



AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024



Independent Auditor's Report

The Board of Directors
Nature For Justice
Falls Church, VA

Opinion

We have audited the accompanying financial statements of Nature For Justice (the Organization), which comprise the statement of financial position as of December 31, 2024, and 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 the Organization as of December 31, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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 the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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The Board of Directors
Nature For Justice
Falls Church, VA

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited the Organization's 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated April 22, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.



Certified Public Accountants

Bethesda, Maryland
April 10, 2025

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Nature For Justice

Statement of Financial Position

December 31, 2024

With Comparative Totals As of December 31, 2023

	Assets	
	<u>2024</u>	<u>2023</u>
Cash and Cash Equivalents	\$ 756,650	\$ 927,876
Pledges Receivable	1,360,158	192,453
Total Assets	<u>\$ 2,116,808</u>	<u>\$ 1,120,329</u>
Liabilities and Net Assets		
Liabilities		
Accounts Payable and Accrued Expenses	\$ 154,718	\$ 234,753
Notes Payable	307,290	-
Total Liabilities	<u>462,008</u>	<u>234,753</u>
Net Assets		
Without Donor Restrictions	1,361	140,204
With Donor Restrictions	<u>1,653,439</u>	<u>745,372</u>
Total Net Assets	<u>1,654,800</u>	<u>885,576</u>
Total Liabilities and Net Assets	<u>\$ 2,116,808</u>	<u>\$ 1,120,329</u>

See Accompanying Notes to Financial Statements

Nature For Justice

**Statement of Activities
For the Year Ended December 31, 2024
With Comparative Totals For the Year Ended December 31, 2023**

	2024			2023
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Support and Revenues				
Contributions and Grants	\$ 1,194,118	\$ 1,718,209	\$ 2,912,327	\$ 918,051
In-Kind Contributions	-	-	-	1,092
Contract Services	558,895	-	558,895	1,764,799
Catalyst Funding	-	-	-	5,000
Interest Income	134	-	134	470
Other Income	21,391	-	21,391	37
Net Assets Released From Restrictions	810,142	(810,142)	-	-
Total Support and Revenues	<u>2,584,680</u>	<u>908,067</u>	<u>3,492,747</u>	<u>2,689,449</u>
Expenses				
Program Services	2,323,853	-	2,323,853	1,957,852
Supporting Services				
General and Administrative	356,111	-	356,111	438,411
Fundraising	43,559	-	43,559	39,355
Total Supporting Services	<u>399,670</u>	<u>-</u>	<u>399,670</u>	<u>477,766</u>
Total Expenses	<u>2,723,523</u>	<u>-</u>	<u>2,723,523</u>	<u>2,435,618</u>
Changes in Net Assets	(138,843)	908,067	769,224	253,831
Net Assets, Beginning of Period	<u>140,204</u>	<u>745,372</u>	<u>885,576</u>	<u>631,745</u>
Net Assets, End of Period	<u>\$ 1,361</u>	<u>\$ 1,653,439</u>	<u>\$ 1,654,800</u>	<u>\$ 885,576</u>

See Accompanying Notes to Financial Statements

Nature For Justice

**Statement of Functional Expenses
For the Year Ended December 31, 2024
With Comparative Totals For the Year Ended December 31, 2023**

	2024				2023
	Program Services	General and Administrative	Fundraising	Total	Total
Personnel Costs	\$ 492,150	\$ 159,553	\$ 30,826	\$ 682,529	\$ 465,372
Farmer Support	755,038	-	-	755,038	440,981
Professional Services	917,578	143,155	7,290	1,068,023	1,327,935
Subscription and Fees	22	31,785	1,782	33,589	21,894
Supplies and Equipment	624	662	65	1,351	6,716
Insurance	-	6,386	-	6,386	10,235
Travel	106,380	14,220	3,596	124,196	155,070
Conferences and Meetings	12,720	350	-	13,070	6,665
Awards and Grants	39,341	-	-	39,341	750
Total Expenses	\$ 2,323,853	\$ 356,111	\$ 43,559	\$ 2,723,523	\$ 2,435,618

See Accompanying Notes to Financial Statements

Nature For Justice

Statement of Cash Flows For the Year Ended December 31, 2024 With Comparative Totals For the Year Ended December 31, 2023

	<u>2024</u>	<u>2023</u>
Cash Flows from Operating Activities		
Change in Net Assets	\$ 769,224	\$ 253,831
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by (Used in) Operating Activities		
<u>(Increase) Decrease in Assets</u>		
Pledges Receivable	(1,167,705)	(147,233)
<u>Increase (Decrease) in Liabilities</u>		
Accounts Payable and Accrued Expenses	(80,035)	189,395
Due To Related Party	-	(4,079)
Net Cash Provided by (Used in) Operating Activities	<u>(478,516)</u>	<u>291,914</u>
Cash Flows from Financing Activities		
Proceeds from Notes Payable	<u>307,290</u>	<u>-</u>
Net Cash Provided By (Used in) Financing Activities	<u>307,290</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(171,226)	291,914
Cash and Cash Equivalents, Beginning of Period	<u>927,876</u>	<u>635,962</u>
Cash and Cash Equivalents, End of Period	<u>\$ 756,650</u>	<u>\$ 927,876</u>

See Accompanying Notes to Financial Statements

Nature For Justice

Notes to Financial Statements December 31, 2024

1. ORGANIZATION AND PURPOSE

Nature For Justice (the Organization) was incorporated in 2020 to mobilize funds and provide the necessary technical resources to leading, in-country organizations working with local, indigenous communities to achieve climate resiliency. The Organization believes climate change has left no region on Earth untouched. The climate crisis is disrupting livelihoods, supply chains, food security, and the health and welfare of over a billion people, particularly those living in frontline communities. The Organization's programs are funded by grants and contributions.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles (US GAAP), which requires the Organization to report information regarding its financial position and activities in accordance with the accrual basis of accounting and 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 the Board of Directors.

Net Assets With Donor Restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions 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 the funds be maintained in perpetuity.

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.

Use of Estimates

The preparation of the financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period.

Accordingly, actual results could differ from those estimates.

Nature For Justice

Notes to Financial Statements December 31, 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash Equivalents

The Organization considers all cash and other highly-liquid investments with initial maturities of three months or less to be cash equivalents. Cash and money market funds held in investment accounts with investment institutions are classified as investments on the statement of financial position.

Pledges Receivable

Unconditional promises to give that are expected to be collected within one year are recorded as current pledges receivable at their net realizable values in the period in which the Organization is notified by the donor of his or her commitment to make a contribution. Unconditional promises to give that are expected to be collected in future years are reflected as long-term pledges in net assets with donor restrictions at the net present value of their estimated future cash flows using risk-adjusted interest rates. Amortization of the discount on long-term pledges receivable is reflected as contribution revenue. Conditional promises to give are recognized when conditions on which they depend are substantially met. Uncollectible amounts are charged off against the allowance for doubtful accounts once management determines an account, or a portion thereof, to be worthless. There is no allowance for doubtful accounts at December 31, 2024.

Revenue Recognition

Contributions and grants are classified as either conditional or unconditional. Unconditional contributions and grants, including unconditional promises to give are recognized at fair value when the commitment to contribute is received and are reported as without donor restrictions revenue and support unless specifically restricted by the donor or by law. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as revenue and support with donor restrictions. Revenue is recognized on a conditional contribution or grant once a barrier or hurdle to be entitled to the resource is overcome and the resource provider is released from the obligation to fund or has the right of return of any advanced funding if the Organization fails to overcome the barrier. Any funding received prior to overcoming the barrier is recognized as refundable advance. Revenue is recognized as net assets without donor restrictions if the restrictions are satisfied in the same period as the support is received, otherwise when a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

As of December 31, 2024, there were no conditional contributions that have not been recognized.

Nature For Justice

Notes to Financial Statements December 31, 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition (Continued)

Contract revenue represents service revenue that the Organization provides to other organizations. The revenue is recognized as the services are performed through the five-step model prescribed by the Financial Accounting Standards Board (FASB) in the Accounting Standards Codification (ASC), Revenue from Contracts with Customers: (1) identification of the contract with a customer; (2) identification of the performance obligations in the contract; (3) determination of the transaction price; (4) allocation of the transaction price to the performance obligations in the contract; and (5) recognition of revenue when a performance obligation is met.

Functional Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, the categories of expenses that are attributable to more than one program or supporting function have been allocated among the programs and supporting services based on time and effort.

Income Tax Status

The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and is not a private foundation. However, income from certain activities not directly related to the Organization's tax-exempt purpose is subject to taxation as unrelated business income. The Organization did not receive any unrelated business taxable income during the year ended December 31, 2024 and, therefore, has no provision for income taxes in the accompanying financial statements. The Organization believes it has appropriate support for any tax position taken and, as such, does not have any uncertain tax positions that are material to the financial statements. The Organization reported no penalties and interest related to income tax expense on uncertain tax positions for the year ended December 31, 2024. Generally, the three prior tax years are subject to examination by the Internal Revenue Service.

Reclassifications

Certain prior year amounts have been reclassified for consistency with the current period presentation. These reclassifications had no effect on the reported change in net assets.

Comparative Information

The financial statements include certain prior year summarized comparative information in total but not by net asset class. 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, 2023, from which the summarized information was derived.

Nature For Justice

Notes to Financial Statements December 31, 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subsequent Events

Management has evaluated subsequent events through April 10, 2025 the date which the financial statements were available to be issued.

3. CONCENTRATION OF CREDIT RISK

Bank deposit accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to a limit of \$250,000. As of December 31, 2024, bank balances exceeded the FDIC limit by approximately \$520,000.

4. NOTES PAYABLE

The Organization has a \$300,000 note payable with an unrelated third party that matures in July 2027. The note payable is interest free until August 2025 and then bears interest at the greater of the Long-Term Adjusted AFR or 2%. Principal and accrued interest are due at maturity.

The Organization also has a \$7,290 note payable with an officer of the Organization. The note is non-interest bearing and is due December 30, 2025.

5. NET ASSETS

Net assets with donor restrictions consist of the following as of December 31, 2024:

	<u>2023</u>	<u>Contributions</u>	<u>Releases</u>	<u>2024</u>
BIPOC Farmer Inclusion Program	\$ 127,946	\$ 230,000	\$ (119,249)	\$ 238,697
Indigenous-Led Conservation in Canada	<u>617,426</u>	<u>1,488,209</u>	<u>(690,893)</u>	<u>1,414,742</u>
Total	<u>\$ 745,372</u>	<u>\$ 1,718,209</u>	<u>\$ (810,142)</u>	<u>\$ 1,653,439</u>

Net assets without donor restrictions for the year ended December 31, 2024 were undesignated.

6. RELATED PARTY TRANSACTIONS

The Organization is related to N4J Catalyst through common members of management. There were no transactions with N4J catalyst during 2024.

As disclosed in Note 4, there is a note payable with the Organization and an officer.

During 2024, a family member of an officer was paid approximately \$10,500 for consulting services. Additionally, during 2024, an employee received approximately \$9,700 of farmer support.

Nature For Justice

Notes to Financial Statements December 31, 2024

7. LIQUIDITY AND AVAILABILITY

The following represents Organization's financial assets at December 31, 2024:

Financial Assets at Year End:	
Cash and Cash Equivalents	\$ 756,650
Pledges Receivable	1,360,158
	<hr/>
Total Financial Assets	2,116,808
	<hr/>
Less: Restricted Amounts Not Available To Be Used Within One Year:	
Donor-Restricted	1,653,439
Donor-Restricted To Be Used in Next Twelve Months	(1,653,439)
	<hr/>
	-
	<hr/>
Financial Assets Available to Meet General Expenditures Over the Next Twelve Months	\$ 2,116,808
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As part of the Organization's liquidity management plan, cash in excess of daily requirements is transferred to income-generating accounts.

8. SUBSEQUENT EVENTS

Subsequent to year end, the U.S. federal administration introduced a series of Executive Orders, memos, and federal agency guidance regarding new compliance obligations, cost considerations, and enforcement risks which may directly impact U.S. federal, state, and local grants. The implications of many of these measures are unclear. As a result, there is considerable uncertainty regarding the future availability of grant funding from U.S. government sources and its potential impact on the Organization's US-based Farmer Inclusion Program.