



**ACTION
FUND**

**NATIONAL WILDLIFE FEDERATION
ACTION FUND AND AFFILIATE**

**Consolidated Financial Statements and
Supplementary Information**

For the Years Ended August 31, 2024 and 2023



**and
Report Thereon**



NATIONAL WILDLIFE FEDERATION ACTION FUND AND AFFILIATE

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of the
National Wildlife Federation Action Fund and Affiliate

Opinion

We have audited the consolidated financial statements of the National Wildlife Federation Action Fund (NWF Action Fund) and its affiliate, National Wildlife Federation Action Fund Political Action Committee (NWF PAC) (collectively referred to as the Organization), which comprise the consolidated statements of financial position as of August 31, 2024 and 2023, and the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Organization as of August 31, 2024 and 2023, 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.

Basis for Opinion

We conducted our audits 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 audits. 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 consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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 consolidated financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated 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 audits.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating schedules (supplementary information) are presented for purposes of additional analysis and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements as a whole.

Marcum LLP

Washington, DC
December 13, 2024

NATIONAL WILDLIFE FEDERATION ACTION FUND AND AFFILIATE

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

August 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash	\$ 2,582,512	\$ 1,406,675
Short-term investments	19,051	20,182
Grants and contributions receivable	2,305	3,304
Prepaid expenses and other assets	<u>14,894</u>	<u>13,300</u>
TOTAL ASSETS	<u><u>\$ 2,618,762</u></u>	<u><u>\$ 1,443,461</u></u>
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	<u>\$ 167,986</u>	<u>\$ 180,794</u>
TOTAL LIABILITIES	<u>167,986</u>	<u>180,794</u>
Net Assets		
Without donor restrictions	1,181,936	589,572
With donor restrictions	<u>1,268,840</u>	<u>673,095</u>
TOTAL NET ASSETS	<u>2,450,776</u>	<u>1,262,667</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 2,618,762</u></u>	<u><u>\$ 1,443,461</u></u>

The accompanying notes are an integral part of these consolidated financial statements.

NATIONAL WILDLIFE FEDERATION ACTION FUND AND AFFILIATE

CONSOLIDATED STATEMENTS OF ACTIVITIES
For the Years Ended August 31, 2024 and 2023

	2024			2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
OPERATING REVENUE AND SUPPORT						
Grant revenue	\$ 200,000	\$ 1,567,088	\$ 1,767,088	\$ -	\$ 1,045,000	\$ 1,045,000
Contributions	1,140,926	-	1,140,926	375,829	-	375,829
Net assets released from restrictions:						
Satisfaction of program restrictions	971,343	(971,343)	-	1,031,242	(1,031,242)	-
TOTAL OPERATING REVENUE AND SUPPORT	2,312,269	595,745	2,908,014	1,407,071	13,758	1,420,829
OPERATING EXPENSES						
Program Services:						
Advocacy and Public Education	1,290,472	-	1,290,472	1,389,840	-	1,389,840
Electoral	73,172	-	73,172	121,594	-	121,594
Political Action Committee	15,976	-	15,976	7,970	-	7,970
Total Program Services	<u>1,379,620</u>	<u>-</u>	<u>1,379,620</u>	<u>1,519,404</u>	<u>-</u>	<u>1,519,404</u>
Supporting Services:						
General and administrative	157,738	-	157,738	144,861	-	144,861
Fundraising	201,318	-	201,318	222,387	-	222,387
Total Supporting Services	<u>359,056</u>	<u>-</u>	<u>359,056</u>	<u>367,248</u>	<u>-</u>	<u>367,248</u>
TOTAL OPERATING EXPENSES	1,738,676	-	1,738,676	1,886,652	-	1,886,652
Change in net assets from operations	573,593	595,745	1,169,338	(479,581)	13,758	(465,823)
NONOPERATING ACTIVITIES						
Investment income, net	18,771	-	18,771	14,497	-	14,497
CHANGE IN NET ASSETS	592,364	595,745	1,188,109	(465,084)	13,758	(451,326)
NET ASSETS, BEGINNING OF YEAR	589,572	673,095	1,262,667	1,054,656	659,337	1,713,993
NET ASSETS, END OF YEAR	\$ 1,181,936	\$ 1,268,840	\$ 2,450,776	\$ 589,572	\$ 673,095	\$ 1,262,667

The accompanying notes are an integral part of these consolidated financial statements.

NATIONAL WILDLIFE FEDERATION ACTION FUND AND AFFILIATE

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended August 31, 2024

	Program Services				Supporting Services			Total
	Advocacy and Public Education	Electoral	Political Action Committee	Total Program Services	General and Administrative	Fundraising	Total Supporting Services	
Salaries and wages	\$ 518,527	\$ 42,971	\$ -	\$ 561,498	\$ 61,376	\$ 24,714	\$ 86,090	\$ 647,588
Consultants and contractors	320,505	27,319	180	348,004	3,777	152,500	156,277	504,281
Administrative fee	111,910	-	-	111,910	41,462	-	41,462	153,372
Miscellaneous	109,451	51	2,199	111,701	2,295	9,220	11,515	123,216
Telecommunications	70,250	-	-	70,250	-	-	-	70,250
IT expenses	48,745	-	-	48,745	3,422	11,753	15,175	63,920
Media	53,298	-	-	53,298	-	-	-	53,298
Travel	26,472	2,831	347	29,650	4,244	2,686	6,930	36,580
Professional fees	-	-	-	-	35,204	-	35,204	35,204
Contributions	12,800	-	13,250	26,050	-	-	-	26,050
Meetings and conferences	17,954	-	-	17,954	2,894	445	3,339	21,293
Insurance	-	-	-	-	2,832	-	2,832	2,832
Dues and subscriptions	560	-	-	560	232	-	232	792
TOTAL OPERATING EXPENSES	\$ 1,290,472	\$ 73,172	\$ 15,976	\$ 1,379,620	\$ 157,738	\$ 201,318	\$ 359,056	\$ 1,738,676

The accompanying notes are an integral part of these consolidated financial statements.

NATIONAL WILDLIFE FEDERATION ACTION FUND AND AFFILIATE

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended August 31, 2023

	Program Services				Supporting Services			Total
	Advocacy and Public Education	Electoral	Political Action Committee	Total Program Services	General and Administrative	Fundraising	Total Supporting Services	
Salaries and wages	\$ 601,792	\$ 49,155	\$ -	\$ 650,947	\$ 46,031	\$ 19,774	\$ 65,805	\$ 716,752
Consultants and contractors	220,549	11,000	-	231,549	4,561	173,830	178,391	409,940
Administrative fee	119,686	-	-	119,686	51,693	-	51,693	171,379
Miscellaneous	197	1,098	1,970	3,265	1,239	10,814	12,053	15,318
Telecommunications	34,902	-	-	34,902	-	-	-	34,902
IT expenses	33,985	-	-	33,985	4,271	11,328	15,599	49,584
Media	118,600	48,500	-	167,100	-	-	-	167,100
Travel	16,349	841	-	17,190	11,662	6,427	18,089	35,279
Professional fees	-	-	-	-	22,526	-	22,526	22,526
Contributions	242,750	11,000	6,000	259,750	-	-	-	259,750
Meetings and conferences	1,030	-	-	1,030	41	214	255	1,285
Insurance	-	-	-	-	2,837	-	2,837	2,837
Dues and subscriptions	-	-	-	-	-	-	-	-
TOTAL OPERATING EXPENSES	\$ 1,389,840	\$ 121,594	\$ 7,970	\$ 1,519,404	\$ 144,861	\$ 222,387	\$ 367,248	\$ 1,886,652

The accompanying notes are an integral part of these consolidated financial statements.

NATIONAL WILDLIFE FEDERATION ACTION FUND AND AFFILIATE

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the Years Ended August 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 1,188,109	\$ (451,326)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Unrecognized loss (gain) on investments	1,131	(2,619)
Changes in assets and liabilities:		
Grants and contributions receivable	999	33,576
Prepaid expenses and other assets	(1,594)	(13,300)
Accounts payable and accrued expenses	<u>(12,808)</u>	<u>113,046</u>
 NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	 <u>1,175,837</u>	 <u>(320,623)</u>
 NET INCREASE (DECREASE) IN CASH	 1,175,837	 (320,623)
 CASH, BEGINNING OF YEAR	 <u>1,406,675</u>	 <u>1,727,298</u>
 CASH, END OF YEAR	 <u><u>\$ 2,582,512</u></u>	 <u><u>\$ 1,406,675</u></u>

The accompanying notes are an integral part of these consolidated financial statements.

NATIONAL WILDLIFE FEDERATION ACTION FUND AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS For the Years Ended August 31, 2024 and 2023

1. Organization and Summary of Significant Accounting Policies

Organization

National Wildlife Federation Action Fund (NWF Action Fund) is a non-for-profit organization that was formed in Colorado in 1989 as National Wildlife Action for the purpose of conducting conservation advocacy programs. In August 2008, National Wildlife Action was renamed National Wildlife Federation Action Fund. NWF Action Fund advocates for the conservation interests of hunters, anglers and outdoor enthusiasts from all walks of life and political stripes. Through grassroots action and focused legislative campaigns, NWF Action Fund works to give wildlife and wildlife enthusiasts a voice in the democratic process. NWF Action Fund raises the visibility of key conservation issues such as global warming with voters and elected officials. NWF Action Fund serves as a source of information for citizens who are interested in conservation issues concerning wildlife. These activities are funded principally through grants and contributions.

National Wildlife Federation Action Fund Political Action Committee (NWF PAC) is a separate legal entity. NWF PAC's purpose is to support candidates who share the policy goals of NWF Action Fund. NWF PAC is registered with the Federal Election Commission (the FEC) and is governed by the Federal Election Campaign Act of 1971, as amended, as it relates to federal elections.

Principles of Consolidation

The accompanying consolidated financial statements as of and for the years ended August 31, 2024 and 2023, include the activities of NWF Action Fund, as well as the activities of NWF PAC. Collectively, these entities are referred to as the Organization. All intercompany balances and transactions have been eliminated in consolidation.

Grants and Contributions Receivable

Grants and contributions receivable are recorded at their net realizable value. The Organization utilizes the allowance method to account for potentially uncollectible accounts receivable. The allowance for doubtful accounts is based on management's evaluation of the outstanding accounts receivable balance.

Furniture and Equipment

Furniture and equipment with an acquisition value of \$1,000 or greater are stated at cost. Depreciation is provided for on a straight-line basis over the estimated useful lives of the assets, which range from three to seven years. Major additions are capitalized, while replacements, maintenance and repairs that do not improve or extend the lives of the respective assets are expensed as incurred.

Investments

Investments consist of common stock and are reported at fair value based on quoted market prices. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Investments in common stock are stated at quoted market values. Investment returns reported in the accompanying consolidated statements of activities include unrealized gains resulting from changes in fair values of the investments.

NATIONAL WILDLIFE FEDERATION ACTION FUND AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS For the Years Ended August 31, 2024 and 2023

1. Organization and Summary of Significant Accounting Policies (continued)

Fair Value Measurement

In accordance with the accounting standards for fair value measurement for those assets and liabilities that are measured at fair value on a recurring basis, the Organization has categorized its applicable financial instruments into a required fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest-level input that is significant to the fair value measurement of the instrument.

Applicable financial assets and liabilities are categorized based on the inputs to the valuation techniques as follows:

Level 1 – Financial assets and liabilities whose values are based on unadjusted quoted prices for identical assets or liabilities in an active market that the Organization has the ability to access.

Level 2 – Financial assets and liabilities whose values are based on quoted prices in markets that are not active or model inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 – Financial assets and liabilities whose values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement.

As of and for the years ended August 31, 2024 and 2023, only the Organization's investments, as described in Note 3 of these consolidated financial statements, were measured at fair value on a recurring basis.

Classification of Net Assets

The Organization's net assets are reported as follows:

- Net assets without donor restrictions represent the portion of expendable funds that are available for support of the Organization's operations.
- Net assets with donor restrictions represent funds that are specifically restricted by donors for use in various programs and/or for a specific period of time. These donor restrictions can be temporary in nature in that they will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated that the funds be maintained in perpetuity. As of August 31, 2024 and 2023, the Organization had no net assets with donor restrictions that are required to be maintained in perpetuity.

Revenue Recognition

The Organization recognizes all unconditional promises to give in the period in which the commitment is made and the value is measurable. Unconditional grants and contributions received are recorded without donor restrictions or with donor restrictions depending on the

NATIONAL WILDLIFE FEDERATION ACTION FUND AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS For the Years Ended August 31, 2024 and 2023

1. Organization and Summary of Significant Accounting Policies (continued)

Revenue Recognition (continued)

existence and/or nature of donor restrictions. Amounts received that are designated for future periods or restricted for specific purposes are recorded as with donor restrictions. When a donor-stipulated time restriction expires or purpose restriction is met, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions. Revenue recognized on unconditional promises to give for which payment has not been received at year-end are reported as grants and contributions receivable in the accompanying consolidated statements of financial position. Unconditional promises to give that are expected to be collected within one year are recorded at their net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows if material. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been met.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the accompanying consolidated statements of functional expenses. Expenses directly attributed to specific functional areas of the Organization are reported as expenses of those functional areas, while shared costs that benefit multiple functional areas have been allocated among the various functional areas based on estimates determined by management to be equitable. Salaries and wages are allocated based on an analysis of personnel time and effort.

Estimates

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

Measure of Operations

Operating revenue and expenses generally reflect those revenues and expenses that management can influence. The Organization considers other income and investment income or loss, including interest and realized and unrealized gains and losses, to be nonoperating activities.

2. Grants and Contributions Receivable

The grants and contributions receivable, representing amounts due from online credit card contributions were \$2,305 and \$3,304, as of August 31, 2024 and 2023, respectively. All amounts are due within one year and considered to be fully collectible. Accordingly, no allowance for uncollectible grants and contributions receivable has been provided.

NATIONAL WILDLIFE FEDERATION ACTION FUND AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the Years Ended August 31, 2024 and 2023

3. Fair Value Disclosure of Financial Instruments

The following tables set forth the fair values of financial assets that are measured at fair value on a recurring basis by their fair value hierarchy classification as of August 31:

	Total Fair Value	Quoted Prices in Active Markets for Identical Assets/ Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<u>2024</u>				
Equity – common stock	\$ 19,051	\$ 19,051	\$ -	\$ -
Total Investments	<u>\$ 19,051</u>	<u>\$ 19,051</u>	<u>\$ -</u>	<u>\$ -</u>
<u>2023</u>				
Equity – common stock	\$ 20,182	\$ 20,182	\$ -	\$ -
Total Investments	<u>\$ 20,182</u>	<u>\$ 20,182</u>	<u>\$ -</u>	<u>\$ -</u>

The Organization used the following method to estimate fair value for assets recorded at fair value:

Equity – common stock – Valued at quoted market price for identical assets in active markets and classified within Level 1 of the valuation hierarchy. There have been no changes in methods used to estimate the fair value.

4. Related Party Transactions

The National Wildlife Federation (NWF) is a not-for-profit organization that was formed in the District of Columbia for the purpose of promoting the wise use and proper management of our natural resources. Founded in 1936, NWF works with its member supporters and a national network of affiliated organizations to unite all Americans to ensure wildlife thrive in a rapidly changing world.

NWF provided \$260,000 and \$245,000 in grants and contributions to NWF Action Fund for the years ended in August 31, 2024 and 2023, respectively. In addition, NWF Action Fund reimburses NWF for certain costs such as leased staff, benefits, miscellaneous expenses and overhead costs. As of August 31, 2024 and 2023, NWF Action Fund incurred \$883,248 and

NATIONAL WILDLIFE FEDERATION ACTION FUND AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the Years Ended August 31, 2024 and 2023

4. Related Party Transactions (continued)

\$969,088, respectively, in such costs. In addition, NWF Action Fund owed NWF \$163,192 and \$160,239, as of August 31, 2024 and 2023, respectively, for such costs; these amounts are included in accounts payable and accrued expenses in the accompanying consolidated statements of financial position.

5. Net Assets With Donor Restrictions

Net assets with donor restrictions of the Organization were available with the following purpose as of August 31:

	2024	2023
Advocacy and public education activities	\$ 1,268,840	\$ 673,095
Total Net Assets With Donor Restrictions	\$ 1,268,840	\$ 673,095

6. Availability and Liquidity

The Organization's financial assets available within one year of the consolidated statements of financial position date for general expenditures at August 31, 2024 and 2023, were as follows:

	2024	2023
Cash	\$ 2,582,512	\$ 1,406,675
Grants and contributions receivable	2,305	3,304
Short-term Investments	19,051	20,182
Total Financial Assets Available Within One Year	2,603,868	1,430,161
Less:		
Amounts unavailable for general expenditures due to donors' restriction with purpose restriction	(1,268,840)	(673,095)
Financial Assets Available to Meet General Expenditures Within One Year	\$ 1,335,028	\$ 757,066

The Organization has various sources of liquidity at its disposal, including cash and cash equivalents and short-term investments, which are available for general expenditures, liabilities and other obligations as they come due. Management is focused on sustaining the financial liquidity of the Organization throughout the year. This is done through monitoring and reviewing the Organization's cash flow needs on a weekly basis. As a result, management is aware of the cyclical nature of the Organization's cash flow related to the Organization's various funding sources and is therefore able to ensure that there is cash available to meet current liquidity needs. The Organization can liquidate its investments anytime, and therefore the investments are available to meet current cash flow needs.

NATIONAL WILDLIFE FEDERATION ACTION FUND AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS For the Years Ended August 31, 2024 and 2023

7. Concentration of Risk

Financial instruments which potentially subject the Organization to a concentration of credit risk consist principally of cash balances maintained at various creditworthy financial institutions. While the amount at a given bank, at times, may exceed the amount guaranteed by federal agencies and, therefore, bears some risk, the Organization has not experienced, nor does it anticipate, any losses on its funds. At August 31, 2024 and 2023, the amount in excess of the Federal Deposit Insurance Corporation insured limit of \$250,000 was approximately \$2,302,000 and \$1,139,000, respectively.

8. Income Taxes

NWF Action Fund is exempt from the payment of income taxes under Section 501(c)(4) of the Internal Revenue Code (the IRC), except for tax on any income that may be a result of unrelated business transactions. NWF PAC is a separate segregated fund as defined under Section 527(f) of the IRC that was created pursuant to the Federal Election Campaign Act and is regulated by the FEC. NWF PAC is also subject to tax on any income that may be a result of unrelated business transactions, as well as taxes on their interest income, which is taxed at 21% tax rate. The income tax expense related to NWF PAC for the years ended August 31, 2024 and 2023 was \$4,153 and \$2,495, respectively. Neither organization had any significant net unrelated business income for the years ended August 31, 2024 and 2023.

The Organization follows the authoritative guidance relating to accounting for uncertainty in income taxes included in FASB Accounting Standards Codification Topic 740, *Income Taxes*. These provisions provide consistent guidance for the accounting for uncertainty in income taxes recognized in an entity's financial statements and prescribe a threshold of "more likely than not" for recognition and derecognition of tax positions taken or expected to be taken in a tax return.

The Organization performed an evaluation of uncertainty in income taxes for the years ended August 31, 2024 and 2023, and determined that there were no matters that would require recognition in the consolidated financial statements or that may have any effect on its tax-exempt status. U.S. Federal jurisdiction and/or the various states and local jurisdictions in which the Organization files tax returns are open for examination; however, there are currently no examinations pending or in progress. It is the Organization's policy to recognize interest and/or penalties related to uncertainty in income taxes, if any, in income tax expense. As of August 31, 2024 and 2023, the Organization had no accruals for interest and or/penalties.

9. Subsequent Events

In preparing these consolidated financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through December 13, 2024 the date the consolidated financial statements were available to be issued. There were no subsequent events that require recognition or disclosure in these consolidated financial statements.

SUPPLEMENTARY INFORMATION

NATIONAL WILDLIFE FEDERATION ACTION FUND AND AFFILIATE

CONSOLIDATING SCHEDULE OF FINANCIAL POSITION

August 31, 2024

	<u>NWF Action Fund</u>	<u>NWF PAC</u>	<u>Eliminations</u>	<u>Total</u>
ASSETS				
Cash	\$ 2,551,725	\$ 30,787	\$ -	\$ 2,582,512
Short-term investments	19,051	-	-	19,051
Grants and contributions receivable	2,260	45	-	2,305
Due from related party	-	4,653	(4,653)	-
Prepaid expenses and other assets	<u>14,894</u>	<u>-</u>	<u>-</u>	<u>14,894</u>
TOTAL ASSETS	<u><u>\$ 2,587,930</u></u>	<u><u>\$ 35,485</u></u>	<u><u>\$ (4,653)</u></u>	<u><u>\$ 2,618,762</u></u>
LIABILITIES AND NET ASSETS				
Liabilities				
Accounts payable and accrued expenses	\$ 167,986	\$ -	\$ -	\$ 167,986
Due to related party	<u>4,653</u>	<u>-</u>	<u>(4,653)</u>	<u>-</u>
TOTAL LIABILITIES	<u>172,639</u>	<u>-</u>	<u>(4,653)</u>	<u>167,986</u>
Net Assets				
Without donor restrictions	1,146,451	35,485	-	1,181,936
With donor restrictions	<u>1,268,840</u>	<u>-</u>	<u>-</u>	<u>1,268,840</u>
TOTAL NET ASSETS	<u>2,415,291</u>	<u>35,485</u>	<u>-</u>	<u>2,450,776</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 2,587,930</u></u>	<u><u>\$ 35,485</u></u>	<u><u>\$ (4,653)</u></u>	<u><u>\$ 2,618,762</u></u>

See independent auditors' report on supplementary information.

NATIONAL WILDLIFE FEDERATION ACTION FUND AND AFFILIATE

CONSOLIDATING SCHEDULE OF FINANCIAL POSITION

August 31, 2023

	<u>NWF Action Fund</u>	<u>NWF PAC</u>	<u>Eliminations</u>	<u>Total</u>
ASSETS				
Cash	\$ 1,388,811	\$ 17,864	\$ -	\$ 1,406,675
Short-term investments	20,182	-	-	20,182
Grants and contributions receivable	3,294	10	-	3,304
Due from related party	-	5,000	(5,000)	-
Prepaid expenses and other assets	<u>13,300</u>	<u>-</u>	<u>-</u>	<u>13,300</u>
TOTAL ASSETS	<u>\$ 1,425,587</u>	<u>\$ 22,874</u>	<u>\$ (5,000)</u>	<u>\$ 1,443,461</u>
LIABILITIES AND NET ASSETS				
Liabilities				
Accounts payable and accrued expenses	\$ 180,794	\$ -	\$ -	\$ 180,794
Due to related party	<u>5,000</u>	<u>-</u>	<u>(5,000)</u>	<u>-</u>
TOTAL LIABILITIES	<u>185,794</u>	<u>-</u>	<u>(5,000)</u>	<u>180,794</u>
Net Assets				
Without donor restrictions	566,698	22,874	-	589,572
With donor restrictions	<u>673,095</u>	<u>-</u>	<u>-</u>	<u>673,095</u>
TOTAL NET ASSETS	<u>1,239,793</u>	<u>22,874</u>	<u>-</u>	<u>1,262,667</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,425,587</u>	<u>\$ 22,874</u>	<u>\$ (5,000)</u>	<u>\$ 1,443,461</u>

See independent auditors' report on supplementary information.

NATIONAL WILDLIFE FEDERATION ACTION FUND AND AFFILIATE

CONSOLIDATING SCHEDULE OF ACTIVITIES

For the Year Ended August 31, 2024

	<u>NWF Action Fund</u>	<u>NWF PAC</u>	<u>Eliminations</u>	<u>Total</u>
OPERATING REVENUE AND SUPPORT				
Grant revenue	\$ 1,767,088	\$ -	\$ -	\$ 1,767,088
Contributions	<u>1,112,573</u>	<u>28,353</u>	<u>-</u>	<u>1,140,926</u>
TOTAL OPERATING REVENUE AND SUPPORT	<u>2,879,661</u>	<u>28,353</u>	<u>-</u>	<u>2,908,014</u>
OPERATING EXPENSES				
Program Services:				
Advocacy and Public Education	1,290,472	-	-	1,290,472
Electoral	73,172	-	-	73,172
Political Action Committee	<u>-</u>	<u>15,976</u>	<u>-</u>	<u>15,976</u>
Total Program Services	<u>1,363,644</u>	<u>15,976</u>	<u>-</u>	<u>1,379,620</u>
Supporting Services:				
General and administrative	157,738	-	-	157,738
Fundraising	<u>201,318</u>	<u>-</u>	<u>-</u>	<u>201,318</u>
Total Supporting Services	<u>359,056</u>	<u>-</u>	<u>-</u>	<u>359,056</u>
TOTAL OPERATING EXPENSES	<u>1,722,700</u>	<u>15,976</u>	<u>-</u>	<u>1,738,676</u>
Change in net assets from operations	1,156,961	12,377	-	1,169,338
NONOPERATING ACTIVITIES				
Investment income	<u>18,536</u>	<u>235</u>	<u>-</u>	<u>18,771</u>
CHANGE IN NET ASSETS	1,175,497	12,612	-	1,188,109
NET ASSETS, BEGINNING OF YEAR	<u>1,239,793</u>	<u>22,874</u>	<u>-</u>	<u>1,262,667</u>
NET ASSETS, END OF YEAR	<u>\$ 2,415,290</u>	<u>\$ 35,486</u>	<u>\$ -</u>	<u>\$ 2,450,776</u>

See independent auditors' report on supplementary information.

NATIONAL WILDLIFE FEDERATION ACTION FUND AND AFFILIATE

CONSOLIDATING SCHEDULE OF ACTIVITIES

For the Year Ended August 31, 2023

	<u>NWF Action Fund</u>	<u>NWF PAC</u>	<u>Eliminations</u>	<u>Total</u>
OPERATING REVENUE AND SUPPORT				
Grant revenue	\$ 1,045,000	\$ -	\$ -	\$ 1,045,000
Contributions	<u>359,214</u>	<u>16,615</u>	<u>-</u>	<u>375,829</u>
TOTAL OPERATING REVENUE AND SUPPORT	<u>1,404,214</u>	<u>16,615</u>	<u>-</u>	<u>1,420,829</u>
OPERATING EXPENSES				
Program Services:				
Advocacy and Public Education	1,389,840	-	-	1,389,840
Electoral	121,594	-	-	121,594
Political Action Committee	<u>-</u>	<u>7,970</u>	<u>-</u>	<u>7,970</u>
Total Program Services	<u>1,511,434</u>	<u>7,970</u>	<u>-</u>	<u>1,519,404</u>
Supporting Services:				
General and administrative	144,861	-	-	144,861
Fundraising	<u>222,387</u>	<u>-</u>	<u>-</u>	<u>222,387</u>
Total Supporting Services	<u>367,248</u>	<u>-</u>	<u>-</u>	<u>367,248</u>
TOTAL OPERATING EXPENSES	<u>1,878,682</u>	<u>7,970</u>	<u>-</u>	<u>1,886,652</u>
Change in net assets from operations	(474,468)	8,645	-	(465,823)
NONOPERATING ACTIVITIES				
Investment income	<u>14,400</u>	<u>97</u>	<u>-</u>	<u>14,497</u>
CHANGE IN NET ASSETS	(460,068)	8,742	-	(451,326)
NET ASSETS, BEGINNING OF YEAR	<u>1,699,861</u>	<u>14,132</u>	<u>-</u>	<u>1,713,993</u>
NET ASSETS, END OF YEAR	<u>\$ 1,239,793</u>	<u>\$ 22,874</u>	<u>\$ -</u>	<u>\$ 1,262,667</u>

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