# GLOBAL WARMING MITIGATION PROJECT
# FINANCIAL STATEMENTS
# DECEMBER 31, 2025

Schultz & Associates PLC

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Schultz & Associates PLC

# INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Global Warming Mitigation Project
Aspen, Colorado

## Opinion

We have audited the accompanying financial statements of Global Warming Mitigation Project (the Organization), which comprise the statement of financial position as of December 31, 2025, and the related statements of activities, functional expenses and cash flows for the year 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 Global Warming Mitigation Project as of December 31, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization. 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 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 the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally



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accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, 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 generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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 Organization'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 Organization'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.

Schultz & Associates, PLC

Certified Public Accountants

Canton, Michigan

October 7, 2026

# GLOBAL WARMING MITIGATION PROJECT
# STATEMENT OF FINANCIAL POSITION
## DECEMBER 31, 2025

| | | |
|---|---|---|
| **ASSETS** | | |
| Current Assets | | |
| Cash and cash equivalents | $ 816,348 | |
| Total Current Assets | | $ 816,348 |
| Other Assets | | |
| Investments | 479,059 | |
| Total Other Assets | | 479,059 |
| **TOTAL ASSETS** | | $ 1,295,407 |
| **LIABILITIES AND NET ASSETS** | | |
| Current Liabilities | | |
| Accounts payable | $ 13,415 | |
| Total Current Liabilities | | $ 13,415 |
| Net Assets | | |
| With donor restriction | 430,000 | |
| Without donor restriction | 851,992 | |
| Total Net Assets | | 1,281,992 |
| **TOTAL LIABILITIES AND NET ASSETS** | | $ 1,295,407 |

**See Accompanying Independent Auditor's Report**
**See Accompanying Notes to Financial Statements**

# GLOBAL WARMING MITIGATION PROJECT
# STATEMENT OF ACTIVITIES
# FOR THE YEAR ENDED DECEMBER 31, 2025

| | Without Donor Restriction | With Donor Restriction | Total |
|---|---|---|---|
| **REVENUE AND SUPPORT** | | | |
| Contributions and grants | $ 1,599,175 | $ 500,000 | $ 2,099,175 |
| Sponsorship | 25,000 | - | 25,000 |
| Contributions in-kind | 6,184 | - | 6,184 |
| Realized loss on investments | (4,447) | - | (4,447) |
| Unrealized gain on investments | 6,188 | - | 6,188 |
| Investment income, net of expenses | 8,505 | - | 8,505 |
| | 1,640,605 | 500,000 | 2,140,605 |
| Net assets released from restrictions | 70,000 | (70,000) | - |
| **TOTAL REVENUE AND SUPPORT** | 1,710,605 | 430,000 | 2,140,605 |
| **EXPENSES** | | | |
| Program services | 882,548 | - | 882,548 |
| Management and general | 836,001 | - | 836,001 |
| Fundraising | 4,188 | - | 4,188 |
| **TOTAL EXPENSES** | 1,722,737 | - | 1,722,737 |
| **CHANGE IN NET ASSETS** | (12,132) | 430,000 | 417,868 |
| **NET ASSETS, beginning of year** | 864,124 | - | 864,124 |
| **NET ASSETS, end of year** | $ 851,992 | $ 430,000 | $ 1,281,992 |

**See Accompanying Independent Auditor's Report**
**See Accompanying Notes to Financial Statements**

# GLOBAL WARMING MITIGATION PROJECT
# STATEMENT OF FUNCTIONAL EXPENSES
# FOR THE YEAR ENDED DECEMBER 31, 2025

| | Program Expenses | | | |
|---|---|---|---|---|
| | KCP | Constellations Fellowship | CIC/CAP | Program Total |
| Salaries and wages | $ - | $ - | $ - | $ - |
| Payroll taxes | - | - | - | - |
| Benefits | - | - | - | - |
| Advertising | - | - | - | - |
| Contract Services | - | - | 75,012 | 75,012 |
| Dues and subscriptions | - | - | - | - |
| Events | 34,322 | - | - | 34,322 |
| Insurance | - | - | - | - |
| Interest | - | - | - | - |
| Intern stipends | | 150,595 | - | 150,595 |
| Professional fees | 26,734 | - | 1,085 | 27,819 |
| Networking | 1,860 | - | 1,933 | 3,793 |
| Office expenses | 7,435 | 827 | 55 | 8,316 |
| Program award | 508,325 | - | - | 508,325 |
| Research analysts | 74,366 | - | - | 74,366 |
| Fundraising expenses | - | - | - | - |
| Total Functional Expenses | $ 653,042 | $ 151,422 | $ 78,085 | $ 882,548 |

**See Accompanying Independent Auditor's Report**
**See Accompanying Notes to Financial Statements**

# GLOBAL WARMING MITIGATION PROJECT
# STATEMENT OF FUNCTIONAL EXPENSES
# FOR THE YEAR ENDED DECEMBER 31, 2025

| | Supporting Services | | | |
|---|---|---|---|---|
| | Management and General | Fundraising | Supporting Total | Totals |
| Salaries and wages | $ 577,756 | $ - | $ 577,756 | $ 577,756 |
| Payroll taxes | 45,934 | - | 45,934 | 45,934 |
| Benefits | 43,686 | - | 43,686 | 43,686 |
| Advertising | 34,830 | - | 34,830 | 34,830 |
| Contract Services | 36,928 | - | 36,928 | 111,940 |
| Dues and subscriptions | 14,013 | - | 14,013 | 14,013 |
| Events | 4,447 | - | 4,447 | 38,769 |
| Insurance | 3,110 | - | 3,110 | 3,110 |
| Interest | 1,093 | - | 1,093 | 1,093 |
| Intern stipends | - | - | - | 150,595 |
| Professional fees | 10,230 | - | 10,230 | 38,049 |
| Networking | 38,919 | - | 38,919 | 42,712 |
| Office expenses | 25,055 | - | 25,055 | 33,371 |
| Program award | - | - | - | 508,325 |
| Research analysts | - | - | - | 74,366 |
| Fundraising expenses | - | 4,188 | 4,188 | 4,188 |
| Total Functional Expenses | $ 836,001 | $ 4,188 | $ 840,189 | $ 1,722,737 |

**See Accompanying Independent Auditor's Report**
**See Accompanying Notes to Financial Statements**

# GLOBAL WARMING MITIGATION PROJECT
# STATEMENT OF CASH FLOWS
# FOR THE YEAR ENDED DECEMBER 31, 2025

| | | |
|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| Change in net assets | | $ 417,868 |
| Gain on investments | $ (1,741) | |
| Reinvested interest and dividends | (63) | |
| Donated securities | (437,200) | |
| Adjustments to reconcile change in net assets to net cash provided by operating activities: | | |
| Decrease in related party receivable | 150 | |
| Decrease in prepaid expenses | 625 | |
| Increase in accounts payable | 13,272 | |
| | | (424,957) |
| **NET CASH USED BY OPERATING ACTIVITIES** | | (7,089) |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | |
| **NET CASH USED BY INVESTING ACTIVITIES** | | - |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | |
| **NET CASH USED BY FINANCING ACTIVITIES** | | - |
| **NET DECREASE IN CASH AND CASH EQUIVALENTS** | | (7,089) |
| **CASH AND CASH EQUIVALENTS, beginning of year** | | 823,437 |
| **CASH AND CASH EQUIVALENTS, end of year** | | $ 816,348 |
| **SUPPLEMENTAL DISCLOSURES** | | |
| Cash paid for interest | | $ 1,093 |
| In-kind contributions received | | $ 6,184 |
| Income taxes paid | | $ - |

**See Accompanying Independent Auditor's Report**
**See Accompanying Notes to Financial Statements**

# GLOBAL WARMING MITIGATION PROJECT
# NOTES TO FINANCIAL STATEMENTS
# DECEMBER 31, 2025

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Nature of Operations

The Global Warming Mitigation Project (GWMP) (the "Organization") is a 501(c)3 not-for-profit organization that accelerates projects and programs that reduce, remove, and replace greenhouse gas emissions worldwide by providing the capital, resources, and visibility needed to scale.

GWMP envisions a world in which all ecosystems are stabilized by restoring natural balance to carbon cycles. Our community of nearly 2,000 nonprofits and for-profit climate action organizations are paving the way to a livable future with high- and low-technology, nature-based solutions, and social and financial mechanisms. By supporting land, oceans, and atmosphere emission reductions, GWMP and its network of allies aim to achieve a multiplier effect on climate change.

### Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

### Basis of Presentation

The financial statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958 dated August 2016, and the provisions of the American Institute of Certified Public Accountants (AICPA) "Audit and Accounting Guide for Not-for-Profit Organizations" (the "Guide"). (ASC) 958-205 was effective January 1, 2018. Under the provisions of the Guide, net assets and revenues, and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified as follows:

*Net Assets without Donor Restriction* – net assets that are not subject to "donor-imposed" time or purpose restrictions.

*Net Assets with Donor Restriction* – consist of purpose or time-restricted contributions and net assets subject to "donor-imposed" restrictions that may be maintained in perpetuity. When a purpose or time restriction ends, net assets with donor restriction are reclassified to net assets without donor restriction and reported in the statement of activities as net assets released from restriction.

Earnings, gains, and losses on restricted net assets are classified as without donor restriction unless specifically restricted by the donor or by applicable state law.

### Liquidity

Assets are presented in the accompanying statement of financial position according to their nearness of conversion to cash and liabilities according to the nearness of their maturity and resulting use of cash.

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

**Revenue and Cost Recognition**
The Organization follows ASC Topic 985-605, Revenue Recognition. In accordance with ASC 985-605, unconditional contributions are recognized when pledged and recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Gifts of cash and other assets are reported with donor restricted support if they are received with donor stipulations that limit the use of the donated assets. Donations of property and equipment are recorded as noncash contributions at their estimated fair value at the date of donation. Contributions restricted for the acquisition of land, buildings, and equipment are reported as net assets without donor restriction upon acquisition of the assets and the assets are placed in service.

***Donated services and in-kind contributions***
Contributed non-financial assets include donated venues, travel expenses, accommodation and other in-kind contributions which are recorded at the respective fair values of the goods or services received. We do not sell donated gifts-in-kind. In addition to contributed nonfinancial assets, professional services are also donated on occasion.

***Contributions***
Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized.

All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

***Revenue disaggregation***
In accordance with current accounting standards the Organization disaggregates revenue from contracts into major revenue streams as presented on the statements of activities. Revenue is recognized over the performance obligation period applicable to each revenue stream.

**Measure of Operations**
The statements of activities report all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to the Organization program expenses. Nonoperating activities are limited to resources that generate return from investments and other activities considered to be of a more unusual or nonrecurring nature.

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

### Cash and Cash Equivalents

Cash and cash equivalents are defined as cash on hand and demand deposits in banks plus short-term investments that are readily convertible to cash as well as investments with original maturities of three months or less.

### Investments

Investments are stated at fair value based upon quoted market prices. Investment transactions are accounted for on the trade date (date the order to buy or sell is executed). Gifts of securities are recorded at their fair value based on quoted price of stock transactions at the date of the gift. Any gains or losses on the sale of a security is determined using the cost basis of the security sold. Income from investments, including realized and unrealized gains and losses are allocated among net assets with donor restrictions and without donor restrictions based on donor restrictions or the absence thereof. Investment return or loss is presented net of external investment expenses.

The Organization invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of financial position and the statement of activities.

### Concentration of Credit Risk

Financial instruments which potentially subject the Organization to credit risk consists of cash, cash equivalents and promises to give. The Organization places its cash with high credit qualified institutions. At times the amount of cash and cash equivalents may be in excess of the respective institutions' insurance limits. The Organization has not experienced any losses in such accounts, and management believes the Organization is not exposed to any unusual credit risk on cash and cash equivalents.

### Advertising Costs

Advertising and promotion costs are expensed as incurred. Advertising costs for the year ended December 31, 2025, were $34,830.

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

**Functional Expenses**

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Such allocations are determined by management on an equitable basis.

**Date of Management's Review**

Management has evaluated subsequent events through October 7, 2026, the date on which the financial statements were available to be issued.

## NOTE 2 – TAX STATUS

The Internal Revenue Service has determined that the Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. It is also exempt from state income tax; however, any unrelated business income may be subject to taxation. Accounting for uncertain tax positions, relating to both federal and state income taxes, is required when a more likely than not threshold is attained. If such positions result in uncertainties, then the unrecognized tax liability is estimated based on a cumulative probability assessment that aggregates the estimated tax liability for all uncertain tax positions. With the adoption of these new rules, the Organization assessed its tax positions in accordance with the guidance.

The Organization has determined that its tax status as a nonprofit organization is its only tax position and is highly certain. Therefore, no provision has been included for federal or state taxes in the accompanying financial statements. As of December 31, 2025, the organization's tax returns remain open for the last four years.

## NOTE 3 - INVESTMENTS

The Organization holds investments in Equities that were transferred to them during the year. The fair values of investments are estimated based on quoted market prices for those investments.

At December 31, 2025, investments consist of the following:

| | Fair Value | Cost Basis |
|---|---|---|
| Cash | $ 302,755 | $ 302,755 |
| Equities | 176,304 | 170,115 |
| Total | $ 479,059 | $ 472,870 |

## NOTE 4 - FAIR VALUE MEASUREMENTS

The Financial Accounting Standards Board (FASB) issued the Statement on Financial Accounting Standards No. 157, "Fair Value Measurements" (FAS 157). This standard establishes a framework for measuring fair value and expands disclosures regarding the use of fair value measurements. Under this standard, fair value is a market-based measurement that should be determined based on the assumptions that market participants would use in pricing an asset or liability.

Various inputs are used in determining the value of the Organization's investments. These inputs are summarized into three levels:

**Level (1):** Inputs to the valuation methodology are quoted prices for identical assets in active markets.

**Level (2):** Inputs to the valuation methodology include quoted prices for similar assets in active markets, and inputs that are observable for the set, either directly or indirectly.

**Level (3):** Inputs to the valuation methodology are unobservable and significant to the fair value measurement (including the Organization's own assumptions in determining the fair value of investments).

Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The following table summarizes the Organization's investments, based on the inputs used to determine their values as of December 31, 2025:

| Valuation Inputs | Investments in Securities December 31, 2025 |
|---|---|
| Level 1 - quoted prices | $ 479,059 |
| Level 2 - significant other observable inputs | - |
| Level 3 - significant unobservable inputs | - |
| Total | $ 479,059 |

## NOTE 5 – NET ASSETS WITH DONOR RESTRICTION

Net assets with donor restrictions as of December 31, 2025, consisted of the following:

| Asset | Balance at January 1, 2025 | Additions | Releases | Balance at December 31, 2025 |
|---|---|---|---|---|
| Methane Prize | $ - | $ 430,000 | $ - | $ 430,000 |
| Constellations Fellowship | - | 70,000 | 70,000 | - |
| Total | $ - | $ 500,000 | $ 70,000 | $ 430,000 |

## NOTE 6 – COMMITMENTS AND CONTINGENCIES

Financial assistance from various awarding agencies is subject to special audit. Such audits could result in claims against the Organization for disallowed cots or noncompliance with grantor restrictions. Management is not aware of any disallowable costs of instances of noncompliance with grantor restrictions. Consequently, no provision has been made for liabilities, if any, that may arise from such audits.

## NOTE 7 – RELATED PARTY TRANSACTIONS

Support received from related parties for the year ended December 31, 2025 was as follows:

| | |
|---|---|
| Contributions from Directors and affiliates | $ 873,000 |
| Total | $ 873,000 |

## NOTE 8 – CONTRIBUTIONS IN-KIND

For the year ended December 31, 2025, contributed non-financial assets recognized. within the statement of activities included the following:

| | |
|---|---|
| Conference Lodging | $ 2,684 |
| Consulting | 3,500 |
| Total | $ 6,184 |

## NOTE 9 – LIQUIDITY

The Organization is partially supported by restricted contributions. Donor's restrictions require resources to be used for a particular purpose. As a result of these restrictions, the Organization must maintain sufficient resources to meet those responsibilities. Thus, some financial assets may not be available for general expenditure. As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Organization's financial assets available within one year of the balance sheet date for general expenditure are as follows:

| | | |
|---|---|---|
| Cash and cash equivalents | $ | 816,348 |
| Total Financial Assets | | 816,348 |
| Less: Donor restricted assets | | (430,000) |
| Financial assets available to meet cash needs for general expenses within one year | $ | 386,348 |