



# **Council on the Environment, Inc. d/b/a GrowNYC and Affiliates**

**Consolidated Financial Statements with Report of Independent Auditors**

**June 30, 2025 and 2024**

**COUNCIL ON THE ENVIRONMENT, INC. D/B/A GROWNVC AND AFFILIATES**

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## Report of Independent Auditors

To the Board of Directors of  
Council on the Environment, Inc. d/b/a GrowNYC and Affiliates:

### Opinion

We have audited the accompanying consolidated financial statements of Council on the Environment, Inc. d/b/a GrowNYC and Affiliates, which comprise the consolidated statements of financial position as of June 30, 2025 and 2024, and the related consolidated statements of activities and changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly in all material respects, the financial position of Council on the Environment, Inc. d/b/a GrowNYC and Affiliates as of June 30, 2025 and 2024, and the change in their net assets and their 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of Council on the Environment, Inc. d/b/a GrowNYC and Affiliates 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Council on the Environment, Inc. d/b/a GrowNYC and Affiliates' ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

### Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards* we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 Council on the Environment, Inc. d/b/a GrowNYC'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Council on the Environment, Inc. d/b/a GrowNYC'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.

#### **Other Information**

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying consolidating information are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole. In our opinion, except for the effects of Council on the Environment, Inc. d/b/a GrowNYC and Affiliates not adopting Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 842, Leases, in relation to related party leases which eliminate in consolidation, the consolidating information is fairly stated in all material respects in relation to the financial statements as a whole.

**Other Reporting Requirements by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued a report dated May 11, 2026, on our consideration of Council on the Environment, Inc. d/b/a GrowNYC and Affiliates' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Council on the Environment, Inc. d/b/a GrowNYC and Affiliates' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Council on the Environment, Inc. d/b/a GrowNYC and Affiliates' internal control over financial reporting and compliance.

*Novogradac & Company LLP*

Dover, Ohio

May 11, 2026

**COUNCIL ON THE ENVIRONMENT, INC. D/B/A GROWNYC AND AFFILIATES**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
June 30, 2025 and 2024

	2025	2024
<b>ASSETS</b>		
Cash and cash equivalents, unrestricted	\$ 5,346,947	\$ 1,185,649
Restricted cash: token redemption	576,287	666,978
Restricted cash: construction-related reserve	459,294	620,266
Investments, at fair value	2,895,615	2,619,526
Government grants receivable	10,922,337	10,978,631
Accounts receivable - participant rental fees, net	442,472	456,887
Accounts receivable - sales, net	1,140,289	1,374,241
Accounts receivable - other fees, net	54,468	305,123
Contributions receivable	1,218,959	3,358,400
Prepaid expenses, deposits and other assets	530,994	811,677
Note receivable: NMTC Investment Fund	21,862,500	21,862,500
Operating lease right-of-use asset	44,491	59,701
Finance lease right-of-use asset	69,487	-
Property and equipment, net	53,555,758	51,238,647
	<b>\$ 99,119,898</b>	<b>\$ 95,538,226</b>
<b>LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 2,840,473	\$ 4,031,524
Accrued farmers' token redemption	969,597	887,567
Advance payments	340,906	287,065
Government grant advances	496,146	500,000
Operating lease liability	44,491	76,397
Finance lease liability	69,715	-
Note payable: construction	10,981,112	9,475,370
Note payable: QLICI loans	29,400,000	29,400,000
Note payable: general line of credit	1,000,000	500,000
	46,142,440	45,157,923
<b>COMMITMENTS AND CONTINGENCIES</b>		
<b>NET ASSETS</b>		
Without donor restrictions:		
Operations	(14,090,030)	(12,193,627)
Net investment in property and equipment	53,555,758	51,238,647
Board designated investment fund	3,221,878	3,118,902
Board designated operating reserve fund	538,332	518,106
Board designated emergency fund	1,845,777	-
Total without donor restrictions	45,071,715	42,682,028
With donor restrictions	7,905,743	7,698,275
<b>Total net assets</b>	<b>52,977,458</b>	<b>50,380,303</b>
<b>Total liabilities and net assets</b>	<b>\$ 99,119,898</b>	<b>\$ 95,538,226</b>

See accompanying notes to consolidated financial statements.

**COUNCIL ON THE ENVIRONMENT, INC. D/B/A GROWNYC AND AFFILIATES**  
**CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS**  
For the years ended June 30, 2025 and 2024

	For the year ended June 30, 2025			For the year ended June 30, 2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUES AND SUPPORT:</b>						
Government grants	\$ -	\$ 5,834,486	\$ 5,834,486	\$ -	\$ 9,374,146	\$ 9,374,146
Contributions - foundations	2,707,094	2,737,482	5,444,576	1,473,520	2,218,350	3,691,870
Contributions - individuals and corporations	1,064,695	1,105,791	2,170,486	1,040,642	4,794,979	5,835,621
Contributed facilities, services and assets	1,039,787	-	1,039,787	922,965	-	922,965
Greenmarket participant rental fees	5,831,551	-	5,831,551	5,215,782	-	5,215,782
Sales of wholesale produce, plants and grains	3,776,873	-	3,776,873	4,636,758	-	4,636,758
Other fees	306,296	-	306,296	500,843	-	500,843
Investment activity	486,650	-	486,650	387,723	-	387,723
Miscellaneous	473,504	-	473,504	410,695	-	410,695
Net assets released from restriction	9,470,291	(9,470,291)	-	13,085,709	(13,085,709)	-
<b>TOTAL REVENUE AND SUPPORT</b>	<b>25,156,741</b>	<b>207,468</b>	<b>25,364,209</b>	<b>27,674,637</b>	<b>3,301,766</b>	<b>30,976,403</b>
<b>EXPENSES:</b>						
Program Services:						
Food access and agriculture	6,435,349	-	6,435,349	6,180,017	-	6,180,017
Wholesale	6,575,639	-	6,575,639	5,543,504	-	5,543,504
Green Space	1,071,728	-	1,071,728	1,246,680	-	1,246,680
Zero Waste	419,600	-	419,600	2,518,761	-	2,518,761
Education	1,044,459	-	1,044,459	3,193,233	-	3,193,233
Project Farmhouse	112,767	-	112,767	107,663	-	107,663
New York State Regional Food Hub LLC	653,001	-	653,001	106,669	-	106,669
Food Hub QALICB, Inc.	499,454	-	499,454	-	-	-
Total Program Services	16,811,997	-	16,811,997	18,896,527	-	18,896,527
Supporting Services:						
Management and general	4,313,999	-	4,313,999	3,455,956	-	3,455,956
Fundraising	1,641,058	-	1,641,058	1,590,731	-	1,590,731
Total Supporting Services	5,955,057	-	5,955,057	5,046,687	-	5,046,687
<b>TOTAL EXPENSES</b>	<b>22,767,054</b>	<b>-</b>	<b>22,767,054</b>	<b>23,943,214</b>	<b>-</b>	<b>23,943,214</b>
<b>CHANGE IN NET ASSETS</b>	<b>2,389,687</b>	<b>207,468</b>	<b>2,597,155</b>	<b>3,731,423</b>	<b>3,301,766</b>	<b>7,033,189</b>
TOTAL NET ASSETS - BEGINNING OF YEAR	42,682,028	7,698,275	50,380,303	38,950,605	4,396,509	43,347,114
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 45,071,715</b>	<b>\$ 7,905,743</b>	<b>\$ 52,977,458</b>	<b>\$ 42,682,028</b>	<b>\$ 7,698,275</b>	<b>\$ 50,380,303</b>

See accompanying notes to consolidated financial statements.

**COUNCIL ON THE ENVIRONMENT, INC. D/B/A GROWNYC AND AFFILIATES**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**  
For the year ended June 30, 2025

	Program Services									Supporting Services		2025 Total Expenses
	Food Access & Agriculture	Wholesale	Green Space	Zero Waste	Education	Project Farmhouse	NYS Regional Food Hub LLC	Food Hub QALICB, Inc.	Total	Management and General	Fundraising	
Salaries	\$ 3,778,326	\$ 1,202,860	\$ 650,028	\$ 123,115	\$ 747,308	\$ -	\$ 75,000	\$ -	\$ 6,576,637	\$ 1,886,208	\$ 946,672	\$ 9,409,517
Payroll Taxes and Employee Benefits	835,440	377,694	190,276	13,877	163,009	-	22,500	-	1,602,796	547,019	234,651	2,384,466
Contributed Facilities & Services	226,236	30,576	48,912	171,216	24,456	-	-	-	501,396	538,391	-	1,039,787
Consultants and Professional Fees	339,985	189,392	6,683	93,575	4,278	1,392	207,904	-	843,209	541,812	223,020	1,608,041
Office Supplies	27,011	44,561	1,695	-	11,430	-	4,955	-	89,652	183,780	16,597	290,029
Meetings	14,981	2,963	1,191	-	6,826	-	66	-	26,027	13,905	7,362	47,294
Travel	45,160	13,752	3,539	-	18,730	-	-	-	81,181	7,132	2,775	91,088
Telephone and Mobile Data	55,685	8,969	2,895	197	10,200	16,320	25,412	-	119,678	19,523	1,630	140,831
Printing and Photography	40,570	832	-	-	371	-	-	-	41,773	-	9,108	50,881
Vehicle Fuel, Maintenance and Repairs	19,963	20,919	1,520	163	-	-	-	-	42,565	26,249	-	68,814
Advertising	100,953	140	150	-	-	-	-	-	101,243	8,585	589	110,417
Insurance	168,698	200,329	21,772	-	10,880	4,571	-	-	406,250	240,319	-	646,569
Space Rentals	571,720	148,506	-	-	2,141	-	-	-	722,367	11,332	-	733,699
Field Supplies and Gardening Materials	105,629	21,976	58,641	-	42,315	-	14,304	-	242,865	774	4,361	248,000
Cost of Goods Sold	10,150	3,897,383	79,620	-	-	-	-	-	3,987,153	-	-	3,987,153
Equipment Lease and Rentals	14,918	194,366	1,875	15,337	600	-	2,854	-	229,950	1,236	6,180	237,366
Operating Lease Expense	-	60,801	-	-	-	-	-	-	60,801	-	-	60,801
Finance Lease Expense	-	2,873	-	-	-	-	-	-	2,873	-	-	2,873
Grants and Awards	2,750	-	-	-	1,750	-	-	-	4,500	-	-	4,500
Depreciation and Amortization	43,774	1,322	300	1,070	-	62,134	26,672	381,643	516,915	2,689	-	519,604
Bad Debt Expense	-	-	-	-	-	-	-	-	-	235,917	-	235,917
Interest Expense	-	-	-	-	-	-	188,049	73,500	261,549	32,060	-	293,609
Miscellaneous	33,400	155,425	2,631	1,050	165	28,350	85,285	44,311	350,617	17,068	15,084	382,769
Event Catering & Rental	-	-	-	-	-	-	-	-	-	-	173,029	173,029
<b>Total Expenses</b>	<b>\$ 6,435,349</b>	<b>\$ 6,575,639</b>	<b>\$ 1,071,728</b>	<b>\$ 419,600</b>	<b>\$ 1,044,459</b>	<b>\$ 112,767</b>	<b>\$ 653,001</b>	<b>\$ 499,454</b>	<b>\$ 16,811,997</b>	<b>\$ 4,313,999</b>	<b>\$ 1,641,058</b>	<b>\$ 22,767,054</b>

See accompanying notes to consolidated financial statements.

**COUNCIL ON THE ENVIRONMENT, INC. D/B/A GROWNVC AND AFFILIATES**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**  
For the year ended June 30, 2024

	Program Services								Supporting Services		2024 Total Expenses
	Food Access & Agriculture	Wholesale	Green Space	Zero Waste	Education	Project Farmhouse	NYS Regional Food Hub LLC	Total	Management and General	Fundraising	
Salaries	\$ 3,581,613	\$ 1,142,017	\$ 774,064	\$ 1,630,844	\$ 2,232,334	\$ -	\$ -	\$ 9,360,872	\$ 1,649,718	\$ 1,063,367	\$ 12,073,957
Payroll Taxes and Employee Benefits	813,233	365,691	211,877	372,409	584,396	-	-	2,347,606	447,629	280,052	3,075,287
Contributed Facilities & Services	226,236	30,576	48,912	97,836	97,836	-	-	501,396	421,569	-	922,965
Consultants and Professional Fees	324,543	136,348	6,832	18,461	17,121	1,393	81,200	585,898	514,585	138,246	1,238,729
Office Supplies	32,499	18,014	1,226	1,187	5,247	-	-	58,173	136,779	1,478	196,430
Meetings	42,137	2,012	444	6,943	5,445	-	-	56,981	19,625	2,394	79,000
Travel	33,935	21,256	6,603	36,720	61,634	-	-	160,148	4,251	202	164,601
Telephone and Mobile Data	66,820	14,772	4,441	11,018	21,486	16,280	2,958	137,775	25,830	-	163,605
Printing and Photography	35,657	184	40	153	554	-	-	36,588	231	12,162	48,981
Vehicle Fuel, Maintenance and Repairs	25,454	38,696	9,799	44,775	2,378	-	-	121,102	2,812	-	123,914
Advertising	90,799	108	150	1,785	-	-	-	92,842	5,676	-	98,518
Insurance	167,291	117,127	24,445	102,817	43,545	3,900	-	459,125	94,338	-	553,463
Space Rentals	533,655	11,376	-	15,093	2,516	-	-	562,640	11,602	-	574,242
Field Supplies and Gardening Materials	107,088	11,766	62,150	31,934	109,114	-	-	322,052	9,423	-	331,475
Cost of Goods Sold	3,325	3,140,428	83,172	-	-	-	-	3,226,925	-	-	3,226,925
Equipment Lease and Rentals	18,081	183,533	9,415	117,215	1,392	-	-	329,636	7,146	-	336,782
Operating Lease Expense	-	179,916	-	-	-	-	-	179,916	-	-	179,916
Grants and Awards	9,605	-	-	-	500	-	-	10,105	-	-	10,105
Depreciation and Amortization	27,907	16,584	300	1,070	-	62,134	-	107,995	2,435	-	110,430
Bad Debt Expense	-	-	-	-	-	-	-	-	12,533	-	12,533
Interest Expense	-	-	-	-	-	-	-	-	56,409	-	56,409
Miscellaneous	40,139	113,100	2,810	28,501	7,735	23,956	22,511	238,752	33,365	2,488	274,605
Event Catering & Rental	-	-	-	-	-	-	-	-	-	90,342	90,342
<b>Total Expenses</b>	<b>\$ 6,180,017</b>	<b>\$ 5,543,504</b>	<b>\$ 1,246,680</b>	<b>\$ 2,518,761</b>	<b>\$ 3,193,233</b>	<b>\$ 107,663</b>	<b>\$ 106,669</b>	<b>\$ 18,896,527</b>	<b>\$ 3,455,956</b>	<b>\$ 1,590,731</b>	<b>\$ 23,943,214</b>

See accompanying notes to consolidated financial statements.

**COUNCIL ON THE ENVIRONMENT, INC. D/B/A GROWNYC AND AFFILIATES**  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
For the years ended June 30, 2025 and 2024

	2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 2,597,155	\$ 7,033,189
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	519,604	110,430
Amortization of operating lease right-of-use asset	60,801	175,438
Amortization of finance lease right-of-use asset	2,396	-
Bad debt expense	235,917	12,533
Donated stocks	-	(614)
Realized gain on investments	(113,533)	(15,199)
Unrealized gain on investments	(195,529)	(275,314)
Decrease (increase) in assets:		
Government grants receivable	6,022	16,141,618
Accounts receivable - participant rental fees	(55,584)	(124,800)
Accounts receivable - sales	125,174	(735,492)
Accounts receivable - other fees	246,287	(254,858)
Contributions receivable	2,136,941	(2,828,405)
Prepaid expenses, deposits and other assets	280,683	(209,577)
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	301,088	(363,227)
Accrued farmers' token redemption	82,030	56,740
Advance payments	53,841	(70,775)
Government grant advances	(3,854)	490,000
Operating lease liability	(77,497)	(171,583)
Finance lease liability	(2,168)	-
Net cash provided by operating activities	6,199,774	18,970,104
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payment of property and equipment	(4,328,854)	-
Payments for construction in progress	-	(12,712,042)
Proceeds from sales of investments	485,860	997,309
Purchases of investments	(452,887)	(381,103)
Net cash used in investing activities	(4,295,881)	(12,095,836)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of notes payable	(2,366,460)	(18,379,698)
Proceeds from notes payable	4,372,202	11,478,457
Net cash provided by (used in) financing activities	2,005,742	(6,901,241)
<b>NET CHANGE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH</b>	3,909,635	(26,973)
<b>CASH, CASH EQUIVALENTS AND RESTRICTED CASH AT BEGINNING OF YEAR</b>	2,472,893	2,499,866
<b>CASH, CASH EQUIVALENTS AND RESTRICTED CASH AT END OF YEAR</b>	\$ 6,382,528	\$ 2,472,893
Cash and cash equivalents	\$ 5,346,947	\$ 1,185,649
Restricted cash	1,035,581	1,287,244
Total cash, cash equivalents, and restricted cash	\$ 6,382,528	\$ 2,472,893
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>		
Cash paid for interest, net of amount capitalized of \$439,973 and \$873,842, respectively	\$ 293,609	\$ -
<b>SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND FINANCING ACTIVITIES:</b>		
Increase in construction in progress due to increase in accounts payable	\$ -	\$ 1,468,995
Increase in operating lease right-of-use asset and lease liability	\$ 45,591	\$ 495,230
Increase in finance lease right-of-use asset and lease liability	\$ 71,883	\$ -
Increase in property and equipment due to increase in accounts payable	\$ 96,142	\$ -

See accompanying notes to consolidated financial statements.

**COUNCIL ON THE ENVIRONMENT, INC. D/B/A GROWNYC AND AFFILIATES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
June 30, 2025 and 2024

1. Organization and purpose

Council on the Environment, Inc. d/b/a GrowNYC (“GrowNYC”) is a New York nonprofit public benefit organization classified by the Internal Revenue Service as tax-exempt under Section 501(c)(3) of the Internal Revenue Code of 1986. GrowNYC empowers all New Yorkers to equitably access fresh, locally grown food and neighborhood green spaces, reduce waste and care for the environment. GrowNYC is supported primarily by government grants, contributions from foundations, individuals and corporations, Greenmarket participant rental fees and sales of wholesale fresh produce. GrowNYC is exempt from federal income tax as a not-for-profit organization under Section 501(c)(3) of the Internal Revenue Code and has been classified as an organization that is not a private foundation under Section 509(a).

New York State Regional Food Hub LLC (“NYSRFH” or “Affiliate”) is a limited liability company. GrowNYC is the sole member of NYSRFH. NYSRFH was incorporated in October 2011 and started operations in fiscal year 2017. NYSRFH was formed for the purpose of building and operating a warehouse facility in the Bronx which serves as a wholesale food distribution hub connecting small and mid-sized farms in New York State with food pantries, senior centers, daycares, hospitals, and other institutional buyers in New York City.

Food Hub QALICB, Inc. (“Food Hub QALICB” or “Affiliate”) is a special purpose entity established under Internal Revenue Code Section 509(a)(3) as a supporting organization formed by GrowNYC to serve as the qualified active low-income community business (“QALICB”) in a complex transaction whereby QALICB is the recipient of loans derived from a qualified low-income community investment (“QLICI”). These QLICI loans are made in conjunction with an allocation of New Market Tax Credits to a third-party tax credit investor. Proceeds from the QLICI loans are used to pay costs incurred during construction of the New York State Regional Food Hub warehouse facility (“Food Hub”) in the Bronx.

Council on the Environment, Inc. d/b/a GrowNYC and Affiliates (the “Organization”) achieves its mission through the following projects and programs:

**Food Access & Agriculture**, which operates 60 retail food access locations including Greenmarkets and Farmstands. These locations provide more than 200 small, regional producers with the opportunity to sell their fruits, vegetables, and other farm products to New Yorkers. All locations promote and accept SNAP and other nutrition incentives. The Farmer Assistance program provides technical and material assistance and training to experienced and beginning farmers to increase long-term viability.

**Wholesale**, which purchases fresh produce and other farm products from northeast regional farms and distributes to food pantries, senior centers, daycares, hospitals, and other institutional buyers. Under this not-for-profit model, farmers get a fair price for their product and program beneficiaries gain reliable access to affordable, nutrient-dense foods. Nearly 80% of the food distributed goes to nutritionally at-risk populations.

**Green Space**, which creates, rejuvenates, and provides substantial material and technical assistance to several new community gardens each year in addition to helping more than 100 gardens created in prior years; builds rainwater harvesting systems and promotes best practices in green infrastructure through workshops and collaborative installations; and operates a substantial teaching garden on Governors Island.

**COUNCIL ON THE ENVIRONMENT, INC. D/B/A GROWN NYC AND AFFILIATES**  
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1. Organization and purpose (continued)

**Zero Waste**, which is currently in a transitional planning period as the Organization assesses how best to proceed with future programming. Non-renewal of a City contract resulted in full closure of the former Zero Waste program as of June 30, 2024.

**Education**, which connects K-12 public school students to the natural world with an eye towards environmental justice. Students learn sustainable behaviors that last a lifetime through the School Gardens program, experiential field trips to the Teaching Garden at Governors Island, Greenmarket tours, and in-class curriculum. Additionally, professional development for teachers and easily accessible digital resources provide education for all ages. Young adults engage in summer workforce development internships, rotating through GrowNYC's programs to gain a deeper understanding of food systems and green careers. Non-renewal of a City contract resulted in full closure of the former Zero Waste Schools educational program as of June 30, 2024. However, new City funds were awarded in fiscal year 2025 to support the City's curbside organic waste collection initiative through outreach and education of large residential building managers and tenants.

**Project Farmhouse**, which allows all New Yorkers to explore environmental issues through the lens of food, horticulture, arts, recycling, cooking, and community education. Located at 76 East 13th Street in Manhattan, Project Farmhouse is a state-of-the-art sustainability and education center, and a home for dynamic programming.

**New York State Regional Food Hub**, a newly constructed warehouse facility in the Hunts Point section of the Bronx which includes approx. 60,000 square feet of refrigerated/freezer and food processing space and will serve as a new home for the Organization's extant wholesale distribution program in addition to other tenants. The formal ground-breaking for construction occurred in March 2021. The building was substantially complete in April 2025 and ready for intended use under a temporary certificate of occupancy.

**Food Hub QALICB**, a special purpose entity formed in support of the overall financing plan for construction of the New York State Regional Food Hub warehouse facility in the Bronx.

2. Summary of significant accounting policies

Basis of presentation

The Organization prepares its consolidated financial statements on the accrual basis of accounting consistent with accounting principles generally accepted in the United States of America ("U.S. GAAP").

The Organization is required to report information regarding its financial position and activities according to the following net asset classifications:

*Net assets without donor restrictions*: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the board of directors.

**COUNCIL ON THE ENVIRONMENT, INC. D/B/A GROWNYC AND AFFILIATES**  
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2. Summary of significant accounting policies (continued)

*Net assets with donor restrictions:* Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature, which will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities. The Organization did not have any net assets maintained in perpetuity by the Organization as of June 30, 2025 and 2024.

Principles of consolidation

The consolidated financial statements have been prepared by consolidating the accounts of GrowNYC, NYSRFH, and Food Hub QALICB. Intercompany transactions and balances have been eliminated in the consolidation.

Estimates

The preparation of consolidated financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates.

Economic concentration

The Organization's operations are concentrated in New York, New York. Future operations could be affected by changes in the economy or other conditions in that geographical area.

Cash and cash equivalents

Cash and cash equivalents include all cash balances on deposit with financial institutions and highly liquid investments with a maturity of three months or less at the date of acquisition.

Restricted cash is not considered cash and cash equivalents, and includes cash held with financial institutions for funding of reserves. Restricted cash does not fall under the criteria for net assets with donor restrictions as these funds are held for operational purposes rather than donor-imposed restrictions.

As of June 30, 2025 and 2024, the restricted cash balance was \$1,035,581 and \$1,287,244, respectively, and consists of the following:

**Accrued Farmers' Token Redemption** – As part of the Greenmarket Program, farmers collect tokens from consumers who have exchanged either SNAP benefit dollars or credit/debit as payment for produce. The Organization records a liability for tokens that have yet to be redeemed by the farmers. In connection with this liability, the Organization maintains the funds in a separate cash account. These funds are restricted to pay out tokens to farmers that have yet to be redeemed.

**CDE Fee and Expense Reserve** – As part of the QALICB, the amounts received were deposited into a special disbursement account to be used for fees and expenses for Food Hub QALICB.

**COUNCIL ON THE ENVIRONMENT, INC. D/B/A GROWNYC AND AFFILIATES**  
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2. Summary of significant accounting policies (continued)

Concentration of credit risk

The Organization maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Organization has not experienced any losses in such accounts. The Organization believes it is not exposed to any significant credit risk related to the banks in which the Organization holds its cash and cash equivalents. As of June 30, 2025 and 2024, the Organization had a total uninsured cash balance of \$5,453,733 and \$1,579,623, respectively.

Construction in progress

Construction in progress is comprised of the costs incurred in connection with construction of the Food Hub, which totaled \$0 and \$50,695,217 as of June 30, 2025 and 2024, respectively, and is included in property and equipment, net in the accompanying statement of financial position. The Food Hub was placed in service on March 31, 2025.

Accounts receivable

Receivables are stated at the amount management expects to collect from outstanding balances. Management closely monitors outstanding balances and provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances that remain outstanding after management has used reasonable collection efforts are generally written off through a charge to the valuation allowance and a credit to receivables. As of June 30, 2025 and 2024, the balance of allowance for doubtful accounts was \$51,742 and \$36,722, respectively.

Government grants and contributions receivable

Government grants and contributions are recognized when the donor makes an unconditional promise to give. All government grants and contributions are considered to be available for general purposes unless specifically restricted by the donor. All other donor restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. Conditional promises are recognized as revenue when barriers specified by the grantor are overcome and there is no right of return/release from obligation. Unless material, the Organization does not discount to present value contributions to be received after more than one year. There were no amounts determined to be uncollectible as of June 30, 2025 and 2024.

Contributions receivable as of June 30, 2025 and 2024 are as follows:

	2025	2024
Due within one year	\$ 893,959	\$ 3,338,400
Due within two to five years	325,000	20,000
Total contributions receivable	\$ 1,218,959	\$ 3,358,400

All government grants receivable are due within one year.

**COUNCIL ON THE ENVIRONMENT, INC. D/B/A GROWNVC AND AFFILIATES**  
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2. Summary of significant accounting policies (continued)

Note receivable and allowance for credit losses

The note receivable is measured at amortized cost basis and presented at the amount expected to be collected, net of deferred loan origination fees and unearned discounts, as applicable. The Organization records an allowance for credit losses based on losses expected to arise over the contractual term of the financial asset. Assets are written off when the Organization deems the loan receivable to be uncollectable. Write-offs are recognized as a deduction from the allowance for credit losses. Expected recoveries of amounts previously written off, which do not exceed the aggregate of previous write-offs, are included in determining the allowance account. As of June 30, 2025 and 2024, management believes that the Organization's loans receivable are fully collectable and as such, the allowance for credit losses is zero.

In developing estimates for expected credit losses, management considers historical loss information updated for current conditions and reasonable and supportable forecasts that affect expected collectability using a loss-rate approach. Management considers factors such as the borrower's financial condition, the borrower's ability to make scheduled interest or principal payments based on the current and forecasted direction of the economic and business environment, the remaining payment terms of the loan, the remaining time to maturity, and the value of underlying collateral. Although management uses many factors to estimate credit losses, because of uncertainties associated with local economic conditions, collateral values, and future cash flows, it is reasonably possible that a material change could occur in the allowance for credit loan losses in the near term. However, the amount of the change that is reasonably possible cannot be estimated.

Loans that are 90 days or more past due, based on the contractual terms of the loan, are classified on nonaccrual status. Uncollectable interest previously accrued is charged off, or an allowance is established by a charge to interest income. Interest income on nonaccrual loans is recognized only to the extent cash payments are received and the principal balance is believed to be collectable. A loan previously classified on nonaccrual status will resume accruing interest based on the contractual terms of the loan when payments on the loan become current. There were no loans on nonaccrual status at June 30, 2025 and 2024.

Loan origination and commitment fees, as well as certain direct origination costs, are deferred and recognized into income ratably over the term of the loan. Amortization of deferred loan fees is discontinued when a loan is placed on nonaccrual status.

Investments

Investments are reported at fair value based upon quoted market value or readily available pricing resources. Securities transactions are recorded on a trade-date basis. Realized gains and losses on sales of investments are determined on a specific identification basis and are included in investment activity in the consolidated statement of activities. Interest income is recognized when earned and dividends are recorded on the ex-dividend date.

Fair value measurements are based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair value measurements, a fair value hierarchy prioritizes observable and unobservable inputs used to measure fair value into three levels, as described in Note 5.

**COUNCIL ON THE ENVIRONMENT, INC. D/B/A GROWNYC AND AFFILIATES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

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2. Summary of significant accounting policies (continued)

Property and equipment

Property and equipment are stated at cost less accumulated depreciation and amortization. These amounts do not purport to represent replacement or realizable value. The Organization capitalizes certain property and equipment with a useful life of more than one year and a cost of at least \$1,000. Office space is donated to the Organization by the City of New York for an indefinite time period. The Organization retains assets purchased with grantor restricted funds, unless the grantor requests that such equipment be returned. Purchases of property and equipment reimbursed by governmental funding sources, and for which the contractual agreement specifies that title to these assets rests with the governmental funding sources, are expensed. Costs incurred as part of construction of the New York State Regional Food Hub facility are capitalized as fixed assets under a separate ledger account for Construction In Progress (“CIP”). Depreciation and amortization of CIP began when the Food Hub was placed in service on March 31, 2025.

Depreciation is computed on the straight-line method over the estimated useful lives of the assets. Leasehold improvements are amortized on a straight-line basis over their estimated useful lives. The useful lives of the assets are estimated as follows:

Building and leasehold improvements	5-40 years
Furniture and equipment	5-10 years
Vehicles	5-10 years

Impairment of long-lived assets

The Organization reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying value of the asset may not be recoverable. Recoverability is measured by a comparison of the carrying amount of the asset to the future net undiscounted cash flows expected to be generated and any estimated proceeds from the eventual disposition. If the long-lived assets are considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount of the asset exceeds the fair value as determined from an appraisal, discounted cash flow analysis, or other valuation technique. No impairment losses were recognized during the years ended June 30, 2025 and 2024.

Revenue recognition

Government grants

Government grants and contracts are recognized as revenue when barriers within the contract are overcome and there is no right of return/release from obligation. Government grants receivable are recorded when expenses incurred under the terms of the grant exceed cash received. Advances received from government agencies in excess of expenditures incurred for a grant still in progress are reported as government grant advances. Conditional grants for future periods will be recognized when contract barriers are overcome. Such barriers include expending these funds in accordance with their agreements. If such services are not provided, the governmental entities are not obligated to expend the funds allotted under the grants and contracts and the Organization may be required to return the funds already remitted.

**COUNCIL ON THE ENVIRONMENT, INC. D/B/A GROWN NYC AND AFFILIATES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

June 30, 2025 and 2024

2. Summary of significant accounting policies (continued)

Revenue recognition (continued)

Contributed facilities, services, and assets

The value of contributed facilities and services is reported as in-kind contributions and expenses in the accompanying statements of activities. Contributed facilities include office space donated by the City of New York and estimated fair value assessments of contributed facilities are performed every three years. Changes to the fair value in the interim years are not anticipated to be material to the financial statements. Contributed services are recognized in the financial statements if the services enhance or create nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. The Organization records contributed services at their fair value on the date received. Contributed assets are recognized at fair value on the date of receipt.

Sales, fees, and advance payments

Revenues from Greenmarket participant (farmer/producer) rental fees are based on signed contracts, renewed annually. Sales revenue includes sales of regional fresh produce and grains through the Wholesale program, as well as the annual plant sale to community gardens through the Green Space program. Other fees include consulting services as well as rental of Project Farmhouse. There are also advance payments that include fees received in advance for the Greenmarket program applicable to the next fiscal year. Revenue is recognized when ownership of the goods is transferred or services are provided to the customer.

Income tax status

GrowNYC and the QALICB are exempt from federal income taxes under Sections 501(c)(3) and 509(a)(3), respectively, of the Internal Revenue Code. However, income, if any, from certain activities not directly related to the Organization's tax-exempt purpose is subject to taxation as unrelated business income. GrowNYC and QALICB are also exempt from state and local tax pursuant to state and local tax code. Additionally, NYSRFH is considered a disregarded entity for tax purposes.

The Organization believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the consolidated financial statements.

Functional allocation of expenses

The costs of providing the various programs and other activities have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The consolidated financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include occupancy, depreciation, and amortization, which are allocated on a square footage basis, as well as salaries and wages, benefits, payroll taxes, professional services, office expenses, information technology, interest, insurance, and other, which are allocated on the basis of estimates of time and effort.

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2. Summary of significant accounting policies (continued)

Advertising costs

Advertising costs are expensed as incurred. Advertising expense for the years ended June 30, 2025 and 2024 amounted to \$110,417 and \$98,518, respectively.

Grants and awards

Grants and awards are expensed in the year unconditionally awarded. Grants awarded, but unpaid at year-end are reported as grants payable in the consolidated statements of financial position.

Leases

The Organization determines if an arrangement is a lease at inception. An arrangement is a lease if the arrangement conveys a right to direct the use of and to obtain substantially all of the economic benefits from the use of an asset for a period of time in exchange for consideration.

Operating lease right-of-use assets and liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. The Organization uses a risk-free rate at the lease commencement date in determining the present value of lease payments. The operating lease right-of-use asset also includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. The lease agreement does not contain any material residual value guarantees or material restrictive covenants. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

Finance lease right-of-use assets and liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. The Organization uses a risk-free rate at the commencement date in determining the present value of lease payments. The finance lease right-of-use assets also include any lease payments made and exclude lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. The lease agreements do not contain any material residual value guarantees or material restrictive covenants. Interest on the finance lease obligation is recognized as incurred. The right-of-use assets are amortized over the life of the lease.

Subsequent events

Subsequent events have been evaluated through May 11, 2026, which is the date the consolidated financial statements were available to be issued, and there are no subsequent events requiring disclosure.

3. Liquidity and availability

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments. In addition to financial assets available to meet general expenditures over the next 12 months, the Organization strives to operate with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources.

**COUNCIL ON THE ENVIRONMENT, INC. D/B/A GROWNYC AND AFFILIATES**  
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3. Liquidity and availability (continued)

Financial assets available to meet general expenditures over the next 12 months were as follows:

Financial assets at year end	2025	2024
Cash and cash equivalents	\$ 5,346,947	\$ 1,185,649
Restricted cash	1,035,581	1,287,244
Investments, at fair value	2,895,615	2,619,526
Government grants receivable	10,922,337	10,978,631
Accounts receivable, net	1,637,229	2,136,251
Contributions receivable	1,218,959	3,358,400
Notes receivable	21,862,500	21,862,500
Total	44,919,168	43,428,201
Less: those unavailable to meet general expenditures within one year		
Restricted cash	(1,035,581)	(1,287,244)
Contributions receivable due two to five years	(325,000)	(20,000)
Notes receivable	(21,862,500)	(21,862,500)
Board designated investment fund	(3,221,878)	(3,118,902)
Board designated emergency fund	(1,845,777)	-
Net assets with donor restrictions	(7,905,743)	(7,698,275)
Total	\$ 8,722,689	9,441,280

4. Note receivable

The Organization executed a loan agreement with a borrower on March 2, 2021 for \$21,862,500 in order to make equity investments in a qualified community development entity. The loan bears interest at the rate of 1.344634% per annum. Commencing June 10, 2021, quarterly payments of interest-only are due and payable through March 2, 2028. Commencing June 10, 2028, quarterly payments of principal and interest are due and payable in a fixed amount, as set forth in the promissory note, through the Maturity Date, March 1, 2050. At maturity, all unpaid principal and any accrued interest are due and payable in full to the Organization. As of June 30, 2025 and 2024, the total note receivable outstanding from the borrower was \$21,862,500.

The note is secured by collateral of the borrower as further described in the loan agreement.

**COUNCIL ON THE ENVIRONMENT, INC. D/B/A GROWNYC AND AFFILIATES**  
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5. Investments

Investments consisted of the following as of June 30:

	2025	2024
Corporate stocks	\$ 1,494,086	\$ 1,329,054
Corporate bonds	1,279,541	1,267,875
Money market mutual funds	121,988	22,597
Total investments	\$ 2,895,615	\$ 2,619,526

Investment activity, net, included the following for the year ended June 30:

	2025	2024
Interest and dividends	\$ 192,172	\$ 112,429
Realized gains on investments	113,533	15,199
Unrealized gains (losses) on investments	195,529	275,928
Investment fees	(14,584)	(15,833)
Total investment activity, net	\$ 486,650	\$ 387,723

The FASB Accounting Standards Codification (“ASC”) Topic 820, Fair Value Measurement, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to 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 under FASB ASC 820 are described as follows:

Level 1: Valuations based on quoted prices (unadjusted) in an active market that are accessible at the measurement date for identical assets or liabilities.

Level 2: Valuations based on observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in inactive markets; or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data.

Level 3: Valuations based on unobservable inputs are used when little or no market data is available.

An asset 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. The valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs.

All assets carried at fair value have been valued using a market approach. There were no changes in the valuation techniques during the current year. The Organization uses third-party pricing information without adjustment.

Following is a description of the valuation methodologies used for assets measured at fair value.

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5. Investments (continued)

Corporate Stocks and Money Market Mutual Funds:

Valued at the closing price reported on the active market on which the individual securities are traded (Level 1).

Corporate Stocks and Bonds:

Corporate bonds are designated as Level 2 instruments and valuations are obtained from readily available pricing sources for comparable instruments (credit risk/grade, maturities, etc.).

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization believes its valuation methods are 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.

The Organization's policy is to recognize transfers in and transfers out between fair value levels as of the beginning of the period in which the transfer takes place. During the years ended June 30, 2025 and 2024, no such transfers between fair value levels occurred.

The following table presents the Organization's assets that are measured at fair value on a recurring basis classified under the appropriate level of the fair value hierarchy.

	June 30, 2025			
	Level 1	Level 2	Level 3	Fair Value Measurements
Corporate stocks/mutual funds	\$ 1,494,086	\$ -	\$ -	\$ 1,494,086
Money market mutual funds	121,988	-	-	121,988
Corporate bond	-	1,279,541	-	1,279,541
Total assets	\$ 1,616,074	\$ 1,279,541	\$ -	\$ 2,895,615

	June 30, 2024			
	Level 1	Level 2	Level 3	Fair Value Measurements
Corporate stocks/mutual funds	\$ 1,329,054	\$ -	\$ -	\$ 1,329,054
Money market mutual funds	22,597	-	-	22,597
Corporate bond	-	1,267,875	-	1,267,875
Total assets	\$ 1,351,651	\$ 1,267,875	\$ -	\$ 2,619,526

**COUNCIL ON THE ENVIRONMENT, INC. D/B/A GROWNYC AND AFFILIATES**  
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6. Property and equipment

Fixed assets consist of the following as of June 30:

	2025	2024
Building	\$ 52,906,173	\$ -
Furniture and equipment	776,678	328,825
Vehicles	307,674	291,004
Leasehold improvements	798,668	815,063
Construction in progress	-	50,695,217
Net book value	54,789,193	52,130,109
Less: accumulated depreciation and amortization	(1,233,435)	(891,462)
Net book value	\$ 53,555,758	\$ 51,238,647

For the years ended June 30, 2025 and 2024, depreciation expense was \$519,604 and \$110,430, respectively.

7. Notes payable and line of credit

Notes payable and a line of credit as of June 30, 2025 and 2024 consists of the following:

General Operating Line of Credit

On July 12, 2017, the Organization received an unsecured promissory note from an institution to refinance an existing line of credit. The Organization can borrow up to \$1,250,000. The Organization extended this line of credit to July 1, 2027, when all outstanding principal and interest will be due. The interest rate is the Prime Rate minus fifty (50) basis points. The balance of the loan was \$1,000,000 and \$500,000 as of June 30, 2025 and 2024, respectively.

Food Hub Building Loan

On March 21, 2023, NYSRFH executed a building loan agreement delivered under and pursuant to the terms described within the loan agreement with an original available draw limit of \$15,513,200. On August 29, 2024, the 4<sup>th</sup> amendment (the "Amendment") of the building loan agreement resulted in the execution of the 2<sup>nd</sup> building loan agreement ("Building Loan") as of the same date. The Building Loan has been further amended and has a maturity date of November 1, 2026 and an available draw limit of \$18,278,720. The interest rate is the Prime Rate minus fifty (50) basis points. The balance of the loan was \$9,820,399 and \$8,728,148 as of June 30, 2025 and 2024, respectively.

Contingency Line

On March 2, 2021, NYSRFH executed a contingency line agreement delivered under and pursuant to the terms described within the agreement with an original available draw limit of \$2,700,000 and an original maturity date of May 1, 2024. The Amendment resulted in the amended and restated contingency line agreement ("Contingency Line") as of the same date and has an available draw limit of \$3,275,000 and has been further amended to have a maturity date of November 1, 2026. The balance of the Contingency Line was \$466,799 and \$718,422 as of June 30, 2025 and 2024, respectively.

**COUNCIL ON THE ENVIRONMENT, INC. D/B/A GROWNVC AND AFFILIATES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
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7. Notes payable and line of credit (continued)

Project Loan

On March 21, 2023, NYSRFH executed a project loan agreement delivered under and pursuant to the terms described within the loan agreement with an original available draw limit of \$28,800. The Amendment of the project loan agreement resulted in the execution of a 2<sup>nd</sup> project loan agreement (“Project Loan”) as of the same date. The Project Loan has been further amended and has a maturity date of November 1, 2026 and an available draw limit of \$1,371,312. The balance of the Project Loan was \$693,914 and \$28,800 as of June 30, 2025 and 2024, respectively.

Food Hub QLICI Loans

On March 2, 2021, NYSRFH used the proceeds from a source loan agreement of the same date to make a leverage loan (“Leverage Loan”) for \$21,862,500 to the New Market Tax Credit Investment Fund (“Investment Fund”). The Investment Fund merged Leverage Loan proceeds with an outside equity investment to pay a \$30,000,000 Qualified Equity Investment (“QEI”) to the Community Development Entity (“CDE”) associated with the Food Hub project. After withholding fees, the CDE issued three QLICI loans totaling \$29,400,000 to the Food Hub QALICB. Each of the QLICI loans has a maturity date of March 1, 2051, and an interest rate of 1%. The Organization is required to make quarterly payments of interest only through May 1, 2028. Commencing June 1, 2028, payments of interest and principal are due quarterly through March 1, 2051. As of both June 30, 2025 and 2024 the balance of the loan was \$29,400,000.

Proceeds from the QLICI loans were used to pay closing costs, reimburse project-related costs incurred prior to closing, and deposited into a special disbursement account to reimburse future costs incurred by NYSRFH during Food Hub construction. The Leverage Loan and the QLICI loans are repaid on an interest-only basis for the initial seven years. The financing structure for Food Hub construction is such that Leverage Loan interest payments received by NYSRFH are sufficient to offset interest payments due on the QLICI loans. The Food Hub QALICB is required to remain active for a minimum period of seven years, after which there is an option that the remaining interest of the tax credit investor is acquired by GrowNYC and it is anticipated that GrowNYC would then be in control of the entities involved in the NMTC transaction and could collapse the QALICB financing structure.

Repayment of any outstanding debt at the end of the Food Hub construction would be funded by government grant reimbursements applicable to Food Hub construction, private donations restricted for this purpose, net operating income of the newly opened Food Hub, and unrestricted general operating funds of GrowNYC.

Interest expense on the General Operating Line of Credit was \$293,609 and \$56,409 for the years ended June 30, 2025 and 2024, respectively. Interest incurred on construction loans between March 2, 2021 and March 31, 2025, has been capitalized into CIP. Amortization and expense recognition of CIP interest began on April 1, 2025 as the Food Hub facility was substantially complete and ready for intended use.

**COUNCIL ON THE ENVIRONMENT, INC. D/B/A GROWNYC AND AFFILIATES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
June 30, 2025 and 2024

7. Notes payable and line of credit (continued)

Future minimum principal maturities of the loans over each of the next five years and thereafter are as follows:

Year ending June 30:

2026	\$	-
2027		10,981,112
2028		1,562,500
2029		810,001
2030		870,000
Thereafter		<u>27,157,499</u>
Total		<u>\$ 41,381,112</u>

8. Leases

Ground lease

Pursuant to the Agreement of Lease dated March 2, 2021 (the “Ground Lease”) between NYSRFH and The City of New York (the “Landlord”), the Landlord has agreed to lease a parcel of land located in New York, New York to NYSRFH for the purpose of developing, constructing, and operating the wholesale food distribution hub. The term of the lease is 39 years, with the option to renew for one additional term of 9 years. The base rent of the site has not yet commenced as of June 30, 2025 and is in accordance with the schedule within the lease agreement. Additionally, the Ground Lease allows for rental reductions whereby the base rent is reduced due to the achievement of sales to low-income communities, as defined in the Ground Lease, originating in or upon any portion of leased property.

Approximate future minimum payments under this lease, if the base rent is not reduced as discussed above, for each of the fiscal years subsequent to June 30, 2025 and thereafter, are as follows:

2026	\$	500,000
2027		500,000
2028		500,000
2029		500,000
2030		500,000
Thereafter		<u>24,950,362</u>
Total		<u>\$ 27,450,362</u>

Operating leases

In accordance with an Assignment, Assumption, Consent and Amendment Agreement dated January 1, 2024 (the “Assignment”), GrowNYC was assigned as the tenant in the lease of a warehouse building located in the Bronx that it had previously subleased for the purpose of food storage and distribution in connection with the Wholesale program. The maturity date of the warehouse lease under the Assignment was October 31, 2024. The Assignment contained one additional five-month renewal option expiring March 31, 2025 that was not exercised.

GrowNYC entered into a 60-month equipment lease that is classified as an operating lease on May 22, 2025. Lease payments are \$830 per month and began on June 11, 2025.

**COUNCIL ON THE ENVIRONMENT, INC. D/B/A GROWNYC AND AFFILIATES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
June 30, 2025 and 2024

8. Leases (continued)

Operating leases (continued)

The balances for operating leases are presented as follows on the consolidated statement of financial position as of June 30:

	2025	2024
Operating lease right-of-use asset	\$ 44,491	\$ 59,701
Operating lease liability	\$ 44,491	\$ 76,397

Lease expense for the operating leases on the consolidated statement of functional expenses consists of the following for the year ended June 30:

	2025	2024
Operating lease expense:	\$ 60,801	\$ 179,916

The weighted-average remaining lease term for the operating equipment lease approximated 59 months and the weighted-average discount rate approximated 4.02% as of June 30, 2025.

The operating equipment lease did not provide an implicit rate of return and the Organization used its risk-free rate based on information available at the lease commencement date in determining the present value of lease payments.

As of June 30, 2025, the maturities of the future operating lease liability are summarized as follows:

2026	\$ 9,954
2027	9,954
2028	9,954
2029	9,954
2030	9,125
Total minimum lease payments	48,941
Less: interest	(4,450)
Present value of lease obligations	\$ 44,491

Finance leases

In January 2025, GrowNYC entered into two 60-month equipment leases that are classified as finance leases. Total finance lease payments equal \$1,322 per month and began in May 2025.

The balances for finance leases are presented as follows on the consolidated statement of financial position as of June 30:

	2025	2024
Finance lease right-of-use assets	\$ 69,487	\$ -
Finance lease liability	\$ 69,715	\$ -

**COUNCIL ON THE ENVIRONMENT, INC. D/B/A GROWNYC AND AFFILIATES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
June 30, 2025 and 2024

8. Leases (continued)

Finance leases (continued)

Lease expense for the finance leases on the consolidated statement of functional expenses consists of the following for the year ended June 30:

	2025	2024
Amortization of leased assets	\$ 2,396	\$ -
Interest on lease liabilities	\$ 477	\$ -

The weighted-average remaining lease term for the finance equipment leases approximated 58 months and the weighted-average discount rate approximated 4.09% as of June 30, 2025.

The finance equipment leases did not provide an implicit rate of return and the Organization used its risk-free rate based on information available at the lease commencement date in determining the present value of lease payments.

As of June 30, 2025, the maturities of the future finance lease liabilities are summarized as follows:

2026	\$	15,867
2027		15,867
2028		15,867
2029		15,867
2030		13,222
Total minimum lease payments		76,690
Less: interest		(6,975)
Present value of lease obligations	\$	69,715

Space and equipment rental

The Organization pays license and permit fees for use of City property in the operation of Greenmarkets and Farmstands.

Space rental expense amounted to \$733,699 and \$574,242 for the years ended June 30, 2025 and 2024, respectively.

Equipment lease and rentals expense amounted to \$237,366 and \$336,782 for the years ended June 30, 2025 and 2024, respectively.

**COUNCIL ON THE ENVIRONMENT, INC. D/B/A GROWNYC AND AFFILIATES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
June 30, 2025 and 2024

9. Net assets with donor restrictions

Net assets with donor restrictions were available for the following purposes as of June 30:

	<u>2025</u>	<u>2024</u>
Purpose restriction		
Food Access and Agriculture	\$ 1,128,578	\$ 718,948
Wholesale	242,274	-
Green Space	1,206,524	1,376,543
Zero Waste	3,358,154	53,267
Education	559,153	552,017
NYS Regional Food Hub LLC	75,000	1,075,000
Time restriction:		
For periods after June 30, 2025 and 2024	904,060	297,500
Purpose and time restriction:		
Zero Waste	-	3,585,000
Education	82,000	40,000
Food Access and Agriculture	350,000	-
	<u>\$ 7,905,743</u>	<u>\$ 7,698,275</u>

Net assets with donor restrictions were released by incurring expenses satisfying the restricted purposes specified by the donors or the passage of time during the years ended June 30, as follows:

	<u>2025</u>	<u>2024</u>
Food Access and Agriculture	\$ 1,674,734	\$ 1,302,826
Wholesale	2,432,801	1,024,596
Green Space	1,031,925	1,151,048
Zero Waste	290,112	2,898,646
Education	1,178,666	3,293,143
NYS Regional Food Hub LLC	2,359,899	2,988,902
Supporting services	502,154	426,548
	<u>\$ 9,470,291</u>	<u>\$ 13,085,709</u>

10. Board designated funds

The Organization had no donor-restricted permanent endowment funds subject to the appropriation provisions of the New York Prudent Management of Institutional Funds Act (“NYPMIFA”) as of June 30, 2025 and 2024. The Organization maintains a board designated investment fund, board designated operating reserve fund, and board designated emergency fund. However, such board designated endowment funds are not subject to the appropriate disclosure provisions of NYPMIFA.

**COUNCIL ON THE ENVIRONMENT, INC. D/B/A GROWNYC AND AFFILIATES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
June 30, 2025 and 2024

10. Board designated funds (continued)

The Organization's investment policy is to invest primarily in a mix of equities, fixed income securities and money market mutual funds based on an asset allocation to satisfy its overall financial and investment objectives, such as to preserve the principal, protect against inflation, receive stable returns and achieve long term growth. The Organization 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).

Changes in endowment net assets for the year ended June 30 2025, were as follows:

	Board Designated Investment Fund	Board Designated Operating Reserve Fund	Board Designated Emergency Fund	Total
Board designated net assets, beginning of year	\$3,118,902	\$518,106	\$ -	\$3,637,008
Investment activity:				
Interest and dividends	92,149	20,226	-	112,375
Realized gains(losses)	3,619	-	-	3,619
Unrealized gains(losses)	195,529	-	-	195,529
Fees and other expenses	(14,584)	-	-	(14,584)
Transfer (to) from operations	(173,737)	-	1,845,777	1,672,040
Change in board designated net assets	102,976	20,226	1,845,777	1,968,979
Board designated net assets, end of year	\$3,221,878	\$538,332	\$1,845,777	\$5,605,987

Changes in endowment net assets for the year ended June 30, 2024, were as follows:

	Board Designated Investment Fund	Board Designated Operating Reserve Fund	Total
Board designated net assets, beginning of year	\$2,943,595	\$509,586	\$3,453,181
Investment activity:			
Interest and dividends	97,104	8,520	105,624
Realized gains(losses)	766	-	766
Unrealized gains(losses)	275,314	-	275,314
Fees and other expenses	(15,833)	-	(15,833)
Transfer to operations	(182,044)	-	(182,044)
Change in board designated net assets	175,307	8,520	183,827
Board designated net assets, end of year	\$3,118,902	\$518,106	\$3,637,008

**COUNCIL ON THE ENVIRONMENT, INC. D/B/A GROWNVC AND AFFILIATES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
 June 30, 2025 and 2024

11. Contributed facilities, services, and assets

The Organization uses certain buildings owned by the City of New York without charge. The estimated fair rental value of the premises is reported as both revenue and expense in the period in which the premises are used. Contributed facilities amounted to \$672,595 for each of the years ended June 30, 2025 and 2024. During the years ended June 30, 2025 and 2024, the Organization also received pro bono legal services in the amount of \$367,192 and \$250,370, respectively, and this amount was also reported as both revenue and expense.

12. Retirement plan

The Organization maintains a profit-sharing plan with discretionary contributions paid to eligible employees who meet minimum age and length of service requirements. For the years ended June 30, 2025 and 2024, employer contributions amounted to \$259,635 (net of plan forfeitures of \$26,703) and \$342,605 (net of plan forfeitures of \$15,510), respectively. Participants in the plan vest as follows:

<u>Years of Service</u>	<u>Percentage</u>
2	20%
3	40%
4	60%
5	80%
6	100%

13. Commitments and contingencies

Contingencies for Future Audits by Governmental Funding Sources

Pursuant to the Organization's contractual relationships with certain governmental funding sources, governmental agencies have the right to examine the Organization's books and records involving transactions relating to these contracts. The accompanying consolidated financial statements make no provision for possible disallowances. Although such possible disallowances could be substantial in amount, in the opinion of management, any actual disallowances would be immaterial.

Contingency for Retail, Wholesale and Department Store Union

On April 25, 2023, GrowNYC management was presented with a letter asking for employees in certain programs within GrowNYC to be represented by the Retail, Wholesale and Department Store Union (RWDSU). On May 16, 2023, an independent arbiter counted votes from union-eligible staff and determined that a majority of eligible employees had voted to join the union. Upon vote certification, GrowNYC recognized RWDSU as the legal representative of those eligible employees. A union contract was ratified on August 15, 2025 and management does not anticipate a substantial financial impact that would require a contingency based on the terms of the three-year contract.

**COUNCIL ON THE ENVIRONMENT, INC. D/B/A GROWNYC AND AFFILIATES**  
**CONSOLIDATING STATEMENTS OF FINANCIAL POSITION**  
As of June 30, 2025 and 2024

	As of June 30, 2025					As of June 30, 2024				
	GrowNYC	New York State Regional Food Hub LLC	Food Hub QALICB, Inc.	Consolidating Eliminations	Consolidated	GrowNYC	New York State Regional Food Hub LLC	Food Hub QALICB, Inc.	Consolidating Eliminations	Consolidated
<b>ASSETS</b>										
Cash and cash equivalents, unrestricted	\$ 5,243,032	\$ 103,915	\$ -	\$ -	\$ 5,346,947	\$ 1,109,989	\$ 75,660	\$ -	\$ -	\$ 1,185,649
Restricted cash: token redemption	576,287	-	-	-	576,287	666,978	-	-	-	666,978
Restricted cash: construction-related reserve	-	-	459,294	-	459,294	-	-	620,266	-	620,266
Investments, at fair value	2,895,615	-	-	-	2,895,615	2,619,526	-	-	-	2,619,526
Government grants receivable	5,483,219	5,439,118	-	-	10,922,337	4,988,770	5,989,861	-	-	10,978,631
Accounts receivable - participant rental fees, net	442,472	-	-	-	442,472	456,887	-	-	-	456,887
Accounts receivable - sales, net	1,140,289	-	-	-	1,140,289	1,374,241	-	-	-	1,374,241
Accounts receivable - other fees, net	54,468	-	-	-	54,468	305,123	-	-	-	305,123
Contributions receivable	1,218,959	-	-	-	1,218,959	3,358,400	-	-	-	3,358,400
Prepaid expenses, deposits and other assets	483,698	47,296	-	-	530,994	746,882	64,795	-	-	811,677
Note receivable: NMTC Investment Fund	-	21,862,500	-	-	21,862,500	-	21,862,500	-	-	21,862,500
Due from NYSRFH	4,435,948	-	-	(4,435,948)	-	3,349,046	-	(3,349,046)	-	-
Due from QALICB	-	21,778,726	-	(21,778,726)	-	-	21,902,768	-	(21,902,768)	-
Operating lease right-of-use asset	44,491	-	-	-	44,491	59,701	-	-	-	59,701
Finance lease right-of-use asset	69,487	-	-	-	69,487	-	-	-	-	-
Property and equipment, net	513,972	2,805,064	50,236,722	-	53,555,758	543,430	-	50,695,217	-	51,238,647
<b>TOTAL ASSETS</b>	<u>\$ 22,601,937</u>	<u>\$ 52,036,619</u>	<u>\$ 50,696,016</u>	<u>\$ (26,214,674)</u>	<u>\$ 99,119,898</u>	<u>\$ 19,578,973</u>	<u>\$ 49,895,584</u>	<u>\$ 51,315,483</u>	<u>\$ (25,251,814)</u>	<u>\$ 95,538,226</u>
<b>LIABILITIES</b>										
Accounts payable and accrued expenses	\$ 2,436,735	\$ 403,738	\$ -	\$ -	\$ 2,840,473	\$ 2,175,308	\$ 1,856,216	\$ -	\$ -	\$ 4,031,524
Accrued farmers' token redemption	969,597	-	-	-	969,597	887,567	-	-	-	887,567
Due to GrowNYC	-	4,435,948	-	(4,435,948)	-	-	3,349,046	-	(3,349,046)	-
Due to NYSRFH	-	-	21,778,726	(21,778,726)	-	-	-	21,902,768	(21,902,768)	-
Advance payments	340,906	-	-	-	340,906	287,065	-	-	-	287,065
Government grant advances	496,146	-	-	-	496,146	500,000	-	-	-	500,000
Operating lease right-of-use liability	44,491	-	-	-	44,491	76,397	-	-	-	76,397
Finance lease right-of-use liability	69,715	-	-	-	69,715	-	-	-	-	-
Note payable: construction	-	10,981,112	-	-	10,981,112	-	9,475,370	-	-	9,475,370
Note payable: QLICI loans	-	-	29,400,000	-	29,400,000	-	-	29,400,000	-	29,400,000
Note payable: general line of credit	1,000,000	-	-	-	1,000,000	500,000	-	-	-	500,000
<b>TOTAL LIABILITIES</b>	<u>5,357,590</u>	<u>15,820,798</u>	<u>51,178,726</u>	<u>(26,214,674)</u>	<u>46,142,440</u>	<u>4,426,337</u>	<u>14,680,632</u>	<u>51,302,768</u>	<u>(25,251,814)</u>	<u>45,157,923</u>
<b>COMMITMENTS AND CONTINGENCIES</b>										
<b>NET ASSETS</b>										
Without donor restrictions:										
Operations	3,293,645	33,335,757	(50,719,432)	-	(14,090,030)	4,348,923	33,796,811	(50,339,361)	-	(12,193,627)
Net investment in property and equipment	513,972	2,805,064	50,236,722	-	53,555,758	543,430	343,141	50,352,076	-	51,238,647
Board designated investment fund	3,221,878	-	-	-	3,221,878	3,118,902	-	-	-	3,118,902
Board designated operating reserve fund	538,332	-	-	-	538,332	518,106	-	-	-	518,106
Board designated emergency fund	1,845,777	-	-	-	1,845,777	-	-	-	-	-
Total without donor restrictions	<u>9,413,604</u>	<u>36,140,821</u>	<u>(482,710)</u>	<u>-</u>	<u>45,071,715</u>	<u>8,529,361</u>	<u>34,139,952</u>	<u>12,715</u>	<u>-</u>	<u>42,682,028</u>
With donor restrictions	7,830,743	75,000	-	-	7,905,743	6,623,275	1,075,000	-	-	7,698,275
<b>TOTAL NET ASSETS</b>	<u>17,244,347</u>	<u>36,215,821</u>	<u>(482,710)</u>	<u>-</u>	<u>52,977,458</u>	<u>15,152,636</u>	<u>35,214,952</u>	<u>12,715</u>	<u>-</u>	<u>50,380,303</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 22,601,937</u>	<u>\$ 52,036,619</u>	<u>\$ 50,696,016</u>	<u>\$ (26,214,674)</u>	<u>\$ 99,119,898</u>	<u>\$ 19,578,973</u>	<u>\$ 49,895,584</u>	<u>\$ 51,315,483</u>	<u>\$ (25,251,814)</u>	<u>\$ 95,538,226</u>

**COUNCIL ON THE ENVIRONMENT, INC. D/B/A GROWNYC AND AFFILIATES**  
**CONSOLIDATING STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	GrowNYC			New York State Regional Food Hub LLC			Food Hub QALICB, Inc.			Consolidated Total
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total	
<b>REVENUES AND SUPPORT:</b>										
Government grants	\$ -	\$ 4,474,587	\$ 4,474,587	\$ -	\$ 1,359,899	\$ 1,359,899	\$ -	\$ -	\$ -	\$ 5,834,486
Contributions - foundations	2,707,094	2,737,482	5,444,576	-	-	-	-	-	-	5,444,576
Contributions - individuals and corporations	1,064,695	1,105,791	2,170,486	-	-	-	-	-	-	2,170,486
Contributed facilities, services and assets	1,039,787	-	1,039,787	-	-	-	-	-	-	1,039,787
Greenmarket participant rental fees	5,831,551	-	5,831,551	-	-	-	-	-	-	5,831,551
Sales of wholesale produce, plants & grains	3,776,873	-	3,776,873	-	-	-	-	-	-	3,776,873
Other fees	306,296	-	306,296	-	-	-	-	-	-	306,296
Investment activity	482,621	-	482,621	-	-	-	4,029	-	4,029	486,650
Miscellaneous	179,533	-	179,533	293,971	-	293,971	-	-	-	473,504
Net assets released from restriction	7,110,392	(7,110,392)	-	2,359,899	(2,359,899)	-	-	-	-	-
<b>TOTAL REVENUES AND SUPPORT</b>	<b>22,498,842</b>	<b>1,207,468</b>	<b>23,706,310</b>	<b>2,653,870</b>	<b>(1,000,000)</b>	<b>1,653,870</b>	<b>4,029</b>	<b>-</b>	<b>4,029</b>	<b>25,364,209</b>
<b>EXPENSES:</b>										
Program Services:										
Food access and agriculture	6,435,349	-	6,435,349	-	-	-	-	-	-	6,435,349
Wholesale	6,575,639	-	6,575,639	-	-	-	-	-	-	6,575,639
Green Space	1,071,728	-	1,071,728	-	-	-	-	-	-	1,071,728
Zero Waste	419,600	-	419,600	-	-	-	-	-	-	419,600
Education	1,044,459	-	1,044,459	-	-	-	-	-	-	1,044,459
Project Farmhouse	112,767	-	112,767	-	-	-	-	-	-	112,767
New York State Regional Food Hub LLC	-	-	-	653,001	-	653,001	-	-	-	653,001
Food Hub QALICB, Inc.	-	-	-	-	-	-	499,454	-	499,454	499,454
Total Program Services	15,659,542	-	15,659,542	653,001	-	653,001	499,454	-	499,454	16,811,997
Supporting Services:										
Management and general	4,313,999	-	4,313,999	-	-	-	-	-	-	4,313,999
Fundraising	1,641,058	-	1,641,058	-	-	-	-	-	-	1,641,058
Total Supporting Services	5,955,057	-	5,955,057	-	-	-	-	-	-	5,955,057
<b>TOTAL EXPENSES</b>	<b>21,614,599</b>	<b>-</b>	<b>21,614,599</b>	<b>653,001</b>	<b>-</b>	<b>653,001</b>	<b>499,454</b>	<b>-</b>	<b>499,454</b>	<b>22,767,054</b>
<b>CHANGE IN NET ASSETS</b>	<b>884,243</b>	<b>1,207,468</b>	<b>2,091,711</b>	<b>2,000,869</b>	<b>(1,000,000)</b>	<b>1,000,869</b>	<b>(495,425)</b>	<b>-</b>	<b>(495,425)</b>	<b>2,597,155</b>
TOTAL NET ASSETS - BEGINNING OF YEAR	8,529,360	6,623,276	15,152,636	34,139,952	1,075,000	35,214,952	12,715	-	12,715	50,380,303
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 9,413,603</b>	<b>\$ 7,830,744</b>	<b>\$ 17,244,347</b>	<b>\$ 36,140,821</b>	<b>\$ 75,000</b>	<b>\$ 36,215,821</b>	<b>\$ (482,710)</b>	<b>\$ -</b>	<b>\$ (482,710)</b>	<b>\$ 52,977,458</b>

See Report of Independent Auditors.

**COUNCIL ON THE ENVIRONMENT, INC. D/B/A GROWNVC AND AFFILIATES**  
**CONSOLIDATING STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2024**

	GrowNYC			New York State Regional Food Hub LLC			Food Hub QALICB, Inc.			Consolidated Total
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total	
<b>REVENUES AND SUPPORT:</b>										
Government grants	\$ -	\$ 6,460,244	\$ 6,460,244	\$ -	\$ 2,913,902	\$ 2,913,902	\$ -	\$ -	\$ -	\$ 9,374,146
Contributions - foundations	1,473,520	2,218,350	3,691,870	-	-	-	-	-	-	3,691,870
Contributions - individuals and corporations	1,040,642	4,794,979	5,835,621	-	-	-	-	-	-	5,835,621
Contributed facilities, services and assets	922,965	-	922,965	-	-	-	-	-	-	922,965
Greenmarket participant rental fees	5,215,782	-	5,215,782	-	-	-	-	-	-	5,215,782
Sales of wholesale produce, plants & grains	4,636,758	-	4,636,758	-	-	-	-	-	-	4,636,758
Other fees	500,843	-	500,843	-	-	-	-	-	-	500,843
Investment activity	380,967	-	380,967	-	-	-	6,756	-	6,756	387,723
Miscellaneous	116,724	-	116,724	293,971	-	293,971	-	-	-	410,695
Net assets released from restriction	10,096,807	(10,096,807)	-	2,988,902	(2,988,902)	-	-	-	-	-
<b>TOTAL REVENUES AND SUPPORT</b>	<b>24,385,008</b>	<b>3,376,766</b>	<b>27,761,774</b>	<b>3,282,873</b>	<b>(75,000)</b>	<b>3,207,873</b>	<b>6,756</b>	<b>-</b>	<b>6,756</b>	<b>30,976,403</b>
<b>EXPENSES:</b>										
Program Services:										
Food access and agriculture	6,180,017	-	6,180,017	-	-	-	-	-	-	6,180,017
Wholesale	5,543,504	-	5,543,504	-	-	-	-	-	-	5,543,504
Green Space	1,246,680	-	1,246,680	-	-	-	-	-	-	1,246,680
Zero Waste	2,518,761	-	2,518,761	-	-	-	-	-	-	2,518,761
Education	3,193,233	-	3,193,233	-	-	-	-	-	-	3,193,233
Project Farmhouse	107,663	-	107,663	-	-	-	-	-	-	107,663
New York State Regional Food Hub LLC	-	-	-	106,669	-	106,669	-	-	-	106,669
Total Program Services	<b>18,789,858</b>	<b>-</b>	<b>18,789,858</b>	<b>106,669</b>	<b>-</b>	<b>106,669</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,896,527</b>
Supporting Services:										
Management and general	3,455,956	-	3,455,956	-	-	-	-	-	-	3,455,956
Fundraising	1,590,731	-	1,590,731	-	-	-	-	-	-	1,590,731
Total Supporting Services	<b>5,046,687</b>	<b>-</b>	<b>5,046,687</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,046,687</b>
<b>TOTAL EXPENSES</b>	<b>23,836,545</b>	<b>-</b>	<b>23,836,545</b>	<b>106,669</b>	<b>-</b>	<b>106,669</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23,943,214</b>
<b>CHANGE IN NET ASSETS</b>	<b>548,463</b>	<b>3,376,766</b>	<b>3,925,229</b>	<b>3,176,204</b>	<b>(75,000)</b>	<b>3,101,204</b>	<b>6,756</b>	<b>-</b>	<b>6,756</b>	<b>7,033,189</b>
TOTAL NET ASSETS - BEGINNING OF YEAR	7,980,897	3,246,510	11,227,407	30,963,748	1,150,000	32,113,748	5,959	-	5,959	43,347,114
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 8,529,360</b>	<b>\$ 6,623,276</b>	<b>\$ 15,152,636</b>	<b>\$ 34,139,952</b>	<b>\$ 1,075,000</b>	<b>\$ 35,214,952</b>	<b>\$ 12,715</b>	<b>\$ -</b>	<b>\$ 12,715</b>	<b>\$ 50,380,303</b>

See Report of Independent Auditors.