

Financial Statements

ORANGE AUDUBON SOCIETY, INC.

June 30, 2024

ORANGE AUDUBON SOCIETY, INC.

Financial Statements

June 30, 2024

(With Independent Auditor's Report Thereon)

ORANGE AUDUBON SOCIETY, INC.

Table of Contents

Independent Auditor's Report.....	1
Financial Statements:	
Statement of Financial Position.....	3
Statement of Activities	4
Statement of Functional Expenses	5
Statement of Cash Flows	6
Notes to Financial Statements.....	7

SCHAFER, TSCHOPP, WHITCOMB, MITCHELL & SHERIDAN, LLP

Certified Public Accountants

Michael R. Schafer, CPA
Thomas R. Tschopp, CPA
Tom V. Whitcomb, CPA

541 S. Orlando Avenue, Suite 312
Maitland, Florida 32751
(407) 875-2760

Joseph P. Mitchell, CPA
Stephen J. Sheridan, CPA
Daniel M. Hinson, CPA

Independent Auditor's Report

Board of Directors
Orange Audubon Society, Inc.:

Opinion

We have audited the accompanying financial statements of Orange Audubon Society, Inc. (a nonprofit corporation), which comprise the statement of financial position as of June 30, 2024, and 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 Orange Audubon Society, Inc. as of June 30, 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Orange Audubon Society, Inc. 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 Orange Audubon Society, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be 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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Orange Audubon Society, Inc.'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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Orange Audubon Society, Inc.'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.

Schaefer, Tschoeg, Whittemut, Mitchell & Shuilen, LLP

April 17, 2025
Maitland, Florida

ORANGE AUDUBON SOCIETY, INC.

Statement of Financial Position

June 30, 2024

Assets

Cash and cash equivalents	\$ 267,719
Certificates of deposit (note 2)	1,632,079
Investment - REIT (note 2)	1,179
Property and equipment, net (note 4)	<u>13,943</u>
Total assets	<u><u>\$ 1,914,920</u></u>

Liabilities and Net Assets

Liabilities:	
Accounts payable and accrued expenses	<u>\$ 15,545</u>
Total liabilities	<u>15,545</u>
Net assets without donor restrictions	1,738,151
Net assets with donor restrictions (note 5)	<u>161,224</u>
Total net assets	<u>1,899,375</u>
Total liabilities and net assets	<u><u>\$ 1,914,920</u></u>

See accompanying notes to financial statements.

ORANGE AUDUBON SOCIETY, INC.

Statement of Activities

Year ended June 30, 2024

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Public support, revenue and net assets released from restrictions:			
Special events revenue	\$ 6,075	-	6,075
Contributions	77,780	46,885	124,665
Class and workshops	48,544	-	48,544
Investment income	84,737	-	84,737
Other income	2,280	-	2,280
Net assets released from restrictions	<u>-</u>	<u>-</u>	<u>-</u>
Total public support, revenue and net assets released from restrictions	<u>219,416</u>	<u>46,885</u>	<u>266,301</u>
Expenses:			
Program services	49,650	-	49,650
Supporting services:			
General and administrative	4,105	-	4,105
Fundraising	<u>2,411</u>	<u>-</u>	<u>2,411</u>
Total supporting activities	<u>6,516</u>	<u>-</u>	<u>6,516</u>
Total expenses	<u>56,166</u>	<u>-</u>	<u>56,166</u>
Change in net assets	163,250	46,885	210,135
Net assets, beginning of year	<u>1,574,901</u>	<u>114,339</u>	<u>1,689,240</u>
Net assets, end of year	<u><u>\$ 1,738,151</u></u>	<u><u>161,224</u></u>	<u><u>1,899,375</u></u>

See accompanying notes to financial statements.

ORANGE AUDUBON SOCIETY, INC.

Statement of Functional Expenses

Year ended June 30, 2024

		Supporting Services			
	Program Services	Management and General	Fund Raising	Total Supporting Services	Total Expenses
Salaries and wages	\$ 10,394	-	-	-	10,394
Payroll taxes	795	-	-	-	795
Total salaries and benefits	11,189	-	-	-	11,189
Organization assistance	3,582	-	-	-	3,582
Occupancy costs	538	-	-	-	538
Insurance costs	2,668	472	-	472	3,140
Information technology	3,336	833	697	1,530	4,866
Professional fees	10,859	599	267	866	11,725
Program events	11,225	-	-	-	11,225
Bank charges and credit card fees	-	1,755	343	2,098	2,098
Office expenses	6,052	207	1,048	1,255	7,307
Other business costs	201	239	56	295	496
Total expenses	<u>\$ 49,650</u>	<u>4,105</u>	<u>2,411</u>	<u>6,516</u>	<u>56,166</u>

See accompanying notes to financial statements.

ORANGE AUDUBON SOCIETY, INC.

Statement of Cash Flows

Year ended June 30, 2024

Cash flows from operating activities:	
Change in net assets	\$ 210,135
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Unrealized gains	(12,120)
Net increase in cash flow from changes in:	
Prepaid expenses	2,500
Accounts payable and accrued expenses	14,764
Net cash provided by operating activities	<u>215,279</u>
Cash flows from investing activities:	
Purchases of certificates of deposit	(152,000)
Purchases of property and equipment	<u>(13,943)</u>
Net cash used in investing activities	<u>(165,943)</u>
Net increase in cash and cash equivalents	49,336
Cash and cash equivalents - beginning of year	<u>218,383</u>
Cash and cash equivalents - end of year	<u><u>\$ 267,719</u></u>
Supplemental disclosure of cash flow information:	
Cash paid for interest	<u><u>\$ -</u></u>

See accompanying notes to financial statements.

ORANGE AUDUBON SOCIETY, INC.

Notes to Financial Statements

June 30, 2024

(1) Organization

Orange Audubon Society, Inc. (the Organization) is a not-for-profit Florida corporation, organized in 1966 for the purpose of conserving and restoring natural ecosystems, focusing on birds and their habitats, for the benefit of humanity and Earth's biological diversity.

(2) Summary of Significant Accounting Policies

(a) Basis of Presentation

The accompanying financial statements are presented on the accrual basis and represent the financial position and results of operations of the Organization.

The Organization has adopted the provisions of FASB Accounting Standards Codification Topic 958, Not-for-Profit Entities.

Unconditional promises to give (pledges) are recorded as receivables and revenue, and the Organization distinguishes between promises received for each net asset category in accordance with donor restrictions, if any.

Net assets and revenue, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

- ◆ Net assets without donor restrictions---Net assets that are not subject to donor-imposed stipulations.
- ◆ Net assets with donor restrictions---Some donors impose restrictions that are temporary in nature, for example, stipulating that resources be used after a specified date, for particular programs or services, or to acquire buildings or equipment. Other donors impose restrictions that are perpetual in nature, for example, stipulating that resources be maintained in perpetuity. Laws may extend those limits to investment returns from those resources and to other enhancements (diminishments) of those resources. Thus, those laws extend donor-imposed restrictions.

(b) Cash and Cash Equivalents

The Organization considers investment instruments purchased or donated with original maturities of three months or less to be cash equivalents.

ORANGE AUDUBON SOCIETY, INC.

Notes to Financial Statements

June 30, 2024

(2) Summary of Significant Accounting Policies - Continued

(c) Investments

Investments with a stated maturity date of one year or less from the balance sheet date or that are expected to be used in current operations are classified as short-term investments. All other investments are classified as long-term.

As of June 30, 2024, investments consisted of seven certificates of deposit, which will mature in the following year and a REIT. Certificates of deposit are a level 2 input and the REIT is a level 3 input.

(d) Fair Value Measurements

In accordance with “Fair Value Measurements and Disclosures”, FASB Accounting Standards Codification Topic 820 (Topic 820), entities are required to make disclosures about recurring and nonrecurring fair value measurements. Topic 820 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements of assets and liabilities to include disclosure about inputs used in the determination of fair value using the three categories listed below.

Fair value is defined under Topic 820 as the price that would be received to sell an asset or paid to transfer a liability in the principal or most advantageous market in an orderly transaction between market participants on the measurement date. Topic 820 also establishes a three-level hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

The valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability on the measurement date. The three levels of inputs to the valuation methodology are:

- Level 1 quoted prices (unadjusted) for an identical asset or liability in an active market.
- Level 2 quoted prices for a similar asset or liability in an active market or model-derived valuations in which all significant inputs are observable for substantially the full term of the asset or liability.
- Level 3 unobservable and significant to the fair value measurement of the asset or liability.

ORANGE AUDUBON SOCIETY, INC.

Notes to Financial Statements

June 30, 2024

(2) Summary of Significant Accounting Policies - Continued

(e) Property and Equipment

Property and equipment are stated at cost, or estimated market value at the date of receipt if donated, less accumulated depreciation. Depreciation is provided using the straight-line method over the estimated useful lives of the assets. All property expenditures in excess of \$1,000 are capitalized except certain computer equipment are capitalized no matter the cost; maintenance and repairs are charged to expense as incurred.

(f) Income Taxes

The Organization is exempt from federal income tax as an organization described in Section 501(c)(3) of the Internal Revenue Code and from state income tax pursuant to Florida law. The Organization is further classified as a public charity and not a private foundation for federal tax purposes. The Organization has not incurred unrelated business income taxes. As a result, no income tax provisions or liability has been provided for in the accompanying financial statements. The Organization has not taken any material uncertain tax positions for which the associated tax benefits may not be recognized under accounting principles generally accepted in the United States of America. Federal and state tax authorities may generally examine the Organization's income tax positions or (if applicable) returns for periods of approximately three to six years.

(g) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures 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 these estimates.

(h) Fair Values of Financial Instruments and Concentration of Credit Risk

The carrying amount reported in the statement of financial position for cash and cash equivalents including restricted cash, short-term contributions receivable, prepaid expenses, deposits, and accounts payable and accrued expenses approximates fair value because of the immediate or short-term maturity of these financial instruments.

ORANGE AUDUBON SOCIETY, INC.

Notes to Financial Statements

June 30, 2024

(2) Summary of Significant Accounting Policies - Continued

(h) Fair Values of Financial Instruments and Concentration of Credit Risk - Continued

The Organization maintains its cash balances at certain financial institutions in which balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. During the year, the Organization from time to time may have had amounts on deposit in excess of the insured limits. Management believes the associated risk is minimized by placing such assets with quality financial institutions. The organization has not experienced any losses on such accounts.

(i) Functional Allocation of Expenses

Salaries and related payroll expenses are allocated among functional categories based on the estimated proportion of time spent for each function. All other expenses are distributed based on management's estimate of the relative functional activity.

(j) Subsequent Events

In preparing these financial statements, the Organization has evaluated subsequent events and transactions for potential recognition and disclosure through April 17, 2025, which is the date the financial statements were available to be issued.

(3) Liquidity and Availability

As of June 30, 2024, the Organization has \$1,900,977 of financial assets available within one year of the balance sheet date to meet cash needs for general expenditure. The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Organization receives contributions and promises to give restricted by donors, and considers contributions restricted for programs which are ongoing, major, and central to its annual operations and will be met in less than one year to be available to meet cash needs for general expenditures.

The following table reflects the Organization's financial assets as of June 30, 2024 reduced by amounts that are not available to meet general expenditures within one year of the statement of financial position date.

ORANGE AUDUBON SOCIETY, INC.

Notes to Financial Statements

June 30, 2024

(3) Liquidity and Availability (Continued)

Cash and cash equivalents	\$ 267,719
Certificates of deposit	1,632,079
Investment - REIT	<u>1,179</u>
Financial assets available to meet cash need for general expenditures within one year	<u>\$ 1,900,977</u>

(4) Property and Equipment

Property and equipment consist of the following at June 30, 2024:

Construction in progress	\$ 13,943
Less accumulated depreciation	<u>-</u>
	<u>\$ 13,943</u>

(5) Net Assets with Donor Restrictions

Net assets with donor restrictions were restricted for the following purposes during 2024:

Program purposes	<u>\$ 161,224</u>
------------------	-------------------