
CALIFORNIA RICELAND WATERBIRD FOUNDATION
FINANCIAL STATEMENTS
AND INDEPENDENT ACCOUNTANT'S REVIEW REPORT
AUGUST 31, 2023 AND 2022

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**CALIFORNIA RICELAND WATERBIRD FOUNDATION
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FOR THE YEARS ENDING AUGUST 31, 2023 AND 2022**

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors of
California Riceland Waterbird Foundation
Sacramento, California

We have reviewed the accompanying financial statements of California Riceland Waterbird Foundation (a nonprofit organization), which comprise the statements of financial position as of August 31, 2023 and 2022, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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.

Accountant's Responsibility

Our responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of California Riceland Waterbird Foundation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

MUN CPAs, LLP

Sacramento, California
March 20, 2024

**CALIFORNIA RICELAND WATERBIRD FOUNDATION
STATEMENTS OF FINANCIAL POSITION
AS OF AUGUST 31, 2023 AND 2022**

| | <u>2023</u> | <u>2022</u> |
|--|--------------------------|--------------------------|
| <u>ASSETS</u> | | |
| Current Assets | | |
| Cash and cash equivalents (Note 5) | \$ <u>278,521</u> | \$ <u>197,591</u> |
| TOTAL ASSETS | \$ <u>278,521</u> | \$ <u>197,591</u> |
| <u>LIABILITIES AND NET ASSETS</u> | | |
| Current Liabilities | | |
| Accounts payable | \$ <u>50</u> | \$ <u>50</u> |
| TOTAL LIABILITIES | <u>50</u> | <u>50</u> |
| <u>NET ASSETS</u> | | |
| Without donor restrictions | <u>278,471</u> | <u>197,541</u> |
| TOTAL NET ASSETS | <u>278,471</u> | <u>197,541</u> |
| TOTAL LIABILITIES AND NET ASSETS | \$ <u>278,521</u> | \$ <u>197,591</u> |

See accompanying notes and independent accountant's review report.

**CALIFORNIA RICELAND WATERBIRD FOUNDATION
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED AUGUST 31, 2023 AND 2022**

| | With Donor Restrictions | Without Donor Restrictions | 2023 Total |
|---|------------------------------------|---------------------------------------|--------------------------|
| <u>SUPPORT AND REVENUES</u> | | | |
| Contributions | \$ - | \$ 229,262 | \$ 229,262 |
| Pledges | - | 21,250 | 21,250 |
| In-kind contributions (Note 6) | - | <u>8,926</u> | <u>8,926</u> |
| TOTAL SUPPORT AND REVENUES | - | <u>259,438</u> | <u>259,438</u> |
| <u>EXPENSES</u> | | | |
| Program expenses | - | 121,503 | 121,503 |
| Management and general | - | 40,208 | 40,208 |
| Fundraising | - | <u>16,797</u> | <u>16,797</u> |
| TOTAL EXPENSES | - | <u>178,508</u> | <u>178,508</u> |
| CHANGE IN NET ASSETS | - | 80,930 | 80,930 |
| NET ASSETS - BEGINNING OF YEAR | - | <u>197,541</u> | <u>197,541</u> |
| NET ASSETS - ENDING OF YEAR | \$ - | \$ <u>278,471</u> | \$ <u>278,471</u> |
| | | | |
| | With Donor Restrictions | Without Donor Restrictions | 2022 Total |
| <u>SUPPORT AND REVENUES</u> | | | |
| Contributions | \$ - | \$ 347,161 | \$ 347,161 |
| Pledges | - | 21,250 | 21,250 |
| In-kind contributions (Note 6) | - | <u>24,243</u> | <u>24,243</u> |
| TOTAL SUPPORT AND REVENUES | - | <u>392,654</u> | <u>392,654</u> |
| Net assets released from restriction | <u>(15,000)</u> | <u>15,000</u> | <u>-</u> |
| TOTAL REVENUE | <u>(15,000)</u> | <u>407,654</u> | <u>392,654</u> |
| <u>EXPENSES</u> | | | |
| Program expenses | - | 225,757 | 225,757 |
| Management and general | - | 57,155 | 57,155 |
| Fundraising | - | <u>20,945</u> | <u>20,945</u> |
| TOTAL EXPENSES | - | <u>303,857</u> | <u>303,857</u> |
| CHANGE IN NET ASSETS | (15,000) | 103,797 | 88,797 |
| NET ASSETS - BEGINNING OF YEAR | <u>15,000</u> | <u>93,744</u> | <u>108,744</u> |
| NET ASSETS - ENDING OF YEAR | \$ - | \$ <u>197,541</u> | \$ <u>197,541</u> |

See accompanying notes and independent accountant's review report.

**CALIFORNIA RICELAND WATERBIRD FOUNDATION
STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED AUGUST 31, 2023 AND 2022**

| | Support Services | | | 2023 Total |
|-----------------------------|-----------------------------|--------------------|-----------------------------------|-----------------------|
| | Program Expenses | Fundraising | Management and General | |
| Accounting | \$ - | \$ - | \$ 9,059 | \$ 9,059 |
| Other professional services | 121,503 | 16,797 | 28,741 | 167,041 |
| Office expenses | - | - | 2,408 | 2,408 |
| TOTAL EXPENSES | \$ 121,503 | \$ 16,797 | \$ 40,208 | \$ 178,508 |

| | Support Services | | | 2022 Total |
|-----------------------------|-----------------------------|--------------------|-----------------------------------|-----------------------|
| | Program Expenses | Fundraising | Management and General | |
| Accounting | \$ - | \$ - | \$ 8,261 | \$ 8,261 |
| Other professional services | 225,757 | 20,945 | 45,991 | 292,693 |
| Office expenses | - | - | 2,903 | 2,903 |
| TOTAL EXPENSES | \$ 225,757 | \$ 20,945 | \$ 57,155 | \$ 303,857 |

See accompanying notes and independent accountant's review report.

**CALIFORNIA RICELAND WATERBIRD FOUNDATION
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED AUGUST 31, 2023 AND 2022**

| | <u>2023</u> | <u>2022</u> |
|--|--------------------------|--------------------------|
| <u>CASH FLOWS FROM OPERATING ACTIVITIES</u> | | |
| Change in net assets | \$ <u>80,930</u> | \$ <u>88,797</u> |
| Net Cash Provided by Operating Activities | <u>80,930</u> | <u>88,797</u> |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | 80,930 | 88,797 |
| CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR | <u>197,591</u> | <u>108,794</u> |
| CASH AND CASH EQUIVALENTS - END OF YEAR | <u>\$ <u>278,521</u></u> | <u>\$ <u>197,591</u></u> |

See accompanying notes and independent accountant's review report.

**CALIFORNIA RICELAND WATERBIRD FOUNDATION
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2023 AND AUGUST 31, 2022**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization and Nature of Activities

California Riceland Waterbird Foundation (the Foundation) is a non-profit public benefit corporation, organized under the laws of the State of California for the purpose of enhancing the ecological value of California rice fields to help sustain the millions of waterbirds in the Pacific Flyway for future generations. The Foundation is a partnership between rice farmers and waterbird conservation groups for the long-term preservation of habitat for waterbirds in California's Sacramento Valley. This close relationship between the Foundation and the California Rice Commission brings a significant number of California rice growers to the table who are willing to alter their farming practices for the benefit of waterbirds. In addition, cooperative contributions from many waterbird conservation partners bring forward key technical expertise to ensure that projects will successfully result in desired beneficial waterbird conservation objectives.

B. Basis of Presentation and Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). Net assets, revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Foundation and changes therein are classified and reported as follows:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed restrictions and are available for general operations.

Net assets with donor restrictions - Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature that may or will be met, either by actions of the Foundation and/or the passage of time. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that 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. The Foundation did not have net assets with donor restrictions as of August 31, 2023 and August 31, 2022.

C. Cash and Cash Equivalents

For the purpose of the Statement of Cash Flows, the Foundation considers as cash equivalents all highly liquid investments which can be converted into known amounts of cash and have a maturity period of 3 months or less at the time of purchase.

D. Revenue Recognition

All contributions are considered available for the Foundation's general programs unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor are reported as revenue with donor restrictions and increase the respective class of net assets. Contributions received with donor restrictions that are met in the same reporting period are reported as increases in net assets without donor restrictions. Investment income that is limited to specific uses by donor restrictions is reported as increases in net assets without donor restrictions if the restrictions are met in the same reporting period as the income is recognized.

Contract and grant revenue are recognized as related services are provided and the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Foundation has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as deferred revenue in the statement of financial position.

CALIFORNIA RICELAND WATERBIRD FOUNDATION
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2023 AND AUGUST 31, 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. In-kind Contributions and Contributed Services

In-kind contributions are reflected as contributions at their estimated fair value at the date of donation and are reported as without donor restrictions unless explicit donor stipulations specify how donated assets must be used. The Foundation recognizes the fair value of contributed services if such services a) create or enhance nonfinancial assets or b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not contributed. Contributions of tangible assets are recorded at fair value when received. The amounts reflected in the accompanying financial statements as in-kind contributions, if any, are offset by like amounts included in expenses or additions to property and equipment.

F. Functional Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the Statements of Activities and in the Statements of Functional Expenses. The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include professional services and administrative costs.

G. Income Taxes

The Foundation qualifies for exemption from income taxes under provision Section 501 (c)(3) of the Internal Revenue Code and Sections 23701 (d) of the California Corporations Code. Accordingly, there is no provision for income taxes recorded in the financial statements. As required by the Income Tax Topic of FASB ASC 740, the Foundation recognizes the effect of income tax positions only if those positions are more-likely-than-not to be sustained. The Foundation does not believe its financial statements include any uncertain tax positions.

H. Use of Estimates

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

I. Subsequent Events

Subsequent events were evaluated through March 20, 2024, which is the date the financial statements were available to be issued.

J. Recently Adopted Accounting Pronouncements

ASU 2016-02 - Leases (Topic 842)

Under the new guidance, a lessee will be required to recognize assets and liabilities for leases with a term of more than 12 months. Unlike current GAAP, which requires only capital leases to be recognized on the balance sheet, ASU No. 2016-02 will require both operating and finance leases to be recognized on the balance sheet. Additionally, the ASU will require disclosures to help investors and other financial statement users better understand the amount, timing, and uncertainty of cash flows arising from leases, including qualitative and quantitative requirements. Application of this guidance had no impact on the Foundation's financial statements for the fiscal year ended August 31, 2023.

**CALIFORNIA RICELAND WATERBIRD FOUNDATION
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2023 AND AUGUST 31, 2022**

NOTE 2: LIQUIDITY AND AVAILABILITY

The Foundation regularly monitors liquidity required to meet its operating needs and commitments.

As of August 31, 2023 and 2022, the following table shows the financial assets held by the Foundation and the amounts of those assets which could be readily available within one year of the statement of financial position date to meet general expenditures:

| | August 31, 2023 | August 31, 2022 |
|---|-------------------|-------------------|
| Cash and cash equivalents | \$ <u>278,521</u> | \$ <u>197,591</u> |
| Total financial assets | <u>278,521</u> | <u>197,591</u> |
| Financial assets available to meet general expenditures within one year | \$ <u>278,521</u> | \$ <u>197,591</u> |

In addition to financial assets available to meet expenditures over the next 12 months, the Foundation operates with a balanced budget and anticipates sufficient revenue to cover general expenditures. As part of the Foundation's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

NOTE 3: CONCENTRATIONS

The Foundation's revenues consisted mainly of contributions and pledges. For the year ended August 31, 2023, one agency accounted for 62% of total revenues. For the year ended August 31, 2022, one agency accounted for 62% of total revenues.

NOTE 4: RELATED PARTY TRANSACTIONS

The Foundation recognized the following revenues (expenses), for the following purposes, from California Rice Commission, a related party, for the years ended:

| August 31, 2023 | August 31, 2022 | Purpose |
|-------------------|------------------|---|
| \$ 19,815 | \$ 19,815 | Contributed administrative and general services |
| (19,815) | (19,815) | Administrative and general service expenses |
| 17,850 | 29,582 | Foundation costs |
| 107,453 | - | Bid4Bird program income |
| <u>25,000</u> | <u>-</u> | Department of Fish and Department of Wildlife Resources grant |
| <u>\$ 150,303</u> | <u>\$ 29,582</u> | |

NOTE 5: CASH AND CASH EQUIVALENTS

The Foundation maintains its cash balances at one financial institution. As of August 31, 2023 and 2022, the Foundation's total bank balances were \$253,527 and \$185,902, respectively, all of which was FDIC insured. The Foundation's book balances as of August 31, 2023 and August 31, 2022 totaled \$278,521 and \$197,591, respectively.

CALIFORNIA RICELAND WATERBIRD FOUNDATION
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2023 AND AUGUST 31, 2022

NOTE 6: IN-KIND CONTRIBUTIONS

The Foundation receives donated services from California Rice Commission (CRC), a related party, for the Conservation Innovation Grant (CIG). Since the Foundation does not have the proper number of employees to carry out the program, CRC performs services related to CIG as in-kind services. Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise not be performed by the Foundation. The Foundation recognizes in-kind contribution revenue and a corresponding expense in an amount approximating the estimated fair value of labor at the time of the services. In-kind services valued at \$8,926 and \$24,243 have been recognized in the accompanying statements of activities for the years ended August 31, 2023 and 2022.