

**NEW JERSEY TREE FOUNDATION, INC.**

**Financial Statements**

**For the years ended June 30, 2025 and 2024**

**(With Independent Auditor's Report thereon)**

**NEW JERSEY TREE FOUNDATION, INC.**  
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## INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees  
New Jersey Tree Foundation, Inc.

### *Opinion*

We have audited the accompanying financial statements of New Jersey Tree Foundation, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities, functional expenses 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 New Jersey Tree Foundation, Inc. as of 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 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 New Jersey Tree Foundation, Inc. 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 New Jersey Tree Foundation, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

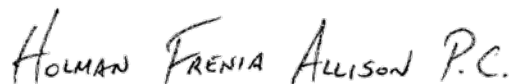
### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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 New Jersey Tree Foundation, 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 New Jersey Tree Foundation, 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.



**HOLMAN FRENIA ALLISON, P.C.**  
*Certified Public Accountants*

February 13, 2026  
Lakewood, New Jersey

**NEW JERSEY TREE FOUNDATION, INC.**  
**Statements of Financial Position**  
**June 30, 2025 and 2024**

	<b>2025</b>	<b>2024</b>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 583,049	\$ 275,016
Investments	581,637	699,499
Grants receivable	57,034	111,213
Contracts receivable	15,808	37,275
Total current assets	1,237,528	1,123,003
Non-current assets:		
Property and equipment, net	39,551	52,796
Total assets	\$ 1,277,079	\$ 1,175,799
<b>LIABILITIES AND NET ASSETS</b>		
Current liabilities:		
Accrued expenses	\$ 19,637	\$ 26,150
Accrued vacation	31,012	55,827
Unearned revenue	118,805	101,890
Total liabilities	169,454	183,867
Net assets:		
Without donor restrictions	1,107,625	991,932
Total net assets	1,107,625	991,932
Total liabilities and net assets	\$ 1,277,079	\$ 1,175,799

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

**NEW JERSEY TREE FOUNDATION, INC.**  
**Statements of Activities**  
**For the years ended June 30, 2025 and 2024**

	<b>2025</b>	<b>2024</b>
Support and revenues:		
Government grants - nonexchange	\$ 614,226	\$ 335,844
Corporation and foundation grants - nonexchange	203,015	259,883
General support and contributions	45,322	26,437
Service revenue	358,214	282,212
In-kind contributions	21,336	30,863
Other income	247	49
Total support and revenues	1,242,360	935,288
Expenses:		
Program services	1,042,330	827,684
Management and general	137,141	110,496
Total expenses	1,179,471	938,180
Changes in net assets without donor restrictions from operations	62,889	(2,892)
Other income:		
Investment return, net of related expenses	52,804	49,419
Total other income	52,804	49,419
Change in net assets without donor restrictions	115,693	46,527
Net assets without donor restrictions, beginning of year	991,932	945,405
Net assets without donor restrictions, end of year	\$ 1,107,625	\$ 991,932

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

**NEW JERSEY TREE FOUNDATION, INC.****Statement of Functional Expenses****For the year ended June 30, 2025**

	<b>Program Services</b>	<b>Management and general</b>	<b>Total</b>
Payroll	\$ 406,092	\$ 101,523	\$ 507,615
Trees and plant materials	263,659	-	263,659
Travel	77,486	4,078	81,564
Payroll taxes	41,581	10,395	51,976
Pass-through grants	15,000	-	15,000
Insurance	35,644	3,960	39,604
Landscaping	29,937	-	29,937
Outside services - in-kind	7,216	-	7,216
Professional fees	5,195	15,584	20,779
Trucks and trailers	30,076	-	30,076
Planting tools and supplies	24,933	-	24,933
Shipping and freight	23,517	-	23,517
Rent, storage facility - in kind	12,000	-	12,000
Depreciation	13,246	-	13,246
Web site	9,232	-	9,232
Payroll processing	5,145	1,286	6,431
Educational materials	7,003	-	7,003
Telephone	5,090	-	5,090
Computer expenses	18	2	20
Food - for workshops and programs	4,033	-	4,033
Office supplies	423	47	470
Printing	6,369	265	6,634
Training	5,110	-	5,110
Food - in-kind	645	-	645
Uniforms	3,739	-	3,739
Miscellaneous	6,920	-	6,920
Subscription	3,022	-	3,022
	<u>\$ 1,042,330</u>	<u>\$ 137,141</u>	<u>\$ 1,179,471</u>
Total expenses	<u>\$ 1,042,330</u>	<u>\$ 137,141</u>	<u>\$ 1,179,471</u>

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

**NEW JERSEY TREE FOUNDATION, INC.****Statement of Functional Expenses****For the year ended June 30, 2024**

	<u>Program Services</u>	<u>Management and general</u>	<u>Total</u>
Payroll	\$ 325,009	\$ 81,252	\$ 406,261
Trees and plant materials	194,102	-	194,102
Travel	55,477	2,920	58,397
Pass-through grants	37,800	-	37,800
Payroll taxes	33,334	8,333	41,667
Trucks and trailers	17,201	-	17,201
Planting tools and supplies	16,875	-	16,875
Insurance	30,095	3,344	33,439
Landscaping	27,513	-	27,513
Outside services	18,218	-	18,218
Rent, storage facility - in kind	12,000	-	12,000
Shipping and freight	12,478	-	12,478
Professional fees	4,328	12,985	17,313
Depreciation	11,488	-	11,488
Payroll processing	4,940	1,235	6,175
Educational materials	3,921	-	3,921
Printing	1,422	59	1,481
Telephone	3,737	-	3,737
Training	844	-	844
Office supplies	1,436	160	1,595
Food - for workshops and programs	1,668	-	1,668
Uniforms	47	-	47
Computer expenses	2,104	208	2,312
Website	9,182	-	9,182
Food - in-kind	645	-	645
Miscellaneous	1,821	-	1,821
	<u>827,684</u>	<u>110,496</u>	<u>938,180</u>
Total expenses	<u>\$ 827,684</u>	<u>\$ 110,496</u>	<u>\$ 938,180</u>

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

**NEW JERSEY TREE FOUNDATION, INC.**  
**Statements of Cash Flows**  
**For the years ended June 30, 2025 and 2024**

	<b>2025</b>	<b>2024</b>
<b>Cash flows from operating activities:</b>		
Reconciliation of change in net assets to net cash from operating activities:		
Change in net assets	\$ 115,693	\$ 46,527
Items which did not use/(provide) cash:		
Depreciation	13,245	11,488
Unrealized (gain)/loss on investment	-	(546)
Working capital changes which provided (used) cash:		
Grants receivable	54,179	(67,536)
Contracts receivable	21,467	(12,548)
Accounts payable	-	(9,490)
Accrued expenses	(6,513)	13,450
Accrued vacation	(24,815)	(47,876)
Unearned revenue	16,915	41,853
Net cash flows from operating activities	190,171	(24,678)
<b>Cash flows from investing activities:</b>		
Acquisition of property and equipment	-	(56,500)
Purchases of investments	-	(426,787)
Sale of investments	117,862	401,360
Net cash flows from investing activities	117,862	(81,927)
Net change in cash and cash equivalents	308,033	(106,605)
Cash and cash equivalents, beginning of year	275,016	381,621
Cash and cash equivalents, end of year	\$ 583,049	\$ 275,016

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

**NEW JERSEY TREE FOUNDATION, INC.**  
**Notes to Financial Statements**

**NOTE 1: FOUNDATION AND PURPOSE**

New Jersey Tree Foundation, Inc., (the “Foundation”), is a non-profit foundation that was founded to plant trees in urban areas where the need is greatest. The Foundation is dedicated to the enhancement and development of urban and community forestry activities in New Jersey through education, volunteerism, community outreach, partnerships, and grants. The Foundation is committed to providing exceptional forestry programs, services, and opportunities to New Jersey’s cities and towns. In pursuit of its foundational purpose, the Foundation operates a variety of programs to revitalize urban communities. Among these are projects to provide environmental education, train low-income individuals to acquire skills in horticultural occupations and assist residents in keeping their neighborhoods clean and green with local tree planting and landscaping projects.

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Presentation**

The financial statements of the Foundation have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

*Net Assets With Donor Restrictions* – Net assets subject to donor imposed (or certain grantor imposed) restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. The Foundation reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. As of June 30, 2025 and 2024, the Foundation did not have any net assets with donor restrictions.

**Cash and cash equivalents**

For purposes of the statements of cash flows, cash and cash equivalents includes all cash balances and highly liquid investments with a maturity of three months or less. The Foundation maintains cash balances at several high quality financial institutions located in New Jersey. At times, the balance on deposit may exceed federally insured limits. The Foundation has not experienced any losses in such account and believes it is not exposed to any significant credit risk on its cash and cash equivalents.

**Contracts and Grants Receivable**

Contracts receivable are primarily unsecured non-interest-bearing amounts due from customers for work performed. Grant receivables are carried at cost. On a periodic basis, management evaluates its receivables to determine if any portion is uncollectible. Management has determined that all open receivables are collectible and therefore no allowance for credit losses is deemed necessary.

**NEW JERSEY TREE FOUNDATION, INC.**  
**Notes to Financial Statements (continued)**

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Revenue Recognition**

*Contributions and grants*

Contributions and grants are classified based on the existence or absence of donor-imposed restrictions as either conditional or unconditional as follows:

**Conditional** – Includes all contributions and grants with donor-imposed conditions or stipulations representing a barrier that must be overcome before the recipient is entitled to the assets being transferred or promised. A failure to overcome the barrier gives the contributor or grantor a right of return of the assets it has transferred or the ability to rescind an obligation to transfer.

**Unconditional** – Includes all contributions and grants that do not contain a barrier to use and therefore are recorded as revenue once cash, securities, or other assets; an unconditional promise to give; or a notification of a beneficial interest is received.

Contribution revenue is recorded when the unconditional promise to give is received. Under this method, the recognition of support for financial statement purposes bears no relation to the period in which the expenses are incurred. Revenue related to conditional contributions is recognized once the relevant barriers are met. If funds are received from the donor before the relevant barriers are met, deferred revenue is recorded on the statement of financial position for the amount of funds provided by the donor.

Unconditional promises to give due in subsequent years are reflected as long-term promises to give and are recorded at the present value of their net realizable value, using risk-free interest rates applicable to the years in which the promises are received to discount the amounts. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend are substantially met and the promises become unconditional.

*Exchange Transactions*

The Foundation recognizes earned revenues in accordance with Accounting Standards Codification (ASC) 606, *Revenue from Contracts with Customers*, which provides a five-step model for recognizing revenue from contracts with customers as follows:

1. Identify the contract with the customer
2. Identify the performance obligations in the contract
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations in the contract
5. Recognize revenue when or as performance obligations are satisfied

**Service Revenue** – The Foundation has contracts with governmental entities to provide its services. The Foundation recognizes revenue when services have been provided.

**NEW JERSEY TREE FOUNDATION, INC.**  
**Notes to Financial Statements (continued)**

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Revenue Recognition (continued)**

*In-Kind Contributions*

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Foundation. The Foundation receives services from volunteers, for which contribution income is not reflected in these consolidated financial statements as they do not meet the criteria for financial statement recognition.

**Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make certain 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.

**Property and Equipment**

Property and equipment are recorded at cost, except for donated items, which are recorded at their fair market values on the date of donation. Additions and major renewals considered to be betterments, costing \$5,000 or more, are capitalized. Depreciation is provided using the straight-line method over the estimated useful lives of the assets as follows:

Equipment	5 years
Trucks	5 years

Repairs and maintenance, which do not extend the useful lives of the related assets, are expensed as incurred.

**Income Taxes**

The Foundation is a non-profit entity as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal and state income taxes. Accordingly, there is no provision for income taxes.

The Foundation is required to file Form 990, *Return of Foundation Exempt from Income Tax*, with the Internal Revenue Service and the *New Jersey Charities Registration & Investigation Form (CRI)*. The Foundation follows the income tax standards for uncertain tax positions. The Foundation's income tax returns are subject to review and examination by federal and state authorities. The Foundation is not aware of any activities that would jeopardize its tax-exempt status or any activities that are subject to tax on unrelated business income taxes.

**NEW JERSEY TREE FOUNDATION, INC.**  
**Notes to Financial Statements (continued)**

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Functional Allocation of Expenses**

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated consist of payroll, insurance, payroll taxes, computer expenses, travel, professional fees, payroll processing, printing, and office supplies which are allocated on the basis of estimates of utilization.

**Fair Value Measurement**

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1	Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.
Level 2	Inputs to the valuation methodology include: <ul style="list-style-type: none"><li>• quoted prices for similar assets or liabilities in active markets;</li><li>• quoted prices for identical or similar assets or liabilities in inactive markets;</li><li>• inputs other than quoted prices that are observable for the asset or liability;</li><li>• inputs that are derived principally from or corroborated by observable market data by correlation or other means.</li></ul> If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.
Level 3	Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for investments measured at fair value. There have been no changes in the methodologies used at June 30, 2025 and 2024.

**NEW JERSEY TREE FOUNDATION, INC.**  
**Notes to Financial Statements (continued)**

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Fair Value Measurement (continued)**

*Registered investment companies* – These are comprised of investments in mutual funds. Shares of mutual funds are valued at quoted market prices which represents the Net Asset Value (NAV) of shares held at year end.

*Government securities:* These investments are U.S. Government debt securities that are measured at fair value and have a fixed interest rate and maturity ranging from two to ten years.

**Recently Adopted Accounting Pronouncements**

*Allowance for Credit Losses*

In June 2016, the FASB issued guidance (FASB ASC 326) which significantly changed how entities will measure credit losses for most financial assets and certain other instruments that aren't measured at fair value through net income. The most significant change in this standard is a shift from the incurred loss model to the expected loss model. Under the standard, disclosures are required to provide users of the financial statements with useful information in analyzing an entity's exposure to credit risk and the measurement of credit losses. Financial assets held by the company that are subject to the guidance in FASB ASC 326 were accounts and pledges receivable. The FASB delayed adoption of the standard for private companies until January 1, 2023.

The Foundation adopted the standard effective July 1, 2023. The impact of the adoption was not considered material to the financial statements and primarily resulted in new/enhanced disclosures only.

**Subsequent Events**

New Jersey Tree Foundation, Inc. has evaluated subsequent events occurring after June 30, 2025 through February 13, 2026, which is the date the financial statements were available to be issued.

**NOTE 3: CASH AND CASH EQUIVALENTS**

The deposits held by the Foundation reported at fair value, consisted of demand deposits totaling \$583,049 and \$275,016 as of June 30, 2025 and 2024, respectively.

**A. Custodial Credit Risk**

Deposits in financial institutions, reported as components of cash and cash equivalents, had a bank balance of \$583,054 and \$279,931 as of June 30, 2025 and 2024, respectively. Of the bank balance, \$583,054 and \$279,931 was fully insured by the FDIC as of June 30, 2025 and 2024, respectively.

**B. Concentration of Credit Risk**

Financial instruments that potentially subject the Foundation to concentrations of credit risk consist principally of cash. As of June 30, 2025 and 2024, the Foundation's cash was held by TD Bank, Capital One, and Rockefeller Capital Management.

**NEW JERSEY TREE FOUNDATION, INC.**  
**Notes to Financial Statements (continued)**

**NOTE 4: LIQUIDITY AND AVAILABILITY**

The following represents the Foundation's financial assets as of June 30, 2025 and 2024, reduced by amounts not available for general use within one year of the statement of financial position date because of contractual or donor-imposed restrictions or internal designations.

	<u>2025</u>	<u>2024</u>
Current financial assets:		
Cash and cash equivalents	\$ 583,049	\$ 275,016
Investments	581,637	699,499
Grants receivable	57,034	111,213
Contracts receivable	<u>15,808</u>	<u>37,275</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$1,237,528</u>	<u>\$1,123,003</u>

The Foundation has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Foundation has a goal to maintain financial assets, which consist of cash and short-term investments, on hand to meet 365 days of normal operating expenses, which are, on average, approximately \$1,179,471.

**NOTE 5: INVESTMENTS**

The following table sets forth by level, within the fair value hierarchy, the Foundation's investments at fair value as of June 30, 2025 and 2024:

	<i>Assets at Fair Value as of June 30, 2025</i>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Registered investment companies	\$ 393,642	\$ -	\$ -	\$ 393,642
Government Securities	187,995	-	-	187,995
Total investments at fair value	<u>\$ 581,637</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 581,637</u>

	<i>Assets at Fair Value as of June 30, 2024</i>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Registered investment companies	\$ 511,504	\$ -	\$ -	\$ 511,504
Government Securities	187,995	-	-	187,995
Total investments at fair value	<u>\$ 699,499</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 699,499</u>

**NOTE 6: PROPERTY AND EQUIPMENT**

Property and equipment consisted of the following as of June 30, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Equipment	\$ 63,440	\$ 63,440
Trucks	<u>172,975</u>	<u>172,975</u>
Subtotal	236,415	236,415
Less: accumulated depreciation	<u>(196,864)</u>	<u>(183,619)</u>
Property and equipment, net	<u>\$ 39,551</u>	<u>\$ 52,796</u>

**NEW JERSEY TREE FOUNDATION, INC.**  
**Notes to Financial Statements (continued)**

**NOTE 6: PROPERTY AND EQUIPMENT (continued)**

Depreciation expense totaled \$13,246 and \$11,488 for the years ended June 30, 2025 and 2024, respectively.

**NOTE 7: UNEARNED REVENUE**

Significant changes in unearned revenue liability balances during the years ended June 30, 2025 and 2024 were as follows:

		<b>2025</b>		<b>2024</b>
Balance at beginning of year	\$	101,890	\$	60,037
Revenue recognized		(101,890)		(60,037)
Amounts collected		118,805		101,890
Balance at end of year	\$	118,805	\$	101,890

**NOTE 8: IN-KIND CONTRIBUTIONS**

The Foundation was the recipient of donated services and materials, which consisted of the following as of June 30, 2025 and 2024:

<b>Donated Item</b>	<b>2025</b>	<b>2024</b>	<b>Usage</b>	<b>Restriction</b>	<b>Technique</b>
Rent	\$ 12,000	\$ 12,000	Rental of two storage units	None	Estimated value provided by donor
Professional services	7,216	18,218	Consulting and planting assistance	None	Value of services provided using donor's typical service rate
Food	2,120	645	Water and snacks for tree planting events	None	Estimated value provided by donor
Total Donated Materials and Services	\$ 21,336	\$ 30,863			

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Foundation. The Foundation receives services from volunteers, for which contribution income is not reflected in these consolidated financial statements as they do not meet the criteria for financial statement recognition.

**NOTE 9: RETIREMENT PLAN**

The Foundation participates in a defined contribution, individual account, money purchase, retirement plan that covers substantially all of its full-time employees. This plan is available for the benefit of all full-time employees of the Foundation who have completed one year of service to the Foundation.

Contributions are made through salary reductions. Participants are immediately vested in their contributions plus actual earnings on the participant's contributions. The plan does not provide for employer matching.

**NEW JERSEY TREE FOUNDATION, INC.**  
**Notes to Financial Statements (continued)**

**NOTE 10: CONCENTRATION OF RISK**

For the years ended June 30, 2025 and 2024, grants from governments, corporations, and foundations accounted for 63% and 61% of all revenue, respectively. Management believes that these grants will continue.

One supplier accounted for 16% and 16% of the Foundation's expenses for the years ended June 30, 2025 and 2024, respectively. Management believes that other suppliers could provide similar products on comparable terms.

The majority of the Foundation's contributions and grants are received from corporations, foundations and individuals located in the greater New Jersey metropolitan area and from agencies of the state of New Jersey. As such, the Foundation's ability to generate resources via contributions and grants is dependent upon the economic health of that area and of the state of New Jersey.

**NOTE 11: SOURCES AND TIMING OF REVENUE**

The following table presents the Foundation's support and revenues disaggregated by geography, product lines, and timing of revenue recognition.

	<u>2025</u>	<u>2024</u>
<u>Geographic Markets</u>		
New Jersey	\$ 358,214	\$ 282,212
<u>Product Lines</u>		
Service revenue	<u>\$ 358,214</u>	<u>\$ 282,212</u>
Total exchange revenue	<u>\$ 358,214</u>	<u>\$ 282,212</u>
<u>Timing of Revenue Recognition</u>		
Products transferred over time	<u>\$ 358,214</u>	<u>\$ 282,212</u>
Total exchange revenue	<u>\$ 358,214</u>	<u>\$ 282,212</u>
Non-exchange revenue	\$ 884,146	\$ 653,076
Exchange revenue	<u>358,214</u>	<u>282,212</u>
Total support and revenues	<u>\$ 1,242,360</u>	<u>\$ 935,288</u>

**NOTE 12: CONTINGENCIES**

**Legal Matters**

The Foundation is, at times, involved with certain claims and other routine litigation matters arising in the normal course of operations. In the opinion of management, after consultation with legal counsel, the outcome of such matters will not have a material adverse effect on the Foundation's financial position or results of operations.