

South Florida Wildlife Center, Inc.

Financial Statements

December 31, 2024

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Independent Auditors' Report

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

Opinion

We have audited the financial statements of South Florida Wildlife Center, Inc. (the "Organization"), which comprise the statement of financial position as of December 31, 2024, 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 (collectively, the "financial statements").

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2024, 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 audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' 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 audit. 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.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements 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.

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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.

Ricciardella CPA, PLLC

Ricciardella CPA, PLLC
Palm Beach Gardens, Florida
April 10, 2025

South Florida Wildlife Center, Inc.
Statement of Financial Position
December 31, 2024

ASSETS

Current assets:

Cash and cash equivalents	\$ 1,596,631
Endowment, investments	4,025,025
Prepaid expenses	<u>46,515</u>
Total current assets	<u>5,668,171</u>

Non-current assets:

Property and equipment, net	283,465
Deposits	<u>3,124</u>
Total non-current assets	<u>286,589</u>

Total assets	<u>\$ 5,954,760</u>
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LIABILITIES AND NET ASSETS

Liabilities:

Accounts payable and accrued expenses	<u>\$ 119,810</u>
Total liabilities	<u>119,810</u>

Commitments and contingencies

Net assets:

Without donor restriction	5,075,250
With donor restriction	<u>759,700</u>
Total net assets	<u>5,834,950</u>

Total liabilities and net assets	<u>\$ 5,954,760</u>
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South Florida Wildlife Center, Inc.
Statement of Activities and Changes in Net Assets
For the Year Ended December 31, 2024

	<u>Without Donor Restriction</u>	<u>With Donor Restriction</u>	<u>Total</u>
Support and revenues:			
Bequests	\$ 1,716,925	\$ -	\$ 1,716,925
Contributions	491,767	-	491,767
Grants	500,000	-	500,000
Contributed animal food and supplies	202,895	-	202,895
Investment income	339,312	-	339,312
Program revenue	115,388	-	115,388
Other income	13,569	-	13,569
Net assets released from donor restriction	<u>168,226</u>	<u>(168,226)</u>	<u>-</u>
Total support and revenues	<u>3,548,082</u>	<u>(168,226)</u>	<u>3,379,856</u>
Expenses:			
Program services	2,457,956	-	2,457,956
Supporting services:			
Management and general	150,159	-	150,159
Fundraising	<u>183,727</u>	<u>-</u>	<u>183,727</u>
Total supporting services	<u>333,886</u>	<u>-</u>	<u>333,886</u>
Total expenses	<u>2,791,842</u>	<u>-</u>	<u>2,791,842</u>
Change in net assets	<u>756,240</u>	<u>(168,226)</u>	<u>588,014</u>
Net assets, beginning of year	<u>4,319,010</u>	<u>927,926</u>	<u>5,246,936</u>
Net assets, end of year	<u>\$ 5,075,250</u>	<u>\$ 759,700</u>	<u>\$ 5,834,950</u>

See accompanying notes to financial statements

South Florida Wildlife Center, Inc.
Statement of Functional Expenses
For the Year Ended December 31, 2024

		Supporting Services			
		Management and General	Fundraising	Total Supporting Services	
	Program Services				Total
Payroll and payroll taxes	\$ 1,447,751	\$ 72,918	\$ 107,771	\$ 180,689	\$ 1,628,440
Repairs and maintenance	211,592	16,277	29	16,306	227,898
Supplies and field expenses	215,548	-	-	-	215,548
Contributed animal food and supplies	202,895	-	-	-	202,895
Payroll benefits	109,223	4,541	11,211	15,752	124,975
Depreciation and amortization	98,282	6,994	-	6,994	105,276
Professional fees	64,314	7,093	7,880	14,973	79,287
Office expenses	16,712	27,630	29,350	56,980	73,692
Insurance	64,717	2,240	777	3,017	67,734
Bank fees	2,937	3,673	3,054	6,727	9,664
Education materials	11,931	19	20,480	20,499	32,430
Telephone	8,185	4,346	1,867	6,213	14,398
Events	3,869	4,428	1,308	5,736	9,605
Total functional expenses	<u>\$ 2,457,956</u>	<u>\$ 150,159</u>	<u>\$ 183,727</u>	<u>\$ 333,886</u>	<u>\$ 2,791,842</u>

See accompanying notes to financial statements

South Florida Wildlife Center, Inc.
Statement of Cash Flows
For the Year Ended December 31, 2024

Cash flows from operating activities:	
Change in net assets	\$ 588,014
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation and amortization	105,276
Net realized and unrealized gain on investments	(260,921)
Changes in operating assets and liabilities:	
Service fee receivables	8,413
Prepaid expenses	3,117
Accounts payable and accrued expenses	(45,127)
Net cash provided by operating activities	<u>398,772</u>
Cash flows from investing activities:	
Purchase of endowment investments	(1,686,869)
Proceeds from sale of endowment investments	1,732,391
Purchase of property and equipment	(31,476)
Net cash provided by investing activities	<u>14,046</u>
Cash flows from financing activities	<u>-</u>
Net increase in cash and cash equivalents	<u>412,818</u>
Cash and cash equivalents, beginning of year	<u>1,183,813</u>
Cash and cash equivalents, end of year	<u><u>\$ 1,596,631</u></u>

See accompanying notes to financial statements

South Florida Wildlife Center, Inc.
Notes to 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 of the largest wildlife trauma hospital and rehabilitation centers in the nation, based on intake numbers, the Organization performs daily field rescues of injured, orphaned, and imperiled animals. The Organization’s personnel restores mobility and function to injured wildlife, provides 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 restriction: 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 the Organization’s management and the board of directors.

Net assets with donor restriction: 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 restriction. When a restriction expires, net assets are reclassified from net assets with donor restriction to net assets without donor restriction in the accompanying 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.

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.

South Florida Wildlife Center, Inc.
Notes to Financial Statements

Note 2 – Summary of Significant Accounting Policies, continued

Revenue Recognition

Contributions, including unconditional promises to give, are recognized in the period received. Contributions received are considered to be available for general 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.

Pledges receivable are recorded at net realizable value. The Organization records an allowance for doubtful pledges when management determines a pledge is uncollectible.

Program revenue is recorded when earned.

Cash and 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.

Endowment

The Organization's endowment assets are recorded at fair value. The Organization established an endowment fund (the "Fund"), the primary purpose of the Fund is to provide a means for supporters and friends of the Organization, to make gifts and bequests to provide permanent financial support. The endowment assets will consist of donor restricted funds and board designated funds. As of December 31, 2024, there were no donor restricted endowment funds. As of December 31, 2024, board designated endowment funds totaled \$4,206,891.

Currently, the income earned from the endowment assets is reinvested back into the Fund so that the endowment will grow into a sustainable source of funding to support the mission of the Organization. Net assets associated with the Fund are classified and reported based on the existence or absence of donor-imposed restrictions. Board designated endowment funds may be used at the board's discretion and are not true restricted or perpetual endowment assets.

South Florida Wildlife Center, Inc.
Notes to Financial Statements

Note 2 – Summary of Significant Accounting Policies, continued

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.

Allowance for Credit Losses

The Organization recognizes an allowance for credit losses for financial assets carried at amortized cost to present the net amount expected to be collected as of the statement of financial position date. Such allowance is based on the credit losses expected to arise over the life of the asset (contractual term) which includes consideration of prepayments and renewal/extension options that are not accounted for as derivatives and are not unconditionally cancellable by the Organization. Assets are written off when the Organization determines that such financial assets are deemed uncollectible or based on regulatory requirements, whichever is earlier. Write-offs are recognized as a deduction from the allowance for credit losses. Expected recoveries of amounts previously written off, not to exceed the aggregate of the amount previously written off, are included in determining the necessary reserve at the statement of financial position date. As of December 31, 2024, there was no allowance for credit losses.

Contributed Services and Materials

Contributed services are recorded 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. Donated materials are recorded at estimated fair value on the date of donation.

Investments

The Organization reports investments at fair value. Investment income consists of interest and dividend income, realized and unrealized gains and losses, less external and direct internal investment expenses. Investment income 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.

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. As such, no provision for income taxes was recorded during the year ended December 31, 2024. The Organization is not considered a private foundation by the Internal Revenue Service.

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.

South Florida Wildlife Center, Inc.
Notes to Financial Statements

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, 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, 2024.

Fair Value of Financial Instruments

The fair value of the Organization's cash and cash equivalents, endowment securities, and accounts payable and accrued expenses approximates their carrying amounts due to the relatively short maturity of these items.

Date of Management's Review

Management has evaluated subsequent events through April 10, 2025, 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 (1) year as of December 31, 2024 consist of:

Financial assets:	
Cash and cash equivalents	\$ 1,596,631
Endowment, investments	<u>4,025,025</u>
Total financial assets	<u>5,621,656</u>
 Less: donor restricted, purpose restrictions	 <u>(759,700)</u>
 Total financial assets available within one year to meet cash needs for general expenditures	 \$ <u>4,861,956</u>

Note 4 – Investment Income

Investment income consists of the following for the year ended December 31, 2024:

Net realized and unrealized gain	\$ 260,921
Interest and dividend income	109,132
Investment fees	<u>(30,741)</u>
Investment income	<u>\$ 339,312</u>

South Florida Wildlife Center, Inc.
Notes to Financial Statements

Note 5 – Property and Equipment

Property and equipment consist of the following as of December 31, 2024:

Buildings	\$ 1,210,219
Vehicles	359,917
Furniture and fixtures	329,573
Leasehold improvements	111,995
	<u>2,011,704</u>
Less: accumulated depreciation and amortization	<u>(1,728,239)</u>
Property and equipment, net	<u><u>\$ 283,465</u></u>

Depreciation and amortization expense for the year ended December 31, 2024 was \$105,276.

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 (3) 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 are valued at the quoted net asset value of shares reported in the active markets in which the funds are traded.
- Fixed income bonds represent bonds valued based upon comparable securities of issuers with similar yield and similar credit ratings.

South Florida Wildlife Center, Inc.
Notes to Financial Statements

Note 6 – Fair Value Measurements, continued

Fair value on Recurring Basis

Investments measured at fair value on a recurring basis are summarized below as of December 31, 2024:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Equity securities	\$ 2,214,620	\$ -	\$ -	\$ 2,214,620
Fixed income funds	1,451,918	-	-	1,451,918
Real estate and commodities	358,487	-	-	358,487
Total endowment, investments	<u>\$ 4,025,025</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,025,025</u>

Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such change could materially affect the amounts reported in the statement of financial position.

Note 7 – Endowment

Interpretation of Relevant Law

In June 2011, the State of Florida adopted the Florida Uniform Prudent Management of Institutional Funds Act (“FUPMIFA”) which was effective July 1, 2012. The Organization has interpreted FUPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the Fund. The remaining portion of the donor-restricted endowment fund is classified as with donor restrictions until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by FUPMIFA.

The Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment fund earnings:

- 1) The duration and preservation of the Fund
- 2) The purposes of the Organization and the donor-restricted endowment fund
- 3) General economic conditions
- 4) The possible effect of inflation and deflation
- 5) The expected total return from income and the appreciation of investments
- 6) Other resources of the Organization
- 7) The investment policies of the Organization

Return Objectives and Risk Parameters

The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of income to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets on an inflation adjusted basis.

South Florida Wildlife Center, Inc.
Notes to Financial Statements

Note 7 – Endowment, continued

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that places emphasis on investments in mutual funds to achieve its long-term return objectives within prudent risk constraints.

The changes in the Organization's endowment net assets were as follows for the year ended December 31, 2024:

	<u>Without Donor Restriction</u>	<u>With Donor Restriction</u>	<u>Total</u>
Endowment net assets, December 31, 2023	\$ 3,889,873	\$ -	\$ 3,889,873
Net appreciation	347,759	-	347,759
Investment fees	(30,741)	-	(30,741)
Endowment net assets, December 31, 2024	<u>\$ 4,206,891</u>	<u>-</u>	<u>\$ 4,206,891</u>

The Organization's endowment assets consisted of the following as of December 31, 2024:

	<u>Fair Value Level</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Endowment, board designated:				
Cash and cash equivalents	<u>\$ 181,866</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 181,866</u>
Equity securities	2,214,620	-	-	2,214,620
Fixed income funds	1,451,918	-	-	1,451,918
Real estate and commodities	<u>358,487</u>	<u>-</u>	<u>-</u>	<u>358,487</u>
Total endowment, investments	<u>4,025,025</u>	<u>-</u>	<u>-</u>	<u>4,025,025</u>
Total endowment, board designated	<u>\$ 4,206,891</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,206,891</u>

As of December 31, 2024, there were no donor restricted endowment net assets. As of December 31, 2024, board designated endowment net assets totaled \$4,206,891.

Note 8 – Net Assets with Donor Restriction

Net assets with donor restriction consists of the following as of December 31, 2024:

Purpose restrictions:	
Animal hospital	<u>\$ 759,700</u>
	<u>\$ 759,700</u>

South Florida Wildlife Center, Inc.
Notes to Financial Statements

Note 9 – Net Assets without Donor Restriction

Net assets without donor restriction consists of the following as of December 31, 2024:

Undesignated	\$ 868,359
Board designated, endowment assets	4,206,891
	<u>\$ 5,075,250</u>

Note 10 – Net Assets Released from Donor Restriction

During the year ended December 31, 2024, the Organization released \$127,000 from the animal care and habitat center donor restricted funds and \$41,226 from the building renovations and equipment donor restricted funds.

Note 11 – In-Kind Contributions

For the year ended December 31, 2024, the Organization recorded in-kind contribution revenue for \$202,895 which is included in contributed animal food and supplies in the accompanying statement of activities and changes in net assets. 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 12 – 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, 2024.

Note 13 – Concentrations of Credit Risk

Financial instruments, which potentially subject the Organization to concentrations of credit risk, consist primarily of cash and cash equivalents and investments. The Organization maintains its cash and cash equivalents in bank accounts which, at times, may exceed federally insured limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk for cash. As of December 31, 2024, the Organization had cash and cash equivalents in excess of federally insured limits of \$917,024.

The Organization holds accounts with a third-party investment custodian. Securities held with the custodian are Securities Investor Protection Corporation insured up to \$500,000 per accounts held in the same capacity. As of December 31, 2024, securities subject to credit risk held with the custodian was \$3,525,026.