

Rockefeller Brothers Fund, Inc.

Financial Statements

December 31, 2024



Independent Auditors' Report

**The Board of Trustees
Rockefeller Brothers Fund, Inc.**

Opinion

We have audited the accompanying financial statements of Rockefeller Brothers Fund, Inc. (the "Fund"), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Fund as of December 31, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Fund's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Fund's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited the Fund's, 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated July 31, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023 is consistent, in all material respects, with the audited financial statements from which it has been derived.

PKF O'Connor Davies, LLP

August 7, 2025

Rockefeller Brothers Fund, Inc.

Statement of Financial Position December 31, 2024 (with summarized totals at December 31, 2023)

	Principal Fund	Pocantico Fund	Pocantico II Fund	Richard Rockefeller Fellowship Fund	David Rockefeller Global Development Fund	David Rockefeller Creative Arts Center	2024 RBF Funds	2023 RBF Funds
ASSETS								
Cash and cash equivalents	\$ 7,294,986	\$ 500	\$ -	\$ -	\$ -	\$ -	\$ 7,295,486	\$ 4,053,289
Accounts receivable and other assets	4,635,053	90,428	13,280	1,470	8,484	2,000	4,750,715	3,311,997
Contributions receivable	-	-	-	-	-	250,000	250,000	2,275,000
Investments	946,378,982	90,076,781	30,205,438	859,909	295,445,095	51,165	1,363,017,370	1,357,723,552
Program-related investment – real estate	510,000	-	-	-	-	-	510,000	510,000
Loan receivable	108,698	-	-	-	-	-	108,698	228,698
Property and equipment, net	184,143	11,549,309	2,056,597	-	20,511	24,014,015	37,824,575	34,669,545
Right of use asset - operating lease	5,233,171	-	-	-	-	-	5,233,171	-
Interfund	13,653,167	(25,357,708)	6,202,494	4,588,194	12,499,221	(11,585,368)	-	-
	<u>\$ 977,998,200</u>	<u>\$ 76,359,310</u>	<u>\$ 38,477,809</u>	<u>\$ 5,449,573</u>	<u>\$ 307,973,311</u>	<u>\$ 12,731,812</u>	<u>\$ 1,418,990,015</u>	<u>\$ 1,402,772,081</u>
LIABILITIES AND NET ASSETS								
Liabilities								
Accrued expenses and other liabilities	\$ 322,791	\$ 3,184,958	\$ 341,351	\$ -	\$ 29,020	\$ 590,950	\$ 4,469,070	\$ 2,600,779
Grants payable	19,197,570	-	-	1,000,000	4,090,872	-	24,288,442	23,295,220
Taxes payable	4,145,786	597,973	40,658	3,502	252,136	-	5,040,055	4,867,930
Accrued pension and postretirement benefits	5,164,300	1,307,006	-	-	-	-	6,471,306	6,981,980
Lease liability	5,233,171	-	-	-	-	-	5,233,171	-
Total Liabilities	<u>34,063,618</u>	<u>5,089,937</u>	<u>382,009</u>	<u>1,003,502</u>	<u>4,372,028</u>	<u>590,950</u>	<u>45,502,044</u>	<u>37,745,909</u>
Net Assets								
Without donor restrictions	<u>941,321,619</u>	<u>71,269,373</u>	<u>-</u>	<u>-</u>	<u>(4,103)</u>	<u>-</u>	<u>1,012,586,889</u>	<u>1,004,117,123</u>
With Donor Restrictions								
Purpose restricted	2,612,963	-	27,947,323	4,446,071	303,605,386	12,140,862	350,752,605	350,760,572
Perpetual	-	-	10,148,477	-	-	-	10,148,477	10,148,477
Total Net Assets With Donor Restrictions	<u>2,612,963</u>	<u>-</u>	<u>38,095,800</u>	<u>4,446,071</u>	<u>303,605,386</u>	<u>12,140,862</u>	<u>360,901,082</u>	<u>360,909,049</u>
Total Net Assets	<u>943,934,582</u>	<u>71,269,373</u>	<u>38,095,800</u>	<u>4,446,071</u>	<u>303,601,283</u>	<u>12,140,862</u>	<u>1,373,487,971</u>	<u>1,365,026,172</u>
	<u>\$ 977,998,200</u>	<u>\$ 76,359,310</u>	<u>\$ 38,477,809</u>	<u>\$ 5,449,573</u>	<u>\$ 307,973,311</u>	<u>\$ 12,731,812</u>	<u>\$ 1,418,990,015</u>	<u>\$ 1,402,772,081</u>

See notes to financial statements

Rockefeller Brothers Fund, Inc.

Statement of Activities Year Ended December 31, 2024 (with summarized totals for the year ended December 31, 2023)

	Principal Fund	Pocantico Fund	Pocantico II Fund	Richard Rockefeller Fellowship Fund	David Rockefeller Global Development Fund	David Rockefeller Creative Arts Center	2024 RBF Funds	2023 RBF Funds
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS								
Support and Revenue								
Investment Return								
Investment income	\$ 5,378,497	\$ 356,854	\$ -	\$ -	\$ -	\$ -	\$ 5,735,351	\$ 6,214,956
Net realized and unrealized gain on investments	66,234,068	4,394,988	-	-	-	-	70,629,056	94,537,014
Less: investment expenses	<u>(3,169,616)</u>	<u>(210,321)</u>	-	-	-	-	<u>(3,379,937)</u>	<u>(3,354,059)</u>
Investment Return	68,442,949	4,541,521	-	-	-	-	72,984,470	97,397,911
Contributions	-	1,000	-	-	-	-	1,000	-
Other income	731,977	-	-	-	-	-	731,977	64,187
Net assets released from restrictions	<u>2,464,000</u>	<u>15,000</u>	<u>1,624,130</u>	<u>1,500,738</u>	<u>16,189,322</u>	<u>2,299,377</u>	<u>24,092,567</u>	<u>20,780,384</u>
Total Support and Revenue	<u>71,638,926</u>	<u>4,557,521</u>	<u>1,624,130</u>	<u>1,500,738</u>	<u>16,189,322</u>	<u>2,299,377</u>	<u>97,810,014</u>	<u>118,242,482</u>
Expenses								
Direct charitable activities	979,892	6,474,235	1,554,685	-	273,822	2,063,782	11,346,416	10,024,949
Program and grant management	53,539,049	-	-	1,500,000	14,232,703	-	69,271,752	63,871,637
General management and taxes	<u>6,705,258</u>	<u>501,012</u>	<u>69,445</u>	<u>738</u>	<u>1,686,900</u>	<u>235,595</u>	<u>9,198,948</u>	<u>9,342,610</u>
Total Expenses	<u>61,224,199</u>	<u>6,975,247</u>	<u>1,624,130</u>	<u>1,500,738</u>	<u>16,193,425</u>	<u>2,299,377</u>	<u>89,817,116</u>	<u>83,239,196</u>
Amounts not yet recognized as a component of net periodic benefit (cost)								
	<u>461,274</u>	<u>17,612</u>	-	-	-	-	<u>478,886</u>	<u>(56,587)</u>
Increase (Decrease) in Net Assets Without Donor Restrictions	<u>10,876,001</u>	<u>(2,400,114)</u>	-	-	<u>(4,103)</u>	-	<u>8,471,784</u>	<u>34,946,699</u>
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS								
Support and Revenue								
Investment Return								
Investment income	-	-	196,307	31,957	1,645,786	1,253	1,875,303	1,992,277
Net realized and unrealized gain on investments	-	-	2,417,713	393,581	20,269,423	-	23,080,717	30,511,947
Less: investment expenses	<u>-</u>	<u>-</u>	<u>(115,699)</u>	<u>(18,835)</u>	<u>(969,989)</u>	<u>-</u>	<u>(1,104,523)</u>	<u>(1,082,527)</u>
Investment Return	-	-	2,498,321	406,703	20,945,220	1,253	23,851,497	31,421,697
Contributions	-	-	-	11,500	-	219,585	231,085	6,576,000
Net assets released from restrictions	<u>(2,464,000)</u>	<u>(15,000)</u>	<u>(1,624,130)</u>	<u>(1,500,738)</u>	<u>(16,189,322)</u>	<u>(2,299,377)</u>	<u>(24,092,567)</u>	<u>(20,780,384)</u>
(Decrease) Increase in Net Assets With Donor Restrictions	<u>(2,464,000)</u>	<u>(15,000)</u>	<u>874,191</u>	<u>(1,082,535)</u>	<u>4,755,898</u>	<u>(2,078,539)</u>	<u>(9,985)</u>	<u>17,217,313</u>
Increase (Decrease) in Net Assets	8,412,001	(2,415,114)	874,191	(1,082,535)	4,751,795	(2,078,539)	8,461,799	52,164,012
NET ASSETS								
Beginning of year	<u>935,522,581</u>	<u>73,684,487</u>	<u>37,221,609</u>	<u>5,528,606</u>	<u>298,849,488</u>	<u>14,219,401</u>	<u>1,365,026,172</u>	<u>1,312,862,160</u>
End of year	<u>\$ 943,934,582</u>	<u>\$ 71,269,373</u>	<u>\$ 38,095,800</u>	<u>\$ 4,446,071</u>	<u>\$ 303,601,283</u>	<u>\$ 12,140,862</u>	<u>\$ 1,373,487,971</u>	<u>\$ 1,365,026,172</u>

See notes to financial statements

Rockefeller Brothers Fund, Inc.

Statement of Functional Expenses

Year Ended December 31, 2024

(with summarized totals for the year ended December 31, 2023)

	Direct Charitable Activities				Subtotal	Program and Grant Management	General Management and Taxes ¹	2024 RBF Funds	2023 RBF Funds
	General Programs	Pocantico Fund	Pocantico II Fund	David Rockefeller Creative Arts Center					
Salaries and Employee Benefits:									
Salaries	\$ 432,724	\$ 882,371	\$ -	\$ 49,075	\$ 1,364,170	\$ 3,528,307	\$ 3,664,546	\$ 8,557,023	\$ 8,253,121
Employee benefits and development	163,798	370,805	-	9,738	544,341	1,401,271	1,436,816	3,382,428	3,097,425
	596,522	1,253,176	-	58,813	1,908,511	4,929,578	5,101,362	11,939,451	11,350,546
Other Expenses:									
Grants awarded	-	-	-	-	-	61,424,824	-	61,424,824	56,073,582
Federal excise and other taxes	-	-	-	-	-	-	733,792	733,792	992,488
Consultant fees	-	176,809	2,963	10,248	190,020	570,935	1,213,103	1,974,058	2,492,525
Legal, audit and professional fees	-	64,483	-	-	64,483	76,345	540,151	680,979	881,170
Travel	66,573	17,432	-	-	84,005	923,393	133,795	1,141,193	839,056
Lease and electricity	20,419	137,984	25,588	56,617	240,608	392,834	353,258	986,700	955,242
Net periodic benefit costs, other than service costs	11,065	29,805	-	-	40,870	87,578	94,905	223,353	160,743
Program conferences and events	467,851	-	-	219,000	686,851	-	-	686,851	660,230
Facilities maintenance and operations	-	3,800,023	1,332,412	344,819	5,477,254	-	-	5,477,254	4,736,201
Telephone, facsimile and internet	1,501	35,877	446	-	37,824	32,293	31,878	101,995	89,460
Temporary staffing and related expenses	1,261	-	-	-	1,261	38,082	26,448	65,791	80,455
Insurance	6,636	213,430	58,619	53,325	332,010	99,773	167,784	599,567	561,789
General office expenses	63,504	95,323	18,739	24,802	202,368	445,176	386,326	1,033,870	1,108,977
Communications	16,623	-	-	-	16,623	224,490	50,036	291,149	85,554
Depreciation and amortization	1,759	649,893	115,918	1,296,158	2,063,728	26,451	366,110	2,456,289	2,171,178
	<u>\$ 1,253,714</u>	<u>\$ 6,474,235</u>	<u>\$ 1,554,685</u>	<u>\$ 2,063,782</u>	<u>\$ 11,346,416</u>	<u>\$ 69,271,752</u>	<u>\$ 9,198,948</u>	<u>\$ 89,817,116</u>	<u>\$ 83,239,196</u>

¹ Includes indirect costs related to investment management of approximately \$792,000.

Rockefeller Brothers Fund, Inc.

Statement of Cash Flows Year Ended December 31, 2024 (with comparative amounts for the year ended December 31, 2023)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 8,461,799	\$ 52,164,012
Adjustments to reconcile change in net assets to net cash from operating activities		
Net realized and unrealized gain on investments	(93,709,773)	(125,048,961)
Amount not yet recognized as a component of net periodic benefit cost	(478,886)	56,587
Depreciation and amortization	2,456,289	2,171,178
Deferred federal excise tax	171,265	610,034
Changes in operating assets and liabilities:		
Accounts receivable and other assets	(1,438,718)	1,028,890
Contributions receivable	2,025,000	(1,831,500)
Accrued expenses and other liabilities	1,868,291	(685,428)
Grants payable	993,222	(16,997)
Taxes payable	860	-
Accrued pension and postretirement benefits	(31,788)	141,841
Net Cash from Operating Activities	(79,682,439)	(71,410,344)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales of investments	862,896,751	659,293,005
Purchases of investments	(774,480,796)	(584,138,339)
Purchases of property and equipment	(5,611,319)	(3,359,437)
Payments on loan receivable	120,000	120,000
Net Cash from Investing Activities	82,924,636	71,915,229
Net Change in Cash and Cash Equivalents	3,242,197	504,885
CASH AND CASH EQUIVALENTS		
Beginning of year	4,053,289	3,548,404
End of year	\$ 7,295,486	\$ 4,053,289
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid for other taxes	\$ 1,141,912	\$ 2,536,900
Operating right-of-use asset obtained in exchange for operating lease liability	\$ 5,708,612	\$ -

See notes to financial statements

Rockefeller Brothers Fund, Inc.

Notes to Financial Statements
December 31, 2024

1. Organization and Purpose

Rockefeller Brothers Fund, Inc. (the “Fund”) is a not-for-profit, charitable corporation existing under the New York State not-for-profit corporation law and is classified as a private foundation as defined in the Internal Revenue Code (the “Code”). The Fund is dedicated to advancing social change that contributes to a more just, sustainable, and peaceful world. The Fund’s grantmaking is organized around three global themes: Democratic Practice, Peacebuilding, and Sustainable Development, and the Fund pursues these interests in a variety of geographic contexts, with specific focus in the areas of New York City, China, and Western Balkans. Effective November 15, 2017, the Fund registered under the supervision of the Ministry of Ecology and Environment of the People’s Republic of China (formerly the Ministry of Environmental Protection) and operates an office in Beijing.

In addition to the Principal Fund which supports the Fund’s core programs and operations, the Fund has the following special-purpose funds that have been established by either the Fund’s board of trustees or from donor-restricted contributions.

Pocantico Fund – For the preservation, maintenance, and operation of the Pocantico Historic Area at Pocantico Hills, New York, which includes the Pocantico Center, a venue for conferences and meetings on critical issues related to the Fund’s mission, and a community resource offering public access through a visitation program, lectures, and cultural events, as well as support to artists and art organizations in the greater New York City area.

Pocantico II Fund – For the perpetual maintenance of the Playhouse parcel at the Pocantico Historic Area.

Richard Rockefeller Fellowship Fund (“RRFF”) – To commemorate the life and philanthropic leadership of Richard Rockefeller, and support promising, young Chinese men and women who plan to make a significant commitment to the development of philanthropy in China.

David Rockefeller Global Development Fund (“DRGDF”) – For the purposes of developing, supporting, and funding grants and projects focusing on various global initiatives which may include health, poverty, sustainable development, democratic governance, and finance, trade and the economy, in alignment with the Fund’s programmatic mission.

David Rockefeller Creative Arts Center (“DR Center”), opened in fall 2022 and is a sustainable and inclusive home for the creative process at the Pocantico Center, where artists and the community come together to develop, present, and experience new works of performing, literary, and visual arts. The DR Center includes a gallery, performance space, and flexible artists’ studios, housed in John D. Rockefeller’s historic Orangerie, which was bequeathed to the National Trust for Historic Preservation in 1979 by Nelson Rockefeller.

Rockefeller Brothers Fund, Inc.

Notes to Financial Statements
December 31, 2024

1. Organization and Purpose *(continued)*

The Fund is exempt from federal income tax under Section 501(c)(3) of the Code and has been classified as a “private foundation.” Provision has been made for the current and deferred federal excise taxes on realized net investment income and unrealized appreciation.

2. Summary of Significant Accounting Policies

Basis of Presentation and Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates. Significant estimates made by management in the preparation of the financial statements include fair value of alternative investments, pension and other post-retirement benefits and depreciation and amortization. Management believes that the estimates utilized in preparing these financial statements are reasonable and appropriate.

Net Asset Presentation

Resources for various purposes are classified for accounting and reporting purposes into net asset categories established according to nature and purpose as follows:

Without donor restrictions – consist of resources available for the general support of the Fund’s operations. Net assets without donor restrictions may be used at the discretion of the Fund’s management and board of trustees.

With donor restrictions – represent amounts restricted by donors to be used for specific activities or at some future date, or which require the Fund to maintain in perpetuity, the income of which can be used for specific or general purposes. When a donor restriction expires, that is, when a time restriction ends or a purpose restriction is fulfilled, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Income and gains earned on endowment fund investments are available to be used in the “with donor restrictions” or “without donor restrictions” net asset classes based upon stipulations by the donors.

Cash and Cash Equivalents

The Fund considers all highly liquid debt instruments purchased with maturities of three months or less to be cash equivalents, except for those managed by the investment managers as part of its long-term investment strategy.

Rockefeller Brothers Fund, Inc.

Notes to Financial Statements
December 31, 2024

2. Summary of Significant Accounting Policies *(continued)*

Accounts Receivable and Allowance for Credit Losses

Accounts receivable represent receivables outstanding from affiliated organizations. As of December 31, 2024 and 2023, the Fund determined that an allowance for credit losses for receivables was not necessary. All accounts receivable are expected to be collected within one year. As of December 31, 2024, 2023, and 2022, accounts receivable outstanding were \$2,317,247, \$1,535,077, and \$2,054,837, respectively.

Fair Value Measurement

Fair value is defined as the exchange price that would be received to sell an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. U.S. GAAP has established a fair value hierarchy, which uses the following three levels of inputs to measure fair value:

- Level 1: Quoted prices or published net asset value for those alternative investments with characteristics similar to a mutual fund in active markets for identical assets or liabilities.
- Level 2: Observable inputs other than Level 1 prices for similar assets or liabilities; prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the asset or liabilities.

Rockefeller Brothers Fund, Inc.

Notes to Financial Statements
December 31, 2024

2. Summary of Significant Accounting Policies *(continued)*

Fair Value Measurement (continued)

Fair value estimates are made at a specific point in time, based on available market information and judgments about the financial asset, including estimates of timing, amount of expected future cash flows, and the credit standing of the issuer. In some cases, the fair value estimates cannot be substantiated by comparison to independent markets. In addition, the disclosed fair value may not be realized in the immediate settlement of the financial asset and do not reflect any premium or discount that could result from offering for sale at one time an entire holding of a particular financial asset. Potential taxes and other expenses that would be incurred in an actual sale or settlement are not reflected in the amounts disclosed.

Pursuant to U.S. GAAP, alternative investments where fair value is measured using the Net Asset Value (“NAV”) per share as a practical expedient are not characterized within the fair value hierarchy.

Investments

Investments in marketable securities are carried at quoted market prices and alternative investments with characteristics similar to a mutual fund are carried at published net asset value. Unrealized gains or losses are determined using quoted market prices at the respective statement of financial position dates. Security costs are determined on a first-in, first-out basis. Investments are recorded on a trade-date basis.

The Fund follows the provisions of Accounting Standards Codification (“ASC”) 820-10-35-59, *Measuring the Fair Value of Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)* (“ASC 820-10-35-59”), to estimate fair value of certain investments in funds that do not have readily determinable fair values, including private investments, hedge funds, real estate, and other funds. ASC 820-10-35-59 allows for the estimation of the fair value of investments in investment companies for which the investment does not have a readily determinable fair value using net asset value per share or its equivalent, as a practical expedient, as provided by the investment managers.

Investments in alternative investments that are not readily marketable are reported in the financial statements based upon the underlying net asset value (or partner’s capital) of each investment, which is estimated at fair value by the fund managers or general partners. The Fund reviews and evaluates the values provided by the fund managers and general partners, and agrees with the valuation methods and assumptions used in determining the fair value of the underlying net assets (or partner’s capital).

Investments of the Principal Fund, Pocantico Fund, Pocantico II Fund, Richard Rockefeller Fellowship Fund, and David Rockefeller Global Development Fund are pooled; interest and dividend income and realized and unrealized gains or losses are allocated to each fund using the unitized investment method.

Rockefeller Brothers Fund, Inc.

Notes to Financial Statements
December 31, 2024

2. Summary of Significant Accounting Policies *(continued)*

Derivatives

The Fund records derivatives at fair value. The fair value of futures contracts is reflected in investments and the fair value of equities is shown as an asset in the statement of financial position. Derivatives contain varying degrees of risk whereby changes in fair value of the securities underlying the financial instruments or the cost of satisfying the Fund's obligations may exceed the amount recognized in the statement of financial position. Changes in the fair value of derivatives, are included in the statement of activities as part of the unrealized gain on investments.

Investment Income Recognition

Interest income is recorded on the accrual basis and dividends are recorded on the ex-dividend date. Realized gains and losses on the sale of investments are computed on the specific identification basis. Realized and unrealized gains and losses are included in the determination of the change in net assets.

Investment Expenses

Investment expenses on the statement of activities consists of fees paid directly to the Fund's investment managers and custodians. Indirect investment expenses included in the statement of functional expenses consist primarily of legal and professional fees and personnel costs attributable to the oversight of and accounting for the Fund's investment portfolio.

Accounting for Uncertainty in Income Taxes

The Fund follows the provisions of ASC Subtopic 740-10, *Accounting for Income Taxes*, which addresses the accounting for uncertainties in income taxes recognized in an organization's financial statements and prescribes a threshold of more likely than not for recognition and derecognition of tax positions taken or expected to be taken in a tax return. ASC Subtopic 740-10 also provides related guidance on measurement, classification, interest and penalties, and disclosures. The Fund has concluded that there were no uncertainties to disclose. The Fund is no longer subject to examinations by the applicable taxing jurisdictions for periods prior to December 31, 2021.

Property and Equipment

The Fund capitalizes property and equipment, which include leasehold and other improvements, office and other equipment, and computer equipment and software. Depreciation and amortization of property and equipment are provided over the following estimated useful service lives: leasehold and other improvements – shorter of useful life of the asset or term of lease; office and other equipment – seven years; computer equipment – four years; and computer software – three years (note 5).

Rockefeller Brothers Fund, Inc.

Notes to Financial Statements
December 31, 2024

2. Summary of Significant Accounting Policies *(continued)*

Collections

The Fund has a small collection of art and historic collectibles, including paintings, sculptures, tapestries and carriages. The collection is maintained under the care of the Fund and is held for public exhibition and education in furtherance of public service, rather than for financial gain. The Fund does not anticipate selling these items and, therefore, does not include either the cost or the value of its collection in the statement of financial position, nor does it recognize gifts of collection items as revenues in the statement of activities. Since items acquired for the collection by purchase are not capitalized, the cost of those acquisitions is reported as decreases in net assets in the statement of activities.

Grants Payable

Grants are recorded at the time of approval by either the president or the executive vice president for programs and communications as delegated by the board of trustees and notification to the recipient (Note 10).

Recognition of Contributions and Promises to Give

Contributions, including unconditional promises to give, are recognized in the period received and are considered to be available for any use unless specifically restricted by the donor. Contributions to be received after one year are discounted to present value of future cash flows at a risk-adjusted rate. Contributions receivable at December 31, 2024 and 2023 were not discounted as they are expected to be collected within 12 months of year-end. The Fund evaluates collectability of promises to give in determining the necessary provision for doubtful collection. No such provision has been made as of December 31, 2024 and 2023.

Functional Expenses

The Fund reports expenses on a functional basis, with all expenses charged either to a particular program or supporting service. Direct charitable activities and program and grant management comprise the Fund's program-related expenses and general management and taxes comprises the supporting activity expenses. Within general management and taxes are expenses related to investment management. Direct charitable activities include technical assistance provided to other charitable organizations, service of Fund staff on boards and committees of such organizations, and the costs of certain program-related projects undertaken directly by the Fund rather than through grants, including stewardship of the Pocantico Historic Area and activities at The Pocantico Center. Overhead expenses, including rent and electricity, telephone, and insurance, are allocated to functional areas based upon space used or actual usage, if specifically identifiable. The allocation of salary and related expenses for management and supervision of program service functions is made by management based on the estimated time spent by staff in the various program service functions.

Rockefeller Brothers Fund, Inc.

Notes to Financial Statements
December 31, 2024

2. Summary of Significant Accounting Policies *(continued)*

Leases

The Fund determines if an arrangement is or contains a lease at inception. Leases are included in right-of-use (“ROU”) assets and lease liability in the statement of financial position. The ROU assets represent the Fund’s right to use underlying assets for the lease term, and the lease liabilities represent the Fund’s obligation to make lease payments arising from these leases. The ROU assets and lease liability, all of which arise from operating leases, were calculated based on the present value of future lease payments over the lease terms. The Fund has made an accounting policy election to use a risk-free rate in lieu of its incremental borrowing rate to discount future lease payments. Operating lease expense is recognized on a straight-line basis over the lease term. The Fund does not report ROU assets and lease liability for its short-term leases (leases with a term of 12 months or less). Instead, the lease payments of those leases are reported as occupancy expense on a straight-line basis over the lease term.

The Fund has lease agreements with lease and non-lease components, which are generally accounted for separately. Variable lease components in these leases are recognized in operating expenses in the period in which obligation is incurred.

Concentration of Credit Risk

Financial instruments that potentially subject the Fund to significant concentrations of credit risk consist principally of cash and cash equivalents, investments and receivables. The Fund’s cash is maintained in bank accounts which, at times, may exceed federally insured limits. The Fund has not experienced any losses on its cash deposits. Investments are managed by a professional investment management firm that had been engaged to serve as the Fund’s Outsourced Chief Investment Office (“OCIO”) and are monitored by the Fund’s management and Investment Committee. The Fund believes no significant concentration of credit risk exist with respect to its receivables due to historical collections and experience.

Prior Yearly Summarized Comparative Information

The amounts shown for the year ended December 31, 2023 in the accompanying financial statements are included to provide a basis for comparison with 2024 only. Accordingly, the 2023 totals are not intended to present all information necessary for a complete presentation in accordance with U.S. GAAP and should be read in conjunction with the Fund’s 2023 financial statements.

Subsequent Events

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is August 7, 2025.

Rockefeller Brothers Fund, Inc.

Notes to Financial Statements December 31, 2024

3. Investments

The following table presents the Fund's fair value hierarchy for those investments measured at fair value as of December 31:

	2024		
	Investments		
	Level 1	Valued Using NAV (*)	Total
Equity securities - U.S.	\$ 14,417,168	\$ -	\$ 14,417,168
Equity securities - Global	111,037,079	-	111,037,079
Fixed income securities	29,565,229	-	29,565,229
Exchange traded fund	77,607,155	-	77,607,155
Hedge Funds			
Equity (see "a" below)	-	430,568,528	430,568,528
Fixed income (see "b" below)	-	104,767,464	104,767,464
Insurance linked (see "c" below)	-	797,230	797,230
Multi-strategy (see "d" below)	-	62,492,611	62,492,611
Capital structure arbitrage (see "e" below)	-	26,572,928	26,572,928
Real estate (see "f" below)	-	29,650,108	29,650,108
Private equity funds (see "g" below)	-	458,787,591	458,787,591
Total Investments at Fair Value	<u>\$ 232,626,631</u>	<u>\$ 1,113,636,460</u>	1,346,263,091
Cash and equivalents			16,754,279
Total Investments			<u>\$ 1,363,017,370</u>
	2023		
	Investments		
	Level 1	Valued Using NAV (*)	Total
Equity securities - U.S.	\$ 13,902,197	\$ -	\$ 13,902,197
Equity securities - Global	118,597,508	-	118,597,508
Fixed income securities	39,226,054	-	39,226,054
Exchange traded fund	81,275,649	-	81,275,649
Hedge Funds			
Equity (see "a" below)	-	474,606,245	474,606,245
Fixed income (see "b" below)	-	68,922,806	68,922,806
Insurance linked (see "c" below)	-	1,177,189	1,177,189
Multi-strategy (see "d" below)	-	89,670,081	89,670,081
Capital structure arbitrage (see "e" below)	-	27,372,264	27,372,264
Real estate (see "f" below)	-	24,058,740	24,058,740
Private equity funds (see "g" below)	-	411,379,019	411,379,019
Total Investments at Fair Value	<u>\$ 253,001,408</u>	<u>\$ 1,097,186,344</u>	1,350,187,752
Cash and equivalents			7,535,800
Total Investments			<u>\$ 1,357,723,552</u>

Rockefeller Brothers Fund, Inc.

Notes to Financial Statements
December 31, 2024

3. Investments (*continued*)

(*) As discussed in note 2, investments that are measured using the practical expedient are not classified within the fair value hierarchy.

- (a) This class includes hedge funds that invest in both long and short positions in primarily U.S. common stocks, comingled long-only funds that invest primarily in equity securities with certain redemption restrictions, and other hedge funds exposed primarily to equity risk factors. Management of the hedge funds has the ability to shift investments based on capitalization, sectors, and regions.
- (b) This class includes hedge funds and comingled long-only funds with certain redemption restrictions that invest in fixed income and currency markets.
- (c) This class includes a hedge fund which underwrites a global portfolio of reinsurance and retrocessional contracts on a semi-annual basis to coincide with the major renewal dates in the property catastrophe reinsurance market.
- (d) This class includes a hedge funds that combines distinct but complementary strategies, including convertible and capital structure arbitrage, direct investments, credit relative value, merger and event-driven arbitrage, long short equity and volatility trading, each executed by a dedicated portfolio manager and team. This class also includes investments in private and public companies primarily via convertible bonds and preferred equity securities designed to have a combination of fixed income-like downside features, coupon payments, and a potential for equity upside via conversion features and/or associated warrants.
- (e) This class includes a hedge fund that specializes in identifying relative value opportunities in US-listed corporate capital structures and sovereign debt securities. The strategy employs a variety of fundamental and quantitative techniques and will trade in equity, corporate bond, convertible bond, and derivative securities.
- (f) This class includes public and private equity funds that invest primarily in commercial real estate. At December 31, 2024 and 2023, there were approximately \$125,218,000 and \$27,772,000, respectively, of unfunded commitments in relation to these funds.
- (g) This class includes private equity funds that invest primarily in private equity markets. At December 31, 2024 and 2023, there were approximately \$94,698,000 and \$179,135,000, respectively, of unfunded commitments in relation to these funds.

Rockefeller Brothers Fund, Inc.

Notes to Financial Statements December 31, 2024

3. Investments *(continued)*

The Fund had no investments categorized as Level 2 or 3 in 2024 or 2023. The Fund had no significant transfers between Level 1, Level 2, and Level 3 for the years ended December 31, 2024 and 2023.

Included in the Fund's investment portfolio at December 31 are redeemable investment assets (excluding cash and cash equivalents and investment-related receivables) based on the following terms and conditions:

	2024	2023
Daily, with no notice	\$ 232,626,631	\$ 253,001,407
Daily, with 10 days notice	13,767,778	16,240,186
Twice monthly, with 5 days notice	13,049,590	15,133,159
Monthly, with 5 days notice	27,669,003	26,597,437
Monthly, with 30 days notice	32,875,959	63,659,908
Monthly, with 60 days notice	-	6,179,742
Quarterly, with 30 days notice	81,589,590	84,859,376
Quarterly, with 60 days notice	64,687,139	38,287,187
Quarterly, with 90 days notice	104,801,122	103,183,408
Redemption of 12.5% quarterly, with 45 days notice	13,633,852	20,936,603
Redemption of 12.5% quarterly, with 65 days notice	28,303,801	35,261,653
Redemption of 25% quarterly, with 30 days notice	59,244,225	81,963,280
Redemption of 25% quarterly, with 45 days notice	19,790,195	18,104,958
Redemption of 25% quarterly, with 60 days notice	26,572,928	27,372,264
Redemption of 25% quarterly, with 90 days notice	31,744,082	23,431,663
Annually, with 90 days notice	56,960	129,373
Redemption of 25% semi-annually, with 90 days notice	41,152,948	47,508,174
Redemption of 50% semi-annual, with 60 days notice	23,200,256	19,865,387
Semi-annually on 3/31 and 10/31, with 60 days notice	797,230	1,177,189
Redemption of 50% every 2 years on anniversary date, with 105 days notice	13,584,733	14,020,331
	\$ 829,148,022	\$ 896,912,685

Rockefeller Brothers Fund, Inc.

Notes to Financial Statements
December 31, 2024

3. Investments (continued)

The nonredeemable alternative investment funds included in the Fund's investment portfolio at December 31, 2024 have the following estimated remaining lives:

2025-2029	\$ 306,274,703
2030-2040	<u>210,840,366</u>
	<u>\$ 517,115,069</u>

Financial instruments such as those described above involve, to varying degrees, elements of market risk and credit risk in excess of the amounts recorded on the statement of financial position. Market risk represents the potential loss the Fund faces due to the decrease in the value of financial instruments. Credit risk represents the maximum potential loss the Fund faces due to possible nonperformance by obligors and counterparties of the terms of their contracts.

Derivative Financial Instruments ("Derivatives") used by the Fund are contracts that derive their value from changes in values of underlying securities, typically, stocks, bonds or other assets. The Fund directly invests in futures in equities.

The Fund's assets include the initial margin and unrealized gains and losses of the derivative contracts purchased and sold by the Fund. Fair values of the Fund's derivative financial instruments generally are determined by quoted market prices.

The full market risk and credit risk of derivative financial instruments are associated with their underlying contract amounts or "notional values" in addition to their fair values. Market risk represents potential loss from the decrease in the value of these financial instruments. Credit risk represents potential loss from possible nonperformance by the counterparties of their contracts.

Upon entering into a derivative contract, the Fund deposits and maintains as collateral such initial margin as required by the exchange on which the transaction is traded. Pursuant to the contract, the Fund is to receive from, or pay to, the broker an amount of cash equal to the daily fluctuation in the value of the contract, also known as the variation margin. The Fund records daily fluctuations in the variation margin account as realized gains and losses. At December 31, 2024, \$6,133 was on deposit with the brokers as collateral for margin requirements related to the future positions, which is included in investments as investment cash. At December 31, 2024, the notional derivative amount of the contract was \$39,769,525.

Rockefeller Brothers Fund, Inc.

Notes to Financial Statements
December 31, 2024

3. Investments *(continued)*

The following table identifies the fair value amounts of derivative instruments included in the statement of financial position, categorized by primary underlying risk, at December 31, 2024. The following table also identifies the net gain and loss amounts included in net realized gain and unrealized appreciation on investments in the statements of activities, categorized by primary underlying risk for the years ended December 31, 2024:

Primary underlying risk	Amount of unrealized loss	Amount of realized gain	Number of contracts	Assets	Liabilities
Equity Futures	\$ (1,714)	\$ 2	134	\$ -	\$ (1,714)

The equity futures are classified as Level 1 within the equity securities – U.S. classification in the fair value hierarchy as of December 31, 2024. There were no futures in 2023.

4. Liquidity and Availability

The following reflects the Fund's financial assets as of December 31, 2024 and 2023, reduced by amounts not available for general use within one year, due to contractual or donor-imposed restrictions, plus expenditures appropriated from the endowment in accordance with the annual budget approval. The amounts classified as board designated could be made available, if necessary.

Financial assets available to meet cash needs for general expenditure within one year as of December 31, are as follows:

	2024	2023
Financial Assets		
Cash and cash equivalents	\$ 7,295,487	\$ 4,053,289
Accounts receivable	4,076,551	2,451,454
Contributions receivable	250,000	2,275,000
Investments	1,363,017,370	1,357,723,552
Loan receivable	108,698	120,000
Total Financial Assets	<u>1,374,748,106</u>	<u>1,366,623,295</u>
Less:		
Donor-imposed Restrictions		
Donor restricted endowment funds	(10,148,477)	(10,148,477)
Other donor restrictions	(326,508,174)	(323,723,350)
Endowment fund appropriations for following year	<u>87,309,462</u>	<u>79,770,500</u>
	<u>(249,347,189)</u>	<u>(254,101,327)</u>
Board designated endowment funds	<u>(1,039,335,868)</u>	<u>(1,033,278,293)</u>
Financial Assets Available to Meet Cash Needs for General Expenditure Within One Year	<u>\$ 86,065,049</u>	<u>\$ 79,243,675</u>

Rockefeller Brothers Fund, Inc.

Notes to Financial Statements
December 31, 2024

4. Liquidity and Availability (*continued*)

As part of the Fund's liquidity management strategy, the Fund has designated its OCIO, with oversight by the Fund's Investment Committee and management, to structure its financial assets to be available as its grant payments and other general liabilities come due. Under the mandate of the Fund's Investment Policy Statement, at least 30% of the Fund's investment portfolio net assets will be held in vehicles utilizing lockups of 12 months or less. As a general rule, at least 60% of the investment portfolio's net assets will be held in vehicles utilizing lockups of 60 months or shorter, recognizing that private partnership cash flows are unpredictable. Within the Fund's managed investment portfolio, a separate cash account is maintained at the Fund's custodian bank, and used to facilitate capital calls on investments, investment income and capital distributions, investment management fees, and other withdrawals necessary to meet the Fund's cash requirements for grants and operating expenses. Recurring cash withdrawals from the managed investment portfolio are coordinated on a monthly basis, based on the Fund's annual cash flow projections for grants and administrative expenses as driven by the Fund's annual board approved budget. Cash requirements for other withdrawals associated with the Fund's investments are managed by the Fund's OCIO, as part of their investment management agreement with the Fund.

The Fund's endowment funds consist of funds designated by the board as endowment and donor-restricted endowments. Income from donor-restricted endowments is restricted for specific purposes, with the exception of amounts available for general expenditure.

The Fund's board designated endowment of \$1,039,335,868 at December 31, 2024 is subject to an annual spending policy as described in Note 6. Although the Fund does not intend to spend from the board-designated endowment, other than amounts appropriated for general expenditure as part of the annual budget approval and appropriation, these amounts could be made available if necessary.

5. Property and Equipment

Property and equipment at December 31 are summarized as follows:

	<u>2024</u>	<u>2023</u>
Office and other equipment	\$ 3,025,069	\$ 2,945,202
Computer equipment	2,352,668	2,300,249
Computer software	568,951	568,952
Leasehold and other improvements	73,806,789	68,327,754
Automobiles	<u>82,408</u>	<u>82,409</u>
	79,835,885	74,224,566
Accumulated depreciation and amortization	<u>(42,011,310)</u>	<u>(39,555,021)</u>
Property and equipment, net	<u>\$ 37,824,575</u>	<u>\$ 34,669,545</u>

Depreciation and amortization expense amounted to \$2,456,289 and \$2,171,178 for the years ended December 31, 2024 and 2023, respectively.

Rockefeller Brothers Fund, Inc.

Notes to Financial Statements
December 31, 2024

6. Endowment Funds

The Fund's endowment is comprised of board designated funds and funds with donor restriction for time or purpose, and donor restricted funds to be held perpetuity.

Board-designated Endowment

The board of trustees of the Fund has established special-purpose funds, which along with the Fund's Principal Fund (note 1), constitute the Fund's board-designated endowment. Included in this endowment as of December 31, 2024 and 2023, are net assets without donor restrictions which reflect the net assets of the Principal Fund and the Pocantico Fund.

Permanent Endowment

The Pocantico II Fund was established in 1999 through a pledge by one donor in the amount of \$8 million, for purposes of perpetual maintenance of the Playhouse Parcel at the Pocantico Historic Area, and includes both net assets with donor restrictions by purpose and net assets with donor restrictions in perpetuity. The portion of the Pocantico II Fund net assets with donor restrictions in perpetuity reflect matching grants of Rockefeller family members to the original \$8 million donor pledge, and includes net assets of \$10,148,477 as of December 31, 2024 and 2023, constituting the Fund's permanent endowment.

Endowment With Donor Restrictions

Included in the Fund's endowment with donor restrictions are the purpose restricted net assets of the Pocantico II Fund which reflect the original pledge, as well as income and appreciation earned on both the perpetual and purpose restricted portions. These endowment assets totaled \$24,651,892 and \$24,022,447 as of December 31, 2024 and 2023, respectively. In addition, the net assets of the Richard Rockefeller Fellowship Fund, the David Rockefeller Global Development Fund, which was established in 2017 through a bequest from the estate of David Rockefeller in the amount of \$250 million for purposes of developing, supporting, and funding grants and projects focusing on various global initiatives aligned with the Fund's mission, and the David Rockefeller Creative Arts Center, established in 2018 for the rehabilitation of the Orangerie building at the Pocantico Historic Area, constitute the Fund's endowment with donor restrictions, and amounted to \$326,508,174 and \$323,723,350 at December 31, 2024 and 2023, respectively.

The Fund's long-term spending and investment objectives are to preserve the real value of the endowment. In setting its annual spending policy, the Fund adopts a multifaceted process that involves reviewing the impact of past levels of spending, developing an approach that reduces year-to-year volatility in levels of spending, assessing the prospective minimum payout requirement for the budget year, evaluating current market positions and trends to formulate a reasonable projection of the following year's anticipated market value, and considering philanthropic priorities that may impact current thinking on spending. Using the information gathered from this process, the Fund develops a proposal for a financially responsible budget amount that meets both the Fund's minimum payout requirement and programmatic priorities.

Rockefeller Brothers Fund, Inc.

Notes to Financial Statements
December 31, 2024

6. Endowment Funds *(continued)*

Endowment With Donor Restrictions (continued)

The Fund monitors the impact of actual market trends during the year to assess if budget spending adjustments are needed.

The board of trustees of the Fund has interpreted the New York Prudent Management of Institutional Funds Act (“NYPMIFA”) as allowing the Fund to appropriate for expenditure or accumulate so much of an endowment fund as the Fund determines is prudent for the uses, benefits, purposes, and duration under which the endowment fund is established, subject to the intent of the donor as expressed in the gift instrument. Unless stated otherwise in the gift instrument, the assets in an endowment fund shall be donor-restricted assets until appropriated for expenditure by the board of trustees. The Fund has classified as perpetually restricted net assets (a) the original value of gifts donated to the permanent endowment; (b) the original value of subsequent gifts to the permanent endowment and (c) investment earnings added to the permanent endowment. The remaining portion of the donor-restricted endowment fund that is not classified in perpetually restricted net assets is classified as with donor restricted net assets (purpose or time) until those amounts are appropriated for expenditure by the Fund in a manner consistent with the standard of prudence prescribed by NYPMIFA.

The Fund had the following endowment-related activities for the years ended December 31, 2024 and 2023:

	Board-Designated Endowment Funds	With Donor Restrictions	With Donor Restrictions - Perpetuity	Total
Endowment net assets at December 31, 2022	\$ 998,698,506	\$310,109,531	\$ 10,148,477	\$1,318,956,514
Investment return	97,397,911	31,421,697	-	128,819,608
Contributions to endowment	-	876,000	-	876,000
Other	64,187	-	-	64,187
Amounts appropriated for expenditure	<u>(62,882,311)</u>	<u>(18,683,878)</u>	<u>-</u>	<u>(81,566,189)</u>
Endowment net assets at December 31, 2023	1,033,278,293	323,723,350	10,148,477	1,367,150,120
Investment return	72,984,470	23,851,497	-	96,835,967
Contributions to endowment	1,000	231,085	-	232,085
Other	731,977	-	-	731,977
Amounts appropriated for expenditure	<u>(67,659,872)</u>	<u>(21,297,758)</u>	<u>-</u>	<u>(88,957,630)</u>
Endowment net assets at December 31, 2024	<u>\$ 1,039,335,868</u>	<u>\$326,508,174</u>	<u>\$ 10,148,477</u>	<u>\$1,375,992,519</u>

Rockefeller Brothers Fund, Inc.

Notes to Financial Statements
December 31, 2024

7. Program-Related Investment

The Fund's program-related investment has limited or no marketability and represents real estate that has been leased rent-free to a not-for-profit organization under the terms of an agreement, which expires in the year 2056. At the expiration of the lease, the real estate will be surrendered to the landlord. This real estate is not held for sale and is therefore carried at a cost of \$510,000, and not depreciated.

8. Employee Savings and Investment Plan

The Fund sponsors a qualified defined contribution plan that covers eligible full-time employees of the Fund who have completed six consecutive months of service as indicated in the plan document. Plan contributions for the years ended December 31, 2024 and 2023 totaled approximately \$1,148,000 and \$1,074,000, respectively.

9. Postretirement Healthcare Benefits

The Fund provides certain healthcare benefits for retired employees. Substantially all of the Fund's employees may become eligible for these benefits if they reach age 55 while employed by the Fund and have accumulated at least five years of service. Such benefits are provided through an insurance company.

The following table sets forth the plan's status as of December 31:

	<u>2024</u>	<u>2023</u>
Accumulated benefit obligations/unfunded benefit obligations	\$ (6,471,306)	\$ (6,783,552)

The net periodic postretirement benefit cost included the following components as of December 31:

	<u>2024</u>	<u>2023</u>
Service cost	\$ 147,675	\$ 128,957
Interest cost	319,191	305,764
Amortization of unrecognized loss	<u>(95,838)</u>	<u>(145,021)</u>
Net Periodic Postretirement Benefit Cost	<u>\$ 371,028</u>	<u>\$ 289,700</u>

Actual retiree premiums paid by the Fund during 2024 and 2023 amounted to \$299,206 and \$251,470, respectively.

The discount rate assumed in determining the accumulated benefit obligation ("ABPO") was 5.50% in 2024 and 4.80% in 2023. The weighted average discount rates used in determining the period's benefit costs were 4.80% in 2024 and 5.00% in 2023. The five-year medical cost trend rate assumed in 2024 and 2023, were 7.00%, declining to 4.40%.

Rockefeller Brothers Fund, Inc.

Notes to Financial Statements
December 31, 2024

9. Postretirement Healthcare Benefits (continued)

The anticipated benefit payments for the next 10 years are as follows:

2025	\$ 352,000
2026	355,000
2027	366,000
2028	380,000
2029	400,000
2030-2034	<u>2,163,000</u>
	<u>\$ 4,016,000</u>

The accumulated amount not yet recognized as a component of net periodic benefit cost was \$2,100,752 and \$1,535,233 at December 31, 2024 and 2023, respectively.

10. Reconciliation of Grants Awarded

The following table reconciles grants awarded and grants paid during 2024 and 2023:

Grants payable, December 31, 2022	\$ 23,312,217
Grants awarded 2023	56,073,582
Grants paid 2023	<u>(56,090,579)</u>
Grants Payable December 31, 2023	23,295,220
Grants awarded 2024	61,424,824
Grants paid 2024	<u>(60,431,602)</u>
Grants Payable December 31, 2024	<u>\$ 24,288,442</u>

The Fund estimates that the grants payable balance will be paid as follows:

2025	\$ 21,593,442
2026	<u>2,695,000</u>
	<u>\$ 24,288,442</u>

The net present value of grants payable is not materially different from amounts committed to be paid.

Rockefeller Brothers Fund, Inc.

Notes to Financial Statements
December 31, 2024

11. Related-Party Transactions

The Fund was reimbursed for the cost of certain expenditures, which may include a proportionate share of direct and indirect compensation for accounting, human resource, and operations department staff, information technology services, occupancy, capital expenditures, employee benefits, and consultant and legal fees related to employee benefits issues from various related parties as presented in the following table for the years ended December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Rockefeller Archive Center	\$ 1,207,429	\$ 1,195,575
Rockefeller Family Fund	1,097,071	783,901
Asian Cultural Council	471,167	479,948
David Rockefeller Fund	315,899	271,667
	<u>\$ 3,091,566</u>	<u>\$ 2,731,091</u>

Asian Cultural Council (“ACC”)

The Fund has common board members with ACC. In addition to the reimbursements above, in 2020 the Fund executed an interest-free promissory note (the “note”) with ACC to fund its liabilities under its defined benefits pension plan for purposes of termination of the plan. As such, included in the statement of financial position as of December 31, 2024 and 2023 is a loan receivable in the amount of \$108,698 and \$228,698 due to the Fund from ACC. According to the original terms, the five-year note period concluded in 2025, and the final payment amount due to the Fund was paid in full by ACC in 2025.

Rockefeller Philanthropy Advisors (“RPA”)

During 2024, the Fund approved three grants to RPA: one in the amount of \$4,500,000 for its Trust for Civic Life project; one in the amount of \$900,000 for its Energy Transition Fund, and one in the amount of \$100,000 for its Youth Climate Justice Fund.

During 2023, the Fund approved five grants to RPA: one in the amount of \$975,000 for its Equation Campaign project; one in the amount of \$125,000 for its Youth Climate Justice Fund; one in the amount of \$250,000 for its Trust for Civic Infrastructure project; one in the amount of \$850,000 for its Energy Transition Fund; and one in the amount of \$60,000 for its Climate Nexus project.

Rockefeller Brothers Fund, Inc.

Notes to Financial Statements
December 31, 2024

11. Related-Party Transactions (*continued*)

Rockefeller Philanthropy Advisors (“RPA”) (*continued*)

During 2024 and 2023, RPA facilitated contributions to the Fund, directed by Rockefeller family members. In 2024 and 2023, contributions of \$11,500 and \$11,000, respectively, were designated to the RRFF.

National Trust for Historic Preservation in the United States (“NTHP”)

On September 20, 1991, the Fund entered into a formal arrangement with NTHP, whereby the Fund assumes the costs associated with maintenance and operations of the Pocantico Historic Area, including all utilities, real estate and other taxes, and impositions assessed against the property. In 2024 and 2023, these costs aggregated approximately \$5,477,000 and \$4,736,000, respectively. Under the same agreement, the Fund agreed to conduct a program of public visitation of the Pocantico Historic Area. Historic Hudson Valley was engaged by the Fund to operate this program on its behalf. The public visitation program commenced in April 1994, and the Fund renewed its agreement with the Historic Hudson Valley for one year through December 2025.

During 2018, ownership of Greenrock Corporation passed to NTHP, and Greenrock Corporation began to operate on a self-sustaining basis, in accordance with a Memorandum of Understanding between the Fund, NTHP, and David Rockefeller dated October 7, 2008. The Fund paid fees of approximately \$4,717,000 and \$4,151,000 in 2024 and 2023, respectively, for maintenance of the Pocantico properties to Greenrock Corporation.

On December 21, 2017, the Fund entered into an agreement with NTHP to cooperate in raising funds for the rehabilitation of the Orangerie building at the Pocantico Historic Area for use as the DR Center. During 2023, the Fund received approximately \$700,000 from NTHP for this purpose.

Other Related Parties

The Fund is invested in an equity hedge fund in which Rockefeller & Co., a related party, is an underlying investment manager. Of the Fund’s total investment in the equity hedge fund, the approximate value of the investment holdings managed by Rockefeller & Co. was \$8 million at December 31, 2024 and 2023.

During both 2024 and 2023, the Fund received \$219,000 and \$155,000, respectively, in support of the DR Center from an organization where a trustee of the Fund serves as an officer. In 2023, the Fund received a \$10,000 contribution from a Rockefeller family member in support of the DR Center.

Rockefeller Brothers Fund, Inc.

Notes to Financial Statements
December 31, 2024

12. Federal Taxes

As a private foundation, the Fund is assessed an excise tax under the Code. The provision for federal excise tax consists of a current provision on realized net investment income and a deferred provision on unrealized appreciation of investments.

The Fund's excise tax rate is calculated using a flat rate of 1.39%. Pursuant to U.S. GAAP, deferred federal excise taxes are provided based on the enacted rate that is expected to be effective when the deferred taxes are realized. The following table reconciles the Fund's current and deferred tax provisions for the years ended December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Current Tax		
Beginning of year receivable	\$ 905,867	\$ 966,442
Excise tax expense	(803,000)	(1,710,000)
Payments	930,000	1,950,000
Receipt of outstanding receivable amounts	-	(918,199)
Adjustment to prior year accrual for overpayment	726,437	617,624
Current Tax Receivable	<u>\$ 1,759,304</u>	<u>\$ 905,867</u>
Deferred Tax		
Beginning of year liability	\$ 4,867,930	\$ 4,257,896
Deferred expense adjustment	171,265	610,034
Deferred tax liability	<u>5,039,195</u>	<u>4,867,930</u>
Other tax expense adjustment	860	-
Taxes Payable	<u>\$ 5,040,055</u>	<u>\$ 4,867,930</u>
Statement of Financial Position Presentation		
Total Receivable, Included in Accounts Receivable and Other Assets	<u>\$ 1,759,304</u>	<u>\$ 905,867</u>
Total Liability (Taxes Payable)	<u>\$ 5,040,055</u>	<u>\$ 4,867,930</u>

13. Commitments

Rent Commitment

On January 1, 2009, the Fund entered into a lease agreement, and relocated its offices in June 2009. Portions of this space are occupied by affiliated nonprofits and approximately \$126,000 is reimbursed each year by these entities. Although no formal leases exist between these affiliated nonprofits, there are memorandums of understanding to evidence the details of the shared space and services. The term of the lease for this location expired on December 31, 2023 and the Fund entered into a new lease agreement with a commencement date of January 1, 2024. The term of the lease expires on December 31, 2028, and includes a 5 year renewal option that is reasonably expected to be exercised.

Rockefeller Brothers Fund, Inc.

Notes to Financial Statements
December 31, 2024

13. Commitments *(continued)*

The non-variable rent expense component for each of the years ended December 31, 2024 and 2023 amounted to \$685,878 and \$725,600. The variable rent expense component amounted to \$85,722 and \$49,286 for the years ended December 31, 2024 and 2023, respectively. Total cash paid for the years ended December 31, 2024 and 2023 amounted to \$771,600 and \$774,886, respectively.

The discount rate applied to calculate lease liabilities as of January 1, 2024, was 3.93%. The remaining lease term is 9 years.

The minimum future rental payments for the Fund under the lease agreement are as follows:

2025	\$ 689,030
2026	689,030
2027	689,030
2028	689,030
2029	689,030
Thereafter	<u>2,756,119</u>
Total undiscounted operating lease payments	6,201,269
Less: Present value discount	<u>(968,098)</u>
Present value of operating lease liabilities	<u>\$ 5,233,171</u>

NTHP Agreement

On September 20, 1991, the Fund entered into a formal arrangement with NTHP, whereby the Fund assumes the costs associated with maintenance and operations of the Pocantico Historic Area, including all utilities, real estate and other taxes, and impositions assessed against the property. There are no fixed costs associated with the agreement.

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