

ECHOING GREEN, INC.

FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024



LUTZ AND CARR

CERTIFIED PUBLIC ACCOUNTANTS, LLP

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Echoing Green, Inc.

Opinion

We have audited the accompanying financial statements of Echoing Green, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Echoing Green, Inc. as of June 30, 2025 and 2024, 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

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

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 Echoing Green, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.



Auditors' 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 auditors' 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 generally accepted auditing standards 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 generally accepted auditing standards, 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 Echoing Green, Inc.'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 Echoing Green, Inc.'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.

A handwritten signature in black ink that reads "Lutz + Carr, LLP". The signature is written in a cursive, flowing style.

New York, New York
December 11, 2025

ECHOING GREEN, INC.

STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2025 AND 2024

	2025	2024
Assets		
Cash and cash equivalents	\$ 7,797,175	\$15,803,564
Certificates of deposit	7,554,489	9,604,090
Unconditional promises to give	11,036,283	13,496,924
Programmatic investments	4,317,810	1,147,512
Investments, at fair value	33,451,195	30,533,675
Prepaid expenses and other assets	723,118	1,004,337
Security deposit	-	111,812
Property and equipment, at cost, net of accumulated depreciation	210,457	11,927
Operating lease right-of-use asset	<u>2,479,111</u>	<u>2,677,175</u>
 Total Assets	 <u>\$67,569,638</u>	 <u>\$74,391,016</u>
 Liabilities and Net Assets		
Liabilities		
Fellowship grants payable	\$ 3,306,569	\$ 4,987,393
Accounts payable and accrued expenses	814,145	885,404
Operating lease liability	<u>2,769,621</u>	<u>2,703,812</u>
Total Liabilities	<u>6,890,335</u>	<u>8,576,609</u>
 Commitments (Notes 1b, 12 and 14)		
 Net Assets		
Without donor restrictions	43,582,105	40,630,812
With donor restrictions	<u>17,097,198</u>	<u>25,183,595</u>
Total Net Assets	<u>60,679,303</u>	<u>65,814,407</u>
 Total Liabilities and Net Assets	 <u>\$67,569,638</u>	 <u>\$74,391,016</u>

See notes to financial statements.

ECHOING GREEN, INC.

STATEMENTS OF ACTIVITIES

YEARS ENDED JUNE 30, 2025 AND 2024

	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Changes in Net Assets						
Support and Revenue						
Contributions	\$ 4,138,581	\$ 6,187,359	\$10,325,940	\$ 4,439,623	\$13,223,792	\$17,663,415
Federal relief program - Employee Retention Credit	107,034	-	107,034	-	-	-
Recoverable grant distributions	-	-	-	107,465	-	107,465
In-kind contributions and donated services	105,505	-	105,505	27,898	-	27,898
Program income	50,000	-	50,000	-	-	-
Interest on notes receivable	115,000	-	115,000	12,958	-	12,958
Net investment income	2,343,553	13,006	2,356,559	2,032,625	15,123	2,047,748
Other income	13,753	-	13,753	2,437	-	2,437
	6,873,426	6,200,365	13,073,791	6,623,006	13,238,915	19,861,921
Net assets released from restrictions	14,286,762	(14,286,762)	-	15,889,379	(15,889,379)	-
Reduction of prior year fiscal sponsorship	-	-	-	-	(124,190)	(124,190)
Total Support and Revenue	21,160,188	(8,086,397)	13,073,791	22,512,385	(2,774,654)	19,737,731
Expenses						
Program Services	13,665,088	-	13,665,088	17,562,489	-	17,562,489
Supporting Services						
Management and general	2,258,957	-	2,258,957	1,957,157	-	1,957,157
Fundraising	2,284,850	-	2,284,850	2,414,265	-	2,414,265
Total Expenses	18,208,895	-	18,208,895	21,933,911	-	21,933,911
Increase (decrease) in net assets	2,951,293	(8,086,397)	(5,135,104)	578,474	(2,774,654)	(2,196,180)
Net assets, beginning of year	40,630,812	25,183,595	65,814,407	40,052,338	27,958,249	68,010,587
Net Assets, End of Year	\$43,582,105	\$17,097,198	\$60,679,303	\$40,630,812	\$25,183,595	\$65,814,407

See notes to financial statements.

ECHOING GREEN, INC.

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2025 WITH COMPARATIVE TOTALS FOR 2024

	2025			2024	
	Program Services	Supporting Services		Total Expenses	Total Expenses
		Management and General	Fundraising		
Grant expense	\$ 4,454,176	\$ -	\$ -	\$ 4,454,176	\$ 9,302,780
Salaries	3,112,682	1,050,980	1,036,769	5,200,431	4,774,382
Employee benefits and taxes	992,174	254,087	270,618	1,516,879	1,254,038
Consultants and fees	2,340,630	409,866	647,097	3,397,593	4,298,874
Accounting and legal	59,609	271,620	3,108	334,337	203,670
Office supplies and services	120,234	24,740	37,111	182,085	22,662
Information technology	396,864	82,330	99,577	578,771	584,532
Occupancy	242,582	49,725	77,187	369,494	622,220
Event fees and catering	1,418,132	11,962	20,718	1,450,812	321,454
Travel and accommodations	393,427	70,579	66,952	530,958	270,698
Depreciation	9,187	1,810	2,923	13,920	19,546
Other expenses	125,391	31,258	22,790	179,439	259,055
Total Expenses, 2025	<u>\$13,665,088</u>	<u>\$ 2,258,957</u>	<u>\$ 2,284,850</u>	<u>\$18,208,895</u>	
Total Expenses, 2024	<u>\$17,562,489</u>	<u>\$ 1,957,157</u>	<u>\$ 2,414,265</u>		<u>\$21,933,911</u>

See notes to financial statements.

ECHOING GREEN, INC.

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2024

	Supporting Services			Total Expenses
	Program Services	Management and General	Fundraising	
Grant expense	\$ 9,302,780	\$ -	\$ -	\$ 9,302,780
Salaries	3,180,829	801,003	792,550	4,774,382
Employee benefits and taxes	725,434	218,715	309,889	1,254,038
Consultants and fees	2,823,222	432,063	1,043,589	4,298,874
Accounting and legal	72,476	126,614	4,580	203,670
Office supplies and services	16,130	3,110	3,422	22,662
Information technology	397,978	85,932	100,622	584,532
Occupancy	416,904	93,319	111,997	622,220
Event fees and catering	298,708	18,719	4,027	321,454
Travel and accommodations	224,605	28,925	17,168	270,698
Depreciation	13,096	2,932	3,518	19,546
Other expenses	90,327	145,825	22,903	259,055
Total Expenses	\$17,562,489	\$ 1,957,157	\$ 2,414,265	\$21,933,911

See notes to financial statements.

ECHOING GREEN, INC.

STATEMENTS OF CASH FLOWS

YEARS ENDED JUNE 30, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
Cash Flows From Operating Activities		
Decrease in net assets	\$ (5,135,104)	\$ (2,196,180)
Adjustments to reconcile decrease in net assets to net cash provided (used) by operating activities:		
Noncash operating lease expense	198,064	421,430
Interest accrued on programmatic investments	(115,000)	(12,958)
Depreciation	13,920	19,546
Bad debt expense	-	100,000
Unrealized gain on investments	(275,358)	(131,272)
Realized gain on investments	(374,075)	(30,582)
(Increase) decrease in:		
Unconditional promises to give	2,460,641	7,424,338
Prepaid expenses and other assets	281,219	(707,603)
Security deposit	111,812	-
Increase (decrease) in:		
Fellowship grants payable	(1,680,824)	1,041,935
Accounts payable and accrued expenses	(71,259)	(213,465)
Operating lease liability	65,809	(474,207)
Net Cash Provided (Used) By Operating Activities	<u>(4,520,155)</u>	<u>5,240,982</u>
Cash Flows From Investing Activities		
Purchase of property and equipment	(212,450)	-
Proceeds from maturity of certificates of deposit	12,148,936	11,640,451
Purchase of certificates of deposit	(10,099,335)	(11,982,476)
Purchase of investments	(13,371,616)	(25,452,399)
Proceeds from sale of investments	11,103,529	21,300,853
Purchase of programmatic investment	(3,055,298)	(749,715)
Net Cash Used By Investing Activities	<u>(3,486,234)</u>	<u>(5,243,286)</u>
Net decrease in cash and cash equivalents	(8,006,389)	(2,304)
Cash and cash equivalents, beginning of year	<u>15,803,564</u>	<u>15,805,868</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 7,797,175</u></u>	<u><u>\$ 15,803,564</u></u>
Supplemental Disclosure of Noncash Investing Activities		
Operating lease right-of-use asset obtained in exchange for operating lease liability	<u><u>\$ -</u></u>	<u><u>\$ 2,693,912</u></u>

See notes to financial statements.

ECHOING GREEN, INC.**NOTES TO FINANCIAL STATEMENTS****JUNE 30, 2025 AND 2024****Note 1 - Organization and Summary of Significant Accounting Policies****a - Organization**

Echoing Green, Inc. ("Echoing Green") is a global social venture fund for rising social entrepreneurs, accelerating transformative social change by building a robust pipeline of change-makers with the confidence, vision and drive to solve the world's most critical problems. Echoing Green funds social entrepreneurs through an eighteen-month Fellowship program and is developing support resources and networks to maximize the potential social change of those entrepreneurs.

Echoing Green created the Signal Fund during fiscal year 2023. The Signal Fund is structured to make catalytic capital available to Echoing Green's social impact leaders who have developed their organizations over five to ten years. Echoing Green expects its capital investments to advance impact milestones for innovators and leverage significant levels of co-investment into Echoing Green alumni social enterprises.

b - Cash and Cash Equivalents

For purposes of the statement of cash flows, all highly liquid debt instruments, purchased with a maturity of three months or less, are considered to be cash equivalents. Cash and cash equivalents include \$167,300 held as security for Echoing Green's office lease (Note 11).

c - Certificates of Deposit

Certificates of deposit valued at cost basis plus accrued interest. Certificates of deposit are FDIC insured instruments, with original maturity dates greater than three months at the time of purchase, and are intended to be held to maturity. Upon maturity, the certificates of deposit are expected to be redeemed at cost plus interest earned. No realized losses are expected.

d - Contributions and Unconditional Promises to Give

Contributions are recognized when the donor makes a promise to give, that is, in substance, unconditional. Conditional promises to give, those with a measurable performance-related or other barrier and right of return of assets transferred or release of a promisor's obligation to transfer assets in the future, are not recognized until the conditions on which they depend have been met. Contributions that are restricted by the donor are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

ECHOING GREEN, INC.**NOTES TO FINANCIAL STATEMENTS****JUNE 30, 2025 AND 2024****Note 1 - Organization and Summary of Significant Accounting Policies (continued)****d - Contributions and Unconditional Promises to Give (continued)**

Echoing Green uses the allowance method to determine uncollectible contributions receivable. The allowance, if any, is based on prior years' experience and management's analysis of specific promises made.

e - Programmatic Investments

Echoing Green makes programmatic investments to further its charitable mission. These investments primarily consist of loans to and equity interests in both for-profit and nonprofit organizations whose activities advance Echoing Green's programmatic objectives.

Notes receivable are reported in the statements of financial position at amortized cost plus accrued interest. Echoing Green estimates an allowance for credit losses that reflects its expected credit losses as of the reporting date, considering internal and external information relating to past events, current conditions, and reasonable and supportable forecasts. Management has determined that an allowance for credit losses is not necessary as of June 30, 2025 and 2024.

Echoing Green reflects its investment in equity securities without a readily determinable fair value at cost. Echoing Green performs an assessment of the carrying value of the investments to determine whether any adjustment is necessary to reflect them at a lower net realizable value. As of June 30, 2025 and 2024, no adjustment was deemed necessary.

f - Investments and Fair Value Measurements

Echoing Green reflects investments at fair value in the statement of financial position. Unrealized gains and losses on investments are reflected in the statement of activities. Interest, gains, and losses on investments are reflected in the statement of activities as increases and decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulations or by law. Investment income restricted by the donor is reported as an increase in net assets without donor restrictions if the restrictions expire in the fiscal year in which the income is recognized.

The cost of securities sold is determined by the weighted average method. Investments in marketable securities are stated at fair value. Fair value is an estimate of the exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants (i.e., the exit price at the measurement date).

ECHOING GREEN, INC.**NOTES TO FINANCIAL STATEMENTS****JUNE 30, 2025 AND 2024****Note 1 - Organization and Summary of Significant Accounting Policies (continued)****f - Investments and Fair Value Measurements (continued)**

Fair value measurements are categorized into three levels as follows:

Level 1 Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that Echoing Green has the ability to 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, including inputs in markets that are not considered to be active.

Level 3 Inputs that are unobservable.

A financial instrument's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement.

g - Property and Equipment

Property and equipment are recorded at cost and are being depreciated using the straight-line method over the estimated useful lives of the assets.

h - Grants and Appropriations

Unconditional grants and appropriations are recognized at the time authorized. For grants which are conditional upon the recipient fulfilling certain obligations prior to receiving funds, grants and appropriations are recognized at the time those conditions are satisfied. Certain grants awarded by Echoing Green include a provision that if the grantee experiences specific financial events of substantial scale, the grant amount or portion thereof may be required to be returned to Echoing Green at its discretion.

i - Revenue Recognition

As part of its program activities, Echoing Green may conduct certain advisory services which are classified as exchange transactions under accounting principles generally accepted in the United States of America ("U.S. GAAP"). Revenue earned from these services is recognized over time as the services are provided. The timing of billings, cash collections and revenue recognition may result in contract assets and contract liabilities reported in the statements of financial position. There were no contract assets or liabilities at June 30, 2025 or 2024.

ECHOING GREEN, INC.**NOTES TO FINANCIAL STATEMENTS****JUNE 30, 2025 AND 2024****Note 1 - Organization and Summary of Significant Accounting Policies (continued)****j - Operating Lease Right-of-Use Asset and Operating Lease Liability**

For leases with an initial term greater than twelve months, Echoing Green's operating lease liability is initially recorded at the present value of the unpaid lease payments at the lease commencement date. Echoing Green's operating lease right-of-use asset is initially recorded at the carrying amount of the lease liability adjusted for initial direct costs, accruals, prepayments and lease incentives, if any. Operating lease cost is recognized on a straight-line basis over the lease term.

k - Advertising Costs

Advertising costs are expensed as incurred.

l - Financial Statement Presentation

The financial statements of Echoing Green have been prepared in accordance with U.S. GAAP, which require Echoing Green to report information regarding its financial position and activities according to the following net asset classifications:

Net Assets Without Donor Restrictions

Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of Echoing Green. These net assets may be used at the discretion of Echoing Green's management and Board of Directors.

Net Assets With Donor Restrictions

Net assets that are subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of Echoing Green or the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

m - Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

n - Tax Status

Echoing Green is a not-for-profit organization exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and has been designated as an organization which is not a private foundation.

ECHOING GREEN, INC.**NOTES TO FINANCIAL STATEMENTS****JUNE 30, 2025 AND 2024****Note 1 - Organization and Summary of Significant Accounting Policies (continued)****o - Functional Allocation of Expenses**

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Expenses are applied directly to programs where applicable or allocated on a reasonable and consistent basis. A substantial portion of Echoing Green's expenses are directly related to program activities. The expenses that are allocated include salaries, employee benefits and taxes, and certain overhead items, which are allocated based on employee time and effort or management's estimates of resource usage.

p - Subsequent Events

Echoing Green has evaluated subsequent events through December 11, 2025, the date that the financial statements are considered available to be issued.

q - Prior Year Information

For comparability, certain 2024 amounts have been reclassified, where appropriate, to conform to the financial statement presentation used in 2025.

Note 2 - Information Regarding Liquidity and Availability

Echoing Green annually plans to operate with a balanced budget for the fiscal year, which is based on expected revenues to fund anticipated expenses. Annual revenue is primarily derived from philanthropic grants or charitable gifts raised during the current fiscal year. General expenditures of Echoing Green consist of all expenses related to its ongoing programs. These expenses include fellowship stipends, managing fellowship events, and social innovation market Thought Leadership. Additional expenses are directly related to fundraising activities and all operations undertaken to support programs and services.

Echoing Green regularly monitors its liquidity used to meet its operating needs, commitments and other obligations, while seeking to maximize the investment of its available funds. Management prepares cash flow projections to determine liquidity needs and maintains liquid financial assets on an ongoing basis to cover 60 days of general expenditures. Financial assets in excess of daily cash requirements may be invested in money market funds, certificates of deposits, and other short-term investments.

ECHOING GREEN, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

Note 2 - Information Regarding Liquidity and Availability (continued)

Echoing Green's financial assets as of June 30 available to meet cash needs for general expenditures within one year are summarized as follows:

	<u>2025</u>	<u>2024</u>
Financial Assets at Year End:		
Cash and cash equivalents	\$ 7,797,175	\$15,803,564
Certificates of deposit	7,554,489	9,604,090
Unconditional promises to give	11,036,283	13,496,924
Programmatic investments	4,317,810	1,147,512
Investments	<u>33,451,195</u>	<u>30,533,675</u>
Total Financial Assets	64,156,952	70,585,765
Less: Amounts not Available to be Used within One Year:		
Net assets with donor restrictions, subject to expenditure for specific purposes or passage of time	(16,857,863)	(24,944,260)
Plus: Net assets with donor restrictions expected to be met in less than one year	10,589,360	19,115,839
Net assets with donor restrictions for endowment, subject to spending policy and appropriation	(239,335)	(239,335)
Board designated reserve fund	<u>(7,172,500)</u>	<u>(7,000,000)</u>
Financial Assets Available to Meet General Expenditures within One Year	<u>\$50,476,614</u>	<u>\$57,518,009</u>

In addition to these financial assets available to meet general expenditures within one year, Echoing Green's board designated reserve fund could be made available at any time to meet cash needs for general expenditures at the discretion of the Board.

Note 3 - Net Assetsa - Net Assets Without Donor Restrictions

Net assets without donor restrictions consist of the following at June 30:

	<u>2025</u>	<u>2024</u>
Undesignated	\$36,409,605	\$33,630,812
Board Designated Reserve Fund	<u>7,172,500</u>	<u>7,000,000</u>
	<u>\$43,582,105</u>	<u>\$40,630,812</u>

ECHOING GREEN, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

Note 3 - Net Assets (continued)

a - Net Assets Without Donor Restrictions (continued)

During 2022, the Board of Directors of Echoing Green established a Board Designated Reserve Fund (the “Reserve”) to provide an internal source of funds for extraordinary situations such as a sudden increase in expenses, one-time unbudgeted expenses, unanticipated loss in funding, or uninsured losses. Funds held in the Reserve may be accessed by written request which must be approved by Echoing Green’s Finance Committee. Replenishment of the Reserve will be determined on a case-by-case basis and documented in the written request to access the Reserve. During the years ended June 30, 2025 and 2024, funds totaling \$172,500 and \$4,137,500, respectively, were appropriated to the Reserve.

During 2024, the Board of Directors of Echoing Green established the President’s Discretionary Fund. This fund allows the President of Echoing Green, Cheryl L. Dorsey, the discretion of funding fellows in an amount of up to \$100,000 each year. The funds do not accumulate if they are not used. During the year ended June 30, 2025, this fund provided a short-term loan and technical support for fellows. During the year ended June 30, 2024, this fund provided a short-term loan and engaged a fellow to provide consultancy services.

b - Net Assets With Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes or periods as of June 30:

	2025	2024
Subject to time and purpose restrictions:		
Fellowship grants	\$ 2,415,000	\$ 2,569,950
Restricted for future periods	3,313,780	4,295,921
Cheryl L. Dorsey Discretionary Fund	1,000	1,000
Racial Equity Philanthropic Fund	5,168,000	5,910,354
Signal Fund	5,765,083	11,643,400
Social Innovation Assessment	-	255,000
Health Innovators Program	-	52,950
Fiscal sponsorships	83,125	140,125
Employee Engagement	<u>111,875</u>	<u>75,560</u>
	<u>16,857,863</u>	<u>24,944,260</u>
Investment in perpetuity:		
Endowment	239,335	239,335
Total Net Assets with Donor Restrictions	\$17,097,198	\$25,183,595

Echoing Green maintains an endowment that consists of gifts from a donor totaling \$239,335. Interest earned on these endowment funds is available for Echoing Green’s general operations.

ECHOING GREEN, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

Note 4 - Concentrations

a - Echoing Green maintains cash accounts in several financial institutions in New York City. Certain balances are insured by the Federal Deposit Insurance Corporation.

b - For 2025, contributions from two donors represented approximately 33% of total support and revenue. The amount due from one of these donors was approximately 13% of unconditional promises to give as of June 30, 2025. For 2024, contributions from three donors represented approximately 41% of total support and revenue. The amount due from one of these donors was approximately 14% of unconditional promises to give as of June 30, 2024.

Note 5 - Promises to Give

a - Unconditional Promises to Give

Unconditional promises to give are due as follows:

	2025		
	Without Donor Restrictions	With Donor Restrictions	Total
Due within one year	\$2,555,500	\$4,315,000	\$ 6,870,500
Due in one to five years	-	4,400,000	4,400,000
	2,555,500	8,715,000	11,270,500
Less: Discount to present value	-	(234,217)	(234,217)
Total	\$2,555,500	\$8,480,783	\$11,036,283

	Without Donor Restrictions	Without Donor Restrictions	Without Donor Restrictions
Due within one year	\$659,981	\$ 6,705,518	\$ 7,365,499
Due in one to five years	-	6,557,000	6,557,000
	659,981	13,262,518	13,922,499
Less: Discount to present value	-	(425,575)	(425,575)
Total	\$659,981	\$12,836,943	\$13,496,924

ECHOING GREEN, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

Note 5 - Promises to Give (continued)

a - Unconditional Promises to Give (continued)

Unconditional promises due in one to five years are discounted to present value using a discount rate of 3%. Uncollectible promises are expected to be insignificant.

b - Conditional Promises to Give

During 2023, Echoing Green was awarded a grant totaling \$10,000,000, of which \$7,000,000 was contingent upon meeting certain matching and other requirements through May 2026. As of June 30, 2025 and 2024, \$5,000,000 and \$3,000,000, respectively, of the conditional portion of this grant has been recognized as revenue in the accompanying financial statements due to the conditions having been met.

Note 6 - Programmatic Investments

Programmatic investments consist of the following at June 30:

Description	Number of Instruments	2025		Amount
		Range of Interest Rates	Range of Maturity Dates	
Recoverable grants	2	0% - 3%	Through October 2026	\$ 114,852
Recoverable grants - Signal Fund	3	0%	December 2029 through October 2031	600,000
Notes receivable	6	5% - 6%	Through August 2029	1,506,708
Subordinated convertible notes	2	5% - 6%	August 2027 through December 2027	1,033,750
Convertible note	1	6%	December 2028	512,500
Equity investments	2	-	-	<u>550,000</u>
				<u>\$4,317,810</u>

Description	Number of Instruments	2024		Amount
		Range of Interest Rates	Range of Maturity Dates	
Recoverable grants	2	0% - 3%	Through October 2026	\$ 134,554
Recoverable grants - Signal Fund	2	0%	December 2029 through January 2031	350,000
Notes receivable	2	5% - 6%	May 2025 through August 2026	412,958
Equity investments	1	-	-	<u>250,000</u>
				<u>\$1,147,512</u>

ECHOING GREEN, INC.**NOTES TO FINANCIAL STATEMENTS****JUNE 30, 2025 AND 2024****Note 6 - Programmatic Investments (continued)**

The following is a description of each significant category of Echoing Green's programmatic investments:

Recoverable Grants

Fellowship grants awarded to for-profit organizations which are recoverable upon the awardee meeting certain financial targets.

Recoverable Grants – Signal Fund

Recoverable grants awarded to former Echoing Green fellows for the purpose of providing additional capital. The amount awarded is payable in full on the earlier of 7 years from the grant date or the occurrence of a Capitalization Event or Scale Event, as defined in the agreement.

Notes Receivable

Debt financing issued to non-profit organizations for the purpose of supporting their mission. Payments of principal and accrued interest may be paid in full upon maturity or in annual or quarterly installments as specified in the underlying loan agreements.

Subordinated Convertible Notes

Debt financing issued to for-profit entities whose activities align with Echoing Green's mission. The notes are automatically convertible to shares of the borrower upon initial public offering. The notes may be converted at the option of Echoing Green upon the occurrence of a qualified financing event or at the maturity date. If not converted, payment of principal and interest is due 36 months following the issue date of the note. The notes are subordinated in right of payment to certain outstanding debt of the borrower as of the issue date of the note.

Convertible Note

Debt financing issued to a for-profit entity whose activities align with Echoing Green's mission. The note is automatically converted to shares of the borrower at the initial close of the borrower's next sale of capital stock yielding gross proceeds of at least \$1,000,000, or at the maturity date of the note.

Equity Investments

Common and preferred shares of non-public, for-profit entities whose activities align with Echoing Green's mission.

ECHOING GREEN, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

Note 7 - Investments

Investments, which are all classified as Level 1 in the fair value hierarchy, consist of the following at June 30:

	2025		2024	
	Cost	Fair Value	Cost	Fair Value
Short term U.S. Treasury securities	\$11,064,809	\$11,293,919	\$10,700,038	\$11,020,889
Fixed income U.S. Treasury securities	<u>21,733,389</u>	<u>22,157,276</u>	<u>19,455,998</u>	<u>19,512,786</u>
	<u><u>\$32,798,198</u></u>	<u><u>\$33,451,195</u></u>	<u><u>\$30,156,036</u></u>	<u><u>\$30,533,675</u></u>

Net investment income as of June 30 consists of the following:

	2025	2024
Interest and dividends	\$1,766,380	\$1,943,018
Unrealized gain	275,358	131,272
Realized gain	374,075	30,582
Investment management fees	<u>(59,254)</u>	<u>(57,124)</u>
Net Investment Income	<u><u>\$2,356,559</u></u>	<u><u>\$2,047,748</u></u>

Note 8 - Endowment Funds

Echoing Green's endowment consists of contributions from one donor that are restricted in perpetuity. As required by U.S. GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Consistent with New York State Not-for-Profit Corporation Law and the New York State Prudent Management of Institutional Funds Act, Echoing Green classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment and (c) accumulations to the permanent endowment made in accordance with the direction of any applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified as for investment in perpetuity is classified as investment income above the original gift amount until those amounts are appropriated for expenditure by Echoing Green.

ECHOING GREEN, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

Note 8 - Endowment Funds (continued)

Endowment funds are donor-restricted endowment funds classified as for investment in perpetuity and totaled \$239,335 at June 30, 2025 and 2024.

For the year ended June 30, 2025 and 2024, interest income of \$13,006 and \$15,123, respectively, was considered appropriated to operations for expenditure. There were no other changes in endowment funds for 2025 and 2024.

Note 9 - Property and Equipment

Property and equipment consist of the following:

	<u>Life</u>	<u>2025</u>	<u>2024</u>
Website	3 years	\$318,087	\$ 318,087
Office equipment	5 years	18,410	280,670
Leasehold improvements	Life of lease	195,676	233,012
Furniture and fixtures	5 years	<u>16,774</u>	<u>303,696</u>
		548,947	1,135,465
Less: Accumulated depreciation		<u>(338,490)</u>	<u>(1,123,538)</u>
		<u><u>\$210,457</u></u>	<u><u>\$ 11,927</u></u>

During the year ended June 30, 2025, fully depreciated assets totaling \$798,968 were written off. These assets were related to Echoing Green's previous office space.

Note 10 - Fellowship Grants Payable

Fellowship grants payable are due as follows as of June 30:

	<u>2025</u>	<u>2024</u>
Due within one year	\$2,741,000	\$3,992,000
Due in one to five years	<u>600,000</u>	<u>1,056,000</u>
	3,341,000	5,048,000
Less: Discount to present value	<u>(34,431)</u>	<u>(60,607)</u>
Total	<u><u>\$3,306,569</u></u>	<u><u>\$4,987,393</u></u>

ECHOING GREEN, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

Note 10 - Fellowship Grants Payable (continued)

Fellowship grants awarded by Echoing Green to for-profit organizations are structured as recoverable grants, meaning that the Fellows agree to pay back their grants if their organization meets certain financial targets. Recoverable grants may also apply to grants to non-profit organizations that transition to for-profit companies or create a related for-profit entity working toward the same mission. During 2025, no Fellows met the requirements to pay back recoverable grants. During 2024, certain Fellows met the requirements to pay back recoverable grants totaling \$107,465.

Note 11 - Operating Lease Liability

Echoing Green occupied office space under a lease agreement expiring June 2024. In May 2024, Echoing Green entered into a new lease for a different office space expiring April 2035. In connection with the new lease, a letter of credit in the amount of \$167,300 is being held in one of Echoing Green's bank accounts.

Operating lease cost for the years ended June 30, 2025 and 2024 totaled \$319,640 and \$26,637, respectively. There were no variable lease costs incurred. As of June 30, 2025, the remaining term of Echoing Green's operating lease is 118 months, and the discount rate is 4.41%.

Maturities of Echoing Green's lease liability as of June 30, 2025 are as follows:

<u>Year Ending June 30</u>	
2026	\$ 334,600
2027	334,600
2028	334,600
2029	334,600
2030	339,380
Thereafter, through April 30, 2035	<u>1,755,853</u>
	3,433,633
Less: Amount attributable to interest	<u>(664,012)</u>
	<u>\$2,769,621</u>

ECHOING GREEN, INC.**NOTES TO FINANCIAL STATEMENTS****JUNE 30, 2025 AND 2024****Note 12 - Pension Plan**

Echoing Green maintains a tax sheltered annuity plan (IRC Section 403(b)) for the benefit of its employees. Employees may elect to contribute to the plan within the limits prescribed by the Internal Revenue Code. Echoing Green also makes a matching contribution to the plan. For the years ended June 30, 2025 and 2024, for eligible employees who have completed one year of service, Echoing Green made a matching contribution equal to an employee's contribution, up to 7% of the employee's salary. Total expense under this plan was \$194,816 (2025) and \$161,703 (2024).

Note 13 - In-Kind Contributions and Donated Services

During the years ended June 30, 2025 and 2024, Echoing Green received in-kind legal services in connection with its program activities and supporting services. The services are recorded at fair value estimated based on current market rates for similar services.

Note 14 - Fiscal Sponsorship

Echoing Green offers a fiscal sponsorship program for its fellows following the completion of their fellowship grant period, for projects whose work furthers Echoing Green's mission and exempt purpose. Echoing Green has variance power over funds received under its fiscal sponsorship program, and retains an administrative fee, generally in an amount of up to 5% of contributions received for fiscal sponsorship projects. Contribution revenue with donor restrictions related to grants made under fiscal sponsorship agreements and included in the accompanying statements of activities totaled \$41,000 and \$380,000 for the years ended June 30, 2025 and 2024, respectively. Grant expense and net assets released from restrictions related to grants made under fiscal sponsorship agreements and included in the accompanying statements of activities totaled \$98,000 and \$404,345 for the years ended June 30, 2025 and 2024, respectively.