

**SAGELAND COLLABORATIVE**  
**AUDITED FINANCIAL STATEMENTS**  
Year Ended December 31, 2021

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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Sageland Collaborative  
dba Wild Utah Project

### ***Opinion***

We have audited the accompanying financial statements of Sageland Collaborative (a nonprofit organization) which comprise the statement of financial position as of December 31, 2021, 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 financial statements referred to above present fairly, in all material respects, the financial position of Sageland Collaborative as of December 31, 2021 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Sageland Collaborative 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 Sageland Collaborative's ability to continue as a going concern for one year after the date that the financial statements are 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 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 Sageland Collaborative'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 Sageland Collaborative'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 Sageland Collaborative's 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated August 23, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2020 is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Squire & Company, PC*

Orem, Utah  
July 21, 2022

**SAGELAND COLLABORATIVE**  
**STATEMENT OF FINANCIAL POSITION**

December 31, 2021 with Summarized Comparative Totals for 2020

|                                     | 2021                       | 2020                       |
|-------------------------------------|----------------------------|----------------------------|
| <b>ASSETS</b>                       |                            |                            |
| <b>Current Assets:</b>              |                            |                            |
| Cash                                | \$ 396,185                 | \$ 521,487                 |
| Investments                         | 1,918,523                  | 1,607,959                  |
| Contributions and grants receivable | <u>20,085</u>              | <u>14,663</u>              |
| Total current assets                | 2,334,793                  | 2,144,109                  |
| <b>Fixed Assets:</b>                |                            |                            |
| Furniture and fixtures              | 15,595                     | 15,595                     |
| Computer equipment                  | 6,447                      | 6,447                      |
| Software                            | 1,396                      | 1,396                      |
| Accumulated depreciation            | <u>(22,950)</u>            | <u>(22,531)</u>            |
| Net fixed assets                    | <u>488</u>                 | <u>907</u>                 |
| Total assets                        | <u><u>\$ 2,335,281</u></u> | <u><u>\$ 2,145,016</u></u> |
| <b>LIABILITIES AND NET ASSETS</b>   |                            |                            |
| <b>Current Liabilities:</b>         |                            |                            |
| Accounts payable                    | \$ 4,202                   | \$ 7,901                   |
| Accrued payroll                     | <u>10,929</u>              | <u>7,746</u>               |
| Total current liabilities           | 15,131                     | 15,647                     |
| <b>PPP Loan</b>                     | <u>-</u>                   | <u>57,700</u>              |
| Total liabilities                   | 15,131                     | 73,347                     |
| <b>Net Assets:</b>                  |                            |                            |
| Without donor restrictions:         |                            |                            |
| Designated                          | 350,000                    | -                          |
| Undesignated                        | 932,750                    | 1,039,669                  |
| With donor restrictions             | <u>1,037,400</u>           | <u>1,032,000</u>           |
| Total net assets                    | <u>2,320,150</u>           | <u>2,071,669</u>           |
| Total liabilities and net assets    | <u><u>\$ 2,335,281</u></u> | <u><u>\$ 2,145,016</u></u> |

The accompanying notes are an integral part of this financial statement.

**SAGELAND COLLABORATIVE**  
**STATEMENT OF ACTIVITIES**

Year Ended December 31, 2021 with Summarized Comparative Totals for 2020

|   | 2021                | 2020                |
|---|---------------------|---------------------|
| <b>Net Assets without Donor Restrictions:</b>   |                     |                     |
| Revenues and support:                           |                     |                     |
| Contributions                                   | \$ 67,127           | \$ 69,127           |
| Grants and contracts                            | 350,802             | 250,089             |
| Investment income                               | 111,233             | 677,073             |
| Other   | 81,568              | 77,586              |
| Net assets released from restrictions           | 32,000              | -                   |
| Total revenues and support                      | 642,730             | 1,073,875           |
| Gain on PPP loan forgiveness                    | 57,700              | -                   |
| Total revenues, support, and gains              | 700,430             | 1,073,875           |
| Expenses:                                       |                     |                     |
| Program services                                | 415,055             | 290,115             |
| Supporting services:                            |                     |                     |
| Management and general                          | 26,355              | 51,382              |
| Fundraising                                     | 15,939              | 27,990              |
| Total expenses                                  | 457,349             | 369,487             |
| Change in net assets without donor restrictions | 243,081             | 704,388             |
| <b>Net Assets with Donor Restrictions:</b>      |                     |                     |
| Contributions                                   | 37,400              | 32,000              |
| Net assets released from restrictions           | (32,000)            | -                   |
| Change in net assets with donor restrictions    | 5,400               | 32,000              |
| <b>Change in Net Assets</b>                     | 248,481             | 736,388             |
| <b>Net Assets at Beginning of Year</b>          | 2,071,669           | 1,335,281           |
| <b>Net Assets at End of Year</b>                | <u>\$ 2,320,150</u> | <u>\$ 2,071,669</u> |

The accompanying notes are an integral part of this financial statement.

**SAGELAND COLLABORATIVE**  
**STATEMENT OF FUNCTIONAL EXPENSES**

Year Ended December 31, 2021 with Summarized Comparative Totals for 2020

|                       | Supporting Services |                           |             | Totals     |            |
|-----------------------|---------------------|---------------------------|-------------|------------|------------|
|                       | Program<br>Services | Management<br>and General | Fundraising | 2021       | 2020       |
| Wages and benefits    | \$ 309,068          | \$ 22,271                 | \$ 12,402   | \$ 343,741 | \$ 287,264 |
| Promotion             | 1,239               | 52                        | 37          | 1,328      | 3,525      |
| Supplies              | 17,457              | 207                       | 154         | 17,818     | 6,581      |
| Professional services | 6,057               | 314                       | 187         | 6,558      | 20,441     |
| Office                | 22,129              | 1,240                     | 1,262       | 24,631     | 12,546     |
| Travel                | 4,122               | -                         | -           | 4,122      | 5,612      |
| Insurance             | 2,735               | 201                       | 125         | 3,061      | 1,510      |
| Depreciation          | 419                 | -                         | -           | 419        | 2,965      |
| Other                 | 39,617              | 1,205                     | 1,259       | 42,081     | 14,610     |
| Occupancy             | 12,212              | 865                       | 513         | 13,590     | 14,433     |
| Total expenses        | \$ 415,055          | \$ 26,355                 | \$ 15,939   | \$ 457,349 | \$ 369,487 |

The accompanying notes are an integral part of this financial statement.

**SAGELAND COLLABORATIVE**  
**STATEMENT OF CASH FLOWS**

Year Ended December 31, 2021 with Summarized Comparative Totals for 2020

|   | 2021              | 2020              |
|---|-------------------|-------------------|
| <b>Cash Flows from Operating Activities:</b>  |                   |                   |
| Change in net assets  | \$ 248,481        | \$ 736,388        |
| Adjustments to reconcile change in net assets to net cash provided by operating activities: |                   |                   |
| Depreciation expense  | 419               | 2,965             |
| Unrealized gains on investments   | (76,370)          | (661,886)         |
| Gain on PPP loan forgiveness  | (57,700)          | -                 |
| Changes in operating assets and liabilities:  |                   |                   |
| Contributions and grants receivable   | (5,422)           | 228,928           |
| Accounts payable  | (3,699)           | (14,369)          |
| Accrued payroll   | 3,183             | (952)             |
| Total adjustments   | <u>(139,589)</u>  | <u>(445,314)</u>  |
| Net cash provided by operating activities   | 108,892           | 291,074           |
| <b>Cash Flows from Investing Activities:</b>  |                   |                   |
| Net sales (purchases) of investments  | (234,194)         | 33,063            |
| <b>Cash Flows from Financing Activities:</b>  |                   |                   |
| Proceeds from PPP loan  | -                 | 57,700            |
| Repayment of note payable   | -                 | (13,789)          |
| Net cash provided by financing activities   | <u>-</u>          | <u>43,911</u>     |
| <b>Net Change in Cash</b>   | (125,302)         | 368,048           |
| <b>Cash at Beginning of Year</b>  | <u>521,487</u>    | <u>153,439</u>    |
| <b>Cash at End of Year</b>  | <u>\$ 396,185</u> | <u>\$ 521,487</u> |

**Supplementary Data:**

The Organization paid no interest or income taxes during the year.

The Organization had no noncash investing or financing activities during the year.

The accompanying notes are an integral part of this financial statement.



## **SAGELAND COLLABORATIVE NOTES TO THE FINANCIAL STATEMENTS**

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### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of Sageland Collaborative dba Wild Utah Project(the Organization) have been prepared on the accrual basis of accounting. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

#### **Organization**

Wild Utah Project was incorporated in 2007 in the State of Utah as a nonprofit corporation. During 2021, Wild Utah Project changed its name to Sageland Collaborative. The purpose, for which the Organization was formed is to apply the principles of conservation biology to maintain, and where needed, restore the health of ecosystems in Utah and surrounding states. The Organization is funded by grants and contributions from various groups and individuals.

#### **Financial Statement Presentation**

The Organization reports information regarding its financial position and activities according to the following net asset classifications:

*Net assets without donor restrictions* – Net assets that are not subject to 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 management and board of directors.

A portion of these net assets has been designated by the board for specific purposes.

*Net assets with donor restrictions* – Net assets subject to stipulations imposed by donors and grantors.

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. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as contributions without donor restrictions.

#### **Summarized Comparative Financial Information**

The financial statements include certain prior-year summarized comparative information in total but not by function. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2020 from which the summarized information was derived.

#### **Contributions and Grants Receivable**

The Organization has not established an allowance for doubtful accounts at December 31, 2021. The Organization believes all amounts are fully collectible.

#### **Investments**

Investments represent funds invested in equity securities.

## **SAGELAND COLLABORATIVE**

### **NOTES TO THE FINANCIAL STATEMENTS**

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#### **Tax Status**

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code (IRC), though it would be subject to tax on income unrelated to its exempt purposes (unless that income is otherwise excluded by the IRC). Contributions to the Organization are tax deductible to donors under Section 170 of the IRC. The Organization is not classified as a private foundation.

#### **Contributed Services and Materials**

Many individuals volunteer their time and perform a variety of tasks that assist the Organization. The Organization receives a substantial amount of volunteer hours per year, but do not meet the requirements for recognition in the financial statements. The Organization identified 15,312 volunteer hours, valued at \$458,600, during the year ended December 31, 2021 that are not recognized in the financial statements.

#### **Allocation of Expenses**

The costs of providing program and other activities have been summarized on a functional basis in the statement of activities. Certain costs are allocated to one or more program or supporting functions based on time and effort. Such allocations are determined by management on an equitable basis.

#### **Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles 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 support and revenue and expenses during the reporting period. Actual results could differ from those estimates.

#### **Subsequent Events**

The Organization has evaluated subsequent events through July 21, 2022, the date the financial statements were available to be issued. Events occurring after the date have not been evaluated to determine whether a change in the financial statements would be required.

#### **NOTE 2 – PPP LOAN**

In 2020, the Organization received loan proceeds of \$57,700 under the Paycheck Protection Program (PPP). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security (CARES) Act, provides for loans to qualifying businesses. The loans and accrued interest are forgivable as long as the borrower uses the loan proceeds for eligible purposes (including payroll, benefits, rent and utilities) and maintains its payroll levels.

The Organization used the loan proceeds for purposes consistent with the PPP and received forgiveness of the entire loan balance during the year ended December 31, 2021.

**SAGELAND COLLABORATIVE**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**NOTE 3 – NET ASSETS**

Board-designated net assets are summarized as follows at December 31, 2021:

|                   |                   |
|-------------------|-------------------|
| Emergency reserve | \$ 300,000        |
| Innovation fund   | 50,000            |
|                   | <hr/>             |
| Total             | <u>\$ 350,000</u> |

Donor-restricted net assets are summarized as follows at December 31, 2021:

|                                |                     |
|--------------------------------|---------------------|
| Specific-purpose restrictions: |                     |
| Stream & Riparian              | \$ 8,000            |
| Black Rosy Finch               | 10,000              |
| Time restrictions:             |                     |
| 2022 operations                | \$ 19,400           |
| Endowment                      | 1,000,000           |
|                                | <hr/>               |
| Total                          | <u>\$ 1,037,400</u> |

Net assets released from restrictions were for Stream & Riparian during the year ended December 31, 2021.

**NOTE 4 – AVAILABILITY AND LIQUIDITY**

The following represents the Organization's financial assets at December 31, 2021:

|   |                   |
|---|-------------------|
| Financial assets at year end:   |                   |
| Cash  | \$ 396,185        |
| Investments   | 1,918,523         |
| Accounts receivable   | 20,085            |
|   | <hr/>             |
| Total financial assets  | 2,334,793         |
| Less amounts not available to be used within one year:                              |                   |
| Board-designated net assets without donor restrictions                              | (350,000)         |
| Net assets with donor restrictions  | (1,037,400)       |
|   | <hr/>             |
| Financial assets available to meet general expenditures over the next twelve months | <u>\$ 947,393</u> |

The Organization's goal is generally to maintain financial assets to meet three months of operating expenses (approximately \$115,000). As part of its liquidity plan, excess cash is placed in interest-bearing accounts and invested in equity securities.

**SAGELAND COLLABORATIVE**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**NOTE 5 – FAIR VALUE MEASUREMENTS**

The Organization reports fair value measures of its assets and liabilities using a three-level hierarchy that prioritizes the inputs used to measure fair value. This hierarchy, established by generally accepted accounting principles, requires that entities maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The asset or liability’s measurement within the fair market hierarchy is based on the lowest level of input that is significant to the measurement. The three levels of inputs used to measure fair value are as follows:

*Level 1* – Quoted prices for identical assets or liabilities in active markets to which the Organization has access at the measurement date.

*Level 2* – Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities in active markets and quoted prices for identical or similar assets in markets that are not active.

*Level 3* – Unobservable inputs for the asset or liability. Unobservable inputs should be used to measure fair value if observable inputs are not available.

The primary uses of fair value measures in the Organization’s financial statements are initial measurement of noncash gifts and recurring measurement of investments.

The Organization’s investments in the pooled fund are recorded at the fair value reported in the active market. This method of valuation may not be indicative of net realizable value or future fair values.

Fair value of assets measured on a recurring basis is as follows at December 31, 2021:

|                   | Fair Value          | Quoted Prices<br>in Active<br>Markets for<br>Identical<br>Assets/Liabilities<br>(Level 1) | Significant<br>Other<br>Observable<br>Inputs<br>(Level 2) | Significant<br>Unobservable<br>Inputs<br>(Level 3) |
|-------------------|---------------------|---|---|--|
| Equity securities | <u>\$ 1,918,523</u> | <u>\$ 1,918,523</u>   | <u>\$ -</u>   | <u>\$ -</u>  |

**NOTE 6 – CONCENTRATIONS OF RISK**

At December 31, 2021, the Organization’s book balance of cash was \$396,185, with a corresponding bank balance of \$396,092, of which \$250,000 was covered by federal depository insurance.

**NOTE 7 – COMMITMENTS**

The Organization leases office space under a noncancellable lease expiring May 2022. Rent paid under this lease totaled \$6,685 for the year ended December 31, 2021. Future minimum lease payments will be \$4,775 for the year ending December 31, 2022.