

**The International Wilderness
Leadership Foundation, Inc.
d/b/a The WILD Foundation**

(a not-for-profit New York corporation)

Boulder, Colorado

Financial Statements

December 31, 2022 and 2021

The International Wilderness Leadership Foundation, Inc. d/b/a The WILD Foundation

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Independent Auditor's Report

To the Board of Directors
The International Wilderness Leadership Foundation, Inc.
d/b/a The WILD Foundation
Boulder, Colorado

Opinion

We have audited the accompanying financial statements of The International Wilderness Leadership Foundation, Inc. d/b/a The WILD Foundation (a not-for-profit New York corporation), which comprise the statements of financial position as of December 31, 2022 and 2021, and the related statements of activities, changes in net assets, functional expenses, and cash flows for the years 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 International Wilderness Leadership Foundation, Inc. d/b/a The WILD Foundation as of December 31, 2022 and 2021, 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 International Wilderness Leadership Foundation, Inc. d/b/a The WILD Foundation 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 International Wilderness Leadership Foundation, Inc. d/b/a The WILD Foundation's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibility 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 one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is substantial likelihood that, individually or in the aggregate, they would influence the judgement 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 International Wilderness Leadership Foundation, Inc. d/b/a The WILD Foundation'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 International Wilderness Leadership Foundation, Inc. d/b/a The WILD Foundation'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.

Brack and Company, CPAs, P.C.

Certified Public Accountants

Boulder, Colorado
October 23, 2023

The International Wilderness Leadership Foundation, Inc. d/b/a The WILD Foundation

Statements of Financial Position

December 31	2022	2021
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 2,407,764	\$ 3,357,962
Investments, at fair value	1,178,400	528,116
Grants and pledges receivable	663,440	414,125
Prepaid expenses and other current assets	5,858	4,313
Total current assets	4,255,462	4,304,516
Property and Equipment, net	591,353	514,919
Other Assets		
Deposit on building improvements	-	124,414
Investments, deferred compensation plan	136,090	154,946
Total other assets	136,090	279,360
Total assets	\$ 4,982,905	\$ 5,098,795
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable	\$ 51,363	\$ 84,682
Accrued compensation and benefits	218	-
Refundable advances	50,000	220
Long-term note payable, current maturities	16,748	19,002
Total current liabilities	118,329	103,904
Long-Term Liabilities		
Long-term note payable, net of current maturities	88,348	105,085
Deferred compensation plan obligation	136,090	154,946
Total long-term liabilities	224,438	260,031
Total liabilities	342,767	363,935
Net Assets		
Without donor restrictions		
Undesignated	859,610	982,065
Board-designated	932,959	949,792
Total without donor restrictions	1,792,569	1,931,857
With donor restrictions	2,847,569	2,803,003
Total net assets	4,640,138	4,734,860
Total liabilities and net assets	\$ 4,982,905	\$ 5,098,795

The accompanying Notes are an integral
part of these financial statements

The International Wilderness Leadership Foundation, Inc. d/b/a The WILD Foundation

Statements of Activities

Years ended December 31	2022			2021		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue						
Support						
Contributions	\$ 1,072,144	\$ 4,746,237	\$ 5,818,381	\$ 592,891	\$ 4,921,000	\$ 5,513,891
Government grant, Paycheck Protection Program	-	-	-	93,859	-	93,859
Net assets released from restriction	4,701,671	(4,701,671)	-	3,832,054	(3,832,054)	-
Total support	5,773,815	44,566	5,818,381	4,518,804	1,088,946	5,607,750
Revenue						
Realized gain on investments	-	-	-	298	-	298
Gain on foreign currency translation	-	-	-	385,285	-	385,285
Interest and dividends	9,943	-	9,943	18,241	-	18,241
Other income	26,060	-	26,060	31,734	-	31,734
Total revenue	36,003	-	36,003	435,558	-	435,558
Total support and revenue	5,809,818	44,566	5,854,384	4,954,362	1,088,946	6,043,308
Functional Expenses and Losses						
Functional Expenses						
Program services	5,472,947	-	5,472,947	5,212,287	-	5,212,287
Supporting services						
Fundraising	113,853	-	113,853	67,675	-	67,675
General and administrative	311,900	-	311,900	182,190	-	182,190
Total supporting services	425,753	-	425,753	249,865	-	249,865
Total functional expenses	5,898,700	-	5,898,700	5,462,152	-	5,462,152
Losses						
Loss on foreign currency translation	37,227	-	37,227	-	-	-
Unrealized loss on investments	13,179	-	13,179	11,923	-	11,923
Total losses	50,406	-	50,406	11,923	-	11,923
Total functional expenses and losses	5,949,106	-	5,949,106	5,474,075	-	5,474,075
Change in Net Assets	\$ (139,288)	\$ 44,566	\$ (94,722)	\$ (519,713)	\$ 1,088,946	\$ 569,233

The accompanying Notes are an integral
part of these financial statements

The WILD Foundation

Statements of Changes in Net Assets

Years ended December 31	2022			2021		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Net Assets, Beginning of Year, as Originally Reported	\$ 1,931,857	\$ 2,803,003	\$ 4,734,860	\$ 1,979,201	\$ 2,186,426	\$ 4,165,627
Prior period reclassification	-	-	-	472,369	(472,369)	-
Net Assets, Beginning of Year, as Restated	1,931,857	2,803,003	4,734,860	2,451,570	1,714,057	4,165,627
Change in net assets	(139,288)	44,566	(94,722)	(519,713)	1,088,946	569,233
Net Assets, End of Year	<u>\$ 1,792,569</u>	<u>\$ 2,847,569</u>	<u>\$ 4,640,138</u>	<u>\$ 1,931,857</u>	<u>\$ 2,803,003</u>	<u>\$ 4,734,860</u>

The accompanying Notes are an integral part of these financial statements.

The International Wilderness Leadership Foundation, Inc. d/b/a The WILD Foundation

Statement of Functional Expenses

Year ended December 31, 2022

	Program Services	Supporting Services		Total
		Fundraising	General and Administrative	
Grants and projects	\$ 4,285,889	\$ -	\$ -	\$ 4,285,889
Professional fees	707,499	25,430	117,423	850,352
Salaries and wages	256,590	34,240	60,345	351,175
Travel	112,217	225	9,778	122,220
Advertising and promotion	20,600	47,955	12,086	80,641
Depreciation	15,068	-	32,911	47,979
Dues and subscriptions	15,818	1,529	12,714	30,061
Employee benefits	8,565	1,170	19,980	29,715
Office expenses	15,656	534	12,815	29,005
Payroll taxes	20,503	2,770	4,385	27,658
Information technology	3,586	-	7,701	11,287
Insurance	-	-	10,415	10,415
Printing and publication	6,915	-	1,746	8,661
Interest expense	-	-	3,815	3,815
Repairs and maintenance	-	-	2,886	2,886
Education and outreach	2,287	-	-	2,287
Bank and investment fees	1,735	-	278	2,013
Utilities	-	-	1,955	1,955
Conferences	19	-	667	686
Total expenses	<u>\$ 5,472,947</u>	<u>\$ 113,853</u>	<u>\$ 311,900</u>	<u>\$ 5,898,700</u>

The accompanying Notes are an integral
part of these financial statements.

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The International Wilderness Leadership Foundation, Inc. d/b/a The WILD Foundation

Statement of Functional Expenses

Year ended December 31, 2021

	Program Services	Supporting Services		Total
		Fundraising	General and Administrative	
Grants and projects	\$ 3,882,822	\$ -	\$ -	\$ 3,882,822
Professional fees	736,657	2,632	67,899	807,188
Salaries and wages	368,351	55,551	23,001	446,903
Travel	72,206	65	619	72,890
Depreciation	29,617	-	27,023	56,640
Advertising and promotion	45,030	1,300	4,488	50,818
Payroll taxes	28,901	4,153	4,002	37,056
Employee benefits	13,526	1,284	10,899	25,709
Office expenses	7,215	378	13,161	20,754
Dues and subscriptions	4,053	415	14,643	19,111
Education and outreach	12,524	-	149	12,673
Insurance	-	-	9,844	9,844
Information technology	8,253	-	579	8,832
Printing and publication	755	1,897	499	3,151
Repairs and maintenance	-	-	2,706	2,706
Conferences	2,377	-	-	2,377
Utilities	-	-	1,667	1,667
Interest expense	-	-	658	658
Bank and investment fees	-	-	353	353
Total expenses	<u>\$ 5,212,287</u>	<u>\$ 67,675</u>	<u>\$ 182,190</u>	<u>\$ 5,462,152</u>

The accompanying Notes are an integral
part of these financial statements.

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The International Wilderness Leadership Foundation, Inc. d/b/a The WILD Foundation

Statements of Cash Flows

Increase (Decrease) in Cash and Cash Equivalents

Years ended December 31	2022	2021
Cash Flows From Operating Activities		
Change in net assets	\$ (94,722)	\$ 569,233
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	47,979	56,640
Unrealized loss on investments	13,179	11,923
Realized gain on investments	-	(298)
Reinvested dividends	(3,898)	-
Increase (decrease) from changes in assets and liabilities		
Grants and pledges receivable	(249,315)	(1,640)
Prepaid expenses and other current assets	(1,545)	1,386
Accounts payable	(33,319)	17,595
Accrued compensation and benefits	218	(62,306)
Refundable advances	49,780	(476,947)
Net cash provided (used) by operating activities	<u>(271,643)</u>	<u>115,586</u>
Cash Flows From Investing Activities		
Proceeds from sale of investments	648,000	551,009
Purchases and contributions of investments	(1,307,565)	(18,313)
Purchases of equipment	-	(1,704)
Deposits paid on building improvements	-	(124,414)
Net cash provided (used) by investing activities	<u>(659,565)</u>	<u>406,578</u>
Cash Flows From Financing Activities		
Borrowings on long-term notes payable	-	124,000
Principal payments on long-term notes payable	(18,990)	(5,932)
Net cash provided (used) by financing activities	<u>(18,990)</u>	<u>118,068</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(950,198)	640,232
Cash and Cash Equivalents, Beginning of Year	3,357,962	2,717,730
Cash and Cash Equivalents, End of Year	<u>\$ 2,407,764</u>	<u>\$ 3,357,962</u>
Supplemental Information		
Cash paid for interest	\$ 3,815	\$ 658

The accompanying Notes are an integral
part of these financial statements

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The International Wilderness Leadership Foundation, Inc. d/b/a The WILD Foundation

Notes to Financial Statements

December 31, 2022 and 2021

Note 1 - Nature of Organization and Significant Accounting Policies

Nature of Organization. The International Wilderness Leadership Foundation, Inc. d/b/a The WILD Foundation (the "Organization") is a not-for-profit corporation established in 1974 to provide protection and promote understanding of wilderness and wildlife throughout the world. Funding for the Organization is obtained through contributions from foundations and individuals that support conservation issues.

Use of Estimates. The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Basis of Accounting. The financial statements of the Organization have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

Net Asset Classification. The Organization distinguishes between contributions received for each net asset category in accordance with donor-imposed restrictions. The Organization complies with established standards for external reporting by not-for-profit organizations, which requires that resources be classified for reporting purposes into two net asset categories according to externally (donor) imposed restrictions. The two net asset categories are as follows:

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 the 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, where by the donor has stipulated the funds be maintained in perpetuity. There are no net assets restricted in perpetuity at December 31, 2022 and 2021.

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 statements of activities.

Functional Allocation of Expenses. Direct expenses have been allocated to the applicable program for which the expenses were incurred. Indirect expenses have been allocated between program and supporting services based on an analysis of personnel time and space utilized for the related activities.

The International Wilderness Leadership Foundation, Inc. d/b/a The WILD Foundation

Notes to Financial Statements

December 31, 2022 and 2021

Note 1 - Nature of Organization and Significant Accounting Policies (continued)

Cash and Cash Equivalents. The Organization considers all highly liquid debt instruments with maturities of three months or less to be cash equivalents. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of those financial instruments.

Investments. The Organization's investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Organization's management determines the valuation policies utilizing information provided by the investment advisors and custodians.

Unrealized gains and losses are included in the change in net assets in the accompanying statement of activities. Investment income and gains restricted by donors are reported as increases in net assets without donor restrictions if the restrictions are met (either a stipulated time period ends or a purpose restriction is accomplished) in the reporting period in which the income and gains are recognized.

Fair Value Measurements. The Organization reports using fair value measurements, which among other things requires enhanced disclosures about investments that are measured and reported at fair value and establishes a framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurements. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The International Wilderness Leadership Foundation, Inc. d/b/a The WILD Foundation

Notes to Financial Statements

December 31, 2022 and 2021

Note 1 - Nature of Organization and Significant Accounting Policies (continued)

U.S. equities and mutual funds are publicly traded and are valued using quoted prices in active markets. There have been no changes in the methodologies used at December 31, 2022 and 2021.

The method described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, 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 fair value measurement at the reporting date.

In general, investments are exposed to various risks, such as interest rate, credit and overall market volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of the investments will occur in the near term and that such changes could materially affect the investment balances and the amounts reported in the statements of financial position.

Grants and Pledges Receivable. Grants and pledges receivable are stated net of allowances for uncollectible accounts. At the time receivables are originated, the Organization considers an allowance for doubtful accounts based on the creditworthiness of the donor. The allowance is continually reviewed and adjusted to maintain the allowance at a level considered adequate to cover future uncollectible amounts. The allowance is management's best estimate of uncollectible amounts and is determined based on historical performance that is tracked by the Organization on an ongoing basis. Management believes that all grants and pledges receivable are fully collectible at December 31, 2022 and 2021.

Property and Equipment. It is the Organization's policy to capitalize property and equipment at cost for purchases over \$2,500, while repair and maintenance items are charged to expense. Donations of property and equipment are capitalized at their estimated fair value at the date of gift. Such donations are reported as contributions without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Property and equipment are depreciated using the straight-line method over the estimated useful lives of the assets. In general, asset lives are as follows:

	<u>Life in Years</u>
Building and improvements	10 - 40
Vehicles	5 - 7
Furniture, fixtures and equipment	3 - 10
Website	5

Depreciation expense for the years ended December 31, 2022 and 2021 was \$47,979 and \$56,640, respectively.

The International Wilderness Leadership Foundation, Inc. d/b/a The WILD Foundation

Notes to Financial Statements

December 31, 2022 and 2021

Note 1 - Nature of Organization and Significant Accounting Policies (continued)

Works of Art. It is the Organization's policy to capitalize works of art at cost for purchases, while donations are capitalized at their estimated fair value at the date of gift. Works of art are not depreciated as the estimated useful lives are extraordinarily long.

Impairment of Long-Lived Assets. In the event that facts and circumstances indicate that property and equipment, or other assets, may be impaired, an evaluation of recoverability would be performed. If an evaluation is required, the estimated future undiscounted cash flows associated with the asset are compared to the asset's carrying amount to determine if a write-down to market value would be necessary. No impairment losses were recorded during the years ended December 31, 2022 and 2021.

Revenue Recognition. The Organization's revenue from contracts with customers are comprised of conference registrations which occur every few years. Registration fees are generally received in advance of the event. Any amounts received prior to the start of the event are recorded as a contract liability. Revenue is recognized at the point in time in which the event occurs, which satisfies the Organization's performance obligation.

Contributions. Contributions are recognized when the donation is received. 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. Contributions and grants that are restricted by the donor or grantor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

Contributed Services. Contributed services are recognized if services received (a) create or enhance non-financial assets or (b) require specialized skills and are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. No services were provided that meet the above criteria for the years ended December 31, 2022 and 2021.

A substantial number of individuals have made contributions of their time to assist the Organization in a variety of tasks and services. The value of these services is not recorded in the accompanying financial statements, as these services do not meet the criteria for recognition.

Advertising. The Organization expenses advertising costs, including donated advertising, as they are incurred. Advertising expenses for the years ended December 31, 2022 and 2021 were \$80,641 and \$50,818, respectively.

The International Wilderness Leadership Foundation, Inc. d/b/a The WILD Foundation

Notes to Financial Statements

December 31, 2022 and 2021

Note 1 - Nature of Organization and Significant Accounting Policies (continued)

Foreign Currency Transactions. The functional currency of the Organization's foreign operations is the West African CFA Franc. The translation of foreign currency into U.S. dollars is performed for statement of financial position accounts using the exchange rate in effect at the financial position date, and for support and revenue and functional expense accounts using a weighted average exchange rate during the period. The Organization recorded a cumulative foreign currency translation loss of \$37,227 during the year ended December 31, 2022. The Organization recorded a cumulative foreign currency translation gain of \$385,285 during the year ended December 31, 2021.

Income Taxes. The Organization is a nonprofit corporation exempt from income taxes as described in Section 501(c)(3) of the Internal Revenue Code and is classified by the Internal Revenue Service as other than a private foundation. Accordingly, no provision for income taxes has been made.

The Organization utilizes the provisions of ASC 740, pertaining to accounting for uncertainty in income taxes. The pronouncement requires the use of a more-likely-than-not recognition criteria before and separate from the measurement of a tax position. An entity shall initially recognize the financial statement effects of a tax position when it is more likely than not, based on the technical merits, that the position will be sustained upon examination. With respect to the Organization, this would primarily relate to the determination of unrelated business taxable income and to the maintenance of its tax exempt status.

Management has evaluated the adopted policies and procedures that have been implemented to provide assurance that income is properly characterized and activities that jeopardize its tax exempt status are within limits established under existing tax code and regulations. Management has determined the effects of uncertain tax positions are not material to the Organization for recognition or disclosure in the accompanying financial statements and, accordingly, no income tax liability has been recorded for uncertain income tax positions in the accompanying financial statements.

Reclassifications. Certain amounts in the 2021 financial statements have been reclassified to conform with reporting for 2022, without affecting the change in net assets.

Subsequent Events. The Organization evaluates events and transactions occurring subsequent to the date of the financial statements for matters requiring recognition or disclosure in the financial statements. The accompanying financial statements consider events through October 23, 2023, the date at which the financial statements were available for release.

The International Wilderness Leadership Foundation, Inc. d/b/a The WILD Foundation

Notes to Financial Statements

December 31, 2022 and 2021

Note 2 - Prior Period Reclassifications

Subsequent to the issuance of the financial statements as of December 31, 2021, and for the year then ended, management discovered errors in the classifications of net assets. The Organization has recorded a prior period reclassifications to correct the balances of net assets with donor restrictions and net assets without donor restrictions. The financial statements have been restated to decrease net assets with donor restrictions by \$472,369 and to increase net assets without donor restriction by \$472,369 at January 1, 2021.

Note 3 - Availability and Liquidity

The following represents the Organization's financial assets for the years ended December 31:

	<u>2022</u>	<u>2021</u>
Financial assets at year end		
Cash and cash equivalents	\$ 2,407,764	\$ 3,357,962
Investments	1,178,400	528,116
Grants and pledges receivable	663,440	414,125
Total financial assets	<u>\$ 4,249,604</u>	<u>\$ 4,300,203</u>

The Organization receives significant contributions and promises to give that are restricted by donors, and considers contributions restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. The Organization manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability; maintaining adequate liquid assets to fund near-term operating needs; and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged. To achieve these guiding principles, the Organization forecasts its future cash flows and monitors its liquidity monthly. The Organization has financial assets to meet approximately nine months of operating expenses, including program expenditures. As part of its liquidity plan, the Organization invests in certificates of deposit with staggered maturity dates that are available for liquidation as needed.

The International Wilderness Leadership Foundation, Inc. d/b/a The WILD Foundation

Notes to Financial Statements

December 31, 2022 and 2021

Note 4 - Fair Value Measurements, Investments, and Subsequent Event

The Organization's fair value hierarchy for those investment assets measured at fair value on a recurring basis is as follows at December 31, 2022 and 2021:

2022	Level 1	Level 2	Level 3	Total
Certificates of deposit	\$ -	\$ 1,153,283	\$ -	\$ 1,153,283
Mutual funds				
Large value	25,117	-	-	25,117
457(f) Plan				
Mutual funds				
Large value	14,960	-	-	14,960
Mid value	2,754	-	-	2,754
International	48,130	-	-	48,130
Bonds	70,246	-	-	70,246
Total 457(f) Plan	136,090	-	-	136,090
Total Investments at Fair Value	\$ 161,207	\$ 1,153,283	\$ -	\$ 1,314,490

2021	Level 1	Level 2	Level 3	Total
Certificates of deposit	\$ -	\$ 500,805	\$ -	\$ 500,805
Mutual funds				
Large blend	27,311	-	-	27,311
457(f) Plan				
Mutual funds				
Large value	17,489	-	-	17,489
Mid value	2,272	-	-	2,272
International	57,430	-	-	57,430
Bonds	77,755	-	-	77,755
Total 457(f) Plan	154,946	-	-	154,946
Total Investments at Fair Value	\$ 182,257	\$ 500,805	\$ -	\$ 683,062

Changes in Fair Value Levels. The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

The Organization evaluated the significance of transfers between levels based upon the nature of the financial instruments and size of the transfer relative to total net assets available for benefits. For the years ended December 31, 2022 and 2021, there were no significant transfers in or out of fair value levels.

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Notes to Financial Statements

December 31, 2022 and 2021

Note 4 - Fair Value Measurements, Investments, and Subsequent Event (continued)

Deferred Compensation Plan. The Organization has a 457(f), deferred compensation plan for its former Executive Director. The entire account balance totaling \$136,090 and \$154,946 at December 31, 2022 and 2021, respectively, is invested in equity and debt mutual funds and bonds. Realized and unrealized gains and losses, and investment income are recorded as the deferred compensation plan liability, and are not reflected in the accompanying statements of activities.

In January 2023, the entirety of the funds held in the 457(f) plan were withdrawn by the former Executive Director.

Investment income (loss) consisted of the following for the years ended December 31:

	2022	2021
Interest and dividends earned on investments	\$ 9,943	\$ 18,241
Unrealized loss on investments	(13,179)	(11,923)
Realized gain on investments	-	298
Investment fees	-	(113)
	<u>\$ (3,236)</u>	<u>\$ 6,503</u>

Note 5 - Property and Equipment

Property and equipment consisted of the following at December 31:

	2022	2021
Land, building and improvements	\$ 587,657	\$ 463,243
Vehicles	32,472	32,472
Furniture, fixtures and equipment	410,923	501,213
Works of art	47,229	47,229
Website	51,000	51,000
	<u>1,129,281</u>	<u>1,095,157</u>
Less accumulated depreciation	(537,928)	(580,238)
Net property and equipment	<u>\$ 591,353</u>	<u>\$ 514,919</u>

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Notes to Financial Statements

December 31, 2022 and 2021

Note 6 - Long-Term Notes Payable

Long-term notes payable consist of the following at December 31:

	<u>2022</u>	<u>2021</u>
Note payable with FirstBank bearing interest at 3.0% due in monthly installments of \$1,639 including principal and interest, and maturing in October 2028. The agreement is collateralized by substantially all business assets.	105,096	121,339
Note paid in full in 2022	-	2,748
Total principal	105,096	124,087
Less current maturities	(16,748)	(19,002)
	<u>\$ 88,348</u>	<u>\$ 105,085</u>

Scheduled maturities of the long-term note payable are as follows at December 31, 2022:

<u>Year</u>	<u>Amount</u>
2023	\$ 16,748
2024	17,258
2025	17,783
2026	18,323
2027	18,881
Thereafter	16,103
	<u>\$ 105,096</u>

Note 7 - Board-Designated Net Assets

Board designated net assets are net assets without donor restrictions subject to self imposed limits by action of the governing body. The following summarizes the changes in net assets without donor restrictions designated by the Board of Directors for the years ended December 31, 2022 and 2021:

	<u>Conservation Projects</u>	<u>Operating Reserve</u>	<u>Executive Reserve</u>	<u>Total</u>
Balance, January 1, 2021	\$ 540,906	\$ 175,000	\$ 250,000	\$ 965,906
Designations	29,375	-	-	29,375
Expenditures	(45,489)	-	-	(45,489)
Balance, December 31, 2021	524,792	175,000	250,000	949,792
Designations	140,817	-	-	140,817
Expenditures	(157,650)	-	-	(157,650)
Balance, December 31, 2022	<u>\$ 507,959</u>	<u>\$ 175,000</u>	<u>\$ 250,000</u>	<u>\$ 932,959</u>

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Notes to Financial Statements

December 31, 2022 and 2021

Note 9 - Net Assets with Donor Restrictions

The following summarizes the changes in net assets with donor restrictions for the years ended December 31, 2022 and 2021:

	Conservation Projects
Balance, January 1, 2021	\$ 1,714,057
Receipts	4,921,000
Expenditures, net of transfers	(3,832,054)
Balance, December 31, 2021	2,803,003
Receipts	4,746,237
Expenditures, net of transfers	(4,701,671)
Balance, December 31, 2022	<u>\$ 2,847,569</u>

Note 10 - Related Party Transactions

The Organization received royalty payments for publication sales from a company controlled by members of the Board of Directors. Publication royalties received from the related party for the year ended December 31, 2021 was \$474.

One of the Organization's board members is an officer of a not-for-profit entity with a similar mission. The Organization received management fees from the related entity totaling \$11,000 and \$5,500 for the years ended December 31, 2022 and 2021, respectively, which is reported in other income in the accompanying statements of activities.

Note 11 - Employee Benefit Plans

The Organization sponsors a 401(k) plan (the Plan). Under the terms of the Plan, employees may contribute a percentage of their pre-tax compensation into the Plan, subject to certain limits set by the Internal Revenue Code (IRC) and Plan documents. The Plan covers all employees who are at least 21 years of age and have completed at least three months of service. The Organization may make discretionary contributions, which are fully vested. The Organization's contributions totaled \$11,815 and \$3,333 for the years ended December 31, 2022 and 2021, respectively.

The Organization also maintains a deferred compensation plan for certain senior personnel under Section 457(f) of the Internal Revenue Code. Under this plan, eligible employees may defer a limited amount of their compensation to future years. Although deferred by employees for tax purposes, amounts contributed to this plan by the Organization are treated as an expense in the year earned. The Organization's contributions totaled \$5,000 for each of the years ended December 31, 2022 and 2021.

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Notes to Financial Statements

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Note 12 - Concentrations

Bank Deposits. The Organization routinely maintains cash balances in excess of federally insured limits.

Investments. The Organization's investments subject to credit risk consist primarily of equities and mutual funds. The credit risk is reduced by maintaining the investments in a variety of funds. The investment funds are held and managed by a single financial institution trustee.

Contributions and Support. For the years ended December 31, 2022 and 2021, 32% and 23%, respectively, of total support was received from two grantors.

Note 13 - Government Assistance

The federal government enacted various legislation to mitigate some of the economic effects of the COVID19 pandemic, including the CARES Act of 2020. The Organization obtained a second Paycheck Protection Program loan in February 2021 in the amount of \$93,859. The Organization spent all funds on qualified expenses and the loan was forgiven in full in June 2021. The loan has been recognized as a government grants in the statements of activities.