



SAVING THE EARTH *for everyone*

 **Friends of
the Earth**

ANNUAL REPORT 2008



Friends of the Earth achieved victories for a cleaner and healthier environment this past year by getting results not from the Executive Branch or Congress, but from internet activism, state level initiatives, consumer campaigns, targeted litigation and the like. As we look forward to a more environmentally-enlightened Obama administration, a new and improved House and Senate and regulators committed to doing their job, there is every hope that once again the federal, legislative and executive branches of government can perform as our Constitution envisioned.

Friends of the Earth is positioned to respond to the global financial crisis and looming domestic recession because we have invested in staff who understand the issues and know the reforms that are needed. Furthermore, our international network of Friends of the Earth member groups, now in 78 countries, enables us to grasp and utilize the interconnection among issues of health, environment, social justice, economic structures and effective governments.

We are fighting against the mentality that wants to deregulate, privatize, shrink governments, and entrust our future to the corporate sector. The financial debacle has given a greater sense of urgency to running the global economy on clean energy and not as a global gambling casino powered by fossil fuels. Pursuing a rapid transition to an economy run by solar, wind and efficiency, with robust public transportation, plug-in hybrid vehicles, and energy-efficient retrofitted homes and buildings, will keep energy dollars in communities, spur more sustainable economies, and create millions of green jobs.

This annual report provides the highlights of our past year's work to promote clean energy and better public transportation, eliminate dirty energy projects, force proper assessment of the health impacts of new ingredients, namely nanoparticles, that are being quietly inserted into hundreds of food and consumer products. Our initiatives range from successful state and local efforts, on the one hand, to curtailing China's expenditure of hundreds of billions on financing destructive projects in Asia and Africa. We won victories in key lawsuits, including protecting public lands and waters from pollution, while

also initiating new legal actions and petitions, such as demanding that EPA phase out lead in aviation fuel. We reversed a road building decision by the D.C. Council and saved both parkland and \$25 million in tax dollars. In the California legislature we passed new legislation on energy and advanced other legislation to keep cancer-causing chemicals out of furniture and baby products.

We took action to head off attempts to revive dirty nuclear power in the southeast by intervening against two major utilities who are asking the South Carolina Public Service Commission to make consumers pay all the costs of four new nuclear reactors. We've made progress in cleaning up vessel pollution and successfully introduced legislation to clean up cruise ships, a bill that is expected to pass in 2009.

We have accomplished these milestones very efficiently and economically with a relatively small, but energetic staff that is highly committed to our mission of protecting the health and safety of all the earth's inhabitants. We have done this work with the help of our many members and supporters as well as a number of very generous foundations.

In the year ahead Friends of the Earth will move aggressively to reshape the national legislative debate on global warming and to help move the U.S. into a new green energy and jobs economy. We hope that the excitement and optimism generated by the recent presidential election will translate into increased financial support for these issues that will determine the quality of life on the planet for the generations who follow us.



A blue ink signature of Brent Blackwelder, written in a cursive style.

Brent Blackwelder
President



A blue ink signature of Michael Herz, written in a cursive style.

Michael Herz
Chairman of the Board

Inspiring Solutions to the Energy and Climate Crisis

Getting Global Warming Right the First Time: The year began with great hope for our nation's energy and climate policy. The Lieberman-Warner Climate Security Act of 2008 was the most substantial global warming bill ever to be brought to the Senate floor, calling for an economy-wide cap on the nation's global warming pollution. Unfortunately, we quickly found that this bill was not the answer to the climate crisis. Friends of the Earth provided key analyses of the bill, starting with our first release that found more than \$1 trillion (roughly one-sixth of the bill's value) being given to the fossil fuel industry in free hand-outs. Potential subsidies for a nuclear power resurgence were also included. Moreover, the bill failed to achieve the reductions in greenhouse gas emissions that scientists say are necessary to avoid catastrophic impacts from climate change. For Friends of the Earth, this was unacceptable.

Since President Bush would never sign a global warming bill that did anything positive, the real risk of allowing such giveaways to remain would be that future Congresses would consider the weak Lieberman-Warner Bill as an acceptable starting point for the next global warming bill.

The Lieberman-Warner Climate Security Act (CSA) was a recklessly inadequate and misguided approach to climate legislation...Friends of the Earth stood out with its strong and principled call to "Fix It or Ditch It," which helped highlight to many (in Congress and elsewhere) some of the core problems and risks of the Lieberman-Warner Coal-Subsidy Act. This campaign has helped set the stage for better legislation to emerge from the 111th Congress.

— A Siegel, *GetEnergySmartNow.com*

Given the one decade that we have to make a real difference in changing our climate policy, Friends of the Earth sought to ensure that pro-environment senators, particularly in a Democratic Congress, would take a strong stand against the powerful pressures of the oil and coal lobby and their "business as usual" approach to the climate crisis.

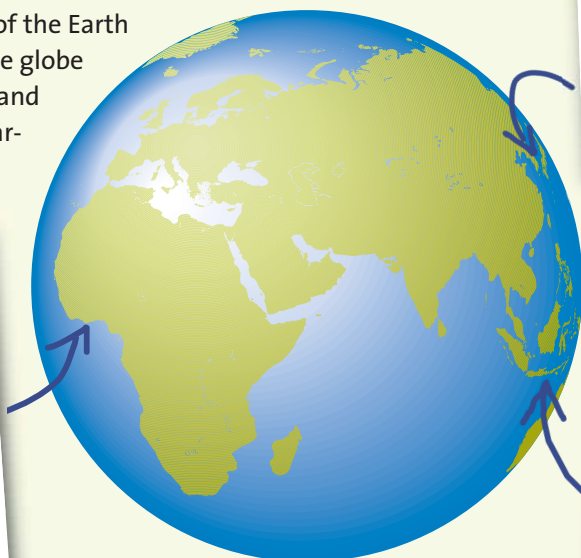
Much to the chagrin of many environmental groups and senators, who were so grateful to get a climate bill moving that they were unwilling to rock the boat, we launched the "Fix It or Ditch It" campaign, calling on senators to fix or ditch the Lieberman-Warner bill. Though quietly appreciated by some, our stance was not popular with all of our allies on the Hill. Faced by those who called us unreasonable and uncompromising, we put up the inside-the-Beltway fight of the year. Before the bill died in the Senate (as it was doomed to do), our "Fix It or Ditch It" campaign resulted in many positive changes to the bill, including getting the trillion dollar giveaway to the fossil fuels industry cut in half.

Our controversial call that the Senate bill be fixed or ditched, i.e. that U.S. taxpayers not be forced to pay off the fossil fuel industry to get a climate bill, led many to ultimately join with us in the end. As a result, we now have a new coalition of progressive environmental groups willing to work towards a much-improved bill in the next Congress. We also discovered able and committed allies in the growing progressive and environmental 'netroots.' Many bloggers shared our concern about the bill's massive giveaways to polluters, and its failure to do what science says we must to limit greenhouse gas emissions. They and their readers proved to be a potent grassroots force in the debate. Perhaps the best outcome of all



Protecting People and the Planet

The vast network of Friends of the Earth member countries around the globe give us leverage in our work and forms a web of support unparalleled in the environmental community.



Kate Horner – top row, third from left – and fellow Friends of the Earth at international climate meetings in Ghana



Karen Orenstein (left) at the People's Summit at the G8 gathering in Japan



Elizabeth Bast attended the negotiations on global warming and the Kyoto Protocol in Indonesia, protesting alongside Friends of the Earth Indonesia group WALHI

was that the heated debate in the Senate carried over to the House. A week after the Lieberman-Warner bill crashed and burned in the Senate, Congressman Ed Markey (D-MA) introduced a global warming bill in the House that was light years ahead of the Senate version. Shortly after, Rep. Lloyd Doggett (D-TX) introduced another global warming bill in the House that also included much of what Friends of the Earth was demanding. Due to the robust global warming debates of 2008, combined with the ushering in of new congressional and presidential leadership, we now have a much better chance of getting *the right* global warming bill moving in 2009.

Alleviating the Burden of Global Warming: Largely ignored in the fight against disastrous climate change are the effects it will have on people in the developing world. The U.S. and other major emitters are mostly responsible for the escalating impacts of global warming. But it is the smaller developing countries that will be hit hardest by climate change, and these are the countries that are the least capable financially of addressing the impacts created by the financial giants. Friends of the Earth is closely tracking and pushing for equitable solutions to climate and energy problems abroad. This year we:

- ▶ worked with partners around the globe at international negotiations to create and adopt a global climate agreement that will reduce climate emissions and assist developing countries. Goals we developed include helping these countries get the financing and technology necessary to leapfrog to clean energy solutions, protect forests, and respond to inevitable climate change impacts;
- ▶ advocated for funding to be set aside in the Lieberman-Warner Climate Security Act to provide financial support to international communities to



help enable them to respond to the devastating impacts of climate change;

- ▶ launched a campaign to keep the World Bank – one of the worst climate offenders – from getting its hands on international climate investment funds that, if managed properly by another entity, could be used to introduce clean energy production in developing countries.

Protecting Land for People, Not Profits: Around the world, public and community lands are under attack from industries, international banks and politicians that act to advance their own goals regardless of the strain on people and the environment. In the face of devastating climate change we cannot afford to lose carbon-absorbing forests. Working with colleagues internationally we have:

- ▶ provided policy makers with recommendations for protecting global forests in the face of climate change and safeguarding indigenous people and their right to their lands;
- ▶ with Friends of the Earth groups in Brazil and Haiti, exposed the Inter-American Development Bank's financing of bad biofuels in Latin America, an investment that forces people off their land, leads to forest destruction, and increases global warming pollution.

Defending Investors' Right to Know: In accordance with current law, companies must disclose any material risks they face to their shareholders. However as of now, climate change-specific risks are not included, despite the danger to businesses from weather-related disasters, uncertainties in the market and other factors.

For five years running we have published a report exposing corporations' inadequate reporting of climate risks to shareholders. In September 2007 New York Attorney General Andrew Cuomo subpoenaed five electric utilities, seeking information about how they were disclosing climate risks in their filings with the U.S. Securities and Exchange Commission. Our work paid off this year when:

- ▶ in August 2008, the N.Y. Attorney General settled with Xcel Energy, one the country's largest operators of coal-fired power plants, and compelled Xcel to disclose to investors the financial risks posed by global warm-



ing. This establishes a major precedent that will compel more businesses to recognize the serious economic consequences of ignoring climate change.

Eliminating Destructive Projects From Carbon Offset Schemes: After years of working with major financial institutions to establish standards for environmentally harmful projects, ten of the world's largest banks announced that they will not deal in voluntary carbon offsets generated from nuclear power and large hydroelectric dams, among the most environmentally-destructive projects generating carbon offsets.

Remobilizing America - Transportation For a New Energy Future: As a nation we are stuck between a rock and a hard place – rising gas prices are motivating people to look for alternative transportation yet government is largely ignoring this golden opportunity to redefine and restructure how we move people and goods around the country. Friends of the Earth's work on both the federal level and in California is aimed at getting government to stay one step ahead of the problems that plague our oil-driven economy. This year we:

- ▶ passed a bill in California granting \$110 million over eight years to fund sustainable alternative fuels and sustainable alternative fuel vehicle projects; we are currently shaping the regulations and investment plan for this program to ensure that it funds the cleanest, most sustainable projects including plug-in electric vehicles, which are the cleanest, most sustainable fuel alternative;

- ▶ pushed for a state-wide mandate for low carbon fuels in California, demanding a ten percent decrease in carbon pollution of fuels in order to establish a model for national policy;
- ▶ partnered with the California Air Resources Board to provide credit for plug-in hybrid vehicles in the state's zero emissions vehicles regulations – increasing the number of plug-ins likely to be produced for sale in California by tens of thousands;
- ▶ rallied support from lawmakers, businesses and consumers and convinced General Motors, Toyota and Chrysler to commit to making plug-in hybrid vehicles available to consumers by 2010;
- ▶ secured provisions in several major climate change proposals for major expansions of public transportation and efficient smart growth development, backed by hundreds of billions of dollars in federal support;
- ▶ helped pass a bill to revitalize America's passenger rail system that doubles Amtrak funding, implements reforms to provide better and safer rail service to more areas of the country, and commits assistance for states that want to offer rail service;
- ▶ worked with Speaker of the House Nancy Pelosi to pass an expansion of public transportation service during the run up in gasoline prices, as well as emergency assistance to keep fares low.

Global Stewardship Council Handsomely Supports Friends of the Earth's Crucial Climate Campaign

In its first year since launching, *The Global Stewardship Council*, co-chaired by Ed Begley, Jr. and Jayni Chase, has achieved exciting fundraising and community building successes. The Council was formed in 2007 to unite Friends of the Earth supporters who are standing behind our most important, far-reaching efforts to combat global warming, prevent air and water pollution, and keep toxins out of consumer products.

This year, Global Stewardship Council members:

- ▶ Raised **\$256,000** for our vital campaigns;
- ▶ Organized and hosted a house party and fundraiser in San Francisco, which brought our expert campaigners and local donors together to feast on delicious organic cuisine and celebrate our recent victories;

Global Stewardship Council

LEADING THE WAY AGAINST GLOBAL WARMING



Jayni Chase and Ed Begley Jr., co-chairs

- ▶ Began receiving personal copies of Friends of the Earth's groundbreaking reports and media releases.

We are incredibly excited about the growth of the Global Stewardship Council and in the upcoming year we plan to host briefings in select cities across the country, giving Friends of the Earth supporters the opportunity to celebrate our victories, meet and engage with other local environmentalists, and talk directly with campaign staff.

For more information on joining the Global Stewardship Council, please contact Hillary Blank at 415-544-0790 ext 19 or hblank@foe.org.

Council members donate \$500 or more annually to support our most crucial efforts to reverse global warming.

Keeping People Safe and Healthy

Putting the Lid on Risky Technology: Nanotechnology threatens the delicate balance between man and nature by giving humans the ability to engineer matter at the atomic level. Rampant investment in these emerging technologies coupled with lax oversight means we have to act now to ensure that what is put in our food, personal care products, baby toys and other things we use are not posing serious health risks to our families. Friends of the Earth is working with environmental, consumer, labor, and environmental justice groups and other allies in the U.S. and worldwide to push government and industry to ensure nanotechnology is safe. This year we:

- ▶ hosted a nanotechnology round-table to educate cosmetics companies about the issues at a major Natural Products Expo. As a result, two attending cosmetic companies - Lavera skin care and UV Natural - joined our growing list of green companies that have pledged to keep nanoparticles out of their products;
- ▶ introduced a shareholder resolution at Avon's annual shareholder meeting, which got Avon management's attention when 25 percent of shareholders voted in favor of requiring Avon to report to them about the company's nanomaterial product safety policies;
- ▶ launched surveys to discover which companies use nanoparticles and pressured those we identified to disclose such information to the public;

When *New Scientist* asked University of Maryland professor and foremost ecological economist Herman Daly what readers could do to help the planet he said, "Buy less stuff. Join and support Friends of the Earth." Thanks Herman!



- ▶ led a coalition of national groups that educated Congress on the need for regulations to protect workers and the public from dangerous nanoparticles.

Exposing Weird Science: Gene doping, cloned food and synthetic biology have jumped off the pages of science fiction novels and ventured into the food we eat and the athletes we watch. Advancing technology now makes it possible to manipulate the genetic makeup of life and potentially disrupt the tenuous equilibrium in nature. In the first year of our new Genetic Technologies Campaign we:

- ▶ succeeded in getting the National Hockey League (NHL), Major League Soccer (MLS), and Major Lacrosse League (MLL) to adopt an open anti-gene doping policy. We are now working with other major sports organizations such as the USGA (Golf), Major League Baseball (MLB), and the National College Athletic Association (NCAA) to do the same;
- ▶ launched a major consumer campaign that succeeded in getting Albertsons, SUPERVALU, Harris Teeter and PCC Natural Markets to sign a pledge not to sell or



stock food made from cloned animal meat. The campaign has more than 10,000 activists who signed our online petition and it has been covered by the *Wall Street Journal*, Reuters and other news outlets;

- ▶ hosted two roundtable teach-ins with non-governmental organizations, scientists, academia and media to promote serious safety regulation of synthetic biology;
- ▶ led an initiative to develop an Emerging Technologies Campaign (both synthetic biology and nanotechnology) with Friends of the Earth groups in Australia, Germany, England, Wales and Northern Ireland, France, Latvia, South Korea, Uruguay, and campaign coordinators at Friends of the Earth Europe and Friends of the Earth-International. This effort is vital, given the global nature of both products and potential environmental and human impacts;
- ▶ established Friends of the Earth as the foremost U.S. environmental group working on these vitally important emerging issues. Without our efforts, the lack of any regulation in these fields is likely to have serious

consequences for both ecosystem wellbeing and human health.

Creating Chemical-Free Homes: For years manufacturers have put fire retardant chemicals in furniture and baby products, ignoring the serious harm caused by these highly toxic substances which have been linked to cancer, autism, and other increasingly common health issues. In the second year of our campaign to eliminate cancer-causing chemicals in homes we:

- ▶ got the U.S. Consumer Product Safety Commission to set national flammability standards for upholstered furniture that will reduce the use of fire retardant chemicals;
- ▶ teamed up with Friends of the Earth Europe to ban the use of halogenated fire retardants in electronics sold worldwide, thereby vastly frustrating the chemical industry, which has been lobbying international regulatory bodies for years to increase the use of their carcinogenic chemicals;
- ▶ released our 'Killer Cribs' report that found high percentages of toxic fire retardant chemicals in furniture and baby products sold in national chain stores. The report was covered on CBS TV Morning and Evening News and more than 20 news stations in 14 states and Canada;
- ▶ dismantled a fire safety front group funded by the chemical industry that was trying to undermine our fire retardant legislation; exposed and cut off a notorious chemical lobbyist's ties with influential fire safety officials;
- ▶ mounted strong legislation in California (AB706) to ban halogenated fire retardants from use in furniture and baby products, educating numerous key decision makers, and laying the groundwork for passage of such a bill in 2009. California's requirement to include these chemicals sets the standard for manufacturers to include these chemicals in products they sell across the country.

Protecting Our Air and Water

Forcing Carbon Schemers to Walk the Plank: Friends of the Earth discovered that the company Planktos was selling carbon offsets in exchange for dumping loads of iron particles into the ocean off the coast of the Galapagos Islands under the theory that the iron would enable the ocean to absorb more carbon dioxide. We urged our e-mail activists to ask the United Nations International Maritime Organization (IMO), which is responsible for safeguarding our oceans, to intervene. The IMO received 5,000 e-mails while we simultaneously launched a media campaign to expose the risks the company was posing to ocean habitats. The IMO stopped Planktos' plans in its tracks. Less than a year later, Planktos lost investments and suspended all such operations.

The D.C. Environmental Network: Founded by Friends of the Earth and others in 1996, the Network aims to make our nation's capital city an environmental example to the world. We promote environmental justice for all District residents and take local actions to improve the city's air and water quality, counter global warming, and create livable and economically vibrant communities in the Washington Metro region. This year we:

- ▶ stopped an environmentally dangerous, expensive and unnecessary road from being built in Washington, D.C.;
- ▶ established the strongest stormwater management standards in the U.S. for new developments along the

Anacostia River, raising the bar for fishable and swimmable waterways nationwide. We did this with a unique coalition of environmental, labor and housing organizations and activists.



Keeping Vessels Ship Shape: Keeping our oceans clean means taking responsibility at both the individual and the group level. But when irresponsible corporations dump contaminants in the water and emit pollution into the air they threaten people and the surrounding ecosystems. This past year our Clean Vessels Campaign was at the helm, fighting to protect our beaches, ports and water-



How We Closed A Road in Washington, D.C.

The roughly two million Americans who visit Rock Creek National Park annually will now have a little more park land to enjoy. Achieving something rare in our car-crazy culture, we

successfully campaigned to close a road adjacent to Rock Creek National Park. Friends of the Earth initiated a campaign in 2003 to convince decision makers that rebuilding

the road would hurt taxpayers and the environment. We showed how rebuilding the road on this volatile floodplain would erode the health of the Park and would cost taxpayers far too much to fix every time D.C. experienced heavy rains. The D.C. Council originally voted in favor or rebuilding the road however, faced with the overwhelming support we generated from District communities, the Council agreed to reverse its decision this year. As a result, the road will be kept open for the sole enjoyment of the area's many pedestrians and bicyclists.

ways and reverse the damage done by cruise ships, ferries and ocean going vessels. To that end we:

- ▶ achieved the introduction of national cruise ship legislation in the House and Senate that would ban the dumping of raw human sewage and other harmful discharges currently allowed just three miles from shore, setting the stage for passage of a law in 2009;
- ▶ won a long-running fight, alongside our Friends of the Earth-International colleagues, to create tougher international air pollution standards for ocean-going ships through U.S. Congress and the U.N. International Maritime Organization (IMO);
- ▶ called for a ban on cruise ship sewage discharges in various National Marine Sanctuaries and Monuments, protecting some of the nation's most pristine marine habitats;
- ▶ advocated for new regulations in California that will reduce greenhouse gases from ocean-going vessels, harborcraft, and ports;
- ▶ reduced harbor craft pollution in California by requiring dirty, older engines to be replaced with cleaner engines meeting U.S. EPA marine engine standards.

Using the Law to Fight for Change

We have always used the courts to win strategic victories on behalf of the environment. This year we:

- ▶ built upon our hard-won 2007 Supreme Court victory that required the EPA to regulate greenhouse gas emissions from cars and trucks by filing three legal petitions requesting EPA to regulate greenhouse gas emissions from ocean-going ships, aircraft, and off-road vehicles;
- ▶ submitted a Friend of the Court brief fending off automakers' challenge to a 2007 district court ruling that California has the right to regulate carbon pollution from vehicles through its greenhouse gas tailpipe law, the Pavley Clean Car Law;
- ▶ filed a legal petition with the EPA to phase out the use of lead in aviation fuel, as was done for gasoline in cars in the 1970s;
- ▶ defeated the EPA after we filed a lawsuit demanding that EPA live up to its mandate and establish regulations for cruise ship discharges nationwide by December 2008;
- ▶ initiated a lawsuit against the EPA for failing to regulate air pollution from ocean-going ships in U.S. waters, a failure that threatens the health of people living in and around busy ports;
- ▶ won a victory with a final settlement of our lawsuit against the National Park Service, with the help of our generous pro bono law firm, Arnold and Porter, for allowing polluting off road vehicles (ORVs) and jetskis to disrupt and endanger pristine habitats by illegally traversing peaceful nature reserves and public park lands; the Park Service agreed to put measures in place to boost enforcement of park guidelines and laws against ORV use and to increase penalties for violations;
- ▶ sued the National Park Service for overturning a ban on jetskis in several National Parks despite its own studies that found jetskis harmful to wildlife and park resources.



Standing Sentinel on Equitable Investment and Trade

Improving Wall Street Banks: Friends of the Earth worked with allies to compel Citigroup to create its first human rights policy – the first of any U.S. bank – and put forth a challenge to all the financial institutions that adhere to the Equator Principles (which set benchmark environmental and social standards for financing projects) to match Citigroup’s commitment.

Fighting Unfair Trade With Progressive Policy: Friends of the Earth works to change U.S. trade policies that foster human rights abuses and widespread resource mismanagement. This year we:

- ▶ supported the introduction of and cosponsorship drive for the *Trade Reform, Accountability, Development and Employment* (TRADE) Act. The growing group of cosponsors boasted great support in both the Senate and the House and represents a positive vision for future U.S. trade policy by triggering a review of all existing trade agreements and making them available to changes, setting a framework of principles for future agreements, and marking an increase in the role Congress will take in shaping trade policy;
- ▶ fought against passage of the U.S.-Colombia Free Trade Agreement that would further human rights violations and environmental degradation.

Improved the Peru Free Trade Agreement (FTA): Friends of the Earth and our environmental allies obtained the first bilateral trade agreement provision to counter the globally pervasive problem of illegal logging. Through public and policymaker education we ensured that the Peru FTA included measures to stop the flow of illegally logged timber, including endangered mahogany.

Guiding Smart Investment for China: China’s rapid growth and influential position in international commerce is leading to serious environmental destruction as investors fuel increased activity in Chinese corpora-



tions and development banks that fail to uphold environmental protections and worker and human rights safeguards. Our goal is to make sure that Chinese investments and companies are equitable, environmentally sustainable and accountable to their shareholders. This year we:

- ▶ hosted a workshop for 50 international investors and asset managers to educate them about ways to use their influence as shareholders with Chinese firms to ensure that their company is acting responsibly – this meeting was the first of its kind;
- ▶ released a report on the role of Chinese banks in financing large infrastructure and natural resource projects globally, often without necessary social and environmental standards; the report served as a basis for training Chinese environmentalists in green finance;
- ▶ convened the first international meeting of communities, activists and organizations affected by Chinese resource extraction companies, in order to discuss new trends and local responses.

Financials

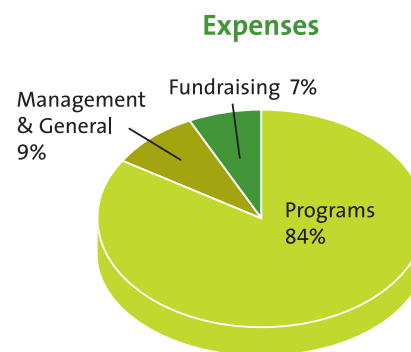
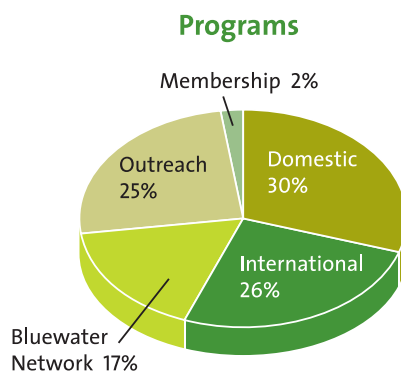
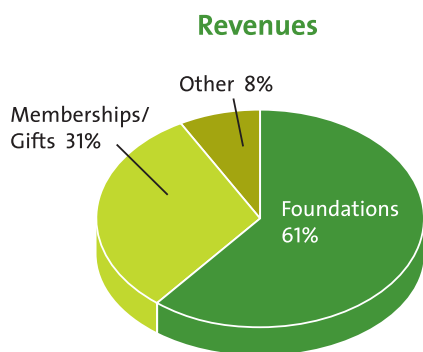
Balance Sheets

	June 30, 2008			June 30, 2007		
	Unrestricted Operating Fund	Temporarily Restricted	Total	Unrestricted Operating Fund	Temporarily Restricted	Total
Assets						
Current assets:						
Cash and cash equivalents	\$99,452	\$701,400	\$800,852	\$46,375	\$857,390	\$903,765
Accounts receivable:						
Grants, contributions and bequests	89,839	-	89,839	110,358	-	110,358
Other	77,519	-	77,519	33,871	-	33,871
Total cash and cash equivalents	167,358	-	167,358	144,229	-	144,229
Due from Friends of the Earth (Action), Inc.	45,860	-	45,860	54,662	-	54,662
Promises to give, current portion	-	849,813	849,813	-	614,357	614,357
Prepaid expenses and other assets	54,258	-	54,258	90,532	-	90,532
Total current assets	366,928	1,551,213	1,918,141	335,798	1,471,747	1,807,545
Fixed assets:						
Furniture and equipment	741,709	-	741,709	680,868	-	680,868
Less accumulated depreciation and amortization	662,167	-	662,167	611,922	-	611,922
Total fixed assets	79,542	-	79,542	68,946	-	68,946
Other assets:						
Promises to give, net of current portion	-	25,000	25,000	-	20,000	20,000
Pooled income fund, at market value	-	6,327	6,327	-	10,083	10,083
Charitable gift annuity, at market value	-	94,991	94,991	-	104,373	104,373
Deposits	32,203	-	32,203	30,403	-	30,403
Total other assets	32,203	126,318	158,521	30,403	134,456	164,859
Total assets	\$478,673	\$1,677,531	\$2,156,204	\$435,147	\$1,606,203	\$2,041,350
Liabilities and Net Assets						
Current liabilities:						
Accounts payable and accrued expenses	\$162,218	-	\$162,218	\$126,853	-	\$126,853
Accrued leave	100,329	-	100,329	89,306	-	89,306
Total current liabilities	262,547	-	262,547	216,159	-	216,159
Other liabilities:						
Deferred revenue - pooled income fund	-	703	703	-	1,120	1,120
Deferred rent	7,412	-	7,412	-	-	-
Charitable gift annuity liability	45,940	-	45,940	46,768	-	46,768
Total other liabilities	53,352	703	54,055	46,768	1,120	47,888
Total liabilities	315,899	703	316,602	262,927	1,120	264,047
Commitments						
Net assets:						
Unrestricted	162,774	-	162,774	172,220	-	172,220
Temporarily restricted:						
Operating fund	-	1,478,407	1,478,407	-	1,406,662	1,406,662
Reserve fund	-	145,000	145,000	-	145,000	145,000
Endowment fund	-	53,421	53,421	-	53,421	53,421
Total net assets	162,774	1,676,828	1,839,602	172,220	1,605,083	1,777,303
Total liabilities and net assets	\$478,673	\$1,677,531	\$2,156,204	\$435,147	\$1,606,203	\$2,041,350

Statements of Activities

	For the Years Ended June 30,					
	2008			2007		
	Unrestricted Operating Fund	Temporarily Restricted	Total	Unrestricted Operating Fund	Temporarily Restricted	Total
Revenue						
Grants, Bequests and Member Contributions	\$1,262,791	\$2,472,718	\$3,735,509	\$1,382,985	\$1,886,944	\$3,269,929
Investment Income	8,382	-	8,382	31,250	-	31,250
Rental Income	55,209	-	55,209	50,022	-	50,022
Mailing list sales	12,244	-	12,244	44,940	-	44,940
Administrative fees	130,168	-	130,168	37,786	-	37,786
Other	126,395	-	126,395	51,332	-	51,332
Net Assets Released from Restrictions	2,400,973	(2,400,973)	-	1,818,991	(1,818,991)	-
Total Revenue	3,996,162	71,745	4,067,907	3,417,306	67,953	3,485,259
Expenses						
Program Expenses:						
Domestic	986,713	-	986,713	688,439	-	688,439
International	880,609	-	880,609	745,681	-	745,681
Bluewater Network	582,495	-	582,495	430,586	-	430,586
Outreach	829,475	-	829,475	768,634	-	768,634
Membership	83,366	-	83,366	35,399	-	35,399
Total Program Expenses	3,362,659	-	3,362,659	2,668,739	-	2,668,739
Supporting Expenses:						
Management and General	350,806	-	350,806	367,533	-	367,533
Fundraising	292,143	-	292,143	447,720	-	447,720
Total Supporting Expenses	642,949	-	642,949	815,253	-	815,253
Total Expenses	4,005,608	-	4,005,608	3,483,992	-	3,483,992
Change in Net Assets	(9,446)	71,745	62,299	(66,686)	67,953	1,267
Net Assets - Beginning of Year	172,220	1,605,083	1,777,303	238,906	1,537,130	1,776,036
Net Assets - End of Year	\$162,774	\$1,676,828	\$1,839,602	\$172,220	\$1,605,083	\$1,777,303

For the year ended June 30, 2008:





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