



**ATLANTA, GEORGIA**  
**AUDITED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED**  
**SEPTEMBER 30, 2022 AND 2021**

**THE DIAN FOSSEY GORILLA FUND INTERNATIONAL, INC.**  
**d/b/a DIAN FOSSEY GORILLA FUND**  
**INDEX TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2022 AND 2021**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
The Dian Fossey Gorilla Fund International, Inc.  
d/b/a Dian Fossey Gorilla Fund  
Atlanta, Georgia

### **Opinion**

We have audited the accompanying financial statements of The Dian Fossey Gorilla Fund International, Inc. d/b/a Dian Fossey Gorilla Fund (a nonprofit organization), which comprise the statements of financial position as of September 30, 2022 and 2021, and the related statements of activities and net assets, 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 Dian Fossey Gorilla Fund as of September 30, 2022 and 2021, 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Dian Fossey Gorilla Fund 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 Dian Fossey Gorilla Fund's ability to continue as a going concern within one year after the date that the financial statements are 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 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, including omissions, 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 Dian Fossey Gorilla Fund'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 Dian Fossey Gorilla Fund'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

*James and Kelly*

January 20, 2023

**THE DIAN FOSSEY GORILLA FUND INTERNATIONAL, INC.**  
**d/b/a DIAN FOSSEY GORILLA FUND**  
**STATEMENTS OF FINANCIAL POSITION**  
**SEPTEMBER 30, 2022 AND 2021**

**ASSETS**

	<u>2022</u>	<u>2021</u>
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 8,188,052	\$ 7,079,839
Pledges receivable, net	1,001,834	1,369,295
Prepaid expenses and other assets	680,267	441,265
Investments	<u>1,183,500</u>	<u>953,605</u>
Total current assets	<u>11,053,653</u>	<u>9,844,004</u>
<b>RESTRICTED CASH</b>	<u>1,818,237</u>	<u>4,879,745</u>
<b>PLEDGES RECEIVABLE, NET - LONG TERM</b>	<u>1,743,907</u>	<u>2,590,027</u>
<b>ENDOWMENT</b>		
Cash and cash equivalents	715,231	90,315
Investments	<u>3,125,874</u>	<u>2,965,351</u>
Total endowment	<u>3,841,105</u>	<u>3,055,666</u>
<b>PROPERTY AND EQUIPMENT, NET</b>	<u>16,396,523</u>	<u>13,449,792</u>
Total assets	<u><u>\$ 34,853,425</u></u>	<u><u>\$ 33,819,234</u></u>

The accompanying notes to financial statements are  
an integral part of these statements.

**THE DIAN FOSSEY GORILLA FUND INTERNATIONAL, INC.**  
**d/b/a DIAN FOSSEY GORILLA FUND**  
**STATEMENTS OF FINANCIAL POSITION**  
**SEPTEMBER 30, 2022 AND 2021**

**LIABILITIES AND NET ASSETS**

	<b>2022</b>	<b>2021</b>
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 97,454	\$ 86,427
Accrued expenses	94,048	61,009
Total current liabilities	191,502	147,436
<b>NET ASSETS</b>		
Net assets without donor restrictions		
Undesignated	24,333,764	21,315,409
Board-designated	4,969,930	3,717,201
Total net assets without donor restrictions	29,303,694	25,032,610
Net assets with donor restrictions		
Purpose and time restrictions	4,742,463	7,991,551
Donor-restricted endowment	615,766	647,637
Total net assets with donor restrictions	5,358,229	8,639,188
Total net assets	34,661,923	33,671,798
Total liabilities and net assets	\$ 34,853,425	\$ 33,819,234

The accompanying notes to financial statements are  
an integral part of these statements.

**THE DIAN FOSSEY GORILLA FUND INTERNATIONAL, INC.**  
**d/b/a DIAN FOSSEY GORILLA FUND**  
**STATEMENT OF ACTIVITIES AND NET ASSETS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	<b><u>Without Donor Restrictions</u></b>	<b><u>With Donor Restrictions</u></b>	<b><u>Total</u></b>
<b>REVENUES</b>			
Contributions	\$ 6,481,396	\$ 860,857	\$ 7,342,253
Capital campaign contributions	-	428,670	428,670
In-kind contributions	758,445	-	758,445
Investment loss	(837,211)	(32,738)	(869,949)
Sale of merchandise, net	63,346	-	63,346
Sale of fixed assets and other	7,920	-	7,920
	<u>6,473,896</u>	<u>1,256,789</u>	<u>7,730,685</u>
<b>NET ASSETS RELEASED FROM RESTRICTIONS</b>			
	<u>4,537,748</u>	<u>(4,537,748)</u>	<u>-</u>
<b>EXPENSES</b>			
Program services			
Rwanda	3,160,532	-	3,160,532
Democratic Republic of the Congo	2,110,419	-	2,110,419
	<u>5,270,951</u>	<u>-</u>	<u>5,270,951</u>
Management and general	601,375	-	601,375
Fundraising	868,234	-	868,234
	<u>6,740,560</u>	<u>-</u>	<u>6,740,560</u>
<b>CHANGE IN NET ASSETS</b>	4,271,084	(3,280,959)	990,125
<b>NET ASSETS</b>			
Beginning of year	<u>25,032,610</u>	<u>8,639,188</u>	<u>33,671,798</u>
End of year	<u>\$ 29,303,694</u>	<u>\$ 5,358,229</u>	<u>\$ 34,661,923</u>

The accompanying notes to financial statements are  
an integral part of this statement.

**THE DIAN FOSSEY GORILLA FUND INTERNATIONAL, INC.**  
**d/b/a DIAN FOSSEY GORILLA FUND**  
**STATEMENT OF ACTIVITIES AND NET ASSETS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<b><u>Without Donor Restrictions</u></b>	<b><u>With Donor Restrictions</u></b>	<b><u>Total</u></b>
<b>REVENUES</b>			
Contributions	\$ 6,946,419	\$ 409,284	\$ 7,355,703
Capital campaign contributions	-	3,761,627	3,761,627
In-kind contributions	543,225	-	543,225
Investment earnings	253,376	17,080	270,456
Sale of merchandise, net	384,242	-	384,242
Sale of fixed assets and other	(25,129)	-	(25,129)
	<u>8,102,133</u>	<u>4,187,991</u>	<u>12,290,124</u>
<b>NET ASSETS RELEASED FROM RESTRICTIONS</b>			
	<u>8,586,891</u>	<u>(8,586,891)</u>	<u>-</u>
<b>EXPENSES</b>			
Program services			
Rwanda	2,224,685	-	2,224,685
Democratic Republic of the Congo	1,806,297	-	1,806,297
	<u>4,030,982</u>	<u>-</u>	<u>4,030,982</u>
Management and general	615,842	-	615,842
Fundraising	950,583	-	950,583
	<u>5,597,407</u>	<u>-</u>	<u>5,597,407</u>
<b>CHANGE IN NET ASSETS</b>	11,091,617	(4,398,900)	6,692,717
<b>NET ASSETS</b>			
Beginning of year	<u>13,940,993</u>	<u>13,038,088</u>	<u>26,979,081</u>
End of year	<u><u>\$ 25,032,610</u></u>	<u><u>\$ 8,639,188</u></u>	<u><u>\$ 33,671,798</u></u>

The accompanying notes to financial statements are  
an integral part of this statement.



**THE DIAN FOSSEY GORILLA FUND INTERNATIONAL, INC.**  
**d/b/a DIAN FOSSEY GORILLA FUND**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	<b>Rwanda</b>	<b>Democratic Republic of the Congo</b>	<b>Total Program Services</b>	<b>Management and General</b>	<b>Fundraising</b>	<b>Total Expenses</b>
Salaries	\$ 745,439	\$ 751,518	\$ 1,496,957	\$ 266,478	\$ 371,309	\$ 2,134,744
Fringe benefits and payroll taxes	453,448	128,851	582,299	77,904	74,308	734,511
Total personnel	1,198,887	880,369	2,079,256	344,382	445,617	2,869,255
Campus opening	42,064	-	42,064	-	-	42,064
Dues and subscriptions	23,959	129,526	153,485	5,951	77,303	236,739
Education and training	197,382	18,367	215,749	23	12,405	228,177
Insurance	70,251	9,987	80,238	9,968	-	90,206
Lease and rental	40,102	16,136	56,238	82,393	-	138,631
Meetings and conferences	15,644	26,811	42,455	31	-	42,486
Office expenses	84,815	61,866	146,681	16,867	59,280	222,828
Other expenses	103,591	3,668	107,259	220	-	107,479
Postage and shipping	5,770	5,777	11,547	276	26,350	38,173
Printing and photography	24,434	22,644	47,078	103	34,726	81,907
Professional services and fees	549,500	108,881	658,381	131,200	171,448	961,029
Supplies	270,340	492,325	762,665	-	23,118	785,783
Taxes, licenses and permits	3,789	41,414	45,203	50	12,545	57,798
Telecommunications	38,344	23,268	61,612	4,457	33	66,102
Travel, meals and entertainment	36,396	110,063	146,459	5,454	5,409	157,322
Vehicle costs	136,872	122,282	259,154	-	-	259,154
Total expenses before depreciation	2,842,140	2,073,384	4,915,524	601,375	868,234	6,385,133
Depreciation	318,392	37,035	355,427	-	-	355,427
Total expenses	<u>\$ 3,160,532</u>	<u>\$ 2,110,419</u>	<u>\$ 5,270,951</u>	<u>\$ 601,375</u>	<u>\$ 868,234</u>	<u>\$ 6,740,560</u>

The accompanying notes to financial statements are  
an integral part of this statement.

**THE DIAN FOSSEY GORILLA FUND INTERNATIONAL, INC.**  
**d/b/a DIAN FOSSEY GORILLA FUND**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Rwanda</u>	<u>Democratic Republic of the Congo</u>	<u>Total Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total Expenses</u>
Salaries	\$ 607,737	\$ 573,083	\$ 1,180,820	\$ 310,592	\$ 401,839	\$ 1,893,251
Fringe benefits and payroll taxes	391,642	92,403	484,045	75,508	88,186	647,739
Total personnel	999,379	665,486	1,664,865	386,100	490,025	2,540,990
Dues and subscriptions	18,365	104,018	122,383	7,328	65,387	195,098
Education and training	53,549	24,953	78,502	399	138	79,039
Insurance	8,594	1,537	10,131	9,439	-	19,570
Lease and rental	151,455	27,080	178,535	14,001	6,088	198,624
Meetings and conferences	128	26,762	26,890	-	50	26,940
Office expenses	8,099	63,565	71,664	12,952	99,336	183,952
Other expenses	9,388	5,102	14,490	13,532	10,445	38,467
Postage and shipping	4,528	4,502	9,030	887	24,968	34,885
Printing and photography	14,398	15,315	29,713	1,372	37,814	68,899
Professional services and fees	552,723	226,950	779,673	159,027	170,796	1,109,496
Supplies	225,025	399,158	624,183	1,509	29,658	655,350
Taxes, licenses and permits	14,544	17,932	32,476	50	15,014	47,540
Telecommunications	32,638	19,018	51,656	5,637	-	57,293
Travel, meals and entertainment	17,113	100,638	117,751	3,396	864	122,011
Vehicle costs	82,776	77,852	160,628	-	-	160,628
Total expenses before depreciation	2,192,702	1,779,868	3,972,570	615,629	950,583	5,538,782
Depreciation	31,983	26,429	58,412	213	-	58,625
Total expenses	<u>\$ 2,224,685</u>	<u>\$ 1,806,297</u>	<u>\$ 4,030,982</u>	<u>\$ 615,842</u>	<u>\$ 950,583</u>	<u>\$ 5,597,407</u>

The accompanying notes to financial statements are  
an integral part of this statement.

**THE DIAN FOSSEY GORILLA FUND INTERNATIONAL, INC.**  
**d/b/a DIAN FOSSEY GORILLA FUND**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED SEPTEMBER 30, 2022 AND 2021**

	<b>2022</b>	<b>2021</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 990,125	\$ 6,692,717
 ADJUSTMENTS TO RECONCILE CHANGE IN NET ASSETS TO NET CASH AND CASH EQUIVALENTS PROVIDED BY OPERATING ACTIVITIES:		
Contributions restricted for capital assets	(428,670)	(3,761,627)
Forgiveness of Paycheck Protection Program loan	-	(155,205)
In-kind contribution of art collection	(216,995)	-
(Gain) loss on sale of property and equipment	(6,692)	7,721
Depreciation	355,427	58,625
Net realized and unrealized loss (gain) on investments	1,053,368	(203,585)
Change in pledges receivable	680,317	746,388
Change in prepaid expenses and other assets	(239,002)	156,949
Change in accounts payable	11,027	(59,050)
Change in accrued expenses	33,039	(43,115)
Change in deferred revenue	-	(38,373)
	1,241,819	(3,291,272)
 Total adjustments		
Net cash and cash equivalents provided by operating activities	2,231,944	3,401,445
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of investments	612,668	185,876
Purchase of investments	(2,056,454)	(2,622,644)
Proceeds from sale of property and equipment	6,692	4,679
Purchase of property and equipment	(3,085,163)	(7,753,098)
 Net cash and cash equivalents used in investing activities	(4,522,257)	(10,185,187)

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**THE DIAN FOSSEY GORILLA FUND INTERNATIONAL, INC.**  
**d/b/a DIAN FOSSEY GORILLA FUND**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED SEPTEMBER 30, 2022 AND 2021**

	<b>2022</b>	<b>2021</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Collections on contributions restricted for capital assets	961,934	6,649,394
Net cash and cash equivalents provided by financing activities	961,934	6,649,394
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(1,328,379)	(134,348)
<b>CASH AND CASH EQUIVALENTS BEGINNING OF YEAR</b>	12,049,899	12,184,247
<b>END OF YEAR</b>	\$ 10,721,520	\$ 12,049,899
<b>RECONCILIATION OF END OF YEAR CASH AND CASH EQUIVALENTS TO THE AMOUNTS REPORTED IN THE STATEMENTS OF FINANCIAL POSITION</b>		
Cash and cash equivalents	\$ 8,188,052	\$ 7,079,839
Restricted cash	1,818,237	4,879,745
Endowment - cash and cash equivalents	715,231	90,315
Cash and cash equivalents, end of year	\$ 10,721,520	\$ 12,049,899

The accompanying notes to financial statements are  
an integral part of these statements.

**THE DIAN FOSSEY GORILLA FUND INTERNATIONAL, INC.**  
**d/b/a DIAN FOSSEY GORILLA FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED SEPTEMBER 30, 2022 AND 2021**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

A. Nature of Activities

The Dian Fossey Gorilla Fund International, Inc. d/b/a Dian Fossey Gorilla Fund (the "Fund"), formerly known as "The Digit Fund," was formed in 1978 by Dr. Dian Fossey. The Fund is based in Atlanta with major operations in Rwanda and the Democratic Republic of the Congo ("DR Congo"). The Fund is dedicated to the conservation, protection, and study of gorillas and their habitats in Africa through a people-centered approach. The Fund provides direct and daily protection of Mountain and Grauer's gorillas, conducts scientific research on gorillas and their ecosystem, and provides educational programming and assistance to the communities in which it serves through education, health, conservation and economic initiatives.

B. Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting.

C. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

D. Basis of Presentation of Financial Statements

Net assets, revenues, gains and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net assets without donor restrictions - Net assets available for use in general operations and not subject to donor or grantor restrictions. The governing Board has designated, from net assets without donor restrictions, net assets held for special projects and a Board-designated endowment.

Net assets with donor restrictions - Net assets that are subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature; for example, restrictions that may or will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature; for example, stipulating that those resources be

**THE DIAN FOSSEY GORILLA FUND INTERNATIONAL, INC.**  
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**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED SEPTEMBER 30, 2022 AND 2021**

maintained in perpetuity. The donors of these assets permit the Fund to use all of the income earned on related investments for general or specific purposes. More specifically, items included in net assets with donor restrictions are gifts for which restrictions have not been met.

When restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statements of Activities and Net Assets as "net assets released from restrictions."

E. Cash and Cash Equivalents

Cash and cash equivalents at September 30, 2022 and 2021 include cash balances and highly liquid investments with a maturity of three months or less when purchased. The Fund maintains cash balances at a financial institution which may, at times, exceed the federally insured limits. Management periodically reviews the financial viability of the financial institution and does not anticipate any credit risk related losses.

F. Pledges Receivable

The Fund records unconditional pledges at fair value in the period made by donors, net of allowances for amounts estimated as uncollectible. Conditional promises to give are not included as support until the conditions are substantially met. Unconditional promises with payments due in future years, which are not otherwise restricted, are deemed to have an implied restriction to be used in the year the payment is due and, therefore, are reported as net assets with donor restrictions until the payment is due, unless the contribution is clearly intended to support activities of the current year or is received with restriction for perpetuity. All contributions are recorded as net assets without donor restrictions unless specifically restricted by the donor. Unconditional pledges that are expected to be collected within one year are recorded at net realizable value. Unconditional pledges that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises are received, which were approximately 0.50% to 3.00% for the years ended September 30, 2022 and 2021, respectively. Amortization of the discounts, if any, is included in contributions in the accompanying Statements of Activities and Net Assets.

G. Investments

Investments are reported at fair value. Unrealized gains and losses on investments are reported as increases or decreases in net assets based on the existence or absence of donor-imposed restrictions.

**THE DIAN FOSSEY GORILLA FUND INTERNATIONAL, INC.**  
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H. Property and Equipment

The Fund's domestic capitalization policy is to capitalize all expenditures for property and equipment in excess of \$2,500. Purchased property and equipment are carried at cost. Donated property and equipment are carried at fair market value at the date of donation. Depreciation is computed using the straight-line method over lives ranging from three to 40 years.

The art collection consist of donated framed photographs that are held for educational and curatorial purposes. Each of the items is cataloged, preserved, and cared for, and kept unencumbered, and activities verifying their existence and assessing their condition are performed continuously. Collection items acquired or donated are recorded at cost if purchased and at fair value at date of accession if donated. The art collection consists of various pieces of donated framed photographs whose useful lives are deemed inexhaustible and, therefore, is not depreciated.

I. Contributions

The majority of the Fund's revenues are from contributions. Contributions are recognized as revenue when cash, investments, an unconditional promise to give or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

J. In-kind Contributions

The Fund records donated services as contribution revenue and expense if the services create or enhance a non-financial asset, or the services would (1) need to be purchased by the Fund if not provided by contribution, (2) require specialized skills, and (3) are provided by individuals with those skills. Donated materials and services are reflected as contributions in the accompanying financial statements at their estimated value at date of receipt (see Note 10).

Members of the Board of Directors, certain officers and other individuals have made significant contributions of time to the Fund. The value of this contributed time has not been recorded in the financial statements because it did not meet the criteria for recognition under accounting principles generally accepted in the United States of America.

K. Income Taxes

The Fund is exempt from income taxes as an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended. As such, only unrelated business income, as defined by Section 512(a)(1) of the Code, is subject to tax. The Fund had no unrelated business income for the years ended September 30, 2022 and 2021.

**THE DIAN FOSSEY GORILLA FUND INTERNATIONAL, INC.**  
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**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED SEPTEMBER 30, 2022 AND 2021**

L. Functional Allocation of Expenses

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include general office, depreciation and occupancy, which are allocated on a square-footage basis, as well as salaries and benefits, which are allocated on the basis of estimated time and effort.

M. Recent Accounting Pronouncement

In September 2020, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2020-07, Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets (Topic 958), which is effective for fiscal years beginning after June 15, 2021, with early adoption permitted, and is intended to improve transparency in the reporting of contributed nonfinancial assets, also known as gifts-in-kind, for not-for-profit organizations. The ASU requires a not-for-profit organization to present contributed nonfinancial assets as a separate line item in the Statement of Activities and Net Assets, apart from contributions of cash or other financial assets, along with expanded disclosure requirements. Management does not expect this ASU to have a significant impact on the Fund's financial statements.

N. Comparative Statements

Certain prior year amounts have been reclassified to conform to the current year financial statement presentation.

O. Subsequent Events

Subsequent events have been evaluated by management through January 20, 2023, the date these financial statements were available to be issued.

**2. CAPITAL PROJECT**

The Fund initiated a major project to construct a new facility in Rwanda to expand its research, education, community outreach activities and visitor engagement (the "Project"). The Project is named the Ellen DeGeneres Campus of the Dian Fossey Gorilla Fund and is located on 28 acres of land. The Project, which was completed in January 2022, replaced the leased facility in Musanze, Rwanda.



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**3. LIQUIDITY**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the Statement of Financial Position date, comprise the following as of September 30:

	<u>2022</u>	<u>2021</u>
Financial assets:		
Cash and cash equivalents	\$ 8,903,283	\$ 7,170,154
Restricted cash	1,818,237	4,879,745
Pledges receivable, net	2,745,741	3,959,322
Investments	<u>4,309,374</u>	<u>3,918,956</u>
Total financial assets, at year end	17,776,635	19,928,177
Less amounts unavailable for general expenditure:		
Board-designated endowment	(3,669,623)	(2,889,427)
Donor restrictions for specified purposes or time	(4,742,463)	(7,991,551)
Donor-restricted endowment	<u>(615,766)</u>	<u>(647,637)</u>
Financial assets available for general expenditure	<u>\$ 8,748,783</u>	<u>\$ 8,399,562</u>

The Fund has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Fund has a Board-designated endowment of \$3,687,603 and \$2,907,407 as of September 30, 2022 and 2021, respectively, which is subject to an annual spending policy as described in Note 17. Although the Fund does not intend to spend from this Board-designated endowment (other than amounts appropriated for general expenditure as part of the Board's annual budget approval and appropriation), these amounts could be made available if necessary. The Fund also has a line of credit, which is subject to certain restrictive covenants, that can be drawn upon if needed (see Note 8).

**4. RESTRICTED CASH**

Restricted cash of \$1,818,237 and \$4,879,745 at September 30, 2022 and 2021, respectively, consists of contributions received from donors to be used for the Project related expenses.

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**5. PLEDGES RECEIVABLE**

At September 30, 2022 and 2021, pledges receivable consisted of the following:

	<u>2022</u>	<u>2021</u>
Receivable in less than one year	\$ 1,051,959	\$ 1,434,134
Receivable in one to five years	1,704,000	2,496,333
Receivable in more than five years	<u>100,000</u>	<u>200,000</u>
Total pledges receivable	2,855,959	4,130,467
Less discounts to net present value	<u>(110,218)</u>	<u>(171,145)</u>
Pledges receivable, net	<u>\$ 2,745,741</u>	<u>\$ 3,959,322</u>

Pledges receivable consist of the following at September 30:

	<u>2022</u>	<u>2021</u>
Capital campaign pledges	\$ 365,151	\$ 898,415
Individuals and foundations	1,936,308	2,579,511
Endowment pledges	<u>444,282</u>	<u>481,396</u>
Total pledges receivable, net	<u>\$ 2,745,741</u>	<u>\$ 3,959,322</u>

**6. FAIR VALUE OF INVESTMENT SECURITIES**

U.S. generally accepted accounting principles establish a framework for measuring fair value. That framework provides for a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to the unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Fund has the ability to access.

Level 2: Inputs to valuation methodology include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability;

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and, inputs that are derived principally from, or corroborated by, observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

As of September 30, 2022 and 2021, the only assets or liabilities that are measured at fair value on a recurring basis are investments. All of the Fund's investments are mutual funds which are valued at the closing price reported on the active market on which the individual securities are traded. Such investments are classified within Level 1 of the valuation hierarchy.

This method may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Fund believes its valuation method is appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Investment earnings consist of the following for the years ended September 30:

	<b><u>2022</u></b>	<b><u>2021</u></b>
Interest and dividend income	\$ 206,772	\$ 79,245
Realized/unrealized (loss) gain on investments	(1,053,368)	203,585
Investment fees	<u>(23,353)</u>	<u>(12,374)</u>
Total investment (loss) earnings	<u>\$ (869,949)</u>	<u>\$ 270,456</u>

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**7. PROPERTY AND EQUIPMENT**

Property and equipment consist of the following at September 30:

	<u>2022</u>	<u>2021</u>
Building	\$ 14,094,409	\$ 41,516
Construction in progress	227,524	12,562,990
Furniture and equipment	1,312,321	61,760
Land	648,807	594,803
Leasehold improvements	36,726	36,726
Software	113,827	113,827
Vehicles	<u>707,368</u>	<u>658,196</u>
	17,140,982	14,069,818
Less accumulated depreciation	<u>961,454</u>	<u>620,026</u>
	16,179,528	13,449,792
Art collection	<u>216,995</u>	<u>-</u>
Property and equipment, net	<u>\$ 16,396,523</u>	<u>\$ 13,449,792</u>

Depreciation expense for the years ended September 30, 2022 and 2021 was \$355,427 and \$58,625, respectively.

**8. LINE OF CREDIT**

The Fund has a line of credit ("LOC") with a financial institution, which provides for maximum borrowings of \$2,000,000 and \$1,000,000 for the years ended September 30, 2022 and 2021, respectively. The LOC requires monthly payments of interest only at an interest rate of the U.S. Prime rate minus 1.25% but no less than 1.95%. The interest rate at September 30, 2022 and 2021 was 5.75% and 2.00%, respectively. The LOC, which is collateralized by the Fund's receivables and equipment, was not drawn upon during the years ended September 30, 2022 and 2021. The LOC matures on January 29, 2023. Subsequent to the year ended September 30, 2022, the LOC was renewed through January 2024.

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**9. PAYCHECK PROTECTION PROGRAM LOANS**

The Fund received Paycheck Protection Program ("PPP") loans in the amount of \$305,205 from the Small Business Administration ("SBA") during the years ended September 30, 2021 and 2020. The loans accrued interest at 1.0% per annum, with no required payments for ten months after funding of the loan. The Fund is eligible for loan forgiveness up to 100% of the loan proceeds upon meeting certain requirements.

The Fund received notice of full forgiveness of the PPP loans from the SBA during the year ended September 30, 2021 and recorded \$305,205 as contributions in the Statements of Activities and Net Assets.

**10. IN-KIND CONTRIBUTIONS**

In-kind contributions consisted of the following for the years ended September 30:

	<b><u>2022</u></b>	<b><u>2021</u></b>
Donated professional services and fees	\$ 409,597	\$ 300,971
Art collection	216,995	-
Occupancy	68,703	91,340
Advertisement	61,406	112,424
Other miscellaneous items	<u>1,744</u>	<u>38,490</u>
Total in-kind contributions	<u>\$ 758,445</u>	<u>\$ 543,225</u>

The Fund's in-kind contributions were valued using estimated average prices of identical or similar services or products using pricing data of similar services or products under a "like-kind" methodology, considering the utility of the services and goods at the time of the contribution. No in-kind contributions were restricted. The Fund does not sell donated gifts-in-kind and only uses the goods and services for its own program or supporting service activities.

**11. RETIREMENT**

The Fund offers a 401(k) retirement plan for eligible U.S. employees after six months of service. It is an enhanced safe harbor plan to which the Fund matches 100% of the employee's contribution up to 4% of their salary. The amount contributed to the 401(k) retirement plan for the years ended September 30, 2022 and 2021 was \$27,888 and \$29,981, respectively.

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The Fund also makes monthly contributions to other retirement plans for field employees. The amount contributed in the years ended September 30, 2022 and 2021 was \$135,436 and \$104,893, respectively.

**12. LEASE AND RENTAL**

Lease and rental expense for field office and researchers' housing for the years ended September 30, 2022 and 2021 was \$138,631 and \$107,285, respectively. Included in lease and rental expenses were in-kind occupancy expenses provided by Atlanta-Fulton County Zoo, Inc. ("Zoo Atlanta") (see Note 13).

**13. CONTRACTUAL SERVICES**

The Fund has entered into an agreement with Zoo Atlanta to provide office space, computer support services, and other administrative services for no fee. The in-kind services provided by Zoo Atlanta for the years ended September 30, 2022 and 2021 totaled \$68,703 and \$91,340, respectively.

**14. CONCENTRATIONS**

Four donors and two donors accounted for approximately of 90% and 63% of the Fund's pledges receivable at September 30, 2022 and 2021, respectively.

**15. BOARD-DESIGNATED NET ASSETS**

During the years ended September 30, 2022 and 2021, the Board of Directors designated a portion of net assets without donor restrictions to provide funding for capital projects or other special projects deemed necessary that were not originally included in the annual budget. The Board-designated net assets at September 30, 2022 and 2021 were \$1,300,307 and \$827,774, respectively.

The Board-designated endowment fund at September 30, 2022 and 2021 was \$3,669,623 and \$2,889,427, respectively.

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**16. NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions are as follows at September 30:

	<u>2022</u>	<u>2021</u>
Subject to expenditure for specified purpose:		
Rwanda campus	\$ 2,186,089	\$ 4,830,556
DR Congo expansion	1,764,041	2,433,131
Rwanda	247,997	75,938
Scholarships	231,885	13,525
Other restricted funds	25,232	17,154
U.S. Fish and Wildlife Services	-	92,364
	<u>4,455,244</u>	<u>7,462,668</u>
Subject to the passage of time:		
Promises to give that are not restricted by donors, but which are unavailable for expenditure until due	287,219	528,883
Subject to the Fund's endowment spending policy and appropriation:		
Donor restricted endowment	<u>615,766</u>	<u>647,637</u>
Net assets with donor restrictions	<u>\$ 5,358,229</u>	<u>\$ 8,639,188</u>

Net assets released from donor restrictions are as follows for the year ended September 30:

	<u>2022</u>	<u>2021</u>
Subject to expenditure for specified purpose:		
Rwanda campus	\$ 3,073,137	\$ 7,098,627
DR Congo expansion	705,200	778,837
Rwanda	206,693	184,667
Scholarships	48,217	2,783
Other restricted funds	170,474	76,556
U.S. Fish and Wildlife Services	92,364	305,731
	<u>4,296,085</u>	<u>8,447,201</u>
Subject to the passage of time:		
Promises to give that are not restricted by donors, but which are unavailable for expenditure until due	241,663	139,690
Net assets released from donor restrictions	<u>\$ 4,537,748</u>	<u>\$ 8,586,891</u>

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**17. ENDOWMENT**

The Fund's endowment includes both a donor-restricted endowment fund, which the Fund must hold in perpetuity for the donor-specified purpose, and funds designated by the Board of Directors to function as an endowment. The classification of the net assets of these funds is based on the existence or absence of donor-imposed restrictions.

The Board of Directors of the Fund has interpreted the Georgia Uniform Prudent Management of Institutional Funds Act of 2006 ("UPMIFA") as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Fund classifies as net assets with restrictions the original value of gifts donated to the permanent endowment and the original value of subsequent gifts to the permanent endowment. The remaining portion of the donor-restricted endowment fund that is not classified as perpetual in nature is restricted until those amounts are appropriated for expenditure by the Fund in a manner consistent with the standard of prudence prescribed by UPMIFA. The Board of Directors will appropriate funds from the endowment funds based on specific needs and budgeting requirements from year to year. In accordance with UPMIFA, the Fund considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the endowment fund;
- (2) The purposes of the Fund and the donor-restricted endowment fund;
- (3) General economic conditions;
- (4) The possible effect of inflation and deflation;
- (5) The expected total return from income and the appreciation of investments;
- (6) Other resources of the Fund; and,
- (7) The investment policies of the Fund.

The Fund has adopted investment and spending policies that attempt to preserve endowment assets by using funding only when the Fund determines it is prudent, such as when operating cash is insufficient. The current spending policy is to distribute an amount of earnings from investments not to exceed 5.0% of the three-year rolling average market value of the endowment's corpus annually. Accordingly, over the long term, the Fund expects the current spending policy to allow the endowment assets to grow and improve the Fund's overall financial strength. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that exceed common benchmarks for a balanced portfolio, while assuming a moderate level of risk.



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To satisfy its long-term rate-of-return objectives, the Fund relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Fund targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Changes in endowment net assets are as follows:

	<b><u>Board- Designated Endowment</u></b>	<b><u>Donor- Restricted Endowment</u></b>	<b><u>Total</u></b>
Balance at September 30, 2021	\$ 2,889,427	\$ 647,637	\$ 3,537,064
Contributions	1,435,859	867	1,436,726
Interest and dividends	142,155	6,906	149,061
Fees and taxes	(16,184)	(831)	(17,015)
Realized/unrealized loss	<u>(781,634)</u>	<u>(38,813)</u>	<u>(820,447)</u>
Balance at September 30, 2022	<u>\$ 3,669,623</u>	<u>\$ 615,766</u>	<u>\$ 4,285,389</u>
	<b><u>Board- Designated Endowment</u></b>	<b><u>Donor- Restricted Endowment</u></b>	<b><u>Total</u></b>
Balance at September 30, 2020	\$ 520,585	\$ 628,845	\$ 1,149,430
Contributions	2,242,489	1,712	2,244,201
Interest and dividends	30,009	4,191	34,200
Fees and taxes	(6,888)	(693)	(7,581)
Realized/unrealized gain	<u>103,232</u>	<u>13,582</u>	<u>116,814</u>
Balance at September 30, 2021	<u>\$ 2,889,427</u>	<u>\$ 647,637</u>	<u>\$ 3,537,064</u>