

**CONSERVANCY OF SOUTHWEST FLORIDA, INC.**  
**FINANCIAL STATEMENTS**  
**YEARS ENDED SEPTEMBER 30, 2025 AND 2024**



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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Conservancy of Southwest Florida, Inc.  
Naples, Florida

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the financial statements of Conservancy of Southwest Florida, Inc., a nonprofit corporation, which comprise the statements of financial position as of September 30, 2025 and 2024, and the related statements of activities and changes in net assets, 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 Conservancy of Southwest Florida, Inc. as of September 30, 2025 and 2024, 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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of Conservancy of Southwest Florida, 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 Conservancy of Southwest Florida, Inc.'s ability to continue as a going concern for one year after the date the financial statements are available to be issued.

***Auditors' 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 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 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 Conservancy of Southwest Florida, 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 Conservancy of Southwest Florida, 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.



**CliftonLarsonAllen LLP**

Naples, Florida  
March 4, 2026

**CONSERVANCY OF SOUTHWEST FLORIDA, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**SEPTEMBER 30, 2025 AND 2024**

	2025	2024
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 8,455,464	\$ 7,720,639
Cash and Cash Equivalents - Restricted for Long-Term Purposes	3,327,298	394,266
Accrued Interest Receivable	134,605	113,759
Unconditional Promises to Give, Net	20,474,343	2,743,154
Inventory	44,094	32,774
Prepaid Expenses and Other Assets	882,702	822,352
Other Receivables	150	38,645
Investments	68,509,960	52,960,094
Trust Receivable and Split-Interest Agreement, Net	739,079	633,373
Property and Equipment, Net	28,544,381	29,839,876
Construction in Process	806,559	208,739
Land Held for Conservation	5,015,369	5,015,369
	\$ 136,934,004	\$ 100,523,040
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Accounts Payable and Accrued Expenses	\$ 793,977	\$ 541,640
Deferred Revenue	320,021	283,540
Facility Deposits	2,250	1,875
Total Liabilities	1,116,248	827,055
<b>NET ASSETS</b>		
Without Donor Restrictions:		
Undesignated	12,029,461	15,593,119
Designated for Property and Equipment	28,544,381	29,839,876
Board-Designated	18,289,723	18,289,723
Total Without Donor Restrictions	58,863,565	63,722,718
With Donor Restrictions:		
Subject to Purpose or Time Restrictions	45,782,469	15,617,602
Held in Perpetuity	31,171,722	20,355,665
Total With Donor Restrictions	76,954,191	35,973,267
Total Net Assets	135,817,756	99,695,985
Total Liabilities and Net Assets	\$ 136,934,004	\$ 100,523,040

See accompanying Notes to Financial Statements.

**CONSERVANCY OF SOUTHWEST FLORIDA, INC.**  
**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**YEAR ENDED SEPTEMBER 30, 2025**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>SUPPORT AND REVENUES</b>			
Contributions	\$ 437,105	\$ 40,016,881	\$ 40,453,986
Investment Return, Net	2,455,202	2,855,531	5,310,733
In-Kind Contributions	33,249	-	33,249
Program Income	81,722	-	81,722
Grants	521,926	-	521,926
Store Sales	27,933	-	27,933
Special Events Revenue	\$ 2,973,538		
Special Events Direct Expenses	<u>(880,044)</u>	-	2,093,494
Admissions and Membership Revenue	89,174	-	89,174
Other	3,471	-	3,471
Loss on Disposal of Property and Equipment	(7,981)	-	(7,981)
Appreciation of Trust Receivable and Split-Interest Agreement	-	105,706	105,706
	5,735,295	42,978,118	48,713,413
Total Support and Revenues			
Net Assets Released from Restrictions	1,997,194	(1,997,194)	-
Total Support, Revenues and Reclassifications	7,732,489	40,980,924	48,713,413
<b>EXPENSES</b>			
Program Services	8,996,707	-	8,996,707
Management and General	1,391,179	-	1,391,179
Fundraising	2,203,756	-	2,203,756
Total Expenses	12,591,642	-	12,591,642
<b>CHANGE IN NET ASSETS</b>	(4,859,153)	40,980,924	36,121,771
Net Assets - Beginning of Year	63,722,718	35,973,267	99,695,985
<b>NET ASSETS - END OF YEAR</b>	\$ 58,863,565	\$ 76,954,191	\$ 135,817,756

See accompanying Notes to Financial Statements.

**CONSERVANCY OF SOUTHWEST FLORIDA, INC.**  
**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**YEAR ENDED SEPTEMBER 30, 2024**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>SUPPORT AND REVENUES</b>			
Contributions	\$ 308,842	\$ 6,589,818	\$ 6,898,660
Investment Return, Net	6,675,948	3,854,204	10,530,152
In-Kind Contributions	13,205	-	13,205
Program Income	63,891	-	63,891
Grants	667,120	-	667,120
Store Sales	28,136	-	28,136
Special Events Revenue	\$ 3,681,462		
Special Events Direct Expenses	<u>(866,463)</u>	2,814,999	2,814,999
Admissions and Membership Revenue	73,035	-	73,035
Other Revenue	3,234	-	3,234
(Loss) on Disposal of Property and Equipment	(65,905)	-	(65,905)
Appreciation of Trust Receivable and Split- Interest Agreement	-	134,435	134,435
Total Support and Revenues	<u>10,582,505</u>	<u>10,578,457</u>	<u>21,160,962</u>
 Net Assets Released from Restrictions	 <u>4,745,868</u>	 <u>(4,745,868)</u>	 <u>-</u>
Total Support, Revenues, and Reclassifications	15,328,373	5,832,589	21,160,962
 <b>EXPENSES</b>			
Program Services	8,565,147	-	8,565,147
Management and General	1,069,050	-	1,069,050
Fundraising	<u>1,942,973</u>	-	<u>1,942,973</u>
Total Expenses	11,577,170	-	11,577,170
 <b>CHANGE IN NET ASSETS</b>	 3,751,203	 5,832,589	 9,583,792
Net Assets - Beginning of Year	<u>59,971,515</u>	<u>30,140,678</u>	<u>90,112,193</u>
 <b>NET ASSETS - END OF YEAR</b>	 <u>\$ 63,722,718</u>	 <u>\$ 35,973,267</u>	 <u>\$ 99,695,985</u>

See accompanying Notes to Financial Statements.

**CONSERVANCY OF SOUTHWEST FLORIDA, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED SEPTEMBER 30, 2025**

	Program Services					Management and General	Fundraising	Direct Donor Benefits	Total
	Environmental Education	Policy	Science	Wildlife Rehabilitation Center	Total Program				
Advertising and Public Relations	\$ 36,582	\$ 34,941	\$ 33,730	\$ 34,878	\$ 140,132	\$ 15,875	\$ 14,825	\$ -	\$ 170,831
Contracted Services	106,808	81,401	141,965	56,308	386,481	73,532	563,833	-	1,023,846
Contributions to Mission-Related Causes	-	22,696	-	-	22,696	-	-	-	22,696
Depreciation	1,001,657	264,881	393,667	512,035	2,172,240	92,273	1,112	-	2,265,624
Food and Beverages	16,752	23,586	16,117	16,447	72,902	28,413	-	-	101,314
Gifts and In-Kinds	-	-	-	17,749	17,749	-	-	-	17,749
Insurance	216,076	100,305	154,958	182,156	653,494	77,011	49,816	-	780,322
Interns	26,760	-	25,980	38,130	90,870	-	-	-	90,870
Maintenance Contracts and Equipment Leases	59,744	70,549	61,128	87,383	278,803	80,752	122,995	-	482,550
Materials and Small Equipment	84,896	39,716	85,987	88,391	298,990	42,755	50,227	-	391,972
Office Expenses	55,367	7,484	8,657	10,972	82,480	18,936	118,628	-	220,045
Rehabilitation, Animal Food & Supplies	5,397	-	-	86,059	91,456	-	-	-	91,456
Rental Expenses	6,441	6,441	6,441	6,441	25,762	2,190	-	-	27,952
Salaries, Wages, and Fringe Benefits	1,207,109	1,097,085	1,003,357	1,087,747	4,395,297	866,005	1,265,225	-	6,526,527
Telephone and Utilities	69,180	26,130	30,340	63,771	189,421	68,258	14,826	-	272,505
Travel & Training	31,980	22,319	8,327	15,308	77,934	25,179	2,270	-	105,383
Special Event-Direct Donor Benefits	-	-	-	-	-	-	-	880,044	880,044
<b>Total</b>	<b>2,924,747</b>	<b>1,797,534</b>	<b>1,970,653</b>	<b>2,303,773</b>	<b>8,996,707</b>	<b>1,391,179</b>	<b>2,203,756</b>	<b>880,044</b>	<b>13,471,686</b>
Less: Special Event Expenses	-	-	-	-	-	-	-	(880,044)	(880,044)
<b>Total Expenses</b>	<b>\$ 2,924,747</b>	<b>\$ 1,797,534</b>	<b>\$ 1,970,653</b>	<b>\$ 2,303,773</b>	<b>\$ 8,996,707</b>	<b>\$ 1,391,179</b>	<b>\$ 2,203,756</b>	<b>\$ -</b>	<b>\$ 12,591,642</b>

See accompanying Notes to Financial Statements.

**CONSERVANCY OF SOUTHWEST FLORIDA, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED SEPTEMBER 30, 2024**

	Program Services							Direct Donor Benefits	Total
	Environmental Education	Policy	Science	Wildlife Rehabilitation Center	Total Program	Management and General	Fundraising		
Advertising and Public Relations	\$ 77,263	\$ 48,443	\$ 23,342	\$ 23,943	\$ 172,991	\$ 21,732	\$ 18,676	\$ -	\$ 213,400
Contracted Services	91,876	151,461	131,330	59,295	433,962	41,078	530,774	-	1,005,815
Contributions to Mission-Related Causes	-	5,500	-	-	5,500	-	-	-	5,500
Depreciation	827,988	403,378	445,840	445,840	2,123,045	93,819	435	-	2,217,299
Food and Beverages	23,524	28,903	22,915	24,294	99,636	27,821	-	-	127,457
Gifts and In-Kinds	-	-	-	11,718	11,718	-	-	-	11,718
Insurance	230,199	97,411	149,383	177,113	654,106	76,981	50,100	-	781,187
Interns	31,720	-	24,540	37,770	94,030	-	-	-	94,030
Maintenance Contracts and Equipment Leases	48,538	62,304	46,779	83,275	240,896	74,478	110,371	-	425,745
Materials and Small Equipment	105,156	50,404	87,152	100,113	342,825	36,793	52,354	-	431,972
Office Expenses	39,301	17,633	12,029	20,808	89,771	14,629	84,759	-	189,158
Rehabilitation, Animal Food & Supplies	4,765	-	-	78,245	83,010	-	-	-	83,010
Rental Expenses	18,157	-	-	-	18,157	2,631	-	-	20,788
Salaries, Wages, and Fringe Benefits	1,105,643	1,145,130	829,232	868,719	3,948,725	606,235	1,078,682	-	5,633,642
Telephone and Utilities	60,945	30,651	33,155	66,102	190,854	55,511	16,151	-	262,515
Travel & Training	27,136	16,111	5,075	7,600	55,921	17,342	671	-	73,934
Special Event-Direct Donor Benefits	-	-	-	-	-	-	-	866,463	866,463
<b>Total</b>	<b>2,692,211</b>	<b>2,057,329</b>	<b>1,810,772</b>	<b>2,004,835</b>	<b>8,565,147</b>	<b>1,069,050</b>	<b>1,942,973</b>	<b>866,463</b>	<b>12,443,633</b>
Less: Special Event Expenses	-	-	-	-	-	-	-	(866,463)	(866,463)
<b>Total Expenses</b>	<b>\$ 2,692,211</b>	<b>\$ 2,057,329</b>	<b>\$ 1,810,772</b>	<b>\$ 2,004,835</b>	<b>\$ 8,565,147</b>	<b>\$ 1,069,050</b>	<b>\$ 1,942,973</b>	<b>\$ -</b>	<b>\$ 11,577,170</b>

See accompanying Notes to Financial Statements.

**CONSERVANCY OF SOUTHWEST FLORIDA, INC.**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED SEPTEMBER 30, 2025 AND 2024**

	2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ 36,121,771	\$ 9,583,792
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
(Gain) Loss on Sale of Investments	(28,038)	(2,285,612)
(Gain) Loss on Sale of Property and Equipment	7,981	65,905
Depreciation	2,265,624	2,217,299
Present Value Discount of Unconditional Promises to Give	2,053,954	126,225
Net (Appreciation) Depreciation in Fair Value of Investments	(3,309,778)	(6,659,728)
(Increase) Decrease in Present Value of Trust Receivable and Split-Interest Agreement	(105,706)	(134,435)
Contributed Securities	-	-
Contributions Restricted for Long-Term Purposes	(26,860,143)	(1,260,471)
(Increase) Decrease in:		
Accrued Interest Receivable	(20,846)	(37,114)
Inventory	(11,320)	9,132
Grants Receivable	-	-
Prepaid Expenses and Other Assets	(60,350)	(190,376)
Other Receivables	38,495	17,297
Increase (Decrease) in:		
Accounts Payable and Accrued Expenses	252,337	(347,152)
Deferred Revenue	36,481	138,540
Facility Deposits	375	(500)
Net Cash Provided by Operating Activities	10,380,837	1,242,802
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of Investments	(17,688,674)	(13,655,166)
Proceeds from Sales of Investments	5,476,625	12,106,352
Increase in Construction in Process	(597,820)	(115,846)
Purchase of Property and Equipment	(978,110)	(1,165,691)
Net Cash Used by Investing Activities	(13,787,979)	(2,830,351)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
(Payments) Proceeds from Line of Credit	-	-
Collections of Contributions Restricted for Long-Term Investment	7,075,000	200,000
Net Cash Provided by Financing Activities	7,075,000	200,000
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	3,667,858	(1,387,549)
Cash and Cash Equivalents - Beginning of Year	8,114,904	9,502,453
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 11,782,762	\$ 8,114,904

See accompanying Notes to Financial Statements.

**CONSERVANCY OF SOUTHWEST FLORIDA, INC.  
STATEMENTS OF CASH FLOWS (CONTINUED)  
YEARS ENDED SEPTEMBER 30, 2025 AND 2024**

	2025	2024
<b>AS PRESENTED IN THE STATEMENTS OF FINANCIAL POSITION</b>		
Cash and Cash Equivalents	\$ 8,455,464	\$ 7,720,639
Cash and Cash Equivalents - Restricted for Long-Term Purposes	3,327,298	394,266
Total	\$ 11,782,762	\$ 8,114,905
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>		
Construction in Process Placed into Service	\$ 176,916	\$ 768,764

*See accompanying Notes to Financial Statements.*

**CONSERVANCY OF SOUTHWEST FLORIDA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2025 AND 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Activities**

The Conservancy of Southwest Florida, Inc. (the Organization) was established in 1966 as a nonprofit corporation in the state of Florida. The Organization is a 501(c)(3) nonprofit environmental protection organization with a more than 60-year history focused on the issues impacting the water, land, wildlife, and future of Collier, Lee, Charlotte, Hendry, and Glades counties. The Organization accomplishes this mission through the combined efforts of experts in environmental science, policy and advocacy, education, and wildlife rehabilitation. The Organization is supported primarily through donor contributions, grants and fundraising activities, and programs.

**Basis of Accounting**

The accounts of the Organization are maintained, and the accompanying financial statements have been prepared, on the accrual basis of accounting. Accordingly, assets are recorded when the Organization obtains the rights of ownership or is entitled to claims for receipt and liabilities are recorded when the obligation is incurred.

**Cash and Cash Equivalents**

For purposes of these financial statements, the Organization considers all unrestricted bank accounts, money market funds, and short-term investments with a maturity of three months or less to be cash equivalents. The Organization maintains bank accounts with balances which at times may exceed federally insured limits. As of September 30, 2025, the Organization held cash of \$8,437,438 in excess of the federally insured limits.

**Unconditional Promises to Give**

The Organization is holding a fundraising campaign to assist them in continuing their mission, renovation of their facilities, and to build their endowment. Unconditional promises to give due in the next year are recorded at their net realizable value. Unconditional promises to give due in subsequent years are reported at the present value of their net realizable value, using risk-free interest rates applicable to the years in which the promises are to be received. Additionally, the Organization uses the allowance method to determine uncollectible unconditional promises to give. The allowance is based on a variety of considerations including prior year's collectability rate, management's specific analysis of promises made, economic conditions, and geographic factors.

**Inventory**

Inventories on the statements of financial position are stated at the lower of cost or net realizable value determined by the first-in, first-out method. Inventory recorded on the Organization's financial statements are purchased and are for sale in the nature store.

**CONSERVANCY OF SOUTHWEST FLORIDA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2025 AND 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Investments**

Investments in securities, mutual funds, real estate investment trusts, corporate bonds, and government bonds are carried at fair value determined by quoted prices on the last business day of the year. Investments in alternative investment funds that are not readily tradable are carried at an estimated fair value at the end of the period, as determined by management based upon financial statements and other financial information reported by the administrator of the underlying investment funds.

Donated investments are recorded at their fair value at the date of receipt. Investment income may be either with or without donor restrictions when earned, determined according to donor-imposed restrictions.

The Organization's investments are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investments, it is reasonably possible that those changes in the values of investments will occur in the near term and that such changes could be material to the amounts reported in the statements of financial position.

The Organization uses a combination of historical loss experience, current economic conditions, and forward-looking information to estimate credit losses for financial assets. The Organization considers various factors such as borrower creditworthiness, loan-to-value ratios, and collateral values as part of the forward-looking information to estimate credit losses.

**Fair Value Measurements**

The Organization categorizes its assets and liabilities measured at fair value into a three-level hierarchy based on the priority of the inputs to the valuation technique used to determine fair value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used in the determination of the fair value measurement fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement. Assets and liabilities valued at fair value are categorized based on the inputs to the valuation techniques as follows:

**CONSERVANCY OF SOUTHWEST FLORIDA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2025 AND 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*Level 1* – Inputs that utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization has the ability to access.

*Level 2* – Inputs that include quoted prices for similar assets and liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. Fair values for these instruments are estimated using pricing models, quoted prices of securities with similar characteristics, or discounted cash flows.

*Level 3* – Inputs that are unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions, as there is little, if any, related market activity.

Subsequent to initial recognition, the Organization may remeasure the carrying value of assets and liabilities measured on a nonrecurring basis to fair value. Adjustments to fair value usually result when certain assets are impaired. Such assets are written down from their carrying amounts to their fair value.

**Trust Receivable and Split Interest Agreement**

The Organization is the beneficiary of a charitable remainder trust being held by a financial institution. Under the trust agreement, specified amounts or percentages of funds invested are payable to the donor or the donor's designee, for life. Upon the death of the lifetime beneficiary, 16% of the balance of the investment is to be paid to the Organization. The Organization has recorded as assets the present value of its estimated beneficial interest in this gift. The gift is valued using a discount rate of 3% over the estimated life expectancy of the annuitant.

**Property and Equipment, Net**

Property and equipment are capitalized at cost, if purchased, or at fair value at the time of contribution on items valued at more than \$1,000 with a life greater than one year. Depreciation is computed utilizing the straight-line method over the estimated useful lives of the respective assets ranging from 3 to 40 years.

Expenditures for major renewals and betterments that extend the useful lives of property and equipment are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred.

**Land Held for Conservation**

Land held for conservation is recorded at cost when purchased or at fair market value at the date of acquisition, if donated. Management reviews each parcel periodically to determine if there has been impairment to the value that is recorded in the statements of financial position.

**CONSERVANCY OF SOUTHWEST FLORIDA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2025 AND 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Leases**

The Organization determines if an arrangement is a lease at inception. As of September 30, 2025, the Organization has not entered into any material leases and all leases fell under short-term exception under ASC 842. However, if an arrangement should be identified as a material lease, operating leases would be included in right-of-use (ROU) assets – operating and lease liability – operating, and finance leases would be included in right-of-use assets – financing and lease liability – financing in the balance sheet.

ROU assets represent the Organization’s right to use an underlying asset for the lease term and lease liabilities represent the Organization’s obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term. The Organization has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases will not be included as lease liabilities or ROU assets on the balance sheet.

Individual lease contracts may not provide information about the discount rate implicit in the lease. In these instances, the Organization has elected to use a risk-free discount rate determined using a period comparable with that of the lease term for computing the present value of the lease liabilities.

The Organization has elected not to separate nonlease components from lease components and instead will account for each separate lease component and the nonlease component as a single lease component.

**Deferred Revenue**

Revenue received from membership dues is recognized when received, as the services to be provided to the membership are not material. Revenue from programs is recognized in the year to which it relates. Program revenues received in advance are recorded as deferred revenue.

**Net Assets**

Net assets without donor restrictions are presently available for use by the Organization at the discretion of the board of directors. Net assets with donor restrictions are generally expendable only for purposes specified by donors or are time restricted. Some net assets with donor restrictions are to be maintained in perpetuity, the income from which is available to support specific activities or activities without donor restrictions, in accordance with donor stipulations. The governing board has designated, from net assets without donor restrictions, net assets for a board-designated endowment.

**CONSERVANCY OF SOUTHWEST FLORIDA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2025 AND 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Contributions and Grants**

Contributions are recognized as revenue when the donor makes the donation to the Organization or when the donor makes a promise to give to the Organization that is, in substance, unconditional. All donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. Net assets with donor restrictions are then reclassified to net assets without donor restrictions upon expiration of the time or use restriction. However, restricted contributions whose restrictions are met in the same reporting period are shown as contributions without donor restrictions.

**Functional Allocation of Expenses**

The costs of providing various support to the Organization's operations, as well as other management and general activities, have been summarized on a functional basis in the statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Special events expenses, which are reflected on the accompanying statement of activities and changes in net assets as netting with revenue, would be reflected in a separate column in the statements of functional expenses, called "Costs of Direct Benefit to Donor" by their natural classification. Management believes the current presentation is adequate.

**Income Taxes**

The Internal Revenue Service (IRS) has determined the Organization to be exempt from income taxes under the provisions of Internal Revenue Code (IRC) Section 501(c)(3). In addition, the Organization has been determined by the IRS to be other than a private foundation within the meaning of Section 509(a) of the IRC. The IRC provides for taxation of unrelated business income under certain circumstances. The consignment shops that the Organization operates are subject to such unrelated business income taxes. The Organization has not been examined by the IRS.

**Subsequent Events**

In preparing these financial statements, the Organization, has evaluated events and transactions for potential recognition or disclosure through March 4, 2026, the date the financial statements were available to be issued.

**Management Estimates**

The preparation of financial statements in conformity with U.S. GAAP requires management to make a number of 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 and expenses during the reporting period. Actual results could differ from those estimates.

**CONSERVANCY OF SOUTHWEST FLORIDA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2025 AND 2024**

**NOTE 2 LIQUIDITY AND AVAILABILITY**

Financial assets available within one year of the statements of financial position date to meet cash needs for general expenditures, comprise the following:

	<u>2025</u>	<u>2024</u>
Current Financials Assets at Year-End:		
Cash and Cash Equivalents	\$ 8,455,464	\$ 7,720,639
Cash and Cash Equivalents - Restricted for Long-Term Purposes	3,327,298	394,266
Accrued Interest Receivable	134,605	113,759
Current Unconditional Promises to Give, Net Grant and Other Receivables	7,723,393	1,432,250
Investments	150	38,645
Trust Receivable and Split-Interest Agreement, Net	68,509,960	52,960,094
Total Current Financial Assets at Year-End	<u>739,079</u>	<u>633,373</u>
	88,889,949	63,293,026
Less:		
Net Assets with Donor Restrictions	(35,782,469)	(15,617,602)
Endowment Net Assets	(27,442,722)	(20,355,665)
Net Assets Designated by Board Program	<u>(18,289,723)</u>	<u>(18,289,723)</u>
Total	<u>\$ 7,375,035</u>	<u>\$ 9,030,036</u>

In addition to contribution revenues, net proceeds from admissions revenues are available to support operations. Cash flows from admissions revenues are received daily based on ticket sales throughout the year. The Organization manages its liquid resources through cash forecasting, maintaining appropriate operating reserves, and structuring financial assets to be available to meet general expenditures, liabilities, and other obligations as they come due within one year. The Organization also utilizes annual board approved endowment appropriations (see Note 9) and maintains highly liquid invested assets to meet short-term liquidity needs while honoring donor restrictions.

**NOTE 3 UNCONDITIONAL PROMISES TO GIVE, NET**

Unconditional promises to give consists of the following at September 30:

	<u>2025</u>	<u>2024</u>
Unconditional Promises to Give	\$ 22,717,393	\$ 2,932,250
Less: Allowance for Doubtful Accounts	(10,000)	(10,000)
Less: Discount to Net Present Value	<u>(2,233,050)</u>	<u>(179,096)</u>
Total	<u>\$ 20,474,343</u>	<u>\$ 2,743,154</u>

Unconditional promises to give are scheduled to be received as follows:

	<u>2025</u>	<u>2024</u>
One Year or Less	\$ 7,723,393	\$ 1,432,250
Two to Five Years	14,994,000	1,500,000
Total	<u>\$ 22,717,393</u>	<u>\$ 2,932,250</u>

**CONSERVANCY OF SOUTHWEST FLORIDA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2025 AND 2024**

**NOTE 3 UNCONDITIONAL PROMISES TO GIVE, NET (CONTINUED)**

Unconditional promises to give are reflected at present value of estimated cash flows using a discount rate of 4.71% to 1.27% at September 30, 2025 and 2024. Management has estimated the allowance for doubtful accounts to be approximately \$10,000 for 2025 and 2024.

**NOTE 4 INVESTMENTS AND FAIR VALUE**

The Organization invests in a variety of investments. In general, investments are exposed to various risks, such as interest rate, credit, and overall market volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of the investments will occur in the near term and that such changes could materially affect the investment balances, and the amounts reported in the statements of financial position.

The Organization uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures. For additional information on how the Organization measures fair value, refer to Note 1 – Summary of Significant Accounting Principles. The following table presents the fair value hierarchy for the balances of the assets of the Organization measured at fair value on a recurring basis as of September 30, 2025:

	Level 1	Level 2	Level 3	Total
Assets:				
Equities - Domestic	\$ 22,225,697	\$ -	\$ -	\$ 22,225,697
U.S. Treasuries	3,489,408			3,489,408
Mutual Funds - Fixed Income	2,992,964	-	-	2,992,964
Mutual Funds - Real Estate	2,687,482	-	-	2,687,482
Mutual Funds - Equity	37,114,410	-	-	37,114,410
Trust Receivable and Split-Interest Agreement	-	-	739,079	739,079
Total	<u>\$ 68,509,960</u>	<u>\$ -</u>	<u>\$ 739,079</u>	<u>\$ 69,249,039</u>

The following table presents the fair value hierarchy for the balances of the assets the Organization measured at fair value on a recurring basis as of September 30, 2024:

	Level 1	Level 2	Level 3	Total
Assets:				
Equities - Domestic	\$ 20,377,856	\$ -	\$ -	\$ 20,377,856
Equities - Foreign	31,754	-	-	31,754
Mutual Funds - Fixed Income	4,734,299	-	-	4,734,299
Mutual Funds - Equity	19,746,891	-	-	19,746,891
Corporate Bonds	-	3,567,740	-	3,567,740
Municipal Bonds	-	4,501,554	-	4,501,554
Trust Receivable and Split-Interest Agreement	-	-	633,373	633,373
Total	<u>\$ 44,890,800</u>	<u>\$ 8,069,294</u>	<u>\$ 633,373</u>	<u>\$ 53,593,467</u>

**CONSERVANCY OF SOUTHWEST FLORIDA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2025 AND 2024**

**NOTE 4 INVESTMENTS AND FAIR VALUE (CONTINUED)**

The table below summarizes unrealized and realized gains and transfers for the split interest agreement during the years ended September 30:

	Split-Interest Agreement	
	2025	2024
Gains (Losses)	\$ 105,706	\$ 134,435
Transfer Out	-	-

The following table describes the valuation techniques used to calculate the fair value for Level 3 investments. There were no changes in valuation techniques and related inputs from the prior year.

Instrument	Fair Value		Principal Valuation Technique	Unobservable Inputs
	2025	2024		
Split-Interest Agreement and Trust Receivable	\$ 739,079	\$ 633,373	Fair Value based on estimated payout, Life expectancy, and IRS factors	Amount and Timing of Distributions

Investments categorized at Level 2 are measured at fair value utilizing market prices at the close of business of the last day for the statement period, provided by investment advisors. Investments categorized at Level 3 are measured at fair value with a valuation technique utilizing estimated membership interest and subscription amounts obtained from the managing member. Assets held under trust receivable and split-interest agreement categorized at Level 3 are measured at fair value utilizing market prices at the close of business of the last day for the statement period, provided by investment advisors.

**NOTE 5 PROPERTY AND EQUIPMENT, NET**

Property and equipment at September 30 consist of the following:

	2025	2024
Land	\$ 579,046	\$ 579,046
Building and Improvements	39,694,669	39,193,376
Museum Exhibits	1,616,047	1,616,047
Furniture and Equipment	4,356,155	4,220,840
Transportation and Marine Equipment	1,404,597	1,338,457
Statuary	100,231	100,231
Subtotal	47,750,745	47,047,997
Less: Accumulated Depreciation	(19,206,364)	(17,208,121)
Total, Net	<u>\$ 28,544,381</u>	<u>\$ 29,839,876</u>

**CONSERVANCY OF SOUTHWEST FLORIDA, INC.  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2025 AND 2024**

**NOTE 5 PROPERTY AND EQUIPMENT, NET (CONTINUED)**

Depreciation expense for the years ended September 30, 2025 and 2024 was \$2,265,624 and \$2,217,299, respectively.

**NOTE 6 CONSTRUCTION IN PROCESS**

In connection with the Organization's planned building and exhibits, construction in process as of September 30, 2025 and 2024 totaled \$806,559 and \$208,739, respectively. During the years ended September 30, 2025 and 2024, \$176,916 and \$768,764 of construction in process was placed into service, respectively. During the years ended September 30, 2025 and 2024, the Organization capitalized no interest related to its ongoing construction projects.

**NOTE 7 TRUST RECEIVABLE AND SPLIT-INTEREST AGREEMENT**

The Organization had a trust receivable, split-interest agreement, and beneficial assets held by others at September 30 as follows:

	2025	2024
Split-Interest Agreement	\$ 739,079	\$ 633,373
Total	\$ 739,079	\$ 633,373

**NOTE 8 CASH RESTRICTED FOR LONG-TERM PURPOSES**

In 2014, the Organization received \$501,069 that is restricted to be used for conservation purposes and is required to be maintained in a separate bank account. The remaining balance in this account at September 30, 2025 and 2024 was \$300,673 and \$299,198, respectively.

Cash restricted for long-term purposes consists of the following at September 30:

	2025	2024
Cash Restricted for Endowment	\$ 3,026,625	\$ 95,068
Cash Restricted for Conservation	300,673	299,198
Total	\$ 3,327,298	\$ 394,266

**CONSERVANCY OF SOUTHWEST FLORIDA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2025 AND 2024**

**NOTE 9 ENDOWMENT**

The Organization has a donor-restricted endowment fund established for the purposes of providing income to support general operations. The board of directors has interpreted the Florida Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the date of the donor-restricted endowment funds, unless there are explicit donor stipulations to the contrary. The board of directors' (the board) goals are to preserve the fair value of the original gift by having an investment objective to match or outperform, net of fees, certain benchmarks composed of asset class indices agreed to by the finance committee and our investment advisor, and thereby provide adequate liquidity to meet operating and capital needs as they may arise. As a result of this interpretation, the Organization classifies as net assets with donor restrictions: (a) the original value of gifts donated to the endowment maintained in perpetuity, (b) the original value of subsequent gifts to the endowment maintained in perpetuity, and (c) accumulations to the endowment maintained in perpetuity made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the Fund. The remaining portion of the donor-restricted endowment fund that is not classified in net assets with donor restrictions is classified as net assets without donor restrictions.

**Funds with Deficiencies**

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor requires the Organization to retain as a fund of perpetual duration. There were no such deficiencies during the years ended September 30, 2025, and 2024.

**Investment Policies**

The Organization has established an investment policy to determine investment or reinvestment of the assets in accordance with such guidelines, policies, and procedures that are authorized by the board. These guidelines, policies, and procedures shall attempt to generate a long-term investment return that will contribute to meeting the spending needs of the Organization while maintaining the purchasing power of the investment assets. The Organization's spending and investment policies work together to achieve this objective.

The investment policy establishes a long-term investment objective through diversification of asset classes. To achieve its investment objectives over long periods of time, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The investment strategy targets a diversified asset allocation that includes domestic equities, non-U.S. equities, fixed income, and alternative investments.

**CONSERVANCY OF SOUTHWEST FLORIDA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2025 AND 2024**

**NOTE 9 ENDOWMENT (CONTINUED)**

**Investment Policies (Continued)**

The majority of assets are invested in debt and equity or debt and equity like securities. Diversification by asset class, investment style, investment manager, etc., is employed to avoid undue risk concentration and enhance total return. The primary performance objective is to match or outperform, net of fees, certain benchmarks composed of asset class indices agreed to by the finance committee and the investment advisor, and thereby provide adequate liquidity to meet operating and capital needs, as they arise. Actual returns in any given year may vary from this amount.

**Spending Policy**

During the year ended September 30, 2025 and 2024, the finance committee recommended and the board approved appropriations of up to 5% of the average investment fund balance for the previous 12 quarters. The investment balance consists of gifts with donor restrictions and board-designated gifts. The Organization reserves the right in any given year to spend any amount as deemed appropriate, subject to board approval. The intent is to keep the spending policy between 4.5-5%. The Organization will review, at least annually the value of the endowment fund based upon a 12-quarter moving average and the current year spending policy of the endowment fund to determine whether changes are advisable.

Changes in endowment net assets as of September 30 are as follows:

	Without Donor Restrictions	With Donor Restrictions		Total
		Subject to Purpose or Time Restrictions	Held in Perpetuity	
Endowment Net Assets as of September 30, 2023	\$ 19,866,781	\$ 3,121,626	\$ 20,155,863	\$ 43,144,270
Cash Transfer	-	2,000,000	-	2,000,000
Contributions	-	-	50,000	50,000
Cash Collected on Unconditional Promises to Give	-	-	50,000	50,000
Investment Return:				
Investment Income	856,854	525,169	-	1,382,023
Investment Expense	(87,701)	(53,753)	-	(141,454)
Realized (Loss) on Sale of Investments	1,414,451	866,922	-	2,281,373
Net Appreciation	4,104,835	2,515,866	-	6,620,701
Total Investment Return	6,288,439	3,854,204	-	10,142,643
Appropriations	(1,404,516)	(860,833)	-	(2,265,349)
Endowment Net Assets as of September 30, 2024	24,750,704	8,114,997	20,255,863	53,121,564
Cash Transfer	-	4,897,394	-	4,897,394
Contributions	-	-	6,393,359	6,393,359
Cash Collected on Unconditional Promises to Give	-	-	50,000	50,000
Investment Return:				
Investment Income	714,512	996,810	-	1,711,322
Investment Expense	(67,612)	(94,325)	-	(161,937)
Realized Gain on Sale of Investments	22,419	31,276	-	53,695
Net Appreciation	1,377,521	1,921,770	-	3,299,291
Total Investment Return	2,046,840	2,855,531	-	4,902,371
Appropriations	(962,670)	(1,343,014)	-	(2,305,684)
Endowment Net Assets as of September 30, 2025	\$ 25,834,874	\$ 14,524,908	\$ 26,699,222	\$ 67,059,004

**CONSERVANCY OF SOUTHWEST FLORIDA, INC.  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2025 AND 2024**

**NOTE 10 NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions are comprised of the following at September 30:

	<u>2025</u>	<u>2024</u>
Subject to Expenditure for Specified Purpose:		
Land Acquisition	\$ 296,692	\$ 296,692
Science and Environmental Programs	2,307,750	2,356,292
von Arx Wildlife Hospital Support	6,897,394	-
Youth Programs	39,481	49,629
Magic Temporarily Restricted Funds	-	8,794
Unappropriated Endowment Earnings (Less Cash Transfer)	9,627,514	6,114,998
Capital Projects	2,233,994	248,448
Campus Support	3,166,222	3,166,222
Subject to Passage of Time:		
Unconditional Promises to Give, Net	20,474,343	2,743,154
Split-Interest Agreement	739,079	633,373
Total	<u>\$ 45,782,469</u>	<u>\$ 15,617,602</u>

As of September 30, the Organization had restricted endowment gifts to be retained either by explicit donor stipulations or by FUPMIFA consisting of the following:

	<u>2025</u>	<u>2024</u>
General Endowment	\$ 3,471,147	\$ 3,137,705
Policy Projects	5,800,000	4,800,000
Von Arx Wildlife Hospital and Veterinary	4,687,816	4,187,816
Education	2,767,372	1,742,372
Science	579,294	579,294
Turtles	627,732	297,732
Interns	3,072,370	2,510,659
Endowment for President Position	3,065,991	3,000,087
John & Carol Walter Nature Experience	7,000,000	-
Other	100,000	100,000
Total	<u>\$ 31,171,722</u>	<u>\$ 20,355,665</u>

**NOTE 11 RETIREMENT PLAN**

The Organization has a defined contribution retirement plan (the Plan) covering substantially all employees meeting certain eligibility requirements. The Plan provides that participants may contribute amounts up to the maximum allowable by law. For eligible participants, the Organization will contribute an amount equal to 50% of the participants' salary deferral up to 6% of compensation. During the years ended September 30, 2025 and 2024, the Organization recorded expenses of \$268,367 and \$236,960, respectively.

**CONSERVANCY OF SOUTHWEST FLORIDA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2025 AND 2024**

**NOTE 12 RELATED PARTY TRANSACTIONS**

The Organization received contributions from board members totaling \$28,192,133 and \$1,187,526 during the years ended September 30, 2025 and 2024, respectively, and has outstanding unconditional promises to give due from board members totaling \$20,406,250 and \$570,000 at September 30, 2025 and 2024, respectively.

**NOTE 13 IN-KIND CONTRIBUTIONS**

Many individuals volunteer their time and perform a variety of tasks that assist the Organization in its program services and fundraising campaigns. In-kind contributions include contributed services that are specialized, and the Organization would otherwise have purchased if not donated; therefore, meeting the criteria for recognition. For the years ended September 30, 2025 and 2024, donated professional services and goods were valued at \$33,249 and \$13,205, respectively.

In-kind contributions as of September 30 were as follows:

Category	Description	2025	2024
Professional Services	Specialized Services Included		
	Accounting, Legal, and Advertising	\$ -	\$ 8,092
Donated Goods	Auction Items, Supplies, & Veterinarian Materials	17,749	5,113
Property and Equipment	Capital Assets	15,500	-
	Total	<u>\$ 33,249</u>	<u>\$ 13,205</u>

Contributed professional services are valued using quoted prices from the provider. If quoted prices from the provider are not available, the Organization uses current rates for similar professional services to value to the in-kind revenues for professional services.

Contributed clothing and other donated goods are valued utilizing current prices located on a publicly available website. If the specific item is not listed on a publicly available website, the current average price located on a publicly available website for similar items.

Many individuals volunteer their time, approximately 75,000 hours in 2025 and 2024, and perform a variety of tasks that assist the Organization in educational services, store operations, committee assignments, and fundraising. No amounts have been reflected in the statements of activities and changes in net assets because the criteria for recognition have not been satisfied.

**NOTE 14 CONCENTRATIONS**

During the years ended September 30, 2025 and 2024, approximately 62% and 13%, respectively, of the Organization's contribution revenue was provided by a singular donor. It is considered reasonably possible that benefactors, grantors, or contributions may be lost in the near term.



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