

Greenpeace Fund, Inc.

Financial Statements

December 31, 2017 and 2016

Greenpeace Fund, Inc.

Financial Statements
December 31, 2017 and 2016

Contents

Independent Auditors' Report	1-2
<i>Financial Statements</i>	
Statements of Financial Position	3
Statements of Activities	4-5
Statements of Cash Flows	6
Notes to Financial Statements	7-19
<i>Supplementary Information</i>	
Schedules of Program Grants	20
Schedules of Pass-Through Grants	21
Schedules of Functional Expenses	22-23

Independent Auditors' Report

Board of Directors
Greenpeace Fund, Inc.
Washington, DC

Report on the Financial Statements

We have audited the accompanying financial statements of Greenpeace Fund, Inc. (the Organization), which comprise the statements of financial position as of December 31, 2017 and 2016, and the related statements of activities and cash flows for the years then ended, and the related notes to financial statements.

Management's Responsibility 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Board of Directors
Greenpeace Fund, Inc.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2017 and 2016, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary schedules of program grants, pass-through grants, and functional expenses are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



CliftonLarsonAllen LLP

Arlington, Virginia
June 25, 2018

Greenpeace Fund, Inc.

Statements of Financial Position December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Assets		
Cash and cash equivalents	\$ 5,361,188	\$ 4,275,884
Contributions and grants receivable	2,176,664	3,267,871
Investments	8,381,917	7,174,938
Prepaid expenses	2,912	2,913
Note receivable from Stichting Greenpeace Council	-	362,418
Revolving credit note receivable – Greenpeace, Inc.	-	2,035,228
	<hr/>	<hr/>
Total assets	<u>\$ 15,922,681</u>	<u>\$ 17,119,252</u>
Liabilities and Net Assets		
Liabilities		
Gift annuities payable	\$ 863,611	\$ 985,534
Due to Greenpeace, Inc.	529,104	1,922,607
Grants payable to Stichting Greenpeace Council	967,876	2,327,446
Grants payable to other Greenpeace affiliates	885,000	926,000
	<hr/>	<hr/>
Total liabilities	<u>3,245,591</u>	<u>6,161,587</u>
Net Assets		
Unrestricted	10,380,426	7,529,794
Temporarily restricted	2,296,664	3,427,871
	<hr/>	<hr/>
Total net assets	<u>12,677,090</u>	<u>10,957,665</u>
	<hr/>	<hr/>
Total liabilities and net assets	<u>\$ 15,922,681</u>	<u>\$ 17,119,252</u>

See accompanying notes.

Greenpeace Fund, Inc.

Statement of Activities For the Year Ended December 31, 2017

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Revenue and Support			
Contributions and grants	\$ 14,629,920	\$ 5,280,064	\$ 19,909,984
Investment income	894,040	-	894,040
Change in Value of Split- Interest Agreements	11,972	-	11,972
Net assets released from restrictions	6,411,271	(6,411,271)	-
	<u>21,947,203</u>	<u>(1,131,207)</u>	<u>20,815,996</u>
Total revenue and support			
Expenses			
Program services:			
Grants to Stichting Greenpeace Council	8,066,656	-	8,066,656
Grants to Greenpeace, Inc.	7,920,000	-	7,920,000
Other programs	14,473	-	14,473
	<u>16,001,129</u>	<u>-</u>	<u>16,001,129</u>
Total program services			
Supporting services:			
Fundraising	2,119,179	-	2,119,179
Management and general	976,263	-	976,263
	<u>3,095,442</u>	<u>-</u>	<u>3,095,442</u>
Total supporting services			
Total expenses	<u>19,096,571</u>	<u>-</u>	<u>19,096,571</u>
Change in Net Assets	2,850,632	(1,131,207)	1,719,425
Net Assets, beginning of year	<u>7,529,794</u>	<u>3,427,871</u>	<u>10,957,665</u>
Net Assets, end of year	<u>\$ 10,380,426</u>	<u>\$ 2,296,664</u>	<u>\$ 12,677,090</u>

See accompanying notes.

Greenpeace Fund, Inc.

Statement of Activities For the Year Ended December 31, 2016

	Unrestricted	Temporarily Restricted	Total
Revenue and Support			
Contributions and grants	\$ 13,280,584	\$ 6,225,450	\$ 19,506,034
Investment income	364,924	-	364,924
Change in Value of Split- Interest Agreements	(69,179)	-	(69,179)
Net assets released from restrictions	4,058,829	(4,058,829)	-
Total revenue and support	<u>17,635,158</u>	<u>2,166,621</u>	<u>19,801,779</u>
Expenses			
Program services:			
Grants to Stichting Greenpeace Council	6,189,750	-	6,189,750
Grants to Greenpeace, Inc.	9,650,000	-	9,650,000
Total program services	<u>15,839,750</u>	<u>-</u>	<u>15,839,750</u>
Supporting services:			
Fundraising	2,103,716	-	2,103,716
Management and general	1,022,499	-	1,022,499
Total supporting services	<u>3,126,215</u>	<u>-</u>	<u>3,126,215</u>
Total expenses	<u>18,965,965</u>	<u>-</u>	<u>18,965,965</u>
Change in Net Assets	(1,330,807)	2,166,621	835,814
Net Assets , beginning of year	<u>8,860,601</u>	<u>1,261,250</u>	<u>10,121,851</u>
Net Assets , end of year	<u>\$ 7,529,794</u>	<u>\$ 3,427,871</u>	<u>\$ 10,957,665</u>

See accompanying notes.

Greenpeace Fund, Inc.

Statements of Cash Flows
For the Years Ended December 31, 2017 and 2016

	2017	2016
Cash Flows from Operating Activities		
Change in net assets	\$ 1,719,425	\$ 835,814
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Net investment realized and unrealized gains	(744,490)	(160,925)
Donated securities	(475,285)	(614,848)
Change in value of Split-Interest Agreements	(11,972)	69,179
Change in operating assets and liabilities:		
(Increase) decrease in:		
Contributions and grants receivable	1,091,208	(2,026,620)
Increase (decrease) in:		
Accounts payable and accrued expenses	-	(20,051)
Gift annuities payable	(109,951)	(106,674)
Due to Greenpeace, Inc.	(1,393,503)	1,159,132
Grants payable to Stichting Greenpeace Council	(1,359,570)	(749,009)
Grants payable to other Greenpeace affiliates	(41,000)	(233,000)
	(1,325,138)	(1,847,002)
Net cash used in operating activities		
Cash Flows from Investing Activities		
Proceeds from Maturities and Sales of Investments	3,554,335	8,048,123
Purchases of investments	(3,541,539)	(7,984,209)
Repayments of note from Stichting Greenpeace Council	372,189	300,000
Accumulated interest added to note from Stichting Greenpeace Council	(9,771)	(18,968)
Proceeds from repayments on revolving credit note receivable – Greenpeace, Inc.	2,535,228	2,464,772
Advances issued under revolving credit note receivable – Greenpeace, Inc.	(500,000)	(4,500,000)
	2,410,442	(1,690,282)
Net cash provided by (used in) investing activities		
Net Increase (Decrease) in Cash and Cash Equivalents	1,085,304	(3,537,284)
Cash and Cash Equivalents, beginning of year	4,275,884	7,813,168
Cash and Cash Equivalents, end of year	\$ 5,361,188	\$ 4,275,884

See accompanying notes.

Greenpeace Fund, Inc.

Notes to Financial Statements
December 31, 2017 and 2016

1. Nature of Operations

Greenpeace Fund, Inc. (the Organization) is a nonprofit corporation whose activities are directed primarily at protecting and preserving the environment. Activities are executed mainly through the consideration and funding of grants to other organizations. The Organization's primary sources of revenues are contributions from individuals and grants from organizational donors.

2. Summary of Significant Accounting Policies

Basis of Accounting and Presentation

The Organization's financial statements are prepared on the accrual basis of accounting and are in accordance with accounting principles generally accepted in the United States of America for nonprofit organizations. Net assets are reported based on the presence or absence of donor-imposed restrictions as follows:

- *Unrestricted net assets* represent funds that are not subject to donor-imposed stipulations and are available for support of the Organization's operations.
- *Temporarily restricted net assets* represent funds that are subject to donor-imposed restrictions that are met through specific actions of the Organization or through the passage of time.
- *Permanently restricted net assets* represent funds subject to donor imposed stipulations that they be maintained permanently by the Organization. Generally, the donors of these assets permit the institution to use all or part of the income earned on related investments for general or specific purposes. The Organization did not have permanently restricted net assets at December 31, 2017 and 2016.

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 amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Cash Equivalents

The Organization considers as cash equivalents demand deposits and all highly liquid investments, which can be converted into known amounts of cash and have a maturity period of 90 days or less at the time of purchase. However, cash and cash equivalents such as Money Market Funds, held in the Organization's investment portfolio are included as a component of investments.

Greenpeace Fund, Inc.

Notes to Financial Statements
December 31, 2017 and 2016

2. Summary of Significant Accounting Policies (continued)

Investments

Investments are recorded at fair value. All unrealized gains and losses, realized gains and losses, and interest income, net of investment management fees are included in investment income in the accompanying statement of activities. Donated investments are recorded at their fair value on the date of receipt.

Notes Receivable

Notes receivable due from affiliates, are accounted for at cost plus accrued interest which generally approximates fair value. While these receivables are carried at amounts that approximate fair value under the fair value option in accordance with accounting principles generally accepted in the United States of America, they are not included in the Organization's fair value hierarchy in Note 6. Had these receivables been included in the Organization's fair value hierarchy, all would have been classified as level 2, as of December 31, 2017 and 2016,

Grants Payable

Grant commitments are charged to operations at the time the grants are approved by board of directors. Grants that are payable and considered long term are recorded at their net present value. At December 31, 2017 and 2016, all grants payable are current and expected to be paid within one year.

Gift Annuities

Annuity obligations arising from split-interest gifts are recognized as charity gift annuity liabilities. The excess of annuity gifts over the estimated annuities to be paid by the Organization over the beneficiary's lifetime is recognized as contribution revenue when received and is included in unrestricted net assets in the accompanying financial statements. The initial liabilities resulting from these gifts are measured at fair value using the present value of the future payments to be made to beneficiaries, and subsequent actuarial revaluations of gift annuity obligations are being reported as Changes in Split-Interest Agreements in the statement of activities. Investment earnings on assets held under charitable gift annuities are recorded as investment income.

Greenpeace Fund, Inc.

Notes to Financial Statements
December 31, 2017 and 2016

2. Summary of Significant Accounting Policies (continued)

Revenue Recognition

Contributions, including unconditional promises to give, are recognized at fair value in the period received or pledged, whichever is earlier. All grants and contributions are considered to be available for unrestricted use unless specifically restricted by the donor. The Organization reports grants and contributions as temporarily restricted support if they are received with donor or grantor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Contributions pledged through wills and estates are recorded as contributions at the time of notification from the estate at the anticipated amount to be received and are reported as additions to temporarily restricted net assets; however, they are reclassified to unrestricted net assets at the time of receipt. Such amounts are generally collected within one year and thus are not discounted to present value.

Functional Allocation of Expenses

The costs of the Organization's programs and other activities have been summarized on a functional basis in the accompanying statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Agency Transactions

The Organization acts as an agent for certain grants. The accompanying supplementary schedule presents pass-through grants received by the Organization that were designated to various third party beneficiaries. The Organization does not have variance power over the funds and does not have a controlling financial interest in any of the beneficiaries. Accordingly, these funds are recorded as liabilities until disbursed. At December 31, 2017 and 2016, \$885,000 and \$926,000, respectively, were recorded as pass through liabilities within the statements of financial position.

Greenpeace Fund, Inc.

Notes to Financial Statements
December 31, 2017 and 2016

2. Summary of Significant Accounting Policies (continued)

Subsequent Events

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through June 25, 2018, the date the financial statements were available to be issued.

3. Concentrations

Credit Risk

Financial instruments that potentially subject the Organization to significant concentrations of credit risk consist of cash and cash equivalents and investments. The Organization maintains cash deposit and transaction accounts, along with investments, with various financial institutions and these values, from time to time, exceed insurable limits under the Federal Depository Insurance Corporation (FDIC) and Securities Investor Protection Corporation (SIPC). The Organization has not experienced any credit losses on its cash and cash equivalents and investments to date as it relates to FDIC and SIPC insurance limits. Management periodically assesses the financial condition of these financial institutions and believes that the risk of any credit loss is minimal.

Market Risk

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 those changes could materially affect the amounts reported in the statements of financial position and activities.

4. Contributions and Grants Receivable

Contributions and grants receivable consist of the following at December 31:

	<u>2017</u>	<u>2016</u>
Estates and wills, net	\$ 470,666	\$ 2,776,227
Grants	<u>1,705,998</u>	<u>491,644</u>
Total contributions and grants receivable	<u>\$ 2,176,664</u>	<u>\$ 3,267,871</u>

Greenpeace Fund, Inc.

Notes to Financial Statements
December 31, 2017 and 2016

4. Contributions and Grants Receivable (Continued)

These amounts are recorded at net realizable value. The Organization provides an allowance for bad debts using the allowance method, which is based on management's judgment considering historical information. Accounts are individually analyzed for collectability, and will be reserved based on individual evaluation and specific circumstances. When all collection efforts have been exhausted, the accounts are written-off against the related allowance. At December 31, 2017 and 2016, amounts are deemed to be fully collectible. No discount has been calculated for 2017 or 2016 as most significant receivables are due within one year at December 31, 2017 and 2016.

In addition to the estimate of the allowance for doubtful accounts, management periodically evaluates the values of the estates and wills receivables and adjusts accordingly. During the years ended December 31, 2017 and 2016, no amounts were written-down from the estates and wills balance and are included as a decrease to contributions in the accompanying statement of activities.

5. Investments

Investments are recorded at fair market value and are comprised of the following at December 31, 2017 and 2016:

	2017	2016
Cash and cash equivalents	\$ 613,151	\$ 1,014,876
Certificates of deposit	127,658	134,669
Mutual and exchange traded funds:		
Domestic equities	674,355	751,602
International equities	339,917	203,260
Government bonds fixed income	810,814	728,581
Intermediate-term fixed income	196,829	211,663
Other short-term fixed income	88,488	89,760
Equities:		
Domestic	2,003,782	1,418,061
International	625,079	470,500
Fixed income:		
Government Bonds	1,770,950	1,151,863
Corporate Bonds	1,130,894	930,103
Land available for sale	-	70,000
	<u>\$ 8,381,917</u>	<u>\$ 7,174,938</u>

Greenpeace Fund, Inc.

Notes to Financial Statements
December 31, 2017 and 2016

5. Investments (Continued)

Investment income consists of the following for the years ended December 31:

	<u>2017</u>	<u>2016</u>
Interest and dividends, net of investment fees of \$41,298 and \$34,075	\$ 113,364	\$ 96,143
Interest on note receivable and revolving credit receivable	36,185	107,856
Net realized and unrealized losses	<u>744,491</u>	<u>160,925</u>
Total investment income	<u>\$ 894,040</u>	<u>\$ 364,924</u>

6. Fair Value Measurements

A fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value is established by accounting principles generally accepted in the United States of America. 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 accounting principles generally accepted in the United States of America are described below:

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

Level 2 Inputs to the 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 derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

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

Greenpeace Fund, Inc.

Notes to Financial Statements
December 31, 2017 and 2016

6. Fair Value Measurements (continued)

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.

Equities, mutual and exchange traded funds: Valued at the last sales price, or if there is no sale and the market is still considered active, at the last transaction price before year-end.

Certificate of Deposits, Corporate Bonds and Government Securities: Valued using quoted market prices for similar assets and liabilities in active markets

Land available for sale: Valued using comparables in the geographic location where the land is held.

Split-interest agreement liability: Valued at the present value of future payments to beneficiaries, and the annual adjustment based on the latest actuarial information available.

Greenpeace Fund, Inc.

Notes to Financial Statements
December 31, 2017 and 2016

6. Fair Value Measurements (continued)

The following table presents the Organization's fair value hierarchy for those assets and liabilities measured at fair value on a recurring basis (excluding managed money market funds not subject to fair value measurement) at December 31, 2017:

	2017			Total
	Level 1	Level 2	Level 3	
Assets				
Certificates of deposit	\$ -	\$ 127,658	\$ -	\$ 127,658
Mutual and exchange traded funds:				
Domestic equities	674,355	-	-	674,355
International equities	339,917	-	-	339,917
Government bonds fixed income	810,814	-	-	810,814
Intermediate-term fixed income	196,829	-	-	196,829
Other short-term fixed income	88,488	-	-	88,488
Equities:				
Domestic	2,003,782	-	-	2,003,782
International	625,079	-	-	625,079
Fixed income:				
Government Bonds	-	1,770,950	-	1,770,950
Corporate Bonds	-	1,130,894	-	1,130,894
Total Assets	<u>\$ 4,739,263</u>	<u>\$ 3,029,502</u>	<u>\$ -</u>	<u>\$ 7,768,765</u>
Liabilities				
Split-Interest Agreement Liability	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 863,611</u>	<u>\$ 863,611</u>

Greenpeace Fund, Inc.

Notes to Financial Statements
December 31, 2017 and 2016

6. Fair Value Measurements (continued)

The following table presents the Organization's fair value hierarchy for those financial assets and liabilities measured at fair value on a recurring basis (excluding managed money market funds not subject to fair value measurement) at December 31, 2016:

	2016			Total
	Level 1	Level 2	Level 3	
Assets				
Certificates of deposit	\$ -	\$ 134,669	\$ -	\$ 134,669
Mutual and exchange traded funds:				
Domestic equities	751,602	-	-	751,602
International equities	203,260	-	-	203,260
Government bonds fixed income	728,581	-	-	728,581
Intermediate-term fixed income	211,663	-	-	211,663
Other short-term fixed income	89,760	-	-	89,760
Equities:				
Domestic	1,418,061	-	-	1,418,061
International	470,500	-	-	470,500
Fixed income:				
Government Bonds	-	1,151,863	-	1,151,863
Corporate Bonds	-	930,103	-	930,103
Land available for sale	-	-	70,000	70,000
Total Assets	\$ 3,873,427	\$ 2,216,635	\$ 70,000	\$ 6,160,062
Liabilities				
Split-Interest Agreement Liability	\$ -	\$ -	\$ 985,534	\$ 985,534

The following table provides a summary of changes in fair value of the Organization's Level 3 financial asset for the years ended December 31, 2017 and 2016:

	Land
Balance at December 31, 2015	\$ 70,000
Donation	-
Balance at December 31, 2016	70,000
Donation	-
Disposal	(70,000)
Balance at December 31, 2017	\$ -

The unobservable inputs used to determine the fair value of land available for sale were realtor value estimates on comparable properties listed in the area.

Greenpeace Fund, Inc.

Notes to Financial Statements
December 31, 2017 and 2016

6. Fair Value Measurements (continued)

The following table provides a summary of changes in fair value of the Organization's Level 3 financial liabilities for the years ended December 31, 2017 and 2016:

	<u>Split -Interest Agreement</u>
Balance at December 31, 2015	\$ 1,023,029
New gift annuities	36,614
Distributions to annuitants	(143,288)
Unrealized losses	<u>69,179</u>
Balance at December 31, 2016	\$ 985,534
New gift annuities	30,479
Distributions to annuitants	(140,430)
Unrealized gains	<u>(11,972)</u>
Balance at December 31, 2017	<u><u>\$ 863,611</u></u>

The unobservable inputs used to determine the fair value of the charitable gift annuity split-interest liabilities were discount rates and actuarial assumptions calculated based upon the Internal Revenue Service life expectancy tables and the adjusted federal midterm rate at the time the charitable annuities were established.

7. Related Party Transactions

Stichting Greenpeace Council

Greenpeace is a global environmental organization, consisting of Greenpeace International (Stichting Greenpeace Council –the Council) in Amsterdam and 26 independent national and regional offices across the world covering operations in more than 55 countries. These national/regional offices are independent in carrying out global campaign strategies within the local context they operate within, and in seeking the necessary financial support from donors to fund this work. Greenpeace International's main legal entity is "Stichting Greenpeace Council" (SGC). It is a Dutch Stichting -a foundation-type nonprofit entity-based in Amsterdam, the Netherlands. Although the Organization is a nonvoting member of the Council, all Greenpeace entities are influenced by decisions of the Council. However, the Organization has ultimate responsibility for and control over its own activities and decisions.

Greenpeace Fund, Inc.

Notes to Financial Statements
December 31, 2017 and 2016

7. Related Party Transactions (continued)

Greenpeace, Inc.

Greenpeace, Inc. recognized as a tax-exempt organization under Section 501(c)(4) of the Internal Revenue Code, and is exempt from income taxes except for taxes on unrelated business activities and provides management services to the Organization. Additionally, Greenpeace, Inc. and the Organization share certain management and general costs. All shared costs are charged to the appropriate entity based upon specific identification or are allocated based on time incurred. The Organization's share of such costs is then allocated to the various programs and support services included in the accompanying statement of activities. Total shared costs in 2017 and 2016 were \$270,863 and \$240,490, respectively.

Grants to Greenpeace Organizations and Shared Expenses with Greenpeace, Inc.

The Organization made grants to the Council for use in its worldwide activities. The Organization also provided grants to Greenpeace, Inc. to fund research and educational activities. The Organization also acts as an agent for pass-through grants in which the beneficiaries are other Greenpeace affiliates, as designated by the donors. Pass-through grants are recorded as liabilities until disbursed and are not included as a component of grant expense in the accompanying statement of activities.

Grants awarded to all related organizations were as follows for the years ended December 31:

	<u>2017</u>	<u>2016</u>
Grants to Stichting Greenpeace Council	\$ 8,066,656	\$ 6,189,750
Grants to Greenpeace, Inc.	7,920,000	9,650,000
Grants to National Regional Offices	14,473	-
Total grants expense	<u>\$ 16,001,129</u>	<u>\$ 15,839,750</u>

Grants payable and other liabilities to all related organizations were as follows at December 31:

	<u>2017</u>	<u>2016</u>
Grants payable to Stichting Greenpeace Council	\$ 967,876	\$ 2,327,446
Due to Greenpeace, Inc.	529,104	1,922,607
Grants payable to other Greenpeace affiliates	885,000	926,000
Total grants payable and other liabilities	<u>\$ 2,381,980</u>	<u>\$ 5,176,053</u>

Greenpeace Fund, Inc.

Notes to Financial Statements
December 31, 2017 and 2016

7. Related Party Transactions (continued)

As of December 31, 2017 and 2016, amounts due to Greenpeace, Inc. include both grants payable as well as other liabilities due to Greenpeace, Inc. as a result of the management and general costs that are shared with Greenpeace, Inc.

Revolving Credit Note Receivable – Greenpeace, Inc.

The Organization has entered into a \$2 million revolving line of credit arrangement with Greenpeace, Inc. to help support Greenpeace, Inc.'s operations. Interest has been accrued at a rate of 7.25% during 2017 and 2016. Interest revenue was \$26,414 and \$88,887 for the years ended December 31, 2017 and 2016, respectively, and is included in investment income in the accompanying statement of activities. The revolving credit receivable has a balance of \$-0- and \$2,035,228 at December 31, 2017 and 2016, respectively, and is included in the accompanying statements of financial position.

Note Receivable from Stichting Greenpeace Council

During 2011, the Organization loaned \$3,000,000 to the Council to fund the building of a new vessel. Interest is calculated monthly and is accrued at the U.S. prime rate. The balance is due in ten equal installments with the first installment due on October 27, 2012. In addition to the annual \$300,000 installments, the Council made a pre-payment totaling \$1,471,170 in December 2012. Interest revenue was \$9,771 and \$18,968 for the years ended December 31, 2017 and 2016, respectively. As of December 31, 2017 and 2016, the outstanding balance, including accrued interest, totaled \$-0- and \$362,418, respectively.

8. Charitable Gift Annuities

The Organization has entered into irrevocable agreements with donors whereby in exchange for the gift from the donor, the Organization is obligated to provide an annuity to the donor or other designated beneficiaries over the life of the annuitant. The actuarially determined liability resulting from the annuity gifts was recorded at the date of the gift. These liabilities were subsequently re-measured at the present value of future payments to beneficiaries, and the annual adjustment based on the latest actuarial information available is reported in the accompanying statements of activities as a change in the value of split-interest agreements. Annuity obligations were \$863,611 and \$985,534 at December 31, 2017 and 2016, respectively, and are included in the accompanying statements of financial position. Contribution revenue recognized under these arrangements for the years ended December 31, 2017 and 2016, was \$30,479 and \$36,614, respectively.

Greenpeace Fund, Inc.

Notes to Financial Statements
December 31, 2017 and 2016

9. Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following purposes at December 31:

	<u>2017</u>	<u>2016</u>
Oceans	\$ 1,050,000	\$ 100,000
Forest	496,000	457,000
Other programs	20,000	35,000
Time restricted	<u>730,664</u>	<u>2,835,871</u>
Total temporarily restricted net assets	<u>\$ 2,296,664</u>	<u>\$ 3,427,871</u>

10. Income Taxes

The Organization is recognized as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code, and is exempt from income taxes except for taxes on unrelated business activities. No tax expense is recorded in the accompanying financial statements for the years ended December 31, 2017 and 2016, as there were no unrelated business activities. Management evaluated the Organization's tax positions and has concluded that the Organization has taken no uncertain tax positions that qualify for either recognition or disclosure in the accompanying financial statements.

11. General Contingencies

From time-to-time, the Organization may be a party to lawsuits or have claims pending against it. In the opinion of management, the ultimate liabilities, if any, resulting from such lawsuits and claims will not materially affect the financial position of the Organization.

SUPPLEMENTARY INFORMATION

Greenpeace Fund, Inc.

Schedules of Program Grants For the Years Ended December 31, 2017 and 2016 (See Independent Auditors' Report)

	2017	2016
Grants to Stichting Greenpeace Council		
Global Forests	\$ 3,293,400	\$ 1,634,710
Good Life Campaign & Ship Tour	2,467,876	-
Digital Initiatives	-	439,040
Science Unit	1,097,800	1,372,000
Strategic Initiatives	-	823,200
Learning and Development	988,020	-
Response Lab	219,560	932,960
Detox Initiative	-	987,840
	<u>8,066,656</u>	<u>6,189,750</u>
Grants to Greenpeace, Inc.		
Climate & Energy Campaign	4,850,000	3,902,216
Oceans Campaign	1,850,000	1,964,161
Forest Campaign	1,200,000	2,283,623
Arctic Campaign	-	825,000
Democracy Initiative	-	500,000
Other	20,000	175,000
	<u>7,920,000</u>	<u>9,650,000</u>
Total grants to Greenpeace, Inc.		
Grants to Greenpeace National Regional Offices		
Campaign Support - Greenpeace, United Kingdom	14,473	-
	<u>14,473</u>	<u>-</u>
Total program grants	<u>\$ 16,001,129</u>	<u>\$ 15,839,750</u>

Greenpeace Fund, Inc.

Schedule of Pass-Through Grants For the Years Ended December 31, 2017 and 2016 (See Independent Auditors' Report)

	<u>2017</u>	<u>2016</u>
Grants to Stichting Greenpeace Council		
Information technology projects	<u>\$ -</u>	<u>\$ 104,896</u>
Grants for Other Affiliates		
Climate & Energy - East Asia	1,300,000	315,000
Climate & Energy - Australia		
Climate & Energy - Hungary	-	1,000
Forests - Southeast Asia	354,000	353,000
Forests - Africa	150,000	150,000
Forests - Brazil	60,000	10,000
Forests - Canada	<u>200,000</u>	<u>-</u>
Total grants for other Greenpeace affiliates	<u>2,064,000</u>	<u>829,000</u>
Total pass-through grants	<u>\$ 2,064,000</u>	<u>\$ 933,896</u>

Greenpeace Fund, Inc.

Schedule of Functional Expenses
For the Year Ended December 31, 2017
(See Independent Auditors' Report)

	Program Services				Supporting Services			
	Grants to Stichting Greenpeace Council	Grants to Greenpeace, Inc.	Other Program	Total Programs	Fundraising	Management and General	Total Supporting Services	Total
Grants	\$ 8,066,656	7,920,000	14,473	\$ 16,001,129	\$ -	\$ -	\$ -	\$ 16,001,129
Salaries and benefits	-	-	-	-	1,044,025	739,071	1,783,096	1,783,096
Professional fees	-	-	-	-	378,829	64,226	443,055	443,055
Office expenses	-	-	-	-	265,302	57,219	322,521	322,521
Occupancy	-	-	-	-	112,845	77,801	190,646	190,646
Conferences and meetings	-	-	-	-	110,065	7,932	117,997	117,997
Travel	-	-	-	-	110,318	6,713	117,031	117,031
Advertising and promotion	-	-	-	-	28,466	-	28,466	28,466
Information technology	-	-	-	-	24,395	2,499	26,894	26,894
Depreciation and amortization	-	-	-	-	13,643	9,658	23,301	23,301
Insurance	-	-	-	-	13,517	9,569	23,086	23,086
Miscellaneous	-	-	-	-	17,774	1,575	19,349	19,349
Total Expenses	\$ 8,066,656	\$ 7,920,000	\$ 14,473	\$ 16,001,129	\$ 2,119,179	\$ 976,263	\$ 3,095,442	\$ 19,096,571

Greenpeace Fund, Inc.

Schedule of Functional Expenses For the Year Ended December 31, 2016 (See Independent Auditors' Report)

	Program Services			Supporting Services			
	Grants to Stichting Greenpeace Council	Grants to Greenpeace, Inc.	Total Programs	Fundraising	Management and General	Total Supporting Services	Total
Grants	\$ 6,189,750	9,650,000	\$ 15,839,750	\$ -	\$ -	\$ -	\$ 15,839,750
Salaries and benefits	-	-	-	1,197,273	857,929	2,055,202	2,055,202
Professional fees	-	-	-	307,398	6,563	313,961	313,961
Office expenses	-	-	-	174,007	55,752	229,759	229,759
Occupancy	-	-	-	103,554	73,258	176,812	176,812
Conferences and meetings	-	-	-	136,640	118	136,758	136,758
Travel	-	-	-	98,550	2,322	100,872	100,872
Information technology	-	-	-	28,562	8,932	37,494	37,494
Miscellaneous	-	-	-	26,067	2,357	28,424	28,424
Depreciation and amortization	-	-	-	13,668	9,794	23,462	23,462
Advertising and promotion	-	-	-	10,148	-	10,148	10,148
Total Expenses	\$ 6,189,750	\$ 9,650,000	\$ 15,839,750	\$ 2,103,716	\$ 1,022,499	\$ 3,126,215	\$ 18,965,965