

**CENTRAL FLORIDA
ZOOLOGICAL SOCIETY, INC.**

**FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT**

JUNE 30, 2025 AND 2024

CENTRAL FLORIDA ZOOLOGICAL SOCIETY, INC.

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ERIN M PERDUE CPA LLC

INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of the Central Florida
Zoological Society, Inc.
Lake Monroe, Florida

Opinion

We have audited the accompanying financial statements of the Central Florida Zoological Society, Inc. (the "Society"), a nonprofit organization, which comprise the statements of financial position for the year ended June 30, 2025 and 2024, and the related statements of activities, 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 the Society as of the years then ended June 30, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis of Opinion

We conducted the 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 Central Florida Zoological Society, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to the audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit 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; 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 Central Florida Zoological Society, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 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 Central Florida Zoological Society, 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 Central Florida Zoological Society, 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.

Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Earnings Before Interest, Depreciation and Amortization is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



Orlando, Florida
January 15, 2026

The Central Florida Zoological Society, Inc.
 Statements of Financial Position
 June 30, 2025 and 2024

Assets	<u>2025</u>	<u>2024</u>
Cash & Cash Equivalents		
Unrestricted	\$ 2,642,981	\$ 3,214,445
Board designated reserves	270,000	438,697
Restricted for capital improvement	<u>407,000</u>	<u>433,000</u>
Cash & Cash Equivalents - total	3,319,981	4,086,142
Accounts receivable	4,482	315
Contribution receivable, net	3,215,491	3,229,097
Inventory	71,891	71,891
Prepaid and other assets	460,054	359,873
Botanical collection	43,338	43,338
Furniture and equipment, net	<u>9,908,081</u>	<u>9,926,908</u>
Total assets	<u><u>\$ 17,023,318</u></u>	<u><u>\$ 17,717,564</u></u>
Liabilities and Net Assets		
Accounts payable and accrued expenses	\$ 179,559	\$ 132,453
Accrued salaries	30,350	363,648
Deferred revenue	352,880	380,527
Equipment notes payable	-	44,483
Mortgage payable	<u>191,570</u>	<u>256,599</u>
Total liabilities	<u><u>754,359</u></u>	<u><u>1,177,710</u></u>
Net assets-		
With donor restrictions	3,402,389	3,402,389
Without donor restrictions	<u>12,866,570</u>	<u>13,137,465</u>
Total net assets	<u><u>16,268,959</u></u>	<u><u>16,539,854</u></u>
Total liabilities and net assets	<u><u>\$ 17,023,318</u></u>	<u><u>\$ 17,717,564</u></u>

See accompanying notes to the financial statements

The Central Florida Zoological Society, Inc.
Statements of Activities and Changes in Net Assets
For the Year Ended June 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenue:			
Gate receipts	\$ 3,055,872	\$ -	\$ 3,055,872
Guest services	308,901	-	308,901
Educational programs	606,834	-	606,834
Seminole County Tourist Development Council	350,000	-	350,000
State and local grants	815,347	-	815,347
Contributions:			
Cash	-	-	-
In kind	378,614	-	378,614
Pass-holder subscriptions	695,073	-	695,073
Promotional events	1,245,791	-	1,245,791
Gift shop	389,250	-	389,250
Concessions	347,178	-	347,178
Facilities rental fees	73,767	-	73,767
Investment earnings/loss	121,023	-	121,023
Seminole aerial adventures	28,176	-	28,176
Train and carousel income	41,631	-	41,631
Other operating income	273,090	-	273,090
Amortization-discount on contribution receivable	258,594	-	258,594
Net assets released from restrictions	-	-	-
Total revenue	8,989,141	-	8,989,141
Expenses:			
Program services:			
Zoological park	4,095,153	-	4,095,153
Guest services	1,202,424	-	1,202,424
Education	1,040,749	-	1,040,749
OCIC	497,961	-	497,961
Total program services	6,836,287	-	6,836,287
Supporting services:			
Management and general	1,700,338	-	1,700,338
Fundraising	723,411	-	723,411
Total supporting services	2,423,749	-	2,423,749
Total expenses	9,260,036	-	9,260,036
Changes in net assets	(270,895)	-	(270,895)
Net assets, beginning of the year	13,137,465	3,402,389	16,539,854
Net assets, end of year	<u>\$ 12,866,570</u>	<u>\$ 3,402,389</u>	<u>\$ 16,268,959</u>

See accompanying notes to the financial statements

The Central Florida Zoological Society, Inc.
Statements of Activities and Changes in Net Assets
For the Year Ended June 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenue:			
Gate receipts	\$ 3,110,192	\$ -	\$ 3,110,192
Guest services	216,193	-	216,193
Educational programs	474,683	-	474,683
Seminole County Tourist Development Council	340,000	-	340,000
State and local grants	783,997	-	783,997
Contributions:			
Cash	-	-	-
In kind	502,914	-	502,914
Pass-holder subscriptions	774,984	-	774,984
Promotional events	1,027,227	-	1,027,227
Gift shop	352,840	-	352,840
Concessions	289,251	-	289,251
Facilities rental fees	100,268	-	100,268
Investment earnings/loss	141,300	-	141,300
Seminole aerial adventures	110,762	-	110,762
Train and carousel income	121,260	-	121,260
Other operating income	285,848	-	285,848
Insurance proceeds	260,420.00	-	260,420
Amortization-discount on contribution receivable	260,307	-	260,307
Net assets released from restrictions	-	-	-
Total revenue	9,152,446	-	9,152,446
Expenses:			
Program services:			
Zoological park	4,369,970	-	4,369,970
Guest services	1,213,195	-	1,213,195
Education	1,021,648	-	1,021,648
OCIC	495,066	-	495,066
Total program services	7,099,879	-	7,099,879
Supporting services:			
Management and general	1,671,334	-	1,671,334
Fundraising	667,109	-	667,109
Total supporting services	2,338,443	-	2,338,443
Total expenses	9,438,322	-	9,438,322
Changes in net assets	(285,876)	-	(285,876)
Net assets, beginning of the year	13,423,341	3,402,389	16,825,730
Net assets, end of year	\$ 13,137,465	\$ 3,402,389	\$ 16,539,854

See accompanying notes to the financial statements

The Central Florida Zoological Society, Inc.
Schedule of Functional Expenses
For the Year Ended June 30, 2025

	Program Services					Support Services			Grand Total
	Zoological Park	Guest Services	Education	OCIC	Total	Management and General	Fundraising	Total	
Compensation and benefits	\$ 2,298,012	\$ 763,522	\$ 820,382	\$ 268,503	\$ 4,150,419	\$ 513,465	\$ 333,177	\$ 846,642	\$ 4,997,061
Animal Care	234,502	12,747	3,394	79,523	330,166	-	-	-	330,166
Advertising	-	38,297	32,761	2,563	73,621	-	61,809	61,809	135,430
Depreciation	549,988	182,439	26,321	5,448	764,196	6,585	-	6,585	770,781
Insurance	292,973	68,729	83,856	48,548	494,106	556,848	20,847	577,695	1,071,801
Supplies	77,130	7,706	15,290	11,494	111,620	69,180	14,592	83,772	195,392
Printing	36	21	185	9	251	350	6,127	6,477	6,728
Repair	280,383	26,218	18,459	15,674	340,734	14,325	10,323	24,648	365,382
Utilities	143,976	49,976	5,373	14,891	214,216	16,531	2,580	19,111	233,327
Professional fees	1,245	32,428	24,321	22,930	80,924	81,386	24,321	105,707	186,631
Event Expenses	-	1,223	265	16,339	17,827	-	199,761	199,761	217,588
Interest	-	-	-	-	-	16,496	-	16,496	16,496
Employee relations	17,854	4,865	5,290	602	28,611	54,374	713	55,087	83,698
Rent expense county	-	-	-	-	-	272,200	-	272,200	272,200
Rental	96,824	-	-	-	96,824	-	-	-	96,824
Other	102,230	14,253	4,852	11,437	132,772	69,593	49,161	118,754	251,526
Emergency operations	-	-	-	-	-	10,941	-	10,941	10,941
Taxes and Licenses	-	-	-	-	-	18,064	-	18,064	18,064
Total Expenses	\$ 4,095,153	\$ 1,202,424	\$ 1,040,749	\$ 497,961	\$ 6,836,287	\$ 1,700,338	\$ 723,411	\$ 2,423,749	\$ 9,260,036

See accompanying notes to the financial statements

The Central Florida Zoological Society, Inc.
Schedule of Functional Expenses
For the Year Ended June 30, 2024

	Program Services					Support Services			Grand Total
	Zoological Park	Guest Services	Education	OCIC	Total	Management and General	Fundraising	Total	
Compensation and benefits	\$ 2,155,554	\$ 716,190	\$ 769,525	\$ 251,858	\$ 3,893,127	\$ 481,634	\$ 312,523	\$ 794,157	\$ 4,687,284
Animal Care	236,707	12,867	3,426	80,271	333,271	-	-	-	333,271
Advertising	-	49,298	42,171	3,299	94,768	-	79,563	79,563	174,331
Depreciation	619,851	205,614	29,664	6,140	861,269	7,422	-	7,422	868,691
Insurance	282,209	66,204	80,775	46,764	475,952	536,390	20,081	556,471	1,032,423
Supplies	107,544	10,744	21,319	16,027	155,634	96,460	20,346	116,806	272,440
Printing	54	32	279	13	378	527	9,237	9,764	10,142
Repair	544,386	50,905	35,839	30,432	661,562	27,814	20,043	47,857	709,419
Utilities	138,637	48,123	5,174	14,339	206,273	15,919	2,484	18,403	224,676
Professional fees	1,150	29,944	22,458	21,174	74,726	75,153	22,458	97,611	172,337
Event Expenses	-	714	155	9,540	10,409	-	116,638	116,638	127,047
Interest	-	-	-	-	-	24,252	-	24,252	24,252
Employee relations	15,641	4,262	4,634	527	25,064	47,634	625	48,259	73,323
Rent expense county	-	-	-	-	-	272,200	-	272,200	272,200
Rental	136,997	-	-	-	136,997	-	-	-	136,997
Other	131,240	18,298	6,229	14,682	170,449	75,221	63,111	138,332	308,781
Emergency operations	-	-	-	-	-	159	-	159	159
Taxes and Licenses	-	-	-	-	-	10,549	-	10,549	10,549
Total Expenses	\$ 4,369,970	\$ 1,213,195	\$ 1,021,648	\$ 495,066	\$ 7,099,879	\$ 1,671,334	\$ 667,109	\$ 2,338,443	\$ 9,438,322

See accompanying notes to the financial statements

The Central Florida Zoological Society, Inc.
Statements of Cash Flows
For the Years Ended June 30, 2025 and 2024

	2025	2024
Cash flows from operating activities:		
Change in net assets	\$ (270,895)	\$ (285,876)
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	770,781	868,691
Change in non cash contribution receivable	13,606	11,893
Changes in operating assets and liabilities:		
Accounts receivable	(4,167)	1,366
Inventory	-	(12,546)
Prepaid expenses and other assets	(100,181)	(37,195)
Accounts payable and other liabilities	47,106	(589)
Accrued salaries	(333,298)	56,176
Unearned annual pass-holder subscriptions	(27,647)	(27,903)
Net cash provided by operating activities	95,305	574,017
Cash flows from investing activities:		
Net purchases of property and equipment	(751,954)	(1,077,579)
Cash flows from financing activities:		
Payments on equipment note payable	(44,483)	(68,210)
Payments on mortgage payable	(65,029)	(63,650)
Net cash used by financing activities	(109,512)	(131,860)
Change in cash	(766,161)	(635,422)
CASH, beginning of year	4,086,142	4,721,564
CASH, end of year	\$ 3,319,981	\$ 4,086,142
SUPPLMENTAL INFORMATION		
Interest paid	\$ 16,496	\$ 24,252
NONCASH TRANSACTIONS		
Fair market value of donated rent	\$ 272,200	\$ 272,200

See accompanying notes to the financial statements

**CENTRAL FLORIDA ZOOLOGICAL SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED
JUNE 30, 2025 AND 2024**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The Central Florida Zoological Society, Inc. (the “Society”) is a nonprofit organization that operates a zoological park and botanical gardens in Lake Monroe, Florida. In addition to exhibiting living animals and plants, the park has programs in wildlife education and conservation. The Society is an affordable family experience primarily funded by park admissions, concession and gift shop sales, and membership support. Additional funding is provided by Seminole County agencies and various grantors.

The vision is to empower guests to respect, value and care for our natural resources, as the Society commits to contributing, globally to the conservation and preservation of wildlife and regionally as a resource in the Central Florida area and beyond. The Society provides innovative and creative solutions through collaboration, practices and partnerships and the continued growth and development of the zoological park will further enhance its attraction to visitors outside the local community enabling us to bring national and international attention to the importance and ongoing efforts of wildlife sustainability.

Their core values are Protect, Innovate, Engage and Empower. Protect – they passionately commit their expertise and resources to saving animals and to ensuring their long-term survival. Innovate – they strive to discover solutions through progressive practices and partnerships in education, conservation and preservation. Engage – they connect people with wildlife and wild places and create opportunities to inspire their guests to respect, value and care for the natural world. Empower – they give their guests, staff, volunteers and the communities we serve the knowledge and tools to take positive action for all species.

The Society is a conservation resource providing experiences that excite and inspire children and adults to learn and act on behalf of wildlife and is committed to sharing our knowledge, engaging visitors, and celebrating our natural world. Conservation of animals is paramount; many endangered species entrusted to the zoo’s care may soon be extinct in the wild. Captive breeding programs may be their only hope for survival. Species Survival Plans (SSP), coordinated through the Association of Zoos & Aquariums, are attempting to maintain genetic diversity to ensure healthy, vigorous animals to reproduce now and in the future. Beyond this, SSPs participate in a variety of other cooperative conservation activities such as research, public education, re-introduction and field projects. The Society currently participates in 33 SSP programs.

The Society trains individuals to serve as volunteers in the education department as tour guides and zoo interpreters. In addition, many other individuals volunteer their time and effort on a variety of administrative, zoo events, and special projects related tasks. For the year ending June 30, 2025, 509 volunteers donated 27,561 hours of service.

CENTRAL FLORIDA ZOOLOGICAL SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED
JUNE 30, 2025 AND 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

The Society is a conservation resource providing experiences that educate, excite and inspire children and adults to learn and act on behalf of wildlife and is one of a handful of private non-profit zoos in the country and a great community resource that enhances the quality of life in Central Florida by offering a unique zoo experience. In efforts to educate the children of Central Florida premier educational experiences are offered that reaches over 100,000 school children a year through summer camps, programs and community outreaches.

The Society also operates the Orianna Center for Indigo Conservation (OCIC) located in east Lake County (approximately 20 miles from the zoo) and is home to a health care center, herpetarium, administrative offices and support facilities. The facility consists of 25 acres of land and three buildings totaling over 5,000 square feet. The main goal of the program is to facilitate a comprehensive approach to long-term captive breeding programs for eastern indigo snakes and the importance of conservation and promotion of public education and to foster tolerance of snakes in our natural communities.

Financial Statement Presentation

The Society prepares its financial statements on the accrual basis of accounting whereby revenues are recorded when earned and expenses are recorded when the obligation is incurred.

The financial statements are presented in accordance with Financial Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements for Not-for-Profit Entities*.

The Society reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions result from revenues generated by receiving contributions that have no donor restrictions, providing program-related services, raising contributions, and performing administrative functions.

Net assets with donor restrictions result from gifts of cash and other assets that are received with donor stipulations that limit the use of the donated assets, either temporarily or permanently, until the donor restriction expires, that is until the stipulated time restriction ends or the purpose of the restriction is accomplished, the net assets are restricted.

CENTRAL FLORIDA ZOOLOGICAL SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED
JUNE 30, 2025 AND 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Contributions

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities and Changes in Net Assets as net assets released from restrictions.

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions to be collected in future years are recorded at fair value when the promise is made based on a discounted cash flow model. Amortization of discounts is recorded as additional revenue in accordance with donor-imposed restrictions, if any, on the contributions. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor.

Property, Equipment and Animals

Land, buildings and equipment with a cost in excess of \$5,000 and purchased animals are capitalized at the time of purchase. Contributed assets in excess of \$5,000 are recorded at fair value when received. Reproduced animals are recorded at fair value when it is determined the animal will live.

Depreciation is computed on the straight-line method over the estimated useful lives of the related assets of three to ten (3-10) years for equipment, ten to forty (10-40) years for buildings, and two to twenty (2-20) years for animals.

Unearned Annual Pass-Holder Subscriptions

Unearned pass-holder subscriptions are revenue from annual zoo pass sales and are amortized over the year term of the pass.

Inventories

Inventories consist of items for resale and service supplies and are stated at the lower of cost (first-in/first-out basis) or net realizable value.

**CENTRAL FLORIDA ZOOLOGICAL SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED
JUNE 30, 2025 AND 2024**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Animal Exchange

The Society may share or receive animals from other zoos, the cost or benefit of this arrangement, as consistent with prevailing industry practices, are generally without any monetary considerations.

Donated Services and Materials

The Society trains individuals to serve as volunteer zoological docents. These individuals would not be compensated as employees if this program were to be discontinued. In addition, many other individuals volunteer their time and effort on a variety of administrative and fund-raising tasks. The value of these services has not been recorded in the financial statements. During the years ended June 30, 2025 and 2024, 509 volunteers donated 27,561 hours of service hours of service and 967 volunteers donated 24,110 hours of service, respectively.

Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that effect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

Botanical Collection

The Society maintains botanical exhibits throughout the zoological park to enhance the visitors' overall zoo experience. The botanical collection is reflected at cost, if purchased, and at fair market value if donated. Although management does not intend to sell any portions of the botanical collection, in the event they are sold the proceeds would be used to acquire similar botanical items.

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, cash equivalents include time deposits, savings accounts, and all highly liquid debt instruments with original maturities of three (3) months or less. The Society is required to hold certain cash balances in separate bank accounts.

**CENTRAL FLORIDA ZOOLOGICAL SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED
JUNE 30, 2025 AND 2024**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Income Taxes

The Society is exempt from income taxes under Section 501(c) (3) of the Internal Revenue Code. However, income from certain activities not directly related to the Society's tax-exempt purpose may be subject to taxation as unrelated business income. In addition, the Society qualifies as a public charity under Sections 509(a) (1) and 170(b) (1) (A) (vi) of the Internal Revenue Code.

The Society adopted the provisions of FASB Interpretation No. 48, *Accounting for Uncertainty in Income Taxes* (FASB ASC 740 – 10). Under this Interpretation, The Society is required to evaluate each of its tax positions to determine if they are more likely than not to be sustained if the taxing authority examines the respective position. A tax position includes an entity's status, including its status as a 501(c) (3), and the decision not to file a tax return. The Society has evaluated each of its tax positions and has determined that no provision or liability for income taxes is necessary.

Functional Expenses

The costs of providing program and other activities have been summarized on a functional basis in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among program services and support services benefited. Such allocations are determined by management on an equitable basis.

Advertising Costs

Advertising costs are expensed as incurred. During the years ended June 30, 2025 and June 30, 2024, advertising charged to operations amounted to approximately \$135,000 and \$102,000, respectively.

Subsequent Events

The Society has evaluated subsequent events through January 15, 2026, the date which the financial statements were available to be issued.

Accounts Receivable

Accounts receivables consist of balances due for revenues generated for day to day operations but not collected as of the end of the accounting period. Based upon an analysis of both past history and past due receivables, it is management's opinion that no allowance for uncollectible accounts is necessary. Charge-offs, when necessary, are performed after management has exhausted their efforts with respect to collecting the outstanding balance.

CENTRAL FLORIDA ZOOLOGICAL SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED
JUNE 30, 2025 AND 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Impairment

The Society periodically reviews its long-lived assets to be held and used in operations for impairment whenever events or changes in circumstances indicate the carrying value of an asset may not be recoverable. An impairment loss is recognized when the estimated undiscounted future cash flows from the assets are less than the carrying value of the assets.

Concentrations of Credit and Market risk

Financial instruments that potentially expose the society to concentrations of credit and market risk consist primarily of cash equivalents and investments. Cash equivalents are maintained at financial institutions and credit exposure is limited at any one institution. The Society has not experienced any losses on its cash equivalents.

NOTE 2 – CONTRIBUTION RECEIVABLE

In previous years, the Society entered into a land lease with Seminole County. The lease provides for the use of 96 acres of land for \$1 per year expiring in December 2062. The term of the lease is 50 years and provides for rental payments of \$1 per year. The fair value of the contribution of the leased property was estimated to be \$272,200 per year. As of June 30, 2025, the net present value of this balance is calculated to be \$3,215,491 (\$10,207,500 contribution receivable less \$6,992,009 unamortized discount on contribution receivable) and as of June 30, 2024 the net present value of this balance is calculated to be \$3,229,097 (\$10,479,700 contribution receivable less \$7,250,603 unamortized discount on contribution receivable) using an 8% interest rate, respectively. The amortization of the discount on contributions receivable is recognized as revenue annually as the discount is amortized.

**CENTRAL FLORIDA ZOOLOGICAL SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED
JUNE 30, 2025 AND 2024**

NOTE 3 – PROPERTY, EQUIPMENT AND ANIMALS

Property, equipment and animals consist of:

	2025	2024
Land and Improvements	\$ 1,197,707	\$ 1,197,707
Zoo buildings and grounds	6,429,081	6,429,081
Features and exhibits	9,593,754	8,532,978
Furniture, fixtures and equipment	989,408	989,408
Animals	296,730	292,430
Vehicles	451,342	451,342
Construction in progress	532,809	845,931
	19,490,831	18,738,877
Less: accumulated depreciation	(9,582,750)	(8,811,969)
Total property and equipment	\$ 9,908,081	\$ 9,926,908

Depreciation expense for the years ended June 30, 2025 and 2024 was \$770,781 and \$868,691, respectively.

NOTE 4 – NET ASSETS WITH DONOR RESTRICTIONS

As of June 30, 2025, and 2024 net assets with donor restrictions of \$407,000 and \$433,000 are restricted for capital improvements and \$3,215,491 and \$3,229,097 are restricted relative to the present fair value of the donated facilities from Seminole County, respectively.

NOTE 5 – DEBT

Credit Cards

The Society has various business credit cards issued by various national financial institutions with a combined line of credit of approximately \$60,000 and interest rates ranging from 18% to 23%. The aggregate balances of these credit cards are as of June 30, 2025 and 2024 were \$13,511 and \$4,351, respectively and are unsecured. They are included in accounts payable and accrued expenses.

CENTRAL FLORIDA ZOOLOGICAL SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED
JUNE 30, 2025 AND 2024

NOTE 5 – DEBT - Continued)

Mortgage Payable

The Society obtained a \$770,745 mortgage from a financial institution to upgrade and improve the infrastructure of the facility. As of June 30, 2025 and 2024, the outstanding balance was \$191,570 and \$256,599, respectively. The debt is secured by the real property, tangible property, and substantially all other available assets. The loan agreement requires monthly principal and interest payments of \$6,596 through January 2028. The interest rate is 4.15%. Future minimum payments are as follows: 2026 \$83,472, 2027 \$83,472, 2028 \$24,626,

The loan agreement requires that the Society maintain certain financial and non-financial covenants. The Society is in compliance with all applicable covenants at year end.

NOTE 6 – 403(B) RETIREMENT PLAN

The employees of the Society may elect to contribute up to \$23,500 (\$26,500 if over 50) to a tax-sheltered annuity plan, IRS Code Section 403(b). Under the plan's salary deferral feature eligible employees can defer a portion of their compensation. Such deferrals accumulate on a tax-deferred basis until the employee withdraws the funds. Employees over twenty-one (21) years of age and who have completed one (1) year of service are eligible to participate in the deferral and are also eligible for a matching contribution of up to 3% of their annual salary. Retirement plan cost for the years ended June 30, 2025 and 2024 were \$53,986 and \$52,807 respectively.

NOTE 7 – ANNUAL LEAVE

The Society provides its regular full-time employees with annual leave time based on the number of years of employment. Employees may bank a maximum of 32 hours of unused paid time off toward the following anniversary year. The annual leave plan does not allow any amounts to be paid out in cash. Any such accrual is not material.

CENTRAL FLORIDA ZOOLOGICAL SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED
JUNE 30, 2025 AND 2024

NOTE 8 – CONCENTRATIONS OF RISK

Revenues provided by guests to the zoological park provide a major portion of the Society's support. In the event of a material down-turn in the area's economy, these revenues may be reduced. State and local grants provide approximately 14% of the Society's revenue. Should this funding cease, the level of services provided by the Society may be affected.

At June 30, 2025, cash deposits were held at two financial institutions in Florida. The collective account balances at one institution was approximately \$2,434,000. The cash on deposit is insured by the Federal Deposit Insurance Corporation (FDIC) and National Credit Union Share Insurance Fund (NCUSIF) each up to \$250,000. Management believes the Society is not exposed to any significant credit risk on cash and cash equivalents. The Society has not experienced any losses of its cash and cash equivalents in the past.

NOTE 9 – FUNCTIONAL ALLOCATION OF EXPENSES

The costs of the Society's activities have been summarized on a functional basis in the Statement of Functional Expenses. Program service expense consists primarily of costs associated with the zoological park and education programs. Certain costs that have been incurred for common objective and cannot be readily identified with a particular cost objective have been allocated to program services, fund raising, management, and general expenses.

NOTE 10 – COMMITMENTS, CONTINGENCIES AND OTHER ITEMS

The Society commenced a five year contract with a vendor on July 1, 2021 where the Society took over the management and operations of both their concession offerings as well as their ticket/admission management. In exchange for a varied profit-sharing percentage, the vendor agreed to invest \$770k in leasehold improvements and furniture and equipment, in the Society. The assets will be depreciated over a period of ten (10) years, utilizing a straight-line method, commencing from the in-service date of the improvement. Start-up can be counted against the pledge. All improvements (except for mobile food technology) will become the property of the Society at the conclusion of the term and both furniture and equipment and leasehold improvements are buy-back protected according to the agreement.

NOTE 11 – RELATED PARTY TRANSACTIONS

The Society from time to time has transactions with affiliated parties, which includes business owners and corporate employees. The Society purchased products and services from the affiliated parties at a cost of approximately \$-0- and \$14,800 for the years ended June 30, 2025 and 2024, respectively. These products and services include insurance premiums and credit card account usage and other minor items.

In addition, the mortgage referred to in Note 5 was made by a credit union whose officer is on the board of the Society.

CENTRAL FLORIDA ZOOLOGICAL SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED
JUNE 30, 2025 AND 2024

NOTE 12 – COMMUNITY FOUNDATION OF FLORIDA ENDOWMENT

The Society established “The Central Florida Zoological Society Fund” an endowment fund in conjunction with the Community Foundation of Central Florida, Inc. At June 30, 2025 and June 30, 2024, the value of the Society’s portion of the endowment is approximately \$95,890 and \$90,200, which has appreciated from its initial investment of \$233,000, (\$5,690 in the current year and \$160,200 in prior years.) The assets and related liabilities are not reflected in these financial statements, as they are controlled and directed by the Community Foundation of Central Florida, Inc. Distributions generated by this endowment are recorded as income when received. The Society’s purpose for this endowment was to establish a fund that would provide long-term support to further the goals and mission of the Society.

NOTE 13 – LOBBYING COSTS

The Society engaged a professional lobbyist to request \$150,000 of funding from the State of Florida to fund infrastructure enhancements, specifically to provide utilities, water and sewer services to the Zoo areas that do not have these services. The cost of this lobbying was approximately \$52,000 and \$41,225 for the years ended June 30, 2025 and 2024, respectively.

NOTE 14 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Society manages its liquid resources by focusing on maximizing its revenues where possible so that it has adequate revenue to cover the programs being conducted. The Society prepares detailed budgets and is very active in managing its expenses and cash flows to maximize liquidity. As discussed in note 5, the Society maintains a line of credit to assist in meeting cash needs if they experience a lag between the receipt of contributions and grants and the payments.

The Society’s goal is to maintain financial assets to meet 90 days of operating expenses which is approximately \$2,348,000.

The following reflects the Society’s financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date.

**CENTRAL FLORIDA ZOOLOGICAL SOCIETY, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED
JUNE 30, 2025 AND 2024**

NOTE 15 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS – Continued

	June 30	
	2025	2024
Financial assets at year-end:		
Cash and cash equivalents	\$3,319,981	\$4,086,142
Accounts receivable	4,482	315
Total Financial Assets	<u>3,324,463</u>	<u>4,086,457</u>
Less those unavailable for general expenditures within one year, due to:		
Board/Management Designated for:		
Miscellaneous	65,000	65,000
Cheetah boardwalk	-	113,697
Boardwalk reserve	75,000	-
AZA	75,000	75,000
Repairs	-	55,000
Board general reserve	55,000	75,000
Sewer project	-	55,000
	<u>270,000</u>	<u>438,697</u>
Donor restricted:		
County TDC grant	340,000	25,000
Garden Sponsorships	25,000	325,000
Education programs and grants	42,000	50,000
OCIC projects	-	28,000
Children's garden	-	5,000
	<u>407,000</u>	<u>433,000</u>
Current liabilities		
Accounts payable	179,559	132,453
Accrued salaries	30,350	363,648
Current portion of debt	63,650	68,433
	<u>273,559</u>	<u>564,534</u>
	<u>\$ 2,373,904</u>	<u>\$ 2,650,226</u>

SUPPLEMENTAL INFORMATION

**CENTRAL FLORIDA ZOOLOGICAL SOCIETY, INC.
SCHEDULE OF EARNINGS BEFORE INTEREST,
DEPRECIATION AND AMORTIZATION (EBIDA)
FOR THE YEARS ENDED JUNE 30,**

	<u>2025</u>	<u>2024</u>
CHANGE IN NET ASSETS	\$ (268,499)	\$ (285,876)
Interest expense	16,496	24,252
Depreciation	<u>770,781</u>	<u>868,691</u>
EARNINGS BEFORE INTEREST, DEPRECIATION AND AMORTIZATION (EBIDA)	<u>\$ 518,778</u>	<u>\$ 607,067</u>

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