



Galápagos
Conservancy
galapagos.org

FINANCIAL STATEMENTS

December 31, 2020 and 2019

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Galapagos Conservancy, Inc.
Fairfax, Virginia

We have audited the accompanying financial statements of Galapagos Conservancy, Inc., which comprise the statement of financial position as of December 31, 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Galapagos Conservancy, Inc. as of December 31, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Prior Period Financial Statements

The financial statements of Galapagos Conservancy, Inc. as of and for the year ended December 31, 2019, were audited by other auditors whose report dated April 15, 2020, expressed an unmodified opinion on those financial statements.

Wegner CPAs LLP

Wegner CPAs, LLP
Alexandria, Virginia
July 19, 2021

GALAPAGOS CONSERVANCY, INC.
STATEMENTS OF FINANCIAL POSITION
December 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
ASSETS		
Cash	\$ 1,682,088	\$ 1,510,689
Unconditional promises to give	244,784	193,852
Prepaid expenses	37,872	40,954
Investments	5,973,195	5,595,194
Property and equipment, net	<u>-</u>	<u>-</u>
Total assets	<u>\$ 7,937,939</u>	<u>\$ 7,340,689</u>
LIABILITIES		
Accounts payable	\$ 33,975	\$ 51,617
Accrued liabilities	39,193	31,402
Grants payable	515,190	340,712
Refundable advances	52,655	29,503
Deferred lease incentives	<u>7,869</u>	<u>9,206</u>
Total liabilities	648,882	462,440
NET ASSETS		
Without donor restrictions	3,285,228	2,961,625
With donor restrictions	<u>4,003,829</u>	<u>3,916,624</u>
Total net assets	<u>7,289,057</u>	<u>6,878,249</u>
Total liabilities and net assets	<u>\$ 7,937,939</u>	<u>\$ 7,340,689</u>

See accompanying notes.

GALAPAGOS CONSERVANCY, INC.
STATEMENTS OF ACTIVITIES
Years Ended December 31, 2020 and 2019

	2020			2019		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE						
Grants and contributions	\$ 2,817,097	\$ 406,872	\$ 3,223,969	\$ 3,342,689	\$ 570,742	\$ 3,913,431
Investment return, net	258,181	123,260	381,441	566,201	273,473	839,674
Sales	13,085	-	13,085	16,228	-	16,228
Total support and revenue	3,088,363	530,132	3,618,495	3,925,118	844,215	4,769,333
EXPENSES						
Program Services						
Education for Sustainability	627,647	-	627,647	998,077	-	998,077
GTRI	413,552	-	413,552	734,244	-	734,244
Science for Conservation	1,372,574	-	1,372,574	1,376,672	-	1,376,672
Total program services	2,413,773	-	2,413,773	3,108,993	-	3,108,993
Supporting Activities						
Management and General	316,480	-	316,480	392,583	-	392,583
Fundraising	477,434	-	477,434	614,723	-	614,723
Total expenses	3,207,687	-	3,207,687	4,116,299	-	4,116,299
NET ASSETS RELEASED FROM RESTRICTIONS						
Satisfaction of purpose restrictions	442,927	(442,927)	-	777,876	(777,876)	-
Change in net assets	323,603	87,205	410,808	586,695	66,339	653,034
Net assets at beginning of year	2,961,625	3,916,624	6,878,249	2,374,930	3,850,285	6,225,215
Net assets at end of year	\$ 3,285,228	\$ 4,003,829	\$ 7,289,057	\$ 2,961,625	\$ 3,916,624	\$ 6,878,249

See accompanying notes.

GALAPAGOS CONSERVANCY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended December 31, 2020

	Program Services				Supporting Activities			Total Expenses
	Education for Sustainability	GTRI	Science for Conservation	Total Program Services	Management and General	Fundraising	Total Supporting Activities	
Grants	\$ 311,093	\$ -	\$ 699,219	\$ 1,010,312	\$ -	\$ -	\$ -	\$ 1,010,312
Salaries, benefits and payroll taxes	153,854	115,731	266,995	536,580	136,128	160,988	297,116	833,696
Accounting fees	14,830	12,976	25,741	53,547	120,664	-	120,664	174,211
Consulting fees	77,191	31,737	69,549	178,477	11,811	57,255	69,066	247,543
Copywriting charges	-	-	-	-	-	19,700	19,700	19,700
Cost of goods sold	-	-	2,825	2,825	-	-	-	2,825
Insurance expense	1,298	1,136	2,253	4,687	1,252	1,482	2,734	7,421
Legal fees	7,981	6,983	13,853	28,817	-	-	-	28,817
List rental	-	-	-	-	-	24,815	24,815	24,815
Mail house	1,016	889	1,763	3,668	979	80,086	81,065	84,733
Member email program	-	-	25,020	25,020	-	-	-	25,020
Occupancy	13,779	12,053	23,912	49,744	9,847	11,655	21,502	71,246
Office expenses	13,151	45,020	17,365	75,536	17,028	11,417	28,445	103,981
Other professional fees	24,835	40,574	43,099	108,508	12,500	14,924	27,424	135,932
Permits, fees and licenses	2,472	2,162	4,290	8,924	2,383	2,822	5,205	14,129
Postage and shipping	-	-	77,818	77,818	-	45,377	45,377	123,195
Premium on member development	-	-	9,331	9,331	-	-	-	9,331
Printing and design	-	-	72,558	72,558	-	42,309	42,309	114,867
Travel and meetings	4,476	142,829	5,043	152,348	2,277	2,696	4,973	157,321
Web expense	1,671	1,462	11,940	15,073	1,611	1,908	3,519	18,592
Total expenses	\$ 627,647	\$ 413,552	\$ 1,372,574	\$ 2,413,773	\$ 316,480	\$ 477,434	\$ 793,914	\$ 3,207,687

GALAPAGOS CONSERVANCY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended December 31, 2019

	Program Services				Supporting Activities			Total Expenses
	Education for Sustainability	GTRI	Science for Conservation	Total Program Services	Management and General	Fundraising	Total Supporting Activities	
Grants	\$ 392,297	\$ -	\$ 851,052	\$ 1,243,349	\$ -	\$ -	\$ -	\$ 1,243,349
Salaries, benefits and payroll taxes	145,780	198,612	194,768	539,160	190,270	102,145	292,415	831,575
Accounting fees	15,240	12,319	23,246	50,805	105,664	35,220	140,884	191,689
Consulting fees	195,300	13,964	55,294	264,558	7,871	122,500	130,371	394,929
Copywriting charges	-	-	-	-	-	23,400	23,400	23,400
Cost of goods sold	-	-	11,307	11,307	-	-	-	11,307
Depreciation expense	-	-	-	-	1,250	-	1,250	1,250
Insurance expense	1,006	813	1,534	3,353	2,641	1,378	4,019	7,372
Legal fees	48,801	8,134	24,401	81,336	345	-	345	81,681
List rental	-	-	-	-	-	22,330	22,330	22,330
Mail house	676	547	1,031	2,254	1,776	79,278	81,054	83,308
Member email program	-	-	51,534	51,534	-	-	-	51,534
Occupancy	7,764	6,276	25,922	39,962	20,391	10,639	31,030	70,992
Office expenses	10,290	103,391	22,409	136,090	27,028	14,101	41,129	177,219
Other professional fees	8,556	30,219	13,408	52,183	22,473	13,091	35,564	87,747
Permits, fees and licenses	1,899	1,535	2,897	6,331	4,989	2,603	7,592	13,923
Postage and shipping	-	-	20,189	20,189	3,295	81,388	84,683	104,872
Premium on member development	-	-	10,162	10,162	-	-	-	10,162
Printing and design	-	-	22,284	22,284	-	102,267	102,267	124,551
Travel and meetings	170,468	358,434	9,197	538,099	2,560	4,383	6,943	545,042
Web expense	-	-	36,037	36,037	2,030	-	2,030	38,067
Total expenses	\$ 998,077	\$ 734,244	\$ 1,376,672	\$ 3,108,993	\$ 392,583	\$ 614,723	\$ 1,007,306	\$ 4,116,299

GALAPAGOS CONSERVANCY, INC.
STATEMENTS OF CASH FLOWS
Years Ended December 31, 2020 and 2019

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 410,808	\$ 653,034
Adjustments to reconcile change in net assets to net cash flows from operating activities		
Depreciation	7,421	1,250
Contributions restricted for long term purposes	-	(2,000)
Net realized and unrealized gains on investments	(286,111)	(658,924)
(Increase) decrease in assets		
Unconditional promise to give	(50,932)	648,340
Prepaid expenses	3,082	(13,769)
Inventory	-	5,090
Increase (decrease) in liabilities		
Accounts payable	(17,642)	(36,994)
Accrued liabilities	7,791	31,402
Grants payable	174,478	128,884
Refundable advances	23,152	29,503
Deferred lease incentives	(1,337)	391
Net cash flows from operating activities	270,710	786,207
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of investments and interest and dividends reinvested	(99,311)	(2,655,976)
Proceeds from sales of investments	-	2,484,090
Net cash flows from investing activities	(99,311)	(171,886)
CASH FLOWS FROM FINANCING ACTIVITIES		
Endowment contributions received	-	2,000
Change in cash	171,399	616,321
Cash at beginning of year	1,510,689	894,368
Cash at end of year	\$ 1,682,088	\$ 1,510,689

See accompanying notes.

GALAPAGOS CONSERVANCY, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Galapagos Conservancy, Inc. (the Conservancy) is a not-for-profit organization incorporated under the laws of Delaware in 1985. The scientific purpose of the Conservancy included the advancement of scientific research and conservation, principally in the Galapagos Islands. The Conservancy is a tax-exempt organization under Internal Revenue Code Section 501(c)(3). The Conservancy's major sources of income are donor contributions and investment income.

Promises to Give

Unconditional promises to give are recognized as revenues in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. At December 31, 2020 and 2019, all promises to give are collectible within one year.

Property and Equipment

Property and equipment are recorded at cost if purchased and at fair value if donated; depreciation is computed on a straight-line basis over their estimated useful lives ranging from three to seven years. All property and equipment purchase with an estimated useful life over one year and cost greater than \$500 is capitalized.

Investments

The Conservancy reports investments in equity securities with readily determinable fair values and all investments in debt securities at their fair values in the statements of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying statements of activities.

Investment securities, in general, are exposed to various risks, such as interest rates, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in values of investment securities will occur in the near term and that such change could materially affect the amounts reported in the statements of financial position.

Refundable Advances

Refundable advances consists of unexpended grant awards received under a cost-reimbursement grant accounted for as a conditional contribution.

Income Tax Status

The Conservancy is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, the Conservancy qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2).

GALAPAGOS CONSERVANCY, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Contributions

Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Revenue Recognition

The Conservancy's sales revenue is recognized at a point in time when the sale of merchandise occurs.

Expense Allocation

The financial statements report certain categories of expenses that are attributable to more than one program service or supporting activity. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries, employee benefits and taxes, occupancy and depreciation, which are allocated based on estimates of time, effort, and use.

Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Reclassifications

Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform to the presentation in the current year financial statements.

Date of Management's Review

Management has evaluated subsequent events through July 19, 2021, the date which the financial statements were available to be issued.

NOTE 2—CONCENTRATIONS OF CREDIT RISK

The Conservancy places its cash and cash equivalents on deposit with financial institutions in the United States. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2020 and 2019, the Conservancy's uninsured cash balances total approximately \$1,124,000 and \$996,000, respectively.

GALAPAGOS CONSERVANCY, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 3—INVESTMENTS

Investments are comprised of the following:

	2020	2019
Money market funds	\$ 655,007	\$ 362,052
Equity mutual funds	2,569,236	2,935,597
Fixed income mutual funds	1,692,339	612,336
Bond funds	1,056,613	1,685,209
Investments	\$ 5,973,195	\$ 5,595,194

Fair values of equity mutual funds and fixed income mutual funds are valued at the closing price reported on the active market on which the mutual funds and exchange traded funds are traded and are considered Level 1 fair value measurements. Fair value of bond funds are determined using a market approach on yields currently available on comparable securities of issuers with similar credit ratings, which are Level 2 fair value measurements.

NOTE 4—ENDOWMENTS

The Conservancy's endowment consists of five individual funds established for a variety of purposes, the income from which is expendable to support various scientific research of the Galapagos Islands. As required by U.S. generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. All contributions to donor-restricted endowments are reported as increases net assets with donor restrictions. All earnings on the underlying investments are reported as increases in net assets with donor restrictions until appropriated for expenditure by the Conservancy.

The Conservancy is subject to the Uniform Prudent Management of Institutional Funds Act (UPMIFA) and, thus, classifies amounts in its donor-restricted endowment funds as net assets with donor restrictions (a) the original value of gifts donated to the fund and (b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument.

The Conservancy has interpreted UPMIFA to permit spending from underwater funds in accordance with the prudent measures required under the law. In accordance with UPMIFA, the Conservancy considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The durations and preservation of the fund.
- The purposes of the Conservancy endowment fund.
- General economic conditions.
- The possible effect of inflation and deflation.
- The expected total return from income and the appreciation of investments.
- Investment policies.

GALAPAGOS CONSERVANCY, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 4—ENDOWMENTS (continued)

Investment Return Objectives, Risk Parameters, and Strategies. The Conservancy’s objective is to earn a respectable, long-term, risk-adjusted total rate of return to support its programs. The Conservancy is primarily invested in publicly traded mutual funds, equities, and corporate bonds.

Spending Policy. The earnings from these endowments are available in support of programs of the Conservancy. The Board of Directors approves an annual appropriation to fund grants in support of the Conservancy’s mission in amounts aimed to preserve the endowment corpus.

Endowment net asset composition by type of fund as of December 31, 2020 and 2019 is as follows:

	2020		
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds:			
Original donor-restricted gifts	\$ -	\$ 2,534,018	\$ 2,534,018
Accumulated investment gains	-	997,278	997,278
Board-designated endowment funds	2,441,899	-	2,441,899
 Total endowment funds	 \$ 2,441,899	 \$ 3,531,296	 \$ 5,973,195
	2019		
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds:			
Original donor-restricted gifts	\$ -	\$ 2,534,018	\$ 2,534,018
Accumulated investment gains	-	882,018	882,018
Board-designated endowment funds	2,187,158	-	2,187,158
 Total endowment funds	 \$ 2,187,158	 \$ 3,416,036	 \$ 5,603,194

GALAPAGOS CONSERVANCY, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 4—ENDOWMENTS (continued)

Changes in endowment net assets for the years ended December 31, 2020 and 2019 are as follows:

	2020		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets at beginning of year	\$ 2,187,158	\$ 3,416,036	\$ 5,603,194
Investment return, net	254,741	123,260	378,001
Amounts appropriated for expenditure	-	(8,000)	(8,000)
Endowment net assets at end of year	<u>\$ 2,441,899</u>	<u>\$ 3,531,296</u>	<u>\$ 5,973,195</u>
	2019		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets at beginning of year	\$ 1,623,821	\$ 3,140,563	\$ 4,764,384
Contributions	100,000	2,000	102,000
Investment return, net	563,337	273,473	836,810
Amounts appropriated for expenditure	(100,000)	-	(100,000)
Endowment net assets at end of year	<u>\$ 2,187,158</u>	<u>\$ 3,416,036</u>	<u>\$ 5,603,194</u>

NOTE 5—RETIREMENT CONTRIBUTIONS

The Conservancy has a simple Individual Retirement Account plan covering all employees beginning on their date of hire. Employees can make salary deferrals up to limits specified in the plan. The Conservancy contributes an amount equal to 2% of each employee's eligible compensation. Employer contributions to the plan for the years ended December 31, 2020 and 2019 were \$9,827 and \$4,282, respectively.

NOTE 6—RISKS AND UNCERTAINTIES

The COVID-19 outbreak has caused disruption for nonprofit organizations and other businesses and has resulted in significant volatility in the financial markets. There have been mandated and voluntary closings of businesses including cancellations of events, meetings, and travel restrictions. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration of restrictions on gatherings and potential economic impacts. At this time, the potential related financial impact on the Conservancy's operations and financial statements cannot be reasonably estimated.

GALAPAGOS CONSERVANCY, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 7—NET ASSETS

Net assets with donor restrictions are comprised of the following:

	2020	2019
Subject to expenditure for specified purpose:		
Marine	\$ 15,800	\$ 15,800
Ornithology	33,000	22,500
Education	70,427	5,896
Education-Tinker Foundation	88,788	200,000
Celebrity Expeditions	116,650	153,342
Silver Seas	34,952	12,950
Saladin Funds	40,100	90,100
Tortoise	72,816	-
Subject to the Conservancy's spending policy and appropriation		
General Endowment	1,583,535	1,583,535
USAID Endowment	1,128,376	1,056,969
Marine Endowment	449,861	421,393
Hickman Marine Endowment	254,256	246,166
Darwin Scholars Endowment	115,268	107,973
Net assets with donor restrictions	\$ 4,003,829	\$ 3,916,624

NOTE 8—LEASES

The conservancy leases its office space under a noncancelable agreement that expires December 31, 2022. The lease extension provides for abatement of rent due for January 2018, with annual escalations in the base rent of 3%. The conservancy is also responsible for its pro-rata share of any increases in operating expenses and real estate taxes on the building, beginning in 2019. The total rent is recognized in expense on a straight-line basis, and total rent expense for those years ended December 31, 2020 and 2019 was \$71,247 and \$70,992, respectively.

Future minimum payments required under the lease agreement for the years ending December 31 are as follows:

2021	\$ 59,963
2022	61,762

NOTE 9—LINE OF CREDIT

The Conservancy has a \$200,000 line of credit that expired on May 15, 2021 and was not renewed. The line of credit accrues interest at the Wall Street Journal Prime Rate plus 1.00% and is secured by all assets of the Conservancy. The bank also requires the Conservancy to comply with certain administrative covenants. There were no outstanding balances on the line at December 31, 2020 and 2019.

GALAPAGOS CONSERVANCY, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 10—PROPERTY AND EQUIPMENT

Property and equipment is comprised of the following:

	2020	2019
Leasehold improvements	\$ 3,763	\$ 3,763
Furniture and fixtures	25,980	25,980
Office equipment	3,250	3,250
Software	64,500	64,500
Accumulated depreciation and amortization	(97,493)	(97,493)
Property and equipment, net	\$ -	\$ -

NOTE 11—LIQUIDITY AND AVAILABILITY

The following table reflects the Conservancy's financial assets as of December 31, 2020 and 2019 reduced by amounts not available to meet cash needs for general expenditures within one year of the date of the statements of financial position:

	2020	2019
Financial assets at year-end:		
Cash	\$ 1,682,088	\$ 1,510,689
Unconditional promises to give	244,784	193,852
Investments	5,973,195	5,595,194
Total financial assets at year-end	7,900,067	7,299,735
Less financial assets unavailable for general expenditures within one year:		
Restricted by donors with time and purpose restrictions	(472,533)	(500,588)
Subject to Conservancy's spending policy	(5,973,195)	(5,603,194)
Financial assets available to meet cash needs for general expenditures within one year	\$ 1,454,339	\$ 1,195,953

The Conservancy has a goal to maintain sufficient financial assets in the form of cash and cash equivalents on hand to meet 60 days of normal operating expenses, which are, on average approximately \$400,000. The Conservancy has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In the event of unforeseen obligations, the Conservancy may be granted access to Board-designated endowment assets of approximately \$2,400,000 and has access to a line of credit of \$200,000 as of December 31, 2020 and 2019.

GALAPAGOS CONSERVANCY, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 12—CONDITIONAL GRANT

The Conservancy has several grants that are conditioned upon the Conservancy incurring qualifying expenses under the grant programs. At December 31, 2020 and 2019, conditional grants in which cash has been received but expenses not yet incurred total \$52,655 and \$29,503, respectively, and are presented as refundable advances on the statements of financial position. At December 31, 2020, the Conservancy also has a conditional grant of \$25,350 with a grantor which will be received when qualifying expenses are incurred.