

**INTERNATIONAL CENTER FOR COMMUNITY LAND TRUSTS INC.**

**FINANCIAL STATEMENTS**

December 31, 2024 and 2023

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
International Center for Community Land Trusts Inc.  
Madison, Wisconsin

### ***Opinion***

We have audited the financial statements of International Center for Community Land Trusts Inc., which comprise the statements of financial position as of December 31, 2024 and 2023, 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 accompanying financial statements present fairly, in all material respects, the financial position of International Center for Community Land Trusts Inc. as of December 31, 2024 and 2023, 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 (GAAS). 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 International Center for Community Land Trusts 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 International Center for Community Land Trusts 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 GAAS 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 GAAS, 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 International Center for Community Land Trusts 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 International Center for Community Land Trusts 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.

A handwritten signature in black ink that reads "Wegner CPAs LLP". The signature is written in a cursive, flowing style.

Wegner CPAs, LLP  
Madison, Wisconsin  
April 21, 2025

**INTERNATIONAL CENTER FOR COMMUNITY LAND TRUSTS INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 729,836	\$ 329,625
Certificate of deposit	127,920	-
Grants receivable	18,830	526,196
Prepaid expenses	<u>779</u>	<u>785</u>
Total current assets	877,365	856,606
<b>OTHER ASSETS</b>		
Grants receivable, less current portion	<u>-</u>	<u>400,000</u>
<b>Total assets</b>	<u><u>\$ 877,365</u></u>	<u><u>\$ 1,256,606</u></u>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 35,477	\$ 34,440
Accrued expenses	4,436	3,726
Sales tax payable	<u>47</u>	<u>43</u>
Total liabilities	39,960	38,209
<b>NET ASSETS</b>		
Without donor restrictions		
Undesignated	712,405	293,397
Board designation for operating reserve	<u>125,000</u>	<u>125,000</u>
Total without donor restrictions	837,405	418,397
With donor restrictions	<u>-</u>	<u>800,000</u>
Total net assets	<u><u>837,405</u></u>	<u><u>1,218,397</u></u>
<b>Total liabilities and net assets</b>	<u><u>\$ 877,365</u></u>	<u><u>\$ 1,256,606</u></u>

See accompanying notes.

**INTERNATIONAL CENTER FOR COMMUNITY LAND TRUSTS INC.**  
**STATEMENTS OF ACTIVITIES**  
Years Ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
<b>CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS</b>		
REVENUES		
Contributions		
Grants	\$ -	\$ 540,119
Individual	1,597	1,547
Fee for service agreements	23,000	12,250
Merchandise sales, net of cost of goods sold	510	(212)
Other revenue		
Interest income	15,766	6,909
Other income	668	242
	<u>41,541</u>	<u>560,855</u>
Total revenues without donor restrictions	41,541	560,855
EXPENSES AND LOSSES		
Program services	301,515	142,841
Supporting activities		
Management and general	74,586	47,280
Fundraising	14,750	9,495
	<u>390,851</u>	<u>199,616</u>
Total expenses	390,851	199,616
Loss on foreign currency translation	722	-
Loss on contract amendment	30,960	-
	<u>422,533</u>	<u>199,616</u>
Total expenses and losses	422,533	199,616
NET ASSETS RELEASED FROM RESTRICTIONS		
Expiration of time restrictions	800,000	-
	<u>800,000</u>	<u>-</u>
Change in net assets without donor restrictions	419,008	361,239
<b>CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS</b>		
Contributions	-	800,000
Net assets released from restrictions	(800,000)	-
	<u>(800,000)</u>	<u>800,000</u>
Change in net assets with donor restrictions	(800,000)	800,000
<b>Change in net assets</b>	(380,992)	1,161,239
Net assets at beginning of year	1,218,397	57,158
	<u>1,218,397</u>	<u>57,158</u>
<b>Net assets at end of year</b>	<u>\$ 837,405</u>	<u>\$ 1,218,397</u>

See accompanying notes.

**INTERNATIONAL CENTER FOR COMMUNITY LAND TRUSTS INC.**  
**STATEMENTS OF FUNCTIONAL EXPENSES**  
Years Ended December 31, 2024 and 2023

	Supporting Activities			2024 Total
	Program Services	Management and General	Fundraising	
Personnel	\$ 207,670	\$ 43,303	\$ 14,062	\$ 265,035
Contracted labor	69,570	-	-	69,570
Other professional fees	-	28,107	-	28,107
Telecommunications	9,543	1,997	648	12,188
Recruitment and outreach	219	-	-	219
Travel	11,131	-	-	11,131
Insurance	611	768	40	1,419
Office expenses	1,501	196	-	1,697
Licenses and permits	-	89	-	89
Banking and fees	45	126	-	171
Conferences and meetings	290	-	-	290
Other expenses	935	-	-	935
<b>Total expenses</b>	<b>\$ 301,515</b>	<b>\$ 74,586</b>	<b>\$ 14,750</b>	<b>\$ 390,851</b>

  

	Supporting Activities			2023 Total
	Program Services	Management and General	Fundraising	
Personnel	\$ 46,384	\$ 19,704	\$ 4,926	\$ 71,014
Contracted labor	89,248	16,300	4,075	109,623
Other professional fees	-	8,494	-	8,494
Telecommunications	3,632	1,976	494	6,102
Recruitment and outreach	1,508	-	-	1,508
Travel	1,074	-	-	1,074
Insurance	-	520	-	520
Office expenses	150	20	-	170
Licenses and permits	-	79	-	79
Banking and fees	-	187	-	187
Other expenses	845	-	-	845
<b>Total expenses</b>	<b>\$ 142,841</b>	<b>\$ 47,280</b>	<b>\$ 9,495</b>	<b>\$ 199,616</b>

See accompanying notes.

**INTERNATIONAL CENTER FOR COMMUNITY LAND TRUSTS INC.**  
**STATEMENTS OF CASH FLOWS**  
Years Ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ (380,992)	\$ 1,161,239
Adjustments to reconcile change in net assets to net cash flows from operating activities		
Loss on foreign currency translation	722	-
Loss on contract amendment	30,960	-
Decrease (increase) in assets		
Grants receivable	875,684	(872,216)
Prepaid expenses	6	(785)
Increase in liabilities		
Accounts payable	1,037	34,088
Accrued expenses	710	3,726
Sales tax payable	4	43
	<u>528,131</u>	<u>326,095</u>
<b>Net cash flows from operating activities</b>	528,131	326,095
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of certificates of deposit and reinvested interest	(252,920)	-
Maturities of certificate of deposit	125,000	-
	<u>(127,920)</u>	<u>-</u>
<b>Net cash flows from investing activities</b>	(127,920)	-
<b>Change in cash</b>	400,211	326,095
Cash at beginning of year	<u>329,625</u>	<u>3,530</u>
<b>Cash at end of year</b>	<u><u>\$ 729,836</u></u>	<u><u>\$ 329,625</u></u>

See accompanying notes.



**INTERNATIONAL CENTER FOR COMMUNITY LAND TRUSTS INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2024 and 2023

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**NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Activities**

International Center for Community Land Trusts Inc. (the Center) is based in Madison, Wisconsin. The purpose of the Center is to support the advancement of education regarding community land trusts, both in the United States and abroad, through book publication, support for academic research, and training for nonprofit practitioners, boards of directors, and community members. These educational efforts will inform, enhance, and support the work of community land trusts and other not-for-profit organizations so that they may better address the following goals: relief of the poor, the distressed, or the underprivileged; lessening the burdens of government; lessening neighborhood tensions; eliminating prejudice and discrimination; defending human and civil rights secured by law; and combating community deterioration. The Center is primarily supported through grants from foundations and other non-governmental organizations.

**Grants Receivable**

Grants receivable represent amounts owed by foundations and other non-governmental organizations. Grants receivable are recognized in the period received, if unconditional. Grants receivable are stated at the amount management expects to be collected from outstanding balances. Discounts on grants receivable are only recorded if the discount is material to the financial statements as a whole. No discount was recorded for the years ended December 31, 2024 and 2023. As of December 31, 2024 and 2023, management has determined, based on historical experience, that all amounts are fully collectible, and no allowance for doubtful accounts is necessary. Conditional grants are recognized only when the conditions on which they depend are substantially met and they become unconditional. There were no conditional grants in 2024 and 2023.

**Contributions**

Contributions that are restricted by the donor are reported 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. When a restriction expires, 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.

**Revenue Recognition**

The Center's earned revenue consists of fee for service agreements and merchandise sales. Fee for service agreements are generally short-term (e.g., under one year in duration) and consist of research, consulting, and education services. Revenue is recognized at the point in time when project deliverables are met as determined by the contract terms. Merchandise sales consist of print book sales and revenue is recognized at the point of sale, net of sales tax.

**Foreign Currency Translation**

Grant revenues and receivables are translated from the euro to the U.S. dollar using the exchange rate at year-end for the current period. Any foreign currency translation gains or losses from exchange rate changes are recognized in the statement of activities.

**INTERNATIONAL CENTER FOR COMMUNITY LAND TRUSTS INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2024 and 2023

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**NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Sales Tax**

The State of Wisconsin imposes a sales tax of 5.5% on all the Center's sales to nonexempt customers. The Center collects that sales tax from customers and remits the entire amount to the state. The Center's accounting policy is to exclude the taxes collected and remitted to the state from sales and cost of sales as the Society considers itself a pass-through conduit for collecting and remitting sales taxes.

**Expense Allocation**

The financial statements report certain categories of expenses that are attributable to more than one program service or supporting activity. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include personnel, contracted labor, telecommunications, and insurance, which are allocated on the basis of estimates of time and effort.

**Estimates**

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

**Income Tax Status**

The Center is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code.

**Date of Management's Review**

Management has evaluated subsequent events through April 21, 2025, the date which the financial statements were available to be issued.

**NOTE 2—CONTRACT AMENDMENT**

A contract for services was originally valued at \$84,976 (€78,000) in 2023, and the revenue was recognized in that year. In 2024, a contract amendment resulted in a reduction of €26,000 due to the funder working directly with the program partner. The contract amendment resulted in a \$30,960 loss in the 2024 statement of activities.

**NOTE 3—REVENUE CONCENTRATION**

No concentration existed for 2024. For the year ended December 31, 2023, 88% of total revenue was derived from one grantor.

**INTERNATIONAL CENTER FOR COMMUNITY LAND TRUSTS INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2024 and 2023

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**NOTE 4—RELATED PARTY TRANSACTIONS**

During 2024 and 2023, the Center contracted services for the Global South CLT Network project from Catalytic Communities Inc. totaling \$29,700 and \$26,000, respectively. At December 31, 2024 and 2023, the balance in accounts payable was \$23,000 and \$13,000, respectively. The Executive Director and an employee of Catalytic Communities Inc. are members of the Center's board of directors. During 2023, the Center also contracted services for the Global South CLT Network project from Cano Martin Pena Community Land Trust totaling \$26,000. At December 31, 2023, the balance in accounts payable was \$13,000. An employee of Cano Martin Pena Community Land Trust is a member of the Center's board of directors.

**NOTE 5—GRANTS RECEIVABLE**

Grants receivable are as follows:

	<u>2024</u>	<u>2023</u>
Receivable in less than one year	\$ 18,830	\$ 526,196
Receivable in one to five years	<u>-</u>	<u>400,000</u>
	<u>\$ 18,830</u>	<u>\$ 926,196</u>

**NOTE 6—RETIREMENT EXPENSE**

The Center offers a 403(b) plan to its employees as outlined in their employment contracts. Employees receive a dollar-for-dollar match contribution up to 7%. Total retirement expense for 2024 and 2023 was \$14,334 and \$3,798, respectively.

**NOTE 7—NET ASSETS WITH DONOR RESTRICTIONS**

At December 31, 2024, there were no net assets with donor restrictions. At December 31, 2023, net assets with donor restrictions consisted of \$800,000 that were restricted for future periods.

**NOTE 8—LIQUIDITY AND AVAILABILITY**

The table below reflects the Center's financial assets as of the date of the statement of financial position reduced by amounts not available for general expenditures within one year of the date of the statement of financial position:

**INTERNATIONAL CENTER FOR COMMUNITY LAND TRUSTS INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2024 and 2023

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NOTE 8—LIQUIDITY AND AVAILABILITY (continued)

	<u>2024</u>	<u>2023</u>
Cash	\$ 729,836	\$ 329,625
Certificate of deposit	127,920	-
Grants receivable	<u>18,830</u>	<u>926,196</u>
Financial assets at end of year	876,586	1,255,821
Less those unavailable for general expenditures within one year:		
Restrictions by donor for future periods	-	(800,000)
Board designations for operating reserve	<u>(125,000)</u>	<u>(125,000)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 751,586</u>	<u>\$ 330,821</u>

As part of the Center'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.