

Helen Nelson, CPA



**FINANCIAL STATEMENTS
and
INDEPENDENT AUDITOR'S REPORT**

for the years ended June 30, 2024 and June 30, 2023

Global Forest Generation

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Independent Auditor's Report

To Board of Directors
Global Forest Generation
2300 Wilson Blvd. Suite 700 #213
Arlington, VA 22201

Opinion

I have audited the accompanying statements of financial position of Global Forest Generation as of June 30, 2024 and 2023, the related statements of activities, cash flows, and functional expenses for the years then ended, and the related notes to the financial statements.

In my opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Global Forest Generation as of June 30, 2024 and 2023, 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.

Basis for Opinion

I conducted my audit in accordance with auditing standards generally accepted in the United States of America (GAAS). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of Global Forest Generation, and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audits. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Global Forest Generation's ability to continue as a going concern for the period of one year from the date of this report.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my 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 one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

In performing an audit in accordance with GAAS, I:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Global Forest Generation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Global Forest Generation's ability to continue as a going concern for a reasonable period of time.

I am 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 I identified during the audit.



Helen Nelson, CPA

Hancock, Maryland

August 30, 2024

Global Forest Generation
Statements of Financial Position
as of June 30, 2024 and June 30, 2023

Assets	<u>2024</u>	<u>2023</u>
Cash and Cash Equivalents		
Bank Accounts	\$ 358,283	\$ 487,310
Money Market	<u>1,219,776</u>	<u>1,189,307</u>
Total Cash and Cash Equivalents	\$ 1,578,059	\$ 1,676,617
Grants, Accounts Receivable, net	2,361,285	3,382,723
Prepaid Expenses	6,433	644
Vendor Deposit	6,156	6,156
Property and Equipment, Net	<u>5,083</u>	<u>3,463</u>
Total Assets	<u><u>\$ 3,957,016</u></u>	<u><u>\$ 5,069,603</u></u>
Liabilities and Net Assets		
Liabilities:		
Accounts Payable	\$ 19,408	\$ 25,875
Accrued Leave	18,554	16,151
Refundable Advance	<u>27,505</u>	<u>320,478</u>
Total Liabilities	\$ 65,467	\$ 362,504
Net Assets:		
Without Donor Restrictions	\$ 1,132,607	\$ 1,181,734
With Donor Restrictions	<u>2,758,942</u>	<u>3,525,365</u>
Total Net Assets	<u>\$ 3,891,549</u>	<u>\$ 4,707,099</u>
Total Liabilities & Net Assets	<u><u>\$ 3,957,016</u></u>	<u><u>\$ 5,069,603</u></u>

see accompanying notes to financial statements

Global Forest Generation
Statement of Activities
for the year ended June 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, Gains, and Support			
Contributions of Cash and Other Financial Assets			
Individuals	\$ 124,572	\$ 856	\$ 125,428
Corporations and Foundations	1,739,602	1,538,421	3,278,023
Total Contributions of Cash and Other Financial Assets	\$ 1,864,174	\$ 1,539,277	\$ 3,403,451
Contributions of Nonfinancial Assets	2,300		2,300
Interest and Dividends	60,996		60,996
Support Provided by expiring purpose time and restrictions*	2,305,700	(2,305,700)	-
Total Revenues, Gains, and Support	\$ 4,233,170	\$ (766,423)	\$ 3,466,747
Expenses			
Program Services			
Accion Andina Administration	\$ 603,590	\$ -	\$ 603,590
Accion Andina Implementation	3,018,240		3,018,240
New Initiatives	14,346		14,346
Communications	181,269		181,269
Total Program Services	3,817,445	-	3,817,445
Supporting Services			
Management and General	243,832		243,832
Fund Raising	221,020		221,020
Total Supporting Services	464,852	-	464,852
Total Expenses	\$ 4,282,297	\$ -	\$ 4,282,297
Change in Net Assets	\$ (49,127)	\$ (766,423)	\$ (815,550)
Net Assets at Beginning of Year	\$ 1,181,734	\$ 3,525,365	\$ 4,707,099
Net Assets at End of Year	\$ 1,132,607	\$ 2,758,942	\$ 3,891,549

*see note 2, Revenue and Expense Recognition

Global Forest Generation
Statement of Activities
for the year ended June 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, Gains, and Support			
Contributions of Cash and Other Financial Assets			
Individuals	\$ 305,807	\$ -	\$ 305,807
Corporations and Foundations	1,897,475	4,135,167	6,032,642
Total Contributions of Cash and Other Financial Assets	\$ 2,203,282	\$ 4,135,167	\$ 6,338,449
Contributions of Nonfinancial Assets	4,230		4,230
Interest and Dividends	25,183		25,183
Gain (Loss) on Investments	2,051		2,051
Support Provided by expiring time and purpose restrictions*	2,296,100	(2,296,100)	-
Total Revenues, Gains, and Support	\$ 4,530,846	\$ 1,839,067	\$ 6,369,913
Expenses			
Program Services			
Accion Andina Administration	\$ 372,513	\$ -	\$ 372,513
Accion Andina Implementation	2,869,387		2,869,387
New Initiatives	25,764		25,764
Communications	121,310		121,310
Total Program Services	3,388,974	-	3,388,974
Supporting Services			
Management and General	188,812		188,812
Fund Raising	193,453		193,453
Total Supporting Services	382,265	-	382,265
Total Expenses	\$ 3,771,239	\$ -	\$ 3,771,239
Change in Net Assets	\$ 759,607	\$ 1,839,067	\$ 2,598,674
Net Assets at Beginning of Year	\$ 422,127	\$ 1,686,298	\$ 2,108,425
Net Assets at End of Year	\$ 1,181,734	\$ 3,525,365	\$ 4,707,099

*see note 2, Revenue and Expense Recognition

Global Forest Generation
Statement of Functional Expenses
for the year ended June 30, 2024

	PROGRAM SERVICES				SUPPORTING SERVICES		TOTAL
	Accion Andina Capacity Building	Accion Andina Implementation	New Initiatives	Communi-cations	Management and General	Fund Raising	
EXPENSES							
Program Implementation and Administration	\$ 312,335	\$ 3,018,150	\$ -	\$ -	\$ 15,000	\$ -	\$ 3,345,485
Payroll Expenses	95,691	-	226	120,541	128,131	159,354	503,943
Consultant and Professional Fees	175,325	-	14,120	39,483	60,890	42,360	332,178
Travel	11,415	-	-	10,501	12,627	17,261	51,804
Website	152	-	-	1,754	45	-	1,951
Dues and Subscriptions	8,325	-	-	7,729	4,075	511	20,640
Meetings	-	-	-	-	-	440	440
Insurance	-	-	-	-	4,220	-	4,220
Registration	-	-	-	-	12,332	-	12,332
Investment Management Fees	-	-	-	-	527	-	527
Office Costs and Miscellaneous	178	90	-	835	4,187	837	6,127
Depreciation	169	-	-	426	1,798	257	2,650
TOTAL EXPENSES	\$ 603,590	\$ 3,018,240	\$ 14,346	\$ 181,269	\$ 243,832	\$ 221,020	\$ 4,282,297

Global Forest Generation
Statement of Functional Expenses
for the year ended June 30, 2023

	PROGRAM SERVICES				SUPPORTING SERVICES		TOTAL
	Accion Andina Administration	Accion Andina Implementation	New Initiatives	Communi-cations	Management and General	Fund Raising	
EXPENSES							
Program Administration	\$ 224,800	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 224,800
Program Implementation	-	2,853,559	18,000	2,400			2,873,959
Payroll Expenses	41,502	11,987	289	96,301	107,254	157,637	414,970
Consultant and Professional Fees	100,140	3,187	7,475	16,393	56,238	20,513	203,946
Travel	4,794			637	6,208	14,002	25,641
Dues and Subscriptions	354			5,054	8,661	1,087	15,156
Insurance					1,939		1,939
Depreciation					1,550		1,550
Office and Miscellaneous Costs	923	654		525	6,962	214	9,278
TOTAL EXPENSES	\$ 372,513	\$ 2,869,387	\$ 25,764	\$ 121,310	\$ 188,812	\$ 193,453	\$ 3,771,239

Global Forest Generation
Statements of Cash Flows
for the years ended June 30, 2024 and June 30, 2023

	<u>2024</u>	<u>2023</u>
Operating activities:		
Cash inflows for operations:		
Contributions	\$ 4,131,916	\$ 4,715,603
Interest and Dividends	60,996	25,183
Realized Gains (Losses) on investments		(71,520)
Cash outflows for operations:		
Payments for program implementation, administration	(3,345,485)	(3,098,759)
Payments to employees, consultants	(833,718)	(598,535)
Payments to vendors	<u>(107,997)</u>	<u>(34,737)</u>
Net Cash (used) provided by operating activities	<u>\$ (94,288)</u>	<u>\$ 937,235</u>
Investing activities:		
Transfer of funds for vendor deposit	\$ -	\$ 4,604
Net (Purchase) Disposal of equipment	(4,270)	495
Net proceeds from (purchases) sales of investments	<u>-</u>	<u>488,130</u>
Net Cash (used) provided by investing activities	<u>\$ (4,270)</u>	<u>\$ 493,229</u>
Net Increase (Decrease) in Cash	<u>\$ (98,558)</u>	<u>\$ 1,430,464</u>
Cash at Beginning of Year	\$ 1,676,617	\$ 246,153
Cash at End of Year	\$ 1,578,059	\$ 1,676,617

see accompanying notes to financial statements

Global Forest Generation
Notes to Financial Statements
For the years ended June 30, 2024 and June 30, 2023

1. Description of Organization

Global Forest Generation (GFG), a nonprofit organization formed in 2018, engages in large-scale restoration of threatened forests which play a critical role in preserving water, protecting biodiversity, storing carbon, and sustaining local livelihoods. GFG identifies and brings together the best native forest projects across entire ecosystems, providing strategic, technical, and financial support to grassroots conservation leaders and their communities. GFG's first major restoration program, Acción Andina, is empowering its local partners in Latin America to restore high altitude forest ecosystems that span seven Andean nations. The initiative aims to protect and restore one million hectares of threatened high Andean, *Polylepis* forest ecosystems in Argentina, Bolivia, Chile, Colombia, Ecuador, Peru, and Venezuela over 25 years. In addition, GFG proactively informs and shapes policy for a global audience on where and how to have the greatest and most enduring conservation and social impact through restoration of native forest ecosystems.

2. Significant Accounting Policies

Global Forest Generation prepares its financial statements in accordance with generally accepted accounting principles promulgated in the United States of America (U.S. GAAP) for not-for-profit entities. The significant accounting and reporting policies used by GFG are described subsequently to enhance the usefulness and understandability of the financial statements.

Basis of Accounting

GFG prepares its financial statements using the accrual basis of accounting, which follows US GAAP. Revenue is recognized when earned, and expenses are recognized when the obligation is incurred.

Cash and Cash Equivalents

Cash equivalents are short-term, highly liquid investments with original maturities of three months or less.

Global Forest Generation
Notes to Financial Statements
For the years ended June 30, 2024 and June 30, 2023

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses during the reporting period and the reported amounts of assets and liabilities at the date of the financial statements. On an ongoing basis, GFG's management evaluates the estimates and assumptions based upon historical experience and various other factors and circumstances. GFG's management believes that the estimates and assumptions are reasonable in the circumstances; however, the actual results could differ from those estimates.

Contributions of Nonfinancial Assets

Global Forest Generation receives some contributions of nonfinancial assets. These in-kind donations of materials and services are valued at fair market value at the date of donation. Contributions of services are recognized when services received (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 provided by donation.

GFG benefits greatly from the personal services provided by volunteers who donate their time and skills. Most services donated by volunteers during the years ended June 30, 2024 and 2023 did not meet the criteria described in the previous paragraph, and are not included in these financial statements. There were some pro-bono legal services provided during the fiscal year ended June 30, 2023, and those services are reflected in these financials.

Donations of goods and services are further described in Note 6.

Global Forest Generation
Notes to Financial Statements
For the years ended June 30, 2024 and June 30, 2023

Net Assets

The financial statements report net assets and changes in net assets in two classes that are based upon the existence or absence of restrictions on use that are placed by its donors, as follows:

Net Assets Without Donor Restrictions

Net assets without donor restrictions are resources available to support operations. The only limits on the use of these net assets are the broad limits resulting for the nature of GFG, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Net Assets With Donor Restrictions

Net assets with donor restrictions are resources that are restricted by a donor for use for a particular purpose or in a particular future period. All donor-imposed restrictions on assets held by GFG are temporary in nature, and the restriction will expire when the resources are used in accordance with the donor's instructions or when the stipulated time has passed. Other donor-imposed restrictions could be perpetual in nature; and GFG would be required to hold and use the resources in accordance with the donor's instructions. GFG holds no permanently restricted net assets.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

Statement of Cash Flows

The statement of cash flows is presented in the direct method, presenting revenues and expenditures on a cash basis.

Global Forest Generation
Notes to Financial Statements
For the years ended June 30, 2024 and June 30, 2023

Property and Equipment

Property and equipment are recorded at cost as of the date of acquisition or fair market value as of the date of contribution. Depreciation is provided over the estimated useful lives of the related assets on a straight-line basis. Computer equipment is depreciated over a three-year period. Global Forest Generation has a policy of expensing fixed asset purchases of less than \$500. Repairs and maintenance which do not significantly add to the value of assets are expensed as incurred. See Note 10 for further information.

Revenue and Expense Recognition

Contributions, including unconditional promises to give, are recognized when pledged or received. All contributions are reported as increases in net assets without donor restrictions unless use of the contributed assets is specifically restricted by the donor. Amounts received that are restricted by the donor to use in future periods or for specific purposes are reported as increases in net assets with donor restrictions.

All expenses are reported when incurred regardless of when paid. All expenses show as decreases in net assets without donor restrictions in the Statement of Financial Activities, and the release from restriction, either through the passage of time or meeting purpose restricted spending, show as a transfer from restricted to unrestricted in the Statement of Financial Activities. If restricted funds are recognized and spent within the same period, then those revenues and expenses are reported as an increase and decrease in net assets without donor restrictions.

Unconditional promises with payments due in future years have an implied restriction to be used in the year the payment is due, and therefore are reported as restricted until the payment is due, unless the contribution is clearly intended to support activities of the current fiscal year.

Conditional promises, are not recognized until they become unconditional, that is, until all conditions on which they depend are substantially met. If the conditional funds have not yet been received, then the revenue is simply not recognized. If the conditional funds have been received, then the funds are set up as a refundable advance, a liability. As of June 30, 2024, GFG held \$27,505 in refundable advances, and as of June 30, 2023, GFG held \$320,458 in refundable advances.

Global Forest Generation
Notes to Financial Statements
For the years ended June 30, 2024 and June 30, 2023

Expense Allocation

The cost of providing the GFG's programs and other activities is summarized on a functional basis in the statement of activities and statement of functional expenses. Expenses that can be identified with a specific program or support service are charged directly to that program or support service. Costs common to multiple functions have been allocated among the various functions benefited using a reasonable allocation method that is consistently applied.

Consultant and payroll costs are allocated based on estimates by employees, consultants and management of time spent on programs, administrative tasks, and fundraising.

General and administrative expenses include those costs that are not directly identifiable with any specific program, but which provide for the overall support and direction of the organization. Fundraising costs are expensed as incurred, even though they may result in contributions received in future years.

Accounts and Grants Receivable

Grants receivable are unconditional promises to give that are recognized as grants when the promise is received. Accounts and grants receivable are expected to be collected in less than one year are reported at net realizable value, and grants expected to be received beyond one year are discounted to present value. As of June 30, 2024 total receivables were \$2,363,668, and they were discounted to a present value of \$2,361,285 and as of June 30, 2023 total receivables were \$1,724,830, and they were discounted to a present value of \$1,684,662. The discounts of \$2,383 and \$40,168 were calculated using the T-bill rate for the related periods ended June 30, 2024 and 2023 respectively. The total of net receivables on June 30, 2024 was \$3,382,723. At June 30, 2024 and 2023, all receivables were considered fully collectible, therefore no allowance for doubtful accounts has been recognized.

Global Forest Generation
Notes to Financial Statements
For the years ended June 30, 2024 and June 30, 2023

3. Income Tax Status

Global Forest Generation is an exempt organization operating under Section 501(c)(3) of the Internal Revenue Code, and is exempt from Federal and State taxes on any net income derived from activities related to its exempt purpose. This code section enables GFG to accept donations that qualify as charitable contributions to the donor. GFG is taxed on net income from any unrelated business activities. The organization did not engage in any unrelated business activities and, accordingly, no income tax expense has been recognized. Management has determined that no significant uncertain tax positions qualify for either recognition or disclosure in the accompanying financial statements.

4. Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of June 30, 2024 and June 30, 2023 are:

Financial assets:	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$1,578,059	\$1,676,617
Accounts and grants receivable	<u>2,361,285</u>	<u>3,382,723</u>
Total financial assets:	\$3,939,344	\$5,059,340
Less financial assets held to meet non-operational donor-imposed restrictions:	<u>(2,758,942)</u>	<u>(3,525,365)</u>
Amount available for general expenditures within one year	<u>\$1,180,402</u>	<u>\$1,533,975</u>

Global Forest Generation
Notes to Financial Statements
For the years ended June 30, 2024 and June 30, 2023

5. Fair Value Measurements

GFG reports fair value measures of its assets and liabilities using a three-level hierarchy that prioritizes the inputs used to measure fair value. This hierarchy, established by US GAAP, requires that entities maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The asset or liability's measurement within the fair value hierarchy is based on the lowest level of input that is significant to the measurement. The three levels of inputs used to measure fair value are as follows:

- *Level 1.* Quoted prices for identical assets or liabilities in active markets to which the organization has access at the measurement date.

- *Level 2.* Inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include
 - quoted prices for similar assets or liabilities in active markets;
 - quoted prices for identical or similar assets in markets that are not active;
 - observable inputs other than quoted prices for the asset or liability (for example, interest rates and yield curves); and
 - inputs derived principally from, or corroborated by, observable market data by correlation or by other means.

- *Level 3.* Unobservable inputs for the asset or liability. Unobservable inputs should be used to measure the fair value if observable inputs are not available.

All of GFG's assets and liabilities are considered to be Level 1, and investments were valued at the closing quoted price in an active market.

Global Forest Generation
Notes to Financial Statements
For the years ended June 30, 2024 and June 30, 2023

6. Net Assets With Donor Restrictions

Net assets with donor restrictions are resources that are restricted by a donor for use for a particular purpose or in a particular future period, or a combination of both restrictions. As of June 30, 2024 and 2023, GFG held net assets with donor restrictions in the amounts of \$2,758,942 and \$3,525,365 respectively. There were no net assets either year that were permanently restricted by donors.

7. Commitments and Contingencies

Over the years Global Forest Generation has entered into multiple agreements with Ecosistemas Andinos (ECOAN). The agreements provide for payments from GFG to ECOAN for services related to the Acción Andina project (Note 1). There have been many new multi-year agreements initiated, and multiple modifications to the existing agreements. The conditional agreements call for specific deliverables with corresponding payments and are contingent on availability of funds.

Amounts due under the agreements between ECOAN and its partners are not payable if sufficient funds are not available. Fundraising efforts by GFG are based upon Acción Andina partners' budgets, which are scrupulously analyzed and refined by GFG and ECOAN staff. While some advance commitments have been received when the written agreements are made with ECOAN, diligent efforts by GFG are required to raise the necessary funds after the agreements are signed in order to make timely payments.

Because future grant payments are conditional, none of the payments due in years subsequent to the end of the fiscal year are recorded in these financial statements as payables.

8. Rent

Global Forest Generation works on a virtual basis and has no physical office and pays no rent.

Global Forest Generation
Notes to Financial Statements
For the years ended June 30, 2024 and June 30, 2023

9. Contributions of Nonfinancial Assets

During the years ended June 30, 2024 and 2023, GFG received many hours of service from dedicated volunteers, but those services did not meet the standards for inclusion in the financial statements, as described in Note 2.

During the year ended June 30, 2024, GFG received a donation of two tickets for Greenfest. Two employees attended the event, which was held in July 2024. Since the event fell after the end of the fiscal year, the in-kind donation was not expensed in the year ended June 30, 2024, but included in the asset “prepaid expenses”. During the year ended June 30, 2023, GFG received an in-kind donation of legal services.

Details on the in-kind contribution for the years ended June 30, 2024 and 2023 are as follows:

	Revenue Recognized <u>2024</u>	Revenue Recognized <u>2023</u>	Utilization/ Monetization	Donor Restrictions
Greenfest tickets	\$2,300	-	used by GF	none
Legal Services	-	\$4,230	used by GFG	none

10. Property and Equipment

Global Forest Generation’s property and equipment consisted of the following as of June 30:

	<u>2024</u>	<u>2023</u>
Computers, phone	\$ 9,664	\$ 5,394
Accumulated Depreciation	<u>(4,581)</u>	<u>(1,931)</u>
Property and Equipment, net value	<u>\$ 5,083</u>	<u>\$ 3,463</u>

Global Forest Generation
Notes to Financial Statements
For the years ended June 30, 2024 and June 30, 2023

11. Credit Risk

Global Forest Generation maintains a cash deposit account with a bank insured by the Federal Deposit Insurance Corporation (FDIC) up to a limit of \$250,000. The cash balance held in the bank exceeded the insurable level frequently during the years that ended June 30, 2024 and 2023. The bank balance as of June 30, 2024 and 2023 exceeded the FDIC limit by \$2,968 and \$237,310, respectively.

GFG keeps some funds in an investment account with a brokerage firm, and these balances are insured for a total of \$500,000, with a limit of \$250,000 for the cash portion of investment accounts, by the Securities Investor Protection Corporation (SIPC). During the years ended June 30, 2024 and 2023 these funds are invested in a money market. The investment account balance as of June 30, 2024 and 2023 exceeded the SIPC limit by \$969,776 and \$939,307, respectively.

GFG has not experienced any credit losses on its cash to date as it relates to FDIC and SIPC insurance limits, and management believes the risk of loss to be minimal.

12. Subsequent Events

Subsequent events have been evaluated through August 30, 2024, which is the date the financial statements were available to be issued. Events occurring after that date have not been evaluated to determine whether a change in the financial statements would be required. During the year ended June 30, 2024 it became apparent that a funder would not be able to fully meet their pledge on a multi-year grant, and in August 2024 GFG received additional information indicating that there would be a further reduction in the amount to be received, and an additional adjustment was made to reduce grants receivable and grants revenue as of June 30, 2024. These financial statements reflect those adjustments. The total amount of the reduction was \$1,680,000, and the remaining amount of \$840,000 due from the funder as of June 30, 2024 is considered to be fully collectible.