

NATUREBRIDGE

JUNE 30, 2022

INDEPENDENT AUDITORS' REPORT AND
FINANCIAL STATEMENTS

NatureBridge

Independent Auditors' Report and Financial Statements

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A Century Strong

Independent Auditors' Report

THE BOARD OF DIRECTORS
NATUREBRIDGE
Sausalito, California

Opinion

We have audited the financial statements of **NATUREBRIDGE (the Organization)**, which comprise the statement of financial position as of June 30, 2022, 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 accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of June 30, 2022, 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 Auditors' 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 for one year from the date of this report.

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 auditors' 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.

Report on Summarized Comparative Information

We have previously audited the Organization's June 30, 2021 financial statements, and we expressed an unmodified opinion on those audited financial statements in our report dated January 14, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Hood & Strong LLP

San Francisco, California
January 30, 2023

NatureBridge

Statement of Financial Position

June 30, 2022 (with comparative totals for 2021)

Assets	2022	2021
Cash and cash equivalents	\$ 9,020,846	\$ 8,142,421
Accounts receivable, net	169,217	559,212
Pledges receivable, net	1,307,212	1,708,990
Inventory	35,768	25,401
Prepaid expenses and other assets	151,640	152,923
Capitalized development costs	3,145,338	28,343,932
Property, equipment, and improvements, net	2,343,477	2,597,026
Investments at fair value	2,082,625	2,413,982
Total assets	\$ 18,256,123	\$ 43,943,887
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	\$ 1,308,922	\$ 813,480
Deferred revenue	2,212,272	829,030
Refundable advance - Paycheck Protection Program (PPP)	-	1,985,175
Deposits payable	26,977	15,449
Total liabilities	3,548,171	3,643,134
Net Assets:		
Without donor restrictions:		
Board designated	313,092	363,092
Undesignated	4,058,484	3,923,187
Total net assets without donor restrictions	4,371,576	4,286,279
With donor restrictions	10,336,376	36,014,474
Total net assets	14,707,952	40,300,753
Total liabilities and net assets	\$ 18,256,123	\$ 43,943,887

See accompanying notes to the financial statements.

NatureBridge

Statement of Activities

Year ended June 30, 2022 (with comparative totals for 2021)

	2022			2021
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Revenue and Support:				
Program revenue:				
Field science programs, net of scholarships of \$306,279 and \$4,533, respectively	\$ 3,251,671		\$ 3,251,671	\$ 22,532
Conferences and adult programs	341,442		341,442	108,218
Summer program revenue	690,748		690,748	193,033
Other income	246,341		246,341	4,732
Total program revenue	4,530,202		4,530,202	328,515
Other revenue:				
Investment (loss) income, net	(16,253)	\$ (311,150)	(327,403)	457,850
Miscellaneous income, net	118,643		118,643	43,547
Total other revenue	102,390	(311,150)	(208,760)	501,397
Public support:				
Donations and grants	2,005,030	1,767,831	3,772,861	4,830,340
Donated goods and services	317,498	65,617	383,115	384,229
Total public support	2,322,528	1,833,448	4,155,976	5,214,569
Net assets released from restrictions	1,977,044	(1,977,044)	-	-
Total revenue and support	8,932,164	(454,746)	8,477,418	6,044,481
Expenses:				
Program services	8,476,355		8,476,355	3,787,054
General and administrative	1,547,109		1,547,109	1,473,108
Fundraising and development	1,126,705		1,126,705	760,955
Total operating expenses	11,150,169	-	11,150,169	6,021,117
Change in Net Assets from Operations	(2,218,005)	(454,746)	(2,672,751)	23,364
Non-Operating Revenue and Expenses:				
Government stimulus - COVID relief	2,303,302		2,303,302	2,187,156
Capital campaign donations		608,394	608,394	261,442
Capital contributions released from restriction	25,831,746	(25,831,746)	-	-
Grant of capital project to the National Park Service (NPS)	(25,831,746)		(25,831,746)	(127,400)
Total Non-Operating Changes	2,303,302	(25,223,352)	(22,920,050)	2,321,198
Total Changes in Net Assets	85,297	(25,678,098)	(25,592,801)	2,344,562
Net Assets - beginning of year	4,286,279	36,014,474	40,300,753	37,956,191
Net Assets - end of year	\$ 4,371,576	\$ 10,336,376	\$ 14,707,952	\$ 40,300,753

See accompanying notes to the financial statements.

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Statement of Cash Flows

<i>Year ended June 30, 2022 (with comparative totals for 2021)</i>	2022	2021
Cash Flows from Operating Activities:		
Changes in net assets	\$ (25,592,801)	\$ 2,344,562
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:		
Depreciation and amortization	369,739	424,499
Realized and unrealized loss (gain) on sale of investments	425,905	(377,425)
Contributions restricted for non-operating use	(608,394)	(273,588)
Net provision for (recovery of) bad debts	32,637	(5,780)
Gain on sale of property, equipment, and improvements	(375)	(1,150)
Forgiveness of refundable advance - PPP	(1,985,175)	(1,997,750)
Grant of capital project to the NPS	25,831,746	-
Changes in operating assets and liabilities:		
Accounts receivable	395,120	(198,125)
Pledges receivable	(254,538)	(1,158,937)
Inventory	(10,367)	(2,650)
Prepaid expenses and other assets	1,283	(6,789)
Accounts payable and accrued expenses	349,242	(322,469)
Deferred revenue	1,383,242	(2,025,973)
Deposits payable	11,528	(16,676)
Net cash provided by (used in) operating activities	348,792	(3,618,251)
Cash Flows from Investing Activities:		
Investments in securities	(94,547)	(76,220)
Proceeds from disposals of property, equipment, and improvements	375	1,150
Purchases of capitalized development costs	(486,953)	(174,000)
Purchases of property, equipment, and improvements	(116,190)	(96,550)
Net cash used in investing activities	(697,315)	(345,620)
Cash Flows from Financing Activities:		
Payment to paydown principal of notes payable	-	(1,185,833)
Receipt of funds restricted for capital projects	1,226,948	2,188,399
Proceeds from refundable advance - PPP	-	1,985,175
Net cash provided by financing activities	1,226,948	2,987,741
Net Change in Cash and Cash Equivalents	878,425	(976,130)
Cash and Cash Equivalents - beginning of year	8,142,421	9,118,551
Cash and Cash Equivalents - end of year	\$ 9,020,846	\$ 8,142,421
Supplemental Disclosure of Non Cash Operating and Financing Activities:		
Donated securities, for both operations and capital projects, converted immediately to cash, including \$0 and \$190,015, respectively, received in satisfaction of pledges arising in prior years	\$ 34,120	\$ 241,648
Capitalized development costs included in accounts payable and accrued expenses	\$ 151,572	\$ 5,372
Supplemental Disclosure of Cash Flow Information:		
Cash paid for interest	\$ -	\$ 5,262
Donated goods and services	\$ 383,115	\$ 384,229

See accompanying notes to the financial statements.

NatureBridge

Statement of Functional Expenses

Year ended June 30, 2022 (with comparative total for 2021)

	2022				2021
	Program Services	General and Administrative	Fundraising and Development	Total	Total
Personnel	\$ 4,504,720	\$ 1,048,675	\$ 636,657	\$ 6,190,052	\$ 3,868,923
Insurance	1,475,940	15,463	9,545	1,500,948	291,073
Occupancy and supplies	1,214,846	92,799	92,480	1,400,125	895,086
Food	615,724			615,724	7,217
Outside services	140,819	317,461	71,925	530,205	433,161
Depreciation and amortization	337,351	20,156	12,232	369,739	424,499
Travel and meetings	36,449	13,310	236,023	285,782	10,475
Contracted transportation	12,704			12,704	-
Other expenses	137,802	39,245	67,843	244,890	90,683
	<u>\$ 8,476,355</u>	<u>\$ 1,547,109</u>	<u>\$ 1,126,705</u>	<u>\$ 11,150,169</u>	<u>\$ 6,021,117</u>

See accompanying notes to the financial statements.

NatureBridge

Notes to the Financial Statements

Note 1 - Organization and Summary of Significant Accounting Policies:

a. Organization

Founded in 1971 and based in Sausalito, NatureBridge (the Organization) is the largest residential environmental education partner of the National Park Service (NPS). Its mission is to connect young people to the wonder and science of the natural world, igniting self-discovery and inspiring stewardship of our planet. The Organization delivers hands-on environmental science programs in some of the richest and most beautiful outdoor classrooms. The Organization currently operates in four national parks and one nature preserve: Yosemite National Park, Golden Gate National Recreation Area, Olympic National Park, Prince William Forest Park and The Nature Conservancy's Jack and Laura Dangermond Preserve. Revenues are primarily from program fees and contributions.

The Organization provides environmental science education program to a diverse audience including youth, K-12 teachers, teens, and families. In a typical year, the Organization serves more than 35,000 participants through environmental science programs.

b. Basis of Accounting and Presentation

The financial statements of the Organization have been prepared in accordance with generally accepted accounting principles promulgated in the United States of America for not-for-profit organizations (U.S. GAAP). The significant accounting and reporting policies used by the Organization are described subsequently to enhance the usefulness and understandability of the financial statements.

The Organization reports information regarding its financial position and activities according to two classes of net assets:

Net assets without donor restrictions – net assets that are not subject to any 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 the 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. 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.

NatureBridge

Notes to the Financial Statements

c. Revenue Recognition

Program Revenue

Program revenue consists of tuition and fees associated with the Organization's environmental science, youth leadership, and teacher training programs and is accounted for as contracts with customers.

Revenue from these programs is recognized as the services are rendered. Program payments are generally due a month before the start of the program. Accounts receivable consist primarily of amounts due from the Organization's participant user groups which are expected to be received in the next fiscal year. Amounts received in advance are recorded as deferred revenue. Scholarship and discounts provided to participants are recorded as a reduction from the program revenue at the time revenue is recognized.

Contributions

Contributions and pledges are recognized at their fair value when received. The Organization performs an analysis of each grant and contract to determine if it should be accounted for as a contribution or as an exchange transaction. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Donated Goods and Donated Services

Contributions of donated assets are recorded at fair value in the period received. Contributions of donated services that meet certain criteria are recognized at fair value in the period received. These donated services must create or enhance non-financial assets or must require specialized skills, be provided by individuals possessing those skills and represent services which would have been purchased if not provided by donation.

Allowance for Doubtful Accounts

The Organization provides for losses on accounts and pledges receivable using an allowance method based on management's estimates and analysis of specific accounts and pledges made.

d. Cash and Cash Equivalents

For the purposes of the statement of cash flows, cash is defined as cash in demand deposit accounts as well as cash on hand. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and investments acquired within three months of their maturity so that the risk of changes in value due to changes in interest rates is negligible.

NatureBridge

Notes to the Financial Statements

e. Inventory

Costs of retail items held for sale as well as food items are included in inventory, which is stated at the lower of cost (determined on the first-in, first-out basis) or market.

f. Investments

The Organization carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying statement of activities and represent the change in the fair value of investments from one year to another. Investment income is presented net of direct investment expenses on the statement of activities.

g. Fair Value Measurements

The Organization records its financial instruments at fair value. Fair value is defined as the price that would be received upon sale of an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date.

This standard requires the Organization to classify its financial assets and liabilities based on a valuation method using three levels:

Level 1: Unadjusted quoted market prices in active markets for identical assets or liabilities.

Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data.

Level 3: Unobservable inputs that are not corroborated by market data.

h. Fair Value of Financial Instruments

The Organization has determined that the amounts reported for cash and cash equivalents, accounts receivable, prepaid expenses and other assets, accounts payable and accrued expenses, deferred revenue, and deposits have carrying amounts that approximate fair value because of the short maturity of these financial instruments.

i. Property, Equipment, and Improvements

The Organization records property, equipment, and improvements in excess of \$1,500 at historical cost, or if donated, at fair value at the date of donation. Depreciation and amortization are determined on the straight-line method over the lesser of the estimated useful lives or lease terms as follows: 3 to 10 years for equipment (including vehicles) and 3 to 25 years for leasehold improvements.

NatureBridge

Notes to the Financial Statements

j. Capitalized Development Costs

The Organization capitalizes development costs for assets that will ultimately be granted to the NPS. Capitalized costs that are determined to be impaired are expensed in the period the impairment occurs. The Organization does not record depreciation expense on capitalized development costs.

k. Notes Payable and Imputed Interest

The Organization imputes interest on below-market interest bearing notes with a maturity date of more than one year. The Organization calculates imputed interest expense based on the market rate in effect at the date of issue. Imputed interest discount is amortized throughout the term of the note.

l. Allocation of Functional Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis. Accordingly, certain costs like personnel, occupancy, and supplies have been allocated to the programs and supporting services benefited based on time estimates by employees that are working in that function. The Organization's other expenses are typically charged directly to the function benefited.

m. Income Taxes

The Organization is exempt from federal and state taxes under section 501(c)(3) of the Internal Revenue Code and section 23701(d) of the California Revenue and Taxation Code, and is not considered by the Internal Revenue Service to be a private foundation.

Management evaluated the Organization's tax positions and concluded that it has maintained its tax-exempt status and that the Organization has taken no uncertain tax positions that would require adjustments in the financial statements to comply with provisions of this guidance.

n. Estimates

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

o. Comparative Financial 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 U.S. GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2021 from which the summarized information was derived.

NatureBridge

Notes to the Financial Statements

p. Reclassifications

Certain reclassifications have been made to the 2021 financial statements in order to conform with the 2022 presentation. These reclassifications had no impact on net assets or the change in net assets.

q. New Accounting Pronouncements

Pronouncement adopted:

In September 2020, the Financial Accounting Standards Board issued Accounting Standards Update (ASU) 2020-07. *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets (Topic 958)*. The purpose of the ASU 2020-07 is to clarify the presentation and disclosure of contributed nonfinancial assets with the intent to provide the reader of the financial statements a clearer understanding of the type of nonfinancial assets received and how they are used and recognized by the NFP. ASU 2020-07 was effective for the Organization beginning July 1, 2021. The adoption of the ASU did not have a significant reporting change for the Organization. See Note 10.

r. Subsequent Events

The Organization has evaluated all subsequent events from June 30, 2022 through January 30, 2023, the date these financial statements were available to be issued. Except as mentioned in Notes 5 and 14, there were no material subsequent events that required recognition or disclosure in the financial statements.

Note 2 - Pledges Receivable:

Pledges receivable consisted primarily of amounts associated with capital projects, education programs, and other projects as follows at June 30:

	2022	2021
Receivable in less than one year	\$ 934,183	\$ 961,255
Receivable in one to five years	376,729	757,133
Total pledges receivable	1,310,912	1,718,388
Less discount to net present value	(3,700)	(9,398)
Net pledges receivable	\$ 1,307,212	\$ 1,708,990

Pledges not expected to be received within one year are discounted to net present value using discount rates ranging from 0.60% to 3.60%, depending upon the year the pledge occurred.

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Notes to the Financial Statements

Note 3 - Investments and Fair Value Measurements:

Investments, which are carried at fair value, consisted of the following at June 30:

	2022		2021	
	Cost	Fair Value	Cost	Fair Value
Equity mutual funds (Level 1)	\$ 1,126,552	\$ 1,249,575	\$ 1,069,824	\$ 1,448,389
Bond mutual funds (Level 1)	751,035	833,050	713,216	965,593
Total	\$ 1,877,587	\$ 2,082,625	\$ 1,783,040	\$ 2,413,982

Note 4 - Property, Equipment, and Improvements:

Property, equipment, and improvements consisted of the following at June 30:

	2022	2021
Buildings and improvements	\$ 4,173,129	\$ 4,159,382
Leasehold improvements	2,894,600	2,933,015
Equipment and furniture	2,479,722	2,523,860
Vehicles	614,739	614,739
Total	10,162,190	10,230,996
Less: accumulated depreciation and amortization	(7,818,713)	(7,633,970)
Net property, equipment and improvements	\$ 2,343,477	\$ 2,597,026

Depreciation expense for the years ended June 30, 2022 and 2021 was \$164,220 and \$214,332, respectively. Amortization expense for the years ended June 30, 2022 and 2021 was \$205,519 and \$210,167, respectively.

Note 5 - Capitalized Development Costs:

Capitalized development costs consisted of the following at June 30:

	2022	2021
National Environmental Science Center (NESC)	\$ 1,656,927	\$ 27,001,836
Golden Gate National Recreation Area	1,488,411	1,342,096
Total	\$3,145,338	\$ 28,343,932

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Notes to the Financial Statements

Five buildings of the NESC were gifted to the NPS on June 30, 2022 as set forth in the fundraising agreement and design and construction agreement executed in 2012 and 2013 respectively. A grant expense of \$25,831,746, an equal amount to the capitalized value of the five donated buildings and underlying infrastructure, is reflected in the statement of activities along with corresponding entries to release net assets from restrictions. Three staff cabin buildings remained under construction as of June 30, 2022. The capitalized cost associated with the staff cabins is reflected on the Organization's statement of financial position. The Organization is currently finalizing the donation of the staff cabins with the NPS. The capitalized cost of the NESC has been reviewed for impairment and no expense was booked in the current fiscal year as a result of that review.

Following the failure of the designated water system (Chinquapin water system) in 2018, access to a sustainable water source has prevented the Organization from delivering overnight programs at the NESC. In collaboration with the NPS, the Organization is conducting due diligence on a permanent water agreement with another partner that would provide an adequate water source for the facility. Once the water issue is resolved, NatureBridge will begin delivering overnight programs at the NESC under a new cooperative agreement and operating and maintenance agreement with the NPS.

Note 6 - Forgiveness of SBA PPP Loan:

On January 30, 2021, the Organization obtained a second note payable in the amount of \$1,985,175 under the PPP from the SBA. The Organization was formally notified by the SBA that the note was fully forgiven in April 2022. The 5-year note was recognized as a refundable advance in the 2021 statement of financial position and the note's forgiveness has been recognized as non-operating revenue in the 2022 statement of activities as part of government stimulus - COVID relief.

Note 7 - Net Assets:

Net assets with donor restrictions consisted of the following at June 30:

	2022	2021
Restricted with specific purpose and passage of time:		
Capital projects	\$ 7,248,874	\$ 32,472,226
Scholarships	1,049,323	1,187,751
Environmental science program	71,536	64,852
Other programs	1,313,145	1,646,647
Total	9,682,878	35,371,476
Restricted in perpetuity	653,498	642,998
Total net assets with donor restrictions	\$ 10,336,376	\$ 36,014,474

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Notes to the Financial Statements

The Organization fulfilled the time and or use restrictions of the following net assets with donor restrictions which were released to net asset without donor restrictions during the years ended June 30:

	2022	2021
Releases relating to operations:		
Scholarships	\$ 348,557	\$ 36,224
Environmental science program	330,046	567,848
Social and emotional learning		168,520
Other programs	1,298,441	1,258,622
Total releases relating to operations	1,977,044	2,031,214
Non-operating releases - capital	25,831,746	127,400
Total releases	\$ 27,808,790	\$ 2,158,614

Note 8 - Liquidity and Availability of Financial Assets:

The following reflects the Organization's financial assets as of the statement of financial position date, reduced by amounts not available for general use within one year of the statement of financial position date because of contractual or donor-imposed restrictions or internal designations. Amounts not available for use are those with donor-imposed restrictions and the Organization's quasi-endowment funds, including the earnings there on. The majority of these funds are designated for use towards scholarships or for other programmatic purposes and are included in net assets without donor restrictions. The Organization currently follows the spending policy established for its permanently restricted endowment to calculate utilization of the quasi-endowment funds on an annual basis.

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Notes to the Financial Statements

The following represents the Organization's financial assets at June 30:

	2022	2021
Financial assets at fiscal year end:		
Cash and cash equivalents	\$ 9,020,846	\$ 8,142,421
Accounts receivable	169,217	559,212
Pledges receivable	1,307,212	1,708,990
Investments	2,082,625	2,413,982
Total financial assets	12,579,900	12,824,605
Less amounts not available to be used within one year:		
Receivables scheduled to be collected in more than one year	(373,029)	(757,133)
Contractual or donor-imposed restrictions:		
Capital funds	(4,454,389)	(4,202,790)
Endowment funds	(2,442,595)	(2,243,736)
Other donor restrictions	(1,000,169)	(1,029,856)
Board designated	(313,092)	(363,092)
Financial assets available for general expenditures	\$ 3,996,626	\$ 4,227,998

The Organization manages its liquidity by developing and adopting an annual operating plan that provides sufficient funds for general expenditures to meet its liabilities and other obligations as they come due. Actual performance is reported and monitored monthly in comparison to the plan. Adjustments are made to the plan as needed to ensure adequate liquidity.

Note 9 - Deferred Revenue:

The activity for deferred revenue was as follows for the years ended June 30:

	2022	2021
Deferred revenue, beginning of year	\$ 829,030	\$ 2,855,003
Revenue recognized	(4,530,202)	(328,515)
Deposit refunded during the year due to cancellations	(164,700)	(2,530,476)
Cash received	6,078,144	833,018
Deferred revenue, end of year	\$ 2,212,272	\$ 829,030

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Notes to the Financial Statements

Note 10 - Donated Goods and Services:

For the fiscal year ended June 30, 2022, donated goods and services recognized within the statement of activities included:

	Revenue Recognized	Utilization in Programs/ Activities	Donor Restriction	Valuation Techniques and Inputs
Services	\$ 226,207	Various Administrative and Legal Matters	No associated donor restrictions	Estimated fair value based on current rates for similar legal and consulting services
Rent and service district fee	104,686	General & Administrative	Restriction by time	Estimated based on comparable rent in the same geographic area
Food and Beverage	27,826	Fundraising Event	No associated donor restrictions	Estimated fair value on the basis of estimates of wholesale values that would be received for selling similar products in the U.S.
Supplies	23,447	Fundraising Event	No associated donor restrictions	Estimated fair value on the basis of estimates of wholesale values that would be received for selling similar products in the U.S.
Teaching Supplies	949	Outdoor Program	Restricted to program	Estimated fair value on the basis of estimates of wholesale values that would be received for selling similar products in the U.S.
<hr/>				
Total	\$ 383,115			

Note 11- Commitments:

Operating Leases

The Organization leases office and staff housing space in California and Virginia under operating lease agreements that expire through November 2023. Obligations under these lease agreements become due as follows as of June 30:

2023	\$ 86,000
2024	9,000
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Total	\$ 95,000

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Notes to the Financial Statements

Rent expense amounted to \$270,520 and \$319,828 for the years ended June 30, 2022 and 2021, respectively. In addition to office and staff housing space, total rent expense includes the cost of lodging for students who participate in the Organization's programs. Student lodging expense amounted to \$392,091 and \$0 for the years ended June 30, 2022 and 2021, respectively.

Cooperative Agreements with the NPS

Beginning in 1984, the Organization entered into cooperative agreements with the U.S. Department of the Interior, NPS, with regard to land and facilities use and educational programs at four National Parks: Yosemite, Marin Headlands (Golden Gate National Recreation Area), Olympic National Park, and Prince William Forest Park. Under the terms of these agreements, the Organization may occupy certain buildings and grounds for a specified number of years. Expiration dates of the agreements vary and currently expire between 2023 and 2031. During the term of the agreements, the Organization will provide various educational programs as approved by the Park Service and comply with its rules, regulations and directives. Management is working toward obtaining renewals of these agreements. Under the agreements, the Organization will also provide capital improvements and maintenance to the facilities, all of which remain the property of the government. The Organization will not have a right of possessory interest to most of these assets.

Any substantive changes in the cooperative agreements could have significant effects on how the Organization conducts its activities and services.

Note 12 - Tax-Deferred 403(b) Plan:

The Organization has a 403(b) contributory tax-deferred pension plan covering all eligible employees. After one year of service, the Organization annually provides a discretionary matching contribution of 100% of the employee's contribution, up to the greater of 3% of annual salary or \$1,200. Beginning July 1, 2021, the Organization reinstated the employer match after temporary suspension. Pension plan expense amounted to \$99,723 and \$0 in 2022 and 2021, respectively.

Note 13 - Concentrations of Credit Risk:

Financial instruments which potentially subject the Organization to concentrations of credit risk consist of cash and cash equivalents, accounts and pledges receivable and investments. The Organization maintains its cash accounts at various institutions. Cash balances at these institutions may, from time to time, exceed Federal Deposit Insurance Corporation insurable limits. Accounts receivables are due from various entities. An allowance for doubtful accounts is also maintained. Investments are subject to a formal investment policy.

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Notes to the Financial Statements

Approximately 53% and 80% of pledges receivable are due from two and three major donors in 2022 and 2021, respectively.

Approximately 19% and 21% of pledges receivable are Board of Directors gifts to the Organization in 2022 and 2021, respectively.

Note 14 - COVID-19 Pandemic and Property Insurance Escalations:

The Organization returned to its traditional programming model in 2022, running in-person overnight programs at all of its campuses. Despite COVID-related setbacks in Fall 2021, the total program revenue for the year grew by \$4,200,000. Staff headcount grew as well with the hiring of 64 additional staff to meet the demand for fiscal year 2022 and prepare for the increased demand of Fall 2022. With the support of PPP2, Employee Retention Tax Credits, increased program deposits and continued donor support, the Organization sustained an operating reserve level suitable for ongoing operations and program growth.

In 2022, insurance costs grew by \$1,200,000 compared to 2021 as a direct result of high property insurance premiums driven by wildfire risks in the Yosemite region. Through the donation of NESC, leverage of the California Fair Plan Act and thoughtful coverage plans developed by collaborating wildfire risk insurance experts, the Organization is anticipating an estimated \$1,000,000 decrease in premiums in 2023.