GRAND CANYON CONSERVANCY

FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2025 AND 2024

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Grand Canyon Conservancy
Grand Canyon, Arizona

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Grand Canyon Conservancy (the Conservancy), which comprise the statements of financial position as of December 31, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of Grand Canyon Conservancy as of December 31, 2025 and 2024, and the 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Grand Canyon Conservancy 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 Grand Canyon Conservancy's ability to continue as a going concern within 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 Grand Canyon Conservancy'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 Grand Canyon Conservancy'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

CliftonLarsonAllen LLP

Tempe, Arizona
April 25, 2026

GRAND CANYON CONSERVANCY
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2025 AND 2024

	2025	2024
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	$ 1,396,850	$ 1,307,350
Investments	26,530,972	23,229,604
Accounts Receivable	10,107	126,322
Pledges Receivable, Current	278,616	114,761
Inventories	2,471,814	2,046,388
Prepaid Expenses	249,500	216,286
Other Current Assets	28,576	32,739
Total Current Assets	30,966,435	27,073,450
FIXED ASSETS		
Property, Plant and Equipment	1,864,079	1,615,791
Accumulated Depreciation	(1,306,833)	(1,187,758)
Total Fixed Assets	557,246	428,033
OTHER ASSETS		
Right-of-Use Asset - Financing	23,812	33,762
Investments Held for Endowment Purposes	6,723,352	5,519,962
Beneficial Interests in Assets Held at a Community Foundation	3,304,087	3,068,055
Pledges Receivable, Noncurrent, Net	479,122	108,168
Total Other Assets	10,530,373	8,729,947
Total Assets	$ 42,054,054	$ 36,231,430

See accompanying Notes to Financial Statements.

GRAND CANYON CONSERVANCY
STATEMENTS OF FINANCIAL POSITION (CONTINUED)
DECEMBER 31, 2025 AND 2024

	2025	2024
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable	$ 1,380,461	$ 696,082
Accrued Payroll and Related Liabilities	233,595	441,859
Customer Deposits	135,201	166,669
Lease Liability - Financing	10,921	10,921
Other Current Liabilities	12,351	14,135
Total Current Liabilities	1,772,529	1,329,666
NONCURRENT LIABILITIES		
Lease Liability - Financing	14,024	23,808
Total Liabilities	1,786,553	1,353,474
NET ASSETS		
Without Donor Restrictions:		
Board-Designated:		
Strategic Operating Reserve	3,200,000	3,200,000
Direct Aid to National Park Service Programs	1,343,394	1,232,139
NPS Priority Project	1,848,180	200,000
Wildlife Fund	278,316	135,661
Arts and Culture Fund	1,988,268	1,955,912
Climate Change Endowment	113,499	98,976
Indigenous Affairs Endowment	113,967	98,976
Historic Preservation Endowment	113,967	98,976
Designated Aid	222,470	-
Counter Donations	371,629	-
Undesignated	16,058,614	15,506,014
Total Net Assets Without Donor Restrictions	25,652,304	22,526,654
With Donor Restrictions	14,615,197	12,351,302
Total Net Assets	40,267,501	34,877,956
Total Liabilities and Net Assets	$ 42,054,054	$ 36,231,430

See accompanying Notes to Financial Statements.

GRAND CANYON CONSERVANCY
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE, GAINS, AND OTHER SUPPORT			
Interpretive Sales	$ 17,927,254	$ -	$ 17,927,254
Field Institute Services	302,745	-	302,745
Contributions	2,203,709	2,805,854	5,009,563
In-Kind Contributions	386,232	-	386,232
Membership	1,088,812	-	1,088,812
Special Events:			
Revenue from Special Events	315,661	-	315,661
Less: Cost of Direct Donor Benefits	(127,501)	-	(127,501)
Gross Profit on Special Events	188,160	-	188,160
Investment Income	2,905,758	809,818	3,715,576
Loss on Disposal of Property, Plant and Equipment	(23,162)	-	(23,162)
Change in Beneficial Interest	-	355,233	355,233
Other Income	146,167	-	146,167
Net Assets Released From Restrictions	1,707,010	(1,707,010)	-
Total Revenues, Gains, and Other Support	26,832,685	2,263,895	29,096,580
EXPENSES AND LOSSES			
Program Services:			
Interpretive Sales	10,437,878	-	10,437,878
Visitor and Community Services	1,000,955	-	1,000,955
Aid to National Park Service	6,145,256	-	6,145,256
Total Program Services	17,584,089	-	17,584,089
Support Services:			
Management and General	2,448,473	-	2,448,473
Fundraising	3,674,473	-	3,674,473
Total Support Services	6,122,946	-	6,122,946
Total Expenses	23,707,035	-	23,707,035
CHANGE IN NET ASSETS	3,125,650	2,263,895	5,389,545
Net Assets - Beginning of Year	22,526,654	12,351,302	34,877,956
NET ASSETS - END OF YEAR	$ 25,652,304	$ 14,615,197	$ 40,267,501

See accompanying Notes to Financial Statements.

GRAND CANYON CONSERVANCY
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE, GAINS, AND OTHER SUPPORT			
Interpretive Sales	$ 17,764,422	$ -	$ 17,764,422
Field Institute Services	347,550	-	347,550
Contributions	1,694,294	2,713,200	4,407,494
In-Kind Contributions	518,820	-	518,820
Membership	1,152,879	-	1,152,879
Special Events:			
Revenue from Special Events	401,831	-	401,831
Less: Cost of Direct Donor Benefits	(149,090)	-	(149,090)
Gross Profit on Special Events	252,741	-	252,741
Investment Income	1,508,786	526,037	2,034,823
Gain on Sale of Property and Equipment	13,250	-	13,250
Change in Beneficial Interest	-	289,434	289,434
Other Income	208,125	-	208,125
Net Assets Released From Restrictions	1,645,875	(1,645,875)	-
Total Revenues, Gains, and Other Support	25,106,742	1,882,796	26,989,538
EXPENSES AND LOSSES			
Program Services:			
Interpretive Sales	10,594,582	-	10,594,582
Visitor and Community Services	585,639	-	585,639
Aid to National Park Service	6,939,867	-	6,939,867
Total Program Services	18,120,088	-	18,120,088
Support Services:			
Management and General	3,342,627	-	3,342,627
Fundraising	1,766,400	-	1,766,400
Total Support Services	5,109,027	-	5,109,027
Total Expenses	23,229,115	-	23,229,115
CHANGE IN NET ASSETS	1,877,627	1,882,796	3,760,423
Net Assets - Beginning of Year	20,649,027	10,468,506	31,117,533
NET ASSETS - END OF YEAR	$ 22,526,654	$ 12,351,302	$ 34,877,956

See accompanying Notes to Financial Statements.

GRAND CANYON CONSERVANCY
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2025

	Program Services				Support Services				
	Interpretive Sales	Visitor and Community Services	Aid to National Park Services	Total Program Services	Management and General	Fundraising	Total Support Services	Direct Donor Benefits	Total
EXPENSE CATEGORY									
Artist Fees	$ -	$ -	$ 2,000	$ 2,000	$ -	$ -	$ -	$ 127,501	$ 129,501
Bank Fees	478,083	7,053	131	485,267	12,315	69,455	81,770	-	567,037
Board Expenses	-	-	-	-	101,845	-	101,845	-	101,845
Community Relations	7,972	107,563	848	116,383	-	1,443	1,443	-	117,826
Cost of Goods Sold	7,664,680	-	-	7,664,680	-	-	-	-	7,664,680
Depreciation	50,562	9,517	7,270	67,349	54,934	17,706	72,640	-	139,989
Donor Cultivation and Stewardship	-	-	-	-	-	62,234	62,234	-	62,234
Dues and Subscriptions	2,099	901	1,099	4,099	17,553	4,478	22,031	-	26,130
Events	-	179	11,133	11,312	19,592	3,225	22,817	-	34,129
Grants and Aid	9,251	2,715	3,522,450	3,534,416	-	-	-	-	3,534,416
Information Technologies	119,963	31,196	22,085	173,244	99,862	97,781	197,643	-	370,887
Insurance	-	6,903	-	6,903	399,319	-	399,319	-	406,222
Legal and Professional	22,018	7,046	6,331	35,395	68,762	15,869	84,631	-	120,026
Marketing, Advertising and Promotion	24,332	26,619	33,319	84,270	96,909	27,659	124,568	-	208,838
Marketing, Advertising and Promotion (In-Kind)	-	92,833	172,404	265,237	46,806	34,180	80,986	-	346,223
Occupancy and Rental	-	-	-	-	45,622	-	45,622	-	45,622
Other Expenses	92,991	1,950	-	94,941	-	165,396	165,396	-	260,337
Out-Sourced Services	149,758	112,784	45,366	307,908	194,282	1,253,841	1,448,123	-	1,756,031
Personnel Services	1,598,541	515,584	2,296,916	4,411,041	1,006,609	1,839,675	2,846,284	-	7,257,325
Postage and Shipping	58,649	137	4,726	63,512	2,048	16,210	18,258	-	81,770
Residence Program Costs	-	27,178	-	27,178	-	-	-	-	27,178
Publishing Costs	52,492	-	-	52,492	-	-	-	-	52,492
Field Institute Program Costs	-	26,334	-	26,334	-	-	-	-	26,334
Repairs and Maintenance	11,436	1,764	-	13,200	34,366	10	34,376	-	47,576
Staff Development and Recruitment	5,862	1,116	1,344	8,322	39,289	816	40,105	-	48,427
Supplies	50,496	7,667	9,742	67,905	25,142	20,899	46,041	-	113,946
Travel, Meetings and Conference	14,770	13,916	8,092	36,778	65,140	43,596	108,736	-	145,514
Utilities	23,923	-	-	23,923	118,078	-	118,078	-	142,001
Total Expenses by Function	10,437,878	1,000,955	6,145,256	17,584,089	2,448,473	3,674,473	6,122,946	127,501	23,834,536
Less: Expenses Netted Against Revenues on the Statement of Activities	-	-	-	-	-	-	-	(127,501)	(127,501)
Total Expenses Included in the Expense Section of the Statement of Activities	$ 10,437,878	$ 1,000,955	$ 6,145,256	$ 17,584,089	$ 2,448,473	$ 3,674,473	$ 6,122,946	$ -	$ 23,707,035

See accompanying Notes to Financial Statements.

GRAND CANYON CONSERVANCY
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2024

	Program Services				Support Services				
	Interpretive Sales	Visitor and Community Services	Aid to National Park Services	Total Program Services	Management and General	Fundraising	Total Support Services	Direct Donor Benefits	Total
EXPENSE CATEGORY									
Artist Fees	$ -	$ -	$ 2,000	$ 2,000	$ -	$ -	$ -	$ 149,090	$ 151,090
Bank Fees	480,831	13,302	9,424	503,557	3,423	16,798	20,221	-	523,778
Board Expenses	-	-	-	-	136,422	-	136,422	-	136,422
Community Relations	-	825	-	825	20,014	330	20,344	-	21,169
Cost of Goods Sold	7,945,450	-	38,028	7,983,478	-	-	-	-	7,983,478
Depreciation	-	-	-	-	131,621	-	131,621	-	131,621
Donor Cultivation and Stewardship	-	-	-	-	23,343	4,541	27,884	-	27,884
Dues and Subscriptions	285	5,658	234	6,177	20,535	3,869	24,404	-	30,581
Events	-	-	6,557	6,557	2,087	20,125	22,212	-	28,769
Grants and Aid	-	-	3,835,824	3,835,824	-	-	-	-	3,835,824
Information Technologies	50,855	12,083	7,278	70,216	254,426	25,129	279,555	-	349,771
Insurance	3,915	3,370	5,873	13,158	385,964	-	385,964	-	399,122
Legal and Professional	-	-	3,255	3,255	411,622	32,237	443,859	-	447,114
Marketing, Advertising and Promotion	-	-	-	-	46,422	382	46,804	-	46,804
Marketing, Advertising and Promotion (In-Kind)	-	-	-	-	518,820	-	518,820	-	518,820
Occupancy and Rental	-	-	3,502	3,502	47,151	-	47,151	-	50,653
Other Expenses	391	-	-	391	7,867	5,001	12,868	-	13,259
Out-Sourced Services	19,319	171,589	929,428	1,120,336	126,704	385,882	512,586	-	1,632,922
Personnel Services	1,868,597	313,736	2,034,400	4,216,733	803,959	1,200,149	2,004,108	-	6,220,841
Postage and Shipping	61,718	271	9,476	71,465	2,290	9,282	11,572	-	83,037
Residence Program Costs	-	26,532	-	26,532	-	-	-	-	26,532
Publishing Costs	50,489	-	10,472	60,961	-	-	-	-	60,961
Field Institute Program Costs	-	9,897	-	9,897	-	-	-	-	9,897
Repairs and Maintenance	4,587	564	3,336	8,487	27,802	-	27,802	-	36,289
Staff Development and Recruitment	17,681	4,771	181	22,633	173,888	13,431	187,319	-	209,952
Supplies	55,294	3,236	12,696	71,226	61,810	17,176	78,986	-	150,212
Travel, Meetings and Conference	12,127	19,805	14,231	46,163	27,726	32,068	59,794	-	105,957
Utilities	23,043	-	13,672	36,715	108,731	-	108,731	-	145,446
Total Expenses by Function	10,594,582	585,639	6,939,867	18,120,088	3,342,627	1,766,400	5,109,027	149,090	23,378,205
Less: Expenses Netted Against Revenues on the Statement of Activities	-	-	-	-	-	-	-	(149,090)	(149,090)
Total Expenses Included in the Expense Section of the Statement of Activities	$ 10,594,582	$ 585,639	$ 6,939,867	$ 18,120,088	$ 3,342,627	$ 1,766,400	$ 5,109,027	$ -	$ 23,229,115

See accompanying Notes to Financial Statements.

GRAND CANYON CONSERVANCY
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	$ 5,389,545	$ 3,760,423
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	139,989	131,621
Amortization of Right-to -Use Asset, Financing Leases	9,950	9,950
Bad Debt Expense	260,865	7,065
(Gain) Loss on Disposal of Property, Plant and Equipment	10,460	(13,250)
Net Realized and Unrealized Gains on Investments	(2,622,318)	(947,445)
Change in Beneficial Interests Held at a Community Foundation	(355,233)	(289,434)
Contributions Restricted for Long Term Investment	(922,000)	(269,828)
Change in Discount to Present Value of Contributions Receivable	85,512	-
(Increase) Decrease in Assets:		
Accounts Receivable	116,215	(75,164)
Pledges Receivable	(490,364)	71,642
Inventories	(425,426)	(454,730)
Prepaid Expenses	(33,214)	41,885
Other Current Assets	4,163	6,108
Increase (Decrease) in Liabilities:		
Accounts Payable	684,379	276,703
Accrued Liabilities	(208,264)	86,977
Customer Deposits	(31,468)	(10,386)
Other Current Liabilities	(1,784)	1,159
Net Cash Provided by Operating Activities	1,611,007	2,333,296
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Investments	(2,064,552)	(4,271,880)
Proceeds on Sale of Investments	182,112	-
Distributions from Beneficial Interests Held at a Community Foundation	119,201	93,798
Proceeds on Sale of Property and Equipment	-	13,250
Purchase of Property and Equipment	(279,662)	(143,148)
Net Cash Used by Investing Activities	(2,042,901)	(4,307,980)
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal Payments on Financing Lease Liabilities	(9,784)	(9,427)
Cash Received for Endowment	531,178	169,828
Net Cash Provided by Financing Activities	521,394	160,401
CHANGES IN CASH AND CASH EQUIVALENTS	89,500	(1,814,283)
Cash and Cash Equivalents - Beginning of Year	1,307,350	3,121,633
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 1,396,850	$ 1,307,350
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Cash Paid for Interest	$ 1,058	$ 1,419
Contributions Pledged for Endowment Not Yet Received	$ 592,022	$ 100,000

See accompanying Notes to Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Grand Canyon Conservancy (the Conservancy) is the official nonprofit partner of Grand Canyon National Park (the Park), raising private funds, operating retail shops within the Park, and providing premier guided educational programs about the natural and cultural history of the region. Our supporters fund projects including trails and historic building preservation, educational programs for the public, and the protection of wildlife and their natural habitat. The Conservancy supports the Park in its goal to provide enriching and fulfilling visitor experiences and protecting the park for future generations. We achieve this by establishing a continuous and growing funding stream, providing enhanced educational experiences, and engaging advocates for the Park.

The significant accounting policies of the Conservancy follow:

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Conservancy considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Investments

Investments are recorded at fair value. Unrealized gains and losses are accounted for as investment income.

Accounts Receivable and Allowance for Credit Losses

Accounts receivable are stated at the amount management expects to collect from outstanding balances. The Conservancy uses historical loss information based on aging of receivables as the basis to determine expected credit losses for receivables. A loss rate is developed for each risk category based on aging. Management believes the composition of receivables at year-end is consistent with historical conditions as credit terms and practices and the customer base has not changed significantly. As of December 31, 2025 and 2024, no allowance for an estimate of expected credit losses has been recorded in the financial statements as it is not material to the financial statements.

Pledges Receivable

Promises to donate made by individuals, foundations, trusts, or governmental entities are recorded as pledges receivable. The values are stated at the amount management expects to collect from the outstanding balances. Balances that are still outstanding after management has made all reasonable collection efforts, are written off and charged to an allowance account for uncollectable pledges.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Inventory

The Conservancy maintains inventories of merchandise held for resale at each of its six retail stores, online marketplace, and distribution center. Inventories are valued at the lower of cost or net realizable value.

Property and Equipment

Property and equipment costing $5,000 or more are stated at cost, or if donated, at the estimated value on the date received. The Conservancy depreciates its property and equipment over the estimated useful lives of the assets using the straight-line method as follows:

Furniture, Fixtures, and Equipment	3 to 10 Years
Mobile Homes	10 to 15 Years
Vehicles	5 to 7 Years
Accounting System	5 Years
Website	4 Years

Building Improvement and Facilities

Building Improvements

The Conservancy operates its programs on and offers assistance in the preservation of the Grand Canyon National Park's land and buildings, which are owned by the National Park Service (NPS). From time to time, the Conservancy makes improvements to NPS' buildings. These building improvements are expensed as incurred and have been included in Aid to National Park Service in the statements of activities.

Facilities

The Conservancy utilizes office retail space in buildings owned by NPS as part of its agreement as a cooperating association. The space is provided for the mutual benefit of both parties and no value is recorded in these financial statements, as comparable rent opportunities are not available.

Art Collection

The Conservancy collects and displays fine art and folk arts and crafts that pertain to the natural and cultural resources of Grand Canyon National Park and surrounding regions. The art collection is preserved and restored in order to maintain its original value. The art collection and contributed items are not recognized in the financial statements.

Leases

The Conservancy determines if an arrangement is a lease at inception. Operating leases are included in right-of-use (ROU) assets – operating and lease liability – operating, and finance leases are included in ROU assets – financing and lease liability – financing in the statements of financial position.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (Continued)

ROU assets represent the Conservancy's right to use an underlying asset for the lease term and lease liabilities represent the Conservancy'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 Conservancy will exercise that option. Lease expense for operating lease payments is recognized on a straight-line basis over the lease terms. The Conservancy 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 are not included as lease liabilities or right-of-use assets on the statements of financial position.

The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, the Conservancy 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 lease liabilities.

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

Customer Deposits

Customer deposits received in advance of Field Institute courses are recorded as liabilities on the statements of financial position and recognized as revenue during the period in which the course occurs.

Sales

Revenue for store sales is recognized when the customer receives and pays for the merchandise. For online transactions, revenue is recognized when ordered and shipped.

Contributions

Contributions are recorded as with or without restriction depending on the existence or nature of any donor restrictions. All contributions are available for unrestricted use unless specifically restricted by the donor. Contributions are recognized when the donor makes a promise to give to the Conservancy that is, in substance, unconditional. Donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Membership Income

The Conservancy provides memberships to patrons in exchange for discounts on merchandise and other nominal benefits. Membership income is recognized as income in the period received.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Functional Expense Allocation

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and wages, payroll taxes and employee benefits, which are allocated on the basis of estimates of time and effort, as well as other expenditures based on direct costs when possible, or indirect costs based on employee hours devoted to each function.

Provision for Income Tax

No provision has been made for federal income taxes because the Conservancy is exempt from federal income tax as an educational organization under Section 501(c)(3) of the Internal Revenue Code (IRC). Aid to National Park Service is donated at cost.

The Conservancy's Forms 990, Return of Organization Exempt from Income Tax are subject to examination by the Internal Revenue Service (IRS), generally for three years after they were filed.

Reclassifications

Certain reclassifications of amounts previously reported have been made to the accompanying financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets.

Date of Management's Review

In preparing these financial statements, the Conservancy has evaluated events and transactions for potential recognition or disclosure through April 25, 2026, the date the financial statements were available to be issued.

NOTE 2 CASH AND CASH EQUIVALENTS

The Conservancy maintains cash and cash equivalents and investment accounts at several financial institutions, which are insured and limited amounts by the Federal Deposit Insurance Corporation (FDIC) or covered under Securities Investor Protection Corporation (SIPC). Balances may at times exceed FDIC or SIPC limits; however, the Conservancy manages the concentration of credit risk by maintaining deposits in multiple financial institutions.

NOTE 3 LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Conservancy's financial assets available within one year of the statement of financial position date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position date. Amounts not available include amounts set aside for long-term investing that could be drawn upon if the governing board approves that action.

	2025	2024
Cash and Cash Equivalents	$ 1,396,850	$ 1,307,350
Investments	26,530,972	23,229,604
Accounts Receivable	10,107	126,322
Pledges Receivable, Current	278,616	114,761
Subtotal	28,216,545	24,778,037
Less: Those Unavailable for General Expenditures		
Within One Year, Due to:		
Contractual or Donor-Imposed Restrictions:		
Restricted by Donor With Purpose Restrictions,		
Not Including Endowments	(4,179,195)	(3,932,693)
Pledges Receivable, Current, Restricted to Endowment	(80,000)	-
Pledges Receivable, Current, with Time Restrictions	(20,000)	-
Board Designations:		
Strategic Operating Reserve	(3,200,000)	(3,200,000)
Direct Aid to National Park Service Programs	(1,343,394)	(1,232,139)
NPS Priority Project	(1,848,180)	(200,000)
Wildlife Fund	(278,316)	(135,661)
Arts and Culture Fund	(1,988,268)	(1,955,912)
Designated Aid	(222,470)	-
Counter Donations	(371,629)	-
Subtotal	(9,252,257)	(6,723,712)
Financial Assets Available to Meet Cash Needs		
for General Expenditures With One Year	$ 14,685,093	$ 14,121,632

The board of directors of the Conservancy has designated the establishment and maintenance of a strategic operating reserve account. The operating reserve account is to be utilized in the event of a significant interruption or extended Park closure due to natural or governmental events. The required fund balance is reviewed annually, and the minimum account balance is defined for the subsequent year.

Short-term investments are available to fill unexpected liquidity needs that may arise in addition to general expenditures. The Conservancy typically has significant cash and cash equivalents to meet cash needs for general expenditures.

NOTE 4 INVESTMENTS AND FAIR VALUE MEASUREMENTS

U.S. GAAP establishes 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 and liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

Level 1 – Inputs are unadjusted quoted market prices in active markets for similar for identical assets or liabilities that the Conservancy can access at the measurement date.

Level 2 – Inputs are based on significant observable inputs, including unadjusted quoted market prices for similar assets and liabilities in active markets, unadjusted quoted prices for identical or similar assets or liabilities in markets that are not active, or inputs other than quoted prices that are observable for the asset or liability.

Level 3 – Unobservable inputs for the asset or liability are used to measure fair value to the extent that observable inputs are not available, thereby allowing for situation in which there is little, if any, market activity for the asset or liability at the measurement date.

The level of the fair value hierarchy within which a fair value measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

Fair value of assets measured on a recurring basis as of December 31, 2025 was as follows:

	Level 1	Level 2	Level 3	Assets Not Held at Fair Value	Total
Assets:					
Investments:					
Cash and Cash Equivalents	$ -	$ -	$ -	$ 95,940	$ 95,940
Equity Securities	26,489,578	-	1,238,129	-	27,727,707
Mutual Funds	4,831,919	-	-	-	4,831,919
Real Estate	598,758	-	-	-	598,758
Total Investments	31,920,255	-	1,238,129	95,940	33,254,324
Beneficial Interest in Assets Held at a Community Foundation	-	-	3,304,087	-	3,304,087
Total	$ 31,920,255	$ -	$ 4,542,216	$ 95,940	$ 36,558,411

NOTE 4 INVESTMENTS AND FAIR VALUE MEASUREMENTS (CONTINUED)

Fair value of assets measured on a recurring basis as of December 31, 2024 was as follows:

	Level 1	Level 2	Level 3	Assets Not Held at Fair Value	Total
Assets:					
Investments:					
Cash and Cash Equivalents	$ -	$ -	$ -	$ 279,029	$ 279,029
Equity Securities	21,789,773	-	1,165,028	-	22,954,801
Mutual Funds	4,187,275	-	-	-	4,187,275
Real Estate	1,328,461	-	-	-	1,328,461
Total Investments	27,305,509	-	1,165,028	279,029	28,749,566
Beneficial Interest in Assets Held at a Community Foundation	-	-	3,068,055	-	3,068,055
Total	$ 27,305,509	$ -	$ 4,233,083	$ 279,029	$ 31,817,621

Purchases, sales, transfers in and transfers out of Level 3 investments consist of the following for the years ended December 31:

	2025	2024
Transfers In	$ -	$ 25,000
Transfer Out	119,201	118,798

NOTE 5 BENEFICIAL INTEREST IN ASSETS HELD AT A COMMUNITY FOUNDATION

The Conservancy had received a gift for an endowment which was transferred by the Conservancy to the Arizona Community Foundation. The original corpus is not redeemable by the Conservancy at any time. Distributions from earnings will be made by the Arizona Community Foundation to the Conservancy according to the Arizona Community Foundation's Endowment Spending Policy. The Conservancy's beneficial interest in this endowment being held by the Arizona Community Foundation is $3,304,087 and $3,068,055 as of December 31, 2025 and 2024, respectively.

NOTE 6 ACCOUNTS RECEIVABLE

As of December 31, 2025 and 2024, accounts receivable are $10,107 and $126,322, respectively; no allowance was considered necessary for either year.

NOTE 7 PLEDGES RECEIVABLE

The Conservancy's pledges receivable consisted of the following as of December 31:

	2025	2024
Due Within One Year	$ 278,616	$ 114,761
Due Within Two to Five Years	446,834	121,668
More than Five Years	280,000	-
Total	1,005,450	236,429
Allowance for Doubtful Pledges	(162,200)	(13,500)
Discount to Present Value	(85,512)	-
Total Pledges Receivable, Net	$ 757,738	$ 222,929

As of December 31, 2025, 63% of the Conservancy's pledges were due from three donors. As of December 31, 2024, 78% of the Conservancy's pledges were due from two donors. The allowance for doubtful pledges at December 31, 2025 and 2024 was $162,200 and $13,500, respectively. Pledges receivable include pledges that have been discounted at rates of 3.52% at December 31, 2025.

NOTE 8 FIXED ASSETS

The following table summarizes the fixed assets as of December 31:

	2025	2024
Furniture, Fixtures, and Equipment	$ 684,002	$ 684,002
Mobile Homes	249,389	249,389
Vehicles	410,428	410,428
Website	97,450	97,450
Accounting System	414,847	31,374
Construction in Progress	7,963	143,148
Total	1,864,079	1,615,791
Less: Accumulated Depreciation	(1,306,833)	(1,187,758)
Total Fixed Assets, Net	$ 557,246	$ 428,033

NOTE 9 LEASES

The Conservancy leases equipment for various terms under long-term, noncancelable lease agreements. The leases expire at various dates through 2028.

NOTE 9 LEASES (CONTINUED)

The following tables provides quantitative information concerning the Conservancy's leases.

	2025	2024
Lease Cost:		
Financing Lease Cost:		
Amortization of Right-of-Use Assets	$ 9,950	$ 9,950
Interest on Lease Liabilities	1,058	1,419
Total Lease Cost	$ 11,008	$ 11,369
Other Information:		
Cash Paid for Amounts included in the Measurement of Lease Liabilities:		
Operating Cash Flows from Financing Leases	$ 1,058	$ 1,419
Financing Cash Flows from Financing Leases	$ 9,784	$ 9,427
Weighted-Average Remaining Leases Term - Financing Leases	2.3 years	3.3 years
Weighted-Average Discount Rate - Financing Leases	3.74%	3.74%

A maturity analysis of annual undiscounted cash flows for lease liabilities as of December 31, 2025 is as follows:

Year Ending August 31	Financing Leases
2026	$ 10,921
2027	10,299
2028	3,725
Total Lease Payments	24,945
Less: Imputed Interest	-
Present Value of Lease Liabilities	$ 24,945

NOTE 10 TRANSACTIONS WITH RELATED ENTITIES

The Conservancy received contributions from board members totaling $492,094 and $195,606 for the years ended December 31, 2025 and 2024, respectively. At December 31, 2025 and 2024, amounts due from board members totaling $265,000 and $145,000, respectively, and are included in pledges receivable in the accompanying statements of financial position.

NOTE 11 NET ASSETS WITH DONOR RESTRICTIONS

The Conservancy's net assets with donor restrictions are subject to the following purpose or time restrictions:

	2025	2024
Subject to Expenditure for Specified Purpose:		
Colorado River and Climate Science	$ 1,027,171	$ 1,098,452
Indigenous Affairs	91,812	81,387
Historic Preservation and Infrastructure	641,798	650,631
Ongoing Park Support	2,418,414	2,102,223
Total	4,179,195	3,932,693
Subject to Passage of Time:		
Promises to Give that are Not Restricted by Donors, but Which are Unavailable for Expenditure Until Due	157,364	-
Total	157,364	-
Endowments:		
Subject to Endowment Spending Policy and Appropriation:		
Earnings on Endowment Funds	2,420,984	1,825,478
Original Donor-Restricted Gift Amount and Amounts Required to be Maintained in Perpetuity		
Colorado River and Climate Science	251,000	200,000
Indigenous Affairs	81,728	-
Historic Preservation and Infrastructure	6,250	-
Ongoing Park Support	3,621,956	3,197,556
Total Endowments	6,381,918	5,223,034
Not Subject to Spending Policy or Appropriation:		
Endowment Contribution to be Invested	59,721	27,520
Pledged to Endowment	532,912	100,000
Beneficial Interest in Assets Held at a Community Foundation	3,304,087	3,068,055
Total	3,896,720	3,195,575
Total Net Assets With Donor Restrictions	$ 14,615,197	$ 12,351,302

The Conservancy has several projects that include donations with restrictions. Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by the occurrence of the passage of time or other events specified by donors. Any unused restricted funds at year-end are included in net assets with donor restrictions. Donor restricted funds are raised specifically for four Park Management Priorities that include:

Colorado River and Climate Science – This priority supports programs that help understand and prepare for the impacts of a changing climate on Grand Canyon ecosystems, visitors, and connected communities. Program examples include Canyon springs and water monitoring, Invasive fish monitoring, Pikeminnow introduction and Landscape ecology and wildfire.

NOTE 11 NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

Indigenous Affairs – Through consultation and engagement with the associated Tribes, this priority drives Tribal stewardship, economic development, interpretation, and cultural resource management. Program examples include the Tribal co-stewardship project, Tribal Welcome Center, Tribal interpretation (story-mapping) and Cultural Demonstration Program.

Historic Preservation and Infrastructure – This priority supports programs that redevelop, renovate and protect Grand Canyon's historic structures and leverage these unique resources for increased visitor engagement and new revenue streams. Program examples include the Desert View Watchtower renovation, the New Art Venue & Exhibit Space, Kolb Studio preservation and Grand Canyon Powerhouse.

Ongoing Park Support – This priority includes existing programs and projects that the Conservancy has provided continuous support, are well established, and have committed resourcing from the National Park Service. Program examples include Search and Rescue Program support, Dark Skies program, Wildlife-resistant water filling stations and Trail crews and Trail restoration.

NOTE 12 INVESTMENTS HELD FOR ENDOWMENT PURPOSES

Endowment Description: Endowments have been established for the purposes of trail maintenance, science and resource management projects benefiting Grand Canyon National Park. The Conservancy's endowments are classified as net assets with donor restrictions based on donor-imposed restrictions on the corpus or earnings of each fund. Investment income is designated as donor-restricted for expenditure by the Conservancy's management in accordance with donors' wishes and relevant laws as described below. Net assets with donor restrictions are released from restrictions and reclassified as net assets without donor restrictions when those funds are appropriated for expenditure for their donor-restricted purpose.

Interpretation of Relevant Law: The Conservancy's endowment funds are subject to compliance with the state of Arizona's version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA), which provides standards for managing investments of institutional funds and spending from endowments. The Conservancy's Board of Directors has interpreted UPMIFA as requiring the classification of the original value of gifts donated to permanent donor-restricted endowments, and the original value of subsequent gifts to those permanent endowments as net assets with donor restrictions.

Return Objectives and Risk Parameters: The Conservancy's endowment funds are invested with U.S. Bank in order to achieve return objectives and to maintain appropriate risk parameters approved by the Conservancy's Board of Directors.

NOTE 12 INVESTMENTS HELD FOR ENDOWMENT PURPOSES (CONTINUED)

Strategies Employed for Achieving Objectives: The Conservancy's Board of Directors has appointed a finance committee to oversee the management of the Conservancy's endowments. The finance committee meets with management periodically to review asset allocations, manager and investment entity performance, anticipated additions to or transfers of funds, and future investment strategies.

Spending Policy: The distributions are classified as net assets with donor restrictions until allocated for expenditure for the purpose that the endowment was established.

Fund 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 or UPMIFA requires the Conservancy to retain as a fund of perpetual duration. There are no fund deficiencies as of December 31, 2025 and 2024.

Activity of the endowment funds for 2025 are as follows:

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
Endowments - Beginning of Year	$ 296,928	$ 5,223,034	$ 5,519,962
Contributions	-	531,178	531,178
Investment Income	44,506	809,818	854,324
Appropriations	-	(182,112)	(182,112)
Endowments - End of Year	$ 341,434	$ 6,381,918	$ 6,723,352

Activity of the endowment funds for 2024 are as follows:

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
Endowments - Beginning of Year	$ -	$ 4,429,333	$ 4,429,333
Contributions	300,000	267,664	567,664
Investment Income	(3,072)	526,037	522,965
Endowments - End of Year	$ 296,928	$ 5,223,034	$ 5,519,962

NOTE 13 IN-KIND CONTRIBUTIONS

The Conservancy received $346,223 and $518,820 of donated marketing, advertising, and promotion for the years ended December 31, 2025 and 2024, respectively. Marketing, advertising and promotion is used to help the Conservancy communicate its mission and includes educational, informational, program and fundraising materials. The Conservancy received $40,009 and $-0- of donated legal services for the year ended December 21, 2025 and 2024, respectively. The Conservancy estimates the fair value of the donated marketing, advertising, and promotion and legal services based on the current market rate for similar items in the Conservancy's market.

NOTE 14 REVENUE CONCENTRATIONS

No single donor contributed more than 10% of contribution revenue for the year ended December 31, 2025. Contributions $1,282,792 were received from a single donor for the years ended December 31, 2024, which represents 29% of contribution revenue for the year ended December 31, 2024. Should these contribution levels decrease, the Conservancy may be adversely affected.

NOTE 15 RETIREMENT PLAN

The Conservancy has a defined contribution retirement plan (the Plan) in which employees may participate. Prior to September 2025, participation required a minimum of 1,000 hours worked in a given year. As per the Plan amendment adopted in 2025, employees are eligible to participate in the Plan on the first day of the month following date of hire or any time thereafter while employed. The Conservancy makes a safe harbor matching contribution to the Plan up to the maximum amount allowed by the Internal Revenue Service (IRS) at the discretion of the Conservancy's Board of Directors. Employees are immediately 100% vested into the employer-contributions portion of the Plan. During the years ended December 31, 2025 and 2024, the Conservancy incurred Plan expenses of $123,262 and $96,395, respectively. Employees may make contributions up to the maximum amount allowed by the Internal Revenue Code.

NOTE 16 LINE OF CREDIT

The Conservancy has a line of credit with a financial institution totaling $1,500,000. The line of credit bears interest at prime plus 0.5%, and not less than 7.0% (7.25% at December 31, 2025). The line expires on December 2, 2026. There were no outstanding balances on this line as of December 31, 2025 or 2024.