

Greenpeace Fund, Inc.

Financial Statements

December 31, 2019 and 2018



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Greenpeace Fund, Inc.

Financial Statements
December 31, 2019 and 2018

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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, 2019 and 2018, and the related statements of activities, cash flows, and functional expenses 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.

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, 2019 and 2018, 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.

Effect of Adopting New Accounting Standard

As discussed in Note 2 to the financial statements, management has adopted Accounting Standard Update (ASU) 2018-08: *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. Our opinion is not modified with respect to that matter.

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 and pass-through grants 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
July 7, 2020

Greenpeace Fund, Inc.

Statements of Financial Position December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Assets		
Cash and cash equivalents	\$ 9,813,327	\$ 7,954,881
Contributions and grants receivable	2,518,599	1,590,830
Investments	10,663,813	8,692,877
Prepaid expenses	<u>2,912</u>	<u>2,912</u>
Total assets	<u>\$ 22,998,651</u>	<u>\$ 18,241,500</u>
Liabilities and Net Assets		
Liabilities		
Gift annuities payable	\$ 802,690	\$ 775,503
Due to Greenpeace, Inc.	2,857,980	2,871,531
Grants payable to Stichting Greenpeace Council	2,977,370	4,237,800
Grants payable to other Greenpeace affiliates	<u>844,198</u>	<u>342,131</u>
Total liabilities	<u>7,482,238</u>	<u>8,226,965</u>
Net Assets		
Without Donor Restrictions	12,838,585	8,403,705
With Donor Restrictions	<u>2,677,828</u>	<u>1,610,830</u>
Total net assets	<u>15,516,413</u>	<u>10,014,535</u>
Total liabilities and net assets	<u>\$ 22,998,651</u>	<u>\$ 18,241,500</u>

See accompanying notes.

Greenpeace Fund, Inc.

Statement of Activities
For the Year Ended December 31, 2019

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenue and Support			
Contributions and grants	\$ 13,921,141	\$ 5,742,932	\$ 19,664,073
Grants from Greenpeace Affiliates	-	40,000	40,000
Investment income	1,514,428	-	1,514,428
Change in Value of Split- Interest Agreements	(108,349)	-	(108,349)
Other income	7,016	-	7,016
Net assets released from restrictions	<u>4,715,934</u>	<u>(4,715,934)</u>	<u>-</u>
 Total revenue and support	 20,050,170	 1,066,998	 21,117,168
 Expenses			
Program services:			
Grants to Stichting Greenpeace Council	8,144,370	-	8,144,370
Grants to Greenpeace, Inc.	<u>3,920,000</u>	<u>-</u>	<u>3,920,000</u>
 Total program services	 <u>12,064,370</u>	 <u>-</u>	 <u>12,064,370</u>
Supporting services:			
Fundraising	2,460,433	-	2,460,433
Management and general	<u>1,090,487</u>	<u>-</u>	<u>1,090,487</u>
 Total supporting services	 <u>3,550,920</u>	 <u>-</u>	 <u>3,550,920</u>
 Total expenses	 <u>15,615,290</u>	 <u>-</u>	 <u>15,615,290</u>
 Change in Net Assets	 4,434,880	 1,066,998	 5,501,878
 Net Assets , beginning of year	 <u>8,403,705</u>	 <u>1,610,830</u>	 <u>10,014,535</u>
 Net Assets , end of year	 <u>\$ 12,838,585</u>	 <u>\$ 2,677,828</u>	 <u>\$ 15,516,413</u>

See accompanying notes.

Greenpeace Fund, Inc.Statement of Activities
For the Year Ended December 31, 2018

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenue and Support			
Contributions and grants	\$ 13,501,555	\$ 3,012,002	\$ 16,513,557
Investment income	(172,056)	-	(172,056)
Change in Value of Split- Interest Agreements	33,378	-	33,378
Other income	3,787	-	3,787
Net assets released from restrictions	<u>3,697,836</u>	<u>(3,697,836)</u>	<u>-</u>
Total revenue and support	17,064,500	(685,834)	16,378,666
Expenses			
Program services:			
Grants to Stichting Greenpeace Council	8,848,152	-	8,848,152
Grants to Greenpeace, Inc.	<u>6,892,536</u>	<u>-</u>	<u>6,892,536</u>
Total program services	<u>15,740,688</u>	<u>-</u>	<u>15,740,688</u>
Supporting services:			
Fundraising	2,261,076	-	2,261,076
Management and general	<u>1,039,457</u>	<u>-</u>	<u>1,039,457</u>
Total supporting services	<u>3,300,533</u>	<u>-</u>	<u>3,300,533</u>
Total expenses	<u>19,041,221</u>	<u>-</u>	<u>19,041,221</u>
Change in Net Assets	(1,976,721)	(685,834)	(2,662,555)
Net Assets , beginning of year	<u>10,380,426</u>	<u>2,296,664</u>	<u>12,677,090</u>
Net Assets , end of year	<u>\$ 8,403,705</u>	<u>\$ 1,610,830</u>	<u>\$ 10,014,535</u>

See accompanying notes.

Greenpeace Fund, Inc.

Statements of Cash Flows For the Years Ended December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Cash Flows from Operating Activities		
Change in net assets	\$ 5,501,878	\$ (2,662,555)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Net investment realized and unrealized (gains) losses	(1,377,997)	318,276
Donated securities	(504,132)	(726,802)
Change in value of Split-Interest Agreements	108,349	(33,378)
Change in operating assets and liabilities:		
(Increase) decrease in:		
Contributions and grants receivable	(927,769)	585,834
Increase (decrease) in:		
Gift annuities payable	(81,162)	(54,730)
Due to Greenpeace, Inc.	(13,551)	2,342,427
Grants payable to Stichting Greenpeace Council	(1,260,430)	3,269,924
Grants payable to other Greenpeace affiliates	502,067	(542,869)
Net cash provided by operating activities	<u>1,947,253</u>	<u>2,496,127</u>
Cash Flows from Investing Activities		
Proceeds from Maturities and Sales of Investments	5,052,676	4,051,540
Purchases of investments	<u>(5,141,483)</u>	<u>(3,953,974)</u>
Net cash (used in) provided by investing activities	<u>(88,807)</u>	<u>97,566</u>
Net Increase in Cash and Cash Equivalents	1,858,446	2,593,693
Cash and Cash Equivalents, beginning of year	<u>7,954,881</u>	<u>5,361,188</u>
Cash and Cash Equivalents, end of year	<u>\$ 9,813,327</u>	<u>\$ 7,954,881</u>

See accompanying notes.

Greenpeace Fund, Inc.

Statement of Functional Expenses
For the Year Ended December 31, 2019

	Program Services			Supporting Services			Total
	Grants to Stichting Greenpeace Council	Grants to Greenpeace, Inc.	Total Programs	Fundraising	Management and General	Total Supporting Services	
Grants	\$ 8,144,370	\$ 3,920,000	\$ 12,064,370	\$ -	\$ -	\$ -	\$ 12,064,370
Salaries and benefits	-	-	-	1,127,409	829,106	1,956,515	1,956,515
Professional fees	-	-	-	637,113	61,689	698,802	698,802
Office expenses	-	-	-	202,869	49,029	251,898	251,898
Occupany	-	-	-	110,324	80,059	190,383	190,383
Travel	-	-	-	171,401	9,446	180,847	180,847
Conferences and meetings	-	-	-	125,431	21,466	146,897	146,897
Insurance	-	-	-	24,347	17,905	42,252	42,252
Information technology	-	-	-	16,377	9,702	26,079	26,079
Depreciation and amortization	-	-	-	11,982	8,811	20,793	20,793
Miscellaneous	-	-	-	16,864	3,274	20,138	20,138
Advertising and promotion	-	-	-	16,316	-	16,316	16,316
Total Expenses	\$ 8,144,370	\$ 3,920,000	\$ 12,064,370	\$ 2,460,433	\$ 1,090,487	\$ 3,550,920	\$ 15,615,290

See accompanying notes.

Greenpeace Fund, Inc.

Statement of Functional Expenses
For the Year Ended December 31, 2018

	Program Services			Supporting Services			Total
	Grants to Stichting Greenpeace Council	Grants to Greenpeace, Inc.	Total Programs	Fundraising	Management and General	Total Supporting Services	
Grants	\$ 8,848,152	\$ 6,892,536	\$ 15,740,688	\$ -	\$ -	\$ -	\$ 15,740,688
Salaries and benefits	-	-	-	1,153,988	787,326	1,941,314	1,941,314
Professional fees	-	-	-	327,080	97,752	424,832	424,832
Office expenses	-	-	-	215,390	45,683	261,073	261,073
Conferences and meetings	-	-	-	200,435	14,859	215,294	215,294
Travel	-	-	-	160,735	5,267	166,002	166,002
Occupancy	-	-	-	95,066	62,211	157,277	157,277
Advertising and promotion	-	-	-	39,248	-	39,248	39,248
Insurance	-	-	-	16,839	11,489	28,328	28,328
Information technology	-	-	-	20,241	4,932	25,173	25,173
Miscellaneous	-	-	-	19,968	1,692	21,660	21,660
Depreciation and amortization	-	-	-	12,086	8,246	20,332	20,332
Total Expenses	\$ 8,848,152	\$ 6,892,536	\$ 15,740,688	\$ 2,261,076	\$ 1,039,457	\$ 3,300,533	\$ 19,041,221

See accompanying notes.

Greenpeace Fund, Inc.

Notes to Financial Statements
December 31, 2019 and 2018

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, and Accounting Standards Update (ASU 2018-08)

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:

- *Net assets without donor restrictions* represent funds that are not subject to donor-imposed stipulations and are available for support of the Organization's operations.
- *Net assets with donor restrictions* represent funds that are subject to donor-imposed restrictions that are met through specific actions of the Organization or through the passage of time. Net assets with donor restrictions include funds subject to donor-imposed stipulations that they be maintained permanently by the Organization. The Organization did not have any net assets under donor-imposed stipulations that they be maintained permanently at December 31, 2019 and 2018.

In June of 2018 the Financial Accounting Standards Board issued Accounting Standards Update (ASU) 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The ASU is intended to assist entities in evaluating whether transactions should be accounted for and reported as contributions or as exchange transactions (subject to ASU 2014-09, Revenue from Contracts with Customers), and in determining whether a contribution is conditional or unconditional.

The ASU clarifies that a contribution represents a nonreciprocal transaction where the grantor or donor does not receive a benefit of commensurate value in return for the assets or resources provided to the recipient. In an exchange transaction, the resource provider receives some thing or benefit of commensurate value in return for the resources provided. Exchange transactions include instances where a transfer of assets represents a payment from a third-party payer on behalf of an existing exchange transaction between the recipient and an identified customer receiving the benefit. However, where the benefit or potential benefit is received by the public or segments thereof, and the resource provider (such as a foundation, government agency, corporation or other entity) only receives indirect or incidental benefit that is not of commensurate value, the transaction is considered a contribution for accounting purposes.

Greenpeace Fund, Inc.

Notes to Financial Statements
December 31, 2019 and 2018

2. Summary of Significant Accounting Policies (continued)

The Organization adopted the principles of the ASU effective January 1, 2019, on a modified prospective basis. Management made a determination that The Organization's existing accounting policies and methods substantially comply with the ASU. Therefore, there were no changes to the Organization's accounting methods in 2019 and the adoption of ASU 2018-08 had no effect on the Organization's financial statements as of and for the year ended December 31, 2019.

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.

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.

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, 2019 and 2018, all grants payable are current and expected to be paid within one year.

Greenpeace Fund, Inc.

Notes to Financial Statements
December 31, 2019 and 2018

2. Summary of Significant Accounting Policies (continued)

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.

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 with donor restrictions 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, net assets with donor restrictions are reclassified to net assets without donor restrictions 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 net assets with restrictions; however, they are reclassified to net assets without donor restrictions 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. The financial statements report certain categories of expenses that are attributable to one or more functions of the Organization. Those expenses include occupancy and maintenance costs, which are allocated based on personnel salaries. Salaries are allocated to functional areas based on estimated time spent on each activity.

Greenpeace Fund, Inc.

Notes to Financial Statements
December 31, 2019 and 2018

2. Summary of Significant Accounting Policies (continued)

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, 2019 and 2018, \$844,198 and \$342,131, respectively, were recorded as pass through liabilities within the statements of financial position.

Subsequent Events

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through July 7, 2020, the date the financial statements were available to be issued.

3. Liquidity

The Organization has \$12,006,311 and \$9,519,987 of financial assets available within one year of the statement of financial position date consisting of the following at December 31:

	<u>2019</u>	<u>2018</u>
Cash and cash equivalents	\$ 9,813,327	\$ 7,954,881
Grants receivable net of long-term portion	2,143,599	1,190,830
Short term investments	893,583	794,207
Agency transaction payable	(844,198)	(419,931)
Financial assets available within one year	<u>\$ 12,006,311</u>	<u>\$ 9,519,987</u>

None of the financial assets are subject to time, donor or other contractual restrictions that make them unavailable for general expenditure within one year of the statement of financial position date. The Organization has a goal to maintain financial assets, which consist of cash, investments, and short-term receivables, on hand to meet 90 days of normal operating expenses, which were, on average, approximately \$2,034,000 and \$2,076,000 for the years ended December 31, 2019 and 2018, respectively.

Greenpeace Fund, Inc.

Notes to Financial Statements
December 31, 2019 and 2018

4. 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.

5. Contributions and Grants Receivable

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

	<u>2019</u>	<u>2018</u>
Estates and wills, net	\$ 526,100	\$ 280,832
Grants	<u>1,992,499</u>	<u>1,309,998</u>
Total contributions and grants receivable	<u>\$ 2,518,599</u>	<u>\$ 1,590,830</u>

Greenpeace Fund, Inc.

Notes to Financial Statements
December 31, 2019 and 2018

5. Contributions and Grants Receivable (continued)

Contributions and grants receivable tabulated according to expected due date at December 31:

	<u>2019</u>	<u>2018</u>
Due in less than one year	\$ 2,143,599	\$ 1,190,830
Due in one to five years	<u>375,000</u>	<u>400,000</u>
Total contributions and grants receivable	<u>\$ 2,518,599</u>	<u>\$ 1,590,830</u>

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, 2019 and 2018, amounts are deemed to be fully collectible. No discount has been calculated for 2019 or 2018 as most significant receivables are due within one year at December 31, 2019 and 2018.

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, 2019 and 2018, 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.

Greenpeace Fund, Inc.

Notes to Financial Statements
December 31, 2019 and 2018

6. Investments

Investments are recorded at fair market value and are comprised of the following at December 31, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Cash and cash equivalents	\$ 638,803	\$ 577,839
Mutual and exchange traded funds:		
Domestic equities	709,859	638,356
International equities	265,501	186,276
Government bonds fixed income	368,750	301,215
Intermediate-term fixed income	348,336	203,324
Equities:		
Domestic	3,375,837	2,330,385
International	1,154,967	717,389
Fixed income:		
Government Bonds	2,524,897	2,286,773
Corporate Bonds	<u>1,276,863</u>	<u>1,451,320</u>
	<u>\$ 10,663,813</u>	<u>\$ 8,692,877</u>

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

	<u>2019</u>	<u>2018</u>
Interest and dividends, net of investment fees of \$51,916 and \$49,859	\$ 136,431	\$ 146,220
Net realized and unrealized gains (losses)	<u>1,377,997</u>	<u>(318,276)</u>
Total investment income (loss)	<u>\$ 1,514,428</u>	<u>\$ (172,056)</u>

7. 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.

Greenpeace Fund, Inc.

Notes to Financial Statements
December 31, 2019 and 2018

7. Fair Value Measurements (continued)

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.

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, 2019 and 2018

7. 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, 2019:

	2019			Total
	Level 1	Level 2	Level 3	
Assets				
Mutual and exchange traded funds:				
Domestic equities	\$ 709,859	\$ -	\$ -	\$ 709,859
International equities	265,501	-	-	265,501
Government bonds fixed income	368,750	-	-	368,750
Intermediate-term fixed income	348,336	-	-	348,336
Equities:				
Domestic	3,375,837	-	-	3,375,837
International	1,154,967	-	-	1,154,967
Fixed income:				
Government Bonds	-	2,524,897	-	2,524,897
Corporate Bonds	-	1,276,863	-	1,276,863
Total Assets	\$ 6,223,250	\$ 3,801,760	\$ -	\$ 10,025,010
Liabilities				
Split-Interest Agreement Liability	\$ -	\$ -	\$ 802,690	\$ 802,690

Greenpeace Fund, Inc.

Notes to Financial Statements
December 31, 2019 and 2018

7. 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, 2018:

	2018			Total
	Level 1	Level 2	Level 3	
Assets				
Mutual and exchange traded funds:				
Domestic equities	\$ 638,356	\$ -	\$ -	\$ 638,356
International equities	186,276	-	-	186,276
Government bonds fixed income	301,215	-	-	301,215
Intermediate-term fixed income	203,324	-	-	203,324
Equities:				
Domestic	2,330,385	-	-	2,330,385
International	717,389	-	-	717,389
Fixed income:				
Government Bonds	-	2,286,773	-	2,286,773
Corporate Bonds	-	1,451,320	-	1,451,320
Total Assets	<u>\$ 4,376,945</u>	<u>\$ 3,738,093</u>	<u>\$ -</u>	<u>\$ 8,115,038</u>
Liabilities				
Split-Interest Agreement Liability	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 775,503</u>	<u>\$ 775,503</u>

Greenpeace Fund, Inc.

Notes to Financial Statements
December 31, 2019 and 2018

7. 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, 2019 and 2018:

	<u>Split -Interest Agreement</u>
Balance at December 31, 2017	\$ 863,611
New gift annuities	68,935
Distributions to annuitants	(123,665)
Unrealized gains	<u>(33,378)</u>
Balance at December 31, 2018	\$ 775,503
New gift annuities	59,237
Distributions to annuitants	(140,398)
Unrealized losses	<u>108,349</u>
Balance at December 31, 2019	<u>\$ 802,690</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.

8. 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, 2019 and 2018

8. 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 2019 and 2018 were \$284,398 and \$238,947, 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>2019</u>	<u>2018</u>
Grants to Stichting Greenpeace Council	\$ 8,144,370	\$ 8,848,152
Grants to Greenpeace, Inc.	<u>3,920,000</u>	<u>6,892,536</u>
Total grants expense	<u>\$ 12,064,370</u>	<u>\$ 15,740,688</u>

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

	<u>2019</u>	<u>2018</u>
Grants payable to Stichting Greenpeace Council	\$ 2,977,370	\$ 4,237,800
Due to Greenpeace, Inc.	2,857,980	2,871,531
Grants payable to other Greenpeace affiliates	<u>844,198</u>	<u>342,131</u>
Total grants payable and other liabilities	<u>\$ 6,679,548</u>	<u>\$ 7,451,462</u>

Greenpeace Fund, Inc.

Notes to Financial Statements
December 31, 2019 and 2018

8. Related Party Transactions (continued)

As of December 31, 2019 and 2018, 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 at rate of 7.25% per annum. The revolving credit receivable has a balance of \$-0- at December 31, 2019 and 2018.

9. 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 \$802,690 and \$775,503 at December 31, 2019 and 2018, respectively, and are included in the accompanying statements of financial position. Contribution revenue recognized under these arrangements for the years ended December 31, 2019 and 2018, was \$59,237 and \$68,935, respectively.

10. Net Assets With Donor Restrictions

Net assets released from restrictions were as follows for the years ended at December 31:

	<u>2019</u>	<u>2018</u>
Satisfaction of program restrictions	\$ 3,989,840	\$ 2,687,426
Expiration of time restrictions	<u>726,094</u>	<u>1,010,410</u>
	<u>\$ 4,715,934</u>	<u>\$ 3,697,836</u>

Greenpeace Fund, Inc.

Notes to Financial Statements
December 31, 2019 and 2018

10. Net Assets With Donor Restrictions (continued)

Net assets with donor restrictions are available for the following purposes at December 31:

	<u>2019</u>	<u>2018</u>
Oceans	\$ 770,833	\$ 800,000
Climate & Energy	239,154	-
Forest	608,333	200,000
Other programs	3,408	20,000
Time restricted		
Time and Purpose - Oceans	70,000	35,000
Time and Purpose - Climate	400,000	-
Time and Purpose - Forests	-	265,000
Time Only	<u>586,100</u>	<u>290,830</u>
Total temporarily restricted net assets	<u>\$ 2,677,828</u>	<u>\$ 1,610,830</u>

11. 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, 2019 and 2018, 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.

12. 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.

13. Subsequent Event

Subsequent to year-end, a pandemic of a Corona Virus (COVID-19) was declared by the World Health Organization. Future contribution income and operating levels are uncertain due to the potential impact on economic conditions. This could also impact transactions relating to vendors. In addition, both domestic and international investment markets have experienced significant declines since December 31, 2019. As of July 7, 2020, the amount and likelihood of any loss relating to these events is not determined.

SUPPLEMENTARY INFORMATION

Greenpeace Fund, Inc.

Schedules of Program Grants
For the Years Ended December 31, 2019 and 2018
(See Independent Auditors' Report)

	<u>2019</u>	<u>2018</u>
Grants to Stichting Greenpeace Council		
Global Forests	\$ 2,691,000	\$ 4,160,000
Good Life Campaign & Ship Tour	-	1,200,000
Science Unit	1,521,000	1,300,783
Learning and Development	1,755,000	1,773,795
Global Oceans	<u>2,177,370</u>	<u>413,574</u>
Total grants to Stichting Greenpeace Council	<u>8,144,370</u>	<u>8,848,152</u>
Grants to Greenpeace, Inc.		
Climate & Energy Campaign	1,400,000	3,582,536
Oceans Campaign	1,700,000	2,810,000
Forest Campaign	800,000	500,000
Other	<u>20,000</u>	<u>-</u>
Total grants to Greenpeace, Inc.	<u>3,920,000</u>	<u>6,892,536</u>
Total program grants	<u>\$ 12,064,370</u>	<u>\$ 15,740,688</u>

Greenpeace Fund, Inc.

Schedule of Pass-Through Grants For the Years Ended December 31, 2019 and 2018 (See Independent Auditors' Report)

	<u>2019</u>	<u>2018</u>
Grants to Stichting Greenpeace Council		
Forest Campaign	<u>\$ -</u>	<u>\$ 77,800</u>
Grants for Other Affiliates		
Climate & Energy - Southeast Asia	285,000	585,000
Climate & Energy - Nordic	-	70,000
Climate & Energy - East Asia	500,000	-
Climate & Energy - Belgium	250,000	-
Climate & Energy - Africa	102,067	-
Climate & Energy - Central & Eastern Europe	75,000	-
Oceans - South East Asia	575,000	-
Oceans - East Asia	100,000	-
Oceans - United Kingdom	50,000	-
Forests - Southeast Asia	480,000	354,000
Forests - Africa	200,000	200,000
Forests - Canada	37,500	200,000
Forests - Various affiliates	-	<u>23,274</u>
Total grants for other Greenpeace affiliates	<u>2,654,567</u>	<u>1,432,274</u>
Grants to Other Organizations		
Climate & Energy Campaign	<u>101,000</u>	<u>-</u>
Total pass-through grants	<u>\$ 2,755,567</u>	<u>\$ 1,510,074</u>