

Greenpeace Fund, Inc.

Financial Statements
and Independent Auditors' Report

December 31, 2009 and 2008

Greenpeace Fund, Inc.

Financial Statements
December 31, 2009 and 2008

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Greenpeace Fund, Inc.

We have audited the accompanying statements of financial position of Greenpeace Fund, Inc. as of December 31, 2009 and 2008, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of Greenpeace Fund, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Greenpeace Fund, Inc. at December 31, 2009 and 2008, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental information included at pages 12-15 is presented for purposes of additional analysis of the financial statements and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



Vienna, Virginia
April 8, 2010

Greenpeace Fund, Inc.

Statements of Financial Position December 31, 2009 and 2008

	2009	2008
Assets		
Cash and cash equivalents	\$ 1,142,846	\$ 679,237
Contributions and grants receivable	2,372,974	2,308,160
Investments	15,628,421	25,103,939
Prepaid expenses and deferred charges	-	10,081
Note receivable from Greenpeace, Inc.	808,513	445,458
Total assets	<u>\$ 19,952,754</u>	<u>\$ 28,546,875</u>
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	\$ 14,853	\$ 6,235
Gift annuities payable	1,012,430	1,046,559
Grants payable to Greenpeace, Inc.	6,000	628,235
Grants payable to Stichting Greenpeace Council	4,716,582	398,335
Grants payable to other Greenpeace affiliates	121,000	219,241
Total liabilities	<u>5,870,865</u>	<u>2,298,605</u>
Net Assets		
Unrestricted	13,451,889	25,893,270
Temporarily restricted	630,000	355,000
Total net assets	<u>14,081,889</u>	<u>26,248,270</u>
Total liabilities and net assets	<u>\$ 19,952,754</u>	<u>\$ 28,546,875</u>

Greenpeace Fund, Inc.

Statements of Activities For the Years Ended December 31, 2009 and 2008

	2009	2008
Unrestricted Revenue and Support		
Contributions	\$ 5,654,702	\$ 6,665,444
Grants	1,142,808	1,162,573
Investment loss	(1,821,177)	(7,314,547)
Other income	2,500	-
Loss on sale of assets	-	(29,583)
Net assets released from restrictions	205,000	-
Total revenue and support	5,183,833	483,887
Expenses		
Program services:		
Grants to Greenpeace, Inc.	5,600,000	5,363,613
Grants to Stichting Greenpeace Council	10,217,653	4,359,001
Grants to other Greenpeace affiliates	-	3,000
Public information and education	339	10,481
Total program services	15,817,992	9,736,095
Supporting services:		
Fund-raising	1,304,057	1,372,748
Management and general	503,165	543,508
Total supporting services	1,807,222	1,916,256
Total expenses	17,625,214	11,652,351
Change in unrestricted net assets	(12,441,381)	(11,168,464)
Temporarily Restricted Net Assets		
Contributions	480,000	355,000
Net assets released from restrictions	(205,000)	-
Change in temporarily restricted net assets	275,000	355,000
Change in Net Assets	(12,166,381)	(10,813,464)
Net Assets, beginning of year	26,248,270	37,061,734
Net Assets, end of year	\$ 14,081,889	\$ 26,248,270

See accompanying notes.

Greenpeace Fund, Inc.

Statements of Cash Flows For the Years Ended December 31, 2009 and 2008

	2009	2008
Cash Flows from Operating Activities		
Change in net assets	\$(12,166,381)	\$(10,813,464)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Net realized and unrealized loss on investments	1,821,177	8,187,218
Donated securities	(365,569)	(436,164)
Loss on sale of assets	-	29,583
Assets transferred from Greenpeace, Inc.	-	(214,583)
Change in operating assets and liabilities:		
(Increase) decrease in assets:		
Contributions and grants receivable	(64,814)	1,030,068
Prepaid expenses and deferred charges	10,081	2,267
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	8,618	(16,782)
Gift annuities payable	(34,129)	198,354
Grants payable to Greenpeace, Inc.	(622,235)	323,762
Grants payable to Stichting Greenpeace Council	4,318,247	(105,763)
Grants payable to other Greenpeace affiliates	(98,241)	79,241
Net cash used in operating activities	<u>(7,193,246)</u>	<u>(1,736,263)</u>
Cash Flows from Investing Activities		
Net sales of investments	8,019,910	681,040
Proceeds from sale of assets	-	185,000
Drawdown on note to Greenpeace, Inc.	(5,995,890)	(4,556,534)
Payments on note to Greenpeace, Inc.	<u>5,632,835</u>	<u>4,111,076</u>
Net cash provided by investing activities	<u>7,656,855</u>	<u>420,582</u>
Net Increase (Decrease) in Cash and Cash Equivalents	463,609	(1,315,681)
Cash and Cash Equivalents, beginning of year	<u>679,237</u>	<u>1,994,918</u>
Cash and Cash Equivalents, end of year	<u><u>\$ 1,142,846</u></u>	<u><u>\$ 679,237</u></u>

See accompanying notes.

Greenpeace Fund, Inc.

Notes to Financial Statements
December 31, 2009 and 2008

1. Nature of Operations

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

2. Summary of Significant Accounting Policies

Classification of Net Assets

Unrestricted net assets represent funds that are not subject to donor-imposed stipulations and are available for support of the Organization’s operations.

Temporarily restricted net assets represent funds that are subject to donor-imposed restrictions that are met through specific actions of the Organization or through the passage of time.

Cash and Cash Equivalents

Cash equivalents consist of short-term, highly liquid investments with original maturities of 90 days or less that are easily convertible to known amounts of cash.

Investments

Investments consist of money market funds, equity funds and securities, corporate bonds, mutual funds, government obligations and certificates of deposit, which are recorded at fair value as determined by quoted market prices. Donated investments are recorded at their fair value on the date of receipt. Unrealized gains and losses are reported as a component of investment income in the accompanying statements of activities.

Revenue Recognition

All grants and contributions are considered to be available for unrestricted use unless specifically restricted by the donor. The Organization reports grants and contributions as temporarily restricted support if they are received with donor or grantor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions. However, restrictions met in the same accounting period in which the related contribution was received are treated as unrestricted.

Greenpeace Fund, Inc.

Notes to Financial Statements
December 31, 2009 and 2008

2. Summary of Significant Accounting Policies (continued)

Revenue Recognition (continued)

Contributions pledged through wills and estates are recorded as contributions at the time of notification from the estate at the anticipated amount to be received. Such amounts are generally collected within one year.

Fair Value Measurements

The Organization follows ASC 820, "*Fair Value Measurements and Disclosures*," for financial assets and liabilities. This standard establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels. Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and liabilities and have the highest priority. Level 2 is based upon observable inputs other than quoted market prices, and level 3 is based on unobservable inputs.

Donated Services

A number of volunteers have donated significant time to develop and assist with the Organization's programs and activities. However, these donated services are not reflected in the accompanying financial statements since they do not meet the criteria for recognition under accounting principles generally accepted in the United States.

Functional Allocation of Expenses

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

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Subsequent Events

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition of disclosure through April 8, 2010, the date the financial statements were issued.

Greenpeace Fund, Inc.

Notes to Financial Statements December 31, 2009 and 2008

3. Investments

Investments consist of the following at December 31:

	<u>2009</u>	<u>2008</u>
Money market funds	\$ 11,244,311	\$ 2,650,649
Equity funds and securities	6,379	20,372,460
Mutual funds	1,063,024	1,043,244
Government obligations	3,314,707	752,333
Certificates of deposit	-	285,253
	<u> </u>	<u> </u>
Total investments	<u>\$ 15,628,421</u>	<u>\$ 25,103,939</u>

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

	<u>2009</u>	<u>2008</u>
Interest and dividends	\$ 228,928	\$ 819,486
Interest on note receivable	43,056	53,185
Net realized and unrealized loss	<u>(2,093,161)</u>	<u>(8,187,218)</u>
	<u> </u>	<u> </u>
Total investment loss	<u>\$ (1,821,177)</u>	<u>\$ (7,314,547)</u>

4. Contributions and Grants Receivable

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

	<u>2009</u>	<u>2008</u>
Estates and wills, net	\$ 1,416,067	\$ 1,608,661
Grants	526,305	355,000
Other contributions	<u>430,602</u>	<u>344,499</u>
	<u> </u>	<u> </u>
Contributions and grants receivable	<u>\$ 2,372,974</u>	<u>\$ 2,308,160</u>

It is the Organization's policy to reduce the amount of contributions pledged from estates and wills by approximately 10% before recording the receivable, for estimated administration costs associated with the estates. Estates and wills are recorded net of an allowance of \$157,340 and \$178,740 at December 31, 2009 and 2008, respectively.

Greenpeace Fund, Inc.

Notes to Financial Statements December 31, 2009 and 2008

4. Contributions and Grants Receivable (continued)

In addition, during the years ended December 31, 2009 and 2008, \$7,960 and \$206,111 was written off from the estates and wills balance, respectively, as management determined that these amounts would not be collected. Contributions and grants receivable as stated at December 31, 2009 and 2008 are deemed to be fully collectible and are reflected at net realizable value. No discount has been calculated for 2009 and 2008 due to immateriality.

The above amounts are receivable as follows at December 31:

	2009	2008
Due in less than one year	\$ 2,322,974	\$ 2,058,160
Due in one to five years	50,000	250,000
Total contributions and grants receivable	<u>\$ 2,372,974</u>	<u>\$ 2,308,160</u>

5. Related-Party Transactions

Stichting Greenpeace Council

The Stichting Greenpeace Council, comprised of 16 voting members, develops general policies regarding environmental programs known as campaigns. Although the Organization is a non-voting member of Stichting Greenpeace Council, all Greenpeace entities are influenced by decisions of Stichting Greenpeace Council. However, the Organization has ultimate responsibility for and control over its own activities and decisions.

Grants to Greenpeace Organizations

The Organization made grants to Stichting Greenpeace Council and other Greenpeace affiliates for use in their worldwide activities. The Organization also provided grants to Greenpeace, Inc., to fund research and educational activities. Grants awarded to all related organizations were as follows for the years ended December 31:

	2009	2008
Grants to Stichting Greenpeace Council	\$ 10,217,653	\$ 4,359,001
Grants to Greenpeace, Inc.	5,600,000	5,363,613
Grants to other Greenpeace affiliates	<u>-</u>	<u>3,000</u>
Total grants expense	<u>\$ 15,817,653</u>	<u>\$ 9,725,614</u>

Greenpeace Fund, Inc.

Notes to Financial Statements December 31, 2009 and 2008

5. Related-Party Transactions (continued)

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

	2009	2008
Grants payable to Stichting Greenpeace Council	\$ 4,716,582	\$ 398,335
Grants payable to Greenpeace, Inc.	6,000	628,235
Grants payable to other Greenpeace affiliates	121,000	219,241
Total grants payable	<u>\$ 4,843,582</u>	<u>\$ 1,245,811</u>

Note Receivable from Greenpeace, Inc.

The Organization loaned funds to Greenpeace, Inc. to support its operations. The loan is provided for one year and is approved by the Board annually. The note had the following activity for the years ended December 31:

	2009	2008
Greenpeace, Inc. note receivable – beginning	\$ 445,458	\$ -
Add: drawdown	5,995,890	4,556,534
Less: principal payments	<u>(5,632,835)</u>	<u>(4,111,076)</u>
Greenpeace, Inc. note receivable – ending	<u>\$ 808,513</u>	<u>\$ 445,458</u>

Interest has been accrued at a rate of 7.25% during 2009 and 2008. Interest revenue was \$43,056 and \$53,185 for the years ended December 31, 2009 and 2008, respectively.

Expenses Shared with Greenpeace, Inc. and Stichting Greenpeace Council

The Organization shares certain management and general costs with Greenpeace, Inc. All shared costs are charged to the appropriate entity based upon specific identification or are allocated based on time incurred. The Organization's share of such costs is then allocated to the various programs and support services included in the accompanying statements of activities.

In addition, the Organization supports Stichting Greenpeace Council to contribute to the international campaigns and the result of these transactions is a net grants payable to Stichting Greenpeace Council of \$4,716,582 and \$398,335 at December 31, 2009 and 2008, respectively.

Greenpeace Fund, Inc.

Notes to Financial Statements December 31, 2009 and 2008

6. Split-Interest Agreements

The Organization has entered into irrevocable agreements with donors whereby in exchange for the gift from the donor, the Organization is obligated to provide an annuity to the donor or other designated beneficiaries over the life of the annuitant. A liability is recognized for the estimated present value of the annuity obligation, and the assets are recorded at their gross market value. The discount rate and actuarial assumptions used in calculating the annuity are those provided in the Internal Revenue Service guidelines and actuarial tables.

Assets of the Organization that are derived from split-interest agreements were \$1,375,459 and \$1,302,808 for the years ended December 31, 2009 and 2008, respectively, and are included in investments. Liabilities under split-interest agreements included in the accompanying statements of financial position were \$1,012,430 and \$1,046,559 at December 31, 2009 and 2008, respectively. Net contributions under split interest agreements were approximately \$104,008 and \$285,000 for the years ended December 31, 2009 and 2008, respectively.

7. Concentration of Credit Risk

In the normal course of operations, the Organization maintains cash deposits and investments with major financial institutions and corporations which from time to time may exceed federally insured limits. Management periodically assesses the financial condition of the institutions and believes that the concentration risk is minimal.

8. Fair Value Measurements

Fair value of assets measured on a recurring basis is as follows at December 31:

	Total fair value	Quoted prices in active markets (level 1)	Significant other observable inputs (level 2)	Significant unobservable inputs (level 3)
<u>2009</u>				
Investments	\$ 15,628,421	\$ 15,628,421	\$ -	\$ -
<u>2008</u>				
Investments	\$ 25,103,939	\$ 25,103,939	\$ -	\$ -

Financial assets valued using level 1 inputs are based on unadjusted quoted market prices within active markets. There were no level 2 or level 3 financial assets at December 31, 2009 and 2008.

Greenpeace Fund, Inc.

Notes to Financial Statements December 31, 2009 and 2008

9. Income Taxes

The Organization is recognized as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and is exempt from income taxes except for taxes on unrelated business activities. No tax expense is recorded in the accompanying financial statements for the years ended December 31, 2009 and 2008, as there were no unrelated business activities. The Organization had no significant uncertain tax positions for the year ended December 31, 2009.

10. Supplemental Cash Flow Disclosures

	<u>2009</u>	<u>2008</u>
Non-cash investing activities:		
Donated securities	<u>\$ 365,569</u>	<u>\$ 436,164</u>
Total non-cash investing activities	<u><u>\$ 365,569</u></u>	<u><u>\$ 436,164</u></u>

SUPPLEMENTAL INFORMATION

Greenpeace Fund, Inc.

Schedules of Program Grants For the Years Ended December 31, 2009 and 2008

	2009	2008
Grants to Stichting Greenpeace Council		
Oceans Campaign	\$ 5,045,927	\$ 1,399,950
Climate Campaign	4,652,212	2,959,051
Forest Campaign	519,514	-
Total grants to Stichting Greenpeace Council	10,217,653	4,359,001
Grants to other Greenpeace affiliates		
Climate - Greenpeace Canada	-	3,000
Total grants to other Greenpeace affiliates	-	3,000
Grants to Greenpeace, Inc.		
Oceans Campaign	700,000	100,000
Climate Campaign	4,800,000	3,900,000
Forest Campaign	100,000	750,000
Other	-	613,613
Total grants to Greenpeace, Inc.	5,600,000	5,363,613
Total Program Grants	<u>\$ 15,817,653</u>	<u>\$ 9,725,614</u>

Greenpeace Fund, Inc.

Schedules of Pass-Through Grants Received For the Years Ended December 31, 2009 and 2008

	2009	2008
Grants for Stichting Greenpeace Council		
Climate	\$ 75,000	\$ 133,395
Forests	-	48,395
Other	-	200,000
	<hr/>	<hr/>
Total grants for Stichting Greenpeace Council	75,000	381,790
	<hr/>	<hr/>
Grants for Other Affiliates		
Climate - Greenpeace Canada	-	3,000
Climate - China	50,000	-
Climate - Congo	100,000	-
Climate - Other	91,000	-
Forests - Greenpeace Canada	60,000	10,000
Forests - Greenpeace Brazil	406,000	198,295
Other - Greenpeace Australia	25,000	7,946
Other - Greenpeace New Zealand	30,000	-
	<hr/>	<hr/>
Total grants for other Greenpeace affiliates	762,000	219,241
	<hr/>	<hr/>
Grants for Greenpeace, Inc.		
Climate	-	37,500
Oceans	-	20,000
Forests	-	25,000
Nuclear	26,000	14,122
	<hr/>	<hr/>
Total grants for Greenpeace, Inc.	26,000	96,622
	<hr/>	<hr/>
Total pass-through grants	<u>\$ 863,000</u>	<u>\$ 697,653</u>

Note to Schedules of Pass-Through Grants Received

Basis of Presentation

The accompanying schedules present pass-through grants received by the Organization that were designated to various third party beneficiaries. The Organization does not have variance power over the funds, and does not have a controlling financial interest in any of the beneficiaries. Accordingly, the funds are recorded as liabilities until disbursed.

Greenpeace Fund, Inc.

Schedule of Functional Expenses
For the Year Ended December 31, 2009

	Program Services							
	Grants to Stichting Greenpeace Council	Grants to Greenpeace, Inc.	Grants to other Greenpeace Affiliates	Public Information and Education	Total Programs	Fund Raising	Management and General	Total
Grants	\$10,217,653	\$5,600,000	\$ -	\$ -	\$ 15,817,653	\$ -	\$ -	\$15,817,653
Salaries, wages and benefits	-	-	-	339	339	752,666	374,355	1,127,360
Consultants and contract services	-	-	-	-	-	109,189	13,107	122,296
Travel and meetings	-	-	-	-	-	27,550	18,359	45,909
Telecommunications	-	-	-	-	-	1,597	447	2,044
Information	-	-	-	-	-	5,738	-	5,738
Photo and video	-	-	-	-	-	210	-	210
Postage and courier	-	-	-	-	-	81,465	179	81,644
Printing and publication expense	-	-	-	-	-	160,859	-	160,859
Communication expenses	-	-	-	-	-	16,880	-	16,880
Taxes, permits and fees	-	-	-	-	-	595	13,825	14,420
Bank and interest fees	-	-	-	-	-	14,646	20,406	35,052
Office costs and supplies	-	-	-	-	-	4,583	7,126	11,709
Property costs	-	-	-	-	-	1,202	-	1,202
Miscellaneous	-	-	-	-	-	348	-	348
Allocated overhead	-	-	-	-	-	126,529	55,361	181,890
Total Expenses	\$10,217,653	\$5,600,000	\$ -	\$ 339	\$ 15,817,992	\$1,304,057	\$ 503,165	\$17,625,214

Greenpeace Fund, Inc.

Schedule of Functional Expenses
For the Year Ended December 31, 2008

	Program Services							
	Grants to Stichting Greenpeace Council	Grants to Greenpeace, Inc.	Grants to other Greenpeace Affiliates	Public Information and Education	Total Programs	Fund Raising	Management and General	Total
Grants	\$ 4,359,001	\$ 5,363,613	\$ 3,000	\$ -	\$9,725,614	\$ -	\$ -	\$ 9,725,614
Salaries, wages and benefits	-	-	-	10,481	10,481	760,305	356,149	1,126,935
Consultants and contract services	-	-	-	-	-	95,661	73,129	168,790
Travel and meetings	-	-	-	-	-	46,476	14,645	61,121
Telecommunications	-	-	-	-	-	2,020	160	2,180
Information	-	-	-	-	-	2,740	-	2,740
Photo and video	-	-	-	-	-	8	-	8
Postage and courier	-	-	-	-	-	126,644	521	127,165
Printing and publication expense	-	-	-	-	-	185,508	-	185,508
Communication expenses	-	-	-	-	-	14,265	-	14,265
Taxes, permits and fees	-	-	-	-	-	1,761	11,867	13,628
Bank and interest fees	-	-	-	-	-	17,288	18,926	36,214
Office costs and supplies	-	-	-	-	-	2,534	204	2,738
Property costs	-	-	-	-	-	1,449	12,348	13,797
Miscellaneous	-	-	-	-	-	997	-	997
Allocated overhead	-	-	-	-	-	115,092	55,559	170,651
Total Expenses	\$ 4,359,001	\$ 5,363,613	\$ 3,000	\$ 10,481	\$9,736,095	\$ 1,372,748	\$ 543,508	\$11,652,351