

350.org

Financial Report
September 30, 2023

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Independent Auditor's Report

Board of Directors
350.org

Opinion

We have audited the financial statements of 350.org (the Organization), which comprise the statement of financial position as of September, 2023, the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of September 30, 2023, 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.

Basis for Opinion

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

Other Matter

The financial statements of the Organization as of and for the year ended September 30, 2022, were audited by other auditors whose report, dated July 3, 2023, expressed an unmodified opinion on those statements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 the Organization's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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 the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

RSM US LLP

Washington, D.C.

July 1, 2024

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Statements of Financial Position
September 30, 2023 and 2022

	2023	2022
Assets		
Cash and cash equivalents	\$ 9,437,061	\$ 13,496,237
Investments	97,823	51,768
Grants and contributions receivable, net	4,498,179	2,001,309
Accounts receivable	-	50,455
Due from 350.org action fund	3,221	27,820
Travel card advances	84,696	39,045
Prepaid expenses and other current assets	224,030	321,600
Deposits	574,863	391,553
Property and equipment, net of accumulated depreciation of 2023—\$80,776; 2022—\$52,882	12,408	40,302
Total assets	\$ 14,932,281	\$ 16,420,089
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	\$ 1,376,857	\$ 825,894
Accrued salaries and payroll liabilities	16,237	9,692
Accrued vacation	511,939	407,905
Advance deposits	25,000	25,000
Total liabilities	1,930,033	1,268,491
Net assets:		
Without donor restrictions	7,756,893	11,626,743
With donor restrictions	5,245,355	3,524,855
Total net assets	13,002,248	15,151,598
Total liabilities and net assets	\$ 14,932,281	\$ 16,420,089

See notes to financial statements.

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Statement of Activities
Year Ended September 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and support:			
Grants and contributions	\$ 12,979,366	\$ 6,438,422	\$ 19,417,788
Contributed nonfinancial assets	231,560	-	231,560
Investment income	238,470	-	238,470
Other income, net	(61,229)	-	(61,229)
Releases from restriction	4,717,922	(4,717,922)	-
Total revenue and support	18,106,089	1,720,500	19,826,589
Expenses:			
Program services:			
Field	12,404,966	-	12,404,966
Communications	2,767,668	-	2,767,668
Digital	3,380,897	-	3,380,897
Total program services	18,553,531	-	18,553,531
Supporting services:			
Management and general	1,871,664	-	1,871,664
Fundraising	1,550,744	-	1,550,744
Total supporting services	3,422,408	-	3,422,408
Total expenses	21,975,939	-	21,975,939
Change in net assets	(3,869,850)	1,720,500	(2,149,350)
Net assets:			
Beginning	11,626,743	3,524,855	15,151,598
Ending	\$ 7,756,893	\$ 5,245,355	\$ 13,002,248

See notes to financial statements.

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Statement of Activities
Year Ended September 30, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue:			
Grants and contributions	\$ 16,011,841	\$ 4,163,670	\$ 20,175,511
PPP contribution	1,291,827	-	1,291,827
Contributed nonfinancial assets	97,382	-	97,382
Investment income	4,481	-	4,481
Other income, net	40,139	-	40,139
Releases from restriction	5,054,423	(5,054,423)	-
Total revenue	22,500,093	(890,753)	21,609,340
Expenses:			
Program services:			
Field	9,983,668	-	9,983,668
Communications	1,924,078	-	1,924,078
Digital	2,764,884	-	2,764,884
Total program services	14,672,630	-	14,672,630
Supporting services:			
Management and general	3,706,248	-	3,706,248
Fundraising	820,346	-	820,346
Total supporting services	4,526,594	-	4,526,594
Total expenses	19,199,224	-	19,199,224
Change in net assets	3,300,869	(890,753)	2,410,116
Net assets:			
Beginning	8,325,874	4,415,608	12,741,482
Ending	\$ 11,626,743	\$ 3,524,855	\$ 15,151,598

See notes to financial statements.

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**Statement of Functional Expenses
Year Ended September 30, 2023**

	Program Services				Supporting Services		
	Field	Communications	Digital	Total Program Services	Management and General	Fundraising	Total
Salaries	\$ 6,031,111	\$ 1,424,610	\$ 1,487,684	\$ 8,943,405	\$ 699,397	\$ 1,000,695	\$ 10,643,497
Taxes and employee benefits	1,860,264	396,896	365,372	2,622,532	153,402	191,543	2,967,477
Volunteer training	13,723	2,391	2,175	18,289	214	-	18,503
Conferences and meetings	352,240	4,888	9,198	366,326	23,455	3,644	393,425
Consulting	589,894	203,400	451,332	1,244,626	440,608	82,748	1,767,982
Grants to partners	454,920	29,706	37,582	522,208	-	-	522,208
Communications	201,178	58,527	119,347	379,052	1,488	17,629	398,169
Telephone	40,640	5,031	1,656	47,327	16,687	3,822	67,836
Website	4,845	1,012	38,784	44,641	25	-	44,666
Insurance	67,157	15,351	13,642	96,150	28,369	8,588	133,107
Postage and shipping	10,038	101	333	10,472	4,048	48,720	63,240
Professional fees	1,132,561	202,582	257,973	1,593,116	149,641	67,689	1,810,446
Miscellaneous	84,419	19,660	20,303	124,382	45,230	17,443	187,055
Equipment rental and purchases	53,639	64,515	10,999	129,153	41,964	5,211	176,328
Dues and IT subscriptions	320,525	212,969	463,287	996,781	46,323	32,163	1,075,267
Professional development	13,735	2,251	2,829	18,815	5,223	1,670	25,708
Occupancy	76,082	6,974	8,307	91,363	7,833	2,371	101,567
Travel	1,085,298	113,805	86,961	1,286,064	200,798	64,702	1,551,564
Depreciation and amortization	12,697	2,999	3,133	18,829	6,959	2,106	27,894
Total expenses	\$ 12,404,966	\$ 2,767,668	\$ 3,380,897	\$ 18,553,531	\$ 1,871,664	\$ 1,550,744	\$ 21,975,939

See notes to financial statements.

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Statement of Functional Expenses
Year Ended September 30, 2022

	Program Services				Supporting Services		
	Field	Communications	Digital	Total Program Services	Management and General	Fundraising	Total
Salaries	\$ 4,679,832	\$ 919,316	\$ 1,371,037	\$ 6,970,185	\$ 2,464,350	\$ 565,419	\$ 9,999,954
Taxes and employee benefits	1,443,487	328,826	299,736	2,072,049	529,336	88,693	2,690,078
Volunteer training	51,583	11,230	-	62,813	7,151	-	69,964
Conferences and meetings	383,951	4,202	8,201	396,354	53,214	1,449	451,017
Consulting	1,105,264	149,298	239,488	1,494,050	144,731	-	1,638,781
Communications	399,299	57,974	1,749	459,022	5,913	812	465,747
Telephone	36,365	6,274	2,190	44,829	15,975	1,986	62,790
Website	44,866	-	13,869	58,735	-	210	58,945
Insurance	42,825	7,446	11,667	61,938	19,744	4,580	86,262
Postage and shipping	6,444	28	110	6,582	9,901	45,909	62,392
Professional fees	765,637	163,973	240,714	1,170,324	195,520	16,127	1,381,971
Miscellaneous	102,670	20,465	29,249	152,384	52,605	58,941	263,930
Equipment rental and purchases	49,342	24,402	9,118	82,862	18,243	5,155	106,260
Dues and IT subscriptions	333,387	160,134	486,932	980,453	52,436	16,634	1,049,523
Professional development	22,804	3,807	5,737	32,348	10,096	2,452	44,896
Occupancy	115,013	14,882	22,022	151,917	23,536	5,459	180,912
Travel	381,017	47,912	17,235	446,164	93,492	4,116	543,772
Depreciation and amortization	19,882	3,909	5,830	29,621	10,005	2,404	42,030
Total expenses	\$ 9,983,668	\$ 1,924,078	\$ 2,764,884	\$ 14,672,630	\$ 3,706,248	\$ 820,346	\$ 19,199,224

See notes to financial statements.

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Statements of Cash Flows
Years Ended September 30, 2023 and 2022

	2023	2022
Cash flows from operating activities:		
Change in net assets	\$ (2,149,350)	\$ 2,410,116
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Depreciation and amortization	27,894	42,030
Donated securities received	(373,858)	(1,098,433)
Proceeds from sales of donated securities liquidated immediately	336,030	1,121,939
Realized and unrealized (gains) losses on investments	(8,227)	-
Loss on disposal of property and equipment	-	1,515
Change in discount on grants and contributions receivable	10,887	-
Changes in assets and liabilities:		
(Increase) decrease in:		
Grants and contributions receivable, net	(2,507,757)	1,614,126
Accounts receivable	50,455	(33,962)
Due from 350.org Action Fund	24,599	(16,518)
Travel card advances	(45,651)	(1,700)
Prepaid expenses and other current assets	97,570	(5,489)
Deposits	(183,310)	(68,857)
Increase (decrease) in:		
Accounts payable and accrued expenses	550,963	71,604
Accrued salaries and payroll liabilities	6,545	(858,021)
Accrued vacation	104,034	(96,841)
PPP refundable advance	-	(1,291,827)
Advance deposits	-	25,000
Net cash (used in) provided by operating activities	(4,059,176)	1,814,682
Net (decrease) increase in cash and cash equivalents	(4,059,176)	1,814,682
Cash and cash equivalents:		
Beginning	13,496,237	11,681,555
Ending	\$ 9,437,061	\$ 13,496,237
Supplemental schedule of noncash investing activities:		
Donated securities not immediately liquidated	\$ 45,031	\$ -

See notes to financial statements.

Notes to Financial Statements

Note 1. Nature of Activities and Significant Accounting Policies

Nature of activities: 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 to facilitate strategic campaigns, grassroots organizing and public engagement actions, using online tools 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.

A summary of the Organization's significant accounting policies follows:

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.

Basis of presentation: The financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). As required by the Not-for-Profit Topic of the FASB ASC, Financial Statements of Not-for-Profit Organizations, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions: Net assets not subject to donor-imposed stipulations.

Net assets with donor restrictions: Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Organization and/or the passage of time. Net assets with donor restrictions also includes net assets subject to donor-imposed stipulations that the assets will be maintained permanently by the Organization.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law.

Notes to Financial Statements

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

Expirations of restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) and changes in donor intent are reported as reclassifications between the applicable classes of net assets.

Income taxes: The Internal Revenue Service (IRS) 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 years ended September 30, 2023 and 2022.

The Organization requires that a tax position be recognized or deterred 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 is subject to examination generally for three years after filing.

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: Investments in marketable securities with readily determinable fair values and investments in debt securities at their fair value are reflected at fair value in the statement of financial position. Investment income, including realized and unrealized gains and losses, is included in the statements of activities.

Financial risk: The Organization maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Organization has not experienced any such loss in the past and does not believe it is exposed to any significant financial risk on these balances.

The Organization invests funds in portfolios that are exposed to various risks, such as interest rate, credit and market value risk. Due to the level of risk associated with such investments and the level of uncertainty related to changes in the value of such investments, it is a least reasonably possible that changes in risks in the near term would materially affect investment balances and the amount reported in the financial statements. As a result, investment balances reported in the accompanying financial statements may not be reflective of the portfolio's value during subsequent periods.

The fair value of mutual funds is based on quoted market prices. Investments in equity instruments traded on national securities exchanges are stated at the last reported sales price on the day of valuation. These financial instruments are classified as Level 1 in the fair value hierarchy.

Grants and contributions receivable: The Organization records grants and contributions 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.

Accounts receivable: The Organization records accounts 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.

Notes to Financial Statements

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

Property and equipment: The Organization capitalizes all property and equipment acquisitions greater than \$5,000. 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.

Valuation of long-lived assets: The Organization reviews property and equipment for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of the long-lived asset is measured by a comparison of the carrying amount of the asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the estimated fair value of the assets. Assets to be disposed of are reported at the lower of the carrying value or fair value, less costs to sell.

Revenue and support recognition: Unconditional grants and contributions are recorded as support at fair value when received or when promised. Unconditional grants and contributions that are restricted by the donor for purpose or time are reported as increases in net assets with donor restrictions, depending on the existence and/or nature of the restriction. When the stipulated time restriction ends or the purpose of the restriction is met, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Conditional contributions are recognized when donor-imposed conditions are met. These revenues are subject to right of return if funds are not spent, and also have barriers that must be met in order to be entitled to the funds. Accordingly, amounts received but not yet recognized as revenue are classified as refundable advances in the statements of financial position. As of June 30, 2023 and 2022, there were no revenues to be earned on conditional grants. Conditional grants are recognized as net assets without donor restrictions at the time conditions have been met and no donor-imposed restrictions remain.

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

Contributions of nonfinancial assets: Contributions of nonfinancial assets, including eligible donated services, supplies, property and equipment and other assets are recorded at fair value. 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.

Functional allocation of expenses: The costs of providing various programs and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefitted. These expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries, taxes and employee benefits, occupancy, dues and subscriptions, insurance, and depreciation and amortization. These expenses are allocated on the basis of either total salaries or total other costs. Expenses directly identifiable to specific programs and supporting activities are presented accordingly.

Notes to Financial Statements

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

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.

Subsequent events: The Organization has evaluated events through July 1, 2024, the date on which the financial statements were available to be issued.

Note 2. Liquidity and Availability of Resources

The Organization's cash flows have seasonal variations due to the timing of grants, contributions, and vendor payments. The Organization manages its liquidity to meet general expenditures, liabilities, and other obligations as they become due.

The following reflects the Organization's financial assets as of September 30, 2023 and 2022, reduced by amounts not available for general operating expenditure within one year:

	2023	2022
Cash and cash equivalents	\$ 9,437,061	\$ 13,496,237
Investments	97,823	51,768
Grants and contributions receivable due in less than one year	4,488,627	1,705,356
Accounts receivable	-	50,455
Due from 350.org Action Fund	3,221	27,820
Less amount restricted by donors for purpose	(5,245,355)	(2,301,189)
Less board designated operational reserve	(7,100,000)	(7,000,000)
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 1,681,377</u>	<u>\$ 6,030,447</u>

The Organization's Board of Directors created a target for an Operation Reserve Fund equal to four months average operating expenses, approximately \$7.1 million currently, which would be able to be utilized with authorization of a majority of the Board of Directors. These funds are included in net assets without donor restrictions.

Note 3. Investments and Fair Value Measurements

The Organization uses the following prioritized input levels to measure fair value of financial instruments. The input levels used for valuing investments are not necessarily an indication of risk.

Level 1: Observable inputs that reflect quoted prices for identical assets or liabilities in active markets, such as stock quotes.

Level 2: Includes inputs other than Level 1 inputs that are directly or indirectly observable in the marketplace, such as yield curves, other market data, or by using a market approach from pricing sources utilized by investment managers.

Notes to Financial Statements**Note 3. Investments and Fair Value Measurements (Continued)**

Level 3: Unobservable inputs which reflect the report entity's assessment of the assumptions that market participants would use in pricing the asset or liability including assumptions about risk, such as bid/ask spreads and liquidity discounts.

Investments using Level 1 inputs consist of common stocks and bonds which are valued based on quoted market prices at the reporting date for those investments in active markets. Additionally, investments in mutual funds are valued at the last sales price or, if there is no sale or the market is still considered active, at the last transaction price before year-end.

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

	2023			
	Fair Value	Level 1	Level 2	Level 3
Common stock	\$ 43,935	\$ 43,935	\$ -	\$ -
Exchange traded funds	466	466	-	-
Municipal bond	53,422	-	53,422	-
Total	\$ 97,823	\$ 44,401	\$ 53,422	\$ -

	2022			
	Fair Value	Level 1	Level 2	Level 3
Municipal bond	\$ 51,768	\$ -	\$ 51,768	\$ -
Total	\$ 51,768	\$ -	\$ 51,768	\$ -

The Organization invests in various investment securities. Investment securities are exposed 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 investment securities will occur in the near term and that such changes could materially affect the amounts reported in the accompanying financial statements.

Note 4. Grants and Contributions Receivable

Grants and contributions receivable consisted of the following as of September 30:

	2023	2022
Receivable in less than one year	\$ 4,488,627	\$ 1,705,356
Receivable in one to five years	10,000	307,288
Total grants and contributions receivable	4,498,627	2,012,644
Less discount to net present value	(448)	(11,335)
Grants and contributions receivable, net	\$ 4,498,179	\$ 2,001,309

Grants and contributions receivable have been discounted to present value using discount rates between 3.83% and 4.69% at September 30, 2023 and 2022.

Notes to Financial Statements**Note 5. Net Assets with Donor Restrictions**

Net assets with donor restrictions were available for the following purposes as of September 30, 2023 and 2022:

	2023	2022
Purpose restricted		
North America	\$ 205,254	\$ 331,341
Asia	315,534	294,272
Europe	-	151,438
Africa	791,706	645,323
Worldwide Programme	158,309	190,830
Other	200,000	687,985
Time restricted	3,574,552	1,223,666
Total net assets with donor restrictions	<u>\$ 5,245,355</u>	<u>\$ 3,524,855</u>

Net assets were released from donor restrictions for the years ended September 30, 2023 and 2022, as follows:

	2023	2022
Purpose restricted		
North America	\$ 426,087	\$ 341,357
South America	-	144,523
Asia	600,251	579,506
Europe	151,438	55,562
Africa	523,663	736,007
Worldwide Programme	679,431	179,750
Movements	-	46,911
Other	687,985	292,456
Time restricted	1,649,067	2,678,351
Net assets released from restrictions	<u>\$ 4,717,922</u>	<u>\$ 5,054,423</u>

Note 6. Retirement Plans

The Organization has a defined contribution plan in the U.S. and a tax-advantaged pension scheme in the U.K. The Organization offers a provident fund to South Africa-based employees which is equivalent to a pension fund. The Organization's contributions to the retirement plans were approximately \$163,000 and \$196,000 for the years ended September 30, 2023 and 2022, respectively.

Notes to Financial Statements**Note 7. Contributed Nonfinancial Assets**

During the years ended September 30, 2023 and 2022, the Organization received contributed nonfinancial assets which are included in professional fees and dues, subscriptions and licenses in the statements of functional expenses, and are allocated as follows:

	2023						
	Field	Communications	Digital	Total Program Services	Management and General	Fundraising	Total
Legal services	\$ 97,337	\$ 22,991	\$ 24,007	\$ 144,335	\$ 53,327	\$ 16,150	\$ 213,812
Software licenses	8,080	1,908	1,993	11,981	4,426	1,341	17,748
Total	\$ 105,417	\$ 24,899	\$ 26,000	\$ 156,316	\$ 57,753	\$ 17,491	\$ 231,560

	2022						
	Field	Communications	Digital	Total Program Services	Management and General	Fundraising	Total
Legal services	\$ 37,736	\$ 10,444	\$ 10,631	\$ 58,811	\$ 18,901	\$ 4,384	\$ 82,096
Software licenses	4,856	2,332	7,092	14,280	764	242	15,286
Total	\$ 42,592	\$ 12,776	\$ 17,723	\$ 73,091	\$ 19,665	\$ 4,626	\$ 97,382

Legal services are valued and are reported at the estimated fair value based on current rates of similar legal services. Software licenses are valued and reported at the estimated fair value based on estimates of values that would be received for selling similar products.

All contributed nonfinancial assets received by the Organization for the years ended September 30, 2023 and 2022, were considered without donor restrictions.

Note 8. 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. The Fund is a related non-controlled and financial independent entity. 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 years ended September 30, 2023 and 2022, were approximately \$11,000 and \$17,000, respectively. Subsequent to year end, the September 30, 2023 and 2022 balance owed to the Organization was paid. The Fund contributed \$125,000 to the Organization during the years ended September 30, 2023 and 2022.

Note 9. Foreign Operations

The Organization operates in several countries outside the United States through employees, contract staff and consultants, and branch operations. The financial results of operations of the Organization's South African and the United Kingdom branch operations are prepared using the U.S. dollar as the functional currency. As a result, the transactions that are denominated in foreign currencies are remeasured into U.S. dollars, and any resulting gains or losses are included in other income in the statements of activities. For the years ended September 30, 2023 and 2022, foreign currency transactions netted to a gain of approximately \$162,700 and \$40,100, respectively, and reported as other income on the statements of activities. Assets of the Organization's branches outside the United States were approximately \$390,200 and \$67,000 at September 30, 2023 and 2022, respectively.

Notes to Financial Statements

Note 10. Concentrations

As of September 30, 2023 and 2022, approximately 78% and 47% of grants and contributions receivable (unpaid balances), respectively, were due from two donors.

Certain employees in the United States are members of the Progressive Workers Union, which engages in collective bargaining with the Organization.

Note 11. Commitments and Contingencies

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.

Note 12. Paycheck Protection Program

During the years ended September 30, 2021 and 2020, the Organization received two Small Business Administration (SBA) loans under the Paycheck Protection Program (PPP). The PPP loans were forgiven by the SBA during the year ended September 30, 2022, and as such, the loan proceeds are included as PPP contribution without donor restrictions on the statements of activities for the year ended September 30, 2022. The Organization elected to treat the PPP as conditional contributions until forgiveness was received.