AMERICAN BIRDING ASSOCIATION, INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2024

AMERICAN BIRDING ASSOCIATION, INC.

TABLE OF CONTENTS

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

April 23, 2025

To the Board of Directors
American Birding Association, Inc.
Colorado Springs, Colorado

We have reviewed the accompanying financial statements of American Birding Association, Inc. (a not-for-profit 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. A review includes primarily applying analytical procedures to management's financial data and making inquiries of organization management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Accountant's Responsibility

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

We are required to be independent of American Birding Association, Inc. and to meet our other ethical responsibilities, in accordance with the relevant requirements related to our review.

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To the Board of Directors
American Birding Association, Inc.

Accountant's Conclusion

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

Summarized Comparative Information

We previously reviewed American Birding Association's December 31, 2023 financial statements and in our report dated July 1, 2024, stated that based on our procedures, we were not aware of any material modifications that should be made to the December 31, 2023 financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America. We are not aware of any material modifications that should be made to the summarized comparative information presented herein as of and for the year ended December 31, 2023 for it to be consistent with the reviewed financial statements from which it has been derived.

Barbacane, Thornton & Company LLP

BARBACANE, THORNTON & COMPANY LLP

AMERICAN BIRDING ASSOCATION, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2024 AND 2023

	2024	2023
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 453,522	$ 229,687
Accounts and contributions receivable, net	-	55,960
Prepaid expenses	11,953	5,060
Inventory	7,436	8,921
Total Current Assets	472,911	299,628
Intangible asset	100,000	100,000
TOTAL ASSETS	$ 572,911	$ 399,628
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable and accrued expenses	$ 106,082	$ 98,252
Current portion of deferred revenue	152,337	211,007
Total Current Liabilities	258,419	309,259
Long-term Liabilities:		
Long-term portion of deferred revenue	-	21,144
Total Liabilities	258,419	330,403
NET ASSETS		
Without donor restrictions	204,137	39,955
With donor restrictions	110,355	29,270
Total Net Assets	314,492	69,225
TOTAL LIABILITIES AND NET ASSETS	$ 572,911	$ 399,628

See independent accountant's review report.

AMERICAN BIRDING ASSOCIATION, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024
(With Summarized Comparative Information for the Year Ended December 31, 2023)

	Without Donor Restrictions	With Donor Restrictions	Totals 2024	Totals 2023
PUBLIC SUPPORT AND REVENUE WITHOUT DONOR RESTRICTIONS:				
Membership contributions	$ 393,019	$ -	$ 393,019	$ 404,458
Other contributions, grants, and contracts	684,569	112,500	797,069	364,626
Membership dues	280,850	-	280,850	238,157
Advertising	224,467	-	224,467	185,028
In-kind contributions	1,133	-	1,133	363,450
Other income	27,549	-	27,549	-
Publications production	14,044	-	14,044	17,568
Endorsements and royalties	21,786	-	21,786	35,940
Conferences and meetings	296,051	-	296,051	336,976
Satisfied program restrictions	31,415	(31,415)	-	-
TOTAL PUBLIC SUPPORT AND REVENUE WITHOUT DONOR RESTRICTIONS	1,974,883	81,085	2,055,968	1,946,203
EXPENSES AND LOSS:				
Program services:				
Conservation and community	883,222	-	883,222	736,605
Member services	648,736	-	648,736	561,112
Total Program Services	1,531,958	-	1,531,958	1,297,717
Supporting services:				
General and administrative	224,785	-	224,785	241,955
Membership development and fundraising	53,958	-	53,958	72,607
Total Supporting Services	278,743	-	278,743	314,562
TOTAL EXPENSES	1,810,701	-	1,810,701	1,612,279
Loss on impairment of asset	-	-	-	263,450
TOTAL EXPENSES AND LOSS	1,810,701	-	1,810,701	1,875,729
CHANGE IN NET ASSETS	164,182	81,085	245,267	70,474
NET ASSETS (DEFICIT), BEGINNING OF YEAR	39,955	29,270	69,225	(1,249)
NET ASSETS (DEFICIT), END OF YEAR	$ 204,137	$ 110,355	$ 314,492	$ 69,225

See independent accountant's review report.

AMERICAN BIRDING ASSOCIATION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024
(With Summarized Comparative Information for the Year Ended December 31, 2023)

	Program Services			Supporting Services		Totals	
	Conservation and Community	Member Services	Total Program Services	General and Administrative	Membership Development and Fundraising	2024	2023
EXPENSES:							
Bad debt	$ -	$ -	$ -	$ -	$ -	$ -	$ 30,006
Bank charges	-	3,560	3,560	389	-	3,949	6,237
Conferences and meetings	122,096	-	122,096	-	-	122,096	137,701
Contributions	-	-	-	-	-	-	2,485
Cost of sales	7,434	-	7,434	-	-	7,434	12,684
Dues and subscriptions	-	-	-	-	-	-	1,886
Employee benefits	49,414	23,243	72,657	24,947	4,888	102,492	75,589
Equipment rental	-	-	-	-	-	-	5,776
Insurance	-	-	-	12,222	-	12,222	16,605
Marketing and promotion	1,835	-	1,835	-	2,548	4,383	398
Miscellaneous	-	-	-	28,626	-	28,626	61,391
Occupancy	-	-	-	16,127	-	16,127	18,894
Payroll taxes	24,516	25,178	49,694	8,614	7,951	66,259	55,087
Professional fees	341,377	110,587	451,964	24,040	4,808	480,812	288,940
Printing and mailing	36,110	165,370	201,480	-	12,757	214,237	198,440
Salaries and wages	287,064	294,064	581,128	98,020	21,006	700,154	596,287
Supplies	13,376	25,722	39,098	1,892	-	40,990	53,286
Telephone	-	1,012	1,012	9,908	-	10,920	19,873
Travel	-	-	-	-	-	-	30,714
TOTAL EXPENSES	$ 883,222	$ 648,736	$ 1,531,958	$ 224,785	$ 53,958	$ 1,810,701	$ 1,612,279

See independent accountant's review report.

AMERICAN BIRDING ASSOCIATION, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	$ 245,267	$ 70,474
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Bad debt expense (recovery)	(8,141)	30,006
Contributed assets	-	(363,450)
Impairment loss on assets	-	263,450
(Increase) Decrease in accounts receivable, net	64,101	25,792
(Increase) Decrease in prepaid expenses	(6,893)	3,591
(Increase) Decrease in inventory	1,485	4,718
Increase (Decrase) in accounts payable and accrued liabilities	7,830	15,338
Increase (Decrease) in deferred revenue	(79,814)	(28,192)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	223,835	21,727
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	223,835	21,727
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	229,687	207,960
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 453,522	$ 229,687
SUPPLEMENTAL DISCLOSURES:		
Interest paid	$ -	$ -
Taxes paid	$ -	$ -

See independent accountant's review report.

NOTE A THE ORGANIZATION

American Birding Association, Inc. ("the Association") is a not-for-profit corporation, organized under the laws of the State of Delaware that works to grow and strengthen the birding community and to increase support for enhanced birding opportunities and habitat conservation. The Association provides leadership to field birders, increasing their knowledge, skills, and enjoyment of birding, promoting adoption of the ABA Code of Birding Ethics, and by contributions to bird conservation. The Association supports the interests of birders of all ages and experience. They promote field birding skills through meetings, workshops, publications, equipment, and guided involvement in birding; develop and disseminate information about birds, birders, and birding; and promote national and international birder networks. The Association actively encourages the conservation of birds and their habitats. The majority of the Association's revenues are derived from membership dues, other charitable contributions, and publication revenues. The Association's members are located in every state, province, and territory in the United States and Canada, as well as throughout North America and numerous countries worldwide.

NOTE B SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Association are prepared on the accrual basis of accounting.

Cash and Cash Equivalents

The Association considers all liquid investments with original maturities of three months or less to be cash equivalents. At December 31, 2024 and 2023, cash and cash equivalents consisted of the Association's checking and petty cash accounts and an undeposited fund account.

Accounts and Contributions Receivable

Accounts and contributions receivable are stated at the amount management expects to collect from balances outstanding at year-end. Management provides an allowance for doubtful accounts, which is based upon a review of outstanding receivables, historical collection information, and existing economic conditions. As of December 31, 2024 and 2023, receivables were recorded net of an allowance for doubtful accounts of $0 and $55,960, respectively.

Inventory

Inventory consists of various publications and apparel for sale to both members and non-members. Inventory is valued at the lower of first-in, first-out or net realizable value.

NOTE B SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Contributions

Contributions are recorded when received as without donor restrictions or with donor restrictions, depending on the existence or nature of any donor restrictions. When a donor restriction is met, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as satisfied program restrictions.

Donated Items and Services

The Association at times may receive donated items or securities. These items are valued at the estimated fair value and are recorded as in-kind donations and in-kind expense or asset, as appropriate, in the Association's financial statements.

Revenue from Contracts with Customers

Events – The Association receives revenue from sales related to various birding events. The revenue is recognized at the time of the event, which recognizes the completion of the Association's performance obligations.

Membership Revenue – During 2012, the Association restructured membership dues, allowing a portion of the dues collected to qualify for tax deductible charitable contributions. The Association began reporting the deductible contribution portion separately from the non-deductible dues on its financial statements, with the contributions recorded as revenue upon receipt, and the non-deductible dues deferred and recognized as revenue over the corresponding period of membership.

Sales Revenue – The Association receives revenue from the sale of merchandise and publications. The revenue is recognized upon sale when the performance obligations have been satisfied.

Royalties – The Association receives royalties on merchandise sold through ABA Sales. This revenue is recognized upon receipt as the performance obligations have been satisfied.

Advertising – The Association recognizes revenue from advertising contracts with sponsors and suppliers. Performance obligations in such contracts are satisfied as the publications are released, and revenue is recognized at that time.

Income Taxes

The Association qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, accordingly, is not subject to federal income tax. Accordingly, no income tax provision has been recorded.

NOTE B SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

The Association's Form 990, Return of Organization Exempt from Income Tax, is subject to examination by various taxing authorities, generally for three years after the date it was filed. Management of the Association believes that it does not have any uncertain tax positions that are material to the financial statements.

Use of Estimates

The preparation of financial statements in conformity 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, the disclosure of contingent liabilities, and the reported amounts of revenues and expenses. Actual results could differ from those estimates.

Functional Allocation of Expenses

The financial statements report certain categories of expenses that are attributed to one or more programs or supporting services of the Association. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include grants which are allocated fully to the related programs, as well as salaries and benefits, professional fees, rent, insurance, and other operating expenses, which are allocated on the basis of estimates of time and effort spent by personnel in the various program and supporting services.

NOTE C AVAILABLE RESOURCES AND LIQUIDITY

The following table reflects the Association's financial assets as of December 31, 2024 and 2023, reduced by amounts that are not available to meet general expenditures within one year of December 31, 2024 and 2023 because of contractual restrictions or internal board designations. Amounts not available include net assets with donor restrictions.

	2024	2023
Cash and cash equivalents	$ 453,522	$ 229,687
Accounts receivable, net	-	55,960
Total financial assets	453,552	285,647
Less: amounts with donor restrictions	(110,355)	(29,270)
Financial assets available within one year	$ 343,167	$ 256,377

As part of the Association's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Association manages their cash flow through regular monthly analysis of budgeted expenses compared to cash and cash equivalents.

NOTE D DEFERRED REVENUE

Deferred revenue at December 31, 2024 and 2023 consists of the following:

	2024	2023
Membership dues	$ 103,663	$ 158,448
Registration revenue	-	71,208
Event revenue	48,674	-
Advertising revenue	-	2,495
	152,337	232,151
Less: current portion of deferred revenue	(152,337)	(211,007)
Long-term portion of deferred revenue	$ -	$ 21,144

NOTE E NET ASSETS WITH DONOR RESTRICTIONS - TEMPORARY

Donor restricted net assets at December 31, 2024 and 2023 are available for the following purposes:

	2024	2023
Research	$ 10,000	$ -
Scholarship	355	-
Young Birders' Program	100,000	-
Birds Eye/NARBA	-	24,000
Birders Exchange Program	-	5,270
	$ 110,355	$ 29,270

Net assets are released from donor restrictions by incurring expenses that satisfy the restricted purpose or by satisfying the time restrictions. During the years ended December 31, 2024 and 2023, $31,415 and $2,032, respectively, in donor-restricted net assets were released for the Birders Exchange Program.

NOTE F EMPLOYEE BENEFIT PLAN

The Association has a SIMPLE retirement plan covering substantially all employees. Employees' voluntary contributions are matched by the Association up to three percent of annual compensation. Employer contributions were $20,819 and $15,728 for the years ended December 31, 2024 and 2023, respectively, and are included in employee benefits on the statement of functional expenses.

NOTE G LICENSING AGREEMENTS

The Association has entered into agreements with various vendors for which it receives royalty payments on all products they sell through ABA Sales. For the years ended December 31, 2024 and 2023, the Association earned $21,786 and $17,568, respectively, under these licensing agreements.

NOTE H INTANGIBLE ASSET

During the year ended December 31, 2023, the Association was gifted two software applications related to their charitable mission, which were valued at an initial cost of $363,450 by an independent appraisal as of the date of transfer. The Association has evaluated the future utility of these applications in their operations and has determined that their value to the Association at December 31, 2024 is $100,000. The Association has recognized an impairment loss of $263,450 based on this reassessment. Amortization has not been recognized on the asset in 2024, as the asset has not yet been implemented by the Association.

NOTE I SUBSEQUENT EVENTS

The Association has evaluated all subsequent events through April 23, 2025, the date the financial statements were available to be issued.