WHIDBEY CAMANO LAND TRUST
A Washington Not For Profit Organization

Financial Statements

For the Years Ended December 31, 2024 and 2023

TABLE OF CONTENTS

Aiken & Sanders, Inc PS
CERTIFIED PUBLIC ACCOUNTANTS
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Independent Auditor's Report

To the Board of Directors
Whidbey Camano Land Trust
Greenbank, Washington

Opinion

We have audited the accompanying financial statements of the Whidbey Camano Land Trust (the Trust), which comprise the statements of financial position as of December 31, 2024 and 2023, 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 financial statements referred to above present fairly, in all material respects, the financial position of the Trust, as of December 31, 2024 and 2023, and changes in 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 the Trust and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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 the Trust's ability to continue as a going concern for one year after the date that the financial statements are 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 the Trust'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 the Trust'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.

Aiken & Sanders

Aiken & Sanders, Inc., PS
Certified Public Accountants
& Consultants

August 29, 2025

Whidbey Camano Land Trust

A Washington Not For Profit Organization

Statement of Financial Position
As of December 31, 2024 and December 31, 2023

Assets	2024	2023
Current Assets:		
Cash and cash equivalents	$ 1,345,389	$ 3,203,697
Accounts receivable	1,092,821	423,556
Bequest receivable	-	1,060,000
Prepaid expenses	2,489	5,717
Total Current Assets	2,440,699	4,692,970
Fixed Assets:		
Furniture and equipment	46,355	46,355
Vehicles	44,734	44,734
Land and leasehold improvements	581,984	160,736
Land	23,588,163	22,213,839
	24,261,236	22,465,664
Less: Accumulated depreciation	(215,155)	(186,983)
Fixed assets, net	24,046,081	22,278,681
Other Assets:		
Investments	4,230,000	1,900,000
Total Other Assets	4,230,000	1,900,000
Total Assets	$ 30,716,780	$ 28,871,651

The accompanying notes are an integral part of these financial statements

Whidbey Camano Land Trust

A Washington Not For Profit Organization

Statement of Financial Position
As of December 31, 2024 and December 31, 2023

Liabilities & Net Assets

	2024	2023
Current Liabilities:		
Accounts payable	$ 75,027	$ 45,727
Payroll and related accrued expenses	161,873	160,555
Interest payable	1,680	19,500
Current portion: notes payable	-	-
Total Current Liabilities	238,580	225,782
Long-Term Liabilities:		
Notes payable	672,300	1,625,000
Less current portion: notes payable	-	-
Total Long-Term Liabilities	672,300	1,625,000
Net Assets:		
Without donor restrictions		
Undesignated	2,853,502	1,761,717
Board designated	3,701,381	4,539,253
	6,554,883	6,300,970
With donor restrictions	23,251,017	20,719,899
Total Net Assets	29,805,900	27,020,869
Total Liabilities & Net Assets	$ 30,716,780	$ 28,871,651

The accompanying notes are an integral part of these financial statements

Whidbey Camano Land Trust

A Washington Not For Profit Organization

Statement of Activities and Changes in Net Assets
For the Year Ended December 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total 2024
Support and Revenues:			
Memberships and contributions	$ 726,639	$ 2,745,141	$ 3,471,780
Government grants	4,147,659	-	4,147,659
Donated goods and services	8,451	-	8,451
Donated property and easements	1,577,500	-	1,577,500
Professional services	100,461	-	100,461
Interest and dividend income	161,001	18,434	179,435
Rent revenue	49,956	-	49,956
Other revenue	17,670	-	17,670
Net assets released from restriction	232,457	(232,457)	-
Total Support and Revenue	7,021,794	2,531,118	9,552,912
Expenses:			
Program services	6,320,233	-	6,320,233
Management and general	298,017	-	298,017
Fundraising	85,802	-	85,802
Member services	63,829	-	63,829
Total Expenses	6,767,881	-	6,767,881
Change in Net Assets	253,913	2,531,118	2,785,031
Net Assets, Beginning of Year	6,300,970	20,719,899	27,020,869
Net Assets, End of Year	$ 6,554,883	$ 23,251,017	$ 29,805,900

The accompanying notes are an integral part of these financial statements

Whidbey Camano Land Trust

A Washington Not For Profit Organization

Statement of Activities and Changes in Net Assets
For the Year Ended December 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total 2023
Support and Revenues:			
Memberships and contributions	$ 2,343,955	$ 199,462	$ 2,543,417
Government grants	3,350,428	5,897,403	9,247,831
Donated goods and services	25,840	-	25,840
Donated property and easements	123,125	200,500	323,625
Professional services	265,055	-	265,055
Interest and dividend income	57,595	4,011	61,606
Rent revenue	54,190	-	54,190
Other revenue	5,407	-	5,407
Net assets released from restriction	181,130	(181,130)	-
Total Support and Revenue	6,406,725	6,120,246	12,526,971
Expenses:			
Program services	5,424,236	-	5,424,236
Management and general	322,684	-	322,684
Fundraising	65,413	-	65,413
Member services	27,320	-	27,320
Total Expenses	5,839,653	-	5,839,653
Change in Net Assets	567,072	6,120,246	6,687,318
Net Assets, Beginning of Year	5,733,898	14,599,653	20,333,551
Net Assets, End of Year	$ 6,300,970	$ 20,719,899	$ 27,020,869

The accompanying notes are an integral part of these financial statements

Whidbey Camano Land Trust
A Washington Not For Profit Organization

Statement of Functional Expenses
For the Year Ended December 31, 2024

	Program	Management and General	Fund-Raising	Member Services	Total
Salaries and wages	$ 829,469	$ 193,834	$ 52,907	$ 42,225	$ 1,118,435
Pension contributions	22,278	5,552	1,357	1,130	30,317
Employee benefits	99,850	11,854	3,577	4,999	120,280
Payroll taxes	75,541	16,592	4,767	3,887	100,787
Accounting/audit	13,365	2,452	1,388	362	17,567
Advertising	9,085	(673)	2,132	-	10,544
Office expenses	71,107	11,036	11,379	8,450	101,972
Information technology	9,013	1,654	936	244	11,847
Occupancy	62,089	8,634	2,764	721	74,208
Travel	16,289	993	492	313	18,087
Depreciation and amortization	21,434	3,933	2,226	580	28,173
Insurance	24,332	3,271	1,877	489	29,969
Interest expense	22,472	-	-	-	22,472
Consulting services	87,391	11,543	-	-	98,934
Property incidentals	586,866	19,963	-	-	606,829
Restoration	294,915	-	-	-	294,915
Easement Acquisition	2,453,426	-	-	-	2,453,426
Donated Easement expense	1,577,500	-	-	-	1,577,500
Miscellaneous expense	14,102	5,600	-	429	20,131
Food	29,709	1,779	-	-	31,488
Total Expenses	$ 6,320,233	$ 298,017	$ 85,802	$ 63,829	$ 6,767,881

The accompanying notes are an integral part of these financial statements.

Whidbey Camano Land Trust

A Washington Not For Profit Organization

Statement of Functional Expenses
For the Year Ended December 31, 2023

	Program	Management and General	Fund-Raising	Member Services	Total
Salaries and wages	$ 757,873	$ 202,289	$ 39,415	$ 14,460	$ 1,014,037
Pension contributions	20,659	5,581	647	251	27,138
Employee benefits	91,081	11,159	2,362	1,029	105,631
Payroll taxes	69,341	18,171	3,615	1,341	92,468
Legal expense	-	-	-	-	-
Accounting/audit	10,329	1,860	613	675	13,477
Advertising	6,099	76	-	-	6,175
Office and supplies expenses	61,348	11,836	14,525	4,980	92,689
Information technology	14,109	2,261	746	821	17,937
Occupancy	48,302	8,551	1,593	1,755	60,201
Travel	14,926	389	50	-	15,365
Depreciation and amortization	14,620	2,632	868	956	19,076
Insurance	22,084	2,885	956	1,052	26,977
Interest expense	212,513	-	-	-	212,513
Consulting services	136,473	45,309	-	-	181,782
Property incidentals	416,072	-	-	-	416,072
Restoration	74,027	-	-	-	74,027
Easement acquisition	3,411,625	-	-	-	3,411,625
Miscellaneous expense	18,442	4,889	-	-	23,331
Food	24,313	4,796	23	-	29,132
Total Expenses	$ 5,424,236	$ 322,684	$ 65,413	$ 27,320	$ 5,839,653

The accompanying notes are an integral part of these financial statements

Whidbey Camano Land Trust
A Washington Not For Profit Organization

Statement of Cash Flows
For the Years Ended December 31, 2024 and December 31, 2023

	2024	2023
Cash flows from operating activities:		
Cash received from grantors, donors and customers	$ 8,178,261	$ 10,780,085
Cash paid to suppliers and employees	(5,097,439)	(5,465,836)
Cash received from interest and dividends	179,435	61,606
Cash paid for interest	(40,292)	(48,504)
Net cash provided (used) by operating activities	3,219,965	5,327,351
Cash flows from investing activities:		
Cash paid for equipment and improvements	(421,249)	-
Cash paid for land	(1,374,324)	(106,076)
Cash received from easement sales	-	3,221,269
Cash paid for investments	(6,430,000)	(2,975,000)
Cash received from investments	4,100,000	2,325,000
Net cash provided (used) by investing activities	(4,125,573)	2,465,193
Cash flows from financing activities:		
Cash paid on loans	(952,700)	(6,437,224)
Cash received from loans	-	-
Net cash provided (used) by financing activities	(952,700)	(6,437,224)
Net increase (decrease) in cash & cash equivalents	(1,858,308)	1,355,320
Cash & cash equivalents at beginning of year	3,203,697	1,848,377
Cash & cash equivalents at end of year	$ 1,345,389	$ 3,203,697

The accompanying notes are an integral part of these financial statements

Whidbey Camano Land Trust
A Washington Not For Profit Organization

Statement of Cash Flows
For the Years Ended December 31, 2024 and December 31, 2023

	2024	2023
Reconciliation of increase (decrease) in net assets to net cash provided (used) by operating activities:		
Increase (decrease) in net assets:	$ 2,785,031	$ 6,687,318
Adjustments:		
Depreciation and amortization	28,173	19,076
Donated land received	-	(200,500)
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	(669,265)	(275,815)
(Increase) decrease in bequest receivable	1,060,000	(1,060,000)
(Increase) decrease in prepaid expense	3,228	215,241
Increase (decrease) in accounts payable	29,300	(15,103)
Increase (decrease) in payroll and related expense	1,318	9,934
Increase (decrease) in interest payable	(17,820)	(52,800)
Net cash provided (used) by operating activities	$ 3,219,965	$ 5,327,351

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Nature of Activities--
Whidbey Camano Land Trust (The Trust) is a not-for-profit corporation organized in 1984. The Trust's mission is to protect the Islands' most important natural habitats, scenic vistas and working farms and forests in partnership with landowners and our island communities. Ongoing protection activities include protecting significant lands, land stewardship, restoration, and conservation education. Conservation protection projects include working to obtain a variety of funds to purchase significant lands that would be owned by either The Trust or another qualified organization, developing conservation easements on priority properties where the owner continues to use the land subject to permanent legal restrictions agreed to by The Trust, and the purchase or acceptance of donations of property whereby The Trust becomes the owner and steward of the land.

Basis of accounting--
The Trust's policy is to prepare its financial statements on the accrual basis of accounting. Revenue is recognized when earned, and expenditures are recognized when incurred. If an expenditure results in an asset having an estimated useful life which extends substantially beyond the year of acquisition, the expenditure is capitalized and depreciated or amortized over the estimated useful life of the asset.

Financial Statement Presentation--
The Trust follows accounting prescribed by the Financial Accounting Standards Board in its Accounting Standards Codification (ASC) 958 Not-for Profit Entities. Under ASC 958, The Trust is required to report information regarding its financial position and activities according to two classes of net assets: with donor restrictions, and without donor restrictions.

With Donor Restrictions: Net assets that result from contributions whose use by The Trust is restricted by donor imposed stipulations that may expire with the passage of time or can be fulfilled or otherwise removed by actions of The Trust.

Without Donor Restrictions: Net assets that are not restricted by donor stipulation.

Gifts of goods and equipment are reported as without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of land are reported as donor restricted if The Trust intends to protect the land in perpetuity. Gifts of land, which the donor stipulates may be sold, are reported as without donor restriction.

Advertising--
The Trust's policy is to expense advertising costs as they are incurred.

Estimates--
The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that effect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Property--
Purchased furniture, equipment, and leasehold improvements are stated at cost. Donated property is recognized as revenue and capitalized at its estimated fair value on the date of receipt. The Trust capitalizes assets that have a useful life greater than one year and a value greater than $5,000. Depreciation is computed using the straight-line method based on estimated useful lives of 5 years for furniture and equipment and over the lease term for leasehold improvements.

The Trust records gifts of land at their appraised value. Purchases of land are recorded at cost or fair value if considered a bargain purchase. Donations of land, where an understanding has been reached with the donor that the land will be permanently protected, are classified as with donor restrictions. Land purchased using grant funds or contributions where the grants and contributions carry an actual or implied requirement to protect the property in perpetuity are classified as with donor restrictions.

Although the value of conservation easements can be determined by appraisal, it is generally accepted that land trusts carry easements at a nominal value for financial reporting purposes. Conservation easements are currently valued at zero dollar value in The Trust's financial records as they carry no rights or affirmative use or access to the property except for monitoring purposes, and constitute an obligation of The Trust to maintain and defend them. Costs related to conservation easements incurred subsequent to its acquisition are expenses in the period incurred.

Functional Allocation of Expenses--
The Trust records its expenses by function. Program expenses represent expenses incurred to fulfill The Trust's exempt purposes. Management and general expenses support that exempt purpose while fundraising and member services expenses are incurred to raise resources to carry out program activities. Expenses are recorded, when appropriate, to the function receiving direct benefit. When expenses benefit more than one function, an allocation is made based on relative benefits provided to each function.

Cash and Cash Equivalents--
For purposes of the statement of cash flows, The Trust considers all checking and savings accounts and unrestricted highly liquid investments with an initial maturity of three months or less to be cash and cash equivalents.

Contributions--
Contributions are recognized when received or when a donor makes an unconditional promise to give to the organization. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the year in which the contributions are 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.

Unconditional promises to give (pledges receivable) are recognized as revenues in the period the pledge is received. Long term pledges (collection expected in greater than one year) are discounted to the net present value of future cash flows. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promise becomes unconditional.

Recognizing Revenue from Grants and Contracts –
The Financial Accounting Standards Board (FASB) guidance for recognition of revenue from grants and contracts requires an entity to recognize revenue to depict the transfer of goods or services to customers in an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services. The Trust follows these principles. The Trust, if it receives an advance of funds from grants or contracts, recognizes deferred revenue in the amount of the advance for its performance obligation to perform services in the future. At December 31, 2024 and 2023, The Trust has recorded deferred revenue of $0. The balances of receivables and deferred revenue from grant and contracts are as follows as of December 31, 2024 and 2023:

	2024	2023
Grants & Contracts Receivable	$ 1,092,821	$ 423,556
Deferred Revenue	$ -	$ -

B. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS:

The Trust, although it expects to receive current support to fund operations for 2025 and later years, has $1,579,778 and $1,386,854 of financial assets available within one year of the statement of financial position dates on December 31, 2024 and 2023, respectively, to meet cash needs for general operating expenditures of The Trust. The Trust also has $3,701,381 and $4,539,253, of board designated assets as of December 31, 2024 and 2023, respectively, that can be reallocated for general expenditures if needed. Financial assets available within one year consist of the following:

	2024	2023
Cash and equivalents	$ 1,345,389	$ 3,203,697
Receivables	1,098,821	1,483,556
Investments	4,230,000	1,900,000
Donor restricted	(1,393,051)	(661,146)
Board designations	(3,701,381)	(4,539,253)
Financial assets available to meet cash needs within one year	$ 1,579,778	$ 1,386,854

C. ENDOWMENT NET ASSETS:

Nature of Endowments and Applicable Laws – Donor restricted endowment net assets are included in cash for 2024 and 2023 and consist of a donor restricted endowment in which the investment return is to be used for the recovery and restoration of the Naas property. The Board of Directors of The Trust has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation,

The Trust classifies as donor restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment 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 to be maintained in perpetuity is classified as donor restricted net assets until those amounts are appropriated for expenditure by The Trust in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, The Trust considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds, (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of The Trust, and (7) The Trust's investment policies.

Investment Return Objectives, Risk Parameters, and Strategies – The Trust has adopted an overall investment policy for its assets. Currently, The Trust has only one endowment fund. The Trust has ensured that the principal of the endowment has not declined below the amount originally contributed by investing in conservative and safe investments to produce income to be used, as needed, at the Naas Natural Area Preserve.

Spending Policy – The Trust has a policy of appropriating for distribution each year based on the growth of the endowment fund and the needs of the Naas property. The Trust has adopted a spending policy in which the Board of Directors of The Trust

approves the amount of the investment return that can be expended annually. The policy allows the endowment funds to grow at a nominal rate that is consistent with The Trust's objective to ensure that the principal of endowment does not decline below the amount originally contributed by the donor.

Endowment net assets, donor restricted and available and not available for expenditure, totaled $208,223 and $201,012, respectively, at December 31, 2024 and 2023.

Changes in endowment net assets as of December 31, 2024 and 2023 are as follows:

	Donor Restricted Available	Donor Restricted Not Available	Total
Endowment Net Assets 1/1/2024	$ 1,012	$ 200,000	$ 201,012
Contributions	-	-	-
Investment Income	7,224	-	7,224
Net Appreciation	-	-	-
Amounts Appropriated For Expenditure	(13)	-	(13)
Endowment Net Assets 12/31/2024	$ 8,223	$ 200,000	$ 208,223

	Donor Restricted Available	Donor Restricted Not Available	Total
Endowment Net Assets 1/1/2023	$ 14,432	$ 200,000	$ 214,432
Contributions	-	-	-
Investment Income	4,011	-	4,011
Net Appreciation	-	-	-
Amounts Appropriated For Expenditure	(17,431)	-	(17,431)
Endowment Net Assets 12/31/2023	$ 1,012	$ 200,000	$ 201,012

D. ACCOUNTS RECEIVABLE:

Accounts receivable are recorded to the extent of qualifying grant expenditures made during the current year that are to be reimbursed after year end and other billed and unbilled amounts to be received after year end.

Historically, bad debts have been immaterial. The Trust uses the direct write-off method, which is not in accordance with generally accepted accounting principles.

When an amount becomes uncollectible, it is charged to expense in the year it is deemed to be uncollectible. During 2024 and 2023, there were bad debts of $0 and $0. As of December 31, 2024, management estimated that all accounts receivable were collectible.

The Trust considers accounts more than 90 days outstanding as past due. No interest is charged on past due receivables. The Trust had no material amounts past due at December 31, 2024.

E. NET ASSETS COMPOSITION:

	2024	2023
Without Donor Restrictions:		
Board designated stewardship fund	$ 1,512,830	$ 1,693,449
Board designated land acquisition fund	572,045	1,560,274
Board designated legal defense fund	238,334	242,073
Board designated for operations	223,954	343,457
Board designated for staff capacity	454,218	-
Board designated operating reserve	700,000	700,000
Undesignated	2,853,502	1,761,717
Total:	$ 6,554,883	$ 6,300,970
With Donor Restrictions:		
Donor restricted stewardship funds	$ 124,957	$ 135,744
Donor restricted land acquisition funds	129,525	181,928
Donor restricted legal defense funds	-	4,462
Donor restricted operations fund	13,656	138,000
Robart property fund	916,690	-
Endowment	208,223	201,012
Conserved land	21,857,966	20,058,753
Total:	$ 23,251,017	$ 20,719,899

F. PROPERTY AND CONSERVATION EASEMENTS:

The Trust protects land both by purchasing properties and by securing conservation easements. A summary of protected lands, representing Trust cumulative totals, as of December 31, 2024 and 2023 is as follows:

	2024	2023
Total Acres of Land Protected By Purchase	5,929	5,619
Total Acres of Land Protected By Conservation Easement	3,255	3,321

G. FURNITURE, EQUIPMENT, AND IMPROVEMENTS:

Land, Furniture, Equipment, and Improvements consist of the following at December 31, 2024 and 2023:

	2024	2023
Furniture & Equipment	$ 46,355	$ 46,355
Accumulated Depreciation	(40,550)	(39,377)
	5,805	6,978
Vehicles	$ 44,734	$ 44,734
Accumulated Depreciation	(44,005)	(42,548)
	729	2,186
Land and Leasehold Improvements	581,984	160,736
Accumulated Depreciation	(130,600)	(105,058)
	451,384	55,678
Land	23,588,163	22,213,839
Fixed Assets-Net	$ 24,046,081	$ 22,278,681

Accumulated Depreciation and Amortization was $215,155 and $186,983 at December 31, 2024 and 2023, respectively.

H. ECONOMIC DEPENDENCY:

For 2024 and 2023, grant funding, which was used for property acquisition and restoration work, was primarily provided by the United States Department of Agriculture's Natural Resources Conservation Service, the United States Department of the Interior's Fish & Wildlife Service, the State of Washington, and Island County.

A reduction in this level of support, if it were to occur, could have a significant impact on The Trust's activities in these areas.

I. CONTINGENCIES:

Amounts received or receivable from federal and state government agencies are subject to audit and potential adjustment by the contracting agencies. Any disallowed claims, including amounts already collected, would become a liability of The Trust if so determined in the future. It is management's belief that no material amounts received or receivable will be required to be returned in the future.

J. INKIND REVENUE:

Donations of property, easements, goods, and services are recorded as revenue at the estimated fair value at the date of donation if they meet generally accepted criteria for recognition. Donations of property are recorded as capital assets and donations of easements, goods and services are expensed in the year of receipt.

During 2024 and 2023, $1,577,500 and $323,625 in property and easement donations, respectively, were received and $8,451 and $25,840 in goods and services were donated to The Trust.

K. RETIREMENT PLAN:

The Trust has a Simple Individual Retirement Arrangement for its employees. Participants may elect to make contributions to the plan. The Trust matches the employee's contribution up to 3% of annual gross wages. The Trust contributed $30,317 and $27,137 to the plan for the years ended December 31, 2024 and 2023, respectively.

L. NOTES PAYABLE:

The Trust was subject to a promissory note payable to Craft3, dated April 25, 2022, in connection with the acquisition of the Keystone Preserve. The note was secured by the acquired land. The original note balance of $4,500,000 bore interest at a rate of 5.25% per year. The note required quarterly interest only payments beginning July 1, 2022, and a payment by March 1, 2023, of at least of $1,000,000. The balance of $3,500,000 was to be paid by April 1, 2024. The loan was paid in full during the year ended December 31, 2023.

The Trust was subject to a promissory note payable to Ronald Sher, dated April 26, 2022, in connection with the acquisition of the Keystone Preserve. The note was secured by the acquired land.

The original note balance of $2,000,000 bore interest at a rate of 4% per year. The note required quarterly interest only payments, until October 31, 2024, when all accrued interest and the principal balance was due. The Trust had the right to extend the note for six months beyond the maturity date. The note was paid in full during the year ended December 31, 2023.

The Trust was subject to a promissory note payable to the Washington State Housing Finance Commission, dated September 1, 2022, in connection with the acquisition of the Valdez property. The note was secured by the acquired land. The original note balance of $1,625,000 bore interest at a rate of 1% per year. The note required no payments until the 8th anniversary date of the note, when the principal and all accrued interest was due. Accrued interest on the note was $19,500 at December 31, 2023. The note, including accrued interest, was paid in full during 2024.

The Trust is subject to a promissory note payable to the Washington State Housing Finance Commission, dated September 30, 2024, in connection with the acquisition of the Valdez property. The note is secured by the acquired land. The original and December 31, 2024 note balance of $672,300 bears interest at a rate of 1% per year. The note requires no payments until the 8th anniversary date of the note, when the principal and all accrued interest is due. Accrued interest on the note was $1,680 at December 31, 2024.

Future maturities of notes payable are as follows:

	WSHFC	Total
2025	$ -	$ -
2026	-	-
2027	-	-
2028	-	-
2029	-	-
Thereafter	672,300	672,300
Total	$ 672,300	$ 672,300

M. LEASES:

The Trust leases its facilities under an operating lease. Total expense under this lease was approximately $27,607 and $27,607 for the years ending December 31, 2024 and 2023, respectively. The Trust signed a new lease agreement for these facilities in May of 2017. The new lease term ended on April 30, 2022. The Trust continues to lease the space on a month to month basis.

N. SUBSEQUENT EVENTS:

No events have occurred through August 29, 2025, which is the date the financial statements were available to be issued based on client facts and circumstances, for events requiring recording or disclosure in the financial statements for the year ended December 31, 2024.

O. INCOME TAX & UNCERTAIN TAX POSITIONS:

The Trust is a tax exempt non-profit organization under the Internal Revenue Code Section 501(c)(3) and is not classified as a private foundation. Accordingly, the financial statements do not include any provision for income taxes.

The Trust files income tax returns in the U.S. federal jurisdiction. The Trust is no longer subject to U.S. federal income tax examinations by tax authorities for years before 2021. Currently, there is no examination or pending examination with the Internal Revenue Service (IRS).

The Trust adopted the provisions of FASB ASC 740-10, Accounting for Uncertainty in Income Taxes, on January 1, 2009. As of December 31, 2024, there are no tax positions for which the deductibility is certain but for which there is uncertainty regarding the timing of such deductibility.

P. INVESTMENTS & FAIR VALUE MEASUREMENTS:

The Trust adopted Accounting Standards Codification 958 as of January 1, 2009. ASC 958, Fair Value Measurements, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 Measurements) and the lowest priority to unobservable inputs (Level 3 Measurements). The three levels of the fair value hierarchy under ASC 958 are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that The Trust has the ability to access.

Level 2: Inputs to valuation methodology include: Quoted prices for similar assets or liabilities in active markets. Quoted prices for identical or similar assets or liabilities in inactive markets. Inputs other than quoted prices that are observable for the asset or liability. Inputs that are principally from or corroborated by observable market data by correlation or other means.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2024.

Certificates of Deposit: Valued at original investment plus received and accrued interest.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although The Trust believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, The Trust's assets at fair value as of December 31, 2024:

Assets at Fair Value as of December 31, 2024

	Level 1	Level 2	Level 3	Total
Certificates of deposit	$ 4,230,000	$ -	-	$ 4,230,000
Total Assets at Fair Value:	$ 4,230,000	$ -	$ -	$ 4,230,000

The following table sets forth by level, within the fair value hierarchy, The Trust's assets at fair value as of December 31, 2023:

Assets at Fair Value as of December 31, 2023

	Level 1	Level 2	Level 3	Total
Certificates of deposit	$ 1,900,000	$ -	-	$ 1,900,000
Total Assets at Fair Value:	$ 1,900,000	$ -	$ -	$ 1,900,000