

NATIVE PLANT TRUST, INC.

FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2024 AND 2023



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INDEPENDENT AUDITORS' REPORT

Board of Trustees
Native Plant Trust, Inc.
Wayland, Massachusetts

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Native Plant Trust, Inc. (a Massachusetts nonprofit organization), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, functional expenses, changes in net assets, and cash flows for the years 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 Native Plant Trust, Inc. as of December 31, 2024 and 2023, and its changes in 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 Native Plant Trust, Inc. 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 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 Native Plant Trust, Inc.'s ability to continue as a going concern for one year after the date the 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 financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Native Plant Trust, Inc.'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 Native Plant Trust, Inc.'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.



CliftonLarsonAllen LLP

Boston, Massachusetts
July 11, 2025

NATIVE PLANT TRUST, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024

	<u>2024</u>	<u>2023</u>
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 1,726,791	\$ 1,011,103
Short-Term Investments	430,083	1,487,306
Accounts Receivable, Net	323,832	220,626
Current Portion of Grants and Pledges Receivable, Net	3,444,839	3,288,741
Inventory, Net	106,184	87,413
Prepaid Expenses	41,003	57,526
Total Current Assets	<u>6,072,732</u>	<u>6,152,715</u>
INVESTMENTS	9,825,723	9,048,786
GRANTS AND PLEDGES RECEIVABLE, NET OF CURRENT PORTION	-	146,000
ASSETS HELD IN CHARITABLE REMAINDER TRUSTS	1,739,234	1,625,185
BENEFICIAL INTEREST IN THIRD-PARTY TRUST	116,601	108,022
PROPERTY AND EQUIPMENT, NET	3,460,510	2,884,637
OPERATING LEASE RIGHT-OF-USE ASSET, NET OF AMORTIZATION	1,715,451	1,868,168
FINANCE LEASE RIGHT-OF-USE ASSET, NET OF AMORTIZATION	11,983	17,475
DEVELOPMENT OF WEBSITES, NET	<u>266,894</u>	<u>360,991</u>
Total Assets	<u><u>\$ 23,209,128</u></u>	<u><u>\$ 22,211,979</u></u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable	\$ 161,063	\$ 230,200
Accrued Expenses	124,234	83,979
Deferred Revenue	157,419	144,684
Current Portion of Annuities Payable	1,800	1,800
Current Portion of Operating Lease Liability	230,264	207,037
Current Portion of Finance Lease Liability	5,919	5,919
Total Current Liabilities	<u>680,699</u>	<u>673,619</u>
ANNUITIES PAYABLE, NET	6,753	7,582
OPERATING LEASE LIABILITY, NET OF CURRENT PORTION	1,559,031	1,701,257
FINANCE LEASE LIABILITY, NET OF CURRENT PORTION	6,141	11,436
DUE TO OTHER BENEFICIARIES OF CHARITABLE REMAINDER TRUSTS	<u>1,176,656</u>	<u>1,098,296</u>
Total Liabilities	<u>3,429,280</u>	<u>3,492,190</u>
NET ASSETS		
Without Donor Restrictions	5,235,118	4,857,947
With Donor Restrictions	<u>14,544,730</u>	<u>13,861,842</u>
Total Net Assets	<u><u>19,779,848</u></u>	<u><u>18,719,789</u></u>
Total Liabilities and Net Assets	<u><u>\$ 23,209,128</u></u>	<u><u>\$ 22,211,979</u></u>

NATIVE PLANT TRUST, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
OPERATING REVENUE AND SUPPORT			
Grants and Contributions	\$ 1,684,760	\$ 878,936	\$ 2,563,696
Contributed Services	371,118	-	371,118
Membership Dues	482,003	-	482,003
Program Fees, Services, and Other Income	242,481	-	242,481
Investment Return Designated for Current Operations	329,319	-	329,319
Sales of Plant and Merchandise, Net of Cost of Goods Sold of \$1,147,121	1,007,411	-	1,007,411
Admissions	136,586	-	136,586
Net Assets Released from Restrictions	328,632	(328,632)	-
Total Operating Revenue and Support	4,582,310	550,304	5,132,614
OPERATING EXPENSES			
Program Services:			
Conservation	772,416	-	772,416
Education	476,668	-	476,668
Horticulture	1,142,098	-	1,142,098
Member Services	506,775	-	506,775
Retail Shops	654,968	-	654,968
Total Program Services	3,552,925	-	3,552,925
Supporting Services:			
General and Administrative	1,250,222	-	1,250,222
Fundraising	329,894	-	329,894
Total Supporting Services	1,580,116	-	1,580,116
Total Operating Expenses	5,133,041	-	5,133,041
CHANGES IN NET ASSETS FROM OPERATIONS			
	(550,731)	550,304	(427)
NONOPERATING REVENUES (EXPENSES)			
Investment Returns, Net of Spending Policy	13,782	906,882	920,664
Contributions for Long-Term Purposes	-	96,940	96,940
Changes in Value of Split-Interest Agreements	(1,386)	44,268	42,882
Net Assets Released from Capital and Equipment Restrictions	915,506	(915,506)	-
Total Nonoperating Revenues, Net	927,902	132,584	1,060,486
CHANGES IN NET ASSETS			
	\$ 377,171	\$ 682,888	\$ 1,060,059

NATIVE PLANT TRUST, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
OPERATING REVENUE AND SUPPORT			
Grants and Contributions	\$ 1,183,983	\$ 409,589	\$ 1,593,572
Contributed Services	234,902	-	234,902
Membership Dues	451,052	-	451,052
Program Fees, Services, and Other Income	291,750	-	291,750
Investment Return Designated for Current Operations	310,629	-	310,629
Sales of Plant and Merchandise,			
Net of Cost of Goods Sold of \$914,421	1,004,466	-	1,004,466
Admissions	122,290	-	122,290
Net Assets Released from Restrictions	619,690	(619,690)	-
Total Operating Revenue and Support	4,218,762	(210,101)	4,008,661
OPERATING EXPENSES			
Program Services:			
Conservation	800,814	-	800,814
Education	558,308	-	558,308
Horticulture	727,668	-	727,668
Member Services	429,342	-	429,342
Retail Shops	491,831	-	491,831
Total Program Services	3,007,963	-	3,007,963
Supporting Services:			
General and Administrative	1,126,469	-	1,126,469
Fundraising	321,978	-	321,978
Total Supporting Services	1,448,447	-	1,448,447
Total Operating Expenses	4,456,410	-	4,456,410
CHANGES IN NET ASSETS FROM OPERATIONS	(237,648)	(210,101)	(447,749)
NONOPERATING REVENUES (EXPENSES)			
Investment Returns, Net of Spending Policy	118,580	1,077,856	1,196,436
Contributions for Long-Term Purposes	-	258,926	258,926
Changes in Value of Split-Interest Agreements	(2,154)	96,427	94,273
Gain on Disposal of Property and Equipment	(17,396)	-	(17,396)
Net Assets Released from Capital and Equipment Restrictions	352,789	(352,789)	-
Total Nonoperating Revenues, Net	451,819	1,080,420	1,532,239
CHANGES IN NET ASSETS	\$ 214,171	\$ 870,319	\$ 1,084,490

NATIVE PLANT TRUST, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2024

	Program Services						Supporting Services			Total
	Conservation	Education	Horticulture	Member Services	Retail Shops	Total Program Services	General and Administrative	Fundraising		
Salaries and Benefits	\$ 330,862	\$ 250,126	\$ 634,622	\$ 378,172	\$ 393,539	\$ 1,987,321	\$ 585,091	\$ 240,685	\$ 2,813,097	
Professional and Consultant Services	277,566	84,921	94,908	8,615	5,104	471,114	223,666	33,313	728,093	
Operating Expenses	45,556	82,413	96,787	113,031	214,716	552,503	101,837	48,019	702,359	
Property and Occupancy	15,127	27,669	218,124	6,957	37,637	305,514	234,032	7,877	547,423	
Plant and Merchandise Expense	-	-	-	-	1,147,121	1,147,121	-	-	1,147,121	
Insurance	-	-	-	-	-	-	73,951	-	73,951	
Depreciation and Amortization	103,305	31,539	97,657	-	3,972	236,473	31,645	-	268,118	
Subtotal	<u>772,416</u>	<u>476,668</u>	<u>1,142,098</u>	<u>506,775</u>	<u>1,802,089</u>	<u>4,700,046</u>	<u>1,250,222</u>	<u>329,894</u>	<u>6,280,162</u>	
Less: Cost of Plant and Merchandise Sales	-	-	-	-	1,147,121	1,147,121	-	-	1,147,121	
Total Expenses by Function	<u><u>\$ 772,416</u></u>	<u><u>\$ 476,668</u></u>	<u><u>\$ 1,142,098</u></u>	<u><u>\$ 506,775</u></u>	<u><u>\$ 654,968</u></u>	<u><u>\$ 3,552,925</u></u>	<u><u>\$ 1,250,222</u></u>	<u><u>\$ 329,894</u></u>	<u><u>\$ 5,133,041</u></u>	

NATIVE PLANT TRUST, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2023

	Program Services						Supporting Services			Total
	Conservation	Education	Horticulture	Member Services	Retail Shops	Total Program Services	General and Administrative	Fundraising		
Salaries and Benefits	\$ 411,212	\$ 343,173	\$ 462,756	\$ 316,833	\$ 307,771	\$ 1,841,745	\$ 494,427	\$ 221,109	\$ 2,557,281	
Professional and Consultant Services	269,387	122,470	65,127	7,288	8,153	472,425	276,774	33,113	782,312	
Operating Expenses	57,466	76,361	86,617	98,174	152,912	471,530	81,607	60,006	613,143	
Property and Occupancy	11,441	13,638	78,018	7,047	19,023	129,167	67,239	7,750	204,156	
Plant and Merchandise Expense	-	-	-	-	913,674	913,674	-	-	913,674	
Insurance	-	-	-	-	-	-	61,019	-	61,019	
Depreciation and Amortization	51,308	2,666	35,150	-	3,972	93,096	145,403	-	238,499	
Subtotal	800,814	558,308	727,668	429,342	1,405,505	3,921,637	1,126,469	321,978	5,370,084	
Less: Cost of Plant and Merchandise Sales	-	-	-	-	913,674	913,674	-	-	913,674	
Total Expenses by Function	\$ 800,814	\$ 558,308	\$ 727,668	\$ 429,342	\$ 491,831	\$ 3,007,963	\$ 1,126,469	\$ 321,978	\$ 4,456,410	

NATIVE PLANT TRUST, INC.
STATEMENTS OF CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2024 AND 2023

	Without Donor Restrictions	With Donor Restrictions	Total
NET ASSETS - DECEMBER 31, 2022	\$ 4,643,776	\$ 12,991,523	\$ 17,635,299
Changes in Net Assets	<u>214,171</u>	<u>870,319</u>	<u>1,084,490</u>
NET ASSETS - DECEMBER 31, 2023	4,857,947	13,861,842	18,719,789
Changes in Net Assets	<u>377,171</u>	<u>682,888</u>	<u>1,060,059</u>
NET ASSETS - DECEMBER 31, 2024	<u><u>\$ 5,235,118</u></u>	<u><u>\$ 14,544,730</u></u>	<u><u>\$ 19,779,848</u></u>

NATIVE PLANT TRUST, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in Net Assets	\$ 1,060,059	\$ 1,084,490
Adjustments to Reconcile Changes in Net Assets to Net Cash		
Provided (Used) by Operating Activities:		
Depreciation	168,529	144,658
Amortization	94,097	93,841
Contributions for Endowment	(96,940)	(340,170)
Amortization of Right-of-Use Assets - Financing	197	116
Adjustment of Right-of-Use Assets -		
Operating, Net of Amortization	33,718	40,126
Contributed Property and Equipment	(115,892)	-
Change in Discount on Grants and Pledges Receivable	(56,848)	(18,949)
Net Realized and Unrealized Gain on Investments	(981,468)	(1,249,036)
Changes in Value of Split-Interest Agreements	(42,882)	(94,272)
Loss on Sale of Property and Equipment	-	17,396
Changes in Operating Assets and Liabilities:		
Accounts Receivable	(103,206)	(840)
Grants and Pledges Receivable	46,750	323,255
Inventory	(18,771)	(4,859)
Prepaid Expenses	16,523	(22,230)
Accounts Payable	(69,137)	138,177
Accrued Expenses	40,255	4,112
Deferred Revenue	12,735	3,781
Annuity Payable	(2,215)	(2,215)
Net Cash Provided (Used) by Operating Activities	<u>(14,496)</u>	<u>117,381</u>
CASH FROM INVESTING ACTIVITIES		
Purchases of Property and Equipment	(628,510)	(245,717)
Purchases for Development of Websites	-	(115,611)
Purchases of Investments	(1,785,756)	(11,089,249)
Proceeds from Sales of Investments	<u>3,047,510</u>	<u>10,924,673</u>
Net Cash Provided (Used) by Investing Activities	<u>633,244</u>	<u>(525,904)</u>
CASH FROM FINANCING ACTIVITIES		
Cash Collected for Endowment	<u>96,940</u>	<u>340,170</u>
Net Cash Provided by Financing Activities	<u>96,940</u>	<u>340,170</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>715,688</u>	<u>(68,353)</u>
Cash and Cash Equivalents - Beginning of Year	<u>1,011,103</u>	<u>1,079,456</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 1,726,791</u></u>	<u><u>\$ 1,011,103</u></u>

**NATIVE PLANT TRUST, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 1 OPERATIONS, NONPROFIT STATUS, AND SIGNIFICANT ACCOUNTING POLICIES

Organization

Native Plant Trust, Inc., a Massachusetts nonprofit corporation (NPT or the Organization) was founded in 1900 and incorporated in March 1932. Its mission is to conserve and promote New England's native plants to ensure healthy, biologically diverse landscapes. NPT saves plants in the wild, grows them for gardens and restorations, and educates others on their value and use.

In February 2022, the board of trustees approved a new 15-year vision, which articulates the organization's leadership role in native plant conservation, horticulture, and education and focuses on addressing the twin environmental crises of our era—climate change and the loss of biodiversity. The vision is the framework for a series of five-year strategic plans, starting with one created in 2023. They will have as overarching goals:

- Inspiring people to appreciate, learn about, and act on behalf of native plants
- Harnessing the power of cutting-edge research, science, and technology to conserve and grow native plants
- Collaborating with people who have diverse cultural perspectives on plant life
- Saving the globally and regionally rare plant species in New England
- Securing plant diversity as the climate changes by strategically conserving the region's land
- Restoring degraded sites or declining habitats using plants grown from local seed without pesticides
- Inspiring people to see private gardens and public spaces as part of nature and to create places full of native plants that support all forms of life.

Nonprofit Status

NPT is exempt from federal income taxes as an organization (not a private foundation) formed for charitable purposes under Section 501(c)(3) of the Internal Revenue Code (IRC). NPT is also exempt from state income taxes. Donors may deduct contributions made to NPT within the requirements of the IRC.

Estimates

The preparation of financial statements in accordance 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

NATIVE PLANT TRUST, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 1 OPERATIONS, NONPROFIT STATUS, AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition

Program fees, services, and other income are recorded as services are provided. A portion of membership dues is considered to be a contribution to NPT. The portion of contribution revenue is recognized when the dues are paid, and the portion related to dues are recognized ratably over the terms of the memberships. Membership dues revenue, including the contribution, are included in membership revenue on the statements of activities. Unearned membership revenue is reflected as deferred revenue on the statements of financial position.

The following table shows NPT's program fees, services, and other income disaggregated according to the timing of the transfer of goods or services:

	2024	2023
Revenue Recognized Over Time:		
Course Fees	\$ 182,703	\$ 211,032
Membership Revenue	482,003	451,052
Services and Lectures	35,921	56,778
Total Revenue Recognized Over Time	<u>\$ 700,627</u>	<u>\$ 718,862</u>
Revenue Recognized at a Point in Time:		
Admissions	\$ 136,586	\$ 122,290
Miscellaneous Revenue	23,857	23,940
Total Revenue Recognized at a Point in Time	<u>\$ 160,443</u>	<u>\$ 146,230</u>

The gross margin on plant and merchandise sales is recorded upon exchange of the goods sold and reported net of cost of sales as follows:

	2024		
	Plants	Merchandise	Total
Gross Sales	\$ 1,987,823	\$ 166,709	\$ 2,154,532
Cost of Sales	<u>(1,053,800)</u>	<u>(93,321)</u>	<u>(1,147,121)</u>
Total	<u>\$ 934,023</u>	<u>\$ 73,388</u>	<u>\$ 1,007,411</u>

	2023		
	Plants	Merchandise	Total
Gross Sales	\$ 1,730,052	\$ 188,088	\$ 1,918,140
Cost of Sales	<u>(825,858)</u>	<u>(87,816)</u>	<u>(913,674)</u>
Total	<u>\$ 904,194</u>	<u>\$ 100,272</u>	<u>\$ 1,004,466</u>

NATIVE PLANT TRUST, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 1 OPERATIONS, NONPROFIT STATUS, AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition (Continued)

The following table shows the beginning and ending balances of contract assets and liabilities as of December 31:

	2024	2023
Accounts Receivable - Beginning Balance	\$ 220,626	\$ 219,786
Accounts Receivable - Ending Balance	323,832	220,626
Deferred Revenue - Beginning Balance	\$ 144,684	\$ 140,903
Deferred Revenue - Ending Balance	157,419	144,684

A portion of NPT's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditional based on certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when NPT has incurred expenditures in compliance with specific contract or grant provisions.

Contributions, including unconditional promises to give, are recognized as revenue in the period received. 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. NPT observes a policy of releasing net assets restricted for capital projects at the time the capital expenditures are incurred.

The Organization is and may be named principal or income beneficiary of certain trusts and wills, in addition to those described in Note 6 and Note 7. The amounts to be received, if any, cannot be determined by NPT and, therefore, are not reflected in the accompanying financial statements.

Revenues are reported as increases in net assets without donor restrictions unless use of related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities, other than endowment and similar funds, are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation. Expirations of time restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets. Donor-imposed restrictions whose restrictions are met in the same reporting period as the contribution is made are reclassified to net assets without donor restrictions and reported in the statements of activities as Net Assets Released from Restrictions.

Cash and Cash Equivalents

For the purpose of the statements of cash flows, management considers all highly liquid investments with an initial maturity of three months or less to be cash and cash equivalents.

NATIVE PLANT TRUST, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

**NOTE 1 OPERATIONS, NONPROFIT STATUS, AND SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Accounts Receivable

Accounts receivable consist primarily of noninterest-bearing amounts due from program services and credit card sales. NPT determines the allowance for credit losses based on the history of past losses, collections, current credit conditions, and certain forward-looking information.

Inventory

Merchandise inventories are valued using the retail inventory method, which involves pricing individual items at current selling prices and reducing such amounts to the lower of cost or net realizable value by the application of markup rates. NPT records the plant inventories at the lower of cost or market using a first-in, first-out (FIFO) convention.

Inventory consists of the following at December 31:

	2024	2023
Merchandise	\$ 77,499	\$ 75,443
Plants	33,685	16,970
Subtotal	<u>111,184</u>	<u>92,413</u>
Less: Inventory Reserve	(5,000)	(5,000)
Total	<u><u>\$ 106,184</u></u>	<u><u>\$ 87,413</u></u>

Fair Value Measurements

NPT has adopted the *Fair Value Measurements and Disclosures* standards. These standards define fair value, establish a framework for measuring fair value under accounting principles generally accepted in the United States of America, and mandate disclosures about fair value measurements. These standards establish a fair value framework that prioritizes the inputs and assumptions used to measure fair value.

The three levels of the fair value framework under these standards are as follows:

Level 1 – Inputs that reflect unadjusted quoted prices in active markets for identical assets and liabilities at the measurement date.

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, including inputs from markets that are not considered to be active.

Level 3 – Inputs that are unobservable.

A qualifying asset or liability's level within the framework is based upon the lowest level of any input that is significant to the fair value measurement.

NATIVE PLANT TRUST, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

**NOTE 1 OPERATIONS, NONPROFIT STATUS, AND SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Property and Equipment and Depreciation

Purchased property and equipment are recorded at cost (see Note 4) if the asset is tangible and complete, used in operations, has a useful life greater than one year, and a value greater than \$5,000. Donated property and equipment are recorded at fair market value at the time of donation. Renewals and betterments are capitalized, while repairs and maintenance are expensed as they are incurred. Long lived assets are reviewed for impairment and, if an impairment is identified, a loss would be recorded to reflect declines in the net realizable value of property and equipment.

Depreciation is computed using the straight-line method over the following estimated useful lives:

Land Improvements	20 Years
Building	40 Years
Furniture, Fixtures, and Equipment	3 to 10 Years
Building Improvements	5 to 40 Years

Development of Websites

Website development costs and software development costs are being amortized over a five-year period using the straight-line method. For the years ended December 31, 2024 and 2023, amortization expense was \$90,346 and \$90,107, respectively.

Leases

NPT determines if an arrangement is a lease at inception. NPT has leases under which it is obligated as a lessee. Operating leases are included in right-of-use (ROU) assets and lease liabilities in the statements of financial position. Finance leases are included in ROU assets – financing and lease liability – financing in the statements of financial position.

ROU assets represent the NPT's right to use an underlying asset for the lease term, and lease liabilities represent the NPT's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term using an appropriate incremental borrowing rate.

The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, NPT has elected to use a risk-free discount rate (applicable US Department of Treasury risk-free treasury rate) determined using a period comparable with that of the lease term for computing the present value of lease liabilities. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the NPT will exercise that option. Lease costs for operating lease payments is recognized on a straight-line basis over the lease term.

**NATIVE PLANT TRUST, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

**NOTE 1 OPERATIONS, NONPROFIT STATUS, AND SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Annuities Payable

Annuities payable represents obligations to donors under charitable gift agreements where donors receive fixed lifetime annuities in exchange for their gifts (see Note 8).

Advertising Costs

Advertising costs are expensed as incurred by NPT. Advertising costs for the years ended December 31, 2024 and 2023 were \$63,127 and \$51,262, respectively.

Contributed Services

NPT reports revenue for the fair value of contributed services received where the services require specialized skills, are provided by individuals possessing those skills, and represent services that would have been purchased had they not been donated. NPT received services for the conservation and horticulture programs that includes monitoring the status of rare and endangered plants, collecting seeds, propagating plants, reviewing data to set conservation priorities, and software engineering. The value of all but the software engineering services were estimated using rates published by Independent Sector. Contributed services for program purposes in the amount of \$371,118 and \$234,902 were recognized for the years ended December 31, 2024 and 2023, respectively.

Net Assets

Net Assets Without Donor Restrictions – Net assets that are not subject to donor-imposed stipulations. NPT has grouped its net assets without donor restrictions into the following categories:

- **Operating Net Assets** represents funds available to carry on the general operations of NPT.
- **Board-Designated Net Assets** represents funds set aside by the board for specific purposes according to the signed accounting policy. In both 2024 and 2023, board-designated amounts are for future capital improvements.
- **Property and Equipment Net Assets** reflects and accounts for the activities relating to NPT's property and equipment.
- **Development of Website's Net Assets** reflects and accounts for the activities relating to the development of NPT's website and Go Botany website.

Net Assets with Donor Restrictions – Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature when the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

NATIVE PLANT TRUST, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 1 OPERATIONS, NONPROFIT STATUS, AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Functional Expenses

NPT reports certain categories of expenses that are attributable to one or more program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include depreciation, property, and occupancy, which are both allocated on a square footage basis, as well as salaries and benefits, which are allocated on the basis of estimates of time and effort.

Accounting for Uncertainty in Income Taxes

NPT follows the *Accounting for Uncertainty in Income Taxes* standard, which requires NPT to report uncertain tax positions, related interest and penalties, and to adjust its assets and liabilities related to unrecognized tax benefits and accrued interest and penalties accordingly. As of December 31, 2024 and 2023, NPT determined there are no material unrecognized tax benefits to report.

Reclassification

Certain reclassifications have been made to the 2023 financial statement presentation to correspond to the current year's format. Net assets and changes in net assets are unchanged due to these classifications.

Subsequent Events

Subsequent events have been evaluated through July 11, 2025, the date the financial statements were available to be issued.

NOTE 2 ACCOUNTS RECEIVABLE

Accounts receivable consist of program receivables and other receivables. NPT's accounts receivable at December 31 are as follows:

	2024	2023
Accounts Receivable	\$ 326,267	\$ 223,061
Less: Reserve for Accounts Receivable	(2,435)	(2,435)
Total	\$ 323,832	\$ 220,626

NATIVE PLANT TRUST, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 3 GRANTS AND PLEDGES RECEIVABLE

Grants and pledges receivable consist of grants and pledges made to NPT payable in future years. NPT's grants and pledges receivable at December 31 are as follows:

	2024	2023
Grants and Pledges Receivable	\$ 3,444,839	\$ 3,491,589
Less: Discount (Using Rate of 3.88%)	-	(56,848)
Total	<u>\$ 3,444,839</u>	<u>\$ 3,434,741</u>

The reserve for bad debts is based on collection experience and other circumstances that may affect the ability of donors to meet their obligations. Amounts are written off when they are determined to be uncollectible.

In 2017, NPT was named a remainder man in a charitable remainder unitrust that upon termination, calls for a distribution of the residual to NPT. If the residual is not sufficient to cover \$3,000,000, then the original donor has pledged to fund the difference. Accordingly, NPT has reflected this transaction as contribution revenue and a pledge receivable to recognize the intended assets to be transferred to NPT at the end of the trust period.

Grants and pledges receivable are estimated to be collected as follows:

	2024	2023
One Year	\$ 3,444,839	\$ 3,288,741
Two to Five Years	-	202,848
Total	<u>\$ 3,444,839</u>	<u>\$ 3,491,589</u>

NOTE 4 PROPERTY AND EQUIPMENT

Property and equipment consist of the following at December 31:

	2024	2023
Land	\$ 995,066	\$ 962,966
Buildings	4,047,789	3,515,542
Furniture, Fixtures, and Equipment	895,917	651,984
Land Improvements	864,497	689,891
Construction In Progress	-	238,489
Subtotal	6,803,269	6,058,872
Less: Accumulated Depreciation	(3,342,759)	(3,174,235)
Total	<u>\$ 3,460,510</u>	<u>\$ 2,884,637</u>

Depreciation expense for the years ended December 31, 2024 and 2023 was \$168,529 and \$144,658, respectively.

NATIVE PLANT TRUST, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 5 INVESTMENTS

NPT records its investments at fair value. Interest, dividends, and mutual fund distributions are recorded when earned. Gains and losses are recognized as incurred upon sale or based on fair value changes during the period. Investment income is allocated to the endowment funds based on beginning of the year asset allocation (see Note 11).

Investments include endowment funds. Accordingly, these investments have been classified as noncurrent assets in the accompanying statements of financial position regardless of maturity or liquidity, consistent with NPT's intent.

NPT's endowment has been invested in a portfolio of index mutual funds, exchange traded funds, money market, and stocks which are not insured and are subject to ongoing market fluctuations. The board approved the asset allocation recommendation of the investment committee that a consistent allocation of funds among asset classes would result in competitive performance and reduced costs.

The investment committee meets periodically to review the target allocation among asset classes and to decide the degree to which the total portfolio should be re-balanced toward those targets.

The target allocation is as follows:

Liquid Reserves	0% to 5%
Fixed Income	25% to 35%
Equities	65% to 75%

NATIVE PLANT TRUST, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 5 INVESTMENTS (CONTINUED)

The following is a summary of the investment portfolio and unrealized appreciation as of December 31:

	2024		
	Cost	Fair Value	Unrealized Appreciation
EQUITY			
Mutual Funds:			
Vanguard Total International Stock Index Fund Admiral	\$ 1,956,249	\$ 2,027,417	\$ 71,168
Vanguard Total Stock Market Index Fund Institutional	<u>3,681,328</u>	<u>4,913,307</u>	<u>1,231,979</u>
Total Mutual Funds - Equity	<u>5,637,577</u>	<u>6,940,724</u>	<u>1,303,147</u>
FIXED INCOME			
Mutual Funds:			
Vanguard Total Bond Market Index Fund Admiral	1,435,705	1,440,671	4,966
Vanguard Intermediate-Term Investment Grade Fund Admiral	499,915	509,929	10,014
Vanguard Long-Term Investment Grade Fund Admiral	292,582	287,097	(5,485)
Vanguard Short-Term Investment Grade Fund Admiral	<u>629,852</u>	<u>645,709</u>	<u>15,857</u>
Total Mutual Funds - Fixed Income	<u>2,858,054</u>	<u>2,883,406</u>	<u>25,352</u>
MONEY MARKET ACCOUNTS			
Total	<u>431,676</u>	<u>431,676</u>	<u>-</u>
	<u><u>\$ 8,927,307</u></u>	<u><u>\$ 10,255,806</u></u>	<u><u>\$ 1,328,499</u></u>

NATIVE PLANT TRUST, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 5 INVESTMENTS (CONTINUED)

	2023		
	Cost	Fair Value	Unrealized Appreciation (Depreciation)
EQUITY			
Mutual Funds:			
Vanguard Total International Stock Index Fund Admiral	\$ 1,805,237	\$ 1,842,922	\$ 37,685
Vanguard Total Stock Market Index Fund Institutional	<u>4,162,660</u>	<u>4,396,507</u>	<u>233,847</u>
Total Mutual Funds - Equity	<u>5,967,897</u>	<u>6,239,429</u>	<u>271,532</u>
FIXED INCOME			
Mutual Funds:			
Vanguard Total Bond Market Index Fund Admiral	1,257,727	1,293,700	35,973
Vanguard Intermediate-Term Investment Grade Fund Admiral	444,630	462,487	17,857
Vanguard Long-Term Investment Grade Fund Admiral	252,895	267,828	14,933
Vanguard Short-Term Investment Grade Fund Admiral	<u>557,875</u>	<u>569,559</u>	<u>11,684</u>
Total Mutual Funds - Fixed Income	<u>2,513,127</u>	<u>2,593,574</u>	<u>80,447</u>
MONEY MARKET ACCOUNTS	<u>1,703,089</u>	<u>1,703,089</u>	<u>-</u>
Total	<u><u>\$ 10,184,113</u></u>	<u><u>\$ 10,536,092</u></u>	<u><u>\$ 351,979</u></u>

The following schedule summarizes the investment return and its classification in the statements of activities for the years ended December 31:

	2024	2023
Interest and Dividends	\$ 268,515	\$ 258,029
Net Realized Gains	189	2,386,859
Net Unrealized Gains (Losses)	<u>981,279</u>	<u>(1,137,823)</u>
Total Investment Returns	<u>1,249,983</u>	<u>1,507,065</u>
Less: Investment Return Designated for Operations	<u>329,319</u>	<u>310,629</u>
Investment Returns, Net of Spending Policy	<u><u>\$ 920,664</u></u>	<u><u>\$ 1,196,436</u></u>

NATIVE PLANT TRUST, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 6 ASSETS HELD UNDER CHARITABLE REMAINDER TRUSTS

NPT has been designated as trustee for three trusts, which are presented in the statements of financial position as Assets Held in Charitable Remainder Trusts. The fair value of assets held by the trusts is reported as an asset. The asset is offset by a liability presented in the statements of financial position as Due to Other Beneficiaries of Charitable Remainder Trusts for the estimated payments due to those other beneficiaries.

The interests in the charitable remainder trusts are valued using investment market values, as well as discount rates and assumptions about donor life expectancies.

NOTE 7 BENEFICIAL INTEREST IN NET ASSETS OF THIRD-PARTY TRUST

NPT has an interest in a trust managed by an independent third-party trustee, which is presented in the statements of financial position as Beneficial Interest in Third-Party Trust. NPT has legally enforceable rights or claims to such assets, including the right to income therefrom. However, the trust documents governing the distributions of income provide that should NPT depart from its original exempt purposes, the trustee could remove NPT as beneficiary. NPT does not have variance power over the trust's portfolio.

The interest in the charitable remainder trust is estimated based on the fair value of the underlying investments held by the trust, as well as a discount rate and assumption about the donor's life expectancy.

NOTE 8 ANNUITIES PAYABLE

NPT has entered into several charitable gift annuity agreements where donors make contributions to NPT in exchange for fixed lifetime annuities (also see Note 1). The estimated present value of the future payments to the donors is recorded as a liability. The balance of the liability as of December 31, 2024 and 2023 was \$8,553 and \$9,382, respectively. The value and future minimum payments of annuities payable are determined based upon the life expectancy of the donor and discounted using a rate of 1.80%.

NOTE 9 RESTRICTIONS AND LIMITATION ON NET ASSET BALANCES

As of December 31, NPT's net assets without donor restrictions were allocated as follows:

	2024	2023
Operating	\$ 1,505,978	\$ 1,603,709
Board-Designated for Capital Expenditures	1,736	8,610
Property and Equipment	3,460,510	2,646,148
Development of Websites, Net	266,894	599,480
Total	\$ 5,235,118	\$ 4,857,947

NATIVE PLANT TRUST, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 9 RESTRICTIONS AND LIMITATION ON NET ASSET BALANCES (CONTINUED)

As of December 31, NPT's net assets with donor restrictions were allocated as follows:

	2024	2023
Donor-Restricted Net Assets Not Invested in Perpetuity:		
Conservation Restrictions	\$ 237,273	\$ 107,022
Horticulture Restrictions	107,938	155,725
Capital Restrictions	54,677	497,276
Communications and Branding	25,000	-
Public Programs	196,778	217,110
Technology	-	9,735
Accumulated Earnings on Endowment Funds	3,820,792	2,913,910
Assets Held Under Trusts	540,261	502,523
Total	<u>\$ 4,982,719</u>	<u>\$ 4,403,301</u>
Donor-Restricted Net Assets Invested in Perpetuity		
the Income from Which is Expended for:		
General Endowment Fund	\$ 1,058,660	\$ 1,058,660
Conservation Endowment Fund	2,131,408	2,131,408
Garden in the Woods Endowment Fund	752,143	752,143
Seed Ark Endowment Fund	1,141,887	1,067,948
Intern Endowment Funds	958,385	958,385
The Future Fund	200,817	200,817
Sanctuaries Endowment Funds	78,731	55,731
Other:		
Charitable Remainder Trusts	239,980	233,449
Pledge Receivable	3,000,000	3,000,000
Total	<u>\$ 9,562,011</u>	<u>\$ 9,458,541</u>

Donors have established funds for NPT in community foundations around New England, which are not included in the accompanying statements of financial position, because the community foundations generally maintain variance power over usage and distribution of funds. These funds generally receive small donations on an annual basis.

Net assets during the years ended December 31 were released from donor restrictions for the following purposes:

	2024	2023
Purpose Restriction	\$ 328,632	\$ 619,690
Capital and Equipment Restrictions	915,506	352,789
Total	<u>\$ 1,244,138</u>	<u>\$ 972,479</u>

NATIVE PLANT TRUST, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 10 FAIR VALUE MEASUREMENTS

NPT uses fair value measurements to record fair value adjustments to assets to determine fair value disclosures. The assets and liabilities recorded at fair value are adjusted and disclosed based on the measurements disclosed in Note 1.

The following tables present NPT's fair value hierarchy for those assets and (liabilities) measured at fair value on a recurring basis as of December 31:

	2024		
	Level 1	Level 2	Level 3
Investments (See Note 5)	\$ 10,255,806	\$ -	\$ -
Assets Held Under Charitable Remainder Trusts:			
Equity	\$ 1,250,868	\$ -	\$ -
Fixed Income	488,366	-	-
Assets Held Under Charitable Remainder Trusts Total	<u>\$ 1,739,234</u>	<u>\$ -</u>	<u>\$ -</u>
Due to Other Beneficiaries of Charitable Remainder Trusts	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,176,656)</u>
Beneficial Interest in Third-Party Trust	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 116,601</u>
Annuities Payable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (8,553)</u>
2023			
	Level 1	Level 2	Level 3
Investments (See Note 5)	\$ 10,536,092	\$ -	\$ -
Assets Held Under Charitable Remainder Trusts:			
Equity	\$ 1,143,569	\$ -	\$ -
Fixed Income	481,616	-	-
Assets Held Under Charitable Remainder Trusts Total	<u>\$ 1,625,185</u>	<u>\$ -</u>	<u>\$ -</u>
Due to Other Beneficiaries of Charitable Remainder Trusts	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,098,296)</u>
Beneficial Interest in Third-Party Trust	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 108,022</u>
Annuities Payable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (9,382)</u>

NATIVE PLANT TRUST, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 10 FAIR VALUE MEASUREMENTS (CONTINUED)

The following summarizes changes in the fair value of NPT's assets and liabilities classified as Level 3:

Due to Other Beneficiaries of Charitable Remainder Trusts - December 31, 2022	\$ 995,709
Current Additions	-
Changes in Value of Split-Interest Agreements	<u>102,587</u>
Due to Other Beneficiaries of Charitable Remainder Trusts - December 31, 2023	1,098,296
Current Additions	-
Changes in Value of Split-Interest Agreements	<u>78,360</u>
Due to Other Beneficiaries of Charitable Remainder Trusts - December 31, 2024	<u><u>\$ 1,176,656</u></u>
Beneficial Interest in Third-Party Trust - December 31, 2022	\$ 98,584
Changes in Value of Split-Interest Agreements	<u>9,438</u>
Beneficial Interest in Third-Party Trust - December 31, 2023	108,022
Changes in Value of Split-Interest Agreements	<u>8,579</u>
Beneficial Interest in Third-Party Trust - December 31, 2024	<u><u>\$ 116,601</u></u>
Annuities Payable - December 31, 2022	\$ 9,963
Changes in Value of Split-Interest Agreements	<u>1,634</u>
Payments	<u>(2,215)</u>
Annuities Payable - December 31, 2023	9,382
Changes in Value of Split-Interest Agreements	<u>1,386</u>
Payments	<u>(2,215)</u>
Annuities Payable - December 31, 2024	<u><u>\$ 8,553</u></u>

An income approach valuation technique is used for assets held under charitable remainder trusts, due to other beneficiaries of charitable remainder trusts, and beneficial interest in net assets of third parties.

NOTE 11 ENDOWMENT FUNDS

The NPT Endowment Fund consists of various donor-restricted endowment funds (See Note 9). Net assets associated with endowment funds are classified and reported based on the existence of donor-imposed restrictions.

NPT is subject to the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA) and is required to make disclosures about endowment funds.

NPT has adopted an investment policy for endowment assets. Under this policy, as approved by the board, the primary long-term financial objective is to preserve the value of the endowment investment portfolio.

NATIVE PLANT TRUST, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 11 ENDOWMENT FUNDS (CONTINUED)

NPT has also adopted an investment spending policy related to its endowment assets. The board designates only a portion of NPT's cumulative investment return for support of operations. The remainder is retained to support operations of future years and to offset potential market declines. Massachusetts state law allows the trustees to appropriate as much of the net asset appreciation of donor-restricted endowments as is prudent considering NPT's long and short-term needs, present and anticipated financial requirements, expected total return on its investments, price level trends, and general economic conditions. Under NPT's spending policy, up to 5% of the most recent 13 quarters' average of the fair value of the investments is appropriated to support operations. However, the board may approve spending in excess of the spending policy based on individual facts and circumstances as deemed prudent. For more than ten years, the Board has appropriated a spend of 4.1% annually.

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor requires NPT to retain as a fund of perpetual duration. NPT had no such deficiencies of this nature for the years ended December 31, 2024 and 2023.

The endowment net assets include a beneficial interest in a third-party trust which is not subject to UPMIFA. In addition, NPT has not included endowment assets that are included in pledges receivable in the endowment fund disclosures as they have not yet been collected by NPT.

NATIVE PLANT TRUST, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 11 ENDOWMENT FUNDS (CONTINUED)

Changes in endowment net assets by class are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total Endowment
Endowment Net Assets -			
December 31, 2022	\$ -	\$ 7,886,987	\$ 7,886,987
Contributions	- -	340,170	340,170
Change in Value of Interest in Charitable Remainder Trust	- -	44,699	44,699
Investment Income:			
Interest and Dividends	- -	172,318	172,318
Net Realized and			
Unrealized Gains	- -	1,238,906	1,238,906
Appropriation of Endowment Assets for Spending Policy	- -	(310,629)	(310,629)
Endowment Net Assets -			
December 31, 2023	- -	9,372,451	9,372,451
Contributions	- -	96,940	96,940
Change in Value of Interest in Charitable Remainder Trust	- -	6,530	6,530
Investment Income:			
Interest and Dividends	- -	237,076	237,076
Net Realized and			
Unrealized Gains	- -	999,125	999,125
Appropriation of Endowment Assets for Spending Policy	- -	(329,319)	(329,319)
Endowment Net Assets -			
December 31, 2024	<u>\$ -</u>	<u>\$ 10,382,803</u>	<u>\$ 10,382,803</u>

NOTE 12 COLLECTIONS AND PATENTS

The botanic collection at NPT's Garden in the Woods (the Garden) consists of approximately 1,500 varieties of plants native to North America, with a focus on plants from the ecoregions of New England. The Garden also has a nationally accredited collection of 21 species of trilliums. At Garden in the Woods, plants are displayed in naturalistic arrangements intended to inspire in visitors a greater appreciation of wild flora and to educate them about the conservation of native plants.

NPT has a library of approximately 3,500 volumes of material related to botany and horticulture; approximately 35,000 images of native plants, regional flora, and habitats; approximately 3,740 specimen sheets of New England native plants; and 320 plant taxa in the seed bank.

These materials serve the members of NPT, the staff, and the general public. In accordance with accounting principles generally accepted in the United States of America, none of these collections are capitalized, and there were no acquisitions expensed during the years ended December 31, 2024 and 2023.

**NATIVE PLANT TRUST, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 12 COLLECTIONS AND PATENTS (CONTINUED)

NPT holds a U.S. Plant Patent No. U.S. PP15187 P3 for *Polemonium Reptans* named "Stairway to Heaven." The patent is dated September 28, 2004 and is being amortized over 15 years. The cost of the patent was \$10,516 and is included in property and equipment. For each of the years ended December 31, 2024 and 2023, amortization expense of \$16 was included in depreciation expense in the accompanying statements of functional expenses.

NOTE 13 PENSION PLAN

NPT has a defined contribution pension plan covering eligible employees under Section 403(b) of the IRC. Any employee at least 21 years of age is eligible to participate. Upon completion of two years of service, NPT matches 100% of employee contributions, up to 5% of employee compensation, to a maximum of \$5,000. Employees are eligible to make voluntary contributions to the plan within statutory limits. All contributions to the plan are immediately vested. Pension costs charged to operations amounted to \$53,923 and \$53,398 for the years ended December 31, 2024 and 2023, respectively.

NOTE 14 CONCENTRATIONS

NPT maintains cash and cash equivalents in a Massachusetts bank and is insured up to the limits of the Federal Deposit Insurance Corporation (FDIC). At certain times during the year, cash balances may exceed the insured amount. NPT has not experienced any losses in such accounts, and management does not believe there is exposure to significant credit risk related to the cash and cash equivalents.

For the year ended December 31, 2024, 12% of total grant and contribution revenue was from one donor.

NOTE 15 AVAILABLE RESOURCES AND LIQUIDITY

NPT regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. NPT has various sources of liquidity at its disposal, including cash and cash equivalents, money market accounts, indexed mutual funds, and stocks.

For purposes of analyzing resources available to meet general expenditures over a 12-month period, NPT considers all expenditures related to its ongoing activities of conservation, education, horticulture, member services, retail shops, as well as the conduct of services undertaken to support those activities, to be general expenditures.

NATIVE PLANT TRUST, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 15 AVAILABLE RESOURCES AND LIQUIDITY (CONTINUED)

In addition to financial assets available to meet general expenditures over the next 12 months, NPT operates a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources. NPT considers the following to be available to meet cash needs for general expenditures: investment income without donor restrictions, investment return designated for current operations, contributions without donor restrictions, and contributions with donor restrictions for use in current programs.

As of December 31, 2024 and 2023, the following shows the total liquid financial assets held by NPT and the amounts of those financial assets that could be readily made available within one year of the statement of financial position date to meet general expenditures:

	<u>2024</u>	<u>2023</u>
Financial Assets:		
Cash and Cash Equivalents	\$ 1,726,791	\$ 1,011,103
Accounts Receivable, Net	323,832	220,626
Current Portion of Grants and Pledges Receivable, Net	3,444,839	3,288,741
Investments Convertible to Cash in the Next 12 Months	<u>10,255,806</u>	<u>10,536,092</u>
Total Financial Assets	15,751,268	15,056,562
Less: Donor-Imposed Restricted Funds	(621,666)	(986,868)
Less: Endowment Funds	<u>(10,142,823)</u>	<u>(9,139,002)</u>
Total Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	<u>\$ 4,986,779</u>	<u>\$ 4,930,692</u>

Donor-imposed restricted funds include financial assets that may be utilized within one year of the statement of financial position dates for program expenses.

NATIVE PLANT TRUST, INC.
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NOTE 16 LEASES

NPT is committed to annual payments under several long-term noncancelable finance and operating leases for office equipment and space through 2033.

The following table provides quantitative information concerning NPT's leases:

	<u>2024</u>	<u>2023</u>
Lease Cost:		
Amortization of Right-of-Use Assets	\$ 5,492	\$ 2,388
Interest on Lease Liabilities	623	363
Operating Lease Cost	240,756	40,126
Total Lease Cost	<u>\$ 246,871</u>	<u>\$ 42,877</u>
Other Information:		
Cash Paid for Amounts included in the Measurement of Lease Liabilities:		
Operating Cash Flows from Finance Leases	\$ 5,919	\$ 2,267
Operating Cash Flows from Operating Leases	207,037	-
Right-of-Use Assets Obtained in Exchange for New Finance Lease Liabilities	-	10,842
Right-of-Use Assets Obtained in Exchange for New Operating Lease Liabilities	-	1,893,213
Weighted-Average Remaining Lease Term - Finance Leases	2.28 Years	3.26 Years
Weighted-Average Remaining Lease Term - Operating Leases	8.83 Years	9.83 Years
Weighted-Average Discount Rate - Finance Leases	4.13%	4.25%
Weighted-Average Discount Rate - Operating Leases	4.77%	4.77%

NPT classifies total undiscounted lease payments that are due in the next 12 months as current. A maturity analysis of annual undiscounted cash flow for lease liabilities as of December 31, 2024 is as follows:

<u>Year Ending December 31,</u>	<u>Finance</u>	<u>Operating</u>	<u>Total</u>
2025	\$ 5,919	\$ 230,264	\$ 236,183
2026	5,255	235,069	240,324
2027	1,451	239,875	241,326
2028	-	244,680	244,680
2029	-	249,486	249,486
Thereafter	-	1,001,144	1,001,144
Total Undiscounted Cash Flows	12,625	2,200,518	2,213,143
Less: Amounts Representing Interest	(565)	(411,223)	(411,788)
Total Present Value	\$ 12,060	\$ 1,789,295	\$ 1,801,355

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NOTE 17 EMPLOYEE RETENTION CREDITS

Grants from the government are recognized when all conditions of such grants are fulfilled or there is reasonable assurance that they will be fulfilled. The Employee Retention Credit (ERC) was introduced as part of the Coronavirus Aid, Relief and Economic Security Act (CARES Act), which was signed into law on March 27, 2020. The ERC is a refundable tax credit against certain wages paid by an eligible employer. NPT complied with the conditions of ERC funding and recognized revenue of \$416,869, of which \$212,425 is in accounts receivable, for the years ended December 31, 2024, and 2023. There were no credits recognized as revenue for the year ended December 31, 2024.



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