

# **Walden's Puddle Wildlife Rehabilitation and Education Center**

Financial Statements  
For the Year Ended December 31, 2022

# **Walden's Puddle Wildlife Rehabilitation and Education Center**

## **Financial Statements**

For the Year Ended December 31, 2022

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## **Independent Auditor's Report**

Board of Directors  
Walden's Puddle Wildlife Rehabilitation and Education Center

### **Opinion**

We have audited the financial statements of Walden's Puddle Wildlife Rehabilitation and Education Center (the Organization), which comprise the statement of financial position as of December 31, 2022, 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 accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022, and the change 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 the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are issued or 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 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 the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

*Blankenship CPA Group, PLLC*

Blankenship CPA Group, PLLC  
Brentwood, Tennessee  
February 7, 2024

# Walden's Puddle Wildlife Rehabilitation and Education Center

## Statement of Financial Position

December 31, 2022

### Assets

Cash	\$ 512,062
Beneficial interest in assets held by Community Foundation of Middle Tennessee	474,124
Property and equipment, net	<u>336,878</u>
Total assets	<b>\$ 1,323,064</b>

### Liabilities and Net Assets

Liabilities	
Accrued expenses	\$ 10,560
Net assets	
Without donor restrictions	838,380
With donor restrictions	<u>474,124</u>
Total net assets	<u>1,312,504</u>
Total liabilities and net assets	<b>\$ 1,323,064</b>

# Walden's Puddle Wildlife Rehabilitation and Education Center

## Statement of Activities For the Year Ended December 31, 2022

	Without donor restrictions	With donor restrictions	Total
<b>Support and Revenues</b>			
Contributions of cash and other financial assets	\$ 623,737	\$ -	\$ 623,737
Change in value of beneficial interest in assets held by Community Foundation of Middle Tennessee	-	(112,879)	(112,879)
Interest	<u>432</u>	<u>-</u>	<u>432</u>
Total support and revenues	624,169	(112,879)	511,290
<b>Expenses</b>			
Program services	483,089	-	483,089
Management and general	23,857	-	23,857
Fundraising	<u>8,251</u>	<u>-</u>	<u>8,251</u>
Total expenses	515,197	-	515,197
Change in net assets	108,972	(112,879)	(3,907)
Net assets, beginning of year	<u>729,408</u>	<u>587,003</u>	<u>1,316,411</u>
Net assets, end of year	<b>\$ 838,380</b>	<b>\$ 474,124</b>	<b>\$ 1,312,504</b>

## Walden's Puddle Wildlife Rehabilitation and Education Center

### Statement of Functional Expenses For the Year Ended December 31, 2022

	<b>Program services</b>	<b>Management and general</b>	<b>Fundraising</b>	<b>Total</b>
Personnel	\$ 271,079	\$ 14,267	\$ -	\$ 285,346
Advertising and promotion	1,844	-	5,533	7,377
Depreciation	19,937	-	-	19,937
Education and training	1,843	-	-	1,843
Employee and volunteer appreciation	4,093	-	-	4,093
Insurance	17,317	3,056	-	20,373
Licensing and fees	1,958	-	-	1,958
Nutrition and medicine	68,631	-	-	68,631
Office equipment	6,739	-	-	6,739
Office supplies	4,850	662	-	5,512
Postage	-	-	2,718	2,718
Professional fees	3,550	5,321	-	8,871
Repairs and maintenance	40,094	-	-	40,094
Travel	4,435	-	-	4,435
Utilities	31,757	-	-	31,757
Miscellaneous	4,962	551	-	5,513
	<b>\$ 483,089</b>	<b>\$ 23,857</b>	<b>\$ 8,251</b>	<b>\$ 515,197</b>

# Walden's Puddle Wildlife Rehabilitation and Education Center

## Statement of Cash Flows For the Years Ended December 31, 2022

Cash, beginning of year	\$ 412,876
<b>Cash flows from operating activities</b>	
Change in net assets	(3,907)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:	
Depreciation	19,937
Payout from beneficial interest held in trust by others	(28,763)
Change in:	
Beneficial interest in assets held by Community Foundation of Middle Tennessee	112,879
Accrued expenses	(440)
Net cash provided (used) by operating activities	99,706
<b>Cash flows from investing activities</b>	
Distribution received from Community Foundation of Middle Tennessee	28,763
Payments for the purchase of property and equipment	(29,283)
Net cash provided (used) by investing activities	(520)
Net change in cash	99,186
Cash, end of year	<b>\$ 512,062</b>



# Walden's Puddle Wildlife Rehabilitation and Education Center

## Notes to Financial Statements For the Year Ended December 31, 2022

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### Note 1. **Organization and Nature of Activities**

Walden's Puddle Wildlife Rehabilitation and Education Center (the Organization) is a Tennessee not-for-profit corporation that is committed to wildlife rehabilitation, education, and conservation. The Organization provides care and treatment to sick, injured, orphaned and displaced wildlife with the goal being to return the rehabilitated animals to the wild.

### Note 2. **Summary of Significant Accounting Policies**

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (US GAAP), which requires the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor 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, whereby the donor has stipulated the funds be maintained in perpetuity.

#### **Use of Estimates**

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

#### **Income Taxes**

The Organization is exempt from federal and state income taxes under Internal Revenue Code Section 501(c)(3) and the tax laws of the state of Tennessee.

#### **Beneficial Interest**

The Organization's beneficial interest in an agency endowment fund held by the Community Foundation of Middle Tennessee (CFMT) is recognized as an asset. Investment income and changes in the value of the fund are recognized in the statement of activities, and distributions received from the fund are recorded as decreases in the beneficial interest.

#### **Property and Equipment**

It is the Organization's policy to capitalize all property and equipment over \$500. Property and equipment acquisitions are recorded at cost. Donations of property and equipment are recorded as revenues at their estimated fair value. Such donations are reported as unrestricted revenues unless the donor has restricted the donated asset to a specific purpose. When depreciable assets are disposed of, the cost and related accumulated depreciation are removed from the accounts, and any gain (except on trade-in) or loss is included in the statement of activities for the period. A gain on trade-in is applied to reduce the cost of the new acquisition. Depreciation is computed using the straight-line method over 5 to 39 years for buildings and improvements, 3 to 7 years for fixtures and equipment, and 5 years for vehicles.

# Walden's Puddle Wildlife Rehabilitation and Education Center

## Notes to Financial Statements For the Year Ended December 31, 2022

### Note 2. Summary of Significant Accounting Policies

#### Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted by the donor for future periods or for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a restriction is fulfilled (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted and reported in the statement of activities as net assets released from restrictions. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire during the year in which the contributions are recognized.

#### Functional Expenses

The costs of providing program services and supporting services have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among program services and supporting services benefited. Such allocations are determined by management on an equitable basis.

The expenses that are allocated include the following:

	Method of allocation
Personnel	Time and effort
Depreciation	Facility square footage
Insurance	Estimated usage
Office equipment	Estimated usage
Office supplies	Estimated usage
Utilities	Facility square footage

### Note 3. Liquidity and Availability

The following represents the Organization's financial assets:

Financial assets	
Cash	\$ 512,062
Beneficial interest in assets held by	
Community Foundation of Middle Tennessee	<u>474,124</u>
Total financial assets	986,186
Less amounts not available to be used within one year	
Beneficial interest in assets held by	
Community Foundation of Middle Tennessee	<u>474,124</u>
Financial assets available to meet general expenditures within one year	\$ 512,062

# Walden's Puddle Wildlife Rehabilitation and Education Center

## Notes to Financial Statements For the Year Ended December 31, 2022

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### Note 3. **Liquidity and Availability**

As part of its liquidity plan, 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 year-round donations from individuals and makes specific appeals at strategic times of the year for specific projects. Cash flow is tracked through regular budget to actual comparisons which are monitored by management and the board of directors.

### Note 4. **Endowment Fund/Net Assets With Donor Restrictions**

The Organization has a beneficial interest in an agency endowment fund held by the CFMT that is classified as net assets with donor restrictions. The CFMT has the ultimate authority and control over the fund and the income derived there from. The fund is charged a .4% administrative fee annually. Upon request by the Organization, income from the fund representing a 5% annual return may be distributed to the Organization or to another suggested beneficiary.

A schedule of changes in the Organization's beneficial interest during the year is as follow:

Balance, beginning of year	\$ 587,003
Change in value of beneficial interest	
Investment earnings (loss)	(76,619)
Grants distributed	(28,763)
Administrative expenses	<u>(7,497)</u>
Net change	<u>112,879</u>
Balance, end of year	<b>\$ 474,124</b>

### Note 4. **Property and Equipment**

Property and equipment consist of the following at year-end:

Building and improvements	\$ 707,040
Less: accumulated depreciation	<u>(370,162)</u>
	<b>\$ 336,878</b>

Depreciation expense was \$19,937 during the year.

### Note 5. **Concentrations**

The Organization has cash balances in banks in excess of amounts federally insured. The uninsured balances totaled approximately \$47,000 as of December 31, 2022. The Organization maintains its cash with high quality financial institutions which the Organization believes limits these risks.

### Note 6. **Subsequent Events**

Management has evaluated subsequent events through February 7, 2024, the date on which the financial statements were available for issuance.