

Land is Life, Inc.

Independent Auditor's Report

December 31, 2023

Land is Life, Inc.

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INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS  
LAND IS LIFE, INC.  
NEW YORK, NEW YORK

**Report on the Audit of the Financial Statements**

**Opinion**

I have audited the accompanying financial statements of Land is Life, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023, 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 my opinion, the financial statements present fairly, in all material aspects, the financial position of Land is Life, Inc., 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**

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. I am required to be independent of Land is Life, Inc. and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 Land is Life, 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**

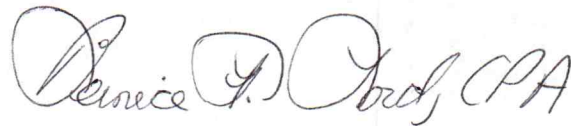
My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not absolute assurance 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, I:

- 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 Land is Life, 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 my judgment, there are no conditions or events, considered in the aggregate, that raise substantial doubt about Land is Life, Inc.'s ability to continue as a going concern for a reasonable period of time.

I am 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 I identified during the audit.

Easthampton, Massachusetts  
June 6, 2024

A handwritten signature in cursive script that reads "Denise J. Ford, CPA". The signature is written in black ink and is positioned to the right of the typed name and date.

Land is Life, Inc.  
Statement of Financial Position  
As of December 31, 2023

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ASSETS

Current Assets:	
Cash and Cash Equivalents	\$ 1,820,860
Accounts Receivable	162,675
Prepaid Insurance	<u>977</u>
Total Current Assets	<u>1,984,512</u>
Total Assets	<u>\$ 1,984,512</u>

LIABILITIES AND NET ASSETS

Current Liabilities:	
Accounts Payable	\$ 21,555
Accrued Expenses	4,593
Deferred Revenue	<u>1,202,413</u>
Total Current Liabilities	<u>1,228,561</u>
Total Liabilities	<u>\$ 1,228,561</u>
Net Assets:	
Without Donor Restrictions	\$ 775,951
Total Net Assets	<u>775,951</u>
Total Liabilities and Net Assets	<u>\$ 1,984,512</u>

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

Land is Life, Inc.  
Statement of Activities  
For the Year Ended December 31, 2023

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Support and Revenue:	
Grants	\$ 2,507,378
Donations	68,862
Investment Income	<u>62,570</u>
Total Support and Revenue	<u>2,638,810</u>
Expenses:	
Program Services Expenses	4,940,228
Administrative Expenses	270,702
Fundraising Expenses	<u>26,638</u>
Total Expenses	<u>5,237,568</u>
Increase/(Decrease) in Net Assets	(2,598,758)
Beginning Net Assets, as Previously Stated	<u>3,356,760</u>
Prior Period Adjustment	(2,051)
Beginning Net Assets, as Restated	<u>3,354,709</u>
Ending Net Assets	<u>\$ 755,951</u>

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

Land is Life, Inc.  
Statement of Functional Expenses  
For the Year Ended December 31, 2023

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Payroll		\$ 181,216	\$ 20,135	\$ 201,351
Payroll Taxes		14,414	1,601	16,015
Employee Benefits		<u>38,263</u>	<u>4,251</u>	<u>42,514</u>
Total Payroll and Related Expenses		233,893	25,987	42,514
Bank Fees	\$ 8,877	8,877		17,754
Consultants	1,429,602			1,429,602
Communication	13,230	13,230		26,460
Grants & Fellowships	1,617,747			1,617,747
Information Technology	8,846	8,846		17,692
Memberships	4,996			4,996
Medical	48,916			48,916
Minor Equipment	108,610			108,610
Occupancy	200,777			200,777
Postage	2,672			2,672
Printing & Publications	129,103			129,103
Professional Services		5,856	651	6,507
Program Expenses	75,384			75,384
Security	509,333			509,333
Service Fees	782			782
Staff Training	184,283			184,283
Supplies	21,457			21,457
Travel & Lodging	562,668			562,668
Website & Internet	<u>12,945</u>			<u>12,945</u>
Total Expenses	<u>\$ 4,940,228</u>	<u>\$ 270,702</u>	<u>\$ 26,638</u>	<u>\$ 5,237,568</u>

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

Land is Life, Inc.  
Statement of Cash Flows  
For the Year Ended December 31, 2023

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Cash Flows from Operating Activities:	
Change in Net Assets	\$(2,598,758)
Adjustments to reconcile change in net assets to net cash provided by operating activities	
(Increase) Decrease in assets-	
Accounts Receivable	(162,675)
Prepaid Expenses	(977)
Increase (Decrease) in liabilities-	
Accounts Payable & Accrued Expenses	(28,774)
Deferred Revenue	<u>1,202,413</u>
Net Cash Provided (Used) by Operating Activities	(1,588,771)
Cash Flows from Investing Activities:	
Net Cash Provided (Used) by Investing Activities	0
Cash Flows from Financing Activities:	
Net Cash Provided (Used) by Financing Activities	<u>0</u>
Net Increase (Decrease) in Cash	(1,588,771)
Cash at Beginning of the Year	<u>3,409,631</u>
Cash at End of the Year	<u>\$ 1,820,860</u>

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



Land is Life, Inc.  
Notes to Financial Statements  
December 31, 2023

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1. Summary of Significant Accounting Policies

A. Basis of Presentation:

The financial statements of the Organization have been prepared on the accrual basis of accounting. The Organization 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 – Net assets that are not subject to or are no longer subject to donor-imposed stipulations.

Net Assets With Donor Restrictions – Net assets whose use is limited by donor-imposed time and/or purpose restrictions.

Revenues are reported as increases in net assets without donor restrictions unless use of the 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 are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor restrictions on the 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. The Organization has adopted a policy to classify donor restricted contributions as without donor restrictions to the extent that donor restrictions were met in the year the contribution was received.

B. Functional Allocation of Expenses:

The cost of providing the Organization's program and supporting services have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the program and supporting services benefitted.

C. Cash Equivalents:

For the purpose of the statement of cash flows, the organization considers all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents.

D. Contributions:

Contributions received are recorded as increases in net assets without donor restrictions or net assets with donor restrictions depending on the existence and/or nature of any donor restrictions. When restrictions expire (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 as net assets released from restrictions.

E. Revenue Recognition:

Revenues are recognized when earned and expenses are recognized when incurred.

Land is Life, Inc.  
Notes to Financial Statements  
December 31, 2023

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F. Advertising Costs:

The Organization expenses the cost of advertising as incurred. There were no advertising costs this year.

H. Income Tax Status:

The Organization qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, therefore, has no provision for federal income taxes. However, income from certain activities not directly related to the Organization's tax-exempt purpose is subject to taxation as unrelated business income. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2). The Organization did not engage in any unrelated business activities during the fiscal year. Management believes more likely than not, that its tax-exempt status position will be sustained if examined by Authorities.

2. Organization

Land is Life, Inc. is a not for profit corporation whose principal purpose is to work directly with Indigenous communities to build local capacity in promoting and protecting their rights as articulated in the United Nations Declaration on the Rights of Indigenous Peoples. The Organization also provides Indigenous communities and organizations with the resources and strategic support necessary to achieve the long-term protection of their lands, resources and knowledge. The Organization achieves this by providing direct support to Indigenous organizations and leadership, building capacity on human rights and organizational management and fosters alliances amongst Indigenous peoples and other stakeholders.

3. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Land is Life, Inc.  
Notes to Financial Statements  
December 31, 2023

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4. Fair Value of Financial Instruments

The Organization's financial instruments include cash and cash equivalents and contributions and contracts receivable. The organization estimates that the fair value of these financial instruments at year end does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying statement of financial position.

The estimated fair value has been determined using available market information and appropriate valuation methods. The carrying amounts of cash and cash equivalents and contributions and contracts receivable reported in the statement of financial position approximate fair value because of the short maturities of those instruments.

5. Fair Value of Assets and Liabilities

FASB ASC No. 820, *Fair Value Measurement*, establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets, which have the highest priority. Level 2 inputs consist of observable inputs other than quoted prices for identical assets. Level 3 inputs, which have the lowest priority, use primarily unobservable inputs. The organization uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the organization measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value.

6. Subsequent Events

Management performed an evaluation of subsequent events through June 6, 2024, the date these financial statements were issued.

7. Asset Liquidity and Availability

As of December 31, 2023, the Organization has \$1,983,535 of financial assets available within one year of the statement of financial position date to meet cash needs for general expenditure consisting of cash \$1,820,860 and accounts receivable of \$162,675. As part of the Organization'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.

8. Prior Period Adjustment

Liabilities were understated by \$2,051 in the prior year resulting in a decrease in unrestricted net assets.