

**WILD EARTH SOCIETY INCORPORATED**  
**dba WILDLANDS NETWORK**

**AUDITED FINANCIAL STATEMENTS**

Year Ended December 31, 2023

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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Wild Earth Society Incorporated  
dba Wildlands Network

### ***Opinion***

We have audited the accompanying financial statements of Wild Earth Society Incorporated (a nonprofit organization) which comprise the statement of financial position as of December 31, 2023, the related statements of activities, 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 Wild Earth Society Incorporated as of December 31, 2023 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 (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 Wild Earth Society Incorporated 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 Wild Earth Society Incorporated's ability to continue as a going concern for one year after the date that the financial statements are issued.

### ***Auditor's 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 GAAS 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 GAAS, 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 Wild Earth Society Incorporated'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 Wild Earth Society Incorporated'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.

### ***Report on Summarized Comparative Information***

We have previously audited Wild Earth Society Incorporated's 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated May 4, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2022 is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Squire & Company, PC*

Orem, Utah  
April 22, 2024

**WILD EARTH SOCIETY INCORPORATED**  
**dba WILDLANDS NETWORK**  
**STATEMENT OF FINANCIAL POSITION**  
December 31, 2023 with Comparative Totals for 2022

|   | 2023                | 2022                |
|---|---------------------|---------------------|
| <b>ASSETS</b>   |                     |                     |
| <b>Current Assets:</b>                                    |                     |                     |
| Cash  | \$ 2,163,541        | \$ 2,457,898        |
| Investments   | 47,131              | 19,696              |
| Contributions and grants receivable                       | 355,464             | 264,849             |
| Prepaid expenses  | 1,654               | 14,701              |
| Total current assets                                      | 2,567,790           | 2,757,144           |
| <b>Operating Lease Right-of-Use Assets</b>                | 41,113              | 47,326              |
| <b>Net Fixed Assets</b>                                   | 40,089              | -                   |
| <b>Security Deposits</b>                                  | 5,861               | 3,607               |
| Total assets  | <u>\$ 2,654,853</u> | <u>\$ 2,808,077</u> |
| <b>LIABILITIES AND NET ASSETS</b>                         |                     |                     |
| <b>Current Liabilities:</b>                               |                     |                     |
| Accounts payable and accrued expenses                     | \$ 86,775           | \$ 64,452           |
| Current portion of operating lease liabilities            | 24,780              | 43,823              |
| Due to other organizations                                | 188,425             | 194,846             |
| Total current liabilities                                 | 299,980             | 303,121             |
| <b>Operating Lease Liabilities</b> , less current portion | 16,556              | 3,939               |
| Total liabilities   | 316,536             | 307,060             |
| <b>Net Assets:</b>  |                     |                     |
| Without donor restrictions:                               |                     |                     |
| Board-designated operating reserve                        | 415,558             | 356,544             |
| Designated for quasi-endowment                            | 25,000              | -                   |
| Undesignated  | 178,321             | 337,886             |
| Total net assets without donor restrictions               | 618,879             | 694,430             |
| With donor restrictions                                   | 1,719,438           | 1,806,587           |
| Total net assets  | 2,338,317           | 2,501,017           |
| Total liabilities and net assets                          | <u>\$ 2,654,853</u> | <u>\$ 2,808,077</u> |

The accompanying notes are an integral part of this financial statement.

**WILD EARTH SOCIETY INCORPORATED**  
**dba WILDLANDS NETWORK**  
**STATEMENT OF ACTIVITIES**

Year Ended December 31, 2023 with Comparative Totals for 2022

|   | 2023                       | 2022                       |
|---|----------------------------|----------------------------|
| <b>Net Assets without Donor Restrictions:</b>   |                            |                            |
| Revenues and support:                           |                            |                            |
| Grants and contributions                        | \$ 1,391,144               | \$ 1,146,729               |
| Investment earnings (loss)                      | 11,850                     | (2,618)                    |
| Other   | 6,532                      | 10,335                     |
| Employee retention credit                       | -                          | 160,431                    |
| Net assets released from restrictions           | <u>1,677,337</u>           | <u>1,345,305</u>           |
| Total revenues and support                      | 3,086,863                  | 2,660,182                  |
| Expenses:                                       |                            |                            |
| Program services                                | 2,491,822                  | 2,234,438                  |
| Supporting services:                            |                            |                            |
| Management and general                          | 519,735                    | 136,462                    |
| Fundraising                                     | <u>150,857</u>             | <u>324,417</u>             |
| Total expenses                                  | <u>3,162,414</u>           | <u>2,695,317</u>           |
| Change in net assets without donor restrictions | (75,551)                   | (35,135)                   |
| <b>Net Assets with Donor Restrictions:</b>      |                            |                            |
| Grants and contributions                        | 1,590,188                  | 1,791,587                  |
| Net assets released from restrictions           | <u>(1,677,337)</u>         | <u>(1,345,305)</u>         |
| Change in net assets with donor restrictions    | <u>(87,149)</u>            | <u>446,282</u>             |
| <b>Change in Net Assets</b>                     | (162,700)                  | 411,147                    |
| <b>Net Assets at Beginning of Year</b>          | <u>2,501,017</u>           | <u>2,089,870</u>           |
| <b>Net Assets at End of Year</b>                | <u><u>\$ 2,338,317</u></u> | <u><u>\$ 2,501,017</u></u> |

The accompanying notes are an integral part of this financial statement.

**WILD EARTH SOCIETY INCORPORATED**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
Year Ended December 31, 2023 with Comparative Totals for 2022

|                    | Supporting Services |                        |             | Totals       |              |
|--------------------|---------------------|------------------------|-------------|--------------|--------------|
|                    | Program Services    | Management and General | Fundraising | 2023         | 2022         |
| Wages and benefits | \$ 1,524,520        | \$ 353,939             | \$ 140,970  | \$ 2,019,429 | \$ 1,942,152 |
| Awards and grants  | 55,532              | -                      | -           | 55,532       | 42,500       |
| Professional fees  | 510,700             | 40,739                 | -           | 551,439      | 366,096      |
| Promotion          | 650                 | -                      | -           | 650          | 561          |
| Occupancy          | 52,297              | 48,717                 | 600         | 101,614      | 80,191       |
| Insurance          | 4,560               | 6,711                  | -           | 11,271       | 4,103        |
| Equipment          | 168,794             | -                      | -           | 168,794      | 13,417       |
| Office             | 59,360              | 25,541                 | 2,912       | 87,813       | 82,425       |
| Depreciation       | 2,863               | -                      | -           | 2,863        | -            |
| Other              | 14,562              | 31,049                 | 7           | 45,618       | 29,055       |
| Travel             | 97,984              | 13,039                 | 6,368       | 117,391      | 134,817      |
| Total expenses     | \$ 2,491,822        | \$ 519,735             | \$ 150,857  | \$ 3,162,414 | \$ 2,695,317 |

The accompanying notes are an integral part of this financial statement.

**WILD EARTH SOCIETY INCORPORATED**  
**dba WILDLANDS NETWORK**  
**STATEMENT OF CASH FLOWS**

Year Ended December 31, 2023 with Comparative Totals for 2022

|  | 2023                       | 2022                       |
|--|----------------------------|----------------------------|
| <b>Cash Flows from Operating Activities:</b>   |                            |                            |
| Change in net assets   | \$ (162,700)               | \$ 411,147                 |
| Adjustments to reconcile change in net assets to net cash provided (used) by operating activities: |                            |                            |
| Depreciation   | 2,863                      | -                          |
| Unrealized (gains) losses on investments   | (3,650)                    | 3,711                      |
| Operating lease right-of-use assets  | 52,787                     | 8,872                      |
| Changes in operating assets and liabilities:   |                            |                            |
| Contributions and grants receivable  | (90,615)                   | (164,967)                  |
| Prepaid expenses   | 13,047                     | (4,667)                    |
| Security deposits  | (2,641)                    | -                          |
| Accounts payable and accrued expenses  | 22,323                     | 46,269                     |
| Operating lease liabilities  | (52,613)                   | (8,436)                    |
| Due to other organizations   | (6,421)                    | (72,495)                   |
| Total adjustments  | <u>(64,920)</u>            | <u>(191,713)</u>           |
| Net cash provided (used) by operating activities   | (227,620)                  | 219,434                    |
| <b>Cash Flows from Investing Activities:</b>   |                            |                            |
| Net sales (purchases) of investments   | (23,785)                   | 1,351                      |
| Purchases of fixed assets  | (42,952)                   | -                          |
| Net cash provided (used) by investing activities   | <u>(66,737)</u>            | <u>1,351</u>               |
| <b>Net Change in Cash</b>  | (294,357)                  | 220,785                    |
| <b>Cash at Beginning of Year</b>   | <u>2,457,898</u>           | <u>2,237,113</u>           |
| <b>Cash at End of Year</b>   | <u><u>\$ 2,163,541</u></u> | <u><u>\$ 2,457,898</u></u> |

**Supplementary Data:**

The Organization paid no interest or income taxes during the year.

The Organization recognized \$46,187 of operating lease right-of-use assets through the assumption of operating lease liabilities.

The accompanying notes are an integral part of this financial statement.

**WILD EARTH SOCIETY INCORPORATED**  
**dba WILDLANDS NETWORK**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of Wild Earth Society Incorporated, dba Wildlands Network, (the Organization) have been prepared on the accrual basis of accounting. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

**Organization**

The Organization is a nonprofit corporation organized under the laws of the State of Vermont. The purpose, for which the Organization was formed is to reconnect, restore, and rewild North America so that life, in all its diversity, can thrive. The Organization is funded by grants and contributions from various groups and individuals.

**Financial Statement Presentation**

The Organization reports 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 board of directors.

The Organization has designated a portion of net assets without donor restrictions as an operating reserve (\$415,558) and as a quasi-endowment (\$25,000). Reserve funds cannot be used without board approval and a plan to replenish the reserve.

*Net assets with donor restrictions* – Net assets subject to stipulations imposed by donors and grantors.

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. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as contributions without donor restrictions.

**Contributions and Grants Receivable**

The Organization has not established an allowance for credit losses at December 31, 2023. The Organization believes all amounts are fully collectable.

**Investments**

Investments in marketable securities are reported at their values in the statement of financial position. Investment earnings in the statement of activities includes realized and unrealized gains and losses, interest, and dividends, net of investment management fees.

**WILD EARTH SOCIETY INCORPORATED**  
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**NOTES TO THE FINANCIAL STATEMENTS**

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**Due to Other Organizations**

The Organization acts as the fiscal agent for two independent organizations. Amounts held on behalf of these organizations are reported as a liability with amounts received and expended for these organizations as changes in this liability.

**Tax Status**

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code (IRC), though it would be subject to tax on income unrelated to its exempt purposes (unless that income is otherwise excluded by the IRC). Contributions to the Organization are tax deductible to donors under Section 170 of the IRC. The Organization is not classified as a private foundation.

**Contributed Services and Materials**

Many individuals volunteer their time and perform a variety of tasks that assist the Organization. The Organization receives a substantial amount of volunteer hours per year, but do not meet the requirements for recognition in the financial statements.

**Allocation of Expenses**

The costs of providing program and other activities have been summarized on a functional basis in the statement of activities. Certain costs are allocated to one or more program or supporting functions based on time and effort. Such allocations are determined by management on an equitable basis.

**Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles 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 and the reported amounts of support and revenue and expenses during the reporting period. Actual results could differ from those estimates.

**Subsequent Events**

Subsequent events have been evaluated through April 22, 2024, the date the financial statements were available to be issued. Events occurring after that date have not been evaluated to determine whether a change in the financial statements would be required.

**WILD EARTH SOCIETY INCORPORATED**  
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**NOTES TO THE FINANCIAL STATEMENTS**

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**NOTE 2 – FIXED ASSETS**

Fixed assets are carried at cost or, if donated, the approximate fair value at the date of donation. Fixed assets valued at \$1,000 or more are capitalized and depreciated, using the straight-line method, over the estimated useful lives of the assets. Fixed assets are as follows at December 31, 2023:

|                          |                         | <u>Depreciable<br/>Lives (Years)</u> |
|--------------------------|-------------------------|--------------------------------------|
| Equipment                | \$ 42,952               | 5                                    |
| Accumulated depreciation | <u>(2,863)</u>          |                                      |
| Net fixed assets         | <u><u>\$ 40,089</u></u> |                                      |

**NOTE 3 – AVAILABILITY AND LIQUIDITY**

The following represents the Organization’s financial assets at December 31, 2023:

|   |                          |
|---|--------------------------|
| Financial assets at year end:   |                          |
| Cash, less amounts held for other organizations                                     | \$ 1,975,116             |
| Investments   | 47,131                   |
| Contributions and grants receivable   | <u>355,464</u>           |
| Total financial assets  | 2,377,711                |
| Less amounts not available to be used within one year:                              |                          |
| Board-designated amounts  | (440,555)                |
| Net assets with donor restrictions  | <u>(1,719,438)</u>       |
| Financial assets available to meet general expenditures over the next twelve months | <u><u>\$ 217,718</u></u> |

The Organization’s goal is generally to maintain financial assets to meet three months of operating expenses (approximately \$790,000).

**NOTE 4 – FAIR VALUE MEASUREMENTS**

The Organization reports fair value measures of its assets and liabilities using a three-level hierarchy that prioritizes the inputs used to measure fair value. This hierarchy, established by generally accepted accounting principles, requires that entities maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The asset or liability’s measurement within the fair market hierarchy is based on the lowest level of input that is significant to the measurement. The three levels of inputs used to measure fair value are as follows:

*Level 1* – Quoted prices for identical assets or liabilities in active markets to which the Organization has access at the measurement date.

**WILD EARTH SOCIETY INCORPORATED**  
**dba WILDLANDS NETWORK**  
**NOTES TO THE FINANCIAL STATEMENTS**

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*Level 2* – Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities in active markets and quoted prices for identical or similar assets in markets that are not active.

*Level 3* – Unobservable inputs for the asset or liability. Unobservable inputs should be used to measure fair value if observable inputs are not available.

The primary uses of fair value measures in the Organization’s financial statements are initial measurement of noncash gifts and recurring measurement of investments.

The Organization’s investment in pooled accounts are recorded at the fair value of the pool’s investments as reported by the fund manager. The Organization’s investment in marketable securities and exchange traded funds are recorded at quoted prices in the active market.

Fair value of assets measured on a recurring basis at December 31, 2023 is as follows:

|                       | <u>Fair Value</u> | <u>Level 1</u>   | <u>Level 2</u>   | <u>Level 3</u> |
|-----------------------|-------------------|------------------|------------------|----------------|
| Pooled accounts       | \$ 20,511         | \$ -             | \$ 20,511        | \$ -           |
| Marketable securities | <u>26,620</u>     | <u>26,620</u>    |                  |                |
| Total                 | <u>\$ 47,131</u>  | <u>\$ 26,620</u> | <u>\$ 20,511</u> | <u>\$ -</u>    |

**NOTE 5 – NET ASSETS WITH DONOR RESTRICTIONS**

Donor-restricted net assets are summarized as follows at December 31, 2023:

|                                |                     |
|--------------------------------|---------------------|
| Specific-purpose restrictions: |                     |
| Western Wildway                | \$ 680,383          |
| Eastern Wildway                | 575,000             |
| Pacific Wildway                | 154,376             |
| Policy                         | 294,679             |
| Endowment                      | <u>15,000</u>       |
|                                | <u>\$ 1,719,438</u> |

Net assets released from donor restrictions are summarized as follows for the year ended December 31, 2023:

|                                       |                     |
|---------------------------------------|---------------------|
| Satisfaction of purpose restrictions: |                     |
| Western Wildway                       | \$ 838,786          |
| Eastern Wildway                       | 522,000             |
| Pacific Wildway                       | 116,052             |
| Policy                                | 187,499             |
| Science                               | <u>13,000</u>       |
|                                       | <u>\$ 1,677,337</u> |

**WILD EARTH SOCIETY INCORPORATED**  
**dba WILDLANDS NETWORK**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**NOTE 6 – ENDOWMENT**

The Organization’s endowment consists of \$15,000 intended to benefit the citizens of Vermont. These funds are invested with an annual spending rate of 5 percent of invested assets. The Organization received \$1,215 from the endowment during the year ended December 31, 2023.

The Organization’s Board of Directors has interpreted the State of Delaware’s Uniform Prudent Management of Institutional Funds Act (UPMIFA) 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 net assets 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.

In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (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, and (7) the Organization’s investment policies.

**NOTE 7 – LEASES**

Certain lease obligations have provided the Organization with the right to use office space for a period of time. Operating lease expense was \$89,194 for the year ended December 31, 2023. The operating lease weighted-average remaining lease term was 1.91 years and weighted-average discount rate was 4 percent at December 31, 2023.

Future minimum operating lease payments are as follows:

| <u>Year Ending</u><br><u>December 31,</u> |                  |
|---|------------------|
| 2024                                      | \$ 24,780        |
| 2025                                      | 13,425           |
| 2026                                      | <u>4,800</u>     |
| Total minimum lease payments              | 43,005           |
| Amount representing interest              | <u>(1,669)</u>   |
| Present value of minimum lease payments   | <u>\$ 41,336</u> |

**NOTE 8 – CONCENTRATIONS OF RISK**

The Organization’s cash accounts had a book balance and bank balance of \$2,163,541, of which \$750,000 was covered by federal depository insurance.

**WILD EARTH SOCIETY INCORPORATED**  
**dba WILDLANDS NETWORK**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**NOTE 9 – COMMITMENTS**

The Organization awarded other organizations approximately \$91,000 through subaward agreements, which is to be paid as project milestones are reached. The Organization has paid approximately \$27,000 through December 31, 2023, and anticipates paying the remaining \$64,000 during the years ending December 31, 2024 through 2026.

The Organization awarded other organizations approximately \$916,000 through service agreements, which is to be paid as project milestones are reached. The Organization has paid approximately \$160,000 through December 31, 2023, and anticipates paying the remaining \$756,000 during the years ending December 31, 2024 through 2028.