

Environmental Defense Fund, Incorporated

**Consolidated Financial Statements
and Supplementary Information
Years Ended September 30, 2020 and 2019**

Environmental Defense Fund, Incorporated

Consolidated Financial Statements and Supplementary Information
Years Ended September 30, 2020 and 2019

Environmental Defense Fund, Incorporated

Contents

Independent Auditor's Report	3-4
Consolidated Financial Statements	
Consolidated Statements of Financial Position as of September 30, 2020 and 2019	5
Consolidated Statement of Activities for the Year Ended September 30, 2020	6
Consolidated Statement of Activities for the Year Ended September 30, 2019	7
Consolidated Statement of Functional Expenses for the Year Ended September 30, 2020	8
Consolidated Statement of Functional Expenses for the Year Ended September 30, 2019	9
Consolidated Statements of Cash Flows for the Years Ended September 30, 2020 and 2019	10
Notes to Consolidated Financial Statements	11-32
Supplementary Information	
Consolidating Schedule of Financial Position as of September 30, 2020	34
Consolidating Schedule of Financial Position as of September 30, 2019	35
Consolidating Schedule of Activities for the Year Ended September 30, 2020	36
Consolidating Schedule of Activities for the Year Ended September 30, 2019	37



Independent Auditor's Report

The Board of Trustees
Environmental Defense Fund, Incorporated
New York, New York

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Environmental Defense Fund, Incorporated, which comprise the consolidated statements of financial position as of September 30, 2020 and 2019, 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.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated 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 audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of Environmental Defense Fund, Incorporated as of September 30, 2020 and 2019, 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.

Other Matters

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying consolidating schedules of financial position and consolidating schedules of activities are presented for purposes of additional analysis and are not required parts of the basic consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements, and to certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and to 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 consolidated financial statements as a whole.

BDO USA, LLP

January 27, 2021

Environmental Defense Fund, Incorporated

Consolidated Statements of Financial Position

<i>September 30,</i>	2020	2019
Assets		
Cash and cash equivalents	\$ 28,722,117	\$ 34,781,361
Temporary investments, at fair value	2,580,855	15,097,914
Prepaid expenses and other assets	10,121,545	7,404,780
Pledges receivable, net	67,080,479	110,831,413
Investments, at fair value	120,207,973	75,540,078
Property and equipment, net	44,826,017	23,048,970
Total Assets	\$ 273,538,986	\$ 266,704,516
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	\$ 23,087,184	\$ 24,761,699
Deferred revenue and rent payable	3,611,072	3,138,305
Annuities payable	6,448,990	4,878,694
Notes payable	9,887,146	11,027,396
Pension liability	4,872,993	4,187,209
Other liabilities	5,207,696	3,943,224
Total Liabilities	53,115,081	51,936,527
Commitments and Contingencies		
Net Assets		
Without donor restrictions:		
Undesignated	10,717,663	4,775,151
Board designated	63,949,817	54,251,001
Total Without Donor Restrictions	74,667,480	59,026,152
With donor restrictions	145,756,425	155,741,837
Total Net Assets	220,423,905	214,767,989
Total Liabilities and Net Assets	\$ 273,538,986	\$ 266,704,516

See accompanying notes to consolidated financial statements.

Environmental Defense Fund, Incorporated

Consolidated Statement of Activities

Year ended September 30, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
Operating Support and Revenue			
Support:			
Contributions and membership	\$ 73,989,839	\$ 86,200,178	\$ 160,190,017
Foundations and other institutional giving	1,571,896	36,419,826	37,991,722
Government grants and other giving	1,000	4,585,321	4,586,321
Bequests and other planned giving	13,141,887	225,628	13,367,515
Total Support	88,704,622	127,430,953	216,135,575
Revenue:			
Investment income allocated for operations	-	652,179	652,179
Fees, royalties and other income	4,575,973	-	4,575,973
Total Revenue	4,575,973	652,179	5,228,152
Net assets released from restrictions	138,151,954	(138,151,954)	-
Total Operating Support and Revenue (Expenses)	231,432,549	(10,068,822)	221,363,727
Operating Expenses			
Program services:			
Scientific research, economic analysis, and policy development:			
Climate and energy	98,360,218	-	98,360,218
Oceans	19,054,976	-	19,054,976
Ecosystems	21,285,876	-	21,285,876
Health	8,669,898	-	8,669,898
Education	24,639,093	-	24,639,093
Total Program Services	172,010,061	-	172,010,061
Supporting services:			
Management and general	6,869,817	-	6,869,817
Fundraising and development	37,420,249	-	37,420,249
Total Supporting Services	44,290,066	-	44,290,066
Total Operating Expenses	216,300,127	-	216,300,127
Change in Net Assets from Operations	15,132,422	(10,068,822)	5,063,600
Change in Net Assets from Non-Operating Activities			
Other expenses and other income, net	(925,678)	(245,376)	(1,171,054)
Investment income, net of allocation to operations	1,434,584	328,786	1,763,370
Change in Net Assets	15,641,328	(9,985,412)	5,655,916
Net Assets, beginning of year	59,026,152	155,741,837	214,767,989
Net Assets, end of year	\$ 74,667,480	\$ 145,756,425	\$ 220,423,905

See accompanying notes to consolidated financial statements.

Environmental Defense Fund, Incorporated

Consolidated Statement of Activities

Year ended September 30, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
Operating Support and Revenue			
Support:			
Contributions and membership	\$ 64,134,824	\$ 74,707,249	\$ 138,842,073
Foundations and other institutional giving	1,324,394	44,876,297	46,200,691
Government grants and other giving	48,427	2,366,704	2,415,131
Bequests and other planned giving	7,165,139	448,309	7,613,448
Total Support	72,672,784	122,398,559	195,071,343
Revenue:			
Investment income allocated for operations	6,461,736	633,156	7,094,892
Fees, royalties and other income	588,957	-	588,957
Total Revenue	7,050,693	633,156	7,683,849
Net assets released from restrictions	125,507,993	(125,507,993)	-
Total Operating Support and Revenue	205,231,470	(2,476,278)	202,755,192
Operating Expenses			
Program services:			
Scientific research, economic analysis and policy development:			
Climate and energy	88,757,969	-	88,757,969
Oceans	20,447,858	-	20,447,858
Ecosystems	21,523,536	-	21,523,536
Health	6,350,235	-	6,350,235
Education	27,363,455	-	27,363,455
Total Program Services	164,443,053	-	164,443,053
Supporting services:			
Management and general	6,571,718	-	6,571,718
Fundraising and development	30,329,085	-	30,329,085
Total Supporting Services	36,900,803	-	36,900,803
Total Operating Expenses	201,343,856	-	201,343,856
Change in Net Assets from Operations	3,887,614	(2,476,278)	1,411,336
Change in Net Assets from Non-Operating Activities			
Other expenses and other income, net	(663,074)	(58,987)	(722,061)
Investment results, net of allocation to operations	(4,492,545)	(221,226)	(4,713,771)
Change in Net Assets	(1,268,005)	(2,756,491)	(4,024,496)
Net Assets, beginning of year	60,294,157	158,498,328	218,792,485
Net Assets, end of year	\$ 59,026,152	\$ 155,741,837	\$ 214,767,989

See accompanying notes to consolidated financial statements.

Environmental Defense Fund, Incorporated

Consolidated Statement of Functional Expenses

Year ended September 30, 2020

	Climate and Energy	Oceans	Ecosystems	Health	Education	Management and General	Fundraising and Development	Total
Salaries and wages	\$ 30,111,550	\$ 8,292,279	\$ 7,408,787	\$ 3,230,308	\$ 11,324,503	\$ 2,519,085	\$ 18,724,112	\$ 81,610,624
Professional and consulting fees	21,147,914	3,819,983	4,453,255	1,407,827	3,820,977	893,164	5,000,505	40,543,625
Grants and other contributions	19,859,568	977,448	2,153,024	1,326,352	2,238,565	1,110	9,316	26,565,383
Benefits and other employee costs	8,981,255	2,579,081	2,190,294	928,990	3,365,799	607,786	4,067,364	22,720,569
Occupancy	3,201,661	834,378	816,352	347,857	1,549,157	1,849,813	3,753,770	12,352,988
Advertising and promotions	6,080,956	239,098	550,283	360,367	197,218	15,861	332,929	7,776,712
Printing	3,280,921	420,331	2,307,322	270,345	355,441	58,241	987,990	7,680,591
Subscriptions and dues	1,575,499	351,850	343,420	263,229	307,878	161,141	590,616	3,593,633
Other	689,237	171,456	153,102	70,977	253,183	33,686	1,813,508	3,185,149
Travel	1,164,405	342,606	329,573	110,426	390,641	75,528	347,499	2,760,678
Depreciation and amortization	603,581	151,446	150,079	64,216	313,413	339,110	690,101	2,311,946
Meetings and events	706,813	513,448	149,765	107,780	130,923	19,132	361,909	1,989,770
Telecommunications	344,707	128,550	78,971	31,057	129,495	114,282	282,890	1,109,952
Database management	246,797	117,166	106,833	83,349	77,027	89,239	195,386	915,797
Office supplies and equipment	252,677	84,719	67,933	50,253	162,122	56,358	186,531	860,593
Postage and delivery	112,677	31,137	26,883	16,565	22,751	36,281	75,823	322,117
Total	\$ 98,360,218	\$ 19,054,976	\$ 21,285,876	\$ 8,669,898	\$ 24,639,093	\$ 6,869,817	\$ 37,420,249	\$216,300,127

See accompanying notes to consolidated financial statements.

Environmental Defense Fund, Incorporated

Consolidated Statement of Functional Expenses

Year ended September 30, 2019

	Climate and Energy	Oceans	Ecosystems	Health	Education	Management and General	Fundraising and Development	Total
Salaries and wages	\$ 30,193,566	\$ 8,669,773	\$ 7,902,832	\$ 2,826,313	\$ 9,787,661	\$ 2,033,741	\$ 15,160,712	\$ 76,574,598
Professional and consulting fees	17,375,163	4,240,896	4,364,073	830,475	5,755,937	1,034,348	1,232,380	34,833,272
Grants and other contributions	11,828,834	681,749	3,211,513	778,963	3,676,166	25,909	47,256	20,250,390
Benefits and other employee costs	8,602,673	2,440,582	2,270,575	791,204	2,776,636	572,372	4,105,963	21,560,005
Occupancy	3,100,307	704,013	753,860	290,150	1,307,135	1,545,076	3,135,376	10,835,917
Advertising and promotions	5,994,533	264,146	459,977	85,342	435,816	13,437	636,297	7,889,548
Printing	3,044,476	711,349	735,868	215,221	886,098	36,792	1,761,415	7,391,219
Subscriptions and dues	1,604,996	209,577	205,647	72,746	392,733	173,477	629,046	3,288,222
Other	563,897	171,958	154,185	63,380	233,114	204,377	607,614	1,998,525
Travel	3,044,417	892,403	744,172	133,151	833,710	123,666	717,182	6,488,701
Depreciation and amortization	651,510	161,400	159,353	68,291	330,585	359,434	732,291	2,462,864
Meetings and events	1,706,312	990,155	344,078	107,507	534,893	109,021	626,788	4,418,754
Telecommunications	436,748	142,420	82,112	27,849	125,198	98,619	256,190	1,169,136
Database management	275,029	81,386	65,951	30,871	130,481	133,306	291,868	1,008,892
Office supplies and equipment	235,355	61,487	47,363	22,846	130,167	65,064	316,503	878,785
Postage and delivery	100,153	24,564	21,977	5,926	27,125	43,079	72,204	295,028
Total	\$ 88,757,969	\$ 20,447,858	\$ 21,523,536	\$ 6,350,235	\$ 27,363,455	\$ 6,571,718	\$ 30,329,085	\$201,343,856

See accompanying notes to consolidated financial statements.

Environmental Defense Fund, Incorporated

Consolidated Statements of Cash Flows

<i>Year ended September 30,</i>	2020	2019
Cash Flows from Operating Activities		
Change in net assets	\$ 5,655,916	\$ (4,024,496)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Donated securities	(36,330,768)	(8,396,134)
Proceeds from donated securities	8,198,246	7,787,978
Net realized and unrealized gains on investments	(1,102,580)	(454,169)
Depreciation and amortization	2,311,946	2,462,864
Change in present value of pledges receivable	(1,791,091)	(1,903,743)
Bad debt	533,968	-
Changes in:		
Prepaid expenses and other assets	(2,716,765)	(191,549)
Pledges receivable	45,008,057	14,876,379
Accounts payable and accrued expenses	(1,674,515)	11,816,473
Deferred rent and revenue payable	472,767	(383,753)
Annuities payable	1,570,296	470,899
Pension liability	685,784	506,665
Other liabilities	1,264,472	326,449
Net Cash Provided by Operating Activities	22,085,733	22,893,863
Cash Flows from Investing Activities		
Purchases of property and equipment	(24,088,993)	(10,431,954)
Proceeds from sales of investments	66,122,295	23,886,379
Purchases of investments	(69,038,029)	(25,745,142)
Net Cash Used in Investing Activities	(27,004,727)	(12,290,717)
Cash Flows from Financing Activities		
Notes issued	-	11,402,500
Repayment of notes payable	(1,140,250)	(7,057,604)
Net Cash (Used in) Provided by Financing Activities	(1,140,250)	4,344,896
Net (Decrease) Increase in Cash and Cash Equivalents	(6,059,244)	14,948,042
Cash and Cash Equivalents, beginning of year	34,781,361	19,833,319
Cash and Cash Equivalents, end of year	\$ 28,722,117	\$ 34,781,361
Supplemental Disclosure of Cash Flow Information		
Interest paid	\$ 251,260	\$ 372,723

See accompanying notes to consolidated financial statements.

Environmental Defense Fund, Incorporated

Notes to Consolidated Financial Statements

1. Organization and Summary of Significant Accounting Policies

Organization

The accompanying Environmental Defense Fund, Incorporated consolidated financial statements are comprised of the entity Environmental Defense Fund, Incorporated (EDF) and its wholly controlled entities, the Environmental Defense Action Fund (the Action Fund); the MethaneSat, LLC (MethaneSAT); SATMgmt, LLC (SATMgmt); Environmental Defense Fund de Mexico, A.C. (EDF Mexico); the Environmental Defense Action Fund Political Action Committee (EDAF PAC); the Environmental Defense Fund Europe (EDFE); Stichting Environmental Defense Fund Europe (EDF Netherlands); Environmental Defense Fund Beijing Representative Office (EDF Beijing); Environmental Defense Fund Hong Kong (EDF Hong Kong); Environmental Defense Fund Indonesia (EDF Indonesia) and Environmental Defense Fund Philippines (EDF Philippines) (together, the Organization) as of and for the fiscal years ended September 30, 2020 and 2019.

EDFE and EDF Netherlands together are referred to as EDF Europe.

EDF was originally organized as the Environmental Defense Fund, Incorporated, under the laws of New York State. It is classified as a public charity and is exempt from federal income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code (the Code), and from state and local taxes under comparable laws. It is dedicated to protecting the environmental rights of all people, including the rights to clean air, clean water, healthy food and flourishing ecosystems. EDF employs scientists, economists, attorneys and other professionals in an effort both to educate the public and to create practical solutions to environmental problems that win lasting political, economic and social support because they are nonpartisan and fair. It receives support from its membership and other contributors, as well as through foundation and government grants.

The Action Fund was incorporated in Delaware to educate the public about sound environmental policy and to advocate for effective laws to protect the environmental rights of all people. It has been classified as exempt from federal income taxes under Section 501(c)(4) of the Code. It receives support from individuals and other contributors.

EDF established EDF Mexico, a controlled foreign subsidiary, the operations of which are located in La Paz, Mexico. The expenditures of EDF Mexico are included in these consolidated financial statements.

The Action Fund established the EDAF PAC to facilitate political contributions by the Action Fund's members, officers and designated staff to help support candidate committees and other political committees that merit the support of the Action Fund and its members. Maintaining the Action Fund's reputation for objective, bipartisan advocacy, EDAF PAC was established to support candidates who promote environmental progress and protection, regardless of their political party affiliation. Since EDAF PAC is not a separate legal entity, its assets and liabilities are included in these consolidated financial statements as part of the Action Fund.

EDFE was established in the UK as a company limited by guarantee, with EDF as the company's sole member. EDFE is a registered charity under the UK Charities Act. As a registered charity, EDFE is exempt from income tax so long as its funds are used for charitable purposes. The work of EDFE focuses on restoring oceans and promoting sustainable fishing, as well as reducing emissions of climate pollutants through the wider use of clean energy and increased energy efficiency.

Environmental Defense Fund, Incorporated

Notes to Consolidated Financial Statements

EDF Netherlands, an incorporated entity, is participating in the Climate and Clean Air Coalition (CCAC), which is a part of the United Nations Environment Program. In this role, EDF is leading a series of international methane studies characterizing methane emissions from oil and gas operations. The work is funded by the European Commission, EDF itself and Oil and Gas Climate Initiative (OGCI) member companies. Staff in the field are leading the day-to-day work.

EDF Beijing was issued a certificate, in accordance with the Law of the People's Republic of China on Administration of Activities of Overseas Nongovernmental Organizations in the Mainland of China. This registration allows EDF Beijing to work throughout China on pollution control, environmental health, ecological conservation and climate change.

MethaneSAT, was registered in New York State as a limited liability company. It is wholly owned and controlled by EDF and is disregarded as an entity separate from EDF for federal income tax purposes. MethaneSAT is critical to advancing EDF's global methane strategy. MethaneSAT will, for the first time, systematically quantify methane emissions worldwide, starting with oil and gas-producing regions, and provide a global picture of emissions. MethaneSAT has negotiated contracts with vendors to build, launch and commission a satellite. Following launch, expected in 2022, MethaneSAT will be able to track changes in both the rate and location of emissions over time. This capability is what will allow MethaneSAT to play a leading role in holding countries and companies accountable to reduction commitments they make, whether through regulations or changes in corporate practices. All data will be made public so that companies, investors, governments and interested citizens will have a clear understanding of the extent of emissions across geographies and facilities, and thus the climatic impacts.

SATMgmt was registered in New York State in 2019 as a limited liability company. It is wholly owned and controlled by EDF and is disregarded as an entity separate from EDF for federal income tax purposes. SATMgmt manages the operations of MethaneSAT.

In 2019, EDF was officially registered in Hong Kong. EDF intends to engage in the preservation of the natural systems, to provide practical and lasting solutions to environmental problems involving areas that span the biosphere, such as climate, oceans, ecosystems and health.

EDF Indonesia registered to operate in 2019. Our experts work closely with the Ministry of Maritime Affairs and Fisheries, as well as local and international Non-Governmental Organizations (NGOs) and Universities to support and facilitate cooperation on the management of sustainable fisheries throughout Indonesia.

EDF was granted license to transact in the Philippines, where EDF Philippines will train government officials to use innovative, low-cost analytical tools to improve the science of fisheries management. Recently, government officials have invited EDF Philippines to partner with them to implement sustainable management in one of several regional fishery management areas that were established by a new government policy.

The 12 entities that comprise EDF, as described above, have some common officers and directors, and they share staff and other resources under a cost-sharing agreement. All material intercompany transactions have been eliminated in consolidation.

Environmental Defense Fund, Incorporated

Notes to Consolidated Financial Statements

Basis of Accounting

The accompanying consolidated financial statements of the Organization have been prepared using the accrual basis of accounting, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Financial Statement Presentation

The classification of a not-for-profit organization's net assets and its support, revenue and expenses is based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of the two classes of net asset defined below in the consolidated statements of financial position, and the amounts of change in each of those classes of net assets, are displayed in the consolidated statements of activities.

These classes are defined as follows:

Net Assets Without Donor Restrictions - This class consists of net assets that are not subject to donor-imposed restrictions and are, therefore, available for general purposes to be used for the ongoing activity and working capital needs of the Organization. Certain net assets without donor restrictions are designated by the Board of Trustees for specified purposes. Revenues are reported as increases in net assets without donor restrictions unless their use is limited by donor-imposed restrictions. Gains and losses on investments are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by donors or by law. Expenses are reported as decreases in net assets without donor restrictions.

Net Assets with Donor Restrictions - This class consists of net assets with donor restrictions whose use is limited by donor-imposed time and or purpose restrictions. The Organization reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor 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—the net assets are reclassified as net asset without donor restriction and reported in the statements of activities as net assets released from restriction.

Net assets with donor restrictions may include that the corpus of gifts, which must be maintained in perpetuity, but allow for the expenditure of net investment income and gains on investments earned on the corpus for either specified or unspecified purposes in accordance with the donor's stipulations. These funds are included with donor restrictions as permanently restricted.

Functional Allocation of Expenses

The costs of providing the various programs and supporting services have been summarized on a functional basis in the accompanying consolidated statements of activities.

Accordingly, certain expenses have been allocated among the programs and supporting services in reasonable ratios determined by management based on the benefits received by the programs and supporting services.

Environmental Defense Fund, Incorporated

Notes to Consolidated Financial Statements

The financial statements report certain categories of expenses that are attributable to one or more program or supporting functions of the Organization. Those expenses include depreciation and amortization, the finance department, human resources department, communications department and information technology department. Depreciation is allocated based on square footage, the finance department is allocated based on estimates of time and effort, certain costs of the communications department are allocated based on estimates of time and effort, and the information technology department is allocated based on estimates of time and costs of specific technology utilized.

Use of Estimates

The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Measure of Operations

The Organization includes in its measure of operations:

- all revenues and expenses that are an integral part of its programs and supporting activities
- net assets released from restrictions to support operating expenditures
- an annual amount appropriated for expenditure from donor-restricted endowment assets and assets designated for long-term investment

The Organization excludes from its measure of operations:

- contributions from and changes in the value of split-interest agreements, until the death of the donor, unless specified otherwise
- investment results net of amounts made available for operating purposes

Cash and Cash Equivalents

For financial reporting purposes, the Organization considers all highly liquid instruments purchased with an original maturity of three months or less, excluding cash held for investment purposes, to be cash and cash equivalents.

Cash Equivalents in Temporary Investments

The cash equivalents reported in the accompanying consolidated financial statements as temporary investments for future periods consist primarily of highly liquid investments with an original maturity of three months or less.

Property, Equipment and Depreciation

Property and equipment are recorded at their original costs and are depreciated over their estimated useful lives, which range from three to ten years, using the straight-line method. Leasehold improvements are amortized using the straight-line method over the terms of the

Environmental Defense Fund, Incorporated

Notes to Consolidated Financial Statements

underlying leases, or the estimated useful lives of the improvements, whichever is shorter. The Organization capitalizes items of property and equipment that have a cost of \$5,000 or more and useful lives of three years or more.

Management evaluates the recoverability of the investment in long-lived assets on an ongoing basis and recognizes any impairment in the year of determination. Long-lived assets were tested for impairment as of September 30, 2020 and 2019 and, in the opinion of management, there were no impairments. It is reasonably possible that relevant conditions could change in the near-term and necessitate a change in management's estimate of the recoverability of these assets.

Fair Value Measurements

EDF reports a fair value measurement of all applicable financial assets and liabilities, including investments, inventory, pledges receivable, deferred revenue and short-term and long-term notes payable.

Investments

U.S. GAAP also establishes a three-level valuation hierarchy of fair value measurements. These valuation techniques are based upon observable and unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect market assumptions. These two types of input create the following fair value hierarchy:

Level 1 - Valuations are based on observable inputs that reflect quoted market prices in active markets for identical investments at the reporting date.

Level 2 - Valuations are based on (i) quoted prices - those investments, or similar investments, in active markets; (ii) quoted prices - those investments, or similar investments, in markets that are not active; or (iii) pricing inputs other than quoted prices that are directly or indirectly observable at the reporting date. Level 2 assets include those investments or similar investments that are redeemable at or near the statement of financial position date and for which a model was derived for valuation.

Level 3 - Valuations are based on pricing inputs that are unobservable and include situations where (i) there is little, if any, market activity for the investments; (ii) the investments cannot be independently valued; or (iii) the investments cannot be immediately redeemed at or near the fiscal year-end.

Net investment income is recorded as without donor restrictions unless specifically restricted by the donors. Unrealized appreciation or depreciation of investments is included in the accompanying consolidated statements of activities. Realized gains and losses are accounted for on the specific identification method.

EDF's policy to sell donated equity securities upon receipt.

Investment income is net of direct investment expenses, which include the services of bank trustees, investment managers and custodians. The balance of investment management fees charged by EDF's investment managers in each fiscal year does not include those fees that are embedded in various other investment accounts and transactions.

Environmental Defense Fund, Incorporated

Notes to Consolidated Financial Statements

Valuation Allowances

The Organization evaluates the discount on its pledges receivable balance annually. Pledges are grouped based on the due date of each individual pledge payment, and the discount rate is determined by the risk-free rate at the time of the evaluation.

Split-Interest Agreements

A portion of EDF's investments results from deferred-giving vehicles subject to split-interest agreements. Three different types of agreements are currently maintained: the charitable gift annuity, the charitable remainder unitrust and the pooled income fund.

Charitable gift annuities are without donor restriction irrevocable gifts under which EDF agrees in turn to pay a life annuity to the donor or to a designated beneficiary. The contributed funds and the attendant liabilities immediately become part of the general assets and liabilities of EDF, subject to EDF maintaining an actuarial reserve in accordance with New York State law. Charitable remainder unitrust gifts are time-restricted contributions not available to EDF until after the death of the donor, who, while living, receives an annual payout from the trust, based on a fixed percentage of the market value of the invested funds on December 31 of each year. The pooled income fund is composed of donations that are combined in bond and equity mutual fund investments. Contributors receive a pro-rata share of the actual ordinary income of these funds until their deaths, at which point the investment asset share of the donors becomes available to EDF.

EDF values deferred gifts of cash at their face values and investments at their fair values. EDF's liabilities are calculated on the basis of industry-standard actuarial data. Published Internal Revenue Service discount rates and actuarial tables are employed to determine the net present value of both contributions and liabilities pertaining to these deferred-giving arrangements.

The net asset value (NAV) of a split-interest agreement at the time of the donor's death is reported in without donor restrictions, unless specified otherwise by the donor.

Accrued Vacation

Employees accrue vacation based on tenure and salary levels, which results in up to five weeks of vacation per year. Employees are allowed to accumulate up to 1½ times their yearly allotment, at which time accumulation ceases until vacation time is taken. Unused vacation balances, up to the accumulation limit, carry over to future years.

EDF's obligation for accrued vacation is included as a liability in the accompanying consolidated statements of financial position and represents the cost of unused employee vacation time payable in the event of employee terminations. At September 30, 2020 and 2019, accrued vacation obligations were \$4,933,609 and \$4,468,430, respectively, and is included in the accounts payable and accrued expenses in the consolidated statements of financial position.

Environmental Defense Fund, Incorporated

Notes to Consolidated Financial Statements

Deferred Rent Payable

Rent expense is recorded on a straight-line basis over the term of the respective lease. The difference between rent expense incurred by EDF and the amounts paid in cash, as well as the unamortized portion of rent concessions and landlord contributions to leasehold improvement projects, is reported as deferred rent payable in the accompanying consolidated statements of financial position.

Revenue Recognition

Contributions - Contributions and grants, including unconditional promises to give to EDF (pledges), are recognized as revenue in the period received. If pledges receivable are to be paid over a period greater than one year, they are recorded at the present value of their estimated future cash flows using the effective discount rate. Conditional contributions are recognized as revenue when the conditions on which they depend have been substantially met. Contributions are considered to be available for use, unless specifically restricted by the donors.

Bequests - Under a policy established by its Board of Trustees, at the recommendation of its Finance Committee, the Organization designates an amount up to 90% of total without donor restriction bequests received for long-term investment, subject to its annual operating requirements. Unconditional bequests are reported as revenues when notification of the bequest is received, the amount is reasonably determinable, and the probate court declares the will valid.

Donated Goods and Services - Donated goods and services are recognized at their fair values at the dates of donation. Contributions of services are also recognized at fair value when they are received, if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not donated. These services, valued at \$25,284 and \$10,924 for fiscal years 2020 and 2019, respectively, were donated to EDF and are included in contributions and membership in the consolidated statement of activities.

Donated goods and services are reflected in the consolidated statements of activities as in-kind contributions, and therefore are recorded as both income and expense when they are received. A number of volunteers, including members of the Board of Trustees, have made significant contributions of their time in furtherance of EDF's mission. The value of this contributed time does not meet the criteria for recognition as contributed services, in accordance with U.S GAAP, and therefore is not reflected in the accompanying consolidated financial statements.

Accounting for Uncertainty in Income Taxes

In accordance with U.S. GAAP, the Organization must recognize a tax liability associated with tax positions taken for tax return purposes when it is more likely than not that the position will not be sustained upon examination by a taxing authority. The Organization does not believe it has taken any material uncertain tax positions and, accordingly, it has not recorded any liability for unrecognized tax benefits.

Environmental Defense Fund, Incorporated

Notes to Consolidated Financial Statements

With Donor Restrictions-Permanently Restricted

New York State enacted the New York Prudent Management of Institutional Funds Act (NYPMIFA). This law, which is a modified version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA), made significant changes to the rules governing how New York not-for-profit organizations may manage, invest and spend their endowment funds. The law was designed to allow organizations to cope more easily with fluctuations in the value of their endowments and to afford them greater access to funds needed to support their programs and services in difficult financial times. It also expanded the options available to organizations seeking relief from donor restrictions on funds that have become obsolete, impracticable or wasteful. NYPMIFA applies to New York not-for-profit, education and religious corporations, associations organized and operated exclusively for charitable purposes, and certain trusts. The adoption of this law did not have a material effect on EDF's consolidated financial statements.

Foreign Currency Translation

The Organization has offices in a number of countries. Assets and liabilities for these foreign branch offices are translated at the rates of exchange at the balance sheet date, while income statement accounts are translated at the average exchange rates in effect during the period. The effect of such translation adjustments was to increase net assets by \$101,360 and \$98,738 for the years ended September 30, 2020 and 2019, respectively.

Recently Adopted Accounting Pronouncements

Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made

In June 2018, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The update clarifies and improves current guidance by providing criteria for determining whether the resource provider is receiving commensurate value in return for the resources transferred, which, depending on the outcome, determines whether the Organization follows contribution guidance or exchange transactions guidance in the revenue recognition and other applicable standards. The update also provides a more robust framework for determining whether a contribution is conditional or unconditional and for distinguishing a donor-imposed condition from a donor-imposed restriction. The guidance is effective for the Organization's fiscal year ended September 30, 2020, and the adoption of this update did not have a material impact on the Organization's financial statements.

Accounting Pronouncements Issued but Not Yet Adopted

Accounting for Leases

The FASB issued ASU 2016-02, *Leases*, which will require lessees to recognize a lease liability, which is a lessee's obligation to make lease payments arising from a lease, measured on a discounted basis, and a right-of-use asset, which is an asset that represents the lessee's right to use or control the use of a specified asset for the lease term. ASU 2020-05 deferred this standard until fiscal years beginning after December 15, 2021, and the Organization is currently evaluating the impact of the pending adoption of ASU 2016-02.

Environmental Defense Fund, Incorporated

Notes to Consolidated Financial Statements

Revenue from Contracts with Customers

The FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which is a comprehensive new revenue recognition standard that will supersede existing revenue recognition guidance. The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The FASB issued ASU 2020-05, which deferred the effective date for the Organization until annual periods beginning after December 15, 2019. Earlier adoption is permitted, subject to certain limitations. The amendments in this update are required to be applied retrospectively to each prior reporting period presented or with the cumulative effect being recognized at the date of initial application. Management is currently evaluating the impact of this ASU on its financial statements.

Fair Value Measurement

The FASB issued ASU 2018-13, *Fair Value Measurement (Topic 820), Disclosure Framework - Changes to the Disclosure Requirements for Fair Value Measurement*. The update modifies certain disclosure requirements in Topic 820, Fair Value Measurement. The standard is effective for non-public business entities for fiscal years beginning after December 15, 2019, and management of the Organization is currently evaluating the impact of this ASU on its financial statements.

Reclassifications

Certain 2019 amounts have been reclassified to conform to the 2020 presentation.

Subsequent Events

EDF considers the accounting treatment, and the related disclosures in the current fiscal year's consolidated financial statements, which may be required as the result of all events or transactions through January 27, 2021, the date the consolidated financial statements were available for issuance. There were no subsequent events requiring adjustment to the financial statements or disclosures as stated herein., except for the following:

On December 27, 2020, The President signed the Consolidated Appropriations Act, 2021 (the Act), which includes \$900 billion in stimulus relief as a result of the COVID-19 pandemic. The Organization is currently evaluating the impact of the Act.

Environmental Defense Fund, Incorporated

Notes to Consolidated Financial Statements

2. Liquidity and Availability of Resources

The following table reflects the Organization's financial assets reduced by amounts not available for general expenditure within one year. Financial assets are considered unavailable when illiquid or not convertible to cash within one year or assets held for others. The Board of Trustees has designated funds but these designations could be drawn upon if the Board approves the action for use and are therefore not removed from financial assets below.

<i>September 30,</i>	2020	2019
Cash and cash equivalents	\$ 28,722,117	\$ 34,781,361
Temporary investments, at fair value	2,580,855	15,097,914
Pledges receivable, net, current portion	50,823,620	68,545,224
Investments, at fair value	120,207,973	75,540,078
Total Financial Assets	202,334,565	193,964,577
Less:		
Amounts unavailable for general expenditure within one year due to:		
Perpetual in nature	7,530,035	7,427,075
Donor-imposed restrictions:		
Climate and energy	47,468,281	59,676,481
Oceans	17,046,366	19,179,843
Ecosystems	14,986,444	21,637,733
Health	6,686,042	5,855,707
Education	36,935,054	21,172,318
Restricted by time	15,104,203	20,792,680
Total Amounts Unavailable for General Expenditure Within One Year	145,756,425	155,741,837
Total Financial Assets Available to Management to Meet Needs for General Expenditures Within One Year	\$ 56,578,140	\$ 38,222,740

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations become due.

In addition to financial assets available to meet general expenditures over the next 12 months, the Organization operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources.

The EDF's Board of Trustees has designated \$63,949,817 and \$54,160,523 as of September 30, 2020 and 2019, respectively, of its without donor restriction resources for program and other purposes.

Environmental Defense Fund, Incorporated

Notes to Consolidated Financial Statements

3. Pledges Receivable, Net

Unconditional amounts promised to the Organization, but not yet collected, have been recorded as pledges receivable. Pledges receivable are reported at net realizable value.

At each fiscal year-end, pledges receivable are estimated to be collected as follows:

<i>September 30,</i>	2020	2019
In one year or less	\$ 50,823,620	\$ 68,545,224
Between one and two years	7,863,299	30,577,935
Between two and three years	4,447,228	5,661,233
Between three and four years	4,407,428	4,200,000
Between four and five years	1,857	4,200,000
Gross Pledges Receivable	67,543,432	113,184,392
Less: present value discount (calculated at rates ranging from 1.31% to 2.94%) and allowance for uncollectible pledges	(462,953)	(2,352,979)
	\$ 67,080,479	\$ 110,831,413

While EDF has an excellent record of collecting pledges receivable, management has a valuation allowance of \$400,022 and \$400,000 for uncollectible pledges as of September 30, 2020 and 2019.

4. Property and Equipment, Net

At each fiscal year-end, property and equipment consisted of the following:

<i>September 30,</i>	2020	2019
Furniture and equipment	\$ 5,417,942	\$ 5,375,190
Computer equipment	5,010,340	4,434,174
Leasehold improvements	21,443,465	21,350,850
Building	393,319	393,319
Software development	1,583,358	1,584,030
Construction-in-progress	33,204,524	9,825,333
	67,052,948	42,962,896
Less: accumulated depreciation and amortization	(22,226,931)	(19,913,926)
	\$ 44,826,017	\$ 23,048,970

Depreciation and amortization expense was \$2,311,946 and \$2,462,864 for fiscal years 2020 and 2019, respectively.

Construction-in-progress consists primarily of satellite building costs incurred by MethaneSAT and computer equipment. The estimated cost to complete the construction-in-progress for the vehicle to deliver the satellite and the satellite by September 30, 2022 is estimated at \$27,822,000.

Environmental Defense Fund, Incorporated

Notes to Consolidated Financial Statements

5. Investments, at Fair Value

The following tables summarize the investments at each fiscal year-end, in accordance with the fair value valuation levels:

September 30, 2020

	Level 1	Level 2	Total
Temporary investments for future periods - cash with broker	\$ 2,580,855	\$ -	\$ 2,580,855
Money market funds and cash with brokers	26,697,917	-	26,697,917
Equities	9,996,283	-	9,996,283
Mutual funds	4,804,194	-	4,804,194
Fixed income	-	68,317,213	68,317,213
Other investments - subject to split-interest agreements	1,323,494	1,166,539	2,490,033
	<u>\$ 45,402,743</u>	<u>\$ 69,483,752</u>	114,886,495
Other investments - subject to split-interest agreements*			7,084,983
Funds valued at NAV or equivalent*			817,350
Total			\$ 122,788,828

September 30, 2019

	Level 1	Level 2	Total
Temporary investments for future periods - cash with broker	\$ 15,097,914	\$ -	\$ 15,097,914
Money market funds and cash with brokers	35,558,649	-	35,558,649
Equities	8,718,545	-	8,718,545
Mutual funds	5,666,208	-	5,666,208
Fixed income	-	16,085,235	16,085,235
Other investments - subject to split-interest agreements	1,238,840	1,106,057	2,344,897
	<u>\$ 66,280,156</u>	<u>\$ 17,191,292</u>	83,471,448
Other investments - subject to split-interest agreements*			6,168,000
Funds valued at NAV or equivalent*			998,544
Total			\$ 90,637,992

* Certain investments that are measured at fair value using the NAV per share (or its equivalent) practical expedient have not been recognized in the fair value hierarchy. The fair value amounts presented in the preceding tables are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the consolidated statements of financial position.

As portrayed above, concentrations of EDF's investments in excess of 10% of the fair values of its portfolio included approximately (i) 91% invested in equity and debt securities, mutual and exchange-traded funds and (ii) 9% invested in assets subject to split-interest agreements.

Environmental Defense Fund, Incorporated

Notes to Consolidated Financial Statements

The following is a description of the valuation methodologies and inputs used for investments. There have been no changes in methodologies for the years ended September 30, 2020 and 2019.

Equity securities are valued based upon quoted market prices and are included in Level 1. Level 1 securities primarily include publicly traded equity securities.

Since many fixed-income securities do not trade on a daily basis, the methodology of the pricing vendor uses available information as applicable, such as benchmark curves, benchmarking of like securities, sector groupings and matrix pricing. The pricing vendor considers available market observable inputs in determining the evaluation for a security. Thus, certain securities may not be priced using quoted prices, but rather determined from market observable information. These investments are included in Level 2 and are primarily comprised of corporate fixed income, and government, mortgage and asset-backed securities.

EDF uses the NAV or its equivalent to determine the fair value of all investments that (i) do not have a readily determinable fair value and (ii) prepare their investees' financial statements consistent with the measurement principles of an investment company or an entity with the attributes of an investment company. Investments for which fair value is measured using NAV per share or its equivalent as a practical expedient have not been categorized within the fair value hierarchy, and certain related tables have been appropriately excluded from the consolidated financial statements.

Money market funds are valued based on the NAV of the shares held by EDF. NAV is based upon the fair value of the money market fund's underlying investments. The Organization's investments in the money market funds can be redeemed immediately at the current NAV per share. There were no unfunded commitments as of September 30, 2020 and 2019.

For EDF's investments in mutual funds, EDF has ownership interest in the mutual fund but not in the individual securities held by the fund. The assets of each mutual fund consist primarily of shares of the underlying holdings. These mutual funds are invested primarily in fixed-income and equity securities. While mutual funds are valued at the NAV of each share, they are actively traded on national securities exchanges.

EDF's investments are subject 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 those securities could occur in the near-term and that such changes could materially affect the amounts reported in the accompanying consolidated financial statements.

The available market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or valuation techniques may require the transfer of financial instruments from one level to another. In such instances, the transfer is reported at the beginning of the reporting period. During fiscal years 2020 and 2019, there were no transfers between the fair value hierarchy levels.

Environmental Defense Fund, Incorporated

Notes to Consolidated Financial Statements

The following table summarizes investment return by net asset classification:

September 30,

	2020			2019		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Dividends and interest	\$ 1,134,755	\$ 302,583	\$ 1,437,338	\$ 1,615,668	\$ 379,850	\$ 1,995,518
Realized and unrealized gains	299,829	678,382	978,211	353,523	32,080	385,603
Net Return on Investments	1,434,584	980,965	2,415,549	1,969,191	411,930	2,381,121
Investment return allocated for operations	-	(652,179)	(652,179)	(6,461,736)	(633,156)	(7,094,892)
Investment Results, net of allocation to operations	\$ 1,434,584	\$ 328,786	\$ 1,763,370	\$ (4,492,545)	\$ (221,226)	\$ (4,713,771)

The following table provides a summary of the class, fair value redemption frequency and redemption notice period for those assets whose fair value is estimated using the NAV per share or its equivalent for which the fair value is not readily determinable:

September 30, 2020

Investment Type	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Funds valued at NAV or equivalent*	\$ 817,350	\$ -	**	**
Other investments - split-interest agreements*	7,084,983	-	***	***

September 30, 2019

Investment Type	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Funds valued at NAV or equivalent*	\$ 998,544	\$ 20,000	**	**
Other investments - split-interest agreements*	6,168,000	-	***	***

* For the funds valued at NAV or equivalent, the investment objective is to invest in funds with underlying investments in technology companies primarily in the digital, greentech and health care and biotechnology sectors. These investments are long-term and highly illiquid. The investment objective of the funds at NAV for the split-interest agreements is to approximate, as closely as practicable before expenses, the performance of the respective investment indexes over the long term.

** Redemptions are not permitted; as a result, there is no applicable notice period.

*** There are no restrictions on the redemption of these investments.

Environmental Defense Fund, Incorporated

Notes to Consolidated Financial Statements

6. Notes Payable

At each fiscal year-end, notes payable were as follows:

<i>September 30,</i>	2020	2019
Promissory note from donor, payable on demand	\$ 100,000	\$ 100,000
Promissory note terminating 2029, at LIBOR + 1.25%	9,787,146	10,927,396
	\$ 9,887,146	\$ 11,027,396

Notes Payable and Line of Credit

A donor provided a \$100,000 interest-free loan for EDF's operations that remains outstanding and is due on demand. The imputed interest on this loan is not material to the accompanying consolidated financial statements.

EDF

During fiscal year 2019, the Organization borrowed \$11,402,500 through a ten-year promissory note being repaid in monthly principal installments of \$95,021, with interest at one-month LIBOR, plus 1.25%, which was 3% and 3.63 % at September 30, 2020 and 2019, respectively.. As part of the new borrowing the existing promissory note entered into in 2016 with an initial borrowing of \$7,500,000 was fully repaid.

EDF is required to maintain certain financial covenants related to the borrowings and EDF was in compliance with these covenants for the years ended September 30, 2020 and 2019.

Annual contractual maturities of notes payable outstanding at September 30, 2020, excluding the \$100,000 note payable on demand, are as follows:

<i>Year ending September 30,</i>	
2021	\$ 1,140,250
2022	1,140,250
2023	1,140,250
2024	1,140,250
2025	1,140,250
Thereafter	4,085,896
Total	\$ 9,787,146

Interest expense on debt borrowings was \$251,260 and \$372,723 in fiscal years 2020 and 2019, respectively.

At September 30, 2020, EDF had an unsecured line of credit of \$7,500,000 for ongoing operational requirements. There was no outstanding balance at September 30, 2020 for this line of credit.

Environmental Defense Fund, Incorporated

Notes to Consolidated Financial Statements

7. Net Assets with Donor Restrictions

At each fiscal year-end, donor-restricted net assets (including allocation of investment gains and losses) were categorized as follows:

<i>September 30,</i>	2020	2019
Restricted by purpose:		
Climate and energy	\$ 47,468,281	\$ 59,676,481
Oceans	17,046,366	19,179,843
Ecosystems	14,986,444	21,637,733
Health	6,686,042	5,855,707
Education	36,935,054	21,172,318
Restricted by time	15,104,203	20,792,680
Perpetual-in-nature	7,530,035	7,427,075
	\$ 145,756,425	\$ 155,741,837

During each fiscal year, net assets released from restrictions were for the following:

<i>Year ended September 30,</i>	2020	2019
Climate and energy	\$ 48,963,376	\$ 34,496,995
Oceans	17,021,346	18,126,202
Ecosystems	17,402,319	20,279,923
Health	6,706,037	5,804,073
Education	10,131,975	14,726,684
Time restrictions satisfied	37,926,901	32,074,116
	\$ 138,151,954	\$ 125,507,993

8. Employee Retirement Plans

EDF maintains a 403(b) tax-deferred retirement plan, which is funded by contributions from both EDF and its employees. The EDF's contribution is based upon employees' years of service, ranges from 3% to 8% of eligible employees' salaries, and is recorded as an expense annually. The related expense for fiscal years 2020 and 2019, respectively, was approximately \$3,954,000 and \$3,669,000.

EDF established a 457(b) deferred-compensation plan for certain key employees that is funded by both EDF and the employees. As such, the investment allocations are directed by the employees, but the investments remain as assets of EDF until the employees retire. At September 30, 2020 and 2019, respectively, the asset value of this plan was \$4,872,993 and \$4,187,209.

EDF established a 457(f) deferred-compensation plan for the President of EDF to support a three-year milestone bonus that fully vested in its entirety on January 1, 2020. At September 30, 2020 and 2019, the asset value of this plan was \$0 and \$155,217, respectively.

The fair value of 457(f) plan assets and the corresponding liability are reported within prepaid expenses and other assets and other liabilities, respectively, in the accompanying consolidated statements of financial position.

Environmental Defense Fund, Incorporated

Notes to Consolidated Financial Statements

9. Joint Costs

For fiscal years 2020 and 2019, EDF has allocated joint costs (for informational materials and activities that include fund-raising appeals) among program and supporting services as follows:

<i>Year ended September 30,</i>	2020	2019
Climate and energy	\$ 1,730,407	\$ 4,910,512
Ecosystems	2,015,990	2,165,756
Education	-	2,449,842
Membership	2,479,145	3,478,882
Health	151,551	134,239
Oceans	123,066	86,926
	\$ 6,500,159	\$ 13,226,157

The portion of cost allocated to membership activities consists of that component of membership mailings that contain information about EDF and the types of actions an individual may take with regard to a specific issue. New member acquisition reflects the cost of materials and information that requests individuals to join EDF. Membership fund-raising is that component of joint costs associated with asking EDF's current members for contributions. Additional fund-raising activities that included program information were not eligible for allocation under accounting principles generally accepted in the United States of America and were treated exclusively as membership fund-raising or new member acquisition expense.

10. Concentrations of Credit Risk

Cash, cash equivalents and investments are exposed to various risks, such as interest rate, market and credit risks. To manage such risks, EDF has a diversified investment portfolio in a variety of asset classes managed by independent investment managers under the terms of an Investment Policy Statement that is regularly reviewed by the Investment Committee. EDF's cash, cash equivalents and investments are placed with high credit quality financial institutions. EDF's Investment Committee meets regularly to evaluate the investments, including performance thereof. Due to inherent risks and potential volatility in investment valuations, the amounts reported on the accompanying consolidated financial statements can vary substantially from year to year. EDF maintains its cash in various bank deposit accounts that exceed federally insured limits; however, EDF does not anticipate nonperformance by these financial institutions.

11. Wholly Controlled Entity Transactions

The Action Fund

The Action Fund reported total support and revenue of \$26,957,748 and \$17,125,016 in fiscal years 2020 and 2019, respectively, which included grants of \$8,724,879 and \$3,799,008, respectively, from EDF, representing a portion of the grass-roots lobbying and the direct lobbying allowances permitted by EDF as a 501(c)(3) organization.

The Action Fund recorded operating expenses of \$27,373,946 and \$17,921,601 in fiscal years 2020 and 2019, respectively. Included in expenses were direct expenses related to grass-roots lobbying, direct lobbying and fund-raising, as well as allocated expenses for management by EDF. Changes to

Environmental Defense Fund, Incorporated

Notes to Consolidated Financial Statements

the Action Fund's net assets are included in the net assets without donor restrictions and without donor restrictions in the accompanying consolidated financial statements.

The Action Fund includes among its activity, intercompany payables of \$2,693,524 in fiscal year 2019. Amounts invested by EDF are on behalf of the Action Fund and interest accrues to the benefit of the Action Fund; the amount is payable on demand. There were intercompany receivables of \$569,175 outstanding as of September 30, 2020.

MethaneSAT

MethaneSAT reported support and revenue of \$23,915,266 and \$21,711,723 in fiscal years 2020 and 2019, respectively.

MethaneSAT recorded operating expenses of \$2,968,276 and \$6,828,711 in fiscal years 2020 and 2019, respectively. Included in the expenses were direct expenses related to reducing methane emissions in the environment by collecting and publishing methane emissions data.

MethaneSAT includes among its activity intercompany payable of \$8,371,802 in the fiscal year 2019, which eliminates on consolidation; the amount is payable on demand. There were intercompany receivables of \$2,445,850 outstanding as of September 30, 2020.

SatMgmt

SatMgmt commenced operations in January 2019 and recorded operating expenses of \$322,422 and \$24,823 in the fiscal years 2020 and 2019.

SatMgmt includes among its activity an intercompany payable of \$386,702 and \$110,085 in fiscal years 2020 and 2019, respectively; the is payable on demand.

EDF Mexico

Expenditures of \$1,594,194 and \$1,675,047 for fiscal years 2020 and 2019, respectively, are included as part of EDF in the accompanying consolidated financial statements.

EDAF PAC

Revenues of \$231,534 and \$18,694 and expenditures of \$161,772 and \$5,028 for fiscal years 2020 and 2019, respectively, are included as part of the Action Fund in the accompanying consolidated financial statements.

EDFE

Revenues of \$5,743,064 and \$2,601,135 and expenditures of \$4,235,510 and \$3,344,370 for fiscal years 2020 and 2019, respectively, are included as part of EDF Europe in the accompanying consolidated financial statements.

Environmental Defense Fund, Incorporated

Notes to Consolidated Financial Statements

EDF Netherlands

EDF Netherlands commenced operations in April 2019. Revenues of \$535,958 and \$155,521 and expenditures of \$537,699 and \$155,521 for fiscal years 2020 and 2019, respectively, are included as part of EDF Europe in the accompanying consolidated financial statements.

EDF Beijing

Revenues of \$13,318,215 and \$11,355,486 for fiscal years 2020 and 2019 and expenditures of \$10,311,663 and \$7,024,569 for fiscal years 2020 and 2019, respectively, are included as part of EDF in the accompanying consolidated financial statements.

EDF Indonesia

EDF Indonesia commenced operations in April 2019. Revenues of \$284,154 and \$45,674 and expenditures of \$471,878 and \$100,008 for fiscal years 2020 and 2019, respectively, are included as part of EDF in the accompanying consolidated financial statements.

All related intercompany activities are eliminated upon consolidation.

12. Commitments and Contingency

Operating Leases

EDF leases premises at numerous locations under operating leases that expire on various dates through September 2030.

The following is a schedule by year of future minimum rental payments that have initial or remaining non-cancelable lease terms in excess of one year, as well as expected sublease income as of September 30, 2020:

Year ending September 30,	Lease Payments	Sublease Income
2021	\$ 10,467,105	\$ 431,109
2022	10,352,360	444,030
2023	10,269,649	457,364
2024	5,375,060	471,110
2025	2,071,385	119,522
Thereafter	4,752,713	-
	<u>\$ 43,288,272</u>	<u>\$ 1,923,135</u>

Rent expense included in operations for fiscal years 2020 and 2019 was \$10,647,761 and \$9,254,230, respectively. Certain leases provide for additional rental payments to cover increases in real estate taxes and expenses as yet undetermined.

Environmental Defense Fund, Incorporated

Notes to Consolidated Financial Statements

Governmental Audits

Government-funded activities are subject to audit by the applicable granting agencies. At September 30, 2020 and 2019, there were no material obligations outstanding as a result of such audits, and management believes that no material obligations will result from any future audits of such activities.

Litigation

EDF is from time to time subject to legal actions in the normal course of business. In the opinion of EDF's management, as of September 30, 2020 and 2019, the eventual resolution of these matters will not materially affect the financial position, cash flows or change in net assets of the Organization.

13. With Donor Restriction - Permanently Restricted by Corpus

The Endowment

EDF's permanent endowment consists of numerous funds, established for a variety of purposes and consisting entirely of donor-restricted funds. As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Return Objectives and Risk Parameters

EDF has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding for programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Under this policy, as approved by the Board of Trustees, the endowment assets are invested with a focus on earning market returns or better while assuming a moderate level of investment risk.

Spending Policy and How the Investment Objectives Relate to Spending Policy

EDF has a policy of annually appropriating for expenditure an amount of up to 5% of the average fair market value of the donor-restricted endowment, measured as of the last day of the calendar quarter for the 20 quarters immediately preceding the fiscal year in which the appropriation for expenditure is approved. In establishing this policy, EDF's management has considered the long-term expected return on its endowment. This is consistent with EDF's objective to maintain the purchasing power of the endowment assets held in perpetuity, as well as to provide additional real growth through new gifts and investment return.

Endowment Net-Asset Composition

<i>September 30</i>	2020	2019
Donor-restricted endowment funds	\$ 7,530,035	\$ 7,427,075
Accumulated earnings not yet appropriated for expenditure	6,370,310	6,675,070
Total Funds	\$ 13,900,345	\$ 14,102,145

Environmental Defense Fund, Incorporated

Notes to Consolidated Financial Statements

Changes in Endowment Net Assets by Fiscal Year

<i>Year ended September 30,</i>	2020	2019
Net Assets , beginning of year	\$ 14,102,145	\$ 13,721,003
Current-year additions	102,960	103,124
Investment returns	347,419	911,174
Current-year appropriation for expenditure	(652,179)	(633,156)
Net Assets , end of year	\$ 13,900,345	\$ 14,102,145

Interpretation of Relevant Law

NYPMIFA is applicable to EDF's donor-restricted endowment funds. Due to unfavorable market fluctuations, from time to time, the fair value of assets associated with individual donor-restricted endowment funds may decline below the historical dollar value of the donor's original, permanently restricted contribution. Under the terms of NYPMIFA, EDF has no responsibility to restore such decrease in value. There were no such deficiencies in either fiscal year 2020 or 2019.

14. Conditional Grants

The Organization has grant agreements with several donors that consist of providing conditional funding in future years, amounting to approximately \$16,680,000 at September 30, 2020. A corresponding receivable has not been recorded on the consolidated statements of financial position, as the conditional grants are contingent upon incurring qualifying expenditures and fulfilling milestones. Conditional promises to give are recognized when the conditions on which they depend upon are substantially met. Until that point, any amounts that are received are recorded as refundable advances.

15. Risk and Uncertainties

On January 30, 2020, the World Health Organization (WHO) announced a global health emergency because of a new strain of coronavirus (the COVID-19 outbreak) and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full impact that the pandemic will have on the Organization's financial condition, liquidity and future results of operations. Management is actively monitoring the global situation on its consolidated financial condition, liquidity, operations, suppliers, industry and workforce.

Although the Organization cannot estimate the length or gravity of the impact of the COVID-19 outbreak at this time, it may have an adverse effect on the Organization's results of future operations, financial position and liquidity in fiscal year 2021.

On March 27, 2020, The President signed into law the Coronavirus Aid, Relief, and Economic Security Act (the CARES Act). The CARES Act, among other things, includes provisions relating to refundable payroll tax credits, deferment of employer side social security payments, net operating loss carryback periods, alternative minimum tax credit refunds, modifications to the net interest

Environmental Defense Fund, Incorporated

Notes to Consolidated Financial Statements

deduction limitations, increased limitations on qualified charitable contributions and technical corrections to tax depreciation methods for qualified improvement property.

The CARES Act appropriated funds for the Small Business Administration (SBA) Paycheck Protection Program (PPP) loans that are forgivable in certain situations to promote continued employment, as well as Economic Injury Disaster Loans (EIDL) to provide liquidity to small businesses harmed by the COVID-19 outbreak. EDF has not applied for or received any SBA PPP loans or EIDL.

Management continues to examine the impact that the COVID-19 outbreak and CARES Act may have on its business. Management is currently evaluating any impact on its consolidated financial condition, results of operation or liquidity.

Supplementary Information

Environmental Defense Fund, Incorporated
Consolidating Schedule of Financial Position

Year ended September 30, 2020

	EDF	EDAF	EDF Europe	MethaneSAT	SATMgmt	Eliminations	Total
Assets							
Cash and cash equivalents	\$ 22,192,692	\$ 2,819,714	\$ 156,496	\$ 3,477,629	\$ 75,586	\$ -	\$ 28,722,117
Temporary investments, at fair value	5,004	2,575,851	-	-	-	-	2,580,855
Prepaid expenses and other assets	9,735,593	268,549	115,883	1,520	-	-	10,121,545
Pledges receivable, net	64,713,836	1,317,750	798,893	250,000	-	-	67,080,479
Investments, at fair value	120,207,973	-	-	-	-	-	120,207,973
Property and equipment, net	14,797,752	-	72,937	29,955,328	-	-	44,826,017
Intercompany receivables	-	569,175	1,163,023	2,445,850	-	(4,178,048)	-
Total Assets	\$ 231,652,850	\$ 7,551,039	\$ 2,307,232	\$ 36,130,327	\$ 75,586	\$ (4,178,048)	\$ 273,538,986
Liabilities and Net Assets							
Liabilities							
Accounts payable and accrued expenses	\$ 20,091,909	\$ 1,895,829	\$ 762,992	\$ 300,325	\$ 36,129	\$ -	\$ 23,087,184
Deferred revenue and rent payable	3,526,625	-	84,447	-	-	-	3,611,072
Annuities payable	6,448,990	-	-	-	-	-	6,448,990
Notes payable	9,887,146	-	-	-	-	-	9,887,146
Pension liability	4,872,993	-	-	-	-	-	4,872,993
Other liabilities	5,121,555	55,000	31,141	-	-	-	5,207,696
Intercompany payables	3,791,346	-	-	-	386,702	(4,178,048)	-
Total Liabilities	53,740,564	1,950,829	878,580	300,325	422,831	(4,178,048)	53,115,081
Commitments and Contingencies							
Net Assets							
Without donor restrictions:							
Undesignated	8,753,397	1,474,906	489,360	347,245	(347,245)	-	10,717,663
Board designated	63,949,817	-	-	-	-	-	63,949,817
Total Without Donor Restrictions	72,703,214	1,474,906	489,360	347,245	(347,245)	-	74,667,480
With donor restrictions	105,209,072	4,125,304	939,292	35,482,757	-	-	145,756,425
Total Net Assets	177,912,286	5,600,210	1,428,652	35,830,002	(347,245)	-	220,423,905
Total Liabilities and Net Assets	\$ 231,652,850	\$ 7,551,039	\$ 2,307,232	\$ 36,130,327	\$ 75,586	\$ (4,178,048)	\$ 273,538,986

Environmental Defense Fund, Incorporated
Consolidating Schedule of Financial Position

Year ended September 30, 2019

	EDF	EDAF	EDF Europe	MethaneSAT	SATMgmt	Eliminations	Total
Assets							
Cash and cash equivalents	\$ 15,140,694	\$ 8,449,439	\$ 76,682	\$ 11,022,091	\$ 92,455	\$ -	\$ 34,781,361
Temporary investments, at fair value	14,035,759	1,062,155	-	-	-	-	15,097,914
Prepaid expenses and other assets	7,282,279	128,899	(7,918)	1,520	-	-	7,404,780
Pledges receivable, net	106,997,961	95,000	238,452	3,500,000	-	-	110,831,413
Investments, at fair value	75,540,078	-	-	-	-	-	75,540,078
Property and equipment, net	13,493,296	-	46,876	9,508,798	-	-	23,048,970
Intercompany receivables	15,379,026	-	-	8,920,000	-	(24,299,026)	-
Total Assets	\$ 247,869,093	\$ 9,735,493	\$ 354,092	\$ 32,952,409	\$ 92,455	\$ (24,299,026)	\$ 266,704,516
Liabilities and Net Assets							
Liabilities							
Accounts payable and accrued expenses	\$ 13,803,550	\$ 985,365	\$ 267,996	\$ 9,697,595	\$ 7,193	\$ -	\$ 24,761,699
Deferred revenue and rent payable	3,135,024	-	3,281	-	-	-	3,138,305
Annuities payable	4,878,694	-	-	-	-	-	4,878,694
Notes payable	11,027,396	-	-	-	-	-	11,027,396
Pension liability	4,187,209	-	-	-	-	-	4,187,209
Other liabilities	3,818,321	40,000	84,903	-	-	-	3,943,224
Intercompany payables	13,719,713	2,693,524	(596,098)	8,371,802	110,085	(24,299,026)	-
Total Liabilities	54,569,907	3,718,889	(239,918)	18,069,397	117,278	(24,299,026)	51,936,527
Commitments and Contingencies							
Net Assets							
Without donor restrictions:							
Undesignated	610,721	3,855,722	333,531	-	(24,823)	-	4,775,151
Board designated	54,160,523	90,478	-	-	-	-	54,251,001
Total Without Donor Restrictions	54,771,244	3,946,200	333,531	-	(24,823)	-	59,026,152
With donor restrictions	138,527,942	2,070,404	260,479	14,883,012	-	-	155,741,837
Total Net Assets	193,299,186	6,016,604	594,010	14,883,012	(24,823)	-	214,767,989
Total Liabilities and Net Assets	\$ 247,869,093	\$ 9,735,493	\$ 354,092	\$ 32,952,409	\$ 92,455	\$ (24,299,026)	\$ 266,704,516

Environmental Defense Fund, Incorporated

Consolidating Schedule of Activities

Year ended September 30, 2020

	EDF	EDAF	EDF Europe	MethaneSAT	SATMgmt	Eliminations	Total
Operating Support and Revenue							
Support:							
Contributions and membership	\$ 123,325,414	\$ 14,765,340	\$ 183,997	\$ 21,915,266	\$ -	\$ -	\$ 160,190,017
Foundations and other institutional giving	30,074,447	12,178,154	5,552,618	2,000,000	-	(11,813,497)	37,991,722
Government grants and other giving	4,586,321	-	-	-	-	-	4,586,321
Bequests and other planned giving	13,355,419	12,096	-	-	-	-	13,367,515
Total Support	171,341,601	26,955,590	5,736,615	23,915,266	-	(11,813,497)	216,135,575
Revenue:							
Investment income allocated for operations	652,179	-	-	-	-	-	652,179
Fees, royalties and other income	4,567,366	2,158	6,449	-	-	-	4,575,973
Total Revenue	5,219,545	2,158	6,449	-	-	-	5,228,152
Total Operating Support and Revenue (Expenses)	176,561,146	26,957,748	5,743,064	23,915,266	-	(11,813,497)	221,363,727
Operating Expenses							
Salaries and wages	74,318,131	4,966,320	1,440,952	686,262	198,959	-	81,610,624
Professional and consulting fees	29,684,600	7,433,669	1,816,194	1,543,038	66,124	-	40,543,625
Grants and other contributions	29,746,976	7,373,310	852,837	405,757	-	(11,813,497)	26,565,383
Benefits and other employee costs	20,565,438	1,426,675	473,301	197,819	57,336	-	22,720,569
Occupancy	12,178,795	-	174,193	-	-	-	12,352,988
Advertising and promotions	2,801,376	4,975,214	122	-	-	-	7,776,712
Printing	7,310,375	368,181	2,027	8	-	-	7,680,591
Subscriptions and dues	3,111,803	466,859	14,946	25	-	-	3,593,633
Other	2,948,345	194,108	9,115	33,578	3	-	3,185,149
Travel	2,651,311	58,052	34,243	17,072	-	-	2,760,678
Meetings and events	1,944,394	30,292	15,084	-	-	-	1,989,770
Telecommunications	1,107,500	2,702	(250)	-	-	-	1,109,952
Database management	899,749	16,048	-	-	-	-	915,797
Office supplies and equipment	709,083	25,576	41,217	84,717	-	-	860,593
Postage and delivery	283,677	36,940	1,500	-	-	-	322,117
	190,261,553	27,373,946	4,875,481	2,968,276	322,422	(11,813,497)	213,988,181
Depreciation and amortization	2,291,940	-	20,006	-	-	-	2,311,946
Total Operating Expenses	192,553,493	27,373,946	4,895,487	2,968,276	322,422	(11,813,497)	216,300,127
Change in Net Assets from Operations	(15,992,347)	(416,198)	847,577	20,946,990	(322,422)	-	5,063,600
Change in Net Assets from Non-Operating Activities							
Other expenses and other income, net	(1,171,054)	-	-	-	-	-	(1,171,054)
Investment income (loss), net of allocation to operations	1,776,501	(196)	(12,935)	-	-	-	1,763,370
Change in Net Assets	(15,386,900)	(416,394)	834,642	20,946,990	(322,422)	-	5,655,916
Net Assets, beginning of year	193,299,186	6,016,604	594,010	14,883,012	(24,823)	-	214,767,989
Net Assets, end of year	\$ 177,912,286	\$ 5,600,210	\$ 1,428,652	\$ 35,830,002	\$ (347,245)	\$ -	\$ 220,423,905

Environmental Defense Fund, Incorporated

Consolidating Schedule of Activities

Year ended September 30, 2019

	EDF	EDAF	EDF Europe	MethaneSAT	SATMgmt	Eliminations	Total
Operating Support and Revenue							
Support:							
Contributions and membership	\$ 108,189,915	\$ 11,357,826	\$ 132,609	\$ 19,161,723	\$ -	\$ -	\$ 138,842,073
Foundations and other institutional giving	41,833,703	5,529,103	2,594,165	2,550,000	-	(6,306,280)	46,200,691
Government grants and other giving	2,414,204	-	927	-	-	-	2,415,131
Bequests and other planned giving	7,562,807	50,641	-	-	-	-	7,613,448
Total Support	160,000,629	16,937,570	2,727,701	21,711,723	-	(6,306,280)	195,071,343
Revenue:							
Investment income allocated for operations	7,094,892	-	-	-	-	-	7,094,892
Fees, royalties and other income	3,807,400	187,446	28,955	-	-	(3,434,844)	588,957
Total Revenue	10,902,292	187,446	28,955	-	-	(3,434,844)	7,683,849
Total Operating Support and Revenue (Expenses)	170,902,921	17,125,016	2,756,656	21,711,723	-	(9,741,124)	202,755,192
Operating Expenses							
Salaries and wages	72,309,526	2,559,449	1,248,413	437,793	19,417	-	76,574,598
Professional and consulting fees	27,194,393	6,066,247	1,151,944	3,855,532	-	(3,434,844)	34,833,272
Grants and other contributions	21,298,244	2,784,590	94,797	2,379,039	-	(6,306,280)	20,250,390
Benefits and other employee costs	20,412,139	704,640	320,032	117,874	5,320	-	21,560,005
Occupancy	10,653,191	-	182,726	-	-	-	10,835,917
Advertising and promotions	3,175,504	4,700,642	13,402	-	-	-	7,889,548
Printing	7,155,421	235,579	219	-	-	-	7,391,219
Subscriptions and dues	2,878,872	352,778	56,449	123	-	-	3,288,222
Other	1,918,644	50,045	25,610	4,140	86	-	1,998,525
Travel	6,044,787	165,012	260,110	18,792	-	-	6,488,701
Meetings and events	4,063,706	269,435	85,613	-	-	-	4,418,754
Telecommunications	1,151,164	2,246	15,726	-	-	-	1,169,136
Database management	979,150	13,504	820	15,418	-	-	1,008,892
Office supplies and equipment	852,902	1,119	24,764	-	-	-	878,785
Postage and delivery	278,644	16,315	69	-	-	-	295,028
	180,366,287	17,921,601	3,480,694	6,828,711	24,823	(9,741,124)	198,880,992
Depreciation and amortization	2,443,667	-	19,197	-	-	-	2,462,864
Total Operating Expenses	182,809,954	17,921,601	3,499,891	6,828,711	24,823	(9,741,124)	201,343,856
Change in Net Assets from Operations	(11,907,033)	(796,585)	(743,235)	14,883,012	(24,823)	-	1,411,336
Change in Net Assets from Non-Operating Activities							
Other expenses and other income, net	(714,918)	-	(7,143)	-	-	-	(722,061)
Investment results, net of allocation to operations	(4,725,244)	(3,087)	14,560	-	-	-	(4,713,771)
Change in Net Assets	(17,347,195)	(799,672)	(735,818)	14,883,012	(24,823)	-	(4,024,496)
Net Assets, beginning of year	210,646,381	6,816,276	1,329,828	-	-	-	218,792,485
Net Assets, end of year	\$ 193,299,186	\$ 6,016,604	\$ 594,010	\$ 14,883,012	\$ (24,823)	\$ -	\$ 214,767,989