

WILDLIFE INFORMATION CENTER, INC.  
(A NON PROFIT ORGANIZATION)  
AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
DECEMBER 31, 2019

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FINANCIAL STATEMENTS

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## INDEPENDENT AUDITORS' REPORT

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

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, 2019, 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.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting as described in Note 2. This includes determining that the modified cash basis of accounting is an acceptable basis for the presentation of the financial statements in the circumstances. Management is also responsible 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.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and net assets of Wildlife Information Center, Inc. as of December 31, 2019, and support, revenue, expenses, and changes in net assets and functional expenses for the related year then ended in accordance with the modified cash basis of accounting as described in Note 2.

### **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.

*Frey & Co. CPAs, LLC*

Frey & Co. CPAs, LLC  
Walnutport, Pennsylvania  
January 31, 2020



WILDLIFE INFORMATION CENTER, INC.  
STATEMENT OF ASSETS, LIABILITIES, AND NET ASSETS - MODIFIED CASH BASIS  
AS OF DECEMBER 31, 2019

	Without Donor <u>Restrictions</u>	With Donor <u>Restrictions</u>	<u>Total</u>
ASSETS			
Cash and Cash Equivalents	\$ 326,235	\$ 244,116	\$ 570,351
Investments, at Fair Market Value	1,676,218	-	1,676,218
Property and Equipment - Net	<u>1,736,463</u>	<u>-</u>	<u>1,736,463</u>
 TOTAL ASSETS	 <u>\$ 3,738,916</u>	 <u>\$ 244,116</u>	 <u>\$ 3,983,032</u>
LIABILITIES AND NET ASSETS			
LIABILITIES			
Payroll Liabilities	\$ 399	\$ -	\$ 399
Security Deposit Payable	<u>1,000</u>	<u>-</u>	<u>1,000</u>
 TOTAL LIABILITIES	 <u>1,399</u>	 <u>-</u>	 <u>1,399</u>
NET ASSETS			
Without Donor Restrictions			
Board Designated	1,676,218	-	1,676,218
Undesignated	2,061,299	-	2,061,299
With Donor Restrictions	<u>-</u>	<u>244,116</u>	<u>244,116</u>
 TOTAL NET ASSETS	 <u>3,737,517</u>	 <u>244,116</u>	 <u>3,981,633</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 3,738,916</u>	 <u>\$ 244,116</u>	 <u>\$ 3,983,032</u>

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, 2019

	Without Donor <u>Restrictions</u>	With Donor <u>Restrictions</u>	<u>Total</u>
REVENUES, GAINS, AND OTHER SUPPORT			
Grants from Private Sector	\$ 34,793	\$ 273,521	\$ 308,314
Investment Income, net of investment expenses of \$13,192	28,071	-	28,071
Donations	64,388	27,157	91,545
Membership Dues	47,933		47,933
Program Fees	22,774	-	22,774
Rebate Income	3,584	-	3,584
Product Income	5,504	-	5,504
Rental Fee Income	596	-	596
Unrealized Gain on Investments	243,706	-	243,706
Net Assets Released from Restriction	285,807	(285,807)	-
Total Revenues, Gains, and Other Support	<u>737,156</u>	<u>14,871</u>	<u>752,027</u>
EXPENSES			
Program Services	428,209	-	428,209
Supporting Services:			
Management & General	25,090	-	25,090
Fundraising Expenses	1,366	-	1,366
Total Expenses (See Page 5)	<u>454,665</u>	<u>-</u>	<u>454,665</u>
Changes in Net Assets	<u>282,491</u>	<u>14,871</u>	<u>297,362</u>
Net Assets - Beginning of Year	<u>3,455,026</u>	<u>229,245</u>	<u>3,684,271</u>
Net Assets - End of Year	<u>\$ 3,737,517</u>	<u>\$ 244,116</u>	<u>\$ 3,981,633</u>

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, 2019

	Program Services	Management & General	Fundraising Expenses	Total Expenses
Salaries	\$ 112,679	\$ 8,100	\$ -	\$ 120,779
Employee Benefits	20,980	1,579	-	22,559
Payroll Taxes	10,179	766	-	10,945
Total Salaries and Related Expense	143,838	10,445	-	154,283
Education	184,160	-	-	184,160
Depreciation Expense	46,848	1,449	-	48,297
Insurance	15,060	-	-	15,060
Repairs/Maintenance	13,923	-	-	13,923
Printing and Copying	9,361	-	-	9,361
Professional Fees	-	8,659	-	8,659
Training, Travel and Conferences	6,336	-	-	6,336
Software and IT	-	3,878	-	3,878
Other	3,379	-	-	3,379
Utilities	1,998	105	-	2,103
Supplies	157	-	1,235	1,392
Postage and Delivery	1,570	-	-	1,570
Communications	880	46	-	926
Advertising/Marketing	-	-	131	131
Equipment Rental	410	-	-	410
Bank Charges	-	508	-	508
Library	289	-	-	289
Total Expenses	<u>\$ 428,209</u>	<u>\$ 25,090</u>	<u>\$ 1,366</u>	<u>\$ 454,665</u>

The accompanying notes are an integral part of these financial statements



WILDLIFE INFORMATION CENTER, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2019

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, 2019

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, 2019

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

NOTE 4. CUSTODIAL CREDIT RISK

The Center has the following bank deposits which are carried at cost as of December 31, 2019.

FDIC Classification:

Insured	\$381,114
Uninsured	<u>206,047</u>
Total Bank Balances	<u>\$587,161</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, 2019, the Center's bank balances of \$206,047 were exposed to custodial credit risk.

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:



WILDLIFE INFORMATION CENTER, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2019

NOTE 5. FAIR VALUE MEASUREMENTS OF INVESTMENTS (CONTINUED)

- 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, 2019:

	Level 1	Level 2	Level 3	Total
Equity Securities	\$1,046,132	\$ -	\$ -	\$ 1,046,132
U.S Government Securities	248,860	-	-	\$248,860
Corporate Bonds	274,966	-	-	\$274,966
Municipal Bonds	78,698	-	-	\$78,698
Mutual Funds	27,562	-	-	\$27,562
Total	<u>\$1,676,218</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$1,676,218</u>



WILDLIFE INFORMATION CENTER, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2019

NOTE 6. PROPERTY AND EQUIPMENT

Components of property and equipment are summarized below at December 31, 2019:

Asset Type	Depreciable Lives	Cost	Accumulated Depreciation	Net
Buildings	39	\$ 1,357,184	\$ 388,087	\$ 969,097
Building Improvements	15-25	422,486	238,470	184,016
Equipment / Vehicles	5	132,026	127,018	5,008
Furniture	7	29,452	27,407	2,045
Land Improvements	10-20	101,113	92,910	8,203
Land		568,094	-	568,094
		<u>\$ 2,610,355</u>	<u>\$ 873,891</u>	<u>\$ 1,736,463</u>

Depreciation expense for the year ended December 31, 2019 was \$48,297.

NOTE 7. SIGNIFICANT GRANT FROM PRIVATE SECTOR

During 2017 the Center received a grant from the William Penn Foundation for \$622,500. This amount was recorded as grant revenue during 2017 with an amount of \$428,467 for restricted educational purposes. During 2019 the Center expended \$144,059 for educational purposes funded with this grant, which accordingly decreased the net assets for the 2019 reporting period. As of December 31, 2019; the William Penn Foundation Grant has a remaining balance of \$68,329 to be used to fund future educational expenses. In addition a new grant was received from the William Penn Foundation during 2019. At December 31, 2019 the balance available under this grant to be used for future educational expenses was \$126,957.

NOTE 8. 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 was allocated based on use of equipment and square footage of buildings. Utilities and telephone were allocated based on office space at the headquarters. Supplies were allocated based on use.

NOTE 9. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Center's financial assets as of the date of statement of assets, liabilities, and net assets. This value has been reduced by the amounts not available for general

WILDLIFE INFORMATION CENTER, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2019

NOTE 9. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS (CONTINUED)

use due to contractual or donor-imposed restrictions totaling \$244,116 to be used for educational purposes. This amount also does not include the investments totaling \$1,676,218 since these funds have been designated by the board as an endowment with annual withdrawals 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, 2019 is \$326,235.

As part of the Organization's liquidity management, it invests in certificate of deposits when cash is in excess of certain time frame requirements as seen fit by management to transfer the funds from operating accounts to these certificate of deposits.

NOTE 10. SUBSEQUENT EVENTS

As of January 31, 2020, the date the financials are available, no event has taken place by the Center that will affect any aspect of the financial statements or notes to the financial statements as of and for the year ended December 31, 2019.