023, the related statements of support, revenue, expenses, and changes in net assets - modified cash basis and functional expenses - modified cash basis, for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Wildlife Information Center, Inc. as of December 31, 2023, and the changes in its net assets for the year then ended in accordance with the modified cash basis of accounting as described in Note 2.

Basis for Opinion

We conducted our audit 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 Financial Statements section of our report. We are required to be independent of Wildlife Information Center, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis of Accounting

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Wildlife Information Center, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 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 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 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 Wildlife Information Center, Inc.'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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Wildlife Information Center, Inc.'s ability to continue as a going concern for a reasonable period of time.

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.

Frey & Co. CPAs, LLC

Frey & Co CPA's LLC
Walnutport, Pennsylvania
April 5, 2024

WILDLIFE INFORMATION CENTER, INC.
STATEMENT OF ASSETS, LIABILITIES, AND NET ASSETS - MODIFIED CASH BASIS
AS OF DECEMBER 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
ASSETS			
Cash and Cash Equivalents	\$ 1,386,072	\$ 232,783	\$ 1,618,855
Investments, at Fair Value	1,342,752	-	1,342,752
Property and Equipment - Net	1,580,309	-	1,580,309
TOTAL ASSETS	\$ 4,309,133	\$ 232,783	\$ 4,541,916
LIABILITIES AND NET ASSETS			
LIABILITIES			
Security Deposit Payable	\$ 1,000	\$ -	\$ 1,000
TOTAL LIABILITIES	1,000	-	1,000
NET ASSETS			
Without Donor Restrictions			
Board Designated	2,255,520	-	2,255,520
Undesignated	2,052,613	-	2,052,613
With Donor Restrictions	-	232,783	232,783
TOTAL NET ASSETS	4,308,133	232,783	4,540,916
TOTAL LIABILITIES AND NET ASSETS	\$ 4,309,133	\$ 232,783	\$ 4,541,916

The accompanying notes are an integral part of these financial statements

WILDLIFE INFORMATION CENTER, INC.
STATEMENT OF SUPPORT, REVENUE, EXPENSES,
AND CHANGES IN NET ASSETS - MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, GAINS, AND OTHER SUPPORT			
Donations	\$ 30,470	\$ 79,956	\$ 110,426
Grants from Private Sector	184,000	201,751	385,751
Employee Retention Credit	62,329	-	62,329
Investment Losses, net of investment expenses of \$12,605	(64,387)	-	(64,387)
Membership Dues	45,830	-	45,830
Program Fees	7,161	-	7,161
Product Income	7,374	-	7,374
Rebate Income	1,923	-	1,923
Rental Fees	1,175	-	1,175
Unrealized Gains on Investments	309,368	-	309,368
Net Assets Released from Restriction	276,001	(276,001)	-
Total Revenues, Gains, and Other Support	861,244	5,706	866,950
FUNCTIONAL EXPENSES			
Program Services	369,337	-	369,337
Supporting Services:			
Management & General	74,668	-	74,668
Fundraising Expenses	2,848	-	2,848
Total Expenses (See Page 5)	446,853	-	446,853
Changes in Net Assets	414,391	5,706	420,097
Net Assets - Beginning of Year	3,893,742	227,077	4,120,819
Net Assets - End of Year	\$ 4,308,133	\$ 232,783	\$ 4,540,916

The accompanying notes are an integral part of these financial statements

WILDLIFE INFORMATION CENTER, INC.
STATEMENT OF FUNCTIONAL EXPENSES - MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Program Services	Management & General	Fundraising Expenses	Total Expenses
Salaries	\$ 121,436	\$ 44,835	\$ -	\$ 166,271
Payroll Taxes	10,101	3,736	-	13,837
Employee Benefits	16,350	4,612	-	20,962
Total Salaries and Related Expense	147,887	53,183	-	201,070
Education, Research and Conversation	120,080	-	-	120,080
Depreciation Expense	42,952	1,328	-	44,280
Insurance	14,570	4,110	-	18,680
Repairs and Maintenance	13,926	733	-	14,659
Training, Travel and Conferences	12,469	-	-	12,469
Professional Fees	-	10,342	-	10,342
Printing and Copying	9,989	-	-	9,989
Software and IT	-	4,789	-	4,789
Utilities and Communications	3,369	177	-	3,546
Postage and Delivery	2,227	-	-	2,227
Supplies	-	-	2,099	2,099
Equipment Rental	1,272	-	-	1,272
Bank Charges and Merchant fees	-	6	670	676
Advertising and Marketing	-	-	79	79
Other	596	-	-	596
Total Expenses	\$ 369,337	\$ 74,668	\$ 2,848	\$ 446,853

The accompanying notes are an integral part of these financial statements

WILDLIFE INFORMATION CENTER, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1. NATURE OF BUSINESS

Wildlife Information Center, Inc. (the Center) is a not-for-profit organization that was organized to protect wildlife and the habitats of the Center's Refuge, the neighboring Kittatinny Ridge, and the Lehigh River Watershed through conservation, education, research and outdoor recreation to improve the quality of life of present and future generations.

The Center's revenues are derived primarily from private sector grants, however it does receive public and private support. It is always considered reasonably possible that contributions, grants and other sources of revenue may be lost in the near future.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting and Revenue Recognition

The accompanying financial statements of Wildlife Information Center, Inc. are prepared on the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Accordingly, revenues and the related assets are recognized when received rather than when earned and expenses are recognized when paid rather than when the obligation is incurred.

The modified cash basis of accounting differs from generally accepted accounting principles primarily because the Center has not recognized support and contribution pledge receivables and their related effects on the change in net assets. In addition, the Center has not recognized accounts payable and accrued expenses.

Cash and Cash Equivalents

Cash and cash equivalents are considered to be cash on hand, checking accounts, savings accounts, demand deposits, and money market accounts with original maturity dates of three months or less.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair market values in the statement of assets, liabilities, and net assets. Unrealized gains and losses are included in the changes in net assets. Investment income and gains (losses) restricted by a donor are reported as increases in net assets without donor restrictions if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains (losses) are recognized. Short-term investments consist of debt securities with original maturities of twelve months or less. Long-term investments consist of debt securities with original maturities greater than twelve months.

WILDLIFE INFORMATION CENTER, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash Restricted for Educational Programs

Cash and cash equivalents restricted for educational purposes has been restricted by donors and is not available for operating purposes.

Property and Equipment

The Center capitalizes property and equipment over \$2,000. Lesser amounts are expensed. Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded as contributions at its estimated fair value. Such donations are reported as contributions without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as contributions with donor restrictions. Absent donor stipulations regarding how long those donated assets must be maintained, the Center reports expirations of donor restrictions when the donated or acquired assets are placed in service. The Center reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. Depreciation of buildings, furniture and equipment is provided over the useful lives of the respective assets on a straight-line basis.

Contributed Services

No amounts have been reflected in the financial statements for donated services. The Center generally pays for services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Center but these services do not meet the criteria for recognition as contributed services. The Center receives more than 8,000 volunteer hours per year.

Contributions

Contributions received are recorded as net assets with donor restrictions or net assets without donor restrictions depending on the existence or nature of any donor restrictions.

Income Tax Status

The Center is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Center did not conduct any unrelated business activities that would be subject to unrelated business income taxes and accordingly is not required to pay any income tax on income earned in conjunction with their not for profit mission. An informational tax return is filed year (Form 990) to report the income and expenses of the exempt functions to ensure compliance with their intended mission.

WILDLIFE INFORMATION CENTER, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Advertising

Advertising is expensed as paid. Total advertising expense was \$79 for the year ended December 31, 2023.

Use of Estimates

The preparation of financial statements in conformity with the modified cash basis of accounting requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenues and expenses during the reporting period. Actual results could materially differ from those estimates.

NOTE 3. RESTRICTIONS ON NET ASSETS

Net Assets Without Donor Restrictions - Not subject to donor-imposed stipulations. Unrestricted assets may be designated for specific purposes by the Center.

Net Assets With Board Designated Restrictions - The board has established a policy to invest large unrestricted contributions into investment accounts to reserve for future capital improvements.

Net Assets with Donor Restrictions - Subject to donor-imposed stipulations that may be fulfilled by the actions of the Center to meet the stipulations or become unrestricted at the date specified by the donor. \$232,783 of net assets was restricted at December 31, 2023.

NOTE 4. CUSTODIAL CREDIT RISK

The Center has the following bank balances as of December 31, 2023.

FDIC Classification:

Insured	\$ 1,327,864
Uninsured	<u>290,943</u>
Total Bank Balances	<u>\$ 1,618,807</u>

Custodial credit risk is the risk that in the event of a bank failure, the Center's deposits may not be returned to it. As of December 31, 2023, the Center's bank balances of \$290,943 were exposed to custodial credit risk.

WILDLIFE INFORMATION CENTER, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 5. FAIR VALUE MEASUREMENTS OF INVESTMENTS

ASC 820-10 clarifies the definition of fair value for financial reporting and establishes a three-tier hierarchy as a framework for measuring fair value. Fair value is the price to sell an asset or transfer a liability between market participants as of the measurement date. The three levels of the fair value hierarchy under this standard are as follows:

- Level 1 - Inputs are quoted prices in active markets for identical instruments.
- Level 2 - Inputs are observable inputs other than Level 1 inputs. Level 2 inputs include quoted prices in active markets for similar instruments, quoted prices in less active or inactive markets for identical or similar instruments and model-derived valuations in which all significant inputs are observable in active markets or can be derived from or corroborated with observable market data.
- Level 3 - Inputs are unobservable inputs for which little or no market data exists. Level 3 inputs require an entity to develop its own assumptions, such as valuations derived from techniques in which one or more significant value drivers are unobservable. Examples include broker/dealer quotes utilizing matrix pricing and discounted cash flows incorporating credit spread and yield.

ASC 820-10 requires the Center to give the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3) when measuring fair value. Financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the valuation of assets and liabilities and their placement within the fair value hierarchy levels.

The following is a listing of assets required to be measured at fair value and where they are classified within the hierarchy as of December 31, 2023:

	Level 1	Level 2	Level 3	Total
Equity Securities	\$ 1,333,232	-	-	\$ 1,333,232
Corporate Bonds	9,520	-	-	9,520
Total	<u>\$ 1,342,752</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,342,752</u>

WILDLIFE INFORMATION CENTER, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 6. PROPERTY AND EQUIPMENT

Components of property and equipment are summarized below at December 31, 2023:

Asset Type	Depreciable Lives	Cost	Accumulated Depreciation	Net
Buildings	39	\$ 1,437,520	\$ 544,573	\$ 892,947
Building Improvements	15-39	321,645	228,235	93,410
Equipment / Vehicles	3-10	118,382	116,743	1,639
Signage	7-15	48,266	26,348	21,918
Furniture and Fixtures	3-10	43,096	42,686	410
Land Improvements	10-20	95,362	93,471	1,891
Land		568,094	-	568,094
		<u>\$ 2,632,365</u>	<u>\$ 1,052,056</u>	<u>\$ 1,580,309</u>

In the current year certain fixed assets have been reclassified from the prior year to conform to the current year's presentation.

Depreciation expense for the year ended December 31, 2023 was \$44,280.

NOTE 7. SIGNIFICANT GRANT FROM PRIVATE SECTOR

During 2023 the Center received several restricted grants from the National Wildlife Federation totaling \$144,732 and one unrestricted grant from an anonymous donor totaling \$125,000 which is approximately 70% of total grant revenue. During 2023 the Center expended \$116,460 for educational purposes funded with the National Wildlife Federation grant from prior years and \$42,473 was spent from the 2023 grants, which accordingly decreased the net assets for the 2023 reporting period. As of December 31, 2023, the National Wildlife Federation Grants have a remaining balance of \$121,762 to be used to fund future educational expenses.

NOTE 8. EMPLOYEE RETENTION CREDIT

The Employee Retention Credit (ERC) was a refundable tax credit under the CARES Act, designed to encourage organizations to keep employees on their payroll during the COVID-19 pandemic. Eligible employers who experienced a full or partial suspension of their operations due to COVID-19-related government orders, or who had a significant decline in gross receipts, could claim the credit against employment taxes equal to a portion of the qualified wages they paid to employees.

The Internal Revenue Service (IRS) generally has a three-year statute of limitations to audit tax returns, which includes examining claims for the Employee Retention Credit (ERC). This means the IRS can audit a return and assess additional taxes or request additional documentation for the ERC within three years after the date the return was filed or the due date of the return, whichever

WILDLIFE INFORMATION CENTER, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 8. EMPLOYEE RETENTION CREDIT (CONTINUED)

is later. If you claimed the ERC by filing an amended payroll tax return, the three-year period would start from the date the amended return was filed.

NOTE 9. FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various programs and other activities have been disclosed on a functional basis. Accordingly, certain costs have been allocated among program services and support services. Salaries and related expenses were allocated based on time spent working on a particular function. Depreciation expense was allocated based on use of equipment and square footage of buildings. Repairs and maintenance, insurance, utilities and communications were allocated based on square footage of the office space at the headquarters. Bank charges and merchant fees were allocated based on the source of the charge.

NOTE 10. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Center's financial assets as of the date of the statement of assets, liabilities, and net assets. This value has been reduced by the amounts not available for general use due to contractual or donor-imposed restrictions totaling \$232,783 to be used for educational purposes. This amount also does not include the investments and investment cash totaling \$2,255,520 since these funds have been designated by the board as an endowment with annual withdraws of related income. The board has a policy that outlines the terms of an emergency under which these endowment funds can be accessed with board approval. Otherwise, these funds remain invested. The financial assets available to meet cash needs for general expenditure in the year ending December 31, 2024 is \$473,304.

NOTE 11. SUBSEQUENT EVENTS

Subsequent events were evaluated through April 5, 2024, which is the date that the financial statements were made available to be issued.

There are no subsequent events that require adjustment or disclosure in the financial statements.