

**THE FLORIDA WILDFLOWER
FOUNDATION, INC.**

Financial Statements

September 30, 2021 and 2020

(With Independent Auditors' Report Thereon)

THE FLORIDA WILDFLOWER FOUNDATION, INC.

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ERIN M PERDUE CPA LLC

Independent Auditors' Report

To the Board of Directors
The Florida Wildflower Foundation, Inc.
Maitland, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of The Florida Wildflower Foundation, Inc., which comprise the statements of financial position as of September 30, 2021 and 2020, and the related statements of activities and changes in net assets and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Florida Wildflower Foundation, Inc. as of September 30, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter – Functional Expenses

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedules of functional expenses on pages 6 and 7 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Erin Perdue CPA, LLC

Erin Perdue CPA, LLC
March 7, 2022

THE FLORIDA WILDFLOWER FOUNDATION, INC.
 Statements of Financial Position
 September 30, 2021 and 2020

Assets	2021	2020
Current assets:		
Cash and cash equivalents	\$ 715,031	407,359
Marketable securities	432,808	372,658
Prepaid expenses	2,070	3,191
Total current assets	1,149,909	783,208
Security deposit	-	1,000
Total assets	\$ 1,149,909	\$ 784,208
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued expenses	\$ 12,732	11,841
Deferred revenue	-	37,078
Total current liabilities	12,732	48,919
Net assets-		
Without donor restrictions	1,137,177	735,289
Total liabilities and net assets	\$ 1,149,909	\$ 784,208

See accompanying notes to the financial statements

THE FLORIDA WILDFLOWER FOUNDATION, INC.
 Statements of Activities and Changes in Net Assets
 Years Ended September 30, 2021 and 2020

	2021	2020
Without donor restrictions:		
Support and revenue:		
Donations	\$ 639,366	\$ 326,876
Grants	67,009	16,296
Investment earnings, net	65,391	10,422
Memberships	10,290	9,031
Other	9,262	5,721
Gifts In-kind	3,557	7,301
Admissions	250	224
Total revenue	795,125	375,871
Expenses:		
Program services:		
Education	188,973	195,423
Planting	32,010	37,634
Research	42,372	25,665
Total program services	263,355	258,722
Supporting services:		
Management and general	49,770	39,512
Fundraising	80,112	27,959
Total supporting services	129,882	67,471
Total expenses	393,237	326,193
Changes in net assets	401,888	49,678
Net assets, beginning of the year	735,289	685,611
Net assets, end of year	\$ 1,137,177	\$ 735,289

See accompanying notes to the financial statements

THE FLORIDA WILDFLOWER FOUNDATION, INC,
 Statements of Cash Flows
 For the Years Ended September 30, 2021 and 2020

	2021	2020
Cash flows from operating activities:		
Cash received from donors and members	\$ 638,747	\$ 405,949
Cash paid to suppliers and donees	(391,225)	(321,060)
Investment income, net	53,847	16,296
Net cash provided by operating acitivities	301,369	101,185
Cash flows from investing activities-		
Sale (Purchase) of marketable securities	6,303	(12,686)
Increase in cash	307,672	88,499
CASH, beginning of year	407,359	318,860
CASH, end of year	\$ 715,031	\$ 407,359

See accompanying notes to the financial statements

THE FLORIDA WILDFLOWER FOUNDATION, INC.

Schedule of Functional Expenses
For the Year Ended September 30, 2021

	Program Services				Support Services			Grand Total
	Education	Planting	Research	Total	Management and General	Fundraising	Total	
Operating Expenses:								
Executive Director Compensation	\$ 63,629	\$ 4,205	\$ 5,304	\$ 73,138	\$ 8,244	\$ 11,793	\$ 20,037	\$ 93,175
Program Manager Compensation	51,130	9,348	284	60,762	3,035	3,527	6,562	67,324
Admin Assistant Compensation	15,483	140	-	15,623	6,206	5,846	12,052	27,675
Payroll Expenses	3,523	375	140	4,038	494	711	1,205	5,243
Legal and Accounting Fees	4,303	1,565	783	6,651	783	571	1,354	8,005
Contracted Services	29,164	2,625	12,643	44,432	-	21,235	21,235	65,667
Office Expense	374	30	15	419	814	145	959	1,378
Office Rent	3,793	1,379	690	5,862	690	348	1,038	6,900
Printing and Copying Expense	1,190	-	-	1,190	23,332	17,027	40,359	41,549
Merchandise Cost				-			-	-
Supplies	48	2,782	-	2,830	-	13,565	13,565	16,395
Sponsorships	1,750	-	-	1,750	-	-	-	1,750
Travel	1,538	247	57	1,842	-	510	510	2,352
Insurance	1,360	494	247	2,101	247	295	542	2,643
Memberships	869	43	43	955	-	-	-	955
Staff Education Expense	-	-	-	-	-	2,480	2,480	2,480
Other Expense	5,819	247	403	6,469	5,925	2,059	7,984	14,453
Grants	5,000	8,530	21,763	35,293	-	-	-	35,293
Total Expenses	\$ 188,973	\$ 32,010	\$ 42,372	\$ 263,355	\$ 49,770	\$ 80,112	\$ 129,882	\$ 393,237

See accompanying notes to the financial statements

THE FLORIDA WILDFLOWER FOUNDATION, INC.

Schedule of Functional Expenses
For the Year Ended September 30, 2020

	Program Services				Support Services			Grand Total
	Education	Planting	Research	Total	Management and General	Fundraising	Total	
Operating Expenses:								
Executive Director Compensation	\$ 57,509	\$ 4,687	\$ 12,874	\$ 75,070	\$ 11,198	\$ 6,615	\$ 17,813	\$ 92,883
Program Manager Compensation	56,299	8,677	29	65,005	15	521	536	65,541
Contracted Services	21,946	1,575	9,144	32,665	-	11,543	11,543	44,208
Admin Assistant Compensation	14,202	325	-	14,527	4,489	3,493	7,982	22,509
Grants	5,000	16,942	421	22,363	-	-	-	22,363
Other Expense	5,717	466	536	6,719	12,538	2,504	15,042	21,761
Printing and Copying Expense	4,060	125	63	4,248	8,215	31	8,246	12,494
Supplies	9,893	320	-	10,213	667	1,108	1,775	11,988
Office Rent	5,610	2,040	1,020	8,670	1,020	510	1,530	10,200
Legal and Accounting Fees	4,552	1,473	737	6,762	737	368	1,105	7,867
Payroll Expenses	3,697	368	140	4,205	431	291	722	4,927
Travel	3,574	271	519	4,364	3	539	542	4,906
Insurance	1,003	365	182	1,550	182	91	273	1,823
Memberships	1,336	-	-	1,336	17	345	362	1,698
Sponsorships	1,025	-	-	1,025	-	-	-	1,025
Total Expenses	<u>\$ 195,423</u>	<u>\$ 37,634</u>	<u>\$ 25,665</u>	<u>\$ 258,722</u>	<u>\$ 39,512</u>	<u>\$ 27,959</u>	<u>\$ 67,471</u>	<u>\$ 326,193</u>

See accompanying notes to financial statements

THE FLORIDA WILDFLOWER FOUNDATION, INC.

Notes to Financial Statements

September 30, 2021 and 2020

(1) Foundation

The Florida Wildflower Foundation, Inc. (the Foundation) was incorporated in Florida on February 15, 2001 as a not-for-profit corporation whose purposes are exclusively charitable and educational within the meaning of 501(c)(3) of the Internal Revenue Code.

The vision of the Foundation is to increase the availability, demand, and visibility of Florida native wildflowers by supporting research, education, and planting. Florida native wildflower refers to flowering plant species native to Florida, with emphasis on herbaceous annuals and perennials.

The Foundation is supported primarily through use proceeds from the sale of Florida State Wildflower specialty license plates.

(2) Summary of Significant Accounting Policies

(a) Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting.

(b) Cash and Cash Equivalents

For purposes of the statement of cash flow, the Foundation considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

(c) Property and Equipment

The Foundation's policy is to capitalize purchases of property and equipment in excess of \$1,000 having a useful life of greater than one year. Property and equipment is capitalized at cost when purchased or at fair value at the date of the gift if donated. Depreciation is provided based on the straight-line method applied over the estimated useful lives of the fixed assets of seven years. Major additions and improvements are capitalized, and more routine expenditures for repairs and maintenance are charged to expense as incurred.

(d) Net Assets

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

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The Board of Directors has designated, from net assets without donor restrictions, net assets for various operating reserves.

THE FLORIDA WILDFLOWER FOUNDATION, INC.

Notes to Financial Statements

September 30, 2021 and 2020

(2) Summary of Significant Accounting Policies (continued)

(d) Net Assets (continued)

Net Assets With Donor Restrictions – Net assets subject to donor-imposed (or certain grantor imposed) restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires; that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

(e) Contributed Services and Supplies

Contributed professional support services are included as a component of in-kind revenue and expenses in the accompanying statements of activities and changes in net assets at their estimated fair value at the date of receipt. The estimated fair value of such services contributed during the years ended September 30, 2021 and 2020, amounted to \$2,732 and \$1,031, respectively. In addition, there are many volunteers who contribute their time to assist the Foundation in its program operations, administrative functions and fundraising campaigns. These volunteer services are not valued or reflected in the accompanying statements of activities and changes in net assets.

The Foundation receives various contributed materials and supplies that are used for its programs. The estimated fair value of donated materials and supplies is included as a component of in-kind revenue, and program services expense in the accompanying statements of activities and changes in net assets. The estimated fair value of donated materials and supplies during the years ended September 30, 2021 and 2020, totaled \$825 and \$6,270, respectively.

(f) 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 effect 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.

(g) Grant Expense Recognition

Grants awarded are disbursed in installments as grant requirements are completed by the donee. Grant expense is recognized as disbursed.

THE FLORIDA WILDFLOWER FOUNDATION, INC.

Notes to Financial Statements

September 30, 2021 and 2020

(2) Summary of Significant Accounting Policies, Continued

(h) *Income Taxes*

The Foundation has been classified as an other-than-private Foundation and is tax-exempt under Section 501(c)(3) of the Internal Revenue Code. The Foundation is subject to a tax on income from any unrelated business.

The Foundation adopted the recognition requirements for uncertain income tax positions as required by accounting principles generally accepted in the United States of America, with no cumulative effect adjustment required. Income tax benefits are recognized for income tax positions taken or expected to be taken in a tax return, only when it is determined that the income tax position will more-likely-than-not be sustained upon examination by taxing authorities. The Foundation has analyzed tax positions taken for filing with the Internal Revenue Service and all state jurisdictions where it operates. The Foundation believes that income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse effect on the Foundation's financial condition, results of operations or cash flows. Accordingly, the Foundation has not recorded any reserves or related accruals for interest and penalties for uncertain income tax positions at September 30, 2021 and 2020.

(i) *Functional Allocation of Expenses*

The Foundation allocates its expenses on a functional basis among its various programs. Expenses identified with a specific program are charged directly according to their natural expenditure classification. Other expenses that are common to several functions are allocated based upon management's estimate of time, effort and applicable cost. Management has allocated compensation expense based upon the timesheet accumulation of actual hours spent in each program.

(j) *Deferred Revenue*

Deferred revenue consists of amounts received from grants that have not been expensed.

(k) *Reclassifications*

Certain amounts in the 2020 financial statements have been reclassified to conform to the 2021 presentation.

(l) *Subsequent Events*

The Foundation has performed an evaluation of subsequent events through March 7, 2022, which is the date the financial statements were available to be issued.

THE FLORIDA WILDFLOWER FOUNDATION, INC.

Notes to Financial Statements

September 30, 2021 and 2020

(3) New Accounting Pronouncement

The Foundation implemented Financial Accounting Standards Board Accounting Standards Update 2016-14, Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit entities. The Foundation has adjusted the presentation of its financial statements accordingly. The new standards change the following aspects of the Foundation's financial statements:

- The unrestricted net asset class has been renamed net assets without donor restrictions.
- The temporarily restricted and permanently restricted net asset classes have been combined into a single net asset class called net assets with donor restrictions.
- The format of the statement of cash flows has changed to the direct method of reporting cash flows from operations, which we believe to be more understandable for the users of our financial statements.
- The financial statements include a new disclosure about liquidity and availability of resources.

(4) Liquidity and Availability of Funds

The Foundation's financial assets available for general expenditure without donor or other restrictions limiting their use, within one year of the balance sheet date is \$1,045,765 and \$735,289 as of September 30, 2021 and 2020, respectively.

(5) Fair Value Measurements

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurements).

The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Basis of Fair Value Measurement

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

Level 2 - Quoted prices in markets that are not considered active or financial instruments without quoted market prices, but for which all significant inputs are observable, either directly or indirectly.

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

THE FLORIDA WILDFLOWER FOUNDATION, INC.

Notes to Financial Statements

September 30, 2021 and 2020

(5) Fair Value Measurements, Continued

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

Following is a description of the valuation methodologies used for assets measured at fair value. All are considered Level 1 Investments. There have been no changes in the methodologies used at September 30, 2021 and 2020.

Mutual funds: Shares of mutual funds are valued at the net asset value (NAV) of shares held by the Foundation and are valued at the closing price reported on the active market on which the individual securities are traded.

Exchange traded funds and alternative investments: Shares of exchange traded funds are valued at the closing price reported on the active market on which the individual securities are traded.

The following is a summary of marketable securities as of September 30:

	2021	2020
Broker cash account	\$ 11,500	\$ 11,471
Mutual funds	89,910	72,992
Exchange traded products	331,398	288,195
Total marketable securities	<u>\$ 432,808</u>	<u>\$ 372,658</u>

(6) Furniture and Equipment, Net

Furniture and equipment consisted of the following as of September 30:

	2021	2020
Furniture and equipment	\$ 10,713	\$ 10,713
Less: accumulated depreciation	(10,713)	(10,713)
Total property and equipment	<u>\$ -</u>	<u>\$ -</u>

THE FLORIDA WILDFLOWER FOUNDATION, INC.

Notes to Financial Statements

September 30, 2021 and 2020

(7) State Wildflower Specialty License Plate Fees

Florida Statute section 320.08058 (27) establishes a \$15 annual fee (plus registration fees) for the Florida Wildflower Program administered by The Florida Wildflower Foundation, Inc. These funds are segregated into separate bank accounts for reporting to the State of Florida. A maximum limit of 15% of use fees collected is set for administrative and marketing expenses. The total of Specialty License Plate Fee monies (Cash and Marketable Securities) on hand amounted to \$660,697 and \$539,365 at September 30, 2021 and 2020, respectively.

(8) Office Lease

The Foundation had a non-cancellable operating lease for its corporate office in Maitland. The lease expired on May 31, 2021. Lease payments under this operating lease totaled \$6,900 and \$10,200 for years ended September 30, 2021 and 2020, respectively. The lease was not renewed in 2021.

(9) Gary Henry Endowment for the Study of Florida Native Wildflowers

In prior years the Foundation has donated to an external endowment fund at the University of Florida who is the endowment custodian. The endowment fund is not under the control of the Florida Wildflower Foundation, Inc. The contributions were treated as an expense and the balance of the endowment is not carried as an asset. The endowment asset balance amounted to \$628,412 and \$378,621 at September 30, 2021 and 2020, respectively. No contributions were made for the years ended September 30, 2021 and 2020.

(10) Concentrations

The Foundation receives a significant portion of its revenues from the sale of specialty license plates in the State of Florida (\$371,297 or 47% of total revenues and \$286,247 or 76% for years ended September 30, 2021 and 2020, respectively).

The Foundation maintains its cash balances at financial institutions in the Central Florida area which, at times, may exceed amounts covered by Federal Deposit Insurance Corporation (FDIC) insurance coverage (\$250,000 per institution).