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Partners for Environmental Stewardship

Financial Statements

(Reviewed)

June 30, 2024

Partners for Environmental Stewardship

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June 30, 2024

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Independent Accountant's Review Report

To the Board of Directors
Partners for Environmental Stewardship
Lancaster, Pennsylvania

We have reviewed the accompanying financial statements of Partners for Environmental Stewardship (the Organization), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities, changes in net assets, functional expenses - by natural classification, and cash flows for the period August 15, 2023 to June 30, 2024, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of 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 American Institute of Certified Public Accountants. 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 the Organization and to meet our ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

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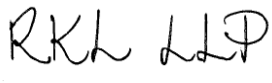
Accountant's Conclusion

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.



December 4, 2024
Lancaster, Pennsylvania

Partners for Environmental Stewardship

Statement of Financial Position
June 30, 2024
See Independent Accountant's Review Report

Assets		
Cash	**$**	**237,811**
Property and equipment		
Construction in progress		**257,161**
Total Assets	**$**	**494,972**
Liabilities and Net Assets		
Liabilities		
Accounts payable	**$**	**57,047**
Net Assets		
Without donor restrictions		**437,925**
Total Liabilities and Net Assets	**$**	**494,972**

Partners for Environmental Stewardship

Statement of Activities
For the Period August 15, 2023 to June 30, 2024
See Independent Accountant's Review Report

Revenue	
Contributions	**$ 577,000**
Expenses	
Program services	**-**
Supporting services	
Management and general	**139,075**
Total Expenses	**139,075**
Change in Net Assets	**$ 437,925**

See accompanying notes.

Partners for Environmental Stewardship

Statement of Changes in Net Assets
For the Period August 15, 2023 to June 30, 2024
See Independent Accountant's Review Report

Net Assets Without Donor Restrictions at Beginning of Period	**$**	**-**
Change in net assets		**437,925**
Net Assets Without Donor Restrictions at End of Period	**$**	**437,925**

See accompanying notes.

Partners for Environmental Stewardship

Statement of Functional Expenses - by Natural Classification
For the Period August 15, 2023 to June 30, 2024
See Independent Accountant's Review Report

	Program Services	Supporting Services: Management and General	Total
Professional fees	$ -	$ 123,595	$ 123,595
Travel	-	7,684	7,684
Conferences and meetings	-	7,543	7,543
Supplies	-	238	238
Miscellaneous	-	15	15
	$ -	$ 139,075	$ 139,075

See accompanying notes.

Partners for Environmental Stewardship

Statement of Cash Flows
For the Period August 15, 2023 to June 30, 2024
See Independent Accountant's Review Report

Cash Flows from Operating Activities		
Change in net assets	**$**	**437,925**
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Increase (decrease) in liabilities		
Accounts payable		**5,300**
Net Cash Provided by Operating Activities		**443,225**
Cash Flows from Investing Activities		
Capital expenditures		**(205,414)**
Net Cash Used in Investing Activities		**(205,414)**
Net Increase in Cash		**237,811**
Cash at Beginning of Period		**-**
Cash at End of Period	**$**	**237,811**

Supplementary Schedule of Noncash Investing and Financing Activities

In 2024

The Organization included $51,747 of property and equipment in accounts payable.

Note 1 - Nature of Operations

Partners for Environmental Stewardship's (the Organization) mission and exempt purpose is to establish Lancaster County and the City of Lancaster in Pennsylvania as an Environmental Center of Excellence (the Center) by developing a public forum where citizens can convene, interact, and educate. The Organization, along with other community partners, have come together to plan site selection and building construction for various needs of the community. The Center will foster collaborative innovation to solve some of the challenging ecological issues that we face as a community, and act around how best to restore, conserve, and celebrate the natural habitat and environment that we enjoy in our region and beyond. The Organization derives substantially all of its revenue from contributions.

Note 2 - Summary of Significant Accounting Policies

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities, if any, at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Property and Equipment

Property and equipment are recorded at cost, if purchased, or fair market value, if contributed. As of June 30, 2024, property and equipment consists only of construction in progress. Construction in progress is not depreciated until the project has been completed and placed into service.

Maintenance and repairs are charged to expense as incurred; major renewals and betterments are capitalized.

The Organization's policy is to capitalize expenditures of $5,000 or more.

Long-Lived Assets

Long-lived assets are reviewed for impairment whenever events or circumstances indicate that the carrying amount of the assets may not be recoverable. An asset is considered to be impaired when the undiscounted estimated net cash flows to be generated by the asset are less than the carrying amount. The impairment recognized is the amount by which the carrying amount exceeds the fair value of the impaired asset. Fair value estimates are based on assumptions concerning the amount and timing of estimated future cash flows and discount rates reflecting varying degrees of perceived risk. Management has concluded that no impairment adjustments were required during 2024.

Note 2 - Summary of Significant Accounting Policies (continued)

Net Assets

Net assets of the Organization and changes therein are classified and reported as follows:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed stipulations.

Net assets with donor restrictions - Net assets subject to donor-imposed stipulations that are restricted for a specified purpose or passage of time or are restricted in perpetuity. As of June 30, 2024, the Organization has no net assets with donor restrictions.

Revenue Recognition

Contributions

The Organization recognizes contributions when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. 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 have been substantially met.

All contributions are considered to be available for operations unless specifically restricted by the donor. Amounts received that are restricted by the donor for future periods or for specific purposes are reported as support with donor restrictions that increases that net asset class. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Organization reports the support as without donor restrictions.

Functional Expenses

The cost of providing the Organization's programs and supporting services have been summarized on a functional basis in the statement of activities and statement of functional expenses - by natural classification. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Supporting services consist of management and general expenses. The Organization's management estimates fundraising expenses to be insignificant, and therefore, are not segregated from management and general expenses. Expenses require allocation on a reasonable basis that is consistently applied. Expenses are generally allocated on the basis of time and effort.

Note 3 - Tax-Exempt Status

The Organization is a nonprofit entity described in Section 501(c)(3) of the Internal Revenue Code (Code) and is exempt from income taxes on related activities pursuant to Section 509(a) of the Code. In addition, the Organization was organized under the Pennsylvania Nonprofit Corporation Law and is exempt from state income taxes.

Note 3 - Tax-Exempt Status (continued)

Accounting principles require management to evaluate tax positions taken by the Organization, including whether the entity is exempt from income taxes. Management evaluated the tax positions taken and concluded that the Organization has taken no uncertain tax positions that require recognition or disclosure in the financial statements.

Note 4 - Liquidity and Availability

Financial assets available for general expenditures, that is, without donor restrictions or other designations limiting their use, within one year of the date of the statement of financial position comprise of the following as of June 30, 2024:

Financial Assets	
Cash	**$ 237,811**
Less Amounts that are Internally Designated or Externally Restricted	**-**
Financial Assets Available to be Used Within One Year	**$ 237,811**

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 become due.

Note 5 - Concentration of Credit Risk

The Organization maintains its cash balances in one financial institution. At times during the period ended June 30, 2024, the Organization's cash balances may have exceeded the federally insured limit of $250,000.

The Organization derives a significant portion of its support and revenue from contributions. For the period ended June 30, 2024, one donor accounted for 100% of total support and revenue.

Note 6 - Commitment

During the period ended June 30, 2024, the Organization entered into several contracts related to the construction project for the Center. As of June 30, 2024, the Organization had outstanding long-term contracts amounting to approximately $1,076,000, of which approximately $174,000 has been incurred.

Note 7 - Related Parties

The Organization has related party transactions with members of its Board of Directors, which consisted of the following as of and for the period ended June 30, 2024:

Revenue		
Contributions	**$**	**577,000**
Expenses		
Professional fees expense		**70,875**
Property and Equipment		
Construction in progress		**30,625**

Additionally, as of June 30, 2024, the Organization has a conditional pledge receivable of $1 million from a foundation where multiple board members are employed. Receipt of the additional funding is dependent on continued progress and expenses incurred related to the Center.

Note 8 - Subsequent Events

The Organization has evaluated subsequent events through December 4, 2024. This date is the date the financial statements were available to be issued. No material events subsequent to June 30, 2024 were noted.