

**GLOBAL GREENGRANTS FUND  
CONSOLIDATED FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2022 AND 2021**



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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Global Greengrants Fund  
Boulder, Colorado

### **Report on the Audit of the Consolidated Financial Statements**

#### ***Opinion***

We have audited the accompanying consolidated financial statements of Global Greengrants Fund (the Organization), which comprise the consolidated statements of financial position as of June 30, 2022 and 2021, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Global Greengrants Fund as of June 30, 2022 and 2021, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated 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.

#### ***Emphasis-of-Matter Regarding Correction of an Error***

As described in Note 13 to the consolidated financial statements, the Organization has adjusted net assets with donor restrictions and net assets without donor restrictions. These adjustments were recorded during 2021 and impacted balances as of June 30, 2022. Our opinion is not modified with respect to this matter.

#### ***Responsibilities of Management for the Consolidated Financial Statements***

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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 for one year after the date the consolidated financial statements are available to be issued.

***Auditors' Responsibilities for the Audit of the Consolidated Financial Statements***

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

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



**CliftonLarsonAllen LLP**

Denver, Colorado  
October 16, 2023

**GLOBAL GREENGRANTS FUND**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2022 AND 2021**

	2022	As Restated 2021
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 29,264,944	\$ 9,443,504
Investments	2,311,456	2,135,283
Contributions Receivable	14,167,420	7,115,585
Other Receivables	11,242	25,612
Prepaid Expenses	32,442	25,658
Property and Equipment, Net	37,678	40,479
Security Deposits	1,085	1,085
	<b>\$ 45,826,267</b>	<b>\$ 18,787,206</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Accounts Payable	\$ 94,915	\$ 76,683
Accrued Expenses and Other Liabilities	148,724	121,566
Deferred Revenue	109,319	131,356
Paycheck Protection Program Loan	-	377,150
Grants Payable	147,600	81,380
	500,558	788,135
<b>NET ASSETS</b>		
Without Donor Restrictions (As Restated - Note 13)	25,482,879	7,874,121
With Donor Restrictions (As Restated - Note 13)	19,842,830	10,124,950
	45,325,709	17,999,071
Total Liabilities and Net Assets	<b>\$ 45,826,267</b>	<b>\$ 18,787,206</b>

*See accompanying Notes to Consolidated Financial Statements.*

**GLOBAL GREENGRANTS FUND  
CONSOLIDATED STATEMENTS OF ACTIVITIES  
YEARS ENDED JUNE 30, 2022 AND 2021**

	2022		2021		As Restated
	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions	Restrictions
		Total			Total
<b>REVENUES, GAINS, AND OTHER SUPPORT</b>					
Contribution and Grant Revenue (As Restated - Note 13)	\$ 21,600,346	\$ 26,421,849	\$ 48,022,195	\$ 6,261,984	\$ 19,735,213
Investment Income, Net	20,413	-	20,413	13,853	13,853
Contributed Nonfinancial Assets	1,000	-	1,000	-	59,455
Program Service Fees	59,715	-	59,715	3,250	3,250
Paycheck Protection Program Loan Forgiveness	377,150	-	377,150	335,743	335,743
Other Revenue	20,973	-	20,973	16,382	16,382
Net Assets Released from Restrictions (As Restated - Note 13)	16,703,969	(16,703,969)	-	7,969,378	(7,969,378)
Total Revenue, Gains and Other Support (As Restated - Note 13)	38,783,566	9,717,880	48,501,446	14,600,590	5,563,306
<b>EXPENSES AND LOSSES</b>					
Program Services	18,674,744	-	18,674,744	11,251,024	-
Management and General Fundraising	823,950	-	823,950	511,438	-
	1,320,198	-	1,320,198	1,056,578	-
Total Expenses	20,818,892	-	20,818,892	12,819,040	-
Change in Net Assets, Before Foreign Currency Translation Adjustment (As Restated - Note 13)	17,964,674	9,717,880	27,682,554	1,781,550	5,563,306
Change in Foreign Currency Translation Adjustment	(355,916)	-	(355,916)	65,277	-
<b>CHANGE IN NET ASSETS (AS RESTATED - NOTE 13)</b>	17,608,758	9,717,880	27,326,638	1,846,827	5,563,306
Net Assets - Beginning of Year (As Restated - Note 13)	7,874,121	10,124,950	17,999,071	6,027,294	4,561,644
<b>NET ASSETS - END OF YEAR (AS RESTATED - NOTE 13)</b>	<u>\$ 25,482,879</u>	<u>\$ 19,842,830</u>	<u>\$ 45,325,709</u>	<u>\$ 7,874,121</u>	<u>\$ 10,124,950</u>
					<u>\$ 17,999,071</u>

See accompanying Notes to Consolidated Financial Statements.

**GLOBAL GREENGRANTS FUND**  
**CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES**  
**YEARS ENDED JUNE 30, 2022 AND 2021**

	2022			
	Program Services	Supporting Services		Total
		Management and General	Fundraising	
Grants	\$ 15,621,085	\$ -	\$ -	\$ 15,621,085
Salaries and Wages	1,327,409	311,551	918,923	2,557,883
Payroll Taxes and Employee Benefits	286,901	123,342	202,275	612,518
Training and Recruitment	35,296	2,132	8,636	46,064
Travel	80,866	20,448	18,669	119,983
Advisory Board Fees	336,870	-	-	336,870
Professional Fees	850,147	249,815	79,938	1,179,900
Occupancy	35,806	17,218	31,950	84,974
Other	100,364	99,444	59,807	259,615
<b>Total Expenses by Function</b>	<b>\$ 18,674,744</b>	<b>\$ 823,950</b>	<b>\$ 1,320,198</b>	<b>\$ 20,818,892</b>

  

	2021			
	Program Services	Supporting Services		Total
		Management and General	Fundraising	
Grants	\$ 9,038,461	\$ -	\$ -	\$ 9,038,461
Salaries and Wages	1,180,673	256,302	712,531	2,149,506
Payroll Taxes and Employee Benefits	260,854	96,595	189,004	546,453
Training and Recruitment	5,200	1,995	10,537	17,732
Travel	17,546	3,443	1,560	22,549
Advisory Board Fees	266,700	-	-	266,700
Professional Fees	336,749	96,956	61,695	495,400
Occupancy	25,085	17,961	22,414	65,460
Other	119,756	38,186	58,837	216,779
<b>Total Expenses by Function</b>	<b>\$ 11,251,024</b>	<b>\$ 511,438</b>	<b>\$ 1,056,578</b>	<b>\$ 12,819,040</b>

See accompanying Notes to Consolidated Financial Statements.

**GLOBAL GREENGRANTS FUND**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**YEARS ENDED JUNE 30, 2022 AND 2021**

	2022	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ 27,326,638	\$ 7,410,133
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation and Amortization	17,543	16,011
Realized and Unrealized Loss on Operating Investments	45,471	22,429
Gain on Paycheck Protection Program Loan Forgiveness	(377,150)	(335,743)
Changes in Operating Assets and Liabilities:		
Contributions Receivable	(7,051,835)	(4,504,869)
Other Receivables	14,370	(11,506)
Prepaid Expenses and Other Assets	(6,784)	6,515
Accounts Payable and Accrued Liabilities	45,390	35,729
Deferred Revenue	(22,037)	24,703
Grant Payable	66,220	38,185
Net Cash Provided by Operating Activities	20,057,826	2,701,587
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of Investments	(5,208,296)	(3,979,305)
Proceeds from Sales of Investments	4,986,652	4,232,266
Purchases of Property and Equipment	(14,742)	(19,439)
Net Cash Provided (Used) by Investing Activities	(236,386)	233,522
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from Paycheck Protection Program Loan	-	377,150
Net Cash Provided by Financing Activities	-	377,150
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	19,821,440	3,312,259
Cash and Cash Equivalents - Beginning of Year	9,443,504	6,131,245
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 29,264,944	\$ 9,443,504
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>		
Donated Facility Lease	\$ 1,000	\$ 59,455

See accompanying Notes to Consolidated Financial Statements.



**GLOBAL GREENGRANTS FUND**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

**NOTE 1 NATURE OF THE ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES**

**Nature of the Organization**

Global Greengrants Fund, Inc. was established in 2001 as a Colorado nonprofit corporation. Global Greengrants Fund, Inc. is the sole member of Global Greengrants Fund UK, a charitable private limited company that was established in 2012 in the United Kingdom. The mission of Global Greengrants Fund, Inc. and Global Greengrants Fund UK (collectively, the Organization) is to strengthen the grassroots environmental movement in developing countries through grant making. The grant making process includes soliciting funding requests, evaluating the requests, and awarding the grants. The Organization has advisory boards throughout the world who share grant making due diligence efforts with the administration office in Boulder, Colorado. The Organization finances its operations through donations and grants from individuals, foundations, and corporate sponsors.

**Principles of Consolidation**

The consolidated financial statements include the accounts of Global Greengrants Fund, Inc. and its affiliate Global Greengrants Fund UK. All balances and transactions between these entities have been eliminated in the consolidation.

**Basis of Presentation**

The Organization's consolidated financial statements are prepared on the accrual basis and, accordingly, reflect all significant receivables, payables, and other liabilities. Financial statement presentation follows accounting principles generally accepted in the United States of America (U.S. GAAP) promulgated by the Financial Accounting Standards Board (FASB). ASC 958-205 *Not-for-Profit Entities – Presentation of Financial Statements* requires the Organization to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. In addition, the Organization is required to present a consolidated statement of cash flows.

**Net Assets**

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor- or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The board of directors has designated, from net assets without donor restrictions, net assets for an operating reserve and for administration under fiscal sponsorship agreements (Note 10).

*Net Assets With Donor Restrictions* – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Global Greengrants Fund does not have any perpetually restricted net assets. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

**GLOBAL GREENGRANTS FUND**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

**NOTE 1 NATURE OF THE ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES**  
**(CONTINUED)**

**Cash and Cash Equivalents**

The Organization considers all highly liquid investments available for current use with an original maturity of three months or less, including money market accounts, which are neither restricted by donors nor held for long-term purposes, to be cash equivalents.

**Contributions Receivable**

Contributions receivable are unconditional promises to give made by donors for which funds have not yet been received as of year-end. Unconditional promises to give that are expected to be collected within one year are recorded at the amount pledged. Promises to give that are expected to be received after one year are recorded at net realizable value. As of June 30, 2022, and 2021, the adjustments for present value of expected future cash flows for long-term pledges were not material to the consolidated financial statements; accordingly, no adjustments were made.

Subsequent to initial recognition, management uses the allowance method to determine the uncollectible amounts. The allowance is based upon assessment of the current economic environment, historical collection experience, review of specific outstanding accounts, and analysis of subsequent events. The Organization has determined all contributions receivable are collectible as of June 30, 2022 and 2021.

**Investments**

Investment purchases are recorded at cost, or if donated, at fair value on the date of the donation. Thereafter, investments are reported at fair value in the consolidated statements of financial position. Net investment appreciation (depreciation) in the fair value of investments, dividends, interest, and capital gains are reported in the consolidated statements of activities as investment income, net of investment expenses.

**Property and Equipment**

Property and equipment is stated at cost or, in the case of donated assets, at the fair value at the date of receipt. Depreciation is calculated using the straight-line method over the useful life of assets. For furniture, equipment, software, and leasehold improvements the life is between 3 to 5 years. The Organization capitalizes purchases of property and equipment with a cost greater than \$500 and a useful life greater than one year.

Maintenance and repairs are charged to operations when incurred. When property and equipment is sold or otherwise disposed, the asset account and related accumulated depreciation account are relieved, and any gain or loss is included in operations.

**GLOBAL GREENGRANTS FUND**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

**NOTE 1 NATURE OF THE ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES**  
**(CONTINUED)**

**Impairment of Long-Lived Assets**

Management assesses the carrying value of long-lived assets for impairment when circumstances indicate such amounts may not be recoverable from future operations. Generally, assets to be held and used in operations are considered impaired if the sum of expected undiscounted future cash flows are less than the carrying amount of the asset. If impairment has occurred, the loss is measured based on the amount by which the carrying value exceeds its fair market value. Management does not believe that any impairment has occurred as of June 30, 2022 or 2021.

**Grants Payable**

Grants expense is recorded when approved for payment by the Organization's advisory board and management team. Amounts approved in one fiscal year, which are paid in a subsequent year, are reported as grants payable in the accompanying consolidated statements of financial position.

The Organization also intends to provide financial support to other nonprofit organizations that operate in certain developing countries. Future funding is contingent on the recipient organizations maintaining certain protocols with respect to its grantees and upon the availability of funds. Therefore, no liability has been recorded for these intentions to give.

**Contribution and Grant Revenue Recognition**

The Organization records unconditional contributions in accordance with the requirements of accounting principles generally accepted in the United States of America for nonprofit entities. The Organization recognizes revenue for contributions (and grants considered to be contributions) based upon the presence or absence of donor-imposed conditions. For those contributions absent of donor-imposed conditions, revenues are recognized at the time the Organization is notified of the contribution and that promise is verified, regardless of the timing of cash receipt. For contributions with donor-imposed conditions – that is, those with a measurable performance or other barrier and a right of return or release – revenues are recognized at the time the conditions are substantially met, regardless of the timing of cash receipt.

Payments received for conditional contributions and grants for which conditions have not been satisfied as of June 30, 2022 and 2021 are recorded as deferred revenue in the consolidated statements of financial position.

Contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted by the donor for specific purposes, or are designated for future periods, are reported as increases in net assets with donor restrictions.

When a donor restriction expires, that is, when a stipulated time restriction ends, or the purpose of the restriction is accomplished, net assets with restrictions are reclassified to net assets without restrictions and reported in the consolidated statements of activities as Net Assets Released from Restrictions.

**GLOBAL GREENGRANTS FUND  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2022 AND 2021**

**NOTE 1 NATURE OF THE ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**Contribution and Grant Revenue Recognition (Continued)**

Contributions to be received over multiple years, at a specified date in the future and for a specific purpose, are subject to time restrictions and are reported as increases in net assets with donor restrictions. Multi-year promises to give are recognized as restricted revenue in the year the written promise is received from the donor.

Donor agreements for donor advised funds and fiscal sponsorship arrangements convey variance power to the Organization's board of directors, which allows the board of directors to deviate from the donor's restrictions if the restriction becomes incapable of fulfillment or is inconsistent with the charitable needs of the community. The Organization strives to honor donors' charitable intent and accepts grant recommendations from donors. However, due to its variance power, the Organization generally reports contributions received under donor advised fund and fiscal sponsorship arrangement agreements as increases in net assets without donor restrictions.

The Organization received contributions totaling \$1,507,895 from IKEA Foundation during fiscal year 2022. The cash payment received related to this contribution was \$1,507,870.

**Donated Services and In-Kind Contributions**

A substantial number of unpaid volunteers have made significant contributions of their time to develop the Organization's programs. The value of this contributed time is not reflected in the accompanying consolidated financial statements because the services do not require specialized skills. Donated professional services (which include accounting and legal services) would be reflected in the consolidated statement of activities at their estimated fair value. No such services were donated during the years ended June 30, 2022 or 2021. Contributed goods are recorded at fair value at the date of donation.

**Functional Allocation of Expenses**

The costs of providing various programs and other activities have been summarized on a functional basis in the consolidated statements of functional expenses. Program activities are those that are conducted in accordance with the Organization's nature of operations and certain necessary costs. Management and general activities are those that are not identifiable with a single program or fundraising activity, but that are indispensable to the conduct of those activities and to the Organization's existence. Fundraising activities involve inducing potential donors to contribute money, securities, services, materials, facilities, other assets, or time to the Organization. Salaries, benefits, and payroll tax expense is allocated to programs, management and general activities, and fundraising based on time recorded and classified by employees. All other expense is allocated to activities based on direct costs to those activities.

**GLOBAL GREENGRANTS FUND**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

**NOTE 1 NATURE OF THE ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES**  
**(CONTINUED)**

**Foreign Currency**

The financial position and results of operations of the Organization's foreign operations is measured using the foreign operation's local currency as the functional currency. Assets and liabilities are translated into U.S. dollars at the current rates of exchange as of the financial position date and revenues and expenses are translated using weighted average rates prevailing during the period. Accounts and transactions denominated in foreign currencies have been remeasured into functional currencies before translation into U.S. dollars. Foreign currency transaction gains and losses are shown as a component of changes in net assets before foreign currency translation adjustments in the consolidated statement of activities. Unrealized gains and losses from foreign currency translation are included in the change in foreign currency translation adjustment in the consolidated statements of activities.

**Financial Instruments and Credit Risk**

The Organization places its cash in temporary bank accounts with financial institutions that are insured by the Federal Deposit Insurance Corporation (FDIC) and considered by management to be insured, high-quality, and creditworthy. The Organization had approximately \$26,120,000 and \$7,207,000 in excess of federally insured limits as of June 30, 2022 and 2021, respectively.

The Organization also has several foreign currency accounts at a financial institution not covered by FDIC insurance. At June 30, 2022 and 2021, the amount in these accounts was approximately \$1,950,000 and \$1,011,000, respectively.

The Organization has not experienced any losses in any of these accounts.

**Income Taxes**

The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC). The Organization has been classified by the IRS as a nonprofit organization other than a private foundation. However, income from activities not directly related to the Organization's tax-exempt purpose is subject to taxation as unrelated income. There was no income from business unrelated to the Organization's exempt purpose during the years ended June 30, 2022 and 2021. Since it has no income from business unrelated to its exempt purpose, no liability for federal income taxes has been recorded.

The Organization believes that it has conducted its operations in accordance with, and has properly maintained, its tax-exempt status, and that it has taken no material uncertain tax positions that qualify for federal recognition or disclosure in the consolidated financial statements.

**GLOBAL GREENGRANTS FUND**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

**NOTE 1 NATURE OF THE ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES**  
**(CONTINUED)**

**Use of Estimates**

The preparation of consolidated financial statements in conformity with U.S. GAAP 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Adoption of New Accounting Standard**

In September 2020, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) Number 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The ASU provides for additional disclosures to support clearer financial information about noncash contributions nonprofit organizations receive or make, known as gifts-in-kind (GIKs). Contributed nonfinancial assets are required to be reported by category within the consolidated statements of activities, and additional disclosures are required for each category, including whether nonfinancial assets were monetized or utilized during the reporting period, the policy for monetizing nonfinancial contributions, and descriptions of the fair value techniques used to arrive at a fair value measurement. The Organization adopted the requirements of the new ASU as of July 1, 2021, utilizing the retrospective method of transition. The adoption of this ASU did not result in a material impact on the Organization's consolidated financial statements.

**Recently Issued Accounting Pronouncements**

In February of 2016, the FASB issued ASU 2016-02, Topic 842, *Leases*. The purpose of this ASU is to establish the principle to report transparent and economically neutral information about the assets and liabilities that arise from leases. The new guidance is effective for the Organization for fiscal year ended June 30, 2023. Management is currently evaluating the impact of adoption of this standard on its consolidated financial statements.

**Subsequent Events**

In preparing the consolidated financial statements, the Organization has evaluated subsequent events through October 16, 2023, the date the consolidated financial statements were available to be issued.

**GLOBAL GREENGRANTS FUND**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

**NOTE 2 AVAILABILITY OF RESOURCES AND LIQUIDITY**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

	2022	As Restated 2021
Cash and Cash Equivalents	\$ 29,264,944	\$ 9,443,504
Investments	2,311,456	2,135,283
Contributions Receivable	14,167,420	7,115,585
Other Receivables	11,242	25,612
Subtotal	<u>45,755,062</u>	<u>18,719,984</u>
Less:		
Donor-Restricted Net Assets (As Restated - Note 13)	<u>(19,842,830)</u>	<u>(10,124,950)</u>
Financial Assets Available to Meet General Expenditures Over the Next Year	<u>\$ 25,912,232</u>	<u>\$ 8,595,034</u>

The Organization's goal is generally to maintain financial assets to meet 180 days of operating expenses. The Organization maintains adequate cash reserves to meet this requirement.

**NOTE 3 FAIR VALUE MEASUREMENT OF INVESTMENTS**

Certain assets are reported at fair value in the consolidated financial statements. Fair value is the price that would be received to sell an asset in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset 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 based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

*Level 1* - Quoted prices (unadjusted) in active markets for identical assets that the Organization can access at the measurement date.

*Level 2* - Inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. These include quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, inputs other than quoted prices that are observable for the asset, and market-corroborated inputs.

*Level 3* - Unobservable inputs for the asset. In these situations, the Organization develops inputs using the best information available in the circumstances.

**GLOBAL GREENGRANTS FUND**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

**NOTE 3 FAIR VALUE MEASUREMENT OF INVESTMENTS (CONTINUED)**

The following investments were measured at fair value on a recurring basis at June 30:

	2022				
	Fair Value Measurements Using:				
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Investments Measured at NAV
<b>ASSETS</b>					
Investments:					
Certificates of Deposit	\$ 500,361	\$ -	\$ 500,361	\$ -	\$ -
Corporate Bonds	1,330,952	-	1,330,952	-	-
U.S. Treasury Bills	480,143	480,143	-	-	-
Total	<u>\$ 2,311,456</u>	<u>\$ 480,143</u>	<u>\$ 1,831,313</u>	<u>\$ -</u>	<u>\$ -</u>
	2021				
	Fair Value Measurements at Report Date Using				
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Investments Measured at NAV
<b>ASSETS</b>					
Investments:					
Certificates of Deposit	\$ 984,281	\$ -	\$ 984,281	\$ -	\$ -
Tax-Exempt Bonds	105,158	-	105,158	-	-
Corporate Bonds	357,146	-	357,146	-	-
U.S. Treasury Bills	688,698	688,698	-	-	-
Total	<u>\$ 2,135,283</u>	<u>\$ 688,698</u>	<u>\$ 1,446,585</u>	<u>\$ -</u>	<u>\$ -</u>

**NOTE 4 INVESTMENT INCOME**

Net investment income consisted of the following for the years ended June 30:

	2022	2021
Interest Income	\$ 70,718	\$ 41,101
Net Realized and Unrealized Loss	(45,471)	(22,429)
Investment Fees	(4,834)	(4,819)
Total Investment Income, Net	<u>\$ 20,413</u>	<u>\$ 13,853</u>



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**NOTE 5 CONTRIBUTIONS RECEIVABLE**

Contributions receivable consisted of unconditional promises to give. Future payments of contributions receivable are expected to be collected as follows for the years ended June 30:

<u>Year Ending June 30,</u>	<u>UK</u>	<u>U.S.</u>	<u>Total</u>
2023	\$ 3,280,252	\$ 5,857,501	\$ 9,137,753
2024	200,000	4,194,667	4,394,667
2025	-	355,000	355,000
2026	-	280,000	280,000
2027	-	-	-
Total Contributions Receivable	<u>\$ 3,480,252</u>	<u>\$ 10,687,168</u>	<u>\$ 14,167,420</u>

**NOTE 6 PROPERTY AND EQUIPMENT**

The following is a summary of property and equipment recorded at cost, less accumulated depreciation, as of June 30:

	<u>2022</u>	<u>2021</u>
Computer Hardware	\$ 94,352	\$ 88,834
Computer Software	56,260	73,995
Office Furniture and Equipment	10,370	10,370
Leasehold Improvement	42,057	42,057
Property and Equipment	<u>203,039</u>	<u>215,256</u>
Less: Accumulated Depreciation	<u>(165,361)</u>	<u>(174,777)</u>
Property and Equipment, Net	<u>\$ 37,678</u>	<u>\$ 40,479</u>

Depreciation expense for the years ended June 30, 2022 and 2021 was \$17,543 and \$16,011, respectively.

**NOTE 7 LEASE COMMITMENTS**

The Organization leases office space under a noncancelable operating lease that expires in December of 2023. The office space lease is with an unrelated party whereby a portion of the lease is payable in cash and the remainder is an in-kind donation by the landlord. Rent expense for office space totaled approximately \$54,000 and \$50,000 and the donated portion of facilities rent totaled \$30,000 and \$25,000 for the years ended June 30, 2022 and 2021, respectively.

Future minimum lease commitments are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2023	\$ 25,212
2024	18,815
Total Future Minimum Lease Commitments	<u>\$ 44,027</u>

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**NOTE 8 PAYCHECK PROTECTION PROGRAM (PPP) LOAN**

**First Draw PPP Loan**

In fiscal year 2020, the Organization received a loan in the amount of \$335,743 to fund payroll, rent, and utilities through the federal Paycheck Protection Program. This loan had stipulations that allowed the amounts owed to be forgiven subject to compliance and approval based on the timing and use of these funds in accordance with the program administered by the U.S. Small Business Administration. The loan originated on May 29, 2020, at a 1% fixed interest rate. On May 26, 2021, the Organization was notified that the SBA approved full forgiveness for the entire amount of its PPP Loan. Accordingly, the Organization recognized \$335,743 of Paycheck Protection Program Loan Forgiveness revenue related to this agreement during the year ended June 30, 2021, which represents the entire amount of the PPP loan as management believes that all the related performance barriers have been met.

**Second Draw PPP Loan**

The Organization received a second loan in the amount of \$377,150 to fund payroll, rent, and utilities through the federal Paycheck Protection Program. This loan had stipulations that allowed the amounts owed to be forgiven subject to compliance and approval based on the timing and use of these funds in accordance with the program administered by the SBA. The loan originated on March 25, 2021, at a 1% fixed interest rate. On April 18, 2022, the Organization was notified that the SBA approved full forgiveness for the entire amount of its PPP Loan. Accordingly, the Organization recognized \$377,150 of Paycheck Protection Program Loan Forgiveness revenue related to this agreement during the year ended June 30, 2022, which represents the entire amount of the PPP loan as management believes that all the related performance barriers have been met.

**NOTE 9 NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions consisted of the following for the years ended June 30:

	<u>2022</u>	<u>As Restated 2021</u>
Subject to Expenditure for Specific Purpose:		
Specific Programs and Regions (As Restated - Note 13)	\$ 5,675,410	\$ 3,009,365
Subject to Expenditure for Specific Purpose:		
For Periods after June 30	<u>14,167,420</u>	<u>7,115,585</u>
Total Net Assets With Donor Restrictions	<u>\$ 19,842,830</u>	<u>\$ 10,124,950</u>

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**NOTE 9 NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)**

Net assets released from restrictions consisted of the following for the years ended June 30:

	<u>2022</u>	<u>As Restated 2021</u>
Purpose Restrictions Accomplished:		
Specific Programs and Regions (As Restated - Note 13)	\$ 8,467,226	\$ 4,746,709
Time Restrictions Expired:		
Passage of Specified Time	8,236,743	3,222,669
Total Restrictions Released	<u>\$ 16,703,969</u>	<u>\$ 7,969,378</u>

**NOTE 10 BOARD-DESIGNATED NET ASSETS**

In 2014, the Organization established a Board-Designated Operating Reserve (the Reserve Fund). The purpose of the Fund is to support the continuity of the Organization's core operations during periods of unexpected operating losses or other financial stress. Utilization of the Reserve Fund is to be made subject to the approval of the board of directors, with the intention that it be used only in extraordinary circumstances to support the fixed operating expenses of the Organization, but not grant-making. The target size of the Fund established in 2014 was \$750,000.

In 2019, the board of directors approved an amendment to the Fund to achieve and maintain operating reserve sufficient to finance four months of the Organization's U.S. operations, excluding grants, under which the size of the Fund shall be established annually as part of the Organization's U.S. budgeting process by averaging the operating expenses, excluding grants, over each of the prior three years and dividing the resulting number by three. However, the Organization did not allocate additional resources to the Fund during the years ended June 30, 2022 and 2021.

The Organization entered into two fiscal sponsorship agreements with unrelated parties under which they receive gifts from donors and administer grants. The board of directors has final approval on grants made from the Funds and may refuse to make a grant if it is found to be inconsistent with the Organization's mission or policies. Upon termination of these agreements, any remaining assets in the Funds will be retained by the Organization.

Board-designated net assets consisted of the following for the years ended June 30:

	<u>2022</u>	<u>As Restated 2021</u>
Designated Operating Reserve	\$ 750,000	\$ 750,000
Environmental Defenders Collaborative Fund (As Restated - Note 13)	1,835,125	1,161,929
Agroecology Fund	3,518,930	-
Total Board-Designated Net Assets	<u>\$ 6,104,055</u>	<u>\$ 1,911,929</u>

**GLOBAL GREENGRANTS FUND**  
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**NOTE 11 DEFINED CONTRIBUTION RETIREMENT PLAN**

The Organization sponsors a 403(b) defined contribution retirement plan (the Plan), which covers substantially all employees. Employees may elect to make pre-tax deferrals of their compensation, subject to certain limits. The Plan requires the Organization to make matching contributions of up to 4% of a participant's compensation provided their deferrals equal or exceed 4% of the participant's compensation. Matching contributions are immediately vested. Matching contributions totaled \$78,348 and \$71,076 for the years ended June 30, 2022 and 2021, respectively.

**NOTE 12 SIGNIFICANT CONCENTRATIONS**

Credit risk, with respect to receivables, is considered low due to past experience and the reputations of major contributors. As of June 30, 2022 and 2021, approximately 38% and 66% of the total contributions receivable balance was outstanding from two donors and one donor, respectively. During the years ended June 30, 2022 and 2021, one donor comprised 21% and 23%, respectively, of contributions and grant revenue.

**NOTE 13 RESTATEMENT**

The Organization has restated its net assets as of July 1, 2021 to properly classify contributions received under fiscal sponsorship agreements during fiscal year 2021 in which the Organization has sole discretion in directing the use of the funds as net assets without donor restrictions.

The effects of this restatement on the fiscal year 2021 consolidated financial statements have been summarized below.

Statement of Financial Position, 2021			
	As Originally Stated	As Restated	Effect of Change
Net Assets - Without Donor Restrictions	\$ 7,024,856	\$ 7,874,121	\$ 849,265
Net Assets - With Donor Restrictions	10,974,215	10,124,950	(849,265)
Total Net Assets	\$ 17,999,071	\$ 17,999,071	\$ -

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**NOTE 13    RESTATEMENT (CONTINUED)**

	Statement of Activities, 2021								
	As Originally Stated		As Restated		As Restated		Effect of Change		
	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions	
<b>REVENUES, GAINS, AND OTHER SUPPORT</b>									
Contribution and Grant Revenue	\$ 4,959,482	\$ 14,775,731	\$ 19,735,213	\$ 6,261,984	\$ 13,473,229	\$ 19,735,213	\$ 1,302,502	\$ (1,302,502)	\$ -
Investment Income, Net	13,853	-	13,853	13,853	-	13,853	-	-	-
In-Kind Donations	-	59,455	59,455	-	59,455	59,455	-	-	-
Program Service Fees	3,250	-	3,250	3,250	-	3,250	-	-	-
Paycheck Protection Program									
Loan Forgiveness	335,743	-	335,743	335,743	-	335,743	-	-	-
Other Revenue	16,382	-	16,382	16,382	-	16,382	-	-	-
Net Assets Released From Restrictions	8,765,571	(8,765,571)	-	7,969,378	(7,969,378)	-	(796,193)	796,193	-
Total Revenue, Gains and Other Support	14,094,281	6,069,615	20,163,896	14,600,590	5,563,306	20,163,896	506,309	(506,309)	-
<b>EXPENSES AND LOSSES</b>									
Program Services	11,251,024	-	11,251,024	11,251,024	-	11,251,024	-	-	-
Management and General	511,438	-	511,438	511,438	-	511,438	-	-	-
Fundraising	1,056,578	-	1,056,578	1,056,578	-	1,056,578	-	-	-
Total Expenses	12,819,040	-	12,819,040	12,819,040	-	12,819,040	-	-	-
Change in Net Assets, Before Foreign Currency Translation Adjustment	1,275,241	6,069,615	7,344,856	1,781,550	5,563,306	7,344,856	506,309	(506,309)	-
Change in Foreign Currency Translation Adjustment	65,277	-	65,277	65,277	-	65,277	-	-	-
<b>CHANGE IN NET ASSETS</b>	1,340,518	6,069,615	7,410,133	1,846,827	5,563,306	7,410,133	506,309	(506,309)	-
Net Assets - Beginning of Year	5,684,338	4,904,600	10,588,938	6,027,294	4,561,644	10,588,938	342,956	(342,956)	-
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 7,024,856</u>	<u>\$ 10,974,215</u>	<u>\$ 17,999,071</u>	<u>\$ 7,874,121</u>	<u>\$ 10,124,950</u>	<u>\$ 17,999,071</u>	<u>\$ 849,265</u>	<u>\$ (849,265)</u>	<u>\$ -</u>



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