



**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Consolidated Financial Statements and Schedule

June 30, 2023

(with comparative summarized financial information as of and for the  
year ended June 30, 2022)

(With Independent Auditors' Report Thereon)



KPMG LLP  
345 Park Avenue  
New York, NY 10154-0102

## **Independent Auditors' Report**

The Board of Trustees  
Wildlife Conservation Society and subsidiaries:

### *Opinion*

We have audited the consolidated financial statements of Wildlife Conservation Society and subsidiaries (the Organization), which comprise the consolidated balance sheet as of June 30, 2023, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Organization as of June 30, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with U.S. generally accepted accounting principles.

### *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 Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Organization 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 Consolidated Financial Statements*

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with U.S. generally accepted accounting principles, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for one year after the date that the consolidated financial statements are available to be issued.

### *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements*

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 consolidated 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 consolidated 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 consolidated 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 the Organization'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization'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.

#### *Report on Summarized Comparative Information*

We have previously audited Wildlife Conservation Society and subsidiaries' 2022 consolidated financial statements, and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated October 20, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2022 is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

#### *Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary information included in Schedule 1 is presented for purposes of additional analysis and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

**KPMG LLP**

New York, New York  
October 17, 2023

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Consolidated Balance Sheet

June 30, 2023

(with summarized financial information as of June 30, 2022)

<b>Assets</b>	<b>2023</b>	<b>2022</b>
Cash and cash equivalents	\$ 124,638,061	106,220,513
Cash in escrow (note 2m)	26,332,562	30,119,862
Miscellaneous receivables	3,054,268	5,089,064
Receivables from the City of New York (note 14)	58,178,340	77,387,645
Receivables from the State of New York	9,245,626	8,151,650
Receivables from U.S. Federal sources	8,637,503	6,377,369
Contributions receivable, net (note 7)	9,708,854	12,009,382
Non-U.S. government and bilateral grants and contracts receivables (note 7)	15,690,788	11,173,792
Private organization grants and contracts receivables (note 7)	33,841,692	28,577,322
Inventories	3,960,014	3,327,554
Prepaid expenses	12,362,650	8,647,062
Advances to sub awardees	6,111,235	4,829,817
Right-of-use operating lease assets (note 13)	1,567,285	1,946,977
Investments (notes 3 and 4)	510,406,477	523,679,381
Heymann Foundation investments (notes 2(u) and 3)	45,998,189	45,899,257
Amounts held in trust by others (note 3)	1,681,593	1,664,957
Funds held by bond trustee (notes 3 and 10)	3,043,146	8,548,905
Property and equipment (note 8)	433,535,825	440,425,317
Collections (note 2q)	—	—
Total assets	<u>\$ 1,307,994,108</u>	<u>1,324,075,826</u>
<b>Liabilities and Net Assets</b>		
Liabilities:		
Accounts payable and accrued expenses (notes 11 and 12)	\$ 60,085,380	54,253,872
Grants and contracts liabilities	43,341,530	45,212,110
Escrow liability (note 2m)	26,287,053	30,115,001
Operating lease liabilities (note 13)	1,748,309	2,007,987
Annuity liabilities	2,640,861	2,730,634
Bonds payable (note 10)	164,961,157	164,923,219
Postretirement benefit obligation (note 12)	45,049,840	45,883,859
Total liabilities	<u>344,114,130</u>	<u>345,126,682</u>
Commitments and contingencies (notes 2(t), 3, 9, 12, 13, 14 and 17)		
Net assets:		
Without donor restrictions:		
General operating	462,700	(2,447,775)
Board designated (note 5)	133,834,716	132,573,988
Net investment in property and equipment	270,593,972	282,989,222
Total without donor restrictions	<u>404,891,388</u>	<u>413,115,435</u>
With donor restrictions (note 5):		
Purpose restricted (notes 2(u) and 6)	285,583,106	292,588,548
Endowment corpus (note 6)	273,405,484	273,245,161
Total with donor restrictions	<u>558,988,590</u>	<u>565,833,709</u>
Total net assets	<u>963,879,978</u>	<u>978,949,144</u>
Total liabilities and net assets	<u>\$ 1,307,994,108</u>	<u>1,324,075,826</u>

See accompanying notes to consolidated financial statements.

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Consolidated Statement of Activities

Year ended June 30, 2023

(with comparative summarized financial information for the year ended June 30, 2022)

	Without donor restrictions	With donor restrictions	2023 Total	2022 Total
Revenues:				
Contributions (note 2(u))	\$ 18,486,978	21,216,465	39,703,443	86,858,729
Bequests	4,403,019	174,930	4,577,949	3,706,887
Membership dues	17,638,149	—	17,638,149	17,797,002
Appropriation from the City of New York (note 14)	47,398,386	1,165,663	48,564,049	46,526,734
U.S. State agencies grants and contracts	6,624,873	—	6,624,873	5,512,469
U.S. Federal grants and contracts	37,839,515	—	37,839,515	41,294,056
Non-U.S. government and bilateral grants and contracts	53,625,914	—	53,625,914	41,596,016
Private organizations grants	34,199,319	41,528,062	75,727,381	136,597,825
Gate and exhibit admissions	42,453,214	—	42,453,214	38,950,891
Restaurant and merchandise sales and parking fees	35,398,937	—	35,398,937	33,313,458
Investment return (notes 2(u) and 4)	9,892,051	3,921,263	13,813,314	(15,678,277)
Educational program and activities	3,991,673	—	3,991,673	2,754,906
Sponsorship, licensing, and royalties	464,872	—	464,872	748,419
Miscellaneous	3,429,186	—	3,429,186	2,015,648
	315,846,086	68,006,383	383,852,469	441,994,763
Net assets released from restrictions	74,851,502	(74,851,502)	—	—
Total revenues	390,697,588	(6,845,119)	383,852,469	441,994,763
Expenses:				
Program services:				
Bronx Zoo	86,940,866	—	86,940,866	83,165,479
New York Aquarium	38,668,144	—	38,668,144	34,429,393
City Zoos	28,345,473	—	28,345,473	27,472,178
Restaurant, merchandise, and parking expenses	20,337,935	—	20,337,935	19,282,369
Global Conservation Programs	177,687,271	—	177,687,271	150,326,224
Total program services	351,979,689	—	351,979,689	314,675,643
Supporting services:				
Management and general (note 2(u))	34,651,009	—	34,651,009	32,935,363
Membership solicitation and fulfillment	2,731,709	—	2,731,709	2,237,853
Fund-raising	11,051,036	—	11,051,036	10,128,531
Total supporting services	48,433,754	—	48,433,754	45,301,747
Total expenses	400,413,443	—	400,413,443	359,977,390
(Deficiency) excess of revenues over expenses	(9,715,855)	(6,845,119)	(16,560,974)	82,017,373
Other changes:				
Postretirement-related changes other than net periodic postretirement benefit costs (note 12)	1,491,808	—	1,491,808	9,884,708
Changes in net assets	(8,224,047)	(6,845,119)	(15,069,166)	91,902,081
Net assets at beginning of year	413,115,435	565,833,709	978,949,144	887,047,063
Net assets at end of year	\$ 404,891,388	558,988,590	963,879,978	978,949,144

See accompanying notes to consolidated financial statements.

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Consolidated Statement of Functional Expenses

Year ended June 30, 2023

(with comparative summarized financial information for the year ended June 30, 2022)

	Bronx Zoo	New York Aquarium	City Zoos	Restaurant, merchandise, and parking expenses	Global conservation programs	Total program services	Management and general	Membership solicitation and fulfillment	Fund-raising	Total supporting services	Total 2023	Total 2022
Salaries and wages	\$ 33,213,421	7,219,609	13,703,139	6,718,680	58,613,625	119,468,474	17,881,570	563,969	5,767,743	24,213,282	143,681,756	134,732,268
Employee benefits and payroll taxes	15,014,410	3,480,729	7,099,867	1,921,964	15,096,068	42,613,038	4,828,016	198,322	2,027,769	7,054,107	49,667,145	47,577,418
Employment costs	91,191	4,781	2,749	—	4,466,967	4,565,688	870,896	—	316	871,212	5,436,900	5,089,862
Total salaries and related expenses	48,319,022	10,705,119	20,805,755	8,640,644	78,176,660	166,647,200	23,580,482	762,291	7,795,828	32,138,601	198,785,801	187,399,548
Consultancy fees	11,555	27,190	3,720	—	14,779,440	14,821,905	912,928	679,731	995	1,593,654	16,415,559	13,869,948
Purchased services	1,884,135	232,197	336,044	674,669	7,179,091	10,306,136	1,209,911	—	1,565,267	2,775,178	13,081,314	12,204,007
Grants	300	—	—	—	21,399,905	21,400,205	—	72,999	—	72,999	21,473,204	17,263,613
Professional fees	195,913	124,957	126,617	25,200	3,051,944	3,524,631	2,332,608	—	175,550	2,508,158	6,032,789	5,072,677
Property and casualty insurance	3,251,561	1,014,732	429,353	—	2,172,206	6,867,852	460,459	346,000	—	806,459	7,674,311	5,877,072
Advertising	3,107,215	1,034,349	49,350	17,097	179,250	4,387,261	78,195	7,087	648,774	734,056	5,121,317	4,506,571
Repairs and maintenance	4,387,511	2,394,379	986,769	316,854	2,226,949	10,312,462	1,650,483	535,161	74,854	2,260,498	12,572,960	12,893,001
Supplies and materials	3,328,733	1,142,821	1,492,227	553,229	17,107,877	23,624,887	1,807,442	—	370,003	2,177,445	25,802,332	23,504,544
Animal food and forage	2,383,309	616,813	637,631	—	—	3,637,753	—	2,309	—	2,309	3,640,062	3,388,153
Telephone	87,942	38,641	171,764	26,590	1,378,915	1,703,852	414,351	5,960	5,136	425,447	2,129,299	1,719,422
Heat, light, and power	4,192,097	1,830,911	212,487	26,032	442,492	6,704,019	—	—	—	—	6,704,019	6,860,472
Travel	286,044	94,803	69,119	14,450	21,641,487	22,105,903	814,335	1,243	173,168	988,746	23,094,649	14,851,068
Dues and fees	92,123	74,288	131,936	5,788	137,179	441,314	362,858	187,729	4,500	555,087	996,401	885,175
Postage and shipping	33,010	95,691	15,379	3,508	494,584	642,172	36,973	—	82,496	119,469	761,641	857,388
Cost of product sold	—	—	—	8,891,350	—	8,891,350	—	—	—	—	8,891,350	8,169,050
Collection accessions	201,632	51,910	14,123	—	—	267,665	—	—	—	—	267,665	306,770
Currency translation (gain) loss	—	—	—	—	2,237,795	2,237,795	—	—	—	—	2,237,795	(681,627)
Bond interest expense	3,527,643	1,978,117	—	—	—	5,505,760	—	—	—	—	5,505,760	5,657,707
Occupancy	42,940	1,092,500	1,300,000	110,006	2,002,238	4,547,684	196,404	—	—	196,404	4,744,088	5,632,946
Depreciation	10,834,155	15,974,792	1,276,439	340,359	1,265,677	29,691,422	418,756	—	3,227	421,983	30,113,405	26,540,634
Other	774,026	143,934	286,760	692,159	1,813,582	3,710,461	374,824	131,199	151,238	657,261	4,367,722	3,199,251
Total expenses	\$ 86,940,866	38,668,144	28,345,473	20,337,935	177,687,271	351,979,689	34,651,009	2,731,709	11,051,036	48,433,754	400,413,443	359,977,390
Total 2022 expenses	\$ 83,165,479	34,429,393	27,472,178	19,282,369	150,326,224	314,675,643	32,935,363	2,237,853	10,128,531	45,301,747	—	359,977,390

See accompanying notes to consolidated financial statements.

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Consolidated Statement of Cash Flows

Year ended June 30, 2023

(with comparative summarized financial information for the year ended June 30, 2022)

	<u>2023</u>	<u>2022</u>
Cash flows from operating activities:		
Changes in net assets	\$ (15,069,166)	91,902,081
Adjustments to reconcile changes in net assets to net cash (used in) provided by operating activities:		
Depreciation	30,113,405	26,540,634
Amortization of bond issuance costs	37,938	38,439
Net (appreciation) depreciation in fair value of investments	(10,121,893)	13,937,099
Postretirement-related change other than net periodic postretirement benefit cost	(1,491,808)	(9,884,708)
(Increase) decrease in value of amounts held in trust by others	(20,194)	476,856
Endowment contributions	(160,323)	(258,918)
Contributions and grants restricted for building improvements	(16,897,061)	(16,082,025)
Reduction in carrying amount of right-of-use operating lease assets	379,692	1,265,876
Changes in assets and liabilities:		
Miscellaneous receivables	2,034,796	(3,193,330)
Receivable from the City of New York	(3,301,596)	10,505,831
Receivable from the State of New York	(1,093,976)	(3,392,318)
Receivables from U.S. Federal sources	(2,260,134)	1,972,420
Contributions receivable	2,300,528	(4,436,434)
Non-U.S. government and bilateral grants and contracts receivables	(4,516,996)	31,262
Private organization grants and contracts receivables	(5,264,370)	(8,497,615)
Inventories	(632,460)	(1,366,647)
Advances to subawardees	(1,281,418)	951,335
Prepaid expenses	(3,715,588)	(3,432,688)
Accounts payable and accrued expenses	6,555,948	139,822
Grant and contract liabilities	(1,870,580)	(11,508,012)
Escrow liability	(3,827,948)	8,629,521
Operating lease liabilities	(259,678)	(924,335)
Postretirement benefit obligation	657,789	1,426,721
Total adjustments	<u>(14,635,927)</u>	<u>2,938,786</u>
Net cash (used in) provided by operating activities	<u>(29,705,093)</u>	<u>94,840,867</u>
Cash flows from investing activities:		
Proceeds from sales of investments	89,011,306	163,142,254
Purchases of investments	(65,715,441)	(185,785,354)
Acquisition of property and equipment	(23,223,913)	(15,606,538)
Decrease in accounts payable and accrued expenses for construction projects	(724,440)	—
Net cash used in investing activities	<u>(652,488)</u>	<u>(38,249,638)</u>
Cash flows from financing activities:		
Endowment contributions	160,323	258,918
Contributions and grants restricted for building improvements	39,407,962	28,931,882
Decrease in annuity liabilities, net	(89,773)	(393,859)
Repayment of line of credit	—	(30,000,000)
Net cash provided by (used in) financing activities	<u>39,478,512</u>	<u>(1,203,059)</u>
Net increase in cash, cash equivalents and restricted cash	9,120,931	55,388,170
Cash, cash equivalents and restricted cash at beginning of year	144,929,310	89,541,140
Cash, cash equivalents and restricted cash at end of year	<u>\$ 154,050,241</u>	<u>144,929,310</u>
Reconciliation of cash, cash equivalents, and restricted cash reported within the consolidated balance sheet that sum to the total of the same such amounts shown above:		
Cash and cash equivalents	\$ 124,287,257	106,023,925
Restricted cash for agency account included in cash and cash equivalents	350,804	196,588
Restricted cash for escrow account included cash in escrow	26,332,562	30,119,862
Restricted cash included in amounts held in trust by others	36,472	40,030
Restricted cash included in funds held by bond trustee	3,043,146	8,548,905
Total cash, cash equivalents, and restricted cash shown above	<u>\$ 154,050,241</u>	<u>144,929,310</u>
Supplemental disclosure:		
Interest paid	\$ 5,505,760	5,657,707
Increase in accounts payable and accrued expenses for construction projects	—	2,045,178

See accompanying notes to consolidated financial statements.

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2023

(with comparative summarized financial information as of and for the  
year ended June 30, 2022)

**(1) The Organization**

The accompanying consolidated financial statements present the financial position, changes in net assets, functional expenses and cash flows of the Wildlife Conservation Society (WCS) and its affiliates and wholly owned subsidiaries.

WCS is a New York not-for-profit corporation founded and incorporated in 1895 as the New York Zoological Society. The Internal Revenue Service has determined that WCS is an organization described in Sections 501(c)(3), 170(b)(1)(A)(vi), and 509(a)(1) of the Internal Revenue Code (the Code) and is exempt from Federal income tax under Section 501(a) of the Code. WCS saves wildlife and wild places worldwide through science, conservation action, education, and inspiring people to value nature. That mission is achieved through our global conservation programs and through the management of the world's largest system of urban wildlife parks—the Bronx Zoo; the New York Aquarium; and the Central Park, Queens, and Prospect Park Zoos (the City Zoos).

Various corporate entities have been formed from time to time to support WCS or enable it to carry out its mission more effectively and efficiently. The following are descriptions of WCS affiliates and related entities, reflected in the accompanying consolidated financial statements. These entities each have charitable, educational, and scientific and conservation nonprofit objectives and purposes.

182 Flight Corp. (182 FC) is a Delaware nonprofit, nonstock corporation, whose sole member is WCS. 182 FC is not tax-exempt.

Autonomous Noncommercial Organization Wildlife Conservation Society (WCS ANO) is a nonmembership, unitary, autonomous, noncommercial organization organized and tax-exempt under the laws of the Russian Federation.

Batagur Co., Ltd. (Batagur) is a private limited liability company organized under Cambodian law to hold land for conservation purposes. Batagur is not tax exempt.

Conservation Flight LLC (CF) is a Delaware limited liability company whose sole member is WCS. CF is a disregarded entity for tax purposes.

Conservation Livelihoods International LLC (CLI) is a nonprofit Delaware limited liability company whose sole member is WCS. CLI is a disregarded entity for tax purposes.

Ibis Rice Conservation Co., Ltd. (Ibis Rice Co.) is a private limited company organized under Cambodian law. Ibis Rice Co. is not tax exempt.

The Henry L. Heymann Wildlife Preservation Foundation was established for the benefit of the Wildlife Conservation Society and the International Primate Protection League in fiscal year 2022. The entity is a separate Delaware Not-for-Profit Corporation which has been classified by the Internal Revenue Service as a Type I supporting organization under IRC Section 509(a)(3) and recognized as tax exempt under Section 501(c)(3) (see note 2(u)).



**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2023

(with comparative summarized financial information as of and for the  
year ended June 30, 2022)

Makira Carbon Company LLC (MCC) is a Delaware limited liability company whose sole member is WCS. MCC is a disregarded entity for tax purposes.

Professional Housing Corporation (PHC) is a nonprofit, nonstock corporation incorporated in the State of Delaware whose sole member is WCS. PHC is exempt from Federal income tax as a title holding company under Section 501(c)(2) of the Code.

Sansom Mlup Prey (SMP) is a nonprofit organization organized under Cambodian law. SMP is exempt from income tax.

Seima Carbon Company LLC (SCC) is a Delaware limited liability company whose sole member is WCS. SCC is a disregarded entity for tax purposes.

Tierras LLC is a Delaware single-member limited liability company whose sole member is WCS. Tierras LLC is a disregarded entity for tax purposes and carries on wildlife and land conservation on certain lands in Chile held indirectly through wholly owned subsidiaries, including Tierra de Guanacos LLC, Tierra de Truchas LLC, Tierra de Guanacos LLC UNO Limitada, and Tierra de Guanacos LLC DOS Limitada.

WCS-Associação Conservação da Vida Silvestre (WCS Brasil) is a not-for-profit civil association organized and tax-exempt under the law of the State of Rio de Janeiro, Brazil.

WCS Conservation Enterprises LLC (Conservation Enterprises) is a Delaware single member limited liability company whose sole member is WCS. Conservation Enterprises is a disregarded entity for tax purposes and is the sole shareholder of SVC Sam Veasna Conservation Tours Co., Ltd., a single member private limited company organized under Cambodian law.

WCS EU is an international nonprofit organization organized under the laws of Belgium, and is exempt from corporate income tax.

WCS Global Conservation UK is a private company limited by guarantee and a registered, tax-exempt charity formed under the law of England and Wales, whose sole member is WCS.

WCS Wildlife Conservation Society Canada (WCSC) is a nonprofit corporation under the Canada Not-for-profit Corporations Act whose sole member is WCS. WCSC is a tax exempt, Canadian registered charity.

Wildlife Conservation and Science (Malaysia) Bhd (WCS Malaysia) is a company limited by guarantee incorporated under Malaysian law. WCS Malaysia is not tax-exempt.

Yayasan Celebica (Celebica) is a nonprofit foundation organized under the laws of Indonesia principally to hold land for conservation purposes. Celebica is exempt from income tax on donation and grant revenues.

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2023

(with comparative summarized financial information as of and for the  
year ended June 30, 2022)

**(2) Summary of Significant Accounting Policies**

**(a) Basis of Accounting**

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles (U.S. GAAP). All intercompany transactions have been eliminated in consolidation.

**(b) Use of Estimates**

The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and judgments that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates include the fair value of alternative investments and postretirement benefit obligations and related costs. Actual results could differ from those estimates.

**(c) Basis of Presentation**

WCS's net assets and revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of WCS and changes therein are classified and reported as follows:

*Without donor restrictions* – Net assets that are not subject to donor-imposed stipulations. WCS delineates net assets without donor restrictions into the following categories:

General operating – Represents operating activity exclusive of depreciation expense, inclusive of the investment return allocated for spending based on WCS's spending rate, and transfers between general operating and board-designated;

Board-designated – Represents amounts designated by the board of trustees, principally for long-term investment, and transfers to and from general operating and net investment in property and equipment; and

Net investment in property and equipment (Plant) – Represents property (land, buildings, and exhibits) and equipment and associated activities, including debt.

*With donor restrictions* – Net assets subject to donor-imposed stipulations that will be met either by actions of WCS and/or the passage of time or that will be maintained permanently by WCS. Generally, the donors of assets to be maintained permanently permit WCS to use all or part of the return on related investments for general or specific purposes.

Revenues are reported as increases in net assets without donor restrictions unless their use is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Expirations of donor restrictions on net assets (i.e., the donor stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restriction. Gains and losses on investments and other assets or liabilities are reported as increases or

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2023

(with comparative summarized financial information as of and for the  
year ended June 30, 2022)

decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law.

**(d) Fair Value**

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. It prioritizes the inputs to the valuation techniques used to measure fair value by giving the highest priority to unadjusted quoted or published prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements).

The three levels in the fair value hierarchy are as follows:

- Level 1 inputs are quoted or published prices (unadjusted) in active markets for identical assets or liabilities that WCS has the ability to access at the measurement date.
- Level 2 inputs are inputs other than quoted or published prices included in Level 1 that are either directly or indirectly observable for the assets or liabilities.
- Level 3 inputs are unobservable inputs for the assets or liabilities.

The level in the fair value hierarchy within which a fair value measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement.

**(e) Contributions**

Contributions, including unconditional promises to give, are recognized initially at fair value as revenues in the period received. Contributions subject to donor-imposed restrictions that are met in the same reporting period are reported as revenues without donor restrictions. Fair value is estimated giving consideration to anticipated future cash receipts (after allowance is made for uncollectible contributions). Contributions to be received after one year are discounted using a risk-adjusted rate.

Contributions received with donor-imposed conditions are not recognized until they become unconditional, that is, when the conditions on which they depend are met. Amounts received in advance of satisfying the donor-imposed conditions are reported as grants and contracts liabilities.

**(f) Grants and Contracts**

WCS receives funding under grants and contracts from the government of the United States of America, United Nation agencies, Kreditanstalt für Wiederaufbau (KfW), the European Union (EU), and other public and private grantors, for direct and indirect program costs and to provide certain whole or partial sub-grants to other agencies. This funding is subject to contractual conditions, which must be met through incurring qualifying expenses for particular programs.

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2023

(with comparative summarized financial information as of and for the  
year ended June 30, 2022)

Revenue from grants and contracts is recognized only when funds are utilized by the Organization to carry out the activity stipulated in the grant or contract agreement and when milestones are met. Grants and contracts receivable represents amounts due from funding organizations for reimbursable expenses incurred. Cash received under grants and contracts in advance of incurring the related expenses is reported as grants and contracts liabilities.

At June 30, 2023, WCS has approximately \$262,686,700 of conditional grants and contracts with milestones or other barriers and right of return that have not been reflected in the accompanying consolidated financial statements.

**(g) Other Significant Forms of Income**

A WCS membership allows the member access to WCS park(s) for one year. The price of the membership is dependent on which parks the member will have access to, the level of access in the park(s) and if parking is included. In 2023, 16.2% of memberships were sold at park admission gates and the remainder either by mail or via the WCS web site. All membership sales are final. Memberships are not refundable or exchangeable, and are not for resale. The full year of access to benefits is conferred at the time of purchase, whether or not a member elects to use them. WCS recognizes the revenue from membership sales at the time of purchase.

WCS receives revenue from the sale of gate and exhibit admission tickets at the five parks. WCS also engages in retail sales related to food, merchandise and parking at the five parks. In both cases revenue related to such transactions is recognized at the time of purchase.

**(h) Investments**

Investments in equity securities with readily determinable fair values and all investments in debt securities are reported at fair value based upon quoted or published market values. As a practical expedient, investments without a readily determinable fair value, such as the limited partnerships and alternative investments, are reflected at net asset value as reported by the fund managers or general partners, and may differ significantly from the values that would have been reported had a ready market for these investments existed. WCS reviewed and evaluated the values provided by the investment managers and agrees with the valuation methods and assumptions used in determining the fair value of the limited partnerships and alternative investments.

**(i) Property and Equipment**

Expenditures for property and equipment, including buildings and improvements constructed on land owned by the City of New York, are capitalized and depreciated on a straight-line basis over estimated useful lives, which range from 5 to 20 years. Major projects and exhibits initiated but not yet completed are classified as construction in progress and are reclassified to the respective asset category and depreciated when completed and placed in service.

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2023

(with comparative summarized financial information as of and for the  
year ended June 30, 2022)

**(j) Advances to Sub Awardees**

A sub awardee advance is recorded when a contribution containing conditions along with a right of return are made to a sub awardee before the conditions are met. Once the sub awardee has reported that it has met the conditions of the sub award, the advance is then liquidated and it is recorded as an expense.

**(k) Leases**

WCS determines if an arrangement is a lease or contains a lease at inception of a contract. A contract is determined to be or contain a lease if the contract conveys the right to control the use of identified property, plant, or equipment (an identified asset) in exchange for consideration. WCS determines these assets are leased because WCS has the right to obtain substantially all of the economic benefit from and the right to direct the use of the identified asset. Assets in which the supplier or lessor has the practical ability and right to substitute alternative assets for the identified asset and would benefit economically from the exercise of its right to substitute the asset are not considered to be or contain a lease because WCS determines it does not have the right to control and direct the use of the identified asset. WCS's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

In evaluating its contracts, WCS separately identifies lease and nonlease components, such as common area and other maintenance costs, in calculating the right-of-use (ROU) assets and lease liabilities for its office buildings, apartments and vehicles. WCS has elected the practical expedient to not separate lease and nonlease components and classifies the contract as a lease if consideration in the contract allocated to the lease component is greater than the consideration allocated to the nonlease component.

Leases result in the recognition of ROU assets and lease liabilities in the consolidated balance sheet. ROU assets represent the right to use an underlying asset for the lease term, and lease liabilities represent the obligation to make lease payments arising from the lease, measured on a discounted basis. WCS determines lease classification as operating or finance at the lease commencement date. WCS currently has determined it does not have any significant finance lease arrangements.

At lease inception, the lease liability is measured at the present value of the lease payments over the lease term. The ROU asset equals the lease liability adjusted for any initial direct costs, prepaid or deferred rent, and lease incentives. WCS uses its risk-free rate based on the information available at the commencement date of each lease to determine the present value of lease payments.

The lease term may include options to extend or to terminate the lease that WCS is reasonably certain to exercise. Lease expense is generally recognized on a straight-line basis over the lease term.

WCS has elected not to record leases with an initial term of 12 months or less on the consolidated balance sheet. Lease expense on such leases is recognized on a straight-line basis over the lease term.

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2023

(with comparative summarized financial information as of and for the  
year ended June 30, 2022)

*Nature of Leases*

WCS has entered into the following lease arrangements:

*Operating Leases*

WCS has various real estate leases for offices that expire through 2037. These leases generally contain renewal options for periods ranging from 1 to 5 years and require WCS to pay all executory costs (property taxes, maintenance and insurance). Lease payments have an escalating fee schedule, which range from a stated percentage or dollar increase each year in accordance with the contracted annual rental amounts for the respective lease agreement. Termination of the leases is generally prohibited unless there is a violation under the lease agreement.

*Short-Term Leases*

WCS has certain leases that are for a period of 12 months or less or contain renewals for periods of 12 months or less. WCS does not include short-term leases within the consolidated balance sheet since it has elected the practical expedient to exclude these leases within the operating right-of-use assets and lease liabilities.

**(l) Cash Equivalents**

Cash equivalents include highly liquid debt instruments with original maturities of three months or less at time of purchase, except those included as part of WCS's investments.

**(m) Escrow Transactions**

Seima Carbon Company (SCC), a Delaware LLC whose sole member is WCS, was created to facilitate sales and to act as an escrow agent on carbon transactions in Cambodia. SCC is party to an agreement with the Royal Government of Cambodia to act as an escrow agent to manage and distribute proceeds from carbon sales. Escrow funds are maintained by SCC in a separate bank account. SCC's financial activity is consolidated into WCS's financial statements. Within WCS's balance sheet, the escrow funds are displayed in cash in escrow and escrow liability.

**(n) Split-Interest Agreements**

WCS's split-interest agreements consist primarily of charitable gift annuities and life income funds. Contribution revenue is recognized at the date the assets are received after recording liabilities for either (i) the present value of estimated future payments to be made to the donors and/or other beneficiaries, or (ii) the discount to present value for a term equal to the life expectancy of the donor for pooled life income funds gifts. These liabilities are adjusted annually for changes in the value of the assets, accretion of the discount, and other changes in the estimates of future benefits. Assets related to such agreements amounted to \$3,092,623 and \$3,263,374 at June 30, 2023 and 2022, respectively and are included in the total of investments in the consolidated balance sheet. The carrying amount of split-interest agreement obligations approximates fair value because these instruments are recorded at the estimated net present value of future cash flows.

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2023

(with comparative summarized financial information as of and for the  
year ended June 30, 2022)

**(o) Foreign Currency Translation**

The U.S. dollar (dollars) is the functional currency for WCS's operations worldwide. Transactions in currencies other than dollars are translated into dollars at the rate of exchange in effect during the month of the transaction. Assets and liabilities denominated in foreign currencies are translated into dollars using the exchange rates in effect at the consolidated balance sheet date. Revenue and expenses are translated into dollars using the exchange rate in effect on the transaction date. The resulting translation gain or loss is reflected in the consolidated statement of activities. Translation gains or losses were approximately \$2,238,000 and \$(682,000) for the years ended June 30, 2023 and June 30, 2022, respectively.

**(p) Accounting for Uncertainty in Income Taxes**

WCS recognizes the benefit of tax positions when it is more-likely than-not that the position will be sustainable based on the merits of the position. There are certain transactions which could be deemed Unrelated Business Income and would result in a tax liability. Management reviews transactions to estimate the potential tax liabilities using a threshold of more-likely than-not of being sustained. It is management's estimation that there are no material tax liabilities that need to be recorded.

**(q) Collections**

WCS-operated facilities care for and exhibit an extensive collection of animals, including rare and endangered species. Expenditures for collections are not capitalized.

**(r) Functional Expense Allocation**

The consolidated statement of functional expenses presents expenses by function and natural classification. Expenses directly attributable to a specific functional area of WCS are reported as expenses of those functional areas. Expenses attributable to more than one program or supporting function are principally allocated based on activity.

**(s) Presentation of Certain Prior Year Information**

The consolidated financial statements include certain prior year summarized information for comparative purposes only. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with WCS's consolidated financial statements as of and for the year ended June 30, 2022 from which the summarized information was derived.

**(t) Contingencies**

In the usual course of carrying out its mission, WCS may be a party to litigation and other claims. WCS carries insurance that, generally, covers costs of defending and settling such litigation and claims. While it is not feasible to predict the ultimate outcomes of such matters, WCS's management is not aware of any pending litigation or claims that would have a material adverse effect on WCS's financial position.

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2023

(with comparative summarized financial information as of and for the  
year ended June 30, 2022)

**(u) Immaterial correction of an error**

The Henry L. Heymann Wildlife Preservation Foundation (Heymann Foundation) was established as a 509(a)(3) supporting organization for the benefit of the Wildlife Conservation Society and the International Primate Protection League in fiscal year 2022. As a result of WCS's controlling interest, the Heymann Foundation should have been included in WCS's consolidated financial statements as of and for the year ended June 30, 2022. This error was identified in fiscal year 2023 which results in the following corrections:

	<b>2022 (As originally reported)</b>	<b>Impact of immaterial corrections</b>	<b>2022 (As corrected)</b>
Consolidated balance sheet:			
Assets – Heymann Foundation investments	\$ —	45,899,257	45,899,257
Total assets	1,278,176,569	45,899,257	1,324,075,826
Net assets with donor restrictions – purpose restricted	246,689,291	45,899,257	292,588,548
Total net assets	933,049,887	45,899,257	978,949,144
Total liabilities and net assets	1,278,176,569	45,899,257	1,324,075,826
Consolidated statement of activities:			
Revenues – contributions	40,073,596	46,785,133	86,858,729
Revenues – investment return	(14,987,637)	(690,640)	(15,678,277)
Total revenues	395,900,270	46,094,493	441,994,763
Expenses – supporting services – management and general	32,740,127	195,236	32,935,363
Total supporting services	45,106,511	195,236	45,301,747
Total expenses	359,782,154	195,236	359,977,390
Excess (deficiency) of revenues over expenses	36,118,116	45,899,257	82,017,373
Change in net assets	46,002,824	45,899,257	91,902,081
Net assets at the end of the year	933,049,887	45,899,257	978,949,144
Consolidated statement of cash flows:			
Cash flows from operating activities:			
Changes in net assets	46,002,824	45,899,257	91,902,081
Net (appreciation) depreciation in fair value of investments	12,932,457	1,004,642	13,937,099
Total adjustments	1,934,144	1,004,642	2,938,786
Net cash (used in) provided by operating activities	47,936,968	46,903,899	94,840,867
Cash flows from investing activities:			
Proceeds from sales of investments	162,876,796	265,458	163,142,254
Purchases of investments	(138,615,997)	(47,169,357)	(185,785,354)
Net cash provided by (used in) investing activities	8,654,261	(46,903,899)	(38,249,638)



**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2023

(with comparative summarized financial information as of and for the  
year ended June 30, 2022)

Within the consolidated statement of functional expenses, total professional fees were corrected from \$4,877,441 to \$5,072,677 for the year ended June 30, 2022.

Additional investment disclosures related to the types of investments, their classification in the fair value hierarchy as well as updated investment return amounts were included in note 3 as of and for the year ended June 30, 2022. The detail of net assets with donor restrictions chart was updated in note 6 as of June 30, 2022.

**(3) Fair Value**

WCS assets at June 30, 2023 are summarized in the following table:

	<u>Fair value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Assets:				
Directly managed investments:				
Short-term investments	\$ 18,437,853	18,437,853	—	—
Common stocks – domestic	4,924,352	4,924,352	—	—
Mutual funds – equity domestic	1,641,575	1,641,575	—	—
Mutual funds – fixed income:				
U.S. government	5,049,906	5,049,906	—	—
U.S. corporate	13,467,352	13,467,352	—	—
Mutual funds – natural resources	3,666,563	3,666,563	—	—
	<u>47,187,601</u>	<u>47,187,601</u>	<u>—</u>	<u>—</u>
Investments reported at net asset value (or its equivalent):				
Limited partnerships:				
Multi-asset class	318,176,833			
Equity – domestic	29,854,383			
Equity – global	19,898,002			
Equity – international/ emerging markets	35,630,665			
Other	4,303			
Alternative investments:				
Distressed securities	7,503,674			
Equity – long/short	13,880,523			
Multi-strategy	13,950,281			
Private equity	13,989,462			
Venture capital	10,330,750			
	<u>463,218,876</u>			
Total investments reported at net asset value (or its equivalent)	<u>463,218,876</u>			
Total investments	<u>\$ 510,406,477</u>			

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2023

(with comparative summarized financial information as of and for the  
year ended June 30, 2022)

	<u>Fair value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Heymann Foundation investments				
Short-term investments	\$ 1,056,784	1,056,784	—	—
Common stocks – domestic	30,680,102	30,680,102	—	—
Fixed income – domestic	14,261,303	14,261,303	—	—
Total Heymann Foundation investments	<u>\$ 45,998,189</u>	<u>45,998,189</u>	<u>—</u>	<u>—</u>
Other assets:				
Funds held by bond trustee	\$ 3,043,146	3,043,146	—	—
Amounts held in trust by others	1,681,593	—	—	1,681,593
Total other assets	<u>\$ 4,724,739</u>	<u>3,043,146</u>	<u>—</u>	<u>1,681,593</u>

Information with respect to the redemption provisions of investments reported at net asset value (or its equivalent) is as follows as of June 30, 2023:

<u>Liquidity</u>	<u>Day's notice</u>	<u>Amount</u>
Monthly	15	\$ 66,934,666
	30	12,517,621
	60	7,294,387
Quarterly	30	2,087,980
	60	17,983,468
Annual	90, pays 25% quarterly	6,395,732
	1 Year, at 12/31	318,176,833
Illiquid	Not applicable	31,828,189
		<u>\$ 463,218,876</u>

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2023

(with comparative summarized financial information as of and for the  
year ended June 30, 2022)

WCS assets at June 30, 2022 are summarized in the following table:

	<u>Fair value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Assets:				
Directly managed investments:				
Short-term investments	\$ 22,336,387	22,336,387	—	—
Common stocks – domestic	4,111,551	4,111,551	—	—
Mutual funds – equity domestic	1,656,920	1,656,920	—	—
Mutual funds – fixed income:				
U.S. government	5,143,617	5,143,617	—	—
U.S. corporate	13,518,883	13,518,883	—	—
Mutual funds – natural resources	3,201,678	3,201,678	—	—
	<u>49,969,036</u>	<u>49,969,036</u>	<u>—</u>	<u>—</u>
Investments reported at net asset value (or its equivalent):				
Limited partnerships:				
Multi-asset class	336,065,418			
Equity – domestic	25,486,572			
Equity – global	17,009,122			
Equity – international/ emerging markets	31,486,105			
Other	117,102			
Alternative investments:				
Distressed securities	8,203,469			
Equity – long/short	12,763,127			
Multi-strategy	13,187,238			
Private equity	12,692,404			
Venture capital	16,699,788			
	<u>473,710,345</u>			
Total investments reported at net asset value (or its equivalent)	<u>473,710,345</u>			
Total investments	<u>\$ 523,679,381</u>			
Heymann Foundation investments				
Short-term investments	\$ 2,827,287	2,827,287	—	—
Common stocks – domestic	32,224,185	32,224,185	—	—
Fixed income - domestic	10,847,785	10,847,785	—	—
	<u>45,899,257</u>	<u>45,899,257</u>	<u>—</u>	<u>—</u>
Total supporting organization investments	<u>\$ 45,899,257</u>	<u>45,899,257</u>	<u>—</u>	<u>—</u>

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2023

(with comparative summarized financial information as of and for the  
year ended June 30, 2022)

	<u>Fair value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Other assets:				
Funds held by bond trustee	\$ 8,548,905	8,548,905	—	—
Amounts held in trust by others	<u>1,664,957</u>	<u>—</u>	<u>—</u>	<u>1,664,957</u>
Total other assets	<u>\$ 10,213,862</u>	<u>8,548,905</u>	<u>—</u>	<u>1,664,957</u>

The following tables present WCS's activity for the fiscal years ended June 30, 2023 and 2022 for Level 3 assets:

	<u>Amounts held in trust by others</u>
Fair value at June 30, 2022	\$ 1,664,957
Sales/distributions	(69,269)
Net appreciation in fair value of investments	<u>85,905</u>
Fair value at June 30, 2023	<u>\$ 1,681,593</u>

	<u>Amounts held in trust by others</u>
Fair value at June 30, 2021	\$ 2,111,963
Sales/distributions	(69,269)
Net depreciation in fair value of investments	<u>(377,737)</u>
Fair value at June 30, 2022	<u>\$ 1,664,957</u>

WCS had unfunded investment commitments totaling \$19.7 million as of June 30, 2023.

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2023

(with comparative summarized financial information as of and for the  
year ended June 30, 2022)

**(4) Investments**

The fair value of investments at June 30, 2023 and 2022 is as follows:

	<u>2023</u>	<u>2022</u>
Multi-asset class, including other alternative assets	\$ 318,176,833	336,065,418
Equity/equity funds	91,948,977	79,750,270
Alternative investments	59,658,993	63,663,128
Fixed income funds	18,517,258	18,662,500
Natural resources	3,666,563	3,201,678
Short-term investments	18,437,853	22,336,387
	<u>\$ 510,406,477</u>	<u>523,679,381</u>

WCS invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur and that such changes could materially affect the amounts reported in the consolidated balance sheet.

Investments reported at net asset value (or its equivalent) held by the WCS fall into the following basic strategies:

Distressed securities hedge funds and private investments – investments through individual managers that invest in financial instruments that have suffered a substantial reduction in value. Distressed securities can include common and preferred shares, bank debt, trade claims (goods owed) and corporate bonds. WCS has one fund held in this strategy that does not provide redemption at this time.

Long/short equity hedge funds – investments through individual managers that take long positions in stocks that are expected to appreciate and short positions in stocks that are expected to decline.

Private equity – investments in fund managers that invest in the equity securities and debt in operating companies that are not publicly traded on a stock exchange. The investments have a long-term horizon and are illiquid in nature.

Venture capital – investments in fund managers that provide early stage financing to startup companies and small businesses that are believed to have long-term growth potential. The investments have a long-term horizon and are illiquid in nature.

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2023

(with comparative summarized financial information as of and for the  
year ended June 30, 2022)

WCS invests a significant portion of the investment portfolio in one manager, Makena Capital Management, LLC (Makena). Makena offers a pooled investment vehicle, the Makena Endowment Portfolio, utilizing a multi-asset manager structure. The net asset value of WCS investments in Makena as of June 30, 2023 and 2022 is as follows:

	<u>2023</u>	<u>2022</u>
Multi-asset class, including other alternative assets	\$ 318,176,833	336,065,418

The Makena Endowment Portfolio is a highly diversified multi-asset class investment portfolio. The asset allocations for the Makena Endowment Portfolio as of June 30, 2023 are as follows:

<u>Asset class</u>	<u>Percentage of portfolio</u>
Developed markets equity	18 %
Emerging markets equity	6
Private equity	28
Real estate	11
Natural resources	8
Hedge funds	16
Fixed income	8
Cash	5
	<u>100 %</u>

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2023

(with comparative summarized financial information as of and for the  
year ended June 30, 2022)

The components of investment return for the years ended June 30, 2023 and 2022 are as follows:

	<u>2023</u>	<u>2022</u>
Interest and dividend income, net of investment expenses of \$3,628,707 and \$4,572,909 in 2023 and 2022, respectively	\$ 3,691,421	(1,741,177)
Net appreciation (depreciation) in fair value of investments	<u>10,121,893</u>	<u>(13,937,100)</u>
Total investment return	13,813,314	(15,678,277)
Less investment return available under spending policy, including amounts restricted for time or purpose of \$8,916,811 in 2023 and \$8,904,455 in 2022	<u>(27,516,782)</u>	<u>(21,175,685)</u>
Investment return less than amount available under spending policy, including amounts restricted for time or purpose of \$(4,995,548) in 2023 and \$(16,773,492) in 2022	\$ <u><u>(13,703,468)</u></u>	<u><u>(36,853,962)</u></u>

**(5) Endowment Funds**

The WCS long-term investment portfolio includes donor-restricted endowment funds as well as funds without donor restrictions designated for long-term investment by the board of trustees, which are funds functioning as endowment. The primary management objective of the long-term investment portfolio is to preserve the real (inflation-adjusted) purchasing power of invested funds while providing a relatively predictable, stable, and constant (in real terms) payout for current use. The primary investment objective is to earn an average annual real (inflation-adjusted) return of at least 5% per year, net of management fees, over the long term (rolling five-year periods). The risk objective of the long-term investment portfolio is to achieve this return goal with minimal levels of risk and volatility through diversification. The primary objective of WCS's asset allocation policy is to provide a strategic mix of asset classes that produce the highest expected investment return while controlling risk.

The board of trustees has authorized a spending policy for endowments and funds functioning as endowment at a rate (spending rate) of up to 5% of the average fair value of its donor-restricted endowment funds and funds designated for long-term investment for the most recent 12-calendar-year quarters prior to the beginning of the current fiscal year. The average market value used for calculating endowment payout may be reduced to account for liquidity restrictions due to side pockets or other special restrictions to liquidity imposed by fund managers. The board of trustees may authorize additional spending, as needed, to finance special purposes, including capital expenditures, and operating deficits, if any, subject to donor restrictions.

WCS's endowment consists of 102 individual funds at June 30, 2023 and 2022, established for a variety of purposes, including both donor-restricted endowment funds and funds functioning as endowment. At

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2023

(with comparative summarized financial information as of and for the  
year ended June 30, 2022)

June 30, 2023 and 2022 there were no endowment accounts that were less than their original fair value (i.e., were underwater).

WCS follows the provisions of the New York Uniform Prudent Management of Institutional Funds Act (NYPMIFA), a version of the Uniform Prudent Management of Institutional Funds Act. WCS has interpreted NYPMIFA as allowing WCS to appropriate for expenditure or accumulate so much of an endowment fund as WCS determines is prudent for the uses, benefits, purposes and duration for which the endowment fund is established, subject to the intent of the donor as expressed in the gift instrument.

Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. Endowment net assets at June 30, 2023 and 2022 consisted of the following:

<b>2023</b>			
	<b>Without donor restrictions</b>	<b>With donor restrictions</b>	<b>Total</b>
Board-designated	\$ 133,834,716	—	133,834,716
Donor-restricted:			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	—	273,405,484	273,405,484
Accumulated investment gains	—	74,324,310	74,324,310
<b>Total</b>	<b>\$ 133,834,716</b>	<b>347,729,794</b>	<b>481,564,510</b>
<b>2022</b>			
	<b>Without donor restrictions</b>	<b>With donor restrictions</b>	<b>Total</b>
Board-designated	\$ 132,573,988	—	132,573,988
Donor-restricted:			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	—	273,245,161	273,245,161
Accumulated investment gains	—	79,715,449	79,715,449
<b>Total</b>	<b>\$ 132,573,988</b>	<b>352,960,610</b>	<b>485,534,598</b>



**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2023

(with comparative summarized financial information as of and for the  
year ended June 30, 2022)

Changes in endowment net assets for the fiscal years ended June 30, 2023 and 2022 were as follows:

	<b>2023</b>		
	<b>Without donor restrictions</b>	<b>With donor restrictions</b>	<b>Total</b>
Endowment net assets, June 30, 2022 as reported	\$ 132,573,988	352,960,610	485,534,598
Net appreciation (realized and unrealized)	10,429,135	3,525,672	13,954,807
Contributions	—	160,323	160,323
Appropriation of endowment assets for expenditure	(18,599,971)	(8,916,811)	(27,516,782)
Addition to board-designated endowment	9,431,564	—	9,431,564
Endowment net assets, June 30, 2023	<u>\$ 133,834,716</u>	<u>347,729,794</u>	<u>481,564,510</u>

	<b>2022</b>		
	<b>Without donor restrictions</b>	<b>With donor restrictions</b>	<b>Total</b>
Endowment net assets, June 30, 2021 as reported	\$ 130,880,568	368,780,201	499,660,769
Net depreciation (realized and unrealized)	(10,675,569)	(7,174,054)	(17,849,623)
Contributions	—	258,918	258,918
Appropriation of endowment assets for expenditure	(12,271,229)	(8,904,455)	(21,175,684)
Addition to board-designated endowment	24,640,218	—	24,640,218
Endowment net assets, June 30, 2022	<u>\$ 132,573,988</u>	<u>352,960,610</u>	<u>485,534,598</u>

Board designated net assets represent funds, subject to the spending policy and appropriation which support domestic and global programs as well as general operations. Board-designated endowment net assets at June 30, 2023 and 2022 consist of the following:

	<b>2023</b>	<b>2022</b>
Zoos and Aquarium programs	\$ 53,219,028	57,547,454
General purposes	54,469,395	50,953,719
Global conservation programs	26,146,293	24,072,815
	<u>\$ 133,834,716</u>	<u>132,573,988</u>

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2023

(with comparative summarized financial information as of and for the  
year ended June 30, 2022)

**(6) Net Assets with Donor Restrictions**

Net assets with purpose or time restrictions at June 30, 2023 and 2022 consist of the following:

	<u>2023</u>	<u>2022</u>
Amounts restricted for the following purposes:		
Zoos and Aquarium programs	\$ 126,017,744	131,938,420
Building and exhibit improvements	3,281,064	6,678,549
Global conservation programs	<u>156,284,298</u>	<u>153,971,579</u>
	<u>\$ 285,583,106</u>	<u>292,588,548</u>

Net assets that are restricted in perpetuity at June 30, 2023 and 2022 represent endowment gifts and consist of the following:

	<u>2023</u>	<u>2022</u>
Zoos and Aquarium programs	\$ 180,411,733	180,311,733
General purposes	6,437,570	6,437,570
Global conservation programs	<u>86,556,181</u>	<u>86,495,858</u>
	<u>\$ 273,405,484</u>	<u>273,245,161</u>

**(7) Grants and Contributions Receivable**

Grants and contributions receivable comprised of contributions receivable, Non-U.S. government and bilateral grants and contracts and private organization grant and contracts as of June 30, 2023 and 2022 are due to be collected as follows:

	<u>2023</u>	<u>2022</u>
Within one year	\$ 51,897,661	42,686,930
One to five years	<u>8,184,222</u>	<u>9,785,987</u>
	60,081,883	52,472,917
Less present value discount (3.81% in 2023 and 2.98% in 2022)	<u>(840,549)</u>	<u>(712,421)</u>
	<u>\$ 59,241,334</u>	<u>51,760,496</u>

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2023

(with comparative summarized financial information as of and for the  
year ended June 30, 2022)

**(8) Property and Equipment**

At June 30, 2023 and 2022, the cost and accumulated depreciation of property and equipment are as follows:

	<u>2023</u>	<u>2022</u>
Land	\$ 651,268	651,268
Buildings and exhibits	813,240,431	611,326,711
Furniture, fixtures, and equipment	61,257,893	57,362,638
Construction in progress	<u>10,734,384</u>	<u>193,319,446</u>
	885,883,976	862,660,063
Less accumulated depreciation	<u>452,348,151</u>	<u>422,234,746</u>
	<u>\$ 433,535,825</u>	<u>440,425,317</u>

At June 30, 2023, expenditures amounting to \$197.4 million associated with the restoration of the New York Aquarium were placed in service.

**(9) Line of Credit Agreements**

On March 17, 2020, WCS renewed a \$30,000,000, 3 year, unsecured line of credit facility with Bank of America to support working capital needs. The line of credit bears interest at the 1-month London Interbank Offered Rate (LIBOR) plus 0.30%. On March 3, 2023, this line of credit was extended to August 20, 2023 and the interest rate changed to the 1 month Bloomberg Short-Term Bank Yield Index (BSBY) rate plus 0.80% (6.02% at June 30, 2023). Interest is paid monthly and an unused credit facility is paid quarterly. During fiscal year 2023, WCS has not drawn down on this line of credit and there are no amounts outstanding as of June 20, 2023.

On August 20, 2020, WCS entered into a \$50,000,000, 3 year, unsecured line of credit facility with Bank of America to support working capital needs. The line of credit bears interest at the 1-month LIBOR plus 1.45%. On March 3, 2023, this line of credit was extended to August 20, 2023 and the interest rate changed to the 1 month BSBY rate plus 0.80% (6.02% at June 30, 2023). Interest is paid monthly and an unused credit facility is paid quarterly. WCS has not drawn down on this line of credit.

**(10) Bonds Payable**

On August 13, 2020, WCS entered into a Bond Indenture with U.S. Bank National Association (the Bond Trustee). In connection with this Bond Indenture the Bond Trustee issued \$165,985,000 of Wildlife Conservation Society Taxable Bonds, Series 2020, with a 3.414% interest rate per annum. The proceeds of the Series 2020 Bonds were used to (i) refund the outstanding \$79.2 million aggregate principal amount of the Trust for Cultural Resources of The City of New York Revenue Bonds, Series 2013A (Wildlife Conservation Society); \$44.4 million aggregate principal amount of the Trust for Cultural Resources of The City of New York Revenue Bonds, Series 2014A (Wildlife Conservation Society) (collectively, the Refunded

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2023

(with comparative summarized financial information as of and for the  
year ended June 30, 2022)

Bonds) and \$17.9 million of interest amounts calculated through the call date of August 1, 2023, (ii) refinance the outstanding portion of \$6.6 million taxable loan with T.D. Bank, N.A., (iii) fund capitalized interest of \$16.8 million on the Series 2020 Bonds and (iv) pay costs of \$1.1 million related to the issuance of the Bonds. Such moneys were deposited in an escrow fund established to provide for the defeasance of the Refunded Bonds. As a result of the transaction, WCS recorded a net loss on the defeasance (the difference between the reacquisition price and the net carrying amount of the extinguished debt) of \$8,335,924 during the fiscal year ended June 30, 2021. Bonds payable are recorded on the consolidated balance sheet net of unamortized costs of issuance of \$1,023,843 and \$1,061,781 as of June 30, 2023 and 2022, respectively.

Projected interest and principal payments are as follows:

	<u>Interest</u>	<u>Principal</u>
Year ending June 30:		
2024	\$ 5,666,728	—
2025	5,666,728	—
2026	5,666,728	—
2027	5,666,728	—
2028	5,666,728	—
Thereafter	<u>127,501,377</u>	<u>165,985,000</u>
Total	<u>\$ 155,835,017</u>	<u>165,985,000</u>

WCS is required to establish and deposit with bond trustees certain funds for the benefit of bondholders, and to fulfill capital commitments. The funds are invested, principally in money market funds, by the trustees until withdrawn to effect the purposes for which they were generated.

**(11) Deferred Compensation**

WCS has established two deferred compensation plans which provide for certain benefits currently payable through June 30, 2024. WCS accrues the present value of the estimated future benefit payments over the period from the date of the plans' inception through the dates payable. WCS recognized expense of \$132,397 in 2023 and \$305,591 in 2022 related to the plans. A liability of \$469,788 and \$1,221,328 is reported in accounts payable and accrued expenses in the accompanying consolidated balance sheet as of June 30, 2023 and 2022, respectively.

**(12) Retirement Benefits**

All eligible WCS employees are members of the Cultural Institutions Retirement System's (CIRS) Pension, 401(k) Savings, and Group Life and Welfare Benefits Plans (the Plans). The CIRS Pension Plan (the Plan) is a cost sharing multiemployer plan that offers benefits related to years of service and final average salary. All participants become 100% vested after five years of service. There are no partial vesting provisions. WCS's pension expense related to this Plan was approximately \$9,428,000 and \$9,174,000 for the years

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2023

(with comparative summarized financial information as of and for the  
year ended June 30, 2022)

ended June 30, 2023 and 2022, respectively. There have been no significant changes that affect the comparability of fiscal years 2023 and 2022 contributions. WCS's contributions to the Plan represent more than 5% of the total contributions to this plan for the years ended June 30, 2023 and 2022. The Employer Identification Number of the plan is 11-2001170. The three digit plan number is 001. On September 27, 2016, a new five-year contract was ratified governing CIRS benefits for the period July 1, 2015 through June 30, 2020. Current terms remain in effect until a contract for the next term is executed. The most recent Pension Protection Act (PPA) zone status is green at June 30, 2023 and 2022 and, as required by the PPA, is certified by the Plan's actuary. Among other factors, plans in the red zone are generally less than 65% funded, plans in yellow zone are less than 80% funded, and plans in the green zone are at least 80% funded. As of the date the financial statements were issued, Form 5500 was not available for the plan year ended June 30, 2023.

The expenses for the Group Life and Welfare Benefit Plans and the administrative costs for the Plans for the years ended June 30, 2023 and 2022 was as follows:

	<u>2023</u>	<u>2022</u>
Group Life and Welfare Benefits	\$ 165,000	161,000
Administration (all three plans)	<u>1,164,000</u>	<u>1,074,000</u>
	<u>\$ 1,329,000</u>	<u>1,235,000</u>

In addition, WCS has the practice of converting a portion of accrued sick leave into a lump-sum terminal leave payout upon the retirement of certain nonunion employees retiring from active service meeting certain age and service criteria. Terminal leave payout is a contractual obligation for WCS's unionized staff. WCS accrues for this accumulated terminal leave payment obligation. During 2023 and 2022, WCS recognized expense of \$6,053 and \$352,136 related to the terminal leave, respectively. The present value of the terminal leave obligation amounted to \$1,176,918 and \$1,170,865 at June 30, 2023 and 2022, respectively, which is included in accounts payable and accrued expenses in the accompanying consolidated balance sheet.

Furthermore, WCS also provides certain health care benefits for retired employees. Substantially all of WCS's employees may become eligible for those benefits if they reach normal retirement age while working for WCS. Effective January 1, 2013, WCS's contribution towards Medicare eligible nonunion post-retirement benefits was reduced to new fixed amounts that coincide with a change in plan design. Effective January 1, 2023, the plan design was changed, with WCS's contribution towards the new plan remaining within the amounts fixed in 2013.

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2023

(with comparative summarized financial information as of and for the  
year ended June 30, 2022)

The following table provides a summary of this unfunded plan as of June 30, 2023 and 2022:

	<u><b>2023</b></u>	<u><b>2022</b></u>
Change in benefit obligation:		
Benefit obligation at beginning of year	\$ 45,883,859	54,341,846
Service cost	1,225,508	1,833,411
Interest cost	2,104,944	1,558,207
Plan participants' contribution	141,706	141,337
Actuarial gain	(1,566,925)	(9,420,145)
Benefits paid	<u>(2,739,252)</u>	<u>(2,570,797)</u>
Benefit obligation at end of year	<u>45,049,840</u>	<u>45,883,859</u>
Change in plan assets:		
Fair value of plan assets at beginning of year	—	—
Employer contribution	2,739,252	2,570,797
Benefits paid	<u>(2,739,252)</u>	<u>(2,570,797)</u>
Fair value of plan assets at end of year	<u>—</u>	<u>—</u>
Accumulated postretirement health and life insurance benefit obligation recognized in the consolidated balance sheet	<u>\$ (45,049,840)</u>	<u>(45,883,859)</u>
	<u><b>2023</b></u>	<u><b>2022</b></u>
Components of net periodic benefit expense:		
Service cost	\$ 1,225,508	1,833,411
Interest cost	2,104,944	1,558,207
Amortization of prior service credit	(71,944)	(71,944)
Amortization of net (gain) loss	<u>(3,173)</u>	<u>536,507</u>
Net periodic benefit expense	<u>\$ 3,255,335</u>	<u>3,856,181</u>

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2023

(with comparative summarized financial information as of and for the  
year ended June 30, 2022)

Information with respect to plan assumptions and estimated future benefit payments is as follows:

	<u>2023</u>	<u>2022</u>
Benefit obligation weighted average assumptions as of June 30, 2023 and 2022:		
Discount rate	5.12 %	4.70 %
Benefit cost weighted average assumptions for the years ended June 30, 2023 and 2022:		
Discount rate	4.70 %	2.92 %

For fiscal year 2023 benefit obligation measurement purposes, an annual rate of increase in the per capita cost of covered health care benefits of 7.00% in 2024 grading down to an ultimate rate of 4.75% in 2033. For fiscal year 2022 benefit obligation measurement purposes, an annual rate of increase in the per capita cost of covered health benefits of 7.25% in 2023 grading down to an ultimate rate of 4.75% in 2033. These trends were used for all pre-65 benefits while all post-65 benefits are trended by 4.75% each year.

For fiscal year 2023 benefit cost measurement purposes, an annual rate of increase in the per capita cost of covered health care benefits of 7.25% in 2023 grading down to an ultimate rate of 4.75% in 2033. For fiscal year 2022 benefit costs measurement purposes, an annual rate of increase in the per capita cost of covered health care benefits of 6.00% in 2022 grading down to an ultimate rate of 4.75% in 2025. These trends were used for all pre-65 benefits while all post-65 benefits are trended by 4.75% each year.

As of June 30, 2023, a total loss of \$224,077 consisting of \$(74,741) net actuarial gain and \$298,818 prior service cost, has not yet been recognized as a component of net periodic benefit cost. As of June 30, 2022, a total loss of \$1,715,885 consisting of \$1,489,011 net actuarial loss and \$226,874 prior service cost, has not yet been recognized as a component of net periodic benefit cost.

During the years ended June 30, 2023 and 2022, (\$1,491,808) and (\$9,884,708) were reported, respectively, as postretirement-related change other than net periodic postretirement benefit costs. The components of the amounts are as follows:

	<u>2023</u>	<u>2022</u>
Net actuarial loss	\$ (1,563,752)	(9,956,652)
Prior service cost	71,944	71,944
	<u>\$ (1,491,808)</u>	<u>(9,884,708)</u>

It is estimated that \$71,944 of the prior service credit and \$(18,398) of amortization of the net actuarial gain will be recognized as components of net periodic benefit cost in fiscal year 2023.

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2023

(with comparative summarized financial information as of and for the  
year ended June 30, 2022)

Projected contributions and benefit payments for each of the next five fiscal years and the five fiscal years thereafter are as follows:

Year ending June 30:	
2024	\$ 2,461,000
2025	2,467,000
2026	2,628,000
2027	2,830,000
2028	2,938,000
2029 through 2033	<u>15,456,000</u>
	<u>\$ 28,780,000</u>

**(13) Leases**

WCS has entered into operating and short-term leases primarily for office space which expire through 2037. Operating leases with lease terms greater than one year are reported as right-of-use lease assets and lease liabilities in the consolidated balance sheet.

The table below presents a maturity analysis of operating lease liabilities and a reconciliation of the total amount of such liabilities in the consolidated balance sheet as of June 30, 2023:

Year ending June 30:	
2024	\$ 1,133,801
2025	521,959
2026	117,898
2027	32,124
2028	20,675
Thereafter	<u>4,246</u>
	1,830,703
Less discount for present value	<u>(82,394)</u>
	<u>\$ 1,748,309</u>



**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2023

(with comparative summarized financial information as of and for the  
year ended June 30, 2022)

Lease costs and other related information for the years ended June 30, 2023 and 2022, respectively, were as follows:

	<u>2023</u>	<u>2022</u>
Lease cost:		
Operating lease cost	\$ 1,925,489	2,098,034
Short-term lease cost	<u>444,668</u>	<u>502,922</u>
	<u>\$ 2,370,157</u>	<u>2,600,956</u>
	<u>2023</u>	<u>2022</u>
Other information:		
Cash paid for amounts included in measurement of lease liabilities:		
Operating cash flows for operating leases	\$ 1,747,081	1,969,770
Weighted-average remaining lease term	2.02 years	2.16 years
Weighted-average discount rate	3.81 %	2.98%

**(14) The City of New York Support (the City)**

Funds from the City support the Bronx Zoo, the New York Aquarium, and the City Zoos, in part, for operations and capital improvement purposes.

WCS operates the Bronx Zoo pursuant to a city grant made in 1897 and the New York Aquarium pursuant to an agreement with the City made in 1950. The Bronx Zoo and the New York Aquarium are under WCS's management and control. The City, through the Department of Cultural Affairs (DCA), appropriates funds to support certain operating costs. WCS received \$19,894,194 and \$17,339,469 in operating support during 2023 and 2022, respectively.

WCS and the City have entered into renewable agreements with respect to the City Zoos in Central Park, Prospect Park, and Flushing Meadows Park providing for WCS's operation and management of these facilities. The City, through the Department of Parks and Recreation, reimburses for the excess of eligible expenses over revenues at these facilities and pays WCS a management fee. WCS received \$13,617,006 and \$15,755,978 in support during 2023 and 2022, respectively, under these agreements.

The City, through its capital improvement budget, makes expenditures benefiting the Bronx Zoo, the New York Aquarium, and the City Zoos. In addition, the City provides capital appropriations directly to WCS for capital improvements. In fiscal years 2023 and 2022, this funding amounted to \$13,887,186 and \$12,438,937, respectively.

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2023

(with comparative summarized financial information as of and for the  
year ended June 30, 2022)

In fiscal year 2023 and 2022, WCS also received, through the DCA, grants with restrictions totaling \$1,165,663 and \$992,350, respectively.

The amounts above are included in appropriation from the City in the accompanying consolidated statement of activities.

During 2017, WCS executed an agreement with the City for reimbursement of costs related to the restoration of storm damage at the New York Aquarium associated with Hurricane Sandy. The total receivable as of June 30, 2023 and 2022 was \$46,751,565 and \$68,538,857 which includes expenditures of \$9,886,737 and \$12,316,818, respectively.

**(15) Liquidity and Availability**

WCS financial assets and resources available to meet cash needs for general expenditure within one year of the consolidated balance sheet were as follows at June 30, 2023 and June 30, 2022:

	<u>2023</u>	<u>2022</u>
Financial assets:		
Cash and cash equivalents	\$ 124,638,061	106,220,513
Miscellaneous receivables	3,054,268	5,089,064
Contributions and grants receivable due within one year	51,897,661	42,686,930
Receivables from the City and State of New York	67,423,966	85,539,295
Receivables from U.S. Federal sources	8,637,503	6,377,369
Investments appropriated to spend in following year	<u>24,129,893</u>	<u>23,846,770</u>
Total financial assets and other resources available within one year	<u>\$ 279,781,352</u>	<u>269,759,941</u>

As a part of WCS liquidity management strategy, WCS structures its financial assets to be available as its general expenditures, liabilities and other obligations become due. Cash withdrawals from the managed investment pool normally coincide with the endowment spending distribution. Additionally, WCS has board-designated endowment funds of \$133.8 million as of June 30, 2023. Although WCS does not intend to spend from board designated endowment funds other than amounts appropriated for expenditure as part of the annual budget approval process, amounts from its board-designated endowment could be made available if necessary.

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2023

(with comparative summarized financial information as of and for the  
year ended June 30, 2022)

**(16) Subsequent Events**

On August 18, 2023, WCS entered into a \$80,000,000, 3 year, unsecured line of credit facility with Bank of America to support working capital needs. The line of credit bears interest at the 1 month BSBY rate plus 0.90%. Interest is paid monthly and an unused credit facility is paid quarterly. WCS has not drawn down on this line of credit. This new line of credit replaced the \$30M and \$50M lines referenced in Note 9.

In conjunction with the preparation of the consolidated financial statements, WCS evaluated subsequent events from June 30, 2023 and through October 17, 2023, the date on which the consolidated financial statements were issued, and has concluded that there are no additional disclosures.

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Consolidating Schedule of Activities

Year ended June 30, 2023

	WCS do Brazil	WCS Canada	WCS Malaysia	Conservation Flight LLC	IBIS RICE	WCS EU	WCS USA	Elimination	WCS Consolidated
Revenues:									
Contributions	\$ 723,941	599,526	988,810	—	—	—	37,391,166	—	39,703,443
Bequests	—	—	—	—	—	—	4,577,949	—	4,577,949
Membership dues	—	—	—	—	—	—	17,638,149	—	17,638,149
Appropriation from The City of New York	—	—	—	—	—	—	48,564,049	—	48,564,049
U.S. State agencies grants and contracts	—	—	—	—	—	—	6,624,873	—	6,624,873
U.S. Federal grants and contracts	221,497	—	—	—	—	—	37,618,018	—	37,839,515
Non-U.S. government and bilateral grants and contracts	—	2,515,544	—	—	—	—	51,110,370	—	53,625,914
Private organizations grants and contracts	4,296,131	4,080,550	—	—	—	25,319	69,663,714	(2,338,333)	75,727,381
Gate and exhibit admissions	—	—	—	—	—	—	42,453,214	—	42,453,214
Restaurant and merchandise sales and parking fees	—	—	—	—	—	—	35,398,937	—	35,398,937
Investment return	—	—	—	—	—	—	13,813,314	—	13,813,314
Educational program and activities	—	—	—	—	—	—	3,991,673	—	3,991,673
Sponsorship, licensing, and royalties	—	—	—	—	—	—	464,872	—	464,872
Miscellaneous	14,458	23,811	15,155	—	377,180	725	2,997,857	—	3,429,186
Total revenues	5,256,027	7,219,431	1,003,965	—	377,180	26,044	372,308,155	(2,338,333)	383,852,469
Expenses and losses:									
Salaries and wages	188,102	3,522,821	454,499	—	178,192	362,719	138,975,423	—	143,681,756
Employee benefits and payroll taxes	184,242	—	57,357	—	1,925	55,831	49,367,790	—	49,667,145
Employment costs	8,270	—	—	—	—	—	5,428,630	—	5,436,900
Consultancy fees	—	—	—	—	—	—	16,415,559	—	16,415,559
Purchased services	17,282	1,308,036	—	—	—	—	11,755,996	—	13,081,314
Grants	—	546,574	11,082	—	—	—	23,253,881	(2,338,333)	21,473,204
Professional fees	116,863	—	7,747	—	39,816	8,041	5,860,322	—	6,032,789
Property and casualty insurance	1,951	—	21,216	—	3,761	592	7,646,791	—	7,674,311
Advertising	—	—	183	—	73,519	255	5,047,360	—	5,121,317
Repairs and maintenance	593	—	3,665	—	604	—	12,568,098	—	12,572,960
Supplies and materials	19,739	434,364	54,137	—	22,947	8,815	25,262,330	—	25,802,332
Animal food and forage	—	—	—	—	—	—	3,640,062	—	3,640,062
Telephone	41	—	—	—	—	450	2,128,808	—	2,129,299
Heat, light, and power	—	—	2,620	—	8,177	—	6,693,222	—	6,704,019
Travel	136,105	307,264	117,851	—	20,089	28,026	22,485,314	—	23,094,649
Dues and fees	—	—	—	—	—	2,366	994,035	—	996,401
Postage and shipping	64	—	6,125	—	13,567	109	741,776	—	761,641
Cost of product sold	—	—	—	—	—	—	8,891,350	—	8,891,350
Collection accessions	—	—	—	—	—	—	267,665	—	267,665
Currency translation loss	(547)	86,322	—	—	329	(8,568)	2,160,259	—	2,237,795
Bond interest expense	—	—	—	—	—	—	5,505,760	—	5,505,760
Occupancy	2,773	241,063	44,219	—	41,800	14,991	4,399,242	—	4,744,088
Depreciation	—	—	64,724	—	—	—	30,048,681	—	30,113,405
Other	11,831	15,522	15,641	755	226,273	745	4,096,955	—	4,367,722
Total expenses and losses	687,309	6,461,966	861,066	755	630,999	474,372	393,635,309	(2,338,333)	400,413,443
Excess (deficiency) of revenues over expenses and losses	4,568,718	757,465	142,899	(755)	(253,819)	(448,328)	(21,327,154)	—	(16,560,974)
Other changes:									
Postretirement-related change other than net periodic postretirement benefit cost	—	—	—	—	—	—	1,491,808	—	1,491,808
Changes in net assets	4,568,718	757,465	142,899	(755)	(253,819)	(448,328)	(19,835,346)	—	(15,069,166)
Net assets at beginning of year	576,821	3,791,816	635,250	(1,638)	(567,507)	(534,539)	975,048,941	—	978,949,144
Net assets at end of year	\$ 5,145,539	4,549,281	778,149	(2,393)	(821,326)	(982,867)	955,213,595	—	963,879,978

See accompanying independent auditors' report.