



FINANCIAL STATEMENTS

December 31, 2024 and 2023

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INDEPENDENT AUDITOR'S REPORT

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

Opinion

We have audited the financial statements of Galapagos Conservancy, Inc., which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Galapagos Conservancy, Inc. as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Galapagos Conservancy, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Galapagos Conservancy, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Galapagos Conservancy, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

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

Wegner CPAs, LLP
Alexandria, Virginia
May 15, 2025

GALAPAGOS CONSERVANCY, INC.
STATEMENTS OF FINANCIAL POSITION
December 31, 2024 and 2023

	2024	2023
ASSETS		
Cash	\$ 1,749,072	\$ 3,392,808
Unconditional promises to give	382,526	550,000
Prepaid expenses	15,068	35,815
Operating lease right-of-use asset	9,985	21,923
Investments	9,355,151	6,731,425
Property and equipment, net	2,819	13,065
Total assets	<u>\$ 11,514,621</u>	<u>\$ 10,745,036</u>
LIABILITIES		
Accounts payable	\$ 88,850	\$ 58,005
Accrued liabilities	19,072	20,313
Operating lease liability	9,985	21,923
Total liabilities	117,907	100,241
NET ASSETS		
Without donor restrictions		
Undesignated	3,344,235	3,708,296
Board designated endowment	2,351,327	1,900,964
With donor restrictions	5,701,152	5,035,535
Total net assets	<u>11,396,714</u>	<u>10,644,795</u>
Total liabilities and net assets	<u>\$ 11,514,621</u>	<u>\$ 10,745,036</u>

See accompanying notes.

GALAPAGOS CONSERVANCY, INC.
STATEMENTS OF ACTIVITIES
Years Ended December 31, 2024 and 2023

	2024			2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE						
Grants and contributions	\$ 3,016,154	\$ 1,296,389	\$ 4,312,543	\$ 4,574,910	\$ 1,262,809	\$ 5,837,719
In-kind contributions	13,676	-	13,676	5,664	-	5,664
Investment return, net	251,933	281,725	533,658	190,335	311,517	501,852
Total support and revenue	3,281,763	1,578,114	4,859,877	4,770,909	1,574,326	6,345,235
EXPENSES						
Program Services						
Achieving Sustainability	367,685	-	367,685	1,000,511	-	1,000,511
Saving Species and Rewilding Galapagos	2,841,470	-	2,841,470	1,501,116	-	1,501,116
Total program services	3,209,155	-	3,209,155	2,501,627	-	2,501,627
Supporting Activities						
Management and General	300,199	-	300,199	260,066	-	260,066
Fundraising	598,604	-	598,604	711,539	-	711,539
Total expenses	4,107,958	-	4,107,958	3,473,232	-	3,473,232
NET ASSETS RELEASED FROM RESTRICTIONS						
Satisfaction of purpose restrictions	912,497	(912,497)	-	605,564	(605,564)	-
Change in net assets	86,302	665,617	751,919	1,903,241	968,762	2,872,003
Net assets at beginning of year	5,609,260	5,035,535	10,644,795	3,706,019	4,066,773	7,772,792
Net assets at end of year	<u>\$ 5,695,562</u>	<u>\$ 5,701,152</u>	<u>\$ 11,396,714</u>	<u>\$ 5,609,260</u>	<u>\$ 5,035,535</u>	<u>\$ 10,644,795</u>

See accompanying notes.

GALAPAGOS CONSERVANCY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended December 31, 2024

	Program Services			Supporting Activities			
	Achieving Sustainability	Saving Species and Rewilding Galapagos	Total Program Services	Management and General	Fundraising	Total Supporting Activities	Total Expenses
Grants	\$ 245,525	\$ 2,369,478	\$ 2,615,003	\$ -	\$ -	\$ -	\$ 2,615,003
Salaries, benefits and payroll taxes	107,484	265,772	373,256	121,093	380,356	501,449	874,705
Accounting fees	-	-	-	27,192	-	27,192	27,192
Consulting fees	-	20,165	20,165	22,853	-	22,853	43,018
Copywriting charges	-	774	774	-	-	-	774
Depreciation and amortization	-	5,010	5,010	2,118	3,118	5,236	10,246
Insurance expense	-	-	-	5,387	-	5,387	5,387
Legal fees	1,367	-	1,367	825	-	825	2,192
Occupancy	-	-	-	12,000	-	12,000	12,000
Office expenses	9,351	13,247	22,598	49,407	5,117	54,524	77,122
Other professional fees	1,371	15,811	17,182	7,845	102,752	110,597	127,779
Permits, fees and licenses	806	13,038	13,844	7,115	18,013	25,128	38,972
Postage and shipping	-	16,991	16,991	491	42,514	43,005	59,996
Printing and design	-	106,663	106,663	1,123	42,772	43,895	150,558
Travel and meetings	1,781	14,521	16,302	40,045	3,962	44,007	60,309
Miscellaneous expenses	-	-	-	2,511	-	2,511	2,511
Web expense	-	-	-	194	-	194	194
Total expenses	\$ 367,685	\$ 2,841,470	\$ 3,209,155	\$ 300,199	\$ 598,604	\$ 898,803	\$ 4,107,958

See accompanying notes.

GALAPAGOS CONSERVANCY, INC.
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended December 31, 2023

	Program Services			Supporting Activities			
	Achieving Sustainability	Saving Species and Rewilding Galapagos	Total Program Services	Management and General	Fundraising	Total Supporting Activities	Total Expenses
Grants	\$ 750,978	\$ 1,080,675	\$ 1,831,653	\$ -	\$ -	\$ -	\$ 1,831,653
Salaries, benefits and payroll taxes	61,148	326,652	387,800	74,818	367,684	442,502	830,302
Accounting fees	-	-	-	20,062	-	20,062	20,062
Consulting fees	5,583	-	5,583	21,411	48,501	69,912	75,495
Depreciation and amortization	9,754	-	9,754	2,559	4,536	7,095	16,849
Insurance expense	480	260	740	5,306	-	5,306	6,046
Legal fees	37,336	52,208	89,544	10,531	21,655	32,186	121,730
Occupancy	-	-	-	11,420	-	11,420	11,420
Office expenses	9,814	20,269	30,083	23,887	24,169	48,056	78,139
Other professional fees	46,652	2,354	49,006	22,255	99,693	121,948	170,954
Permits, fees and licenses	1,259	379	1,638	6,139	20,129	26,268	27,906
Postage and shipping	21,123	2,179	23,302	1,426	49,582	51,008	74,310
Printing and design	48,509	5,803	54,312	326	69,512	69,838	124,150
Travel and meetings	7,521	10,103	17,624	57,275	6,078	63,353	80,977
Miscellaneous expense	-	-	-	2,592	-	2,592	2,592
Web expense	354	234	588	59	-	59	647
Total expenses	\$ 1,000,511	\$ 1,501,116	\$ 2,501,627	\$ 260,066	\$ 711,539	\$ 971,605	\$ 3,473,232

See accompanying notes.

GALAPAGOS CONSERVANCY, INC.
STATEMENTS OF CASH FLOWS
Years Ended December 31, 2024 and 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 751,919	\$ 2,872,003
Adjustments to reconcile change in net assets to net cash flows from operating activities		
Depreciation and amortization	10,246	16,849
Loss on disposal of property and equipment	-	36,610
Amortization of operating lease right-of-use asset	11,938	11,891
Net realized and unrealized gain on investments	(285,490)	(340,687)
Endowment contributions	(13,086)	(80,100)
(Increase) decrease in assets		
Unconditional promises to give	167,474	(244,847)
Prepaid expenses	20,747	(5,920)
Increase (decrease) in liabilities		
Accounts payable	30,845	(57,467)
Accrued liabilities	(1,241)	(1,116)
Grants payable	-	(1,233,523)
Operating lease liability	(11,938)	(11,891)
Net cash flows from operating activities	681,414	961,802
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	-	(2,828)
Purchases of investments and interest and dividends reinvested	(2,628,092)	(1,160,439)
Proceeds from sales of investments	289,856	287,796
Net cash flows from investing activities	(2,338,236)	(875,471)
CASH FLOWS FROM FINANCING ACTIVITIES		
Endowment contributions	13,086	80,100
Change in cash	(1,643,736)	166,431
Cash at beginning of year	3,392,808	3,226,377
Cash at end of year	\$ 1,749,072	\$ 3,392,808

See accompanying notes.

GALAPAGOS CONSERVANCY, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2024 and 2023

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's major sources of income are grants and contributions.

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, 2024 and 2023, all unconditional promises to give are receivable in less than 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 \$1,000 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.

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, 2024 and 2023

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.

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, benefits and payroll taxes, occupancy and depreciation and amortization, which are allocated based on estimates of time, effort, and use.

Leases

The Conservancy does not recognize short-term leases in the statement of financial position. For these leases, the Conservancy recognizes the lease payments in the change in net assets on a straight-line basis over the lease term and variable lease payments in the period in which the obligation for those payments is incurred. The Conservancy also does not separate nonlease components from lease components for all classes of underlying assets and instead accounts for each separate lease component and the nonlease components associated with that lease component as a single lease component. If the rate implicit in the lease is not readily determinable, the Conservancy uses a risk-free rate as the discount rate for the lease for all classes of underlying assets.

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.

Date of Management's Review

Management has evaluated subsequent events through May 15, 2025, the date which the financial statements were available to be issued.

GALAPAGOS CONSERVANCY, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2024 and 2023

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, 2024 and 2023, the Conservancy's uninsured cash balances totaled approximately \$1,213,000 and \$2,830,000, respectively.

NOTE 3—INVESTMENTS

Investments are comprised of the following:

	2024	2023
Money market funds	\$ 2,046,118	\$ 1,214,873
Fixed income securities	1,520,754	617,243
Equities	884,079	984,473
Exchange traded funds	193,680	189,960
Other assets	29,951	29,373
Bond mutual funds	4,680,569	3,695,503
Investments	<u>\$ 9,355,151</u>	<u>\$ 6,731,425</u>

Fair values of equities, exchange traded funds, equity mutual funds, and bond mutual funds are valued at the closing price reported on the active market on which individual securities are traded and are considered Level 1 fair value measurements. Fair value of fixed income securities and other assets 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—PROPERTY AND EQUIPMENT

Property and equipment is comprised of the following:

	2024	2023
Office equipment	17,273	17,273
Software	33,500	33,500
Accumulated depreciation and amortization	<u>(47,954)</u>	<u>(37,708)</u>
Property and equipment, net	<u>\$ 2,819</u>	<u>\$ 13,065</u>

GALAPAGOS CONSERVANCY, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2024 and 2023

NOTE 5—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 in 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.

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 equity and bond mutual funds.

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.

Underwater Endowment Funds. From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Conservancy to retain as a fund of perpetual duration. At December 31, 2024 and 2023, there are no donor-restricted endowment funds with deficiencies.

GALAPAGOS CONSERVANCY, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2024 and 2023

NOTE 5—ENDOWMENTS (continued)

Endowment net asset composition by type of fund as of December 31, 2024 and 2023 is as follows:

	2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds:			
Original donor-restricted gifts	\$ -	\$ 2,727,214	\$ 2,727,214
Accumulated investment gains	-	1,467,079	1,467,079
Board-designated endowment funds	2,351,327	-	2,351,327
Total endowment funds	<u>\$ 2,351,327</u>	<u>\$ 4,194,293</u>	<u>\$ 6,545,620</u>
	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds:			
Original donor-restricted gifts	\$ -	\$ 2,714,128	\$ 2,714,128
Accumulated investment gains	-	1,185,354	1,185,354
Board-designated endowment funds	1,900,964	-	1,900,964
Total endowment funds	<u>\$ 1,900,964</u>	<u>\$ 3,899,482</u>	<u>\$ 5,800,446</u>

Changes in endowment net assets for the years ended December 31, 2024 and 2023 are as follows:

	2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets at beginning of year	\$ 1,900,964	\$ 3,899,482	\$ 5,800,446
Contributions	600,000	13,086	613,086
Investment return, net	140,219	281,725	421,944
Amounts appropriated for expenditure	(289,856)	-	(289,856)
Endowment net assets at end of year	<u>\$ 2,351,327</u>	<u>\$ 4,194,293</u>	<u>\$ 6,545,620</u>
	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets at beginning of year	\$ 2,010,240	\$ 3,507,855	\$ 5,518,095
Contributions	-	80,110	80,110
Investment return, net	178,520	311,517	490,037
Amounts appropriated for expenditure	(287,796)	-	(287,796)
Endowment net assets at end of year	<u>\$ 1,900,964</u>	<u>\$ 3,899,482</u>	<u>\$ 5,800,446</u>

GALAPAGOS CONSERVANCY, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2024 and 2023

NOTE 6—NET ASSETS

Net assets with donor restrictions are comprised of the following:

	2024	2023
Subject to expenditure for specified purpose:		
Staff recognition	\$ 2,755	\$ -
Education	-	30,061
Celebrity Expeditions	183,531	176,898
Silver Seas	277,939	305,952
Saladin Funds	20,100	20,100
Pink land iguana	14,563	-
Special projects	28,768	30,000
Women in Sustainable Entrepreneurship	12,662	28,107
Isabela Reserve	-	25,000
Penguins	550	550
Conservation Center	7,591	-
Iniciativa Galapagos	778,687	519,385
NFWF-Albatross	123,187	-
NFWF-Petrels	56,526	-
Subject to the Conservancy's spending policy and appropriation		
General Endowment	1,730,450	1,611,577
USAID Endowment	1,305,633	1,215,943
Hickman-Marine Restricted Fund Endowment	1,024,836	947,750
Darwin Scholars Endowment	133,374	124,212
Net assets with donor restrictions	<u>\$ 5,701,152</u>	<u>\$ 5,035,535</u>

NOTE 7—RETIREMENT CONTRIBUTIONS

Effective February 1, 2024, the Conservancy offers a 401(k) retirement plan to all full-time and part-time employees with eligibility beginning on their date of hire. This plan replaced a Simple IRA that was in place until January 31, 2024, covering all full-time employees from their hire date. Both plans allow for employee salary deferrals up to specified limits, with The Conservancy matching contributions up to 3% of salary. Employer contributions to both plans for the years ended December 31, 2024 and 2023 were \$18,852 and \$13,194, respectively.

GALAPAGOS CONSERVANCY, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2024 and 2023

NOTE 8—LIQUIDITY AND AVAILABILITY

The following table reflects the Conservancy's financial assets as of December 31, 2024 and 2023 reduced by amounts not available to meet cash needs for general expenditures within one year of the date of the statements of financial position:

	2024	2023
Financial assets at year-end:		
Cash	\$ 1,749,072	\$ 3,392,808
Unconditional promises to give	382,526	550,000
Investments	9,355,151	6,731,425
	<u>11,486,749</u>	<u>10,674,233</u>
Total financial assets at year-end	11,486,749	10,674,233
Less financial assets unavailable for general expenditures within one year:		
Restricted by donors with purpose restrictions	(1,506,859)	(1,136,053)
Subject to Conservancy's spending policy	(6,545,620)	(5,800,446)
	<u>(8,052,479)</u>	<u>(6,936,499)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 3,434,270</u>	<u>\$ 3,737,734</u>

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 \$2,351,327 and \$1,900,964, respectively, for the years ended December 31, 2024 and 2023.

NOTE 9—LEASES

The Conservancy leases office space in Washington, D.C. agreement that expires in October 2025.

The components of total lease cost are as follows:

	2024	2023
Operating lease cost	\$ 12,000	\$ 73,762
Short-term lease cost	-	8,212
	<u>\$ 12,000</u>	<u>\$ 81,974</u>
Total lease cost	<u>\$ 12,000</u>	<u>\$ 81,974</u>

GALAPAGOS CONSERVANCY, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2024 and 2023

NOTE 9—LEASES (continued)

Other information related to operating leases is as follows:

	<u>2024</u>	<u>2023</u>
Cash payments classified as part of operating cash flows for amounts included in the measurement of lease liabilities	\$ 12,000	\$ 12,000
Weighted average remaining lease term	0.83 years	1.83 years
Weighted average discount rate	0.04%	0.04%

The maturities of operating lease liabilities as of December 31, 2024 are as follows:

Year ending December 31, 2025	\$ 10,000
Imputed interest	<u>(15)</u>
Total lease liabilities	<u>\$ 9,985</u>

NOTE 10—IN-KIND CONTRIBUTIONS

In-kind contributions recognized within the statements of activities consist of donated travel points and are utilized to defray travel costs incurred carrying out the Conservancy's programs. Donated travel points are valued based on third party estimates of redemption on date of donation. Unless otherwise noted, in-kind contributions did not have donor-imposed restrictions.