

FLORIDA WILDLIFE FEDERATION, INC.

FINANCIAL STATEMENTS



For the Years Ended September 30, 2021 and 2020

CARROLL and COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

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CARROLL and COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Florida Wildlife Federation, Inc.
Tallahassee, Florida

We have audited the accompanying financial statements of Florida Wildlife Federation, Inc. (a nonprofit corporation) which comprise the statements of financial position as of September 30, 2021 and 2020, and the related statements of activities, functional expenses and cash flows for the years 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 accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

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

To the Board of Directors
Florida Wildlife Federation, Inc.
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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 financial position of Florida Wildlife Federation, Inc. as of September 30, 2021 and 2020, 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.

Carroll and Company

March 8, 2022

FLORIDA WILDLIFE FEDERATION, INC.
STATEMENTS OF FINANCIAL POSITION
September 30, 2021 and 2020

ASSETS

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 806,512	\$ 578,795
Cash and cash equivalents restricted under grants	225,993	203,960
Investments	244,765	-0-
Accounts receivable	16,225	15,732
Inventory	518	4,703
Prepaid expenses – sweepstakes	34,635	35,968
Prepaid expenses – other	13,890	22,903
Unconditional promises to give	36,554	36,496
Beneficial interest in assets held by others	8,513	7,229
Investments restricted under grants	414,848	328,048
Cash and cash equivalents designated for endowment purposes	3,187	13,531
Investments designated for endowment purposes	201,171	155,896
Property and equipment, net	<u>132,315</u>	<u>133,532</u>
TOTAL ASSETS	<u>\$ 2,139,126</u>	<u>\$ 1,536,793</u>

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable and accrued expenses	\$ 41,126	\$ 9,170
Due to beneficiaries under agency transactions	165,849	74,406
Deferred revenue – sweepstakes	76,261	91,019
Paycheck Protection Program loan	-0-	67,875
Capital lease obligation	<u>4,676</u>	<u>7,720</u>
TOTAL LIABILITIES	<u>287,912</u>	<u>250,190</u>

NET ASSETS

Net assets without donor restrictions		
Board designated	204,358	169,427
Undesignated	<u>960,948</u>	<u>541,443</u>
	1,165,306	710,870
Net assets with donor restrictions		
Time or purpose restriction	<u>685,908</u>	<u>575,733</u>
TOTAL NET ASSETS	<u>1,851,214</u>	<u>1,286,603</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 2,139,126</u>	<u>\$ 1,536,793</u>

See accompanying notes.

FLORIDA WILDLIFE FEDERATION, INC.
STATEMENTS OF ACTIVITIES
For the Years Ended September 30, 2021 and 2020

2021

	<u>Without Donor</u> <u>Restrictions</u>	<u>With Donor</u> <u>Restrictions</u>	<u>Total</u>
SUPPORT AND REVENUE			
Grants and contributions	\$ 1,012,671	\$ 187,788	\$ 1,200,459
Sweepstakes revenue	131,343	-0-	131,343
Investment return	43,885	49,776	93,661
In-kind contributions	41,421	-0-	41,421
Rent and other income	31,920	-0-	31,920
Donations – card program	29,914	-0-	29,914
Net assets released from restrictions	<u>127,389</u>	<u>(127,389)</u>	<u>-0-</u>
TOTAL SUPPORT AND REVENUE	<u>1,418,543</u>	<u>110,175</u>	<u>1,528,718</u>
EXPENSES			
Program services			
Advocacy and education	373,471	-0-	373,471
Southwest Florida Project	106,367	-0-	106,367
Northeast Florida Project	29,741	-0-	29,741
Supporting services			
Cost of sales			
Merchandise	5,405	-0-	5,405
Sweepstakes	62,100	-0-	62,100
Membership development	75,130	-0-	75,130
Fundraising	131,957	-0-	131,957
Management and general	<u>179,936</u>	<u>-0-</u>	<u>179,936</u>
TOTAL EXPENSES	<u>964,107</u>	<u>-0-</u>	<u>964,107</u>
CHANGE IN NET ASSETS	454,436	110,175	564,611
NET ASSETS, BEGINNING OF YEAR	<u>710,870</u>	<u>575,733</u>	<u>1,286,603</u>
NET ASSETS, END OF YEAR	<u>\$ 1,165,306</u>	<u>\$ 685,908</u>	<u>\$ 1,851,214</u>

See accompanying notes.

FLORIDA WILDLIFE FEDERATION, INC.
STATEMENTS OF ACTIVITIES (CONTINUED)
For the Years Ended September 30, 2021 and 2020

2020

	<u>Without Donor</u> <u>Restrictions</u>	<u>With Donor</u> <u>Restrictions</u>	<u>Total</u>
SUPPORT AND REVENUE			
Grants and contributions	\$ 681,008	\$ 93,425	\$ 774,433
Sweepstakes revenue	125,306	-0-	125,306
Donations – card program	41,461	-0-	41,461
Rent and other income	30,121	-0-	30,121
In-kind contributions	13,679	-0-	13,679
Investment return	6,791	324	7,115
(Loss) gain on disposal of property	(402,162)	136,950	(265,212)
Net assets released from restrictions	<u>130,163</u>	<u>(130,163)</u>	<u>-0-</u>
TOTAL SUPPORT AND REVENUE	<u>626,367</u>	<u>100,536</u>	<u>726,903</u>
EXPENSES			
Program services			
Advocacy and education	260,165	-0-	260,165
Southwest Florida Project	105,132	-0-	105,132
Supporting services			
Cost of sales			
Merchandise	870	-0-	870
Sweepstakes	60,422	-0-	60,422
Membership development	73,675	-0-	73,675
Fundraising	147,062	-0-	147,062
Management and general	<u>166,245</u>	<u>-0-</u>	<u>166,245</u>
TOTAL EXPENSES	<u>813,571</u>	<u>-0-</u>	<u>813,571</u>
CHANGE IN NET ASSETS	(187,204)	100,536	(86,668)
NET ASSETS, BEGINNING OF YEAR	<u>898,074</u>	<u>475,197</u>	<u>1,373,271</u>
NET ASSETS, END OF YEAR	<u>\$ 710,870</u>	<u>\$ 575,733</u>	<u>\$ 1,286,603</u>

See accompanying notes.

FLORIDA WILDLIFE FEDERATION, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
For the Years Ended September 30, 2021 and 2020

2021

	<u>Program Services</u>			<u>Supporting Services</u>				<u>Total</u>
	<u>Advocacy and Education</u>	<u>Southwest Florida Project</u>	<u>Northeast Florida Project</u>	<u>Cost of Sales</u>	<u>Membership Development</u>	<u>Fundraising</u>	<u>Management and General</u>	
Accounting and auditing	\$ 3,291	\$ -0-	\$ -0-	\$ -0-	\$ 2,337	\$ 2,753	\$ 5,484	\$ 13,865
Awards	1,570	-0-	-0-	-0-	-0-	-0-	-0-	1,570
Bank charges	-0-	-0-	-0-	-0-	-0-	-0-	5,986	5,986
Card program expense	-0-	-0-	-0-	-0-	-0-	7,510	-0-	7,510
Contract services	64,029	-0-	-0-	-0-	10,114	11,915	23,731	109,789
Depreciation	912	-0-	-0-	-0-	648	764	1,521	3,845
Donated services	41,421	-0-	-0-	-0-	-0-	-0-	-0-	41,421
Dues and subscriptions	2,161	2,921	892	-0-	1,535	1,808	3,601	12,918
Employee health insurance	1,194	1,616	493	-0-	849	1,000	1,992	7,144
General insurance	831	1,124	343	-0-	591	696	1,386	4,971
Grant expense	96,520	-0-	-0-	-0-	-0-	-0-	-0-	96,520
Legal expense	41,781	-0-	-0-	-0-	-0-	-0-	-0-	41,781
Meetings	2,007	-0-	-0-	-0-	-0-	287	574	2,868
Member expense	-0-	-0-	-0-	-0-	1,696	-0-	-0-	1,696
Merchandise purchases	-0-	-0-	-0-	5,405	-0-	-0-	-0-	5,405
Miscellaneous program expenses	24,136	-0-	-0-	-0-	-0-	-0-	-0-	24,136
Newsletter	12,862	-0-	-0-	-0-	-0-	12,861	-0-	25,723
Other fundraising costs	-0-	-0-	-0-	-0-	-0-	24,788	-0-	24,788
Payroll taxes	4,635	6,266	1,913	-0-	3,292	3,878	7,724	27,708
Postage	808	-0-	-0-	-0-	573	675	1,345	3,401
Rent	318	7,794	-0-	-0-	226	266	660	9,264
Repairs and maintenance	3,201	-0-	-0-	-0-	2,274	2,679	5,335	13,489
Retirement	1,691	2,286	698	-0-	1,201	1,415	2,818	10,109
Salaries	59,818	80,874	24,686	-0-	42,487	50,053	99,688	357,606
Supplies	7,708	-0-	-0-	-0-	5,476	6,451	12,848	32,483
Sweepstakes expense	-0-	-0-	-0-	62,100	-0-	-0-	-0-	62,100
Taxes and licenses	-0-	-0-	-0-	-0-	-0-	-0-	596	596
Telephone	1,402	1,896	579	-0-	996	1,173	2,337	8,383
Travel	332	450	137	-0-	236	279	556	1,990
Utilities	843	1,140	-0-	-0-	599	706	1,754	5,042
TOTAL	<u>\$ 373,471</u>	<u>\$ 106,367</u>	<u>\$ 29,741</u>	<u>\$ 67,505</u>	<u>\$ 75,130</u>	<u>\$ 131,957</u>	<u>\$ 179,936</u>	<u>\$ 964,107</u>

See accompanying notes.

FLORIDA WILDLIFE FEDERATION, INC.
STATEMENTS OF FUNCTIONAL EXPENSES (CONTINUED)
For the Years Ended September 30, 2021 and 2020

2020

	<u>Program Services</u>		<u>Supporting Services</u>				<u>Total</u>
	<u>Advocacy and Education</u>	<u>Southwest Florida Project</u>	<u>Cost of Sales</u>	<u>Membership Development</u>	<u>Fundraising</u>	<u>Management and General</u>	
Accounting and auditing	\$ 2,981	\$ -0-	\$ -0-	\$ 2,266	\$ 2,826	\$ 4,862	\$ 12,935
Awards	1,863	-0-	-0-	-0-	-0-	-0-	1,863
Bank charges	-0-	-0-	-0-	-0-	-0-	7,129	7,129
Card program expense	-0-	-0-	-0-	-0-	20,610	-0-	20,610
Contract services	58,580	-0-	-0-	9,459	11,798	20,296	100,133
Depreciation	1,394	-0-	-0-	1,060	1,322	2,275	6,051
Donated services	13,679	-0-	-0-	-0-	-0-	-0-	13,679
Dues and subscriptions	1,469	2,016	-0-	1,116	1,392	2,393	8,386
Employee health insurance	1,445	1,984	-0-	1,098	1,370	2,356	8,253
General insurance	886	1,216	-0-	673	840	1,445	5,060
Grant expense	72,547	-0-	-0-	-0-	-0-	-0-	72,547
Legal expense	285	-0-	-0-	-0-	-0-	-0-	285
Meetings	4,521	-0-	-0-	-0-	646	1,292	6,459
Member expense	-0-	-0-	-0-	386	-0-	-0-	386
Merchandise purchases	-0-	-0-	870	-0-	-0-	-0-	870
Miscellaneous program expenses	11,995	-0-	-0-	-0-	-0-	-0-	11,995
Newsletter	12,705	-0-	-0-	-0-	12,704	-0-	25,409
Other fundraising costs	-0-	-0-	-0-	-0-	21,690	-0-	21,690
Payroll taxes	4,340	5,959	-0-	3,298	4,114	7,076	24,787
Postage	816	-0-	-0-	620	774	1,331	3,541
Rent	501	10,568	-0-	381	475	815	12,740
Repairs and maintenance	2,279	-0-	-0-	1,731	2,159	3,715	9,884
Retirement	1,430	1,963	-0-	1,087	1,355	2,332	8,167
Salaries	56,497	77,580	-0-	42,937	53,554	92,128	322,696
Supplies	7,151	-0-	-0-	5,434	6,778	11,660	31,023
Sweepstakes expense	-0-	-0-	60,422	-0-	-0-	-0-	60,422
Taxes and licenses	-0-	-0-	-0-	-0-	-0-	572	572
Telephone	1,564	2,147	-0-	1,188	1,482	2,549	8,930
Travel	422	581	-0-	322	401	691	2,417
Utilities	815	1,118	-0-	619	772	1,328	4,652
TOTAL	<u>\$ 260,165</u>	<u>\$ 105,132</u>	<u>\$ 61,292</u>	<u>\$ 73,675</u>	<u>\$ 147,062</u>	<u>\$ 166,245</u>	<u>\$ 813,571</u>

See accompanying notes.

FLORIDA WILDLIFE FEDERATION, INC.
STATEMENTS OF CASH FLOWS
For the Years Ended September 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 564,611	\$ (86,668)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	3,845	6,051
Forgiveness of Paycheck Protection Program loan	(67,875)	-0-
Noncash contributions	(7,298)	(5,053)
Loss on disposal of property and equipment	-0-	265,211
Dividends and interest reinvested	(14,705)	(12,592)
Net unrealized (gains) losses on investments	(23,934)	18,282
Net realized gains on investments	(54,567)	(14,483)
(Increase) decrease in:		
Accounts receivable	(493)	(15,732)
Inventory	4,185	869
Prepaid expenses	10,346	(14,491)
Unconditional promises to give	(58)	(2)
Increase (decrease) in:		
Accounts payable and accrued expenses	31,956	(28,424)
Due to beneficiaries under agency transactions	91,443	(63,261)
Deferred revenue – sweepstakes	<u>(14,758)</u>	<u>15,675</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>522,698</u>	<u>65,382</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of investments	1,242,589	686,480
Purchase of investments	(1,474,934)	(659,849)
(Increase) decrease in investments designated for endowment purposes	(45,275)	6,471
Purchase of property and equipment	(2,628)	-0-
Proceeds from sale of property	<u>-0-</u>	<u>146,950</u>
NET CASH (USED IN) PROVIDED BY INVESTING ACTIVITIES	<u>(280,248)</u>	<u>180,052</u>

See accompanying notes.

FLORIDA WILDLIFE FEDERATION, INC.
STATEMENTS OF CASH FLOWS (CONTINUED)
For the Years Ended September 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Beneficial interest in gift annuity	-0-	10,055
Principal payments on capital lease obligation	(3,044)	(2,699)
Proceeds from Paycheck Protection Program loan	<u>-0-</u>	<u>67,875</u>
NET CASH (USED IN) PROVIDED BY FINANCING ACTIVITIES	<u>(3,044)</u>	<u>75,231</u>
NET INCREASE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH	239,406	320,665
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH BEGINNING OF YEAR	<u>796,286</u>	<u>475,621</u>
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH END OF YEAR	<u>\$ 1,035,692</u>	<u>\$ 796,286</u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Non-cash investing activities:		
Dividends and interest reinvested	<u>\$ 14,705</u>	<u>\$ 12,592</u>

See accompanying notes.

FLORIDA WILDLIFE FEDERATION, INC.
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

Nature of the Organization

Florida Wildlife Federation, Inc. (the Organization) is a nonprofit corporation. The Organization strives to protect the State of Florida's wildlife environment and to educate the public on the importance of protecting this environment. The Organization's basic programs include educating the public on wildlife issues through distribution of books, videos, and similar materials, and publishing a quarterly newsletter. The Organization also educates the public by supporting wildlife research and environmental preservation. In addition, the Organization supports soundly managed, resource-based outdoor recreation.

Basis of Accounting

The Organization's books are maintained on the accrual basis of accounting.

Basis of Presentation

In accordance with accounting principles generally accepted in the United States of America, the Organization is required to report information regarding its financial position and activities according to the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for an endowment.

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.

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Therefore, no provision for income taxes has been recorded.

FLORIDA WILDLIFE FEDERATION, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash, Cash Equivalents, and Restricted Cash

For purposes of the statements of cash flows, the Organization considers all unrestricted highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the statements of cash flows to the sum of the corresponding amounts within the statements of financial position:

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 806,512	\$ 578,795
Cash and cash equivalents restricted under grants	225,993	203,960
Cash and cash equivalents designated for endowment purposes	<u>3,187</u>	<u>13,531</u>
Total cash, cash equivalents and restricted cash	<u>\$ 1,035,692</u>	<u>\$ 796,286</u>

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statements of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying statements of activities.

The Organization carries its real estate investments at the fair market values as of the dates the interests were donated.

Inventories

Inventories are stated at the lower of cost (first-in, first-out) or market value and consist of items available for resale.

Property and Equipment

Property and equipment purchases are recorded at cost. Contributed assets are reported at fair market value as of the date received. If donors stipulate how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulations, contributions of property and equipment are recorded as unrestricted support. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

FLORIDA WILDLIFE FEDERATION, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Donated Assets

Donated marketable securities and other non-cash donations are recorded as contributions at their estimated fair market values at the date of donation.

Donated Services

Donated services are recognized as contributions if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased.

Promises to Give

Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Estimates

The preparation of these financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results may differ from those estimates.

Reclassifications

Certain amounts in the 2020 financial statements have been reclassified to conform to the 2021 presentation.

Revenue and Revenue Recognition

Membership dues represent primarily contributions, and do not contain a performance obligation for goods and services. Membership dues totaling \$71,016 and \$86,185 are included in grants and contributions on the accompanying statements of activities for the years ended September 30, 2021 and 2020, respectively.

Sweepstakes revenue, rent, and other income are recognized when the services have been performed and the products have been transferred.

Revenue received in advance of the period in which it is earned is deferred to subsequent years. Deferred revenues are recognized as income at the later of either the date collected or on the day the performance obligation has been fulfilled.

FLORIDA WILDLIFE FEDERATION, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue and Revenue Recognition (Continued)

Contract balances for contracts with customers consist of the following as of September 30:

	2021	2020
Contract assets:		
Accounts receivable, beginning of year	\$ 15,732	\$ -0-
Accounts receivable, end of year	\$ 16,225	\$ 15,732
Contract liabilities:		
Deferred revenue, beginning of year	\$ 91,019	\$ 75,344
Deferred revenue, end of year	\$ 76,261	\$ 91,019

Contributions restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire (that is when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Unconditional promises to give are recognized as revenue in the period received.

Conditional grants and contributions are recognized as revenue when the conditions on which they depend have been substantially met. Amounts received in excess of revenue recognized under conditional grants and contributions are reflected as refundable advances in the accompanying statements of financial position.

Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the statements of activities. The 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 based on management's assessment of staff time.

FLORIDA WILDLIFE FEDERATION, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
September 30, 2021

NOTE B – INVESTMENTS

Investments are stated at fair market value and consist primarily of stocks, debt securities, and mutual funds. Fair market values and unrealized appreciation as of September 30 are summarized as follows:

	2021			2020		
	Cost	Fair Market Value	Unrealized Appreciation (Depreciation)	Cost	Fair Market Value	Unrealized Appreciation (Depreciation)
Exchange-traded funds	\$ 434,468	\$ 454,600	\$ 20,132	\$ 256,930	\$ 296,748	\$ 39,818
Mutual funds	241,710	246,541	4,831	14,846	13,646	(1,200)
Equities	79,640	94,027	14,387	88,982	73,882	(15,100)
Certificates of deposit	64,000	65,616	1,616	95,613	99,668	4,055
TOTAL	\$ 819,818	\$ 860,784	\$ 40,966	\$ 456,371	\$ 483,944	\$ 27,573

The following schedule summarizes the investment return and its classification in the statements of activities for the years ended September 30:

	2021	2020
Investment income	\$ 15,160	\$ 10,914
Net unrealized gains (losses)	23,934	(18,282)
Net realized gains (losses)	54,567	14,483
TOTAL INVESTMENT RETURN	\$ 93,661	\$ 7,115

For the years ended September 30, 2021 and 2020, investment expenses in the amount of \$2,376 and \$1,588, respectively, are netted against investment income.

NOTE C – FAIR VALUE MEASUREMENTS

The Organization follows the provisions of the Financial Accounting Standards Board's Accounting Standards Codification Topic 820, *Fair Value Measurements and Disclosures* (ASC 820). ASC 820 establishes a common definition for fair value to be applied to U.S. generally accepted accounting principles requiring use of fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The standard establishes a fair value hierarchy about the assumptions used to measure fair value and clarifies assumptions about risk and the effect of a restriction on the sale or use of an asset. This standard does not require any new fair value measurements, but rather applies to all other accounting pronouncements that require or permit fair value measurements.

FLORIDA WILDLIFE FEDERATION, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
September 30, 2021

NOTE C – FAIR VALUE MEASUREMENTS (Continued)

ASC 820 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (or exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

ASC 820 also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

The standard describes three levels of inputs that may be used to measure fair value:

Level 1: Observable inputs such as quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly or indirectly. These include quoted prices of similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the same term of the assets or liabilities.

Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The following table presents the financial instruments carried at fair value as of September 30, 2021:

	Level 1	Level 2	Level 3	Total
Exchange-traded funds	\$ 454,600	–	–	\$ 454,600
Mutual funds	246,541	–	–	246,541
Equities	94,027	–	–	94,027
Certificates of deposit	65,616	–	–	65,616
Beneficial interest in assets held by others	–	\$ 8,513	–	8,513
				\$ 869,297

FLORIDA WILDLIFE FEDERATION, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
September 30, 2021

NOTE C – FAIR VALUE MEASUREMENTS (Continued)

The following table presents the financial instruments carried at fair value as of September 30, 2020:

	Level 1	Level 2	Level 3	Total
Exchange-traded funds	\$ 296,748	–	–	\$ 296,748
Certificates of deposit	99,668	–	–	99,668
Equities	73,882	–	–	73,882
Mutual funds	13,646	–	–	13,646
Beneficial interest in assets held by others	–	\$ 7,229	–	7,229
				\$ 491,173

The fair value of financial instruments including cash and cash equivalents, accounts receivable, prepaid expenses, unconditional promises to give, accounts payable and accrued expenses, due to beneficiaries under agency transactions, refundable advance, and deferred revenue approximates carrying value, principally because of the short maturity of those items. See Note J and Note O for the fair value of the capital lease obligation and line of credit, respectively.

While the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value as of the reporting date.

NOTE D – BENEFICIAL INTEREST IN ASSETS HELD BY OTHERS

The Organization maintains an endowment fund with The Community Foundation of North Florida, Inc. Deposits and contributions to the fund are recorded at fair market value, and administrative fees charged are expensed as incurred. The fund had a balance of \$8,513 and \$7,229 as of September 30, 2021 and 2020, respectively.

NOTE E – BENEFICIAL INTEREST IN GIFT ANNUITIES

The Organization had been named the beneficiary in two charitable gift annuities, the assets of which are held by a third-party trustee. Under the agreements, the donors contribute assets in exchange for distributions based on the value of the assets transferred for a specified period of time. At the end of the specified time, the remaining assets will be distributed to the Organization.

FLORIDA WILDLIFE FEDERATION, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
September 30, 2021

NOTE E – BENEFICIAL INTEREST IN GIFT ANNUITIES (Continued)

Contribution revenue and the related assets are recognized using the present value of the assets expected to be received. Subsequent changes to the fair value of the assets are recognized as changes in the value of the split-interest agreements as a component of investment return in the accompanying statements of activities.

During the year ended September 30, 2020, the Organization received distributions of the remaining assets of the charitable gift annuities.

NOTE F – PROPERTY AND EQUIPMENT

Property and equipment consisted of the following as of September 30:

	Estimated Useful Lives	2021	2020
Land, office building, and improvements	5 – 31.5 yrs	\$ 292,216	\$ 292,216
Land held for conservation or resale purposes	–	50,002	50,002
Furniture and equipment	5 – 10 yrs	64,071	61,442
		406,289	403,660
Less: Accumulated depreciation		(273,974)	(270,128)
TOTAL		\$ 132,315	\$ 133,532

NOTE G – DEFERRED REVENUE – SWEEPSTAKES

The Organization runs sweepstakes drawings, which are held in December. Deferred revenue and prepaid expenses related to the sweepstakes consisted of the following:

Description	Year Ended September 30, 2021		
	Revenues Collected	Prepaid Expenses	Total
Wild Florida sweepstakes	\$ 76,261	\$ (34,635)	\$ 41,626

Description	Year Ended September 30, 2020		
	Revenues Collected	Prepaid Expenses	Total
Wild Florida sweepstakes	\$ 91,019	\$ (35,968)	\$ 55,501

FLORIDA WILDLIFE FEDERATION, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
September 30, 2021

NOTE H – DONATED SERVICES

Donated services in the amount of \$41,421 and \$13,679 for the years ended September 30, 2021 and 2020, respectively, are reflected in the accompanying financial statements. These services consist of legal services donated by attorneys in the course of litigation or advocacy of several ongoing lawsuits involving environmental issues.

NOTE I – CONCENTRATIONS OF CREDIT RISK

The Organization maintains cash balances at financial institutions located in Tallahassee, Florida. Accounts are insured by the Federal Deposit Insurance Corporation up to \$250,000 per financial institution as of September 30, 2021 and 2020. As of September 30, 2021 and 2020, the Organization had uninsured cash balances totaling \$584,279 and \$544,241, respectively.

NOTE J – LEASES

The Organization has entered into various operating lease agreements for office space in Naples, Florida and office equipment in Tallahassee, Florida expiring at various times through fiscal year 2023. As of September 30, 2021, future minimum lease payments required under these leases are as follows:

Year Ending September 30	
2022	\$ 4,741
2023	1,765
Total	\$ 6,506

Rent and lease expense totaled \$9,264 and \$12,740 for the years ended September 30, 2021 and 2020, respectively.

During the year ended September 30, 2018, the Organization entered into a capital lease of a copier. As of September 30, 2021 and 2020, the copier had a capitalized cost of \$14,395 and accumulated depreciation of \$10,556 and \$7,677, respectively. Amortization of assets held under capital lease is included in depreciation expense in the accompanying statements of activities.

FLORIDA WILDLIFE FEDERATION, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
September 30, 2021

NOTE J – LEASES (Continued)

Future minimum capital lease payments are as follows as of September 30, 2021:

Year Ending September 30	
2022	\$ 3,435
2023	1,241
	\$ 4,676

The carrying amount of capital lease obligation approximates fair value because it bears interest at a rate that approximates current market rates for capital leases with similar maturities and credit quality.

NOTE K – RETIREMENT PLAN

The Organization maintains a Simple IRA retirement plan, which covers all employees that meet the eligibility requirements. The Organization provides matching contributions of up to 3% of eligible employees' salaries each year. Contributions totaled \$10,109 and \$8,167 for the years ended September 30, 2021 and 2020, respectively.

NOTE L – LITIGATION

The Organization is party to routine legal proceedings and litigation involving various environmental advocacy issues arising in the ordinary course of performing its basic programs. In the opinion of management, the outcome of any current actions will have no material impact on the Organization's financial condition.

NOTE M – ENDOWMENT FUND

In 2003, the Organization's Board of Directors designated funds to be placed into an investment endowment fund to be called the Life Member Endowment Fund.

Interpretation of Relevant Law

The Organization's Board of Directors understands that the Uniform Prudent Management of Institutional Funds Act (UPMIFA) applies to all not-for-profit organizations incorporated in the State of Florida as of July 1, 2012.

FLORIDA WILDLIFE FEDERATION, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
September 30, 2021

NOTE M – ENDOWMENT FUND (Continued)

Endowment Net Asset Composition

Endowment net assets consist of the following as of September 30:

	<u>2021</u>	<u>2020</u>
Without donor restrictions:		
Board designated endowment funds	\$ <u>204,358</u>	\$ <u>169,427</u>

Changes in Endowment Net Assets

Changes in endowment net assets without donor restrictions were as follows during the years ended September 30:

	<u>2021</u>	<u>2020</u>
Balance at beginning of year	\$ <u>169,427</u>	\$ <u>165,276</u>
Investment return:		
Investment income, net of fees	3,642	3,324
Net realized and unrealized gains (losses) on investments	<u>31,289</u>	<u>827</u>
Total investment return	34,931	4,151
Contributions	<u>-0-</u>	<u>-0-</u>
Appropriation of endowment assets for expenditure	<u>-0-</u>	<u>-0-</u>
Balance at end of year	\$ <u>204,358</u>	\$ <u>169,427</u>

Endowment Spending Policy

The funds invested and the interest earned in the Life Member Endowment Fund may be used for general operations only when approved by a two-thirds vote of the Organization's Board of Directors.

FLORIDA WILDLIFE FEDERATION, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
September 30, 2021

NOTE M – ENDOWMENT FUND (Continued)

Endowment Investment Policy

Funds are invested in accounts with the goal of appreciation of capital. Once invested, the funds are normally managed by a third party investment manager, as assigned by the Organization’s Board of Directors or President.

NOTE N – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes as of September 30:

	2021	2020
Land acquisition	\$ 404,413	\$ 355,979
Other	116,133	57,625
Long leaf pine restoration	89,071	67,999
Habitat Connectivity and wildlife underpass campaigns	39,737	45,838
Education and litigation	36,554	36,496
Fish conservation	-0-	11,796
TOTAL	\$ 685,908	\$ 575,733

The Organization is the beneficiary of a charitable remainder trust to be used for education and litigation expenses. The present value of the estimated future benefits of the Organization’s remainder interest in the trust totaled \$36,554 and \$36,496 as of September 30, 2021 and 2020, respectively.

During 2005, the Organization became the beneficiary of the Estate of Frank F. Sprinkle (the Sprinkle Estate) valued at \$1,120,415 that is restricted for acquisition or permanent protection of land(s) within the State of Florida for wildlife habitat. In September 2008, the Organization purchased approximately sixty-five (65) acres of conservation land in Leon County for a purchase price of \$292,000. Net assets with donor restrictions associated with this bequest totaled \$404,413 and \$355,979 as of September 30, 2021 and 2020, respectively.

In 2009, the Organization received an independent legal determination that the Organization’s work on behalf of permanent land protection fulfilled the donor restrictions imposed on the bequest. In June 2010, the Organization’s Board of Directors adopted a policy for authorized use of Sprinkle Estate funds based on the legal determination. During the years ended September 30, 2021 and 2020, the Board did not authorize the release of Sprinkle Estate funds.

FLORIDA WILDLIFE FEDERATION, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
September 30, 2021

NOTE N – NET ASSETS WITH DONOR RESTRICTIONS (Continued)

Net assets with donor restrictions are available for the purposes listed above for periods after September 30, 2021 and 2020, respectively.

NOTE O – LINE OF CREDIT

The Organization had a \$165,000 line of credit with a local bank that was payable on demand and bore interest at a variable rate. The line was collateralized by a blanket lien on the Organization's assets. The line was closed in January 2020.

The carrying amount of the line of credit approximates fair value because that financial instrument bears interest at a rate that approximates current market rates for notes with similar maturities and credit quality.

NOTE P – RELATED PARTY TRANSACTIONS

During the years ended September 30, 2021 and 2020, the Organization received \$15,209 and \$14,691, respectively, in contributions from staff and members of the Board of Directors.

NOTE Q – PAYCHECK PROTECTION PROGRAM LOAN

In April 2020, the Organization received First Draw loan proceeds in the amount of \$67,875 under the Paycheck Protection Program (PPP). Established as part of the Coronavirus Aid, Relief and Economic Security (CARES) Act, the PPP provides for loans to qualifying businesses and not-for-profit organizations. PPP loans and accrued interest are forgivable after a "covered period" (eight or twenty-four weeks) as long as the borrower maintains its payroll levels and uses the loan proceeds for eligible purposes, including payroll, benefits, rent, and utilities. The forgiveness amount is reduced if the borrower terminates employees or reduces salaries during the covered period. Any unforgiven portion of a PPP loan is payable over two or five years at an interest rate of 1%, with a deferral of payments for 10 months after the end of the covered period.

In February 2021, the Organization received Second Draw PPP loan proceeds in the amount of \$66,668.

In April 2021, the Organization was granted forgiveness on the First Draw loan in the amount of \$67,875 by the U.S. Small Business Administration (SBA). In July 2021, the Organization was granted forgiveness on the Second Draw loan proceeds in the amount of \$66,668. The amounts forgiven are included in grants and contributions in the accompanying statement of activities for the year ended September 30, 2021.

FLORIDA WILDLIFE FEDERATION, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
September 30, 2021

NOTE R – LIQUIDITY AND AVAILABILITY

Financial assets available for general expenses, that is, without donor or other restrictions limiting their use, within one year of the statements of financial position, comprise the following:

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 806,512	\$ 578,795
Cash and cash equivalents restricted under grants	225,993	203,960
Investments	244,765	-0-
Accounts receivable	16,225	15,732
Unconditional promises to give	36,554	36,496
Investments restricted under grants	414,848	328,048
Cash and cash equivalents designated for endowment purposes	3,187	13,531
Investments designated for endowment purposes	<u>201,171</u>	<u>155,896</u>
 Total financial assets	 1,949,255	 1,332,458
 Less: Financial assets subject to board designations and donor-imposed restrictions:		
Endowment fund	(204,358)	(169,427)
Donor-imposed restrictions	<u>(677,395)</u>	<u>(568,504)</u>
 Total financial assets available to meet cash needs for general expenses within one year	 <u>\$ 1,067,502</u>	 <u>\$ 594,527</u>

The Organization maintains an endowment fund that consists of funds designated by the Board for long-term investment. Income from the endowment fund is available for general use.

Management monitors cash availability on a regular basis prior to preparing its accounts payable disbursements.

NOTE S – UNCERTAIN TAX POSITIONS

Management is not aware of any activities that would jeopardize the Organization’s tax-exempt status, and believes it has no uncertain tax positions that qualify for either recognition or disclosure in the financial statements as of and for the years ended September 30, 2021 and 2020.

FLORIDA WILDLIFE FEDERATION, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
September 30, 2021

NOTE S – UNCERTAIN TAX POSITIONS (Continued)

The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits in progress for any tax periods. The Organization believes it is no longer subject to income tax examinations for fiscal years ending prior to September 30, 2018.

NOTE T – SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through March 8, 2022, the date which the financial statements were available to be issued.

As a result of the COVID-19 outbreak, economic uncertainties have arisen which are likely to negatively impact revenues. Other financial impacts could occur, though such potential impacts are unknown at this time.

NOTE U – CHANGE IN ACCOUNTING PRINCIPLE

In November 2017, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2017-14, *Income Statement – Reporting Comprehensive Income (Topic 220), Revenue Recognition (Topic 605), and Revenue from Contracts with Customers (Topic 606)*, which sets out to clarify the principles of recognizing revenue and to develop a common revenue standard. The new standard applies to entities that enter into contracts with customers to transfer goods or services, except for contracts that are within the scope of other standards. The Organization implemented ASU 2017-14 during the year ended September 30, 2021, and adjusted the presentation in the financial statements accordingly. The ASU has been applied retrospectively to all periods presented. For the year ended September 30, 2020, the effect of adopting the new accounting principle was an increase in grants and contributions of \$86,570, and a corresponding decrease in memberships of \$86,185 and annual meeting income of \$385.

In August 2018, the FASB issued ASU 2018-13, *Disclosure Framework—Changes to the Disclosure Requirements for Fair Value Measurement*. The update modifies the disclosure requirements for fair value measurements. The Organization implemented ASU 2018-13 during the year ended September 30, 2021.

In January 2016, the FASB issued ASU 2016-01, *Financial Instruments – Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities*, which updates certain aspects of recognition, measurement, presentation and disclosure of financial instruments. The Organization implemented ASU 2016-01 during the year ended September 30, 2020, and adjusted the presentation in these financial statements accordingly.

FLORIDA WILDLIFE FEDERATION, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
September 30, 2021

NOTE U – CHANGE IN ACCOUNTING PRINCIPLE (Continued)

In June 2018, the FASB issued ASU 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*, which sets out to clarify and improve the scope and the accounting guidance for contributions received and contributions made. The amendments in this update should assist entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) within the scope of Topic 958, Not-for-Profit Entities, or as exchange (reciprocal) transactions subject to other guidance and (2) determining whether a contribution is conditional. The Organization implemented ASU 2018-08 during the year ended September 30, 2020, and adjusted its recognition of contribution revenues accordingly.

In August 2016, the FASB, issued ASU 2016-15, *Statement of Cash Flows (Topic 230), Classification of Certain Cash Receipts and Cash Payments*, which is intended to reduce the diversity in practice in how certain transactions are classified in the statement of cash flows. In addition, in November 2016, the FASB issued ASU 2016-18, *Statement of Cash Flows (Topic 230), Restricted Cash*, which provides additional guidance related to transfers between cash and restricted cash and how entities present the cash receipts and cash payments that directly affect the restricted cash accounts in the statement of cash flows. The Organization implemented ASU 2016-15 and ASU 2016-18 during the year ended September 30, 2020, and adjusted the presentation in these financial statements accordingly.

NOTE V – RECENT ACCOUNTING PRONOUNCEMENTS

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, which sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract (i.e. lessees and lessors). The new standard requires lessees to apply a dual approach, classifying leases as either finance or operating leases based on the principle of whether or not the lease is effectively a financed purchase by the lessee. In June 2020, the FASB extended the effective implementation date of the ASU to fiscal years beginning after December 15, 2021. The Organization is currently evaluating the impact of the adoption of ASU 2016-02 on its financial statements.

In September 2020, the FASB issued ASU 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, which is intended to improve transparency by requiring organizations to provide additional disclosures about contributions of nonfinancial assets. ASU 2020-07 will be effective for the Organization for fiscal years beginning after June 15, 2021. The Organization is currently evaluating the impact of the adoption of ASU 2020-07 on its financial statements.