

**RESTORE NATIVE PLANTS,  
WILDLIFE, AND LANDMARK  
STRUCTURES, INC.**

Independent Auditors' Report and  
Financial Statements  
for the Year Ended December 31, 2023 (with  
Comparative Totals for the Year Ended  
December 31, 2022)

# RESTORE NATIVE PLANTS, WILDLIFE AND LANDMARK STRUCTURES, INC.

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## INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of  
Restore Native Plants, Wildlife, and Landmark Structures, Inc.

### **Opinion**

We have audited the accompanying financial statements of Restore Native Plants, Wildlife, and Landmark Structures, Inc. (a nonprofit organization), which comprise the statement of assets and net assets — modified cash basis as of December 31, 2023, and the related statements of revenue, expenses and changes in net assets, functional expenses, and cash flows — modified cash basis 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 statement of assets and net assets of Restore Native Plants, Wildlife, and Landmark Structures, Inc. as of December 31, 2023, and its revenue, expenses and changes in net assets, and cash flows for the year then ended in accordance with the modified cash basis of accounting as described in Note 2.

### **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 Restore Native Plants, Wildlife, and Landmark Structures, 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.

### **Basis of Accounting**

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting described in Note 2, and for determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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 Restore Native Plants, Wildlife, and Landmark Structures, Inc.'s ability to continue as a going concern within one year after the date the financial statements are available to be issued.

## **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, 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 Restore Native Plants, Wildlife, and Landmark Structures, 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 judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Restore Native Plants, Wildlife, and Landmark Structures, 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.

## **Report on Summarized Comparative Information**

We have previously audited Restore Native Plants, Wildlife, and Landmark Structures, Inc.'s 2022 financial statements, and our report dated September 5, 2023, expressed an unmodified opinion on those audited financial statements. 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.

*Cullari Caruso LLC*

Fairfield, New Jersey  
April 30, 2024

**RESTORE NATIVE PLANTS, WILDLIFE, AND LANDMARK STRUCTURE, INC.**

**STATEMENTS OF ASSETS AND NET ASSETS - MODIFIED CASH BASIS  
DECEMBER 31, 2023 AND 2022**

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|  | <u>2023</u>             | <u>2022</u>             |
|--|-------------------------|-------------------------|
| <b>ASSETS</b>                                    |                         |                         |
| CASH   | \$ 26,542               | \$ 49,404               |
| PROPERTY AND EQUIPMENT, NET                      | <u>5,351,024</u>        | <u>5,512,622</u>        |
| <br>TOTAL ASSETS                                 | <br><u>\$ 5,377,566</u> | <br><u>\$ 5,562,026</u> |
| <br><b>NET ASSETS WITHOUT DONOR RESTRICTIONS</b> | <br><u>\$ 5,377,566</u> | <br><u>\$ 5,562,026</u> |

# RESTORE NATIVE PLANTS, WILDLIFE, AND LANDMARK STRUCTURE, INC.

## STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS - MODIFIED CASH BASIS FOR THE YEAR ENDED DECEMBER 31, 2023 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2022)

|  | <u>2023</u>         | <u>2022</u>         |
|--|---------------------|---------------------|
| <b>PUBLIC SUPPORT AND REVENUE:</b>                       |                     |                     |
| Contributions  | \$ 161,267          | \$ 299,182          |
| <b>EXPENSES AND LOSSES:</b>                              |                     |                     |
| Program expenses:  |                     |                     |
| Preservation and restoration of natural resources        | <u>259,412</u>      | <u>301,347</u>      |
| Supporting services:                                     |                     |                     |
| Management and general                                   | 58,605              | 65,272              |
| Fundraising  | <u>28,310</u>       | <u>33,426</u>       |
| Total supporting services                                | <u>86,916</u>       | <u>98,698</u>       |
| Total expenses   | <u>346,327</u>      | <u>400,045</u>      |
| CHANGE IN NET ASSETS BEFORE NON-OPERATING (LOSS) INCOME  | (185,060)           | (100,863)           |
| <b>NON-OPERATING (LOSS) INCOME:</b>                      |                     |                     |
| Other income   | -                   | 273                 |
| Rental income  | <u>600</u>          | <u>600</u>          |
| CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS          | (184,460)           | (99,990)            |
| NET ASSETS WITHOUT DONOR RESTRICTIONS, BEGINNING OF YEAR | <u>5,562,026</u>    | <u>5,662,016</u>    |
| NET ASSETS WITHOUT DONOR RESTRICTIONS, END OF YEAR       | <u>\$ 5,377,566</u> | <u>\$ 5,562,026</u> |

**RESTORE NATIVE PLANTS, WILDLIFE, AND LANDMARK STRUCTURE, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES - MODIFIED CASH BASIS**

**FOR THE YEAR ENDED DECEMBER 31, 2023**

**(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2022)**

|                                    | Supporting Services          |                      |             | 2023       | 2022       |
|------------------------------------|------------------------------|----------------------|-------------|------------|------------|
|                                    | Program Services             | Management & General | Fundraising |            |            |
|                                    | Preservation and Restoration |                      |             |            |            |
| Personnel costs:                   |                              |                      |             |            |            |
| Salaries and wages                 | \$ 61,958                    | \$ 12,392            | \$ 8,261    | \$ 82,611  | \$ 117,411 |
| Payroll taxes                      | 6,908                        | 1,382                | 921         | 9,210      | 13,382     |
| Total personnel costs              | 68,866                       | 13,773               | 9,182       | 91,821     | 130,793    |
| Professional fees                  | 6,530                        | 14,300               | -           | 20,830     | 24,052     |
| Planting supplies                  | 19,674                       | -                    | -           | 19,674     | 31,343     |
| Insurance                          | 17,423                       | -                    | -           | 17,423     | 19,345     |
| Occupancy                          | 8,471                        | 1,694                | 1,129       | 11,294     | 16,341     |
| Supplies                           | 6,586                        | 1,317                | 878         | 8,781      | 6,522      |
| Repairs and maintenance            | 3,670                        | -                    | -           | 3,670      | 3,500      |
| Payroll fees                       | -                            | 1,306                | -           | 1,306      | 1,214      |
| Education                          | 82                           | -                    | -           | 82         | 82         |
| Postage                            | -                            | 64                   | -           | 64         | 130        |
| Donations                          | -                            | -                    | 40          | 40         | 1,545      |
| Miscellaneous                      | -                            | 529                  | -           | 529        | 31         |
| Total expenses before depreciation | 131,302                      | 32,983               | 11,229      | 175,514    | 234,898    |
| Depreciation                       | 128,110                      | 25,622               | 17,081      | 170,813    | 165,147    |
| Total expenses                     | \$ 259,412                   | \$ 58,605            | \$ 28,310   | \$ 346,327 | \$ 400,045 |

# RESTORE NATIVE PLANTS, WILDLIFE, AND LANDMARK STRUCTURE, INC.

## STATEMENTS OF CASH FLOWS - MODIFIED CASH FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

|  | <u>2023</u>      | <u>2022</u>      |
|--|------------------|------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES:  |                  |                  |
| Change in net assets without donor restrictions  | \$ (184,460)     | \$ (99,990)      |
| Adjustments to reconcile change in net assets to net cash provided by<br>(used in) operating activities: |                  |                  |
| Depreciation expense   | <u>170,813</u>   | <u>165,147</u>   |
| Net cash (used in) provided by operating activities  | <u>(13,647)</u>  | <u>65,157</u>    |
| CASH FLOWS FROM INVESTING ACTIVITIES:  |                  |                  |
| Purchase of property and equipment   | <u>(9,215)</u>   | <u>(236,885)</u> |
| Net cash (used in) investing activities  | <u>(9,215)</u>   | <u>(236,885)</u> |
| NET (DECREASE) IN CASH AND CASH EQUIVALENTS  | (22,862)         | (171,728)        |
| CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD   | <u>49,404</u>    | <u>221,132</u>   |
| CASH AND CASH EQUIVALENTS, END OF PERIOD   | <u>\$ 26,542</u> | <u>\$ 49,404</u> |



# RESTORE NATIVE PLANTS, WILDLIFE AND LANDMARK STRUCTURES, INC.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

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### 1. NATURE OF ACTIVITIES

Restore Native Plants, Wildlife and Landmark Structures, Inc. (the “Organization”), a nonprofit corporation, was established on October 2, 2017. The Organization commenced operations on this date and exists to protect, enhance, and restore native plants, wildlife, ecosystems, natural resources, and historic landmarks for the benefit of all. Additionally, the Organization provides unique programs for the advancement of society so that others may learn about the importance of such conservation and preservation.

On January 26, 2022, the Organization filed an amended and restated certificate of incorporation with the state and requested approval from the Internal Revenue Service to change the Organization status to a Private Foundation. Effective January 1, 2022, the Organization received approval to be treated as a private operating foundation under IRC Section 4942(j)(3).

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Basis of accounting** --- The financial statements are prepared on the modified cash basis of accounting, a special purpose framework of accounting other than accounting principles generally accepted in the United States of America. Accordingly, revenues are recognized when received and expenditures are recorded when paid.

**Basis of presentation** --- The Organization prepares its financial statements utilizing the American Institute of Certified Public Accountants’ Audit and Accounting Guide, *Nonprofit Organizations*, and other pronouncements applicable to not-for-profit organizations. The Organization presents its financial statements in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Paragraphs 958-205-45-2(a) through (d), which establishes standards for external financial reporting by not-for-profit organizations and requires that resources be classified for accounting and reporting purposes into two net asset categories according to the existence or absence of donor imposed restrictions; net assets with donor restrictions and net assets without donor restrictions.

ASC Paragraphs 958-605-45-3 through 7, *Contributions Received*, requires that unconditional promises to give be recorded as receivables and revenue and requires the Organization to distinguish between contributions received for each net asset category in accordance with donor imposed restrictions.

Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

*With donor restriction* – Net assets that are subject to donor-imposed stipulations. This represents the portion of expendable funds available to meet donor specified purposes.

*Without donor restriction* – Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and/or the passage of time. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

**Cash and cash equivalents** --- The Organization considers all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents.

# RESTORE NATIVE PLANTS, WILDLIFE AND LANDMARK STRUCTURES, INC.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (CONTINUED)

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### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

**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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Property and equipment** --- Property and equipment are recorded at cost and are depreciated using the straight-line method over the estimated useful lives of the assets. Expenditures for maintenance, repairs and renewals of minor items are charged to activities as incurred. The cost of assets retired or otherwise disposed of and the related accumulated depreciation are eliminated from the accounts and any resulting gain or loss is reflected in the statement of revenues, expenses and changes in net assets

The Organization's policy is to capitalize Property and Equipment with a purchase price of \$5,000 or more and a useful life of one year or more based on the following schedule:

| <u>Asset Class</u>    | <u>Years</u> |
|-----------------------|--------------|
| Building              | 27.5         |
| Building improvements | 15-27.5      |
| Vehicles              | 5            |

**Impairment of long-lived assets** --- The Organization continually evaluates whether current events or circumstances warrant adjustments to the carrying value or estimated useful lives of property and equipment in accordance with the provisions of ASC 360-10-05, *Impairment or Disposals of Long-Lived Assets*.

**Revenue and support recognition** --- The Organization generally does not receive pledges, therefore contributions are recognized when received consistent with the modified cash basis of accounting.

Revenues are reported as increases in net assets without donor restriction unless use of the related assets is limited by donor-imposed restrictions. Expirations of donor restrictions on the net assets (i.e., the donor stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between applicable classes of net assets. Accordingly, donor restricted support whose restrictions are met in the same period are reported in net assets without donor restrictions.

**Donated property** --- Donated property including land, buildings, equipment, investments, and other noncash donations are recorded as non-cash contributions in the statement of activities at their fair market value at the date of donation.

**Donated services** --- Individuals volunteer their time and perform a variety of tasks that assist the Organization, but these services do not meet the criteria for recognition under accounting principles generally accepted in the United States.

**Income taxes** --- The Organization is a not-for-profit organization described under Section 501(c)(3) of the Internal Revenue Code ("I.R.C.") and is therefore exempt from federal income taxes under Section 501(a) of the I.R.C. The Organization is also exempt under Title 15 of the State of New Jersey *Corporations and Associations Not for Profit Act*. Accordingly, no provision for Federal or State income taxes has been presented in the accompanying financial statements.

# RESTORE NATIVE PLANTS, WILDLIFE AND LANDMARK STRUCTURES, INC.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (CONTINUED)

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### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

**Income taxes (cont.)** --- The Organization adheres to FASB ASC Topic 740, *Income Taxes*, which provides guidance and clarification on accounting for uncertainty in income taxes recognized in the Organization's financial statements. The guidance prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return, and also provides guidance on de-recognition, classification, interest and penalties, disclosure and transition. For the years ended December 31, 2023 and 2022, the Organization has no material uncertain tax positions to be accounted for in the financial statements.

Annually the Organization files an informational return with the Internal Revenue Service and registers in states in which it solicits contributions. The Organization also files an annual charitable registration with the State of New Jersey, Division of Consumer Affairs. Management has stated that all required informational returns have been filed and taxes, if any have been paid. The Organization is generally subject to tax examinations for three years after its latest filing.

**Functional allocation of expenses** --- Expenses are charged to each program based on direct expenditures incurred. Program expenses are those related to the Organization's activities for preservation and restoration. Any program or supporting service expenditure not directly chargeable are allocated to programs based on an indirect cost pool that is reasonable and consistently applied.

Allocated indirect expenditures include payroll and occupancy expenses. Payroll costs are allocated on the basis of estimates of time and effort. Occupancy costs are allocated on the basis of square footage.

**Leases** --- In February 2016, the FASB issued Accounting Standards Update No. 2016-02, *Leases* (Topic 842) ("ASU 2016-02"). The new standard is effective for all Organizations with fiscal years beginning after December 15, 2021. The new standard established a right-of-use model (ROU) that requires a lessee to recognize an ROU asset and lease liability on the statement of financial position for all leases with a term longer than 12 months. A lease is classified as a finance or operating lease based on certain criteria and includes disclosure of key information about the lease arrangement. The standard permits two transitional methods, (1) application of the new lease requirements at the beginning of the earliest comparative period presented, or (2) application of the new lease requirements at the effective date of adoption. The Organization adopted ASC 842 as of January 1, 2022 using the effective date method and did not restate prior periods.

**Prior year summarized information** --- The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the U.S. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2022, from which the summarized information was derived.

### 3. CONCENTRATIONS OF CREDIT RISK

**Arising from cash deposits in excess of insured limits** --- The Organization maintains the majority of its cash in one financial institution located in New Jersey. During the year, cash balances can exceed federally insured limits of \$250,000. Management believes that the Organization has no significant risk of loss on these amounts due to the failure of the institution.

# RESTORE NATIVE PLANTS, WILDLIFE AND LANDMARK STRUCTURES, INC.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022 (CONTINUED)

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### 3. CONCENTRATIONS OF CREDIT RISK (CONT.)

**Funding dependence** – During the year ended December 31, 2023, one major donor accounted for 94% of the Organization’s public support. Currently the Organization is dependent upon monies from major donors. Major donors have expressed an intent to continue to fund the operations of the Organization and management believes that this funding will continue.

### 4. RELATED PARTY TRANSACTIONS

Historically, land and buildings have been donated to the Organization by other entities that are wholly owned by a board member.

### 5. PROPERTY AND EQUIPMENT

A summary of the Organization’s property and equipment as of December 31, 2023 and 2022 are as follows:

|                                | <u>2023</u>         | <u>2022</u>         |
|--------------------------------|---------------------|---------------------|
| Land                           | \$ 1,776,000        | \$ 1,776,000        |
| Building                       | 3,684,000           | 3,684,000           |
| Building improvements          | 731,480             | 722,265             |
| Vehicles                       | 50,742              | 50,742              |
| Total fixed assets             | <u>6,242,222</u>    | <u>6,233,007</u>    |
| Less: accumulated depreciation | 891,198             | 720,385             |
| Property and equipment, net    | <u>\$ 5,351,024</u> | <u>\$ 5,512,622</u> |

The total depreciation expensed for the years ended December 31, 2023 and 2022 was \$170,813 and \$165,147, respectively.

### 6. NON-OPERATING INCOME

**Rental income** --- The Organization leases a small tract of land on one of its properties to a tenant. The agreement originated on February 1, 2017 and automatically renews annually until cancellation. The tenant is not a related party.

### 7. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

As part of the Organization’s liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Management anticipates meeting general expenditures within one year of the date of the statement of financial position with the funding provided by contributions from the general public. Financial assets available to meet cash needs within one year at December 31, 2023 and 2022 were \$26,542 and \$49,404, respectively.

### 8. SUBSEQUENT EVENT

Management has evaluated subsequent events through April 30, 2024, the date on which the financial statements were available to be issued, and have determined that except as detailed below, there are no subsequent events that require disclosure.