



**WILDLIFE CONSERVATION SOCIETY
AND SUBSIDIARIES**

Consolidated Financial Statements and Schedule

June 30, 2024

(with comparative summarized financial information as of and for the
year ended June 30, 2023)

(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, 2024, 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, 2024, 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' 2023 consolidated financial statements, and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated October 17, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2023 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 18, 2024

**WILDLIFE CONSERVATION SOCIETY
AND SUBSIDIARIES**

Consolidated Balance Sheet

June 30, 2024

(with summarized financial information as of June 30, 2023)

Assets	2024	2023
Cash and cash equivalents	\$ 94,117,463	124,638,061
Cash in escrow (note 2m)	34,864,737	26,332,562
Miscellaneous receivables	3,635,089	3,054,268
Receivables from the City of New York (note 13)	74,773,023	58,178,340
Receivables from the State of New York	2,854,090	9,245,626
Receivables from U.S. Federal sources	7,999,645	8,637,503
Contributions receivable, net (note 6)	7,962,378	9,708,854
Non-U.S. government and bilateral grants and contracts receivables (note 6)	22,528,337	15,690,788
Private organization grants and contracts receivables (note 6)	33,512,766	33,841,692
Inventories	4,223,414	3,960,014
Prepaid expenses	16,792,911	12,362,650
Advances to sub awardees	7,025,607	6,111,235
Right-of-use operating lease assets (note 12)	1,880,947	1,567,285
Investments (note 3)	526,837,108	510,406,477
Heymann Foundation investments (note 3)	48,198,863	45,998,189
Amounts held in trust by others	1,814,371	1,681,593
Funds held by bond trustee (note 9)	1,084	3,043,146
Property and equipment (note 7)	425,168,024	433,535,825
Collections (note 2q)	—	—
Total assets	<u>\$ 1,314,189,857</u>	<u>1,307,994,108</u>
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses (notes 10 and 11)	\$ 72,659,705	60,085,380
Grants and contracts liabilities	49,658,332	43,341,530
Escrow liability (note 2m)	34,812,628	26,287,053
Operating lease liabilities (note 12)	2,132,134	1,748,309
Annuity liabilities	2,426,926	2,640,861
Bonds payable (note 9)	164,999,596	164,961,157
Postretirement benefit obligation (note 11)	45,278,331	45,049,840
Total liabilities	<u>371,967,652</u>	<u>344,114,130</u>
Commitments and contingencies (notes 2(t), 3, 8, 11, 12, and 13)		
Net assets:		
Without donor restrictions:		
General operating	(720,646)	462,700
Board designated (note 4)	136,649,917	133,834,716
Net investment in property and equipment	259,184,109	270,593,972
Total without donor restrictions	395,113,380	404,891,388
With donor restrictions (note 5):	<u>547,108,825</u>	<u>558,988,590</u>
Total net assets	<u>942,222,205</u>	<u>963,879,978</u>
Total liabilities and net assets	<u>\$ 1,314,189,857</u>	<u>1,307,994,108</u>

See accompanying notes to consolidated financial statements.

**WILDLIFE CONSERVATION SOCIETY
AND SUBSIDIARIES**

Consolidated Statement of Activities

Year ended June 30, 2024

(with comparative summarized financial information for the year ended June 30, 2023)

	Without donor restrictions	With donor restrictions	2024 Total	2023 Total
Revenues:				
Contributions	\$ 18,534,089	25,009,278	43,543,367	39,703,443
Bequests	5,365,171	2,813,690	8,178,861	4,577,949
Membership dues	17,368,626	—	17,368,626	17,638,149
Appropriation from the City of New York (note 13)	59,972,507	1,220,500	61,193,007	48,564,049
U.S. State agencies grants and contracts	6,701,157	—	6,701,157	6,624,873
U.S. Federal grants and contracts	43,276,059	—	43,276,059	37,839,515
Non-U.S. government and bilateral grants and contracts	64,591,258	—	64,591,258	53,625,914
Private organizations grants	35,449,783	27,867,621	63,317,404	75,727,381
Gate and exhibit admissions	44,965,837	—	44,965,837	42,453,214
Restaurant and merchandise sales and parking fees	36,381,990	—	36,381,990	35,398,937
Investment return (note 3)	27,285,648	18,582,761	45,868,409	13,813,314
Educational program and activities	3,941,195	—	3,941,195	3,991,673
Sponsorship, licensing, and royalties	228,531	—	228,531	464,872
Miscellaneous	6,307,737	—	6,307,737	3,429,186
	370,369,588	75,493,850	445,863,438	383,852,469
Net assets released from restrictions	87,373,615	(87,373,615)	—	—
Total revenues	457,743,203	(11,879,765)	445,863,438	383,852,469
Expenses:				
Program services:				
Bronx Zoo	96,640,719	—	96,640,719	86,940,866
New York Aquarium	48,358,911	—	48,358,911	38,668,144
City Zoos	37,208,753	—	37,208,753	28,345,473
Restaurant, merchandise, and parking expenses	21,474,251	—	21,474,251	20,337,935
Global Conservation Programs	209,910,808	—	209,910,808	177,687,271
Total program services	413,593,442	—	413,593,442	351,979,689
Supporting services:				
Management and general	40,310,370	—	40,310,370	34,651,009
Membership solicitation and fulfillment	2,430,716	—	2,430,716	2,731,709
Fund-raising	11,300,092	—	11,300,092	11,051,036
Total supporting services	54,041,178	—	54,041,178	48,433,754
Total expenses	467,634,620	—	467,634,620	400,413,443
Deficiency of revenues over expenses	(9,891,417)	(11,879,765)	(21,771,182)	(16,560,974)
Other changes:				
Postretirement-related changes other than net periodic postretirement benefit costs (note 11)	113,409	—	113,409	1,491,808
Changes in net assets	(9,778,008)	(11,879,765)	(21,657,773)	(15,069,166)
Net assets at beginning of year	404,891,388	558,988,590	963,879,978	978,949,144
Net assets at end of year	\$ 395,113,380	547,108,825	942,222,205	963,879,978

See accompanying notes to consolidated financial statements.

**WILDLIFE CONSERVATION SOCIETY
AND SUBSIDIARIES**

Consolidated Statement of Functional Expenses

Year ended June 30, 2024

(with comparative summarized financial information for the year ended June 30, 2023)

	Program Services					Supporting Services					Total 2024	Total 2023
	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		
Salaries and wages	\$ 36,213,845	7,744,480	13,949,151	7,808,369	69,653,093	135,368,938	21,598,584	635,054	5,764,469	27,998,107	163,367,045	143,681,756
Employee benefits and payroll taxes	15,984,637	3,652,283	7,115,110	2,011,066	18,400,571	47,163,667	6,255,052	234,271	2,024,570	8,513,893	55,677,560	49,667,145
Employment costs	108,920	2,853	5,605	—	5,058,793	5,176,171	565,246	—	2,092	567,338	5,743,509	5,436,900
Total salaries and related expenses	52,307,402	11,399,616	21,069,866	9,819,435	93,112,457	187,708,776	28,418,882	869,325	7,791,131	37,079,338	224,788,114	198,785,801
Consultancy fees	4,489	15,460	4,556	—	19,255,799	19,280,304	843,828	—	—	843,828	20,124,132	16,415,559
Purchased services	3,151,218	324,186	3,243,317	875,544	7,195,416	14,789,681	2,310,862	480,038	1,716,800	4,507,700	19,297,381	13,081,314
Grants	—	—	—	—	27,013,260	27,013,260	25,000	—	—	25,000	27,038,260	21,473,204
Professional fees	436,891	86,683	165,952	54,000	4,319,918	5,063,444	2,217,044	56,541	452,955	2,726,540	7,789,984	6,032,789
Property and casualty insurance	3,508,396	1,190,768	1,251,606	—	2,817,528	8,768,298	419,955	—	—	419,955	9,188,253	7,674,311
Advertising	2,714,653	900,152	54,029	17,339	225,646	3,911,819	93,218	233,000	486,797	813,015	4,724,834	5,121,317
Repairs and maintenance	7,107,165	2,403,654	5,438,712	298,922	3,316,037	18,564,490	2,447,638	33,777	25,976	2,507,391	21,071,881	12,572,960
Supplies and materials	3,859,544	1,254,796	1,598,127	578,807	19,967,307	27,258,581	619,547	447,265	415,659	1,482,471	28,741,052	25,802,332
Animal food and forage	2,551,782	437,792	678,808	—	—	3,668,382	—	—	—	—	3,668,382	3,640,062
Telephone	81,748	62,263	182,300	29,078	1,509,222	1,864,611	355,095	2,378	4,565	362,038	2,226,649	2,129,299
Heat, light, and power	4,801,359	2,093,192	459,117	15,855	531,639	7,901,162	6,528	—	—	6,528	7,907,690	6,704,019
Travel	378,648	87,995	93,691	22,274	24,939,899	25,522,507	803,043	14,504	169,850	987,397	26,509,904	23,094,649
Dues and fees	121,938	80,020	149,581	2,485	155,457	509,481	296,038	—	6,324	302,362	811,843	996,401
Postage and shipping	25,886	86,140	8,214	3,687	500,072	623,999	28,832	165,401	94,654	288,887	912,886	761,641
Cost of product sold	—	—	—	8,673,452	—	8,673,452	—	—	—	—	8,673,452	8,891,350
Collection accessions	202,502	16,375	13,786	—	—	232,663	—	—	—	—	232,663	267,665
Currency translation (gain) loss	—	—	—	—	(955,384)	(955,384)	—	—	—	—	(955,384)	2,237,795
Bond interest expense	3,606,279	2,028,532	—	—	—	5,634,811	—	—	—	—	5,634,811	5,505,760
Occupancy	95,062	1,095,000	1,300,000	75,883	2,402,825	4,968,770	304,547	—	—	304,547	5,273,317	4,744,088
Depreciation	10,875,649	24,407,461	1,189,371	339,149	1,265,677	38,077,307	378,907	3,227	—	382,134	38,459,441	30,113,405
Other	810,108	388,826	307,720	668,341	2,338,033	4,513,028	741,406	125,260	135,381	1,002,047	5,515,075	4,367,722
Total expenses	\$ 96,640,719	48,358,911	37,208,753	21,474,251	209,910,808	413,593,442	40,310,370	2,430,716	11,300,092	54,041,178	467,634,620	400,413,443
Total 2023 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

See accompanying notes to consolidated financial statements.

**WILDLIFE CONSERVATION SOCIETY
AND SUBSIDIARIES**

Consolidated Statement of Cash Flows

Year ended June 30, 2024

(with comparative summarized financial information for the year ended June 30, 2023)

	2024	2023
Cash flows from operating activities:		
Changes in net assets	\$ (21,657,773)	(15,069,166)
Adjustments to reconcile changes in net assets to net cash used in operating activities:		
Depreciation	38,459,441	30,113,405
Amortization of bond issuance costs	38,439	37,938
Net appreciation in fair value of investments	(43,800,422)	(10,121,893)
Postretirement-related change other than net periodic postretirement benefit cost	(113,409)	(1,491,808)
Increase in value of amounts held in trust by others	(120,338)	(20,194)
Endowment contributions	(1,270,053)	(160,323)
Contributions and grants restricted for building improvements	(23,879,551)	(16,897,061)
Reduction in carrying amount of right-of-use operating lease assets	1,498,432	379,692
Changes in assets and liabilities:		
Miscellaneous receivables	(580,821)	2,034,796
Receivables from the City of New York	(8,359,945)	(3,301,596)
Receivables from the State of New York	6,391,536	(1,093,976)
Receivables from U.S. Federal sources	637,858	(2,260,134)
Contributions receivable, excluding for capital purposes	3,066,133	2,300,528
Non-U.S. government and bilateral grants and contracts receivables	(6,837,549)	(4,516,996)
Private organization grants and contracts receivables	328,926	(5,264,370)
Inventories	(263,400)	(632,460)
Advances to subawardees	(914,372)	(1,281,418)
Prepaid expenses	(4,430,261)	(3,715,588)
Accounts payable and accrued expenses	12,465,619	6,555,948
Grant and contract liabilities	6,316,802	(1,870,580)
Escrow liability	8,525,575	(3,827,948)
Operating lease liabilities	(1,428,269)	(259,678)
Postretirement benefit obligation	341,900	657,789
Total adjustments	(13,927,729)	(14,635,927)
Net cash used in operating activities	(35,585,502)	(29,705,093)
Cash flows from investing activities:		
Proceeds from sales of investments	88,432,533	89,011,306
Purchases of investments	(63,263,416)	(65,715,441)
Acquisition of property and equipment	(29,982,934)	(23,223,913)
Decrease in accounts payable and accrued expenses for construction projects	—	(724,440)
Net cash used in investing activities	(4,813,817)	(652,488)
Cash flows from financing activities:		
Endowment contributions	1,270,053	160,323
Contributions and grants restricted for building improvements	14,325,156	39,407,962
Decrease in annuity liabilities, net	(213,935)	(89,773)
Withdrawal from line of credit	100,000	—
Repayment of line of credit	(100,000)	—
Net cash provided by financing activities	15,381,274	39,478,512
Net (decrease) increase in cash, cash equivalents and restricted cash	(25,018,045)	9,120,931
Cash, cash equivalents and restricted cash at beginning of year	154,050,241	144,929,310
Cash, cash equivalents and restricted cash at end of year	\$ 129,032,196	154,050,241
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	\$ 94,117,463	124,287,257
Restricted cash for agency account included in cash and cash equivalents	—	350,804
Restricted cash for escrow account included cash in escrow	34,864,737	26,332,562
Restricted cash included in amounts held in trust by others	48,912	36,472
Restricted cash included in funds held by bond trustee	1,084	3,043,146
Total cash, cash equivalents, and restricted cash shown above	\$ 129,032,196	154,050,241
Supplemental disclosure:		
Interest paid	\$ 5,634,811	5,505,760
Right of use assets obtained in exchange for lease liabilities	1,812,094	—
Increase in accounts payable and accrued expenses for construction projects	108,706	—

See accompanying notes to consolidated financial statements.

**WILDLIFE CONSERVATION SOCIETY
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2024

(with comparative summarized financial information as of and for the
year ended June 30, 2023)

(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 controlled affiliates.

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's 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 is a nonprofit nonstock corporation formed in Delaware, and is a tax-exempt public charity under 501(c)(3) and a supporting organization under section 509(a)(3), with WCS as one of two supported organizations.

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

**WILDLIFE CONSERVATION SOCIETY
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2024

(with comparative summarized financial information as of and for the
year ended June 30, 2023)

Ngila Yetu Sarlu is a “Société à Responsabilité Limitée Unipersonnelle”, a limited liability company organized under Democratic Republic of Congo law whose sole member is WCS Kahuzi LLC,. It is not tax-exempt.

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 Kahuzi LLC is a Delaware limited liability company whose sole member is WCS. WCS Kahuzi LLC is a disregarded entity for tax purposes.

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, 2024

(with comparative summarized financial information as of and for the
year ended June 30, 2023)

(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 in perpetuity by WCS. Generally, the donors of assets to be maintained in perpetuity 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, 2024

(with comparative summarized financial information as of and for the
year ended June 30, 2023)

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. 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 fur 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.

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 subject to donor-imposed restrictions that are met in the same reporting period are

**WILDLIFE CONSERVATION SOCIETY
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2024

(with comparative summarized financial information as of and for the
year ended June 30, 2023)

reported as revenues without donor restrictions. Grants and contracts receivable represents uncollected amounts from unconditional grants and amounts due from funding organizations for reimbursable expenses incurred. Cash received under conditional grants and contracts in advance of incurring the related expenses is reported as grants and contracts liabilities.

At June 30, 2024, WCS has approximately \$292,500,000 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 2024, 14.5% 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 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.

(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

**WILDLIFE CONSERVATION SOCIETY
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2024

(with comparative summarized financial information as of and for the
year ended June 30, 2023)

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, 2024

(with comparative summarized financial information as of and for the
year ended June 30, 2023)

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, 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 \$3,184,793 and \$3,092,623 at June 30, 2024 and 2023, 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, 2024

(with comparative summarized financial information as of and for the
year ended June 30, 2023)

(o) Foreign Currency Translation

The U.S. dollar (dollars) is the functional currency for WCS's operations worldwide. 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 \$(955,000) and \$2,238,000 for the years ended June 30, 2024 and June 30, 2023, 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, 2023 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, 2024

(with comparative summarized financial information as of and for the
year ended June 30, 2023)

(u) New Accounting Standard Adopted

In June 2016, the Financial Accounting Standards Board issued Accounting Standards Update No. 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments* (ASU), which requires a financial asset (or a group of financial assets) measured at amortized cost basis to be presented at the net amount expected to be collected. The ASU is intended to improve financial reporting by requiring earlier recognition of credit losses on certain financial assets. The measurement of expected credit losses is based on relevant information about past events, including historical experience, current conditions, and reasonable and supportable forecasts that affect the collectability of the reported amount. WCS adopted the provisions of the ASU using a prospective transition approach, effective July 1, 2023. As such, WCS is not required to adjust comparative periods or provide comparative period disclosures. The adoption of this ASU did not have a material impact to WCS's consolidated financial statements.

(3) Investments and Fair Value

Investments at June 30, 2024 and 2023 are summarized in the following table:

	2024	2023
Assets:		
Directly managed investments (Level 1):		
Short-term investments	\$ 11,695,272	18,437,853
Common stocks – domestic	5,489,298	4,924,352
Mutual funds – equity domestic	1,632,416	1,641,575
Mutual funds – fixed income:		
U.S. government	5,188,806	5,049,906
U.S. corporate	15,525,556	13,467,352
Mutual funds – natural resources	4,322,475	3,666,563
	43,853,823	47,187,601
Investments reported at net asset value (or its equivalent):		
Limited partnerships:		
Multi-asset class	317,157,680	318,176,833
Equity – domestic	32,502,420	29,854,383
Equity – global	31,610,418	19,898,002
Equity – international/emerging markets	34,983,040	35,630,665
Other	—	4,303

**WILDLIFE CONSERVATION SOCIETY
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2024

(with comparative summarized financial information as of and for the
year ended June 30, 2023)

	2024	2023
Alternative investments:		
Distressed securities	\$ 6,350,366	7,503,674
Equity – long/short	16,530,627	13,880,523
Multi-strategy	15,243,898	13,950,281
Private equity	16,655,268	13,989,462
Venture capital	11,949,568	10,330,750
Total investments reported at net asset value (or its equivalent)	482,983,285	463,218,876
Total investments	\$ 526,837,108	510,406,477
	2024	2023
Heymann Foundation investments (Level 1)		
Short-term investments	\$ 345,442	1,056,784
Common stocks – domestic	30,117,074	30,680,102
Fixed income – domestic	17,736,347	14,261,303
Total Heymann Foundation investments	\$ 48,198,863	45,998,189

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.

**WILDLIFE CONSERVATION SOCIETY
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2024

(with comparative summarized financial information as of and for the
year ended June 30, 2023)

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.

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, 2024 and 2023 is as follows:

	2024	2023
Multi-asset class, including other alternative investments	\$ 317,157,680	318,176,833

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, 2024 are as follows:

Asset class	Percentage of Portfolio
Developed markets equity	19 %
Emerging markets equity	5
Private equity	30
Real estate	11
Natural resources	6
Hedge funds	15
Fixed income	8
Cash	6
	100 %

**WILDLIFE CONSERVATION SOCIETY
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2024

(with comparative summarized financial information as of and for the
year ended June 30, 2023)

Information with respect to the redemption provisions of investments reported at net asset value (or its equivalent) is as follows as of June 30, 2024:

<u>Liquidity</u>	<u>Days' notice</u>	<u>Amount</u>
Monthly	9	\$ 25,547,923
	10	43,073,434
	15-16	11,171,879
	30	13,130,049
	60-62	8,522,850
Quarterly	30	2,538,241
	45	7,035,107
	60	4,607,023
	65	8,180,223
	90, pays 25% quarterly	7,063,675
Annual	1 Year, at 12/31	317,157,680
Illiquid	Not applicable	34,955,202
		<u>\$ 482,983,286</u>

WCS had unfunded investment commitments totaling \$17.8 million as of June 30, 2024.

The components of investment return for the years ended June 30, 2024 and 2023 are as follows:

	<u>2024</u>	<u>2023</u>
Interest and dividend income, net of investment expenses of \$4,726,226 and \$3,628,707 in 2024 and 2023, respectively	\$ 2,067,987	3,691,421
Net appreciation in fair value of investments	43,800,422	10,121,893
Total investment return	45,868,409	13,813,314
Less investment return available under spending policy, including amounts restricted for time or purpose of \$8,954,393 in 2024 and \$8,916,811 in 2023	(29,178,131)	(27,516,782)
Investment return in excess of (less than) amount available under spending policy, including amounts restricted for time or purpose of \$9,628,368 in 2024 and \$(4,995,548) in 2023	<u>\$ 16,690,278</u>	<u>(13,703,468)</u>

**WILDLIFE CONSERVATION SOCIETY
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2024

(with comparative summarized financial information as of and for the
year ended June 30, 2023)

(4) 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, 2024 and 2023, established for a variety of purposes, including both donor-restricted endowment funds and funds functioning as endowment. At June 30, 2024 and 2023 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.

**WILDLIFE CONSERVATION SOCIETY
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2024

(with comparative summarized financial information as of and for the
year ended June 30, 2023)

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, 2024 and 2023 consisted of the following:

	2024		
	Without donor restrictions	With donor restrictions	Total
Board-designated	\$ 136,649,919	—	136,649,919
Donor-restricted:			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	—	274,675,539	274,675,539
Accumulated investment gains	—	81,659,884	81,659,884
Total	\$ 136,649,919	356,335,423	492,985,342
	2023		
	Without donor restrictions	With donor restrictions	Total
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
Total	\$ 133,834,716	347,729,794	481,564,510

**WILDLIFE CONSERVATION SOCIETY
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2024

(with comparative summarized financial information as of and for the
year ended June 30, 2023)

Changes in endowment net assets for the fiscal years ended June 30, 2024 and 2023 were as follows:

	2024		
	Without donor restrictions	With donor restrictions	Total
Endowment net assets, June 30, 2023			
as reported	\$ 133,834,716	347,729,794	481,564,510
Investment return	30,091,808	16,289,969	46,381,777
Contributions	—	1,270,053	1,270,053
Appropriation of endowment assets for expenditure	(20,223,738)	(8,954,393)	(29,178,131)
Withdrawal from board-designated endowment	(7,052,867)	—	(7,052,867)
Endowment net assets, June 30, 2024	<u>\$ 136,649,919</u>	<u>356,335,423</u>	<u>492,985,342</u>

	2023		
	Without donor restrictions	With donor restrictions	Total
Endowment net assets, June 30, 2022			
as reported	\$ 132,573,988	352,960,610	485,534,598
Investment return	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>

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, 2024 and 2023 consist of the following:

	2024	2023
Zoos and Aquarium programs	\$ 60,772,469	53,219,028
General purposes	48,851,446	54,469,395
Global conservation programs	27,026,004	26,146,293
	<u>\$ 136,649,919</u>	<u>133,834,716</u>

**WILDLIFE CONSERVATION SOCIETY
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2024

(with comparative summarized financial information as of and for the
year ended June 30, 2023)

(5) Net Assets with Donor Restrictions

Net assets with donor restrictions at June 30, 2024 and 2023 consist of the following:

	2024	2023
Amounts restricted for purpose or time, including accumulated endowment gains of \$81,659,884 and \$74,324,310 at June 30, 2024 and 2023, respectively:		
Zoos and Aquarium programs	\$ 112,507,712	126,017,744
Building and exhibit improvements	3,361,470	3,281,064
Global conservation programs	156,564,104	156,284,298
Total amounts restricted for purpose or time	272,433,286	285,583,106
Amounts restricted in perpetuity:		
Zoos and Aquarium programs	180,511,733	180,411,733
General purposes	6,437,570	6,437,570
Global conservation programs	87,726,236	86,556,181
Total amounts restricted in perpetuity	274,675,539	273,405,484
Total net assets with donor restrictions	\$ 547,108,825	558,988,590

(6) 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, 2024 and 2023 are due to be collected as follows:

	2024	2023
Within one year	\$ 42,943,460	33,369,333
One to five years	22,030,003	26,712,550
	64,973,463	60,081,883
Less present value discount (4.36% in 2024 and 3.81% in 2023)	(969,982)	(840,549)
	\$ 64,003,481	59,241,334

**WILDLIFE CONSERVATION SOCIETY
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2024

(with comparative summarized financial information as of and for the
year ended June 30, 2023)

(7) Property and Equipment

At June 30, 2024 and 2023, the cost and accumulated depreciation of property and equipment are as follows:

	2024	2023
Land	\$ 651,268	651,268
Buildings and exhibits	824,170,997	813,240,431
Furniture, fixtures, and equipment	62,871,491	61,257,893
Construction in progress	28,281,860	10,734,384
	915,975,616	885,883,976
Less accumulated depreciation	490,807,592	452,348,151
	\$ 425,168,024	433,535,825

(8) Line of Credit Agreements

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 rate of 1-month BSBY rate plus 0.90% (6.29% at June 30, 2024). Interest is paid monthly and an unused credit facility is paid quarterly. At June 30, 2024, there was no outstanding balance.

(9) 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 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 \$985,404 and \$1,023,843 as of June 30, 2024 and 2023, respectively.

**WILDLIFE CONSERVATION SOCIETY
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2024

(with comparative summarized financial information as of and for the
year ended June 30, 2023)

Projected interest and principal payments are as follows:

	Interest	Principal
Year ending June 30:		
2025	\$ 5,666,728	—
2026	5,666,728	—
2027	5,666,728	—
2028	5,666,728	—
2029	5,666,728	—
Thereafter	121,834,649	165,985,000
Total	\$ 150,168,289	165,985,000

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, which are considered level 1 investments in the fair value hierarchy, by the trustees until withdrawn to effect the purposes for which they were generated.

(10) 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 \$356,701 in 2024 and \$132,397 in 2023 related to the plans. A liability of \$523,826 and \$469,788 is reported in accounts payable and accrued expenses in the accompanying consolidated balance sheet as of June 30, 2024 and 2023, respectively.

(11) 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 \$10,217,000 and \$9,428,000 for the years ended June 30, 2024 and 2023, respectively. There have been no significant changes that affect the comparability of fiscal years 2024 and 2023 contributions. WCS's contributions to the Plan represent more than 5% of the total contributions to this plan for the years ended June 30, 2024 and 2023. 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, 2024 and 2023 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

**WILDLIFE CONSERVATION SOCIETY
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2024

(with comparative summarized financial information as of and for the
year ended June 30, 2023)

80% funded. As of the date the financial statements were issued, Form 5500 was not available for the plan year ended June 30, 2024.

The expenses for the Group Life and Welfare Benefit Plans and the administrative costs for the Plans for the years ended June 30, 2024 and 2023 was as follows:

	2024	2023
Group Life and Welfare Benefits	\$ 156,000	165,000
Administration (all three plans)	1,151,000	1,164,000
	\$ 1,307,000	1,329,000

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 2024 and 2023, WCS recognized expense of \$46,462 and \$6,053 related to the terminal leave, respectively. The present value of the terminal leave obligation amounted to \$1,130,456 and \$1,176,918 at June 30, 2024 and 2023, 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.

The following table provides a summary of this unfunded plan as of June 30, 2024 and 2023:

	2024	2023
Change in benefit obligation:		
Benefit obligation at beginning of year	\$ 45,049,840	45,883,859
Service cost	1,434,846	1,225,508
Interest cost	2,244,340	2,104,944
Plan participants' contribution	148,260	141,706
Amendments	2,972,455	—
Actuarial gain	(3,176,206)	(1,566,925)
Benefits paid	(3,395,204)	(2,739,252)
Benefit obligation at end of year	45,278,331	45,049,840

**WILDLIFE CONSERVATION SOCIETY
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2024

(with comparative summarized financial information as of and for the
year ended June 30, 2023)

	2024	2023
Change in plan assets:		
Fair value of plan assets at beginning of year	\$ —	—
Employer contribution	3,395,204	2,739,252
Benefits paid	(3,395,204)	(2,739,252)
Fair value of plan assets at end of year	—	—
Accumulated postretirement health and life insurance benefit obligation recognized in the consolidated balance sheet	\$ (45,278,331)	(45,049,840)

	2024	2023
Components of net periodic benefit expense:		
Service cost	\$ 1,434,846	1,225,508
Interest cost	2,244,340	2,104,944
Amortization of prior service credit	(71,944)	(71,944)
Amortization of net gain	(18,398)	(3,173)
Net periodic benefit expense	\$ 3,588,844	3,255,335

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

	2024	2023
Benefit obligation weighted average assumptions as of June 30, 2024 and 2023:		
Discount rate	5.45 %	5.12 %
Benefit cost weighted average assumptions for the years ended June 30, 2024 and 2023:		
Discount rate	5.12 %	4.70 %

For fiscal year 2024 benefit obligation measurement purposes, an annual rate of increase in the per capita cost of covered health care benefits of 6.75% in 2025 grading down to an ultimate rate of 4.75% in 2034. 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. These trends were used for all pre-65 benefits while all post-65 benefits are trended by 4.75% each year.

For fiscal year 2024 benefit cost 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 2034. For

**WILDLIFE CONSERVATION SOCIETY
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2024

(with comparative summarized financial information as of and for the
year ended June 30, 2023)

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. 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, 2024, a total loss of \$110,668 consisting of \$(3,232,549) net actuarial gain and \$3,343,217 prior service cost, has not yet been recognized as a component of net periodic benefit cost. 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.

During the years ended June 30, 2024 and 2023, \$(113,409) and \$(1,491,808) were reported, respectively, as postretirement-related change other than net periodic postretirement benefit costs. The components of the amounts are as follows:

	2024	2023
Net actuarial loss	\$ (3,157,808)	(1,563,752)
Prior service cost	3,044,399	71,944
	\$ (113,409)	(1,491,808)

It is estimated that \$304,630 of the prior service credit and \$(51,822) of amortization of the net actuarial gain will be recognized as components of net periodic benefit cost in fiscal year 2025.

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:	
2025	\$ 2,556,000
2026	2,769,000
2027	3,026,000
2028	3,095,000
2029	3,209,000
2030 through 2034	16,734,000
	\$ 31,389,000

(12) 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.

**WILDLIFE CONSERVATION SOCIETY
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2024

(with comparative summarized financial information as of and for the
year ended June 30, 2023)

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, 2024:

Year ending June 30:		
2025	\$	1,110,718
2026		522,879
2027		255,721
2028		179,027
2029		77,114
Thereafter		<u>2,747</u>
		2,148,206
Less discount for present value		<u>(16,072)</u>
	\$	<u><u>2,132,134</u></u>

Lease costs and other related information for the years ended June 30, 2024 and 2023, respectively, were as follows:

	2024	2023
Lease cost:		
Operating lease cost	\$ 1,544,947	1,925,489
Short-term lease cost	<u>393,374</u>	<u>444,668</u>
	<u><u>\$ 1,938,321</u></u>	<u><u>2,370,157</u></u>
	2024	2023
Weighted-average remaining lease term	2.73 years	2.02 years
Weighted-average discount rate	1.29 %	3.81 %

(13) 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 \$19,844,347 and \$19,894,194 in operating support during 2024 and 2023, respectively.

**WILDLIFE CONSERVATION SOCIETY
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2024

(with comparative summarized financial information as of and for the
year ended June 30, 2023)

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 \$17,978,610 and \$13,617,006 in support during 2024 and 2023, 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 2024 and 2023, this funding amounted to \$22,149,550 and \$13,887,186, respectively.

In fiscal year 2024 and 2023, WCS also received, through the DCA, grants with restrictions totaling \$1,220,500 and \$1,165,663, 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, 2024 and 2023 was \$54,767,701 and \$46,751,565 which includes expenditures of \$13,951,247 and \$9,886,737, respectively.

(14) Liquidity and Availability

For purposes of analyzing resources available to meet general expenditures over a 12-month period, WCS considers all expenditures related to its ongoing mission-related activities as well as the conduct of services undertaken to support those activities to be general expenditures.

**WILDLIFE CONSERVATION SOCIETY
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2024

(with comparative summarized financial information as of and for the
year ended June 30, 2023)

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, 2024 and June 30, 2023:

	2024	2023
Financial assets:		
Cash and cash equivalents	\$ 94,117,463	124,638,061
Miscellaneous receivables	3,635,089	3,054,268
Contributions and grants receivable due within one year	53,750,418	51,897,661
Receivables from the City and State of New York	77,627,113	67,423,966
Receivables from U.S. Federal sources	7,999,645	8,637,503
Investments appropriated to spend in following year	26,149,165	24,129,893
Total financial assets and other resources available within one year	\$ 263,278,893	279,781,352

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. To help manage unexpected liquidity needs, WCS has a committed bank line of credit in the amount of \$80 million.

Additionally, WCS has board-designated endowment funds of \$136.6 million as of June 30, 2024. 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, subject to liquidity constraints.

(15) Subsequent Events

In conjunction with the preparation of the consolidated financial statements, WCS evaluated subsequent events from June 30, 2024 and through October 18, 2024, 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, 2024

	WCS do Brazil	WCS Canada	WCS Malaysia	Henry L. Heymann Preservation Fdn	IBIS RICE	WCS EU	WCS USA	Eliminations	WCS Consolidated
Revenues:									
Contributions	\$ 2,000	292,312	1,660,669	2,500,000	—	—	39,088,386	—	43,543,367
Bequests	—	—	—	—	—	—	8,178,861	—	8,178,861
Membership dues	—	—	—	—	—	—	17,368,626	—	17,368,626
Appropriation from The City of New York	—	—	—	—	—	—	61,193,007	—	61,193,007
U.S. State agencies grants and contracts	—	—	—	—	—	—	6,701,157	—	6,701,157
U.S. Federal grants and contracts	507,129	—	—	—	—	—	42,768,930	—	43,276,059
Non-U.S. government and bilateral grants and contracts	—	2,771,549	—	—	—	—	61,819,709	—	64,591,258
Private organizations grants and contracts	212,079	3,812,009	—	—	—	215,946	64,944,692	(5,867,322)	63,317,404
Gate and exhibit admissions	—	—	—	—	—	—	44,965,837	—	44,965,837
Restaurant and merchandise sales and parking fees	—	—	—	—	—	—	36,381,990	—	36,381,990
Investment return	—	—	—	2,281,224	—	—	43,587,185	—	45,868,409
Educational program and activities	—	—	—	—	—	—	3,941,195	—	3,941,195
Sponsorship, licensing, and royalties	—	—	—	—	—	—	228,531	—	228,531
Miscellaneous	57	67,024	4,002	—	245,574	—	5,991,080	—	6,307,737
Total revenues	<u>721,265</u>	<u>6,942,894</u>	<u>1,664,671</u>	<u>4,781,224</u>	<u>245,574</u>	<u>215,946</u>	<u>437,159,186</u>	<u>(5,867,322)</u>	<u>445,863,438</u>
Expenses and losses:									
Salaries and wages	474,558	4,175,835	678,494	—	289,012	459,776	157,289,370	—	163,367,045
Employee benefits and payroll taxes	471,942	—	75,121	—	3,035	70,359	55,057,103	—	55,677,560
Employment costs	360,628	—	—	—	—	438	5,382,443	—	5,743,509
Consultancy fees	—	—	—	—	—	—	20,124,132	—	20,124,132
Purchased services	100,975	1,431,394	—	110	—	1,828	17,763,074	—	19,297,381
Grants	—	262,430	16,750	2,311,771	—	—	30,314,631	(5,867,322)	27,038,260
Professional fees	117,072	—	6,288	268,669	96,355	10,299	7,291,301	—	7,789,984
Property and casualty insurance	7,081	—	33,208	—	3,472	2,470	9,142,022	—	9,188,253
Advertising	—	—	647	—	113,071	1,695	4,609,421	—	4,724,834
Repairs and maintenance	—	—	2,688	—	776	—	21,068,417	—	21,071,881
Supplies and materials	124,852	744,265	55,590	—	33,957	394	27,781,994	—	28,741,052
Animal food and forage	—	—	—	—	—	—	3,668,382	—	3,668,382
Telephone	15,456	—	—	—	—	862	2,210,331	—	2,226,649
Heat, light, and power	—	—	4,952	—	12,455	—	7,890,283	—	7,907,690
Travel	292,350	383,965	202,774	—	33,239	33,708	25,563,868	—	26,509,904
Dues and fees	—	—	—	—	—	3,108	808,735	—	811,843
Postage and shipping	280	—	19,287	—	7,050	27	886,242	—	912,886
Cost of product sold	—	—	—	—	—	—	8,673,452	—	8,673,452
Collection accessions	—	—	—	—	—	—	232,663	—	232,663
Currency translation loss	13,649	135,318	—	—	431	83	(1,104,865)	—	(955,384)
Bond interest expense	—	—	—	—	—	—	5,634,811	—	5,634,811
Occupancy	37,950	290,723	40,692	—	58,752	15,707	4,829,493	—	5,273,317
Depreciation	—	—	70,532	—	—	—	38,388,909	—	38,459,441
Other	6,481	—	31,755	—	118,355	1,912	5,356,572	—	5,515,075
Total expenses and losses	<u>2,023,274</u>	<u>7,423,930</u>	<u>1,238,778</u>	<u>2,580,550</u>	<u>769,960</u>	<u>602,666</u>	<u>458,862,784</u>	<u>(5,867,322)</u>	<u>467,634,620</u>
Excess (deficiency) of revenues over expenses and losses	<u>(1,302,009)</u>	<u>(481,036)</u>	<u>425,893</u>	<u>2,200,674</u>	<u>(524,386)</u>	<u>(386,720)</u>	<u>(21,703,598)</u>	<u>—</u>	<u>(21,771,182)</u>
Other changes:									
Postretirement-related change other than net periodic postretirement benefit cost	—	—	—	—	—	—	113,409	—	113,409
Changes in net assets	<u>(1,302,009)</u>	<u>(481,036)</u>	<u>425,893</u>	<u>2,200,674</u>	<u>(524,386)</u>	<u>(386,720)</u>	<u>(21,590,189)</u>	<u>—</u>	<u>(21,657,773)</u>
Net assets at beginning of year	5,145,539	4,549,281	778,149	45,998,189	(821,326)	(982,867)	909,213,013	—	963,879,978
Net assets at end of year	<u>\$ 3,843,530</u>	<u>4,068,245</u>	<u>1,204,042</u>	<u>48,198,863</u>	<u>(1,345,712)</u>	<u>(1,369,587)</u>	<u>887,622,824</u>	<u>—</u>	<u>942,222,205</u>

See accompanying independent auditors' report.