DASZKALBOLTON
accountants & advisors

South Florida Wildlife Center, Inc.

Financial Statements

December 31, 2021

Table of Contents

Independent Auditors' Report .... 1 – 2

Financial Statements:

Statement of Financial Position 3

Statement of Activities and Changes in Net Assets 4

Statement of Functional Expenses 5

Statement of Cash Flows 6

Notes to the Financial Statements .... 7 – 14

Independent Auditors' Report

To the Board of Directors
South Florida Wildlife Center, Inc.
Fort Lauderdale, Florida

Opinion

We have audited the accompanying financial statements of South Florida Wildlife Center, Inc. (the "Organization"), which comprise the statement of financial position at December 31, 2021, and the related statements of activities and changes in net assets, functional expenses and cash flows 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 the Organization at December 31, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits 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 the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, 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 the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Continued from previous page

Auditors' 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 auditor's 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 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 the Organization'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 the Organization'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.

Daszkal Bolton LLP

Boca Raton, Florida
June 16, 2022

South Florida Wildlife Center, Inc.
Statement of Financial Position
December 31, 2021

ASSETS

Current assets:		
Cash and cash equivilants	$	1,598,734
Service fee receivables		11,875
Investments		4,552,038
Prepaid expenses and other current assets		56,090
Total current assets		6,218,737
Property and equipment, net		278,971
Total assets	$	6,497,708

LIABILITIES AND NET ASSETS

Current liabilities:		
Accounts payable and accrued expenses	$	122,106
Total liabilities		122,106
Commitments and contingencies		
Net assets:		
Without donor restriction		5,292,176
With donor restriction		1,083,426
Total net assets		6,375,602
Total liabilities and net assets	$	6,497,708

See accompanying notes to the financial statements.

South Florida Wildlife Center, Inc.
Statement of Activities and Changes in Net Assets
For the Year Ended December 31, 2021

	Without Donor Restriction	With Donor Restriction	Total
Support and revenues:			
Grants	$ 119,650	$ 185,500	$ 305,150
Contributions	804,847	-	804,847
Bequests	986,566	-	986,566
Net investment income	396,939	-	396,939
Contributed animal food and supplies	195,727	-	195,727
Total support and revenues	2,503,729	185,500	2,689,229
Expenses:			
Program services	1,869,388	-	1,869,388
Supporting services:			
Management and general	151,854	-	151,854
Fundraising	223,869	-	223,869
Total supporting services	375,723	-	375,723
Total expenses	2,245,111	-	2,245,111
Changes in net assets	258,618	185,500	444,118
Net assets at the beginning of the year	5,033,558	897,926	5,931,484
Net assets at the end of the year	$ 5,292,176	$ 1,083,426	$ 6,375,602

See accompanying notes to the financial statements.

South Florida Wildlife Center, Inc.
Statement of Functional Expenses
For the Year Ended December 31, 2021

		Supporting Services			
	Program Services	Management and General	Fundraising	Total Support Services	Total Expenses
Payroll and payroll taxes	$ 1,067,313	$ 95,926	$ 162,750	$ 258,676	$ 1,325,989
Payroll benefits	62,909	4,265	7,539	11,804	74,713
Contributed animal food	195,727	-	-	-	195,727
Repairs and maintenance	164,119	8,473	6,442	14,915	179,034
Professional fees	23,728	22,845	16,928	39,773	63,501
Supplies and field expenses	186,723	-	-	-	186,723
Events	1,151	2,807	7,005	9,812	10,963
Depreciation	60,595	-	-	-	60,595
Insurance	57,809	10,305	-	10,305	68,114
Bank and investment fees	1,585	2,162	6,208	8,370	9,955
Conference and travel	-	-	11,570	11,570	11,570
Education material	28,707	1,141	2,345	3,486	32,193
Telephone	10,136	2,537	579	3,116	13,252
Postage and shipping	8,886	1,393	2,503	3,896	12,782
Total expenses	$ 1,869,388	$ 151,854	$ 223,869	$ 375,723	$ 2,245,111

See accompanying notes to the financial statements.

South Florida Wildlife Center, Inc.
Statement of Cash Flows
For the Year Ended December 31, 2021

Cash flows from operating activities:		
Change in net assets	$	444,118
Adjustments to reconcile the changes in net assets to net cash provided by operating activities:		
Depreciation		58,365
Realized and unrealized gains on investments		(375,225)
Changes in operating assets and liabilities:		
Service fee receivables		27,300
Prepaid expenses and other current assets		(21,124)
Accounts payable and accrued expenses		72,469
Net cash provided by operating activities		205,903
Cash flows from investing activities:		
Purchases of investments		(2,815,211)
Proceeds from sales of investments		1,014,077
Purchases of property and equipment		(45,223)
Net cash used in investing activities		(1,846,357)
Net cash provided by financing activities		-
Net decrease in cash and cash equivalents		(1,640,454)
Cash and cash equivalents at the beginning of the year		3,239,188
Cash and cash equivalents at the end of the year	$	1,598,734

See accompanying notes to the financial statements.

Note 1 – Nature of Organization

South Florida Wildlife Center, Inc. (the "Organization") was incorporated in 1969 and helps animals in South Florida's tri-county region (Palm Beach, Broward and Miami-Dade). Staff members rescue, rehabilitate and release harmed or displaced native wildlife; and teach the public about living alongside their wild neighbors. As one the largest wildlife trauma hospital and rehabilitation center in the nation, based on intake numbers, the Organization performs daily field rescues of injured, orphaned, and imperiled animals. The Organization personnel restores mobility and function to injured wildlife, provide rehabilitative care in enriched, species-specific habitats, and releases rehabilitated animals back into the wild.

The Organization's support and revenues are received from grants designated for certain projects or programs, contributions from private sources, and other miscellaneous sources

Note 2 – Summary of Significant Accounting Policies

The significant accounting policies followed by the Organization are described below:

Basis of Presentation
The accompanying financial statements of the Organization have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"), which requires the Organization to report information regarding its financial position and activities according to the following net asset classifications:

> **Net assets without donor restrictions:** Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of Organization's management and the Board of Directors.
>
> **Net assets with donor restrictions:** Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities and changes in net assets.

Functional Allocation of Expenses
The costs of providing the programs and other activities have been summarized on a functional basis in the accompanying statement of activities and changes in net assets. Certain program and support expenses, such as salaries, benefits and other administrative costs, are allocated among program services, management and general and fundraising based on management's analysis of these costs.

Note 2 –Summary of Significant Accounting Policies, continued

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Such estimates also affect the reported amounts of revenues and expenses during the reporting year. Actual results may differ from estimates under different assumptions or conditions.

Revenue Recognition

Contributions, including unconditional promises to give, are recognized in the period received. Contributions received are considered to be available for use unless specifically restricted by the donor. Amounts received that are designated for a future period or are restricted by the donor for specific purposes are reported as increases in net assets with donor restriction. Unconditional promises to give are presumed to be time-restricted by the donor until collected and are reported as net assets with donor restriction.

Conditional promises to give, including those received under multi-year grant agreements are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. A promise is considered conditional only if the donor has stipulated one or more barriers that must be overcome before the Organization is entitled to the assets transferred or promised, and there also exists a right of return to the donor of any assets transferred or a right of release of the donor's obligation to honor the promise. A transfer of assets from a donor that contains donor conditions is accounted for as a refundable advance until the conditions have been substantially met or explicitly waived by the donor.

Wills are recorded as bequest revenue when the probate courts declare the wills valid, and the proceeds are measurable.

Contributions are recorded at fair value, which is net of estimated uncollectible amounts. The Organization uses the allowance method to determine uncollectible unconditional contributions receivable. The allowance is based on past experience as well as management's analysis of factors such as prior collection history, type of contribution, and nature of activity.

All other revenues are recognized when earned.

Cash Equivalents

Cash equivalents consist principally of money market funds and amounts held for operations in interest or non-interest-bearing accounts with original maturities of three (3) months or less and exclude cash equivalents held temporarily for long-term investment purposes by investment custodians.

Service Fee Receivables

Service fee receivables represent amounts due for expenditures incurred prior to year-end. Management evaluates all receivables on a periodic basis. Management believes that service fee receivables are fully collectible.

Note 2 –Summary of Significant Accounting Policies, continued

Investments

The Organization reports investments at fair value. Net investment income (loss) consists of interest and dividend income, realized and unrealized gains and losses, less external and direct internal investment expenses. Net investment income (loss) is reported in the statement of activities and changes in net assets as a change in net assets without donor restriction unless the use of the income is limited by donor-imposed restrictions.

Property and Equipment

Property and equipment is stated at historical cost. Expenditures for major additions and improvements are capitalized and minor replacements, maintenance, and repairs are charged to expense as incurred. When property and equipment is retired, or otherwise disposed of, the cost and accumulated depreciation and amortization are removed from the accounts and any resulting gain or loss is included in the results of activities for the respective period. Depreciation and amortization of property and equipment is computed on a straight-line basis over the estimated useful lives of five (5) to forty (40) years. Property and equipment, if donated, is recorded at the approximate fair value on the date of the donation.

Contributed Services and In-Kind Contributions

Contributed services are recognized if the services received create or enhance non-financial assets or require specialized skills and are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation.

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code ("IRC"), except for income from activities not related to its tax-exempt purpose, which primarily includes rental income. No provision for income taxes was recorded during the year ended December 31, 2021 since the Organization had no significant unrelated business income. The Organization is not a private foundation pursuant to section 509(a)(1) of the IRC.

In accordance with U.S. GAAP on accounting for uncertainty in income taxes, the Organization recognizes tax liabilities for uncertain tax positions when it is more likely than not that a tax position will not be sustained upon examination and settlement with various taxing authorities. Liabilities for uncertain tax positions are measured based upon the largest amount of benefit that is greater than 50% likely of being realized upon settlement. The guidance on accounting for uncertainty in income taxes also addresses de-recognition, classification, interest and penalties on income taxes, and accounting in interim periods. The Organization's tax years subject to examination by tax authorities generally remain open for three (3) years from the date of filing.

Note 2 –Summary of Significant Accounting Policies, continued

Valuation of Long-Lived Assets
The Organization accounts for the valuation of long-lived assets under authoritative guidance issued by the Financial Accounting Standards Board ("FASB"), which requires that long-lived assets and certain intangible assets be reviewed for impairment whenever events or circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of the long-lived assets is measured by a comparison of the carrying amount of the asset to future undiscounted net cash flows expected to be generated by the assets. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the estimated fair value of the assets.

Assets to be disposed of are reported at the lower of the carrying amount or fair value, less costs to sell. No indicators of impairment were identified for the year ended December 31, 2021.

Fair Value of Financial Instruments
The fair value of the Organization's cash and cash equivalents, service fee receivables, investments, and accounts payable and accrued expenses approximates their carrying amounts due to the relatively short maturity of these items.

Concentrations of Credit Risk
The Organization's assets that are exposed to credit risk consist primarily of cash and cash equivalents and investments. Cash and cash equivalents are maintained at financial institutions and, at times, balances may exceed federally insured limits. The Organization has never experienced any losses related to these balances. Amounts on deposit in excess of federally insured limits at December 31, 2021 totaled $380,731. The Organization maintains its investments with high-quality financial institutions. The Organization performs yearly evaluations of these institutions for relative credit standing. Management regularly monitors the composition and maturities of investments. Investments are subject to market fluctuations that may materially affect the investment balances.

Date of Management Review
Management has evaluated subsequent events through June 16, 2022, the date on which the financial statements were available to be issued.

Note 3 – Liquidity and Availability of Resources

The Organization's financial assets available to meet cash needs for general expenditure, without donor or other restrictions limiting their use, within one year at December 31, 2021 consist of:

Cash	$	1,598,734
Service fee receivables		11,875
Investments		4,552,038
Total financial assets		6,162,647
Less: financial assets unavailable for general expenditures within one year due to:		
Restricted by donors with purpose restrictions		(1,083,426)
Total financial assets unavailable for general expenditures		(1,083,426)
Total financial assets available within one year to meet cash needs for general expenditures	$	5,079,221

Note 4 – Investment Income

Net investment income consists of the following for the year ended December 31, 2021:

Net unrealized and realized gain on investments	$	325,589
Interest and dividend income		71,350
	$	396,939

Note 5 – Property and Equipment

Property and equipment consists of the following at December 31, 2021:

Buildings	$	1,210,219
Vehicles		263,844
Furniture and fixtures		230,220
Leasehold improvements		37,657
		1,741,940
Less: accumulated depreciation and amortization		(1,462,969)
	$	278,971

Depreciation expense for the year ended December 31, 2021 totaled $58,365.

Note 6 – Fair Value Measurements

Certain financial assets are recorded at fair value. Fair value is defined as the price that would be received to sell an asset between market participants in an orderly transaction on the measurement date. The market in which the reporting entity would sell the asset with the greatest volume and level of activity for the asset is known as the principal market. When no principal market exists, the most advantageous market is used. This is the market in which the reporting entity would sell the asset with the price that maximizes the amount that would be received. Fair value is based on assumptions market participants would make in pricing the asset. Generally, fair value is based on observable quoted market prices or derived from observable market data when such market prices or data are available. When such prices or inputs are not available, the reporting entity should use valuation models.

The Organization's assets recorded at fair value are categorized based on the priority of the inputs used to measure fair value. Fair value measurement standards require an entity to maximize the use of observable inputs (such as quoted prices in active markets) and minimize the use of unobservable inputs (such as appraisals or other valuation techniques) to determine fair value. The inputs used in measuring fair value are categorized into three levels, as follows:

- **Level 1** - Inputs are based upon quoted prices for identical instruments traded in active markets.

- **Level 2** - Inputs that are based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar investments in markets that are not active, or models based on valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the investment.

- **Level 3** - Inputs are generally unobservable and typically reflect management's estimates of assumptions that market participants would use in pricing the asset. The fair values are therefore determined using model-based techniques that include option pricing models, discounted cash flow models, and similar techniques.

The following section describes the valuation methodologies the Organization uses to measure its assets at fair value.

- Equity securities, money market funds, real estate, and commodities – equity securities, money market funds, real estate and commodities are valued at the quoted net asset value of shares reported in the active market in which the funds are traded.

- Fixed income bonds – represents bonds valued based upon comparable securities of issuers with similar yield and similar credit ratings.

Note 6 – Fair Value Measurements, continued

Fair Value on a Recurring Basis

Investments measured at fair value on a recurring basis are summarized below at December 31, 2021:

Description	Assets Measured at Fair Value	Fair Value Hierarchy Level: Level 1	Level 2	Level 3
Investments:				
Equity securities	$ 2,330,477	$ 2,330,477	$ -	$ -
Fixed income funds	1,779,582	1,779,582	-	-
Real estate and commodities	441,979	441,979	-	-
Total investments	$ 4,552,038	$ 4,552,038	$ -	$ -

Note 7 – Net Assets with Donor Restrictions

Net assets with donor restrictions consists of the following at December 31, 2021:

Purpose restrictions:	
Animal hospital	$ 791,701
Building renovations and equipment	41,225
Animal care and habitat upgrades	250,500
	$ 1,083,426

Note 8 – In-Kind Contributions

For the year ended December 31, 2021, in-kind contributions recognized within revenue in the statement of activities included $195,727 in contributed animal food and supplies. These contributed nonfinancial assets did not have donor-imposed restrictions. Contributed animal food and supplies were utilized in the animal shelter and the food pantry. In valuing the animal food and supplies, the Organization estimated the fair value on the basis of wholesale values that would be paid for purchasing similar products in the United States.

Note 9 – Commitments and Contingencies

Operating Lease

The property at the Organization's headquarters is leased from Broward County for $200 per year through September 30, 2025. The fair value of the operating land lease expense cannot be reasonably estimated and, as such, is not reflected in the accompanying financial statements.

Legal Matters

From time to time, the Organization may be involved in various asserted claims and legal proceedings arising in the ordinary course of business, some of which may involve claims for substantial amounts. Management provides provisions for these items to the extent that the losses are deemed both probable and reasonably estimable. No provisions were required for the year ended December 31, 2021.

COVID-19 Pandemic

In March 2020, the World Health Organization classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. The full impact of the COVID-19 outbreak continues to evolve as of the date of these financial statements. As such, it is uncertain as to the full magnitude that the pandemic will have on the Organization's financial condition, liquidity, and future results of operations. Management is actively monitoring the impact of the global situation on its financial condition, liquidity, operations, suppliers, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Organization is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for 2022.