



## **Financial Statements**

*For the Years Ended December 31, 2011 and 2010*



**and  
Report Thereon**





## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of the  
Environmental Working Group

CONSULTING  
ACCOUNTING  
TECHNOLOGY

*Certified Public  
Accountants*

We have audited the accompanying statements of financial position of the Environmental Working Group (EWG) as of December 31, 2011 and 2010, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of EWG's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of EWG's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of EWG as of December 31, 2011 and 2010, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

**RAFFA, P.C.**

Washington, DC  
June 29, 2012

**ENVIRONMENTAL WORKING GROUP**  
**STATEMENTS OF FINANCIAL POSITION**  
December 31, 2011 and 2010

	2011	2010
<b>ASSETS</b>		
Current Assets		
Cash and cash equivalents	\$ 447,016	\$ 1,041,621
Short-term investments	13,979	16,952
Grants and contributions receivable, short-term	984,704	846,846
Due from affiliate	8,680	23,787
Accounts receivable	11,574	18,761
Prepaid expenses	108,240	73,717
Total Current Assets	1,574,193	2,021,684
Grants and contributions receivable, long-term	150,000	-
Long-term investments	1,670,676	1,715,471
Property and equipment, net	130,572	116,396
TOTAL ASSETS	\$ 3,525,441	\$ 3,853,551
<b>LIABILITIES AND NET ASSETS</b>		
Current Liabilities		
Accounts payable and accrued expenses	\$ 227,007	\$ 239,823
Current portion of deferred rent and leasehold allowance	1,428	1,428
Total Current Liabilities	228,435	241,251
Deferred rent and leasehold allowances	51,966	37,841
TOTAL LIABILITIES	280,401	279,092
Net Assets		
Unrestricted	908,689	1,878,591
Temporarily restricted	2,336,351	1,695,868
TOTAL NET ASSETS	3,245,040	3,574,459
TOTAL LIABILITIES AND NET ASSETS	\$ 3,525,441	\$ 3,853,551

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

**ENVIRONMENTAL WORKING GROUP**

**STATEMENTS OF ACTIVITIES**

For the Years Ended December 31, 2011 and 2010

	2011			2010		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
<b>REVENUE AND SUPPORT</b>						
Grants and contributions	\$ 3,353,217	\$ 2,487,558	\$ 5,840,775	\$ 2,800,975	\$ 2,675,200	\$ 5,476,175
In-kind contributions	124,991	-	124,991	145,415	-	145,415
Administrative and consulting fees	125,208	-	125,208	155,948	-	155,948
Investment income	5,866	-	5,866	6,596	-	6,596
Other income	2,499	-	2,499	3,522	-	3,522
Net assets released from restrictions:						
Satisfaction of program restrictions	1,802,075	(1,802,075)	-	2,871,938	(2,871,938)	-
Satisfaction of time restriction	45,000	(45,000)	-	-	-	-
<b>TOTAL REVENUE AND SUPPORT</b>	<b>5,458,856</b>	<b>640,483</b>	<b>6,099,339</b>	<b>5,984,394</b>	<b>(196,738)</b>	<b>5,787,656</b>
<b>EXPENSES</b>						
Program Services:						
Toxics and human health	2,175,038	-	2,175,038	2,540,703	-	2,540,703
Water and agriculture	2,488,007	-	2,488,007	1,956,017	-	1,956,017
Natural resources	508,644	-	508,644	249,685	-	249,685
Transportation	66,476	-	66,476	10,012	-	10,012
<b>Total Program Services</b>	<b>5,238,165</b>	<b>-</b>	<b>5,238,165</b>	<b>4,756,417</b>	<b>-</b>	<b>4,756,417</b>
Supporting Services:						
Fundraising - other	678,848	-	678,848	517,744	-	517,744
Administrative services	437,084	-	437,084	538,772	-	538,772
Fundraising - cost of direct benefit to donor	74,661	-	74,661	-	-	-
<b>TOTAL EXPENSES</b>	<b>6,428,758</b>	<b>-</b>	<b>6,428,758</b>	<b>5,812,933</b>	<b>-</b>	<b>5,812,933</b>
<b>CHANGE IN NET ASSETS</b>	<b>(969,902)</b>	<b>640,483</b>	<b>(329,419)</b>	<b>171,461</b>	<b>(196,738)</b>	<b>(25,277)</b>
<b>NET ASSETS, BEGINNING OF YEAR</b>	<b>1,878,591</b>	<b>1,695,868</b>	<b>3,574,459</b>	<b>1,707,130</b>	<b>1,892,606</b>	<b>3,599,736</b>
<b>NET ASSETS, END OF YEAR</b>	<b>\$ 908,689</b>	<b>\$ 2,336,351</b>	<b>\$ 3,245,040</b>	<b>\$ 1,878,591</b>	<b>\$ 1,695,868</b>	<b>\$ 3,574,459</b>

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

**ENVIRONMENTAL WORKING GROUP**

**STATEMENTS OF CASH FLOWS**

**For the Years Ended December 31, 2011 and 2010**

**Increase (Decrease) in Cash and Cash Equivalents**

	2011	2010
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ (329,419)	\$ (25,277)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Donated investments	(10,228)	-
Depreciation and amortization	46,490	40,852
Net realized and unrealized gains	(329)	(96)
Changes in assets and liabilities:		
Grants and contributions receivable	(287,858)	263,807
Due from affiliate	15,107	(2,575)
Accounts receivable	7,187	(12,759)
Prepaid expenses	(34,523)	(43,234)
Accounts payable and accrued expenses	(12,816)	39,071
Deferred rent and leasehold allowance	14,125	19,528
	<u>(592,264)</u>	<u>279,317</u>
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>		
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property and equipment	(60,666)	(30,270)
Proceeds from sales of investments	3,838,858	2,484,564
Purchases of investments	(3,780,533)	(2,719,262)
	<u>(2,341)</u>	<u>(264,968)</u>
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(594,605)	14,349
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>1,041,621</u>	<u>1,027,272</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 447,016</u>	<u>\$ 1,041,621</u>
<b>NONCASH INVESTING ACTIVITIES</b>		
Donated investments	<u>\$ 10,228</u>	<u>\$ -</u>

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

## **ENVIRONMENTAL WORKING GROUP**

### **NOTES TO FINANCIAL STATEMENTS**

**For the Years Ended December 31, 2011 and 2010**

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#### 1. Organization and Summary of Significant Accounting Policies

##### **Organization**

The Environmental Working Group (EWG) is a nonprofit environmental research organization whose mission is to improve public policy at the local, state and federal levels through scientific analysis of a wide range of environmental data and its impact on the local community. EWG's areas of emphasis include agriculture, air and water pollution, children's health, the public's right to know, and environmental issues. These activities are funded primarily through grants and contributions.

##### **Basis of Accounting**

EWG's financial statements have been prepared on the accrual basis of accounting. Accordingly, revenue is recognized when earned and expenses are recognized when the obligation is incurred.

##### **Cash and Cash Equivalents**

EWG considers all highly liquid investments with purchased maturities of three months or less to be cash equivalents, except for certificates of deposit that have maturities of three months or less, which are held for investment purposes.

##### **Investments**

Investments are composed of money market funds held for investment purposes, certificates of deposit, government bonds, and equities held for short- and long-term investment purposes, as intended by EWG's management. These investments are reported at fair value, which is 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.

##### **Fair Value of Financial Instruments**

Accounting Standards Codification (ASC) Topic 820, *Fair Value Measurements*, defines fair value, establishes a framework for measuring fair value in accordance with generally accepted accounting principles and requires disclosures about fair value measurements for assets and liabilities that are measured at fair value on a recurring basis. The ASC emphasizes that fair value is a market-based measurement, not an entity-specific measurement, and therefore, a fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability. As a basis for considering market participant assumptions in fair value measurements, the ASC established a fair value hierarchy based upon the transparency of the inputs to the valuation of an asset or liability. These inputs may be observable, whereby market participant assumptions are developed based on market data obtained from independent sources, and unobservable, whereby assumptions about market

## ENVIRONMENTAL WORKING GROUP

### NOTES TO FINANCIAL STATEMENTS

For the Years Ended December 31, 2011 and 2010

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1. Organization and Summary of Significant Accounting Policies (continued)

**Fair Value of Financial Instruments (continued)**

participant assumptions are developed by the reporting entity based on the best information available in the circumstances. The three levels of the fair value hierarchy are described as follows:

*Level 1* – Inputs based on quoted prices (unadjusted) in active markets for identical assets or liabilities accessible at the measurement date.

*Level 2* – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly, such as quoted prices for similar assets or liabilities in active markets.

*Level 3* – Unobservable inputs for the asset or liability, including the reporting entity's own assumptions in determining the fair value measurement.

As of December 31, 2011 and 2010, only EWG's investments, as described in Note 3 of these financial statements, were measured at fair value on a recurring basis.

**Property and Equipment and Related Depreciation and Amortization**

Computer equipment and furniture and equipment are stated at cost and are depreciated using the straight-line method over their estimated useful lives of two to five years, with no salvage value. Leasehold improvements are stated at cost and are amortized over the lesser of the life of the asset or the life of the lease. EWG capitalizes all expenditures for property and equipment that are more than \$1,000. Expenditures for major repairs and improvements are capitalized. Expenditures for minor repairs and maintenance costs are expensed when incurred. Upon the retirement or disposal of the assets, the cost and the accumulated depreciation or amortization is eliminated from the accounts and the resulting gain or loss is included in the accompanying statements of activities.

**Classification of Net Assets**

EWG's net assets are reported as follows:

- Unrestricted net assets represent the portion of expendable funds that are available for support of EWG's operations and amounts designated by the Board of Directors for special purposes. As of December 31, 2011 and 2010, the Board of Directors has designated \$1,670,676 and \$1,715,471, respectively, of unrestricted net assets as an operational reserve.
- Temporarily restricted net assets represent amounts that are specifically restricted by donors or grantors for various purposes or time periods.

Continued

## ENVIRONMENTAL WORKING GROUP

### NOTES TO FINANCIAL STATEMENTS

For the Years Ended December 31, 2011 and 2010

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1. Organization and Summary of Significant Accounting Policies (continued)

#### **Revenue Recognition**

EWG recognizes all unconditional contributed support in the period in which the commitment is made. Grants and contributions are considered unrestricted and available for general operations, unless specifically restricted by the donor. EWG reports grants and contributions of cash and other assets as temporarily restricted if they are received with donor stipulations that limit the use of the donated assets for a particular purpose or for a specific period of time. When the stipulated time restriction ends or the purpose of the restriction is met, the temporarily restricted net assets are reclassified to unrestricted net assets and reported in the accompanying statements of activities as net assets released from restrictions.

#### **In-Kind Contributions**

In-kind contributions are recognized as revenue and expense in the accompanying statements of activities at their estimated fair value at the date of donation.

#### **Functional Allocation of Expenses**

The costs of the various programs and other activities have been summarized on a functional basis in the accompanying statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

#### **Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

2. Grants and Contributions Receivable

As of December 31, 2011 and 2010, EWG has recognized grants and contributions receivable of \$1,134,704 and \$846,846, respectively, which are owed from various foundations and individual donors. All amounts are deemed fully collectible. Grants and contributions receivable consists of amounts due as follows as of December 31, 2011:

	<u>2011</u>	<u>2010</u>
Due in less than one year	\$ 984,704	\$ 846,846
Due in one to five years	<u>150,000</u>	<u>-</u>
Total Grants and Contributions Receivable	<u>\$ 1,134,704</u>	<u>\$ 846,846</u>

Continued



**ENVIRONMENTAL WORKING GROUP**

**NOTES TO FINANCIAL STATEMENTS**

**For the Years Ended December 31, 2011 and 2010**

3. Investments

EWG's investments, at fair value, consisted of the following:

	<u>2011</u>	<u>2010</u>
Money market funds	\$ 1,059,695	\$ 512,017
Certificates of deposit	624,960	947,326
Government bonds	-	266,637
Domestic equities (donated)	<u>-</u>	<u>6,443</u>
Total Investments	1,684,655	1,732,423
Less: Short-Term Investments	<u>(13,979)</u>	<u>(16,952)</u>
Total Long-Term Investments	<u>\$ 1,670,676</u>	<u>\$ 1,715,471</u>

Investment income is composed of the following for the years ended December 31, 2011 and 2010:

	<u>2011</u>	<u>2010</u>
Interest and dividends	\$ 5,537	\$ 6,500
Unrealized gains (losses)	329	(404)
Realized gains	<u>-</u>	<u>500</u>
Investment Income, Net	<u>\$ 5,866</u>	<u>\$ 6,596</u>

Included in interest and dividends income is the interest earned on cash and cash equivalents of \$893 and \$1,038 for the years ended December 31, 2011 and 2010, respectively.

The following table summarizes EWG's investments measured at fair value on a recurring basis as of December 31, 2011:

	<u>Fair Value</u>	Quoted Prices in Active Markets for Identical Assets/ Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)
Money market funds	\$ 1,059,695	\$ 1,059,695	\$ -
Certificates of deposit	<u>624,960</u>	<u>-</u>	<u>624,960</u>
Total	<u>\$ 1,684,655</u>	<u>\$ 1,059,695</u>	<u>\$ 624,960</u>

Continued

## ENVIRONMENTAL WORKING GROUP

### NOTES TO FINANCIAL STATEMENTS

For the Years Ended December 31, 2011 and 2010

#### 3. Investments (continued)

The following table summarizes EWG's investments measured at fair value on a recurring basis as of December 31, 2010:

	<u>Fair Value</u>	Quoted Prices in Active Markets for Identical Assets/ Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)
Certificates of deposit	\$ 947,326	\$ -	\$ 947,326
Money market funds	512,017	512,017	-
Government bonds	266,637	266,637	-
Domestic equities (donated)	<u>6,443</u>	<u>6,443</u>	<u>-</u>
Total	<u>\$ 1,732,423</u>	<u>\$ 785,097</u>	<u>\$ 947,326</u>

EWG used the following methods and significant assumptions to estimate fair value for assets recorded at fair value as of December 31, 2011 and 2010:

*Certificates of deposit* – Are valued at fair value by discounting the related cash flows based on current yields of similar instruments with comparable durations, considering the creditworthiness of the issuer.

*Money market funds* – The net asset value of funds held at year-end is provided by the administrator of the fund. The net asset value is based on the value of the underlying assets owned by the fund, minus its liabilities, and then divided by the number of shares outstanding. The net asset value of the money market funds is a quoted price in an active market.

*Government bonds* – Are valued using quoted prices in active markets.

*Domestic equities* – Are valued at quoted market prices for identical assets in active markets.

Continued

## ENVIRONMENTAL WORKING GROUP

### NOTES TO FINANCIAL STATEMENTS

For the Years Ended December 31, 2011 and 2010

#### 4. Property and Equipment

EWG held the following fixed assets as of December 31, 2011 and 2010:

	<u>2011</u>	<u>2010</u>
Furniture and equipment	\$ 126,653	\$ 123,489
Computer equipment	358,979	332,822
Leasehold improvements	258,377	253,782
Website cost	<u>26,750</u>	<u>-</u>
Total Property and Equipment	770,759	710,093
Less: Accumulated Depreciation and Amortization	<u>(640,187)</u>	<u>(593,697)</u>
Property and Equipment, Net	<u>\$ 130,572</u>	<u>\$ 116,396</u>

For the years ended December 31, 2011 and 2010, depreciation and amortization expense was \$46,490 and \$40,852, respectively.

#### 5. Commitments and Risks

##### **Office Space**

EWG leased office space under a noncancelable operating lease, which expired on June 30, 2009. On January 30, 2009, EWG entered into an agreement to extend its office space lease for an additional seven years and added additional office space. The lease commenced on August 1, 2009, and is scheduled to end on July 31, 2016. Under the terms of the office space lease, the base rent is \$21,842 per month and provides for 3% annual increases. On July 7, 2011, EWG entered into another office space lease agreement with the same landlord to lease additional office space. The additional office space lease commenced on September 1, 2011, and is scheduled to expire simultaneously with the old lease on July 31, 2016. The base rent under this new office space lease is \$5,072 per month and provides for 3% annual increases. Under generally accepted accounting principles (GAAP), lease incentives and scheduled rent increases over a lease term are recognized on a straight-line basis over the term of the lease. The difference between the GAAP rent expense and the required lease payments is reflected as deferred rent in the accompanying statements of financial position. The old office space lease also provided EWG with improvement allowances totaling \$85,000 for construction, alteration and improvements. As of December 31, 2009, EWG had used all of these allowances.

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## ENVIRONMENTAL WORKING GROUP

### NOTES TO FINANCIAL STATEMENTS

For the Years Ended December 31, 2011 and 2010

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5. Commitments and Risks (continued)

**Office Space (continued)**

EWG also leases office space in California and Iowa under noncancelable operating leases. On March 28, 2011, EWG renewed its office space lease in Iowa for a term of three years, which commenced on September 1, 2011. The California and Iowa office space leases expire in February 2014 and August 2014, respectively. The terms of the office space lease in California call for a base rent of \$3,686 per month and provides for fixed increases over the term of the office space lease. The office space lease in Iowa calls for fixed rental payments of \$1,770 through August 2011. The terms of the new office space lease in Iowa calls for a base rent of \$1,917 per month and provides for fixed increases over the term of the office space lease.

The total rent expense for all of the leases discussed above was \$406,596 and \$386,706 for the years ended December 31, 2011 and 2010, respectively.

As of December 31, 2011, the future minimum lease payments required under the noncancelable operating leases are as follows:

<u>For the Year Ended</u> <u>December 31,</u>	
2012	\$ 353,166
2013	363,704
2014	323,503
2015	307,646
2016	<u>182,562</u>
Total	<u>\$ 1,530,581</u>

**Concentration of Credit Risk**

EWG maintains its cash and cash equivalents with certain commercial financial institutions, which aggregate balance, at times, may exceed the Federal Deposit Insurance Corporation (FDIC) insured limit of \$250,000 per depositor per institution. As of December 31, 2011 and 2010, EWG had \$1,032,361 and \$1,054,071, respectively, composed of demand deposits and money market accounts, which exceeded the maximum limit insured by the FDIC by approximately \$526,476 and \$554,000, respectively. EWG monitors the creditworthiness of these institutions and has not experienced any credit losses on its cash and cash equivalents.

EWG also invests in various investment securities that are exposed to various risks, including market, interest rate and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of the investment securities will occur in the near term and such changes could materially affect the amounts reported in the financial statements.

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## ENVIRONMENTAL WORKING GROUP

### NOTES TO FINANCIAL STATEMENTS

For the Years Ended December 31, 2011 and 2010

#### 6. Temporarily Restricted Net Assets

As of December 31, 2011 and 2010, temporarily restricted net assets are available for the following programs or purposes:

	<u>2011</u>	<u>2010</u>
Program restrictions:		
Water and agriculture	\$ 1,541,351	\$ 1,583,570
Natural resources	235,000	17,298
Toxics and human health	<u>20,000</u>	<u>50,000</u>
Total Program Restrictions	1,796,351	1,650,868
Time restriction	<u>540,000</u>	<u>45,000</u>
Total Temporarily Restricted Net Assets	<u>\$ 2,336,351</u>	<u>\$ 1,695,868</u>

#### 7. Line of Credit

EWG has a \$100,000 unsecured revolving line of credit, which was automatically renewed for another year on November 20, 2011. Amounts drawn on the line of credit accrue interest at the prime rate published in *The Wall Street Journal* plus 3.5% and are payable on demand over a period of 48 months. The prime rate was 3.25% as of December 31, 2011 and 2010. As of December 31, 2011 and 2010, EWG had no outstanding balance under this line of credit.

#### 8. Retirement Plan

EWG maintains a defined-contribution retirement plan under Section 403(b) of the Internal Revenue Code. Employees are eligible to participate in the plan and may elect to make contributions pursuant to a salary reduction beginning the month following employment. Under the terms of the plan, EWG may make a discretionary matching contribution to the plan, and employees are immediately vested in employer contributions. For the years ended December 31, 2011 and 2010, EWG paid \$148,185 and \$147,295, respectively, in such contributions.

#### 9. Related Party Transactions

EWG is affiliated through common management with the EWG Action Fund (EWGAF). EWGAF is a nonprofit, tax-exempt organization under Internal Revenue Code Section 501(c)(4). EWGAF was established to promote civic responsibility and effective advocacy for the protection of the environment.

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## ENVIRONMENTAL WORKING GROUP

### NOTES TO FINANCIAL STATEMENTS

For the Years Ended December 31, 2011 and 2010

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9. Related Party Transactions (continued)

EWG provides certain management, accounting and administrative services to EWGAF for a monthly fee based upon direct costs incurred and allocable staff and related costs. Under this contract, EWG earned \$85,828 and \$139,563, for the years ended December 31, 2011 and 2010, respectively. EWG received \$100,935 and \$136,988 for such services in 2011 and 2010, respectively. As of December 31, 2011 and 2010, the outstanding balances for these services are \$8,680 and \$23,787, respectively, which are included in the accompanying statements of financial position as due from affiliate.

10. Reclassifications

Certain amounts in the 2010 financial statements and notes have been reclassified to conform to the 2011 presentation.

11. Income Taxes

EWG is exempt from federal and state income taxes on income other than net unrelated business income under Section 501(c)(3) of the Internal Revenue Code. As of December 31, 2011 and 2010, no tax provision was made, as EWG had no net unrelated business income.

EWG follows the authoritative guidance relating to accounting for uncertainty in income taxes included in ASC Topic *Income Taxes*. These provisions provide consistent guidance for the accounting for uncertainty in income taxes recognized in an entity's financial statements and prescribe a threshold of "more likely than not" for recognition and derecognition of tax positions taken or expected to be taken in a tax return. EWG performed an evaluation of uncertain tax positions for the years ended December 31, 2011 and 2010, and determined that there were no matters that would require recognition in the financial statements or that may have any effect on its tax-exempt status. As of December 31, 2011, the statute of limitations for tax years 2008 through 2010 remains open with the U.S. federal jurisdiction or the various states and local jurisdictions in which EWG files tax returns. It is EWG's policy to recognize interest and/or penalties related to uncertain tax positions, if any, in income tax expense. As of December 31, 2011 and 2010, EWG had no accrual for interest and/or penalties.

12. Subsequent Events

EWG's management has evaluated subsequent events through June 29, 2012, the date the financial statements were available to be issued. There were no subsequent events that require recognition of, or disclosure in, the financial statements.