



Wildcoast and Subsidiary

Consolidated Financial Report

December 31, 2024

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INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

To the Board of Directors of Wildcoast and Subsidiary

Opinion

We have audited the accompanying consolidated financial statements of Wildcoast and its consolidated subsidiary, Costasalvaje, A.C (a not-for-profit organization), which comprise the consolidated statement of financial position as of December 31, 2024, and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Wildcoast and its consolidated subsidiary, Costasalvaje, A.C., as of December 31, 2024, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Wildcoast and its consolidated subsidiary, Costasalvaje, A.C., and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit.

We did not audit the financial statements of Costasalvaje, A.C., the subsidiary, of which statements reflect total assets of \$8,926,201 as of December 31, 2024, and total support and revenues of \$1,715,825 for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Costasalvaje, A.C., is based solely on the report of the other auditors.

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 consolidated 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 Wildcoast and its consolidated subsidiary, Costasalvaje, A.C.'s ability to continue as a going concern within one year after the date that the consolidated 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 consolidated 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 generally accepted auditing standards 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 generally accepted auditing standards, 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 Wildcoast and its consolidated subsidiary, Costasalvaje, A.C.'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 Wildcoast and its consolidated subsidiary, Costasalvaje, A.C.'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 Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplemental consolidating statement of financial position on page 15 and the supplemental consolidating statement of activities on page 16 are presented for purposes of additional analysis and are 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 auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.



Report on Summarized Comparative Information

We have previously audited Wildcoast and its consolidated subsidiary, Costasalvaje, A.C.'s 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 9, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

WEST RHODE & ROBERTS
San Diego, California
August 26, 2025

WILDCOAST AND SUBSIDIARY

Consolidated Statement of Financial Position

December 31, 2024

(With Summarized Financial Information for December 31, 2023)

	2024	2023 (Note 11)
Assets		
Cash and cash equivalents	\$ 5,993,253	\$ 5,533,333
Receivables	378,885	225,567
Prepaid expenses	27,322	13,935
Property and equipment, net	272,751	153,070
Right-of-use asset	529,596	9,903
Land and land interests	8,657,830	8,660,329
Total assets	<u>\$ 15,859,637</u>	<u>\$ 14,596,137</u>
Liabilities and net assets		
Liabilities:		
Accounts payable and accrued expenses	\$ 148,217	\$ 309,178
Lease liability	532,750	8,382
Total liabilities	<u>680,967</u>	<u>317,560</u>
Net assets:		
Without donor restrictions		
Expended for land interests, property and equipment	9,187,426	8,670,232
Undesignated	2,760,273	2,847,236
	<u>11,947,699</u>	<u>11,517,468</u>
With donor restrictions	3,230,971	2,761,109
Total net assets	<u>15,178,670</u>	<u>14,278,577</u>
Total liabilities and net assets	<u>\$ 15,859,637</u>	<u>\$ 14,596,137</u>

WILDCOAST AND SUBSIDIARY

Consolidated Statement of Activities

Year Ended December 31, 2024

(With Summarized Financial Information for Year Ended December 31, 2023)

	Without Donor Restrictions	With Donor Restrictions	2024	2023 (Note 11)
<u>Operating Activities:</u>				
Support and revenues				
Contributions and grants	\$ 1,066,898	\$ 3,470,185	\$ 4,537,083	\$ 3,915,228
Special events	281,131	-	281,131	213,790
Other income	7,872	-	7,872	91
Net assets released from restrictions:				
Satisfaction of restriction	3,000,323	(3,000,323)	-	-
Total operating support and revenue	<u>4,356,224</u>	<u>469,862</u>	<u>4,826,086</u>	<u>4,129,109</u>
Expenses				
Program services				
Coastal	1,991,861	-	1,991,861	1,557,178
Marine	1,236,431	-	1,236,431	1,274,085
Total program services	3,228,292	-	3,228,292	2,831,263
Supporting services				
Management and general	417,782	-	417,782	388,791
Fundraising	437,275	-	437,275	245,104
Total program and supporting services	4,083,349	-	4,083,349	3,465,158
Cost of direct benefits to donors	22,445	-	22,445	13,972
Total operating expenses	<u>4,105,794</u>	<u>-</u>	<u>4,105,794</u>	<u>3,479,130</u>
Operating support and revenue in excess of expenses	<u>250,430</u>	<u>469,862</u>	<u>720,292</u>	<u>649,979</u>
<u>Non-operating Activities:</u>				
Interest income	179,801	-	179,801	79,798
Total non-operating activities	<u>179,801</u>	<u>-</u>	<u>179,801</u>	<u>79,798</u>
Change in net assets	430,231	469,862	900,093	729,777
Net assets at beginning of year	11,517,468	2,761,109	14,278,577	13,548,800
Net assets at end of year	<u>\$ 11,947,699</u>	<u>\$ 3,230,971</u>	<u>\$ 15,178,670</u>	<u>\$ 14,278,577</u>

WILDCOAST AND SUBSIDIARY

Consolidated Statement of Functional Expenses

Year Ended December 31, 2024

(With Summarized Financial Information for the Year Ended December 31, 2023)

	Program Services			Supporting Services		2024 Total	2023 (Note 11)
	Coastal	Marine	Total Program Services	Management and General	Fundraising		
Expenses							
Salaries	\$ 963,641	\$ 479,739	\$ 1,443,380	\$ 271,604	\$ 267,231	\$ 1,982,215	\$ 1,556,475
Payroll taxes & employee benefits	79,682	83,963	163,645	57,966	66,326	287,937	404,464
	<u>1,043,323</u>	<u>563,702</u>	<u>1,607,025</u>	<u>329,570</u>	<u>333,557</u>	<u>2,270,152</u>	<u>1,960,939</u>
Program expenses	468,668	507,179	975,847	38,578	55,464	1,069,889	1,007,920
Other expenses	157,602	81,011	238,613	13,211	15,061	266,885	152,717
Occupancy costs	179,180	68,213	247,393	6,070	474	253,937	172,226
Professional fees	33,540	2,294	35,834	27,761	1,000	64,595	69,606
Depreciation	54,969	2,938	57,907	933	-	58,840	53,978
Marketing	23,281	4,367	27,648	-	31,719	59,367	32,418
Insurance	31,298	6,727	38,025	1,659	-	39,684	15,354
Total expenses	<u>\$ 1,991,861</u>	<u>\$ 1,236,431</u>	<u>\$ 3,228,292</u>	<u>\$ 417,782</u>	<u>\$ 437,275</u>	<u>\$ 4,083,349</u>	<u>\$ 3,465,158</u>

WILDCOAST AND SUBSIDIARY

Consolidated Statement of Cash Flows

Year Ended December 31, 2024

(With Summarized Financial Information for Year Ended December 31, 2023)

	2024	2023 (Note 11)
Cash flows from operating activities		
Change in net assets	\$ 900,093	\$ 729,777
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	58,840	53,978
Noncash lease expense	4,675	(4,760)
Change in operating assets and liabilities:		
Receivables	(153,318)	980,631
Prepaid expenses	(13,387)	(8,552)
Accounts payable and accrued expenses	(160,961)	143,021
Net cash provided by operating activities	<u>635,942</u>	<u>1,894,095</u>
Cash flows from investing activities		
Purchase of equipment and land interests	<u>(176,022)</u>	<u>(128,385)</u>
Net cash used in investing activities	<u>(176,022)</u>	<u>(128,385)</u>
Change in cash and cash equivalents	459,920	1,765,710
Cash and cash equivalents at beginning of year	<u>5,533,333</u>	<u>3,767,623</u>
Cash and cash equivalents at end of year	<u>\$ 5,993,253</u>	<u>\$ 5,533,333</u>

WILDCOAST AND SUBSIDIARY

Notes to Consolidated Financial Statements

Note 1. Organization and Significant Accounting Policies

Organization

The Organization consists of Wildcoast, a California not-for-profit public benefit corporation, and its consolidated subsidiary, Costasalvaje, A.C., a Mexican nonprofit civil association. The accompanying consolidated financial statements present the financial position and activities of both entities and are collectively referred to as the "Organization."

The Organization is an international team that conserves coastal and marine ecosystems and addresses climate change through natural solutions. It achieves its mission by establishing and managing protected areas, protecting and restoring blue carbon ecosystems, and partnering with local communities, governments, and the private sector. Since its founding in 2000, the Organization has helped conserve more than 38 million acres of ecologically important coastline, ocean habitat, wetlands, islands, and wildlife-rich wilderness across the United States and Mexico.

Consolidated Entities

Wildcoast – Wildcoast is the U.S.-based not-for-profit entity responsible for the Organization's operations in the United States. Headquartered in Del Mar, California, Wildcoast leads conservation programs across California and provides administrative, strategic, and financial oversight for the Organization as a whole.

Costasalvaje – Costasalvaje, A.C. is a Mexican nonprofit civil association established by Wildcoast to advance the Organization's mission in Mexico. Headquartered in Ensenada, Baja California, Costasalvaje began operations in 2009 and carries out marine and coastal conservation, land protection, and blue carbon restoration programs throughout Mexico. Wildcoast exercises both control over and an economic interest in Costasalvaje. Accordingly, the financial statements of the two entities are consolidated in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Principles of Consolidation - The accompanying consolidated financial statements include the accounts of Wildcoast and its consolidated subsidiary, Costasalvaje, A.C. All intercompany balances and transactions have been eliminated in consolidation. The consolidated financial statements have been prepared on the accrual basis of accounting in accordance with U.S. GAAP.

Significant Accounting Policies

Method of Accounting – The consolidated financial statements of the Organization have been prepared using the accrual basis of accounting.

Basis of Presentation – The consolidated financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Organization's management and the board of directors.

WILDCOAST AND SUBSIDIARY

Notes to Consolidated Financial Statements

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the consolidated statement of activities.

Measure of Operations – The consolidated statement of activities reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to the Organization's ongoing programs. Nonoperating activities are limited to resources that generate return from investments and other activities considered to be of a more unusual or nonrecurring nature.

Revenue Recognition

Grant Revenues – Grant Revenues received are recognized as revenue when they are unconditionally pledged or when all conditions have been met.

Grant revenues are comprised of revenues classified as both exchange transactions and contributions. In accordance with Accounting Standards Codification ("ASC") 958, Not-for-Profit Entities, Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made, the Organization reviews all grant agreements and determines whether the agreement qualifies as an exchange transaction or as a contribution. In cases where agreements are determined to be exchange transactions, the Organization recognizes revenues as services rendered and, if applicable, funds received in advance of services being rendered are classified as deferred revenue. Revenue is recognized in the period in which services are rendered and is presented as revenue without donor restrictions in the consolidated statement of activities.

In cases where agreements are determined to be contributions, the agreement is reviewed for barriers or restrictions and, if applicable, advanced payments are classified as deferred revenue until the barrier or restriction has been eliminated. Revenue is recognized in the period in which all barriers and restrictions have been met and is presented as grant revenue without donor restrictions on the consolidated statement of activities.

Contribution Revenue – Contributions are recognized as revenue when they are unconditionally pledged or when all conditions have been met. They are recorded net of allowance for uncollectible pledges and at present value.

The Organization reports contributions as restricted if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, revenues with donor restrictions are reclassified to revenues without donor restrictions and reported in the consolidated statement of activities as net assets released from restrictions.

Contributions with donor restrictions requiring the principal gift to be held in perpetuity are reported as donor restricted endowments. The income and net gains earned from such assets are generally restricted to the purpose designated by the donor. This recognition is in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Codification No. 958-605.

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Notes to Consolidated Financial Statements

Contributions in-kind are recorded based on an estimated fair market value of an appraised value provided by a third-party appraiser for individual in-kind gifts over \$5,000. No amounts have been reflected in the financial statements for contributed services. The Organization pays for most services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Organization.

Cash and Cash Equivalents – Cash and cash equivalents include highly liquid investments with a maturity of three months or less to be cash equivalents.

Receivables – Receivables consist of contributions or grant income that the Organization has earned prior to year-end. Receivables are reviewed for collectability and reserves for uncollectible amounts are recorded based on previous experience and history with donors or funding agency. Accounts are written off against the allowance for doubtful accounts when deemed uncollectible. Management has determined that no allowance is necessary for the year ended December 31, 2024.

Property and Equipment – Purchased property and equipment are recorded at cost. Donated assets are recorded at their estimated fair value at the date of the donation. The Organization capitalizes all amounts greater than \$1,500. Property and equipment are depreciated on a straight-line basis as follows:

Furniture and equipment	3 to 7 years
Leasehold improvements	5 to 10 years

The Organization's depreciation expense totaled \$58,840 for the year ended December 31, 2024.

Land and Land Interests – Wildcoast and its consolidated subsidiary record land and land interests at cost, if purchased, or at fair value at the date of acquisition, if all or part of the land was received as a donation.

Conservation Lands – Real property with significant ecological value. These properties are managed in an effort to protect the natural biological diversity of the property.

Conservation Easements – Intangible assets comprised of listed rights and/or restrictions over the owned property that are conveyed by a property owner to Wildcoast or its consolidated subsidiary in order to protect the owned property as a significant natural area.

Contributed Services – No amounts have been reflected in the financial statements for contributed services. The Organization pays for most services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Organization.

Cost of Direct Benefits to Donors – The costs of special events that represent a direct benefit to donors are separately reported. For the year ending December 31, 2024, the amount totaled \$22,445.

Foreign Currency – The Organization's international operations use the U.S. dollar as their functional currency. Costasalvaje translates monetary assets and liabilities using current rates of exchange at the balance sheet date and translates nonmonetary assets and liabilities using historical rates of exchange. Net loss from re-measurement of \$982 has been included on the consolidated statement of activities for the year ended December 31, 2024.

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Notes to Consolidated Financial Statements

Leases – Under ASC 842, Wildcoast determines if an arrangement is or contains a lease at inception. Leases are included in right-of-use (ROU) assets and lease liabilities in the balance sheet. ROU assets represent the right to control the use of an identified asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at their commencement date based on the present value of the future minimum lease payments over the lease term. Operating lease expense is recognized on a straight-line basis over the lease term. Wildcoast does not report ROU assets and leases liabilities for its short-term leases (leases with a term of 12 months or less). Instead, the lease payments of those leases are reported as lease expense on a straight-line basis over the lease term.

Functional Allocation of Expenses – The consolidated statement of functional expenses presents expense by function and natural classification. Expenses directly attributable to a specific functional area of the Organization are reported as expenses of those functional areas. A portion of costs that benefit multiple functional areas (indirect costs) have been allocated across programs and supporting services based on the full-time employee equivalents of programs or supporting service. Depreciation expense is allocated based on square footage.

Use of Estimates – The preparation of financial statements in conformity with generally accepted accounting principles 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 revenues, support, and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes – Wildcoast is exempt from federal income taxes under Internal Revenue Code Section 501(c)(3) and is also exempt from the State of California franchise and income tax under Section 23701(d) of the State Revenue and Taxation Code.

Costasalvaje is a Mexican company that has been granted non-profit status in Mexico and is exempt from income tax in Mexico.

The Financial Accounting Standards Board (FASB) issued Accounting Standards Codification No. 740-10, Accounting for Uncertainties in Income Tax, which sets a minimum threshold for financial statement recognition of the benefit of a tax position taken or expected to be taken in a tax return.

Tax positions for the open tax years as of December 31, 2024, were reviewed by the Organization and it was determined that it has no uncertain tax positions requiring accrual or disclosure.

Subsequent Events – Subsequent events are events or transactions that occur after the consolidated statement of financial position date but before the consolidated financial statements are available to be issued. The Organization recognizes in the consolidated financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at that date, including the estimates inherent in the process of preparing consolidated financial statements. The Organization's consolidated financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the consolidated statement of financial position but arose after that date and before the consolidated financial statements are available to be issued.

The Organization has evaluated subsequent events through August 26, 2025, which is the date the financial statements are available for issuance and concluded that there are no events or transactions that needed to be disclosed.

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Notes to Consolidated Financial Statements

Note 2. Liquidity and Availability of Resources

The Organization's financial assets available within one year of the consolidated statement of financial position date for general expenditure are as follows:

<u>Financial assets</u>	
Cash and cash equivalents	\$ 5,993,253
Receivables	<u>378,885</u>
Total financial assets available within one year	<u>6,372,138</u>
Less:	
Amounts unavailable for general expenditures within one year due to:	
Restricted by donors with purpose restrictions	<u>(3,230,971)</u>
Total amounts unavailable for general expenditures within one year	<u>(3,230,971)</u>
Total financial assets available to management for general expenditure within one year	<u>\$ 3,141,167</u>

The Organization maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

Note 3. Fair Value Measurements and Investments

Fair value represents 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. Fair value measurements are classified based on the nature of the inputs used to determine the valuation:

- **Level 1** – Quoted prices in active markets for identical assets or liabilities.
- **Level 2** – Other observable inputs, such as quoted prices in markets that are not active or inputs corroborated by observable market data.
- **Level 3** – Unobservable inputs based on assumptions a market participant would use.

As of December 31, 2024, the Organization did not hold any assets or liabilities measured at fair value on a recurring basis. Therefore, no fair value hierarchy table is presented.

Assets and liabilities such as cash and cash equivalents, receivables, accounts payable, and accrued expenses are reported at carrying value, which approximates fair value due to their short-term nature.

Management is responsible for determining fair value measurements and for ensuring that valuations are appropriately supported and consistently applied in the financial statements.

Note 4. Risks and Uncertainties

Concentration of credit risk - The Organization maintains its cash and cash equivalents in bank accounts which at times may exceed federally insured deposit limits. The Organization has not experienced any losses in such accounts and does not believe it is exposed to any significant credit risk.

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Notes to Consolidated Financial Statements

Note 5. Land and Land Interests

Land and land interests at December 31, 2024, which consist of land located in Baja California, Mexico, are as follows:

Conservation lands	\$ 8,382,783
Conservation easements	<u>275,047</u>
	<u>\$ 8,657,830</u>

Note 6. Property and Equipment

Property and equipment at December 31, 2024, consist of the following:

Transportation equipment	\$ 423,183
Computer equipment	232,223
Furniture & equipment	168,343
Leasehold improvements	<u>42,119</u>
	865,868
Less accumulated depreciation	<u>(593,117)</u>
	<u>\$ 272,751</u>

Note 7. Leases

The Organization evaluated its current contracts and determined which met the criteria for lease accounting. The right-of-use (ROU) assets represent the Organization's right to use the underlying leased assets over the lease terms, while the lease liabilities represent the obligation to make lease payments under those agreements.

All leases are classified as operating leases, and both the ROU assets and lease liabilities were measured at the present value of future lease payments over the applicable lease terms. The Organization has elected an accounting policy to use the interest rate stated in the lease agreement to discount future lease payments. An interest rate of 4.64% was applied in calculating the lease liabilities.

For the year ended December 31, 2024, total operating lease cost was \$95,915 and is included with occupancy costs on the consolidated statement of functional expenses.

Right-of-use assets at December 31, 2024, were \$529,596.

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Notes to Consolidated Financial Statements

Future minimum lease payments at December 31, 2024, required under the lease agreement for the years ending December 31:

2025	\$ 127,574
2026	121,907
2027	126,784
2028	131,855
2029	86,249
Total lease payments	\$ 594,369
Less discount to present value	(61,619)
	<u>\$ 532,750</u>

Note 8. Net Assets with Donor Restrictions

Net assets with donor restrictions represent contributions and other inflows received by the Organization, which are limited in their use by donor-imposed stipulations. As of December 31, 2024, net assets with donor restrictions of the Organization consist of the following:

Marine programs	\$ 1,753,111
Mexican wildlands	1,440,002
Communications and development	37,858
	<u>\$ 3,230,971</u>

Note 9. Net Assets Released from Restrictions

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of other events specified by donors. During the year ended December 31, 2024, net assets were released for the following purposes:

Mexican wildlands	\$ 1,955,827
Marine	822,831
Communications and development	221,665
	<u>\$ 3,000,323</u>

Note 10. Defined Contribution Plan

The Organization maintains a 403(b) defined contribution plan covering eligible employees who meet certain age and service requirements. Eligible employees may contribute a portion of their earnings each plan year subject to certain Internal Revenue Service limitations. The 403(b) defined contribution plan allows for employer matching contributions to eligible employees. For the year ended December 31, 2024, there were no employer contributions made to the plan.

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Notes to Consolidated Financial Statements

Note 11. December 31, 2023, Financial Information

The financial statements include certain prior year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's consolidated financial statements for the year ended December 31, 2023, from which the summarized information was derived. Certain prior year amounts have been reclassified to conform to the current year's financial statement presentation. These reclassifications had no effect on the change in net assets.

WILDCOAST AND SUBSIDIARY

Supplemental Consolidating Statement of Financial Position

December 31, 2024

	<u>Wildcoast</u>	<u>Costasalvaje, A.C.</u>	<u>Total</u>	<u>Eliminating Entries</u>	<u>Total</u>
Assets					
Cash and cash equivalents	\$ 5,927,970	\$ 65,283	\$ 5,993,253	\$ -	\$ 5,993,253
Receivables	378,885	-	378,885	-	378,885
Prepaid expenses	24,564	2,758	27,322	-	27,322
Investment in subsidiary	1,186,098	-	1,186,098	(1,186,098)	-
Property and equipment, net	72,421	200,330	272,751	-	272,751
Right of use asset	529,596	-	529,596	-	529,596
Land and land interests	-	8,657,830	8,657,830	-	8,657,830
Total assets	<u>\$ 8,119,534</u>	<u>\$ 8,926,201</u>	<u>\$ 17,045,735</u>	<u>\$ (1,186,098)</u>	<u>\$ 15,859,637</u>
Liabilities and net assets					
Liabilities:					
Accounts payable and accrued expenses	\$ 91,127	\$ 57,090	\$ 148,217	\$ -	\$ 148,217
Lease Liability	532,750	-	532,750	-	532,750
Total liabilities	<u>623,877</u>	<u>57,090</u>	<u>680,967</u>	<u>-</u>	<u>680,967</u>
Net assets	<u>7,495,657</u>	<u>8,869,111</u>	<u>16,364,768</u>	<u>(1,186,098)</u>	<u>15,178,670</u>
Total liabilities and net assets	<u>\$ 8,119,534</u>	<u>\$ 8,926,201</u>	<u>\$ 17,045,735</u>	<u>\$ (1,186,098)</u>	<u>\$ 15,859,637</u>

WILDCOAST AND SUBSIDIARY

Supplemental Consolidating Statement of Activities

Year Ended December 31, 2024

	<u>Wildcoast</u>	<u>Costasalvaje, A.C.</u>	<u>Total</u>	<u>Eliminating Entries</u>	<u>Total</u>
<u>Operating Activities:</u>					
Support and revenue					
Contributions and grants	\$ 4,417,080	\$ 1,715,003	\$ 6,132,083	\$ (1,595,000)	\$ 4,537,083
Special events	281,131	-	281,131	-	281,131
Other income	7,050	822	7,872	-	7,872
Total operating support and revenue	<u>4,705,261</u>	<u>1,715,825</u>	<u>6,421,086</u>	<u>(1,595,000)</u>	<u>4,826,086</u>
Expenses					
Program services					
Coastal	2,586,418	1,000,443	3,586,861	(1,595,000)	1,991,861
Marine	822,832	413,599	1,236,431	-	1,236,431
Total program services	<u>3,409,250</u>	<u>1,414,042</u>	<u>4,823,292</u>	<u>(1,595,000)</u>	<u>3,228,292</u>
Supporting services					
Management and general	336,030	81,752	417,782	-	417,782
Fundraising	437,275	-	437,275	-	437,275
Total program and supporting services	<u>4,182,555</u>	<u>1,495,794</u>	<u>5,678,349</u>	<u>(1,595,000)</u>	<u>4,083,349</u>
Cost of direct benefits to donors	22,445	-	22,445	-	22,445
Total operating expenses	<u>4,205,000</u>	<u>1,495,794</u>	<u>5,700,794</u>	<u>(1,595,000)</u>	<u>4,105,794</u>
Operating support and revenue in excess of expenses	<u>500,261</u>	<u>220,031</u>	<u>720,292</u>	<u>-</u>	<u>720,292</u>
<u>Non-operating Activities:</u>					
Interest income	179,801	-	179,801	-	179,801
Total non-operating activities	<u>179,801</u>	<u>-</u>	<u>179,801</u>	<u>-</u>	<u>179,801</u>
Change in net assets	<u>\$ 680,062</u>	<u>\$ 220,031</u>	<u>\$ 900,093</u>	<u>\$ -</u>	<u>\$ 900,093</u>