

SHY WOLF SANCTUARY EDUCATION  
AND EXPERIENCE CENTER, INC.

FINANCIAL REPORT

DECEMBER 31, 2024

## Table of Contents

Independent Auditor's Report	1-2
Financial Statements	
Statement of Financial Position	3
Statement of Activities	4
Statement of Cash Flows	5
Statement of Functional Expenses	6
Notes To Financial Statements	7-13



## Independent Auditor's Report

**To the Board of Directors  
Shy Wolf Sanctuary Education  
and Experience Center, Inc.  
Naples, Florida**

### **Opinion**

We have audited the accompanying financial statements of Shy Wolf Sanctuary Education and Experience Center, Inc. (a non-profit Organization) (the "Organization"), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, cash flows and functional expenses for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Shy Wolf Sanctuary Education and Experience Center, Inc. as of December 31, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of 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 these 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 available to be issued.

## Auditor's Responsibilities for the Audit of the Financial Statements

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

*Mauldin & Jenkins, LLC*

Bradenton, Florida  
July 18, 2025

# Shy Wolf Sanctuary Education and Experience Center, Inc.

## STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2024

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### ASSETS

#### CURRENT ASSETS

Cash	\$	349,451
Accounts receivable		7,519
Prepaid expenses		12,112
		<u>369,082</u>

#### PROPERTY AND EQUIPMENT

Land		581,722
Building and improvements		442,217
Furniture and fixtures		22,849
Vehicles		12,792
		<u>1,059,580</u>
Accumulated depreciation		116,581
		<u>942,999</u>

#### INVESTMENTS

610,764

#### Total assets

\$ 1,922,845

### LIABILITIES AND NET ASSETS

#### CURRENT LIABILITIES

Accounts payable and accrued expenses	\$	9,330
		<u>9,330</u>

#### NET ASSETS

Net assets without donor restrictions		1,722,317
Net assets with donor restrictions		191,201
		<u>1,913,518</u>

#### Total liabilities and net assets

\$ 1,922,848

See Notes to Financial Statements.

## Shy Wolf Sanctuary Education and Experience Center, Inc.

### STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Support and revenues</b>			
Contributions	\$ 423,520	\$ 70,160	\$ 493,680
Grants	65,000	-	65,000
Special events	44,345	-	44,345
In-kind contributions	51,420	-	51,420
Investment income	12,952	-	12,952
Rent income	32,748	-	32,748
Loss on sale of property and equipment	(69,976)	-	(69,976)
Releases from restriction	69,160	(69,160)	-
Total support and revenues	629,169	1,000	630,169
<b>Expenses</b>			
Program services	444,585	-	444,585
Management and general	244,934	-	244,934
Fundraising	172,975	-	172,975
Total expenses	862,494	-	862,494
Change in net assets	(233,325)	1,000	(232,325)
Net assets, beginning of year	1,955,642	190,201	2,145,843
Net assets, end of year	\$ 1,722,317	\$ 191,201	\$ 1,913,518

See Notes to Financial Statements.

# Shy Wolf Sanctuary Education and Experience Center, Inc.

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2024

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### CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$ (232,325)
Adjustments to reconcile change in net assets to net cash used in operating activities	
Depreciation	30,184
Loss on sale of property and equipment	69,976
Changes in operating assets and liabilities	
Decrease in prepaid expenses	19,410
Decrease in accounts receivable	96,946
Decrease in deposits	7,907
Decrease in accounts payable and accrued expenses	(40,147)
Net cash used in operating activities	<u>(48,049)</u>

### CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of property and equipment	(9,650)
Proceeds from sale of property and equipment	2,247,051
Purchase of investments	<u>(550,704)</u>
Net cash provided by investing activities	<u>1,686,697</u>

### CASH FLOWS FROM FINANCING ACTIVITIES

Principal payment on long-term debt	<u>(1,360,000)</u>
Net cash used in financing activities	<u>(1,360,000)</u>

Change in cash	278,648
Cash, beginning of year	<u>70,806</u>
Cash, end of year	<u><u>\$ 349,454</u></u>

### SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

Cash payments for interest	<u><u>\$ 38,107</u></u>
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See Notes to Financial Statements.

## Shy Wolf Sanctuary Education and Experience Center, Inc.

### STATEMENT OF FUNCTIONAL EXPENSES FOR THE YEAR ENDED DECEMBER 31, 2024

	Program Services	Management and General	Fundraising	Total
Salaries and benefits	\$ 148,114	\$ 39,538	\$ 99,746	\$ 287,398
Payroll taxes	10,842	2,894	7,301	21,037
Vet and medical care	34,355	-	-	34,355
Utilities	20,180	-	-	20,180
Animal care supplies	14,406	-	-	14,406
Food and food supplies	65,366	-	-	65,366
Repairs and maintenance	43,861	2,301	-	46,162
Contract services	-	116,592	-	116,592
Advertising and development	31,375	4,765	39,776	75,916
Travel	7,921	448	-	8,369
Office expenses	15,621	4,157	14,130	33,908
Insurance	15,977	17,268	-	33,245
Education	20,925	-	-	20,925
Depreciation	15,642	14,542	-	30,184
Interest expense	-	38,107	-	38,107
Special events	-	-	12,022	12,022
Taxes and licenses	-	4,110	-	4,110
Miscellaneous	-	212	-	212
Total expenses	\$ 444,585	\$ 244,934	\$ 172,975	\$ 862,494

**See Notes to Financial Statements.**



# Notes To Financial Statements

## NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Shy Wolf Sanctuary Education and Experience Center, Inc. (the "Organization") is a Florida not-for-profit corporation established to provide sanctuary and rehabilitation to un-releasable wild and captive-bred exotic animals, including wolves and wolfdogs.

### **Basis of Presentation**

The Organization's financial statements have been prepared on the accrual basis of accounting and accordingly, reflect all significant receivables, payables and other liabilities.

The accompanying financial statements have been prepared in conformity with the disclosure and display requirements of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958, *Not-for-Profit Entities*. Accordingly, net assets are reported in each of the following two classes:

Net assets without donor restrictions – Net assets that are not subject to donor-imposed stipulations. From time to time the Board designates certain items for use on specific future projects. At December 31, 2024, there were no Board designated net assets.

Net assets with donor restrictions – Net assets subject to donor-imposed stipulations. Some donor-imposed stipulations are temporary in nature, such as those that will be met either by actions of the Organization and/or the passage of time. Other donor-imposed stipulations are perpetual in nature where the donor stipulates those resources be maintained in perpetuity. 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.

### **Management Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### **Cash and Cash Equivalents**

The Organization considers all highly liquid investments with a maturity date of three months or less at the date of acquisition to be cash equivalents.

The Organization maintains its cash in bank accounts which, at times, may exceed federally insured limits. The Organization has not experienced any losses in such accounts. The Organization believes it is not exposed to any significant credit risk on cash and cash equivalents.

**NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Accounts Receivable**

Accounts receivable consists of promises to give and grant receivables. Accounts receivable are recorded at their net realizable value and are based on services performed prior to year-end, but not collected as of the statement of financial position date. Management considers all such amounts to be fully collectible as of December 31, 2024. All accounts receivable are due within one year.

**Contributions and Grants**

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as net assets with donor restrictions that increases that net asset class. When a restriction expires, net assets with donor restrictions are classified to net assets without donor restrictions and are reported in the statements of activities as net assets released from restrictions. All grant revenue is recorded when performance occurs under the terms of the grant agreement.

**Property and Equipment**

Property and equipment acquisitions in excess of \$5,000 are recorded at cost, estimated cost, or if donated, at fair value on the date of donation. Depreciation is provided over the estimated useful life of each class of depreciable assets and is computed using the straight-line method.

	<u>Years</u>
Building and improvements	15-27.5
Furniture and fixtures	7
Vehicles	5

Maintenance and repairs of property and equipment are charged to operations and major improvements are capitalized.

**Functional Allocation of Expenses**

The costs of providing various programs and other activities and the administration of the Organization have been summarized on a functional basis in the statement of activities. Salaries and other expenses which are associated with a specific program are charged directly to that program. Management and general expenses and other expenses which benefit more than one program are allocated to the various programs based on the relative benefit provided and time and effort.

**Donated Goods and Services**

Numerous volunteers have donated significant amount of time to the Organization's various programs. No amounts have been recognized in the accompanying statement of activities because the criteria for recognition under generally accepted accounting principles have not been satisfied. For the year ended December 31, 2024, volunteers provided approximately 10,000 hours of service to the Organization.

## **NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

### **Fair Value of Financial Instruments**

The Organization has adopted FASB's fair value measurement and disclosure guidance, which provides a framework for measuring fair value under generally accepted accounting principles. This guidance applies to all financial instruments that are being measured and reported on a fair value basis.

### **Investments**

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value based on quoted market prices. Increases and decreases in fair value are recognized in the period in which they occur and the carrying values of the investments are adjusted to reflect these fluctuations. Cash and cash equivalents designated for long-term purposes are classified as investments.

The Organization invests in a variety of investment vehicles, as described in Note 4. These investment securities are exposed to interest rate, market, credit and other risks depending on the nature of the specific investment. Accordingly, it is reasonably possible that these factors will result in changes in the value of the Organization's investments, which could materially affect amounts reported in the financial statements.

### **Income Taxes**

The Organization is a not-for-profit organization exempt from federal income tax under provisions of Internal Revenue Code Section 501(c)(3). However, the Organization remains subject to income taxes on any net income that is derived from a trade or business, regularly carried on and not in furtherance of the purpose for which it was granted exemption.

It is the Organization's policy to account for any uncertainties in income tax law in accordance with FASB ASC 740-10, *Accounting for Uncertainty in Income Taxes*. ASC 740-10 clarifies the accounting for uncertain income tax positions and requires that the Organization recognize the impact of such a tax position in its financial statements if, upon ultimate settlement, that position is more likely than not to be sustained. Management has evaluated the Organization's tax positions and concluded that the Organization has maintained its tax-exempt status and has taken no uncertain tax positions that require adjustment to the financial statements. As a result, no provision or liability for income taxes has been included in the financial statements.

### **Subsequent Events**

Management has evaluated subsequent events occurring through July 18, 2025 the date on which the financial statements were available to be issued.

## NOTE 2. LIQUIDITY AND AVAILABILITY

The Organization's working capital and cash flows have variations during the year attributable to the timing of grants, contributions and special events. The Organization manages liquidity during the year by utilizing the following strategies: operating with a balanced budget which assumes collection of sufficient revenue via grants, contributions and special events to cover operating expenditures not covered by donor-restricted resources and regular analysis of actual operating results versus budget.

The following table reflects the Organization's financial assets as of December 31, 2024 which could be made available within 12 months to meet operating expenditures:

Cash	\$ 349,451
Accounts receivable	7,519
Investments	610,764
Less net assets with donor restrictions	(191,201)
Financial assets available to meet operating expenditures	<u>\$ 776,533</u>

## NOTE 3. PROMISE TO GIVE

The Organization has one conditional promise to give at December 31, 2024 in the amount of \$400,000. The conditional promise to give will become unconditional when the Organization raises an additional \$500,000 in funds for its redevelopment of the Center. As of December 31, 2024, the Organization has not raised the necessary funds to meet the condition.

## NOTE 4. INVESTMENTS

Investments at December 31, 2024 consist of the following:

Certificate of deposit	\$ 610,060
Money market funds	704
	<u>\$ 610,764</u>

Investment income for the year ended December 31, 2024 consists of the following:

Interest and dividends	<u>\$ 12,952</u>
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## NOTE 5. FAIR VALUE MEASUREMENTS

The Organization adopted the *Fair Value Measurements and Disclosures Topic* of the FASB Accounting Standards Codification which provides enhanced guidance for using fair value to measure assets and liabilities and clarifies the principle that fair value should be based on the assumptions market participants would use when pricing the assets or liabilities and establishes a hierarchy that prioritizes the information used to develop those assumptions.

Financial assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories:

- Level 1 Valuations for assets and liabilities traded in active exchange markets, such as the New York Stock Exchange. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.
- Level 2 Valuations for assets and liabilities traded in less active dealer or broker markets. Valuations are obtained from third-party pricing services for identical or similar assets or liabilities.
- Level 3 Valuations for assets and liabilities that are derived from other valuation methodologies, including option pricing models, discounted cash flow models and similar techniques, and not based on market exchange, dealer or broker traded transactions. Level 3 valuations incorporate certain assumptions and projections in determining the fair value assigned to such assets or liabilities.

The level within the fair value hierarchy within which a fair measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

Following is a description of the valuation methodologies used in estimating the fair value of its Level 1, Level 2, and Level 3 financial instruments:

*Certificate of Deposit and Money Market:* Valued based on quoted prices in active markets, quoted prices for similar assets, observable inputs other than quoted prices, or inputs derived principally from or corroborated by observable market data by correlation or other means.

The following table presents the Organization's financial instruments measured at fair value on a recurring basis at December 31, 2024:

	Level 1
Certificate of deposit	\$ 610,060
Money market funds	704
	<u>\$ 610,764</u>

**NOTE 6. NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions are restricted for the following purposes at December 31, 2024:

Hurricane shelter	\$ 89,201
Center construction	102,000
	<u>\$ 191,201</u>

Net assets with donor restrictions at December 31, 2024 consist of \$191,201 of Level 1 Investments.

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose as follows for the year ended December 31, 2024:

Veterinary bills	\$ 60,000
Wolfstock	9,160
	<u>\$ 69,160</u>

**NOTE 7. EXPANSION**

On December 15, 2021, the Organization closed on the purchase of real property for \$1,700,000. The real property contains five residential houses and 16.89 acres of land. The five residential houses were appraised at \$895,315 and the land was appraised at \$2,054,685. As a result, the purchase resulted in an unconditional contribution by the seller of \$1,250,000. Additionally, a surveyor donated their services in the amount of \$24,750 to perform all required surveys on the property.

During 2024, the Organization sold approximately 13 acres of land and four of the residential houses for a total selling price of \$2,360,000 between the two separate sales transactions. The proceeds were used to pay off the long-term debt of \$1,360,000. The Organization intends in the future to sell the remaining 3.86 acres and single residential house and redevelop their current location as they prepare to relaunch a capital campaign for future initiatives.

**NOTE 8. LEASE AGREEMENTS**

The Organization leased the five residential houses on month-to-month leases to unrelated third parties until the sale of four of the five residential houses during 2024. The final house remains vacant at December 31, 2024. Rent income on these operating leases for the year ended December 31, 2024 was \$32,748.

**NOTE 9. EMPLOYEE BENEFIT PLAN**

The Organization sponsors a salary reduction contribution plan pursuant to Section 401(k) of the Internal Revenue Code covering all full-time employees. Employees can defer between 1%-92% of their salary and the Organization matches 100% of the first 1% of employee contributions and matches 50% of the next 5% of employee contributions. The employees become fully vested in the employer contributions after 3 years of service. For the year ended December 31, 2024, the Organization made matching contributions to the plan of \$984.

**NOTE 10. DONATED GOODS AND SERVICES**

Donated goods and services are included in revenue as follows:

Food	\$	30,000
Animal supplies		17,920
Landsacping		3,500
	\$	<u>51,420</u>