



**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Consolidated Financial Statements and Schedule

June 30, 2022

(with comparative summarized financial information as of and for the  
year ended June 30, 2021)

(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 Company), which comprise the consolidated balance sheet as of June 30, 2022, 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 Company as of June 30, 2022, 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 Company 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 Company's ability to continue as a going concern for one year after the date that the consolidated financial statements are 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 Company'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 Company'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' 2021 consolidated financial statements, and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated October 25, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2021 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 20, 2022

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Consolidated Balance Sheet

June 30, 2022

(with summarized financial information as of June 30, 2021)

<b>Assets</b>	<b>2022</b>	<b>2021</b>
Cash and cash equivalents	\$ 106,220,513	52,787,213
Cash in escrow (note 2m)	30,119,862	22,537,134
Miscellaneous receivables	5,089,064	1,895,734
Receivables from the City of New York (note 14)	77,387,645	100,743,333
Receivables from the State of New York	8,151,650	4,759,332
Receivables from U.S. Federal sources	6,377,369	8,349,789
Contributions receivable, net (note 7)	12,009,382	7,572,948
Non-U.S. government and bilateral grants and contracts receivables (note 7)	11,173,792	11,205,054
Private organization grants and contracts receivables (note 7)	28,577,322	20,079,707
Inventories	3,327,554	1,960,907
Prepaid expenses	8,647,062	5,214,374
Advances to sub awardees	4,829,817	5,781,152
Right of use lease assets (note 13)	1,946,977	3,212,853
Investments (notes 3 and 4)	523,679,381	560,872,637
Amounts held in trust by others (note 3)	1,664,957	2,111,963
Funds held by bond trustee (notes 3 and 10)	8,548,905	14,206,613
Property and equipment (note 8)	440,425,317	449,314,235
Collections (note 2q)	—	—
Total assets	\$ 1,278,176,569	1,272,604,978
<b>Liabilities and Net Assets</b>		
Liabilities:		
Accounts payable and accrued expenses (notes 11 and 12)	\$ 54,253,872	52,068,872
Grants and contracts liabilities	45,212,110	56,720,122
Escrow liability (note 2m)	30,115,001	21,485,480
Right of use lease liability (note 13)	2,007,987	2,932,322
Annuity liabilities	2,730,634	3,124,493
Line of credit (note 9)	—	30,000,000
Bonds payable (note 10)	164,923,219	164,884,780
Postretirement benefit obligation (note 12)	45,883,859	54,341,846
Total liabilities	345,126,682	385,557,915
Commitments and contingencies (notes 2t, 3, 9, 12, 13 and 14)		
Net assets:		
Without donor restrictions:		
General operating	(2,447,775)	(4,568,541)
Board designated (note 5)	132,573,988	130,880,568
Net investment in property and equipment	282,989,222	297,535,849
Total without donor restrictions	413,115,435	423,847,876
With donor restrictions (note 5):		
Purpose restricted (note 6)	246,689,291	190,212,943
Endowment corpus (note 6)	273,245,161	272,986,244
Total with donor restrictions	519,934,452	463,199,187
Total net assets	933,049,887	887,047,063
Total liabilities and net assets	\$ 1,278,176,569	1,272,604,978

See accompanying notes to consolidated financial statements.

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Consolidated Statement of Activities

Year ended June 30, 2022

(with comparative summarized financial information for the year ended June 30, 2021)

	<b>Without donor restrictions</b>	<b>With donor restrictions</b>	<b>2022 Total</b>	<b>2021 Total</b>
<b>Revenues:</b>				
Contributions	\$ 23,638,387	16,435,209	40,073,596	36,284,331
Bequests	3,601,074	105,813	3,706,887	3,370,831
Membership dues	17,797,002	—	17,797,002	16,897,904
Appropriation from the City of New York (note 14)	46,211,148	315,586	46,526,734	58,987,878
U.S. State agencies grants and contracts	5,512,469	—	5,512,469	5,173,215
U.S. Federal grants and contracts	41,294,056	—	41,294,056	30,934,275
Non-U.S. government and bilateral grants and contracts	41,596,016	—	41,596,016	34,502,948
Private organizations grants	39,737,211	96,860,614	136,597,825	43,690,539
Gate and exhibit admissions	38,950,891	—	38,950,891	27,098,146
Restaurant and merchandise sales and parking fees	33,313,458	—	33,313,458	22,176,803
Investment return (note 4)	(7,809,240)	(7,178,397)	(14,987,637)	131,846,459
Educational program and activities	2,754,906	—	2,754,906	1,331,404
Sponsorship, licensing, and royalties	748,419	—	748,419	449,711
Miscellaneous	2,015,648	—	2,015,648	3,122,512
	289,361,445	106,538,825	395,900,270	415,866,956
Net assets released from restrictions	49,803,560	(49,803,560)	—	—
Total revenues	339,165,005	56,735,265	395,900,270	415,866,956
<b>Expenses:</b>				
Program services:				
Bronx Zoo	83,165,479	—	83,165,479	81,144,759
New York Aquarium	34,429,393	—	34,429,393	32,344,995
City Zoos	27,472,178	—	27,472,178	26,464,491
Restaurant, merchandise, and parking expenses	19,282,369	—	19,282,369	15,167,115
Global Conservation Programs	150,326,224	—	150,326,224	128,553,839
Total program services	314,675,643	—	314,675,643	283,675,199
Supporting services:				
Management and general	32,740,127	—	32,740,127	33,683,652
Membership solicitation and fulfillment	2,237,853	—	2,237,853	1,440,948
Fund-raising	10,128,531	—	10,128,531	11,057,895
Total supporting services	45,106,511	—	45,106,511	46,182,495
Total expenses	359,782,154	—	359,782,154	329,857,694
Excess (deficiency) of revenues over expenses	(20,617,149)	56,735,265	36,118,116	86,009,262
<b>Other changes:</b>				
Other (note 10)	—	—	—	(8,335,924)
Postretirement-related changes other than net periodic postretirement benefit costs (note 12)	9,884,708	—	9,884,708	5,593,715
Changes in net assets	(10,732,441)	56,735,265	46,002,824	83,267,053
Net assets at beginning of year	423,847,876	463,199,187	887,047,063	803,780,010
Net assets at end of year	\$ 413,115,435	519,934,452	933,049,887	887,047,063

See accompanying notes to consolidated financial statements.

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Consolidated Statement of Functional Expenses

Year ended June 30, 2022

(with comparative summarized financial information for the year ended June 30, 2021)

	<u>Bronx Zoo</u>	<u>New York Aquarium</u>	<u>City Zoos</u>	<u>Restaurant, merchandise, and parking expenses</u>	<u>Global conservation programs</u>	<u>Total program services</u>	<u>Management and general</u>	<u>Membership solicitation and fulfillment</u>	<u>Fund-raising</u>	<u>Total supporting services</u>	<u>Total 2022</u>	<u>Total 2021</u>
Salaries and wages	\$ 31,541,220	6,785,491	12,770,882	6,515,281	53,914,884	111,527,758	17,260,569	662,185	5,281,756	23,204,510	134,732,268	126,788,956
Employee benefits and payroll taxes	14,344,976	3,381,808	6,888,971	1,616,645	14,282,947	40,515,347	5,148,843	206,266	1,706,962	7,062,071	47,577,418	49,694,085
Employment costs	45,678	5,349	7,877	—	3,884,331	3,943,235	1,146,048	—	579	1,146,627	5,089,862	3,492,587
Total salaries and related expenses	45,931,874	10,172,648	19,667,730	8,131,926	72,082,162	155,986,340	23,555,460	868,451	6,989,297	31,413,208	187,399,548	179,975,628
Consultancy fees	9,155	68,408	3,964	—	13,537,523	13,619,050	250,898	—	—	250,898	13,869,948	14,794,577
Purchased services	1,762,503	194,865	294,678	872,511	5,743,450	8,868,007	1,529,173	362,011	1,444,816	3,336,000	12,204,007	10,605,311
Grants	32,225	—	—	—	17,231,388	17,263,613	—	—	—	—	17,263,613	11,578,968
Professional fees	271,497	89,468	78,236	95	2,323,484	2,762,780	1,743,886	82,862	287,913	2,114,661	4,877,441	4,823,418
Property and casualty insurance	2,644,691	549,810	342,594	—	1,889,204	5,426,299	450,773	—	—	450,773	5,877,072	4,736,681
Advertising	3,034,821	592,111	56,981	9,930	83,027	3,776,870	53,392	71,523	604,786	729,701	4,506,571	4,174,449
Repairs and maintenance	4,528,082	2,462,453	929,593	374,391	2,768,850	11,063,369	1,740,654	64,399	24,579	1,829,632	12,893,001	10,224,451
Supplies and materials	3,770,944	1,176,395	1,801,447	604,395	14,335,413	21,688,594	935,783	491,749	388,418	1,815,950	23,504,544	19,198,521
Animal food and forage	2,349,892	424,136	614,125	—	—	3,388,153	—	—	—	—	3,388,153	3,647,607
Telephone	94,001	37,486	179,453	27,506	1,041,353	1,379,799	331,617	2,388	5,618	339,623	1,719,422	1,745,894
Heat, light, and power	4,285,371	1,866,752	245,072	19,715	442,519	6,859,429	1,043	—	—	1,043	6,860,472	5,730,343
Travel	144,209	42,180	43,449	12,067	14,246,414	14,488,319	234,595	5,209	122,945	362,749	14,851,068	9,217,801
Dues and fees	88,626	58,099	125,113	4,227	248,060	524,125	355,804	190	5,056	361,050	885,175	770,225
Postage and shipping	38,335	75,151	12,762	3,779	449,422	579,449	28,248	160,323	89,368	277,939	857,388	768,205
Cost of product sold	—	—	—	8,169,050	—	8,169,050	—	—	—	—	8,169,050	5,507,777
Collection accessions	233,704	57,131	15,935	—	—	306,770	—	—	—	—	306,770	246,740
Currency translation (gain) loss	—	—	—	—	(681,627)	(681,627)	—	—	—	—	(681,627)	545,840
Bond interest expense	2,036,781	3,620,926	—	—	—	5,657,707	—	—	—	—	5,657,707	5,510,973
Occupancy	—	1,094,669	1,300,000	102,154	3,062,765	5,559,588	73,358	—	—	73,358	5,632,946	4,126,827
Depreciation	11,237,720	11,747,531	1,516,375	340,359	1,265,677	26,107,662	429,745	—	3,227	432,972	26,540,634	28,105,845
Other	671,048	99,174	244,671	610,264	257,140	1,882,297	1,025,698	128,748	162,508	1,316,954	3,199,251	3,821,613
Total 2022 expenses	\$ 83,165,479	34,429,393	27,472,178	19,282,369	150,326,224	314,675,643	32,740,127	2,237,853	10,128,531	45,106,511	359,782,154	329,857,694
Total 2021 expenses	\$ 81,144,759	32,344,995	26,464,491	15,167,115	128,553,839	283,675,199	33,683,652	1,440,948	11,057,895	46,182,495	329,857,694	

See accompanying notes to consolidated financial statements.

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Consolidated Statement of Cash Flows

Year ended June 30, 2022

(with comparative summarized financial information for the year ended June 30, 2021)

	2022	2021
Cash flows from operating activities:		
Changes in net assets	\$ 46,002,824	83,267,053
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation	26,540,634	28,105,845
Amortization of bond issuance costs	38,439	37,937
Loss on bond defeasance	—	8,335,924
Net depreciation (appreciation) in fair value of investments	12,932,457	(122,009,958)
Postretirement-related change other than net periodic postretirement benefit cost	(9,884,708)	(5,593,715)
Decrease (increase) in value of amounts held in trust by others	476,856	(431,800)
Endowment contributions	(258,918)	(288,848)
Contributions and grants restricted for building improvements	(16,082,025)	(426,920)
Changes in assets and liabilities:		
Miscellaneous receivables	(3,193,330)	1,700,710
Receivable from the City of New York	10,505,831	(397,659)
Receivable from the State of New York	(3,392,318)	(2,526,268)
Receivables from U.S. Federal sources	1,972,420	2,030,769
Contributions receivable	(4,436,434)	1,563,726
Non-U.S. government and bilateral grants and contracts receivables	31,262	578,591
Private organization grants and contracts receivables	(8,497,615)	(89,149)
Inventories	(1,366,647)	937,590
Advances to subawardees	951,335	(2,813,445)
Prepaid expenses	(3,432,688)	(748,870)
Operating leases assets	1,265,876	(3,212,853)
Accounts payable and accrued expenses	139,822	8,485,120
Grant and contract liabilities	(11,508,012)	21,118,829
Escrow liability	8,629,521	21,393,340
Lease liability	(924,335)	2,932,322
Postretirement benefit obligation	1,426,721	2,968,006
Total adjustments	1,934,144	(38,350,776)
Net cash provided by operating activities	47,936,968	44,916,277
Cash flows from investing activities:		
Proceeds from sales of investments	162,876,796	64,041,364
Purchases of investments	(138,615,997)	(51,314,061)
Acquisition of property and equipment	(15,606,538)	(24,114,772)
Decrease in accounts payable and accrued expenses for construction projects	—	(2,299,476)
Net cash provided by (used in) investing activities	8,654,261	(13,686,945)
Cash flows from financing activities:		
Endowment contributions	258,918	288,848
Contributions and grants restricted for building improvements	28,931,882	426,920
Increase in receivable from government sources for capital expenditure	—	(12,034,978)
Decrease in contributions and grants receivable for capital	—	25,045
Decrease in annuity liabilities, net	(393,859)	(8,615)
Repayment of line of credit	(30,000,000)	—
Repayment of loans payable	—	(6,650,000)
Proceeds from issuance of bonds payable and loans payable	—	165,985,000
Defeasance of bonds payable	—	(141,674,395)
Bond issuance costs	—	(1,138,158)
Net cash (used in) provided by financing activities	(1,203,059)	5,219,667
Net increase in cash, cash equivalents and restricted cash	55,388,170	36,448,999
Cash, cash equivalents and restricted cash at beginning of year	89,541,140	53,092,141
Cash, cash equivalents and restricted cash at end of year	\$ 144,929,310	89,541,140
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	\$ 106,023,925	52,537,719
Restricted cash for agency account included in cash and cash equivalents	196,588	249,494
Restricted cash for escrow account included cash in escrow	30,119,862	22,537,134
Restricted cash included in amounts held in trust by others	40,030	10,180
Restricted cash included in funds held by bond trustee	8,548,905	14,206,613
Total cash, cash equivalents, and restricted cash shown above	\$ 144,929,310	89,541,140
Supplemental disclosure:		
Interest paid	\$ 5,657,707	5,510,973
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, 2022

(with comparative summarized financial information as of and for the  
year ended June 30, 2021)

**(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).

WCS has formed various corporate entities from time to time to enable it to carry out its mission more effectively and efficiently. The following are descriptions of the affiliates and wholly owned subsidiaries of WCS 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.

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.



**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2022

(with comparative summarized financial information as of and for the  
year ended June 30, 2021)

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.

Wild Lands Conservation Society (WLCS) is a nonprofit, nonstock corporation incorporated in the State of Delaware whose sole member is WCS. WLCS is exempt from Federal income tax as an organization described in Section 501(c)(3) of the Code. WLCS was dissolved December 31, 2021.

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.

**(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.

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2022

(with comparative summarized financial information as of and for the  
year ended June 30, 2021)

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

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2022

(with comparative summarized financial information as of and for the  
year ended June 30, 2021)

**(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 fur Wierderanfbau (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 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.

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2022

(with comparative summarized financial information as of and for the  
year ended June 30, 2021)

At June 30, 2022, WCS has approximately \$259,822,000 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 2022, 13.1% 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.

**(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.

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2022

(with comparative summarized financial information as of and for the  
year ended June 30, 2021)

**(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 on 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, 2022

(with comparative summarized financial information as of and for the  
year ended June 30, 2021)

*Nature of Leases*

WCS has entered into the following lease arrangements:

*Operating Leases*

WCS has various real estate leases for offices and land 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. Total operating lease expense for the years ended June 30, 2022 and 2021 was \$2,098,034 and \$1,819,373, respectively.

*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.

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2022

(with comparative summarized financial information as of and for the  
year ended June 30, 2021)

**(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 \$3,263,374 and \$4,514,952 at June 30, 2022 and 2021, respectively and are included in the total of investments on 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.

**(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 \$(682,000) and \$546,000 for the years ended June 30, 2022 and June 30, 2021, 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.

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2022

(with comparative summarized financial information as of and for the  
year ended June 30, 2021)

**(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, 2021 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.

**(u) New Authoritative Accounting Pronouncements**

Accounting Standards Update 2018-14, *Compensation – Retirement Benefits – Defined Benefit Plans – General, Disclosure Framework – Changes to the Disclosure Requirements for Defined Benefit Plans (Subtopic 715-20)*, modifies the disclosure requirements for employers that sponsor defined benefit pension and/or other postretirement benefit plans. The ASU eliminates requirements for certain disclosures that are no longer considered cost beneficial, requires new disclosures that the Financial Accounting Standards Board considers pertinent and clarifies certain disclosure requirements. WCS applied these changes to the disclosures retrospectively.

**(v) Reclassifications**

Certain reclassifications have been made to prior year amounts to conform to the current year presentation.



**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2022

(with comparative summarized financial information as of and for the  
year ended June 30, 2021)

**(3) Fair Value**

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>	<u>—</u>	<u>—</u>	<u>—</u>
Total investments reported at net asset value (or its equivalent)	<u>473,710,345</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total investments	<u>\$ 523,679,381</u>	<u>49,969,036</u>	<u>—</u>	<u>—</u>
Other assets:				
Funds held by bond trustee	\$ 8,548,905	8,548,905	—	—
Amounts held in trust by others	1,664,957	—	—	1,664,957
Total other assets	<u>\$ 10,213,862</u>	<u>8,548,905</u>	<u>—</u>	<u>1,664,957</u>

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2022

(with comparative summarized financial information as of and for the  
year ended June 30, 2021)

Information with respect to the redemption provisions of investments reported at net asset value (or its equivalent) is as follows as of June 30, 2022:

<u>Liquidity</u>	<u>Day's notice</u>	<u>Amount</u>
Monthly	15	\$ 57,236,621
	30	11,194,284
	60	6,751,505
Quarterly	30	1,827,334
	60	16,968,591
Annual	90, pays 25% quarterly	5,953,829
	1 Year, at 12/31	336,065,418
Illiquid	Not applicable	37,712,763
		<u>\$ 473,710,345</u>

WCS assets at June 30, 2021 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	\$ 17,326,639	17,326,639	—	—
Common stocks – domestic	12,609,635	12,609,635	—	—
Mutual funds – equity domestic	2,744,028	2,744,028	—	—
Mutual funds – fixed income:				
U.S. government	5,412,966	5,412,966	—	—
U.S. corporate	15,180,570	15,180,570	—	—
Mutual funds – natural resources	2,708,127	2,708,127	—	—
	<u>55,981,965</u>	<u>55,981,965</u>	<u>—</u>	<u>—</u>
Investments reported at net asset value (or its equivalent):				
Limited partnerships:				
Multi-asset class	360,395,003	—	—	—
Equity – domestic	31,209,750	—	—	—
Equity – global	14,662,244	—	—	—
Equity – international/ emerging markets	41,772,659	—	—	—
Other	97,420	—	—	—

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2022

(with comparative summarized financial information as of and for the  
year ended June 30, 2021)

	<u>Fair value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Alternative investments:				
Private credit	\$ 406,959	—	—	—
Distressed securities	7,963,141	—	—	—
Equity – long/short	14,352,686	—	—	—
Multi-strategy	13,260,510	—	—	—
Private equity	8,571,341	—	—	—
Venture capital	12,198,959	—	—	—
Total investments reported at net asset value (or its equivalent)	<u>504,890,672</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total investments	<u>\$ 560,872,637</u>	<u>55,981,965</u>	<u>—</u>	<u>—</u>
Other assets:				
Funds held by bond trustee	\$ 14,206,613	14,206,613	—	—
Amounts held in trust by others	<u>2,111,963</u>	<u>—</u>	<u>—</u>	<u>2,111,963</u>
Total other assets	<u>\$ 16,318,576</u>	<u>14,206,613</u>	<u>—</u>	<u>2,111,963</u>

The following tables present WCS's activity for the fiscal years ended June 30, 2022 and 2021 for Level 3 assets:

	<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>

	<u>Amounts held in trust by others</u>
Fair value at June 30, 2020	\$ 1,779,583
Sales/distributions	(69,269)
Net appreciation in fair value of investments	<u>401,649</u>
Fair value at June 30, 2021	<u>\$ 2,111,963</u>

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2022

(with comparative summarized financial information as of and for the  
year ended June 30, 2021)

WCS had unfunded investment commitments totaling \$16.4 million as of June 30, 2022.

**(4) Investments**

The fair value of investments at June 30, 2022 and 2021 is as follows:

	<b>2022</b>	<b>2021</b>
Multi-asset class, including other alternative assets	\$ 336,065,418	360,395,003
Equity/equity funds	79,750,270	102,998,316
Alternative investments	63,663,128	56,851,016
Fixed income funds	18,662,500	20,593,536
Natural resources	3,201,678	2,708,127
Cash and short-term investments	22,336,387	17,326,639
	\$ 523,679,381	560,872,637

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:

Private credit strategies – investments that provide debt financing to other lenders (or originating servicers) that originate and service consumer and other forms of debt.

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, 2022

(with comparative summarized financial information as of and for the  
year ended June 30, 2021)

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, 2022 and 2021 is as follows:

	<b>2022</b>	<b>2021</b>
Multi-asset class, including other alternative assets	\$ 336,065,418	360,395,003

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, 2022 are as follows:

<b>Asset class</b>	<b>Percentage of portfolio</b>
Developed markets equity	18 %
Emerging markets equity	6
Private equity	28
Real estate	10
Natural resources	7
Hedge funds	16
Fixed income	8
Cash	7
	100 %

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2022

(with comparative summarized financial information as of and for the  
year ended June 30, 2021)

The components of investment return for the years ended June 30, 2022 and 2021 are as follows:

	<b>2022</b>	<b>2021</b>
Interest and dividend income, net of investment expenses of \$4,502,687 and \$3,935,227 in 2022 and 2021, respectively	\$ (2,055,180)	9,836,501
Net (depreciation) appreciation in fair value of investments	(12,932,457)	122,009,958
Total investment return	(14,987,637)	131,846,459
Less investment return available under spending policy, including amounts restricted for time or purpose of \$8,904,455 in 2022 and \$9,474,216 in 2021	(21,175,684)	(22,921,201)
Investment return (less than) in excess of amount available under spending policy, including amounts restricted for time or purpose of \$(16,082,852) in 2022 and \$44,462,528 in 2021	\$ (36,163,321)	108,925,258

**(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 and 104 individual funds at June 30, 2022 and 2021, established for a variety of purposes, including both donor-restricted endowment funds and funds functioning as endowment.

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2022

(with comparative summarized financial information as of and for the  
year ended June 30, 2021)

At June 30, 2022 and 2021 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, 2022 and 2021 consisted of the following:

	<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
Total	\$ 132,573,988	352,960,610	485,534,598

	<b>2021</b>		
	<b>Without donor restrictions</b>	<b>With donor restrictions</b>	<b>Total</b>
Board-designated	\$ 130,880,568	—	130,880,568
Donor-restricted:			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	—	272,986,244	272,986,244
Accumulated investment gains	—	95,793,957	95,793,957
Total	\$ 130,880,568	368,780,201	499,660,769

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2022

(with comparative summarized financial information as of and for the  
year ended June 30, 2021)

Changes in endowment net assets for the fiscal years ended June 30, 2022 and 2021 were as follows:

	<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>

	<b>2021</b>		
	<b>Without donor restrictions</b>	<b>With donor restrictions</b>	<b>Total</b>
Endowment net assets, June 30, 2020 as reported	\$ 71,723,143	324,276,964	396,000,107
Net appreciation (realized and unrealized)	77,862,502	53,688,605	131,551,107
Contributions	—	288,848	288,848
Appropriation of endowment assets for expenditure	(13,446,985)	(9,474,216)	(22,921,201)
Withdrawal from board-designated endowment	(5,258,092)	—	(5,258,092)
Endowment net assets, June 30, 2021	<u>\$ 130,880,568</u>	<u>368,780,201</u>	<u>499,660,769</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, 2022 and 2021 consist of the following:

	<b>2022</b>	<b>2021</b>
Zoos and Aquarium programs	\$ 57,547,454	77,541,657
General purposes	50,953,719	20,981,292
Global conservation programs	24,072,815	32,357,619
	<u>\$ 132,573,988</u>	<u>130,880,568</u>



**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2022

(with comparative summarized financial information as of and for the  
year ended June 30, 2021)

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

Net assets with purpose or time restrictions at June 30, 2022 and 2021 consist of the following:

	<u>2022</u>	<u>2021</u>
Amounts restricted for the following purposes:		
Zoos and Aquarium programs	\$ 108,988,791	125,752,122
Building and exhibit improvements	6,678,549	2,305,540
Global conservation programs	<u>131,021,951</u>	<u>62,155,281</u>
	<u>\$ 246,689,291</u>	<u>190,212,943</u>

Net assets that are restricted in perpetuity at June 30, 2022 and 2021 represent endowment gifts and consist of the following:

	<u>2022</u>	<u>2021</u>
Zoos and Aquarium programs	\$ 180,311,733	180,186,733
General purposes	6,437,570	6,437,570
Global conservation programs	<u>86,495,858</u>	<u>86,361,941</u>
	<u>\$ 273,245,161</u>	<u>272,986,244</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, 2022 and 2021 are due to be collected as follows:

	<u>2022</u>	<u>2021</u>
Within one year	\$ 42,686,930	32,649,703
One to five years	<u>9,785,987</u>	<u>6,522,701</u>
	52,472,917	39,172,404
Less present value discount 2.98% in 2022 and 1.45% in 2021)	<u>(712,421)</u>	<u>(314,695)</u>
	<u>\$ 51,760,496</u>	<u>38,857,709</u>

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2022

(with comparative summarized financial information as of and for the  
year ended June 30, 2021)

**(8) Property and Equipment**

At June 30, 2022 and 2021, the cost and accumulated depreciation of property and equipment are as follows:

	<b>2022</b>	<b>2021</b>
Land	\$ 651,268	651,268
Buildings and exhibits	611,326,711	610,416,031
Furniture, fixtures, and equipment	57,362,638	55,252,650
Construction in progress	193,319,446	178,688,398
	862,660,063	845,008,347
Less accumulated depreciation	422,234,746	395,694,112
	<b>\$ 440,425,317</b>	<b>449,314,235</b>

At June 30, 2022, WCS has future commitments due on construction in progress contracts of approximately \$12.0 million.

**(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% (1.78671% at June 30, 2022). Interest is paid monthly and an unused credit facility is paid quarterly. WCS drew down on this line of credit in its entirety in March 2020. During fiscal year 2022, WCS repaid the line of credit and there are no amounts outstanding at June 30, 2022.

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 London Interbank Offered Rate (LIBOR) plus 1.45% (1.78671% at June 30, 2022). 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 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

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2022

(with comparative summarized financial information as of and for the  
year ended June 30, 2021)

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 \$1,061,781 and \$1,100,220 as of June 30, 2022 and 2021, respectively.

Projected interest and principal payments are as follows:

	<b>Interest</b>	<b>Principal</b>
Year ending June 30:		
2023	\$ 5,666,728	—
2024	5,666,728	—
2025	5,666,728	—
2026	5,666,728	—
2027	5,666,728	—
Thereafter	133,168,105	165,985,000
Total	\$ 161,501,745	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, 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 \$305,591 in 2022 and \$503,747 in 2021 related to the plans. A liability of \$1,221,328 and \$1,343,689 is reported in accounts payable and accrued expenses in the accompanying consolidated balance sheet as of June 30, 2022 and 2021, 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 \$9,174,000 and \$9,391,000 for the years ended June 30, 2022 and 2021, respectively. There have been no significant changes that affect the comparability of fiscal years 2022 and 2021 contributions. WCS's contributions to the Plan represent more than 5% of the total contributions to this plan for the years ended June 30, 2022 and 2021. The Employer

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2022

(with comparative summarized financial information as of and for the  
year ended June 30, 2021)

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, 2022. The most recent Pension Protection Act (PPA) zone status is green at June 30, 2022 and 2021 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, 2022.

The expenses for the Group Life and Welfare Benefit Plans and the administrative costs for the Plans for the years ended June 30, 2022 and 2021 was as follows:

	<b>2022</b>	<b>2021</b>
Group Life and Welfare Benefits	\$ 161,000	165,000
Administration (all three plans)	1,074,000	1,184,000
	\$ 1,235,000	1,349,000

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 2022 and 2021, WCS recognized expense of \$352,136 and \$230,425 related to the terminal leave, respectively. The present value of the terminal leave obligation amounted to \$1,170,865 and \$1,523,001 at June 30, 2022 and 2021, 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.

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2022

(with comparative summarized financial information as of and for the  
year ended June 30, 2021)

The following table provides a summary of this unfunded plan as of June 30, 2022 and 2021:

	<b>2022</b>	<b>2021</b>
Change in benefit obligation:		
Benefit obligation at beginning of year	\$ 54,341,846	56,967,555
Service cost	1,833,411	2,768,723
Interest cost	1,558,207	1,510,353
Plan participants' contribution	141,337	153,749
Actuarial gain	(9,420,145)	(4,738,679)
Benefits paid	(2,570,797)	(2,319,855)
Benefit obligation at end of year	45,883,859	54,341,846
Change in plan assets:		
Fair value of plan assets at beginning of year	—	—
Employer contribution	2,570,797	2,319,855
Benefits paid	(2,570,797)	(2,319,855)
Fair value of plan assets at end of year	—	—
Accumulated postretirement health and life insurance benefit obligation recognized in the consolidated balance sheet	\$ (45,883,859)	(54,341,846)
	<b>2022</b>	<b>2021</b>
Components of net periodic benefit expense:		
Service cost	\$ 1,833,411	2,768,723
Interest cost	1,558,207	1,510,353
Amortization of prior service credit	(71,944)	(71,944)
Amortization of net loss	536,507	926,980
Net periodic benefit expense	\$ 3,856,181	5,134,112

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2022

(with comparative summarized financial information as of and for the  
year ended June 30, 2021)

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

	<b>2022</b>	<b>2021</b>
Benefit obligation weighted average assumptions as of June 30, 2022 and 2021:		
Discount rate	4.70 %	2.92 %
Benefit cost weighted average assumptions for the years ended June 30, 2022 and 2021:		
Discount rate	2.92 %	2.70 %

For 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. For measurement purposes, an annual rate of increase in the per capita cost of covered health care benefits of 6.50% in 2021 grading down to an ultimate rate of 4.75% in 2025.

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. As of June 30, 2021, a total loss of \$11,600,593 consisting of \$11,445,663 net actuarial loss and \$154,930 prior service cost, has not yet been recognized as a component of net periodic benefit cost.

During the years ended June 30, 2022 and 2021, (\$9,884,708) and (\$5,593,715) were reported, respectively, as postretirement-related change other than net periodic postretirement benefit costs. The components of the amounts are as follows:

	<b>2022</b>	<b>2021</b>
Net actuarial (gain) loss	\$ (9,956,652)	(5,665,659)
Prior service cost	71,944	71,944
	\$ (9,884,708)	(5,593,715)

It is estimated that \$71,944 of the prior service credit and \$926,980 of amortization of the net actuarial loss 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, 2022

(with comparative summarized financial information as of and for the  
year ended June 30, 2021)

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:		
2023	\$	2,221,000
2024		2,236,000
2025		2,369,000
2026		2,555,000
2027		2,774,000
2028 through 2032		<u>14,609,000</u>
	\$	<u><u>26,764,000</u></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 right of use 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, 2022:

Year ending June 30:		
2023	\$	1,296,420
2024		489,107
2025		130,384
2026		74,314
2027		32,151
Thereafter		<u>24,920</u>
		2,047,296
Less discount for present value		<u>(39,309)</u>
	\$	<u><u>2,007,987</u></u>

**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2022

(with comparative summarized financial information as of and for the  
year ended June 30, 2021)

Lease costs and other related information for the year ended June 30, 2022 and 2021, respectively, were as follows:

	<b>2022</b>	<b>2021</b>
Lease cost:		
Operating lease cost	\$ 2,098,034	1,819,373
Short-term lease cost	502,922	594,464
	\$ 2,600,956	2,413,837
	<b>2022</b>	<b>2021</b>
Other information:		
Cash paid for amounts included in measurement of lease liabilities:		
Operating cash flows for operating leases	\$ 1,969,770	1,866,514
Weighted-average remaining lease term	2.16 years	2.45 years
Weighted-average discount rate	2.98%	1.45%

**(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 \$17,339,469 and \$16,421,030 in operating support during 2022 and 2021, respectively.

WCS and the City have entered into renewable agreements with respect to the City Zoos in Central Park, Prospect Park, and Queens 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 \$15,755,978 and \$21,169,290 in support during 2022 and 2021, 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 2022 and 2021, this funding amounted to \$12,438,937 and \$21,117,852, respectively.



**WILDLIFE CONSERVATION SOCIETY  
AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2022

(with comparative summarized financial information as of and for the  
year ended June 30, 2021)

In fiscal year 2022 and 2021, WCS also received, through the DCA, grants with restrictions totaling \$992,350 and \$279,706, 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, 2022 and 2021 was \$68,538,857 and \$81,047,676 of which includes expenditures of \$12,316,818 and \$20,185,978, respectively, is included in receivable from the City in the accompanying consolidated balance sheet. Subsequent to fiscal year end WCS received \$20 million and \$23 million from the City of New York towards the reimbursement of costs related to restoration expenses incurred from Sandy for the New York Aquarium on September 8, 2022 and August 2, 2021, 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 sheets were as follows at June 30, 2022 and June 30, 2021:

	<b>2022</b>	<b>2021</b>
Financial assets:		
Cash and cash equivalents	\$ 106,220,513	52,537,719
Miscellaneous receivables	5,089,064	1,895,734
Contributions and grants receivable due within one year	42,686,930	32,649,703
Receivables from the City and State of New York	85,539,295	105,502,665
Receivables from U.S. Federal sources	6,377,369	8,349,789
Investments appropriated to spend in following year	23,846,770	22,859,234
Total financial assets and other resources available within one year	\$ 269,759,941	223,794,844

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 \$132.6 million as of June 30, 2022. 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, 2022

(with comparative summarized financial information as of and for the  
year ended June 30, 2021)

**(16) COVID-19 Pandemic**

In January 2020, the World Health Organization recognized the novel strain of coronavirus, COVID-19, as a pandemic. WCS's zoos and aquarium were subject to operational restrictions and other safety protocols in accordance with New York State executive orders and guidance related to the pandemic. This negatively affected WCS's operating results, particularly in the years ended June 30, 2020 and 2021, with the greatest impacts on attendance driven revenues including gate admissions, membership fees and restaurant and merchandise sales. The operations of WCS's Global Conservation programs were also affected by local governmental and other guidance and requirements, which in some cases disrupted planned programmatic activity. While it is possible that the effects of COVID-19 may continue to negatively affect WCS's financial position, results of operations and cash flows, the trend in attendance driven revenues has been positive in 2022 and is expected to continue.

**(17) Subsequent Events**

In conjunction with the preparation of the consolidated financial statements, WCS evaluated subsequent events from June 30, 2022 and through October 20, 2022, 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, 2022

	<b>WCS do Brazil</b>	<b>WCS Canada</b>	<b>WCS Malaysia</b>	<b>Conservation Flight LLC</b>	<b>WCS Belgium</b>	<b>WCS USA</b>	<b>Elimination</b>	<b>WCS Consolidated</b>
Revenues:								
Contributions	\$ 245,476	401,701	798,074	—	—	38,628,345	—	40,073,596
Bequests	—	—	—	—	—	3,706,887	—	3,706,887
Membership dues	—	—	—	—	—	17,797,002	—	17,797,002
Appropriation from The City of New York	—	—	—	—	—	46,526,734	—	46,526,734
U.S. State agencies grants and contracts	42,692	—	—	—	—	5,469,777	—	5,512,469
U.S. Federal grants and contracts	—	—	—	—	—	41,294,056	—	41,294,056
Non-U.S. government and bilateral grants and contracts	—	1,874,487	—	—	—	39,721,529	—	41,596,016
Private organizations grants and contracts	(93,397)	3,872,564	—	419,115	193,757	134,448,154	(2,242,368)	136,597,825
Gate and exhibit admissions	—	—	—	—	—	38,950,891	—	38,950,891
Restaurant and merchandise sales and parking fees	—	—	—	—	—	33,313,458	—	33,313,458
Investment return	—	—	—	—	—	(14,987,637)	—	(14,987,637)
Educational program and activities	—	—	—	—	—	2,754,906	—	2,754,906
Sponsorship, licensing, and royalties	—	—	—	—	—	748,419	—	748,419
Miscellaneous	—	21,480	7,547	—	2,971	1,983,650	—	2,015,648
Total revenues	<u>194,771</u>	<u>6,170,232</u>	<u>805,621</u>	<u>419,115</u>	<u>196,728</u>	<u>390,356,171</u>	<u>(2,242,368)</u>	<u>395,900,270</u>
Expenses and losses:								
Salaries and wages	124,029	3,094,838	461,899	—	370,330	130,681,172	—	134,732,268
Employee benefits and payroll taxes	120,247	—	52,525	—	70,712	47,333,934	—	47,577,418
Employment costs	6,475	—	—	—	143	5,083,244	—	5,089,862
Consultancy fees	—	—	—	—	—	13,869,948	—	13,869,948
Purchased services	17,713	925,058	—	—	—	11,261,236	—	12,204,007
Grants	—	762,098	—	—	—	18,743,883	(2,242,368)	17,263,613
Professional fees	26,593	—	5,425	—	14,220	4,831,203	—	4,877,441
Property and casualty insurance	3,178	—	19,816	—	467	5,853,611	—	5,877,072
Advertising	—	—	3,905	—	295	4,502,371	—	4,506,571
Repairs and maintenance	2,310	—	1,505	—	—	12,889,186	—	12,893,001
Supplies and materials	20,430	626,966	87,042	421,668	806	22,347,632	—	23,504,544
Animal food and forage	—	—	—	—	—	3,388,153	—	3,388,153
Telephone	139	—	—	—	6,908	1,712,375	—	1,719,422
Heat, light, and power	—	—	2,147	—	—	6,858,325	—	6,860,472
Travel	16,575	199,347	83,289	—	11,021	14,540,836	—	14,851,068
Dues and fees	491	—	—	—	5	884,679	—	885,175
Postage and shipping	89	—	10,884	—	16	846,399	—	857,388
Cost of product sold	—	—	—	—	—	8,169,050	—	8,169,050
Collection accessions	—	—	—	—	—	306,770	—	306,770
Currency translation loss	2,452	128,969	—	(28)	2,377	(815,397)	—	(681,627)
Bond interest expense	—	—	—	—	—	5,657,707	—	5,657,707
Occupancy	—	221,253	44,966	—	16,468	5,350,259	—	5,632,946
Depreciation	—	—	53,714	—	—	26,486,920	—	26,540,634
Other	1,006	216,879	13,084	769	1,006	2,966,507	—	3,199,251
Total expenses	<u>341,727</u>	<u>6,175,408</u>	<u>840,201</u>	<u>422,409</u>	<u>494,774</u>	<u>353,750,003</u>	<u>(2,242,368)</u>	<u>359,782,154</u>
(Deficiency) excess of revenues over expenses	<u>(146,956)</u>	<u>(5,176)</u>	<u>(34,580)</u>	<u>(3,294)</u>	<u>(298,046)</u>	<u>36,606,168</u>	<u>—</u>	<u>36,118,116</u>
Other changes:								
Postretirement-related change other than net periodic postretirement benefit cost	—	—	—	—	—	9,884,708	—	9,884,708
Changes in net assets	<u>(146,956)</u>	<u>(5,176)</u>	<u>(34,580)</u>	<u>(3,294)</u>	<u>(298,046)</u>	<u>46,490,876</u>	<u>—</u>	<u>46,002,824</u>
Net assets at beginning of year	<u>723,777</u>	<u>3,796,992</u>	<u>669,830</u>	<u>1,656</u>	<u>(236,493)</u>	<u>882,091,301</u>	<u>—</u>	<u>887,047,063</u>
Net assets at end of year	<u>\$ 576,821</u>	<u>3,791,816</u>	<u>635,250</u>	<u>(1,638)</u>	<u>(534,539)</u>	<u>928,582,177</u>	<u>—</u>	<u>933,049,887</u>

See accompanying independent auditors' report.