



ATLANTA, GEORGIA
AUDITED FINANCIAL STATEMENTS
FOR THE YEARS ENDED
SEPTEMBER 30, 2023 AND 2022

THE DIAN FOSSEY GORILLA FUND INTERNATIONAL, INC.
d/b/a DIAN FOSSEY GORILLA FUND
INDEX TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023 AND 2022

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Jones and Kolb
Certified Public Accountants
Atlanta, Georgia

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, 2023 and 2022, 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, 2023 and 2022, 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 Kelb

January 19, 2024

THE DIAN FOSSEY GORILLA FUND INTERNATIONAL, INC.
d/b/a DIAN FOSSEY GORILLA FUND
STATEMENTS OF FINANCIAL POSITION
SEPTEMBER 30, 2023 AND 2022

ASSETS

	<u>2023</u>	<u>2022</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 10,722,502	\$ 10,006,289
Pledges receivable, net	1,214,692	1,001,834
Prepaid expenses and other assets	244,858	680,267
Investments	<u>1,582,814</u>	<u>1,183,500</u>
 Total current assets	 <u>13,764,866</u>	 <u>12,871,890</u>
 PLEDGES RECEIVABLE, NET - LONG TERM	 <u>684,689</u>	 <u>1,743,907</u>
 ENDOWMENT		
Cash and cash equivalents	909,979	715,231
Investments	<u>5,672,609</u>	<u>3,125,874</u>
 Total endowment	 <u>6,582,588</u>	 <u>3,841,105</u>
 PROPERTY AND EQUIPMENT, NET	 <u>16,023,101</u>	 <u>16,396,523</u>
 Total assets	 <u><u>\$ 37,055,244</u></u>	 <u><u>\$ 34,853,425</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, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
CURRENT LIABILITIES		
Accounts payable	\$ 152,133	\$ 97,454
Accrued expenses	79,714	94,048
Deferred revenue	162,645	-
	<u>394,492</u>	<u>191,502</u>
NET ASSETS		
Net assets without donor restrictions		
Undesignated	25,063,075	24,333,764
Board-designated	7,455,325	4,969,930
	<u>32,518,400</u>	<u>29,303,694</u>
Net assets with donor restrictions		
Purpose and time restrictions	3,511,809	4,742,463
Donor-restricted endowment	630,543	615,766
	<u>4,142,352</u>	<u>5,358,229</u>
	<u>36,660,752</u>	<u>34,661,923</u>
	<u>\$ 37,055,244</u>	<u>\$ 34,853,425</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
STATEMENT OF ACTIVITIES AND NET ASSETS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUES			
Contributions	\$ 7,395,478	\$ 374,648	\$ 7,770,126
Capital campaign contributions	-	14,999	14,999
In-kind contributions	589,053	-	589,053
Investment earnings	902,035	14,776	916,811
Other income	220,959	-	220,959
	<u>9,107,525</u>	<u>404,423</u>	<u>9,511,948</u>
NET ASSETS RELEASED FROM RESTRICTIONS			
	<u>1,620,300</u>	<u>(1,620,300)</u>	<u>-</u>
EXPENSES			
Program services			
Rwanda	3,435,766	-	3,435,766
Democratic Republic of the Congo	2,254,877	-	2,254,877
	<u>5,690,643</u>	<u>-</u>	<u>5,690,643</u>
Management and general	683,329	-	683,329
Fundraising	1,139,147	-	1,139,147
	<u>7,513,119</u>	<u>-</u>	<u>7,513,119</u>
CHANGE IN NET ASSETS	3,214,706	(1,215,877)	1,998,829
NET ASSETS			
Beginning of year	<u>29,303,694</u>	<u>5,358,229</u>	<u>34,661,923</u>
End of year	<u>\$ 32,518,400</u>	<u>\$ 4,142,352</u>	<u>\$ 36,660,752</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, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES			
Contributions	\$ 6,411,119	\$ 860,857	\$ 7,271,976
Capital campaign contributions	-	428,670	428,670
In-kind contributions	758,445	-	758,445
Investment loss	(837,211)	(32,738)	(869,949)
Other income	141,543	-	141,543
	6,473,896	1,256,789	7,730,685
NET ASSETS RELEASED FROM RESTRICTIONS			
	4,537,748	(4,537,748)	-
EXPENSES			
Program services			
Rwanda	3,160,532	-	3,160,532
Democratic Republic of the Congo	2,110,419	-	2,110,419
	5,270,951	-	5,270,951
Management and general	601,375	-	601,375
Fundraising	868,234	-	868,234
	6,740,560	-	6,740,560
CHANGE IN NET ASSETS	4,271,084	(3,280,959)	990,125
NET ASSETS			
Beginning of year	25,032,610	8,639,188	33,671,798
End of year	\$ 29,303,694	\$ 5,358,229	\$ 34,661,923

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, 2023

	Rwanda	Democratic Republic of the Congo	Total Program Services	Management and General	Fundraising	Total Expenses
Salaries	\$ 835,990	\$ 830,105	\$ 1,666,095	\$ 271,049	\$ 463,392	\$ 2,400,536
Fringe benefits and payroll taxes	471,205	221,594	692,799	62,333	123,901	879,033
Total personnel	1,307,195	1,051,699	2,358,894	333,382	587,293	3,279,569
Professional services and fees	495,273	49,761	545,034	218,803	161,361	925,198
Program costs	154,156	649,304	803,460	-	-	803,460
Facility expenses	395,408	53,923	449,331	93,802	-	543,133
Vehicle costs	150,674	124,635	275,309	-	-	275,309
Marketing and advertising	23,979	14,002	37,981	105	216,508	254,594
Travel	29,088	137,920	167,008	4,763	6,231	178,002
Other expenses	34,143	51,427	85,570	2,464	62,267	150,301
Education and training	132,838	5,155	137,993	958	1,730	140,681
Technology	8,037	15,552	23,589	11,615	102,233	137,437
Insurance	93,849	10,124	103,973	12,044	-	116,017
Meetings and conferences	60,263	35,593	95,856	315	1,524	97,695
Office expenses	14,057	16,355	30,412	3,803	-	34,215
Total expenses before depreciation	2,898,960	2,215,450	5,114,410	682,054	1,139,147	6,935,611
Depreciation	536,806	39,427	576,233	1,275	-	577,508
Total expenses	<u>\$ 3,435,766</u>	<u>\$ 2,254,877</u>	<u>\$ 5,690,643</u>	<u>\$ 683,329</u>	<u>\$ 1,139,147</u>	<u>\$ 7,513,119</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

	<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	\$ 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
Professional services and fees	528,564	123,758	652,322	131,100	72,109	855,531
Program costs	280,575	590,592	871,167	-	371	871,538
Facility expenses	241,309	42,309	283,618	86,849	-	370,467
Vehicle costs	136,390	122,281	258,671	-	-	258,671
Marketing and advertising	22,049	20,045	42,094	100	183,163	225,357
Travel	31,897	109,611	141,508	5,092	2,792	149,392
Other expenses	24,318	82,183	106,501	9,971	64,140	180,612
Education and training	197,703	18,046	215,749	25	12,403	228,177
Technology	37,659	27,725	65,384	9,433	83,277	158,094
Insurance	70,251	9,987	80,238	9,968	-	90,206
Meetings and conferences	5,861	26,943	32,804	1,252	2,618	36,674
Office expenses	24,613	19,535	44,148	3,203	1,744	49,095
Campus Opening	42,064	-	42,064	-	-	42,064
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
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 1,998,829	\$ 990,125
ADJUSTMENTS TO RECONCILE CHANGE IN NET ASSETS TO NET CASH AND CASH EQUIVALENTS PROVIDED BY OPERATING ACTIVITIES:		
Contributions restricted for capital assets	(14,999)	(428,670)
In-kind contribution of land	(27,600)	-
In-kind contribution of art collection	-	(216,995)
Gain on sale of property and equipment	-	(6,692)
Depreciation	577,508	355,427
Net realized and unrealized (gain) loss on investments	(303,420)	1,053,368
Change in pledges receivable, net	636,293	680,317
Change in prepaid expenses and other assets	435,409	(239,002)
Change in accounts payable	54,679	11,027
Change in accrued expenses	(14,334)	33,039
Change in deferred revenue	162,645	-
Total adjustments	<u>1,506,181</u>	<u>1,241,819</u>
Net cash and cash equivalents provided by operating activities	<u>3,505,010</u>	<u>2,231,944</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of investments	2,508,183	612,668
Purchase of investments	(5,150,812)	(2,056,454)
Proceeds from sale of property and equipment	-	6,692
Purchase of property and equipment	<u>(176,486)</u>	<u>(3,085,163)</u>
Net cash and cash equivalents used in investing activities	<u>(2,819,115)</u>	<u>(4,522,257)</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 CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 2023 AND 2022

	2023	2022
CASH FLOWS FROM FINANCING ACTIVITIES		
Collections on contributions restricted for capital assets	225,066	961,934
Net cash and cash equivalents provided by financing activities	225,066	961,934
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	910,961	(1,328,379)
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	10,721,520	12,049,899
END OF YEAR	\$ 11,632,481	\$ 10,721,520
RECONCILIATION OF END OF YEAR CASH AND CASH EQUIVALENTS TO THE AMOUNTS REPORTED IN THE STATEMENTS OF FINANCIAL POSITION		
Cash and cash equivalents	\$ 10,722,502	\$ 10,006,289
Endowment - cash and cash equivalents	909,979	715,231
Cash and cash equivalents, end of year	\$ 11,632,481	\$ 10,721,520

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, 2023 AND 2022

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, 2023 AND 2022

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, 2023 and 2022 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 3.50% for the years ended September 30, 2023 and 2022. 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 consists 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, are 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 9).

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. 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.

THE DIAN FOSSEY GORILLA FUND INTERNATIONAL, INC.
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NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2023 AND 2022

L. 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, 2023 and 2022.

M. Comparative Statements

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

N. Subsequent Events

Subsequent events have been evaluated by management through January 19, 2024, the date these financial statements were available to be issued.

2. 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>2023</u>	<u>2022</u>
Financial assets:		
Cash and cash equivalents	\$ 11,632,481	\$ 10,721,520
Pledges receivable, net	1,899,381	2,745,741
Investments	<u>7,255,423</u>	<u>4,309,374</u>
Total financial assets, at year end	20,787,285	17,776,635
Less amounts unavailable for general expenditure:		
Board-designated endowment	(6,396,330)	(3,669,623)
Donor restrictions for specified purposes or time	(3,511,809)	(4,742,463)
Donor-restricted endowment	<u>(630,543)</u>	<u>(615,766)</u>
Financial assets available for general expenditure	<u>\$ 10,248,603</u>	<u>\$ 8,748,783</u>

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FOR THE YEARS ENDED SEPTEMBER 30, 2023 AND 2022

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 \$6,396,330 and \$3,669,623 as of September 30, 2023 and 2022, respectively, which is subject to an annual spending policy as described in Note 14. 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 6).

3. PLEDGES RECEIVABLE

At September 30, 2023 and 2022, pledges receivable consisted of the following:

	<u>2023</u>	<u>2022</u>
Receivable in less than one year	\$ 1,262,857	\$ 1,051,959
Receivable in one to five years	676,000	1,704,000
Receivable in more than five years	<u>75,750</u>	<u>100,000</u>
Total pledges receivable	2,014,607	2,855,959
Less discounts to net present value	<u>(115,226)</u>	<u>(110,218)</u>
Pledges receivable, net	<u>\$ 1,899,381</u>	<u>\$ 2,745,741</u>

Pledges receivable consist of the following at September 30:

	<u>2023</u>	<u>2022</u>
Capital campaign pledges	\$ 155,084	\$ 365,151
Individuals and foundations	1,300,015	1,936,308
Endowment pledges	<u>444,282</u>	<u>444,282</u>
Total pledges receivable, net	<u>\$ 1,899,381</u>	<u>\$ 2,745,741</u>

4. 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

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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; 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, 2023 and 2022, 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:

	<u>2023</u>	<u>2022</u>
Interest and dividend income	\$ 651,088	\$ 206,772
Realized/unrealized gain (loss) on investments	303,420	(1,053,368)
Investment fees	<u>(37,697)</u>	<u>(23,353)</u>
Total investment (loss) earnings	<u>\$ 916,811</u>	<u>\$ (869,949)</u>

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5. PROPERTY AND EQUIPMENT

Property and equipment consist of the following at September 30:

	<u>2023</u>	<u>2022</u>
Building	\$ 14,407,238	\$ 14,094,409
Construction in progress	12,640	227,524
Furniture and equipment	1,390,861	1,312,321
Land	676,407	648,807
Leasehold improvements	36,726	36,726
Software	113,827	113,827
Vehicles	<u>707,368</u>	<u>707,368</u>
Total	17,345,067	17,140,982
Less accumulated depreciation	<u>1,538,961</u>	<u>961,454</u>
	15,806,106	16,179,528
Art collection	<u>216,995</u>	<u>216,995</u>
Property and equipment, net	<u>\$ 16,023,101</u>	<u>\$ 16,396,523</u>

Depreciation expense for the years ended September 30, 2023 and 2022 was \$577,508 and \$355,427, respectively.

6. LINE OF CREDIT

The Fund has a line of credit ("LOC") with a financial institution, which provides for maximum borrowings of \$2,000,000 for the years ended September 30, 2023 and 2022, 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, 2023 and 2022 was 7.25% and 5.75%, respectively. The LOC, which is collateralized by the Fund's receivables and equipment, was not drawn upon during the years ended September 30, 2023 and 2022. The LOC matures on January 28, 2024.

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7. BOARD-DESIGNATED NET ASSETS

During the years ended September 30, 2023 and 2022, 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, 2023 and 2022 were \$1,058,995 and \$1,300,307, respectively.

The Board-designated endowment fund at September 30, 2023 and 2022 was \$6,396,330 and \$3,669,623, respectively.

8. NET ASSETS WITH DONOR RESTRICTIONS

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

	2023	2022
Subject to expenditure for specified purpose:		
Rwanda campus	\$ 1,951,202	\$ 2,186,089
DR Congo expansion	962,177	1,764,041
Rwanda	171,357	247,997
Scholarships	209,857	231,885
Other restricted funds	23,628	25,232
	3,318,221	4,455,244
Subject to the passage of time:		
Promises to give that are not restricted by donors, but which are unavailable for expenditure until due	193,588	287,219
Subject to the Fund's endowment spending policy and appropriation:		
Donor-restricted endowment	630,543	615,766
Net assets with donor restrictions	\$ 4,142,352	\$ 5,358,229

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

	<u>2023</u>	<u>2022</u>
Subject to expenditure for specified purpose:		
Rwanda campus	\$ 249,886	\$ 3,073,137
DR Congo expansion	851,864	705,200
Rwanda	201,640	206,693
Scholarships	100,933	48,217
Other restricted funds	122,346	170,474
U.S. Fish and Wildlife Services	-	92,364
	<u>1,526,669</u>	<u>4,296,085</u>
Subject to the passage of time:		
Promises to give that are not restricted by donors, but which are unavailable for expenditure until due	<u>93,631</u>	<u>241,663</u>
Net assets released from donor restrictions	<u>\$ 1,620,300</u>	<u>\$ 4,537,748</u>

9. IN-KIND CONTRIBUTIONS

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

	<u>2023</u>	<u>2022</u>
Donated professional services and fees	\$ 385,597	\$ 409,597
Art collection	-	216,995
Occupancy	72,916	68,703
Advertisement	102,860	61,406
Other miscellaneous items	80	1,744
Land	<u>27,600</u>	<u>-</u>
Total in-kind contributions	<u>\$ 589,053</u>	<u>\$ 758,445</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.

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10. 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, 2023 and 2022 was \$32,647 and \$27,888, respectively.

The Fund also makes monthly contributions to other retirement plans for field employees. The amount contributed in the years ended September 30, 2023 and 2022 was \$152,268 and \$135,436, respectively.

11. LEASE AND RENTAL

Lease and rental expense for field office and researchers' housing for the years ended September 30, 2023 and 2022 was \$117,602 and \$138,631, respectively. Included in lease and rental expenses were in-kind occupancy expenses provided by Atlanta-Fulton County Zoo, Inc. ("Zoo Atlanta") (see Note 12).

12. 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, 2023 and 2022 totaled \$72,916 and \$68,703, respectively.

13. CONCENTRATIONS

Five donors and four donors accounted for approximately of 89% and 90% of the Fund's pledges receivable at September 30, 2023 and 2022, respectively.

14. 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

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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.

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.

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Changes in endowment net assets are as follows:

	<u>Board- Designated Endowment</u>	<u>Donor- Restricted Endowment</u>	<u>Total</u>
Balance at September 30, 2022	\$ 3,669,623	\$ 615,766	\$ 4,285,389
Contributions	2,347,455	-	2,347,455
Interest and dividends	190,505	6,412	196,917
Fees and taxes	(23,785)	(791)	(24,576)
Realized/unrealized gain	212,532	9,156	221,688
	<u>\$ 6,396,330</u>	<u>\$ 630,543</u>	<u>\$ 7,026,873</u>

	<u>Board- Designated Endowment</u>	<u>Donor- Restricted Endowment</u>	<u>Total</u>
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	(781,634)	(38,813)	(820,447)
	<u>\$ 3,669,623</u>	<u>\$ 615,766</u>	<u>\$ 4,285,389</u>