<table>
<thead>
<tr>
<th>Section</th>
<th>Pages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Independent Auditors’ Report</td>
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<td>Financial Statements</td>
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<td>Statement of Activities</td>
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<tr>
<td>Statement of Cash Flows</td>
<td>7</td>
</tr>
<tr>
<td>Notes to Financial Statements</td>
<td>8-13</td>
</tr>
</tbody>
</table>
Independent Auditors’ Report

Board of Directors
350.Org
Washington, D.C.

We have audited the accompanying financial statements of 350.Org (the Organization) (a nonprofit organization), which comprise the statement of financial position as of September 30, 2017, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management’s Responsibility for the Financial Statements

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

Auditors’ Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors’ judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of 350.Org as of September 30, 2017, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.
Board of Directors
350.Org

Report on Summarized Comparative Information

We have previously audited the Organization's September 30, 2016, financial statements, and we expressed an unmodified audit opinion on those financial statements in our report dated May 16, 2017. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2016, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Washington, D.C.
March 13, 2018

Certified Public Accountants
350.Org

Statement of Financial Position
September 30, 2017
(With Summarized Financial Information as of September 30, 2016)

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and Cash Equivalents</td>
<td>$11,026,169</td>
<td>$6,346,090</td>
</tr>
<tr>
<td>Pledges and Grants Receivable</td>
<td>742,666</td>
<td>1,324,307</td>
</tr>
<tr>
<td>Due from 350.Org Action Fund</td>
<td>56,677</td>
<td>137,867</td>
</tr>
<tr>
<td>Prepaid Expenses and Other Current Assets</td>
<td>149,545</td>
<td>24,371</td>
</tr>
<tr>
<td>Total Current Assets</td>
<td>$11,975,057</td>
<td>7,832,635</td>
</tr>
<tr>
<td><strong>Pledges and Grants Receivable, Net of Current Portion</strong></td>
<td>246,378</td>
<td>50,000</td>
</tr>
<tr>
<td><strong>Investments</strong></td>
<td>62,707</td>
<td>69,786</td>
</tr>
<tr>
<td><strong>Security Deposits</strong></td>
<td>32,506</td>
<td>26,823</td>
</tr>
<tr>
<td><strong>Property and Equipment, Net</strong></td>
<td>70,913</td>
<td>55,059</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>$12,387,561</td>
<td>$8,034,303</td>
</tr>
<tr>
<td><strong>Liabilities and Net Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts Payable and Accrued Expenses</td>
<td>$575,495</td>
<td>$473,503</td>
</tr>
<tr>
<td>Accrued Vacation</td>
<td>222,429</td>
<td>243,628</td>
</tr>
<tr>
<td>Grants Payable</td>
<td>340,000</td>
<td>-</td>
</tr>
<tr>
<td>Total Current Liabilities</td>
<td>$1,137,924</td>
<td>717,131</td>
</tr>
<tr>
<td><strong>Net Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrestricted</td>
<td>10,240,799</td>
<td>5,944,370</td>
</tr>
<tr>
<td>Temporarily Restricted</td>
<td>1,008,838</td>
<td>1,372,802</td>
</tr>
<tr>
<td>Total Net Assets</td>
<td>$11,249,637</td>
<td>7,317,172</td>
</tr>
<tr>
<td><strong>Total Liabilities and Net Assets</strong></td>
<td>$12,387,561</td>
<td>$8,034,303</td>
</tr>
</tbody>
</table>

See accompanying Notes to Financial Statements.
350.ORG

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2017
(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED SEPTEMBER 30, 2016)

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>2017 Total</th>
<th>2016 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants and Contributions</td>
<td>$14,436,494</td>
<td>$2,365,269</td>
<td>$16,801,763</td>
<td>$13,763,514</td>
</tr>
<tr>
<td>Donated Services</td>
<td>30,521</td>
<td>-</td>
<td>30,521</td>
<td>37,562</td>
</tr>
<tr>
<td>Interest Income</td>
<td>3,030</td>
<td>-</td>
<td>3,030</td>
<td>2,567</td>
</tr>
<tr>
<td>Gain on Investments</td>
<td>2,334</td>
<td>-</td>
<td>2,334</td>
<td>481</td>
</tr>
<tr>
<td>Other Income</td>
<td>3,603</td>
<td>-</td>
<td>3,603</td>
<td>5,229</td>
</tr>
<tr>
<td>Releases from Restriction</td>
<td>2,729,233</td>
<td>(2,729,233)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>17,205,215</td>
<td>(363,964)</td>
<td>16,841,251</td>
<td>13,809,353</td>
</tr>
</tbody>
</table>

|                      |                   |                        |            |            |
| **Expenses**         |                   |                        |            |            |
| Program Services     |                   |                        |            |            |
| Field                | 8,665,999         | -                      | 8,665,999  | 7,699,638  |
| Communications       | 788,925           | -                      | 788,925    | 522,128    |
| Digital              | 1,007,423         | -                      | 1,007,423  | 907,787    |
| **Total Program Services** | 10,462,347       | -                      | 10,462,347 | 9,129,553  |

| Supporting Services  |                   |                        |            |            |
| Management and General | 1,955,557       | -                      | 1,955,557  | 1,180,945  |
| Fundraising          | 490,882           | -                      | 490,882    | 345,315    |
| **Total Supporting Services** | 2,446,439       | -                      | 2,446,439  | 1,526,260  |
| **Total Expenses**   | 12,908,786        | -                      | 12,908,786 | 10,655,813 |

| Change in Net Assets | 4,296,429         | (363,964)              | 3,932,465  | 3,153,540  |

| Net Assets, Beginning of Year | 5,944,370   | 1,372,802              | 7,317,172  | 4,163,632  |
| Net Assets, End of Year       | $10,240,799 | $1,008,838             | $11,249,637| $7,317,172 |

See accompanying Notes to Financial Statements.
### Statement of Cash Flows

**For the Year Ended September 30, 2017**

*(With Summarized Financial Information for the Year Ended September 30, 2016)*

<table>
<thead>
<tr>
<th>Cash Flows from Operating Activities</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change in Net Assets</td>
<td>$3,932,465</td>
<td>$3,153,540</td>
</tr>
<tr>
<td>Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation and Amortization</td>
<td>38,431</td>
<td>40,356</td>
</tr>
<tr>
<td>Donated Securities Received</td>
<td>(684,711)</td>
<td>(266,476)</td>
</tr>
<tr>
<td>Proceeds from Sales of Donated Securities</td>
<td>691,790</td>
<td>196,690</td>
</tr>
<tr>
<td>Decrease in Pledges and Grants Receivable</td>
<td>385,263</td>
<td>888,086</td>
</tr>
<tr>
<td>Decrease in Employee Advances</td>
<td>-</td>
<td>10,849</td>
</tr>
<tr>
<td>(Increase) Decrease in Prepaid Expenses and Other Current Assets</td>
<td>(125,174)</td>
<td>44,927</td>
</tr>
<tr>
<td>Increase in Security Deposits</td>
<td>(5,683)</td>
<td>(2,009)</td>
</tr>
<tr>
<td>Increase (Decrease) in Accounts Payable</td>
<td>101,992</td>
<td>(270,225)</td>
</tr>
<tr>
<td>Decrease (Increase) in Due to/from 350.Org Action Fund</td>
<td>81,190</td>
<td>(145,738)</td>
</tr>
<tr>
<td>(Decrease) Increase in Accrued Vacation</td>
<td>(21,199)</td>
<td>21,316</td>
</tr>
<tr>
<td>Increase in Grants Payable</td>
<td>340,000</td>
<td></td>
</tr>
<tr>
<td>Net Cash Provided by Operating Activities</td>
<td>4,734,364</td>
<td>3,671,316</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Cash Flows from Investing Activities</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchases of Property and Equipment</td>
<td>(54,285)</td>
<td>(27,155)</td>
</tr>
<tr>
<td>Maturities of Certificates of Deposit</td>
<td>-</td>
<td>807,515</td>
</tr>
<tr>
<td>Net Cash (Used in) Provided by Investing Activities</td>
<td>(54,285)</td>
<td>780,360</td>
</tr>
</tbody>
</table>

Net Increase in Cash and Cash Equivalents | 4,680,079 | 4,451,676 |

Cash and Cash Equivalents, Beginning of Year | 6,346,090 | 1,894,414 |

**Cash and Cash Equivalents, End of Year**

<table>
<thead>
<tr>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>$11,026,169</td>
<td>$6,346,090</td>
</tr>
</tbody>
</table>

See accompanying Notes to Financial Statements.
1. **ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

350.Org (the Organization) is a dynamic and highly collaborative climate change campaign, building a global grassroots movement to solve the climate crisis. The Organization works with volunteers in countries around the world, using online tools to facilitate strategic campaigns, grassroots organizing, and public engagement actions in order to communicate both the realities of science and principles of justice and help realize the solutions that will ensure a better future for all.

The Organization is supported primarily by grants and contributions.

The major programs of the Organization are as follows:

**Field:** The Field program works to bring international and national policy more in line with the scientific necessities of tackling the climate crisis. This work is accomplished by building broad and deep connections to support an international network of climate activists, as well as identifying key moments to elevate an issue and advocate for social change.

**Communications:** The Communications program works to shape the terms of debate on climate change internationally and domestically through a creative and incisive narrative, and a sophisticated media strategy encompassing both traditional and new media.

**Digital:** The Digital program works to facilitate dialogue and organizing amongst individuals, organizers, and organizations in the global climate movement around the world. This work is accomplished through online media such as emails, blogs, and social networks, multimedia such as photo galleries and videos, and web tools such as online maps that allow users to more quickly and easily understand how to connect to a global movement for change.

**Basis of Accounting**

The accompanying financial statements are presented on the accrual basis of accounting. Consequently, revenue is recognized when earned and expenses when incurred.

**Income Taxes**

The Internal Revenue Service has determined the Organization to be exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code (the Code) and not to be a private foundation within the meaning of Section 509(a) of the Code. However, income from certain activities not directly related to the Organization’s tax exempt purpose is subject to taxation as unrelated business income. The Organization had no net unrelated business income for the year ended September 30, 2017.

The Organization requires that a tax position be recognized or derecognized based on a “more-likely-than-not” threshold. This applies to positions taken or expected to be taken in a tax return. The Organization does not believe its financial statements include, or reflect, any uncertain tax positions. The Organization’s IRS Form 990, *Return of Organization Exempt from Income Tax*, is subject to examination generally for three years after it is filed.
1. **Organization and Summary of Significant Accounting Policies (Continued)**

**Cash and Cash Equivalents**

For financial statement purposes, the Organization considers all cash held in demand deposit accounts to be cash and cash equivalents, including amounts held in cash in the investment account.

**Investments**

Equity investments are recorded at fair value using quotations on national exchanges. Debt securities are recorded at fair value using readily available pricing sources for comparable investments. Investment income, including realized and unrealized gains and losses, is included in the statement of activities.

**Pledges and Grants Receivable**

The Organization records pledges and grants receivable at estimated net realizable value. The Organization reviews the collectability of the receivables on a regular basis; no reserve for doubtful accounts has been established because management expects to collect receivables in full.

**Property and Equipment**

The Organization capitalizes all property and equipment acquisitions greater than $500. Property and equipment is recorded at cost, if purchased, or at fair market value, if donated. Depreciation is computed using the straight-line method over the useful lives of the assets. Maintenance and repairs are charged to expense when incurred.

**Revenue Recognition**

Unconditional contributions are recorded as support at fair value when received or when promised. Contributions that are restricted by the donor are reported as increases in temporarily or permanently restricted net assets, depending on the existence and/or nature of the restriction. When the stipulated time restriction ends or the purpose of the restriction is met, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement activities as net assets released from restrictions.

Contributed securities are recorded at fair value on the date of the gift.

**Donated Services**

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization.

 Volunteers also provided various services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria were not met.
1. **Organization and Summary of Significant Accounting Policies (continued)**

   **Net Assets**

   For financial statement purposes, net assets are classified as follows:

   **Unrestricted:** Unrestricted net assets include those net assets whose use is not restricted by donors, even though their use may be limited in other respects, such as by board designation.

   **Temporarily Restricted:** Temporarily restricted net assets include those net assets whose use by the Organization has been donor-restricted by specific time or purpose limitations.

   **Functional Allocation of Expenses**

   The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services they benefit or upon management’s estimates of the proportion of these costs applicable to each function.

   **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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

   **Prior Year Information**

   The financial statements include certain prior year summarized comparative totals as of and for the year ended September 30, 2016. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the financial statements for the year ended September 30, 2016, from which the summarized information was derived.

   **Reclassification**

   Certain 2016 amounts have been reclassified for comparative purposes.

2. **Concentrations**

   As of September 30, 2017, approximately 86% of the pledges and grants receivable were due from four donors. For the year ended September 30, 2017, approximately 27% of grants and contributions revenue were received from two donors.

   The Organization maintains cash balances at a financial institution. The accounts at this institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to certain limits. At times during the year, the Organization’s cash balances exceeded the FDIC insurance limits. Management believes the risk in these situations to be minimal.
3. Temporarily Restricted Net Assets

Temporarily restricted net assets were available for the following purposes as of September 30, 2017:

<table>
<thead>
<tr>
<th>Purpose</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fossil Fuel Divestment</td>
<td>$17,858</td>
</tr>
<tr>
<td>Keep It In The Ground Campaign</td>
<td>$125,000</td>
</tr>
<tr>
<td>Movement Building</td>
<td>$30,735</td>
</tr>
<tr>
<td>Time Restricted</td>
<td>$835,245</td>
</tr>
<tr>
<td>Total Temporarily Restricted Net Assets</td>
<td>$1,008,838</td>
</tr>
</tbody>
</table>

Net assets were released from donor restrictions by incurring expenses satisfying the restrictions specified by donors for the year ended September 30, 2017, as follows:

<table>
<thead>
<tr>
<th>Purpose</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Communications</td>
<td>$2,500</td>
</tr>
<tr>
<td>Fossil Fuel Divestment</td>
<td>$143,770</td>
</tr>
<tr>
<td>Keep It In The Ground Campaign</td>
<td>$259,157</td>
</tr>
<tr>
<td>Movement Building</td>
<td>$900,192</td>
</tr>
<tr>
<td>People's Climate Movement</td>
<td>$83,500</td>
</tr>
<tr>
<td>Tarsands</td>
<td>$40,100</td>
</tr>
<tr>
<td>Time Restricted</td>
<td>$1,300,014</td>
</tr>
<tr>
<td><strong>Net Assets Released from Restrictions</strong></td>
<td>$2,729,233</td>
</tr>
</tbody>
</table>

4. Related Party Transactions

The Organization shares office space and other related expenses and services with 350.Org Action Fund (the Fund), a nonprofit organization exempt under Section 501(c)(4) of the Internal Revenue Code. Costs have been allocated between the Organization and the Fund based upon salaries and other contractual arrangements. Total expenses allocated to the Fund for the year ended September 30, 2017, were approximately $57,000.

5. Retirement Plan

The Organization established a 401(k) plan (the Plan), effective January 1, 2009, that covers all employees age 21 and older with 90 days of service. Matching contributions are made on behalf of eligible participants in an amount equal to 100% of the participant’s elective deferrals that do not exceed 3% of compensation and 50% of the amount of the participant’s elective deferrals between 3% and 5% of compensation. The Organization’s contributions to the Plan were approximately $84,000 for the year ended September 30, 2017.
6. **PROPERTY AND EQUIPMENT**

Property and equipment consisted of the following as of September 30, 2017:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equipment</td>
<td>$173,841</td>
</tr>
<tr>
<td>Software</td>
<td>39,251</td>
</tr>
<tr>
<td>Website</td>
<td>97,104</td>
</tr>
<tr>
<td></td>
<td>310,196</td>
</tr>
<tr>
<td>Less Accumulated Depreciation and Amortization</td>
<td>(239,283)</td>
</tr>
<tr>
<td>Property and Equipment, Net</td>
<td>$70,913</td>
</tr>
</tbody>
</table>

Depreciation expense for the year ended September 30, 2017, was approximately $38,000.

7. **DONATED SERVICES**

Donated legal services of approximately $31,000 were reported as management and general expenses in accompanying statement of activities.

8. **OPERATING LEASES**

The Organization has various leases for office space and is obligated under the leases through October 2018.

Future minimum rental payments required under the leases are as follows:

<table>
<thead>
<tr>
<th>For the Years Ending September 30,</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>$80,650</td>
</tr>
<tr>
<td>2019</td>
<td>5,150</td>
</tr>
<tr>
<td>Total Minimum Lease Payments</td>
<td>$85,800</td>
</tr>
</tbody>
</table>

Rent expense for the year ended September 30, 2017, was approximately $329,000.

9. **COMMITMENTS**

The Organization has various contracts for consulting and other services, some of which include penalties for cancellation or early termination. Management believes the risk in these situations to be minimal.

10. **PLEDGES AND GRANTS RECEIVABLE**

Pledges and grants receivable consisted of the following as of September 30, 2017:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receivable in Less than One Year</td>
<td>$742,666</td>
</tr>
<tr>
<td>Receivable in One to Five Years</td>
<td>250,000</td>
</tr>
<tr>
<td>Total Pledges and Grants Receivable</td>
<td>992,666</td>
</tr>
<tr>
<td>Less Discount to Net Present Value</td>
<td>(3,622)</td>
</tr>
<tr>
<td>Net Pledges and Grants Receivable</td>
<td>$989,044</td>
</tr>
</tbody>
</table>
10. **PLEDGES AND GRANTS RECEIVABLE (CONTINUED)**

Pledges and grants receivable has been discounted to present value using a discount rate of approximately 1.5%.

11. **INVESTMENTS AND FAIR VALUE MEASUREMENTS**

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels as follows:

*Level 1* - inputs to the valuation methodology are quoted prices for identical assets or liabilities in active markets (examples include equity securities);

*Level 2* - inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability other than quoted prices, either directly or indirectly, including inputs in markets that are not considered to be active (examples include corporate and municipal bonds); and

*Level 3* - inputs to the valuation methodology are unobservable and significant to the fair value measurement. The inputs into the determination of fair value require significant management judgment (examples include certain private equity securities, alternate investments and split-interest agreements).

The following presents the Organization's assets measured at fair value as of September 30, 2017:

<table>
<thead>
<tr>
<th></th>
<th>Fair Value</th>
<th>Level 1 Inputs</th>
<th>Level 2 Inputs</th>
<th>Level 3 Inputs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equities</td>
<td>$15,631</td>
<td>$15,631</td>
<td>$-</td>
<td>$-</td>
</tr>
<tr>
<td>Municipal Bond</td>
<td>$47,076</td>
<td>-</td>
<td>$47,076</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$62,707</strong></td>
<td><strong>$15,631</strong></td>
<td><strong>$47,076</strong></td>
<td><strong>$-</strong></td>
</tr>
</tbody>
</table>

12. **SUBSEQUENT EVENTS**

Subsequent events were evaluated through March 13, 2018, which is the date the financial statements were available to be issued.