



Financial Report

March 31, 2023 and 2022

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Nonprofit Accounting & Consulting Specialists

Independent Auditors' Report

Board of Directors
Friends of Hudson River Park, Inc.
New York, New York

Opinion

We have audited the accompanying financial statements of Friends of Hudson River Park, Inc. (a nonprofit organization), which comprise the statements of financial position as of March 31, 2023 and 2022, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Friends of Hudson River Park, Inc. as of March 31, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Friends of Hudson River Park, Inc.'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, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of Friends of Hudson River Park, Inc.'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 Friends of Hudson River Park, Inc.'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.

As stated in the opinion section of this letter, the financial statements of Friends of Hudson River Park, Inc. present fairly, in all material respects, the financial position of Friends of Hudson River Park, Inc. as of March 31, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

PGM, LLC
Biddeford, Maine
August 8, 2023

Statements of Financial Position

March 31,

	<u>2023</u>	<u>2022</u>
ASSETS		
Cash and cash equivalents	\$ 717,315	\$ 1,127,729
Restricted cash	1,961,829	1,659,136
Accounts receivable	175,653	96,686
Promises to give receivable, net	374,041	506,557
Property and equipment, net of accumulated depreciation of \$367,093 and \$359,370 in 2023 and 2022	40,323	32,834
Prepaid expenses and other assets	<u>227,704</u>	<u>101,396</u>
Total Assets	<u>\$ 3,496,865</u>	<u>\$ 3,524,338</u>
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	\$ 296,499	\$ 176,261
Due to Hudson River Park Trust	1,961,829	1,659,136
Deferred revenue	279,194	97,500
Long-term debt	<u>150,000</u>	<u>150,000</u>
Total Liabilities	<u>2,687,522</u>	<u>2,082,897</u>
Net Assets		
Without donor restrictions	382,137	934,884
With donor restrictions	<u>427,206</u>	<u>506,557</u>
Total Net Assets	<u>809,343</u>	<u>1,441,441</u>
Total Liabilities and Net Assets	<u>\$ 3,496,865</u>	<u>\$ 3,524,338</u>

Statement of Activities

For the Year Ended March 31, 2023

	Without donor restrictions	With donor restrictions	Total
Revenue			
Contributions	\$ 2,188,773	\$ 35,000	\$ 2,223,773
Grants	146,139	25,000	171,139
Special event revenue, including contributions and revenue of \$3,074,151 net of direct costs of \$1,143,370	1,930,781		1,930,781
Membership and other income	662,650		662,650
In-kind contributions	217,774		217,774
Investment income	18,446		18,446
Net assets released from restrictions	139,351	(139,351)	
Total Revenues	<u>5,303,914</u>	<u>(79,351)</u>	<u>5,224,563</u>
Expenses			
Program Services:			
Public policy	172,005		172,005
Contributions to Hudson River Park Trust	3,605,982		3,605,982
Communications and services	354,284		354,284
Support Services:			
General and administrative	690,733		690,733
Fundraising	1,033,657		1,033,657
Total Expenses	<u>5,856,661</u>		<u>5,856,661</u>
Change in Net Assets	<u>(552,747)</u>	<u>(79,351)</u>	<u>(632,098)</u>
Net Assets, Beginning of Year	<u>934,884</u>	<u>506,557</u>	<u>1,441,441</u>
Net Assets, End of Year	<u>\$ 382,137</u>	<u>\$ 427,206</u>	<u>\$ 809,343</u>

Statement of Activities

For the Year Ended March 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue			
Contributions	\$ 1,749,875	\$ 321,525	\$ 2,071,400
Grants	37,349	116,688	154,037
Special event revenue, including contributions and revenue of \$2,873,857 net of direct costs of \$1,379,637	1,494,220		1,494,220
Membership and other income	505,025		505,025
In-kind contributions	192,832		192,832
Investment income	1,520		1,520
Net assets released from restrictions	156,250	(156,250)	
Total Revenue	<u>4,137,071</u>	<u>281,963</u>	<u>4,419,034</u>
Expenses			
Program Services:			
Public policy	170,704		170,704
Contributions to Hudson River Park Trust	2,316,622		2,316,622
Communications and services	308,717		308,717
Support Services:			
General and administrative	608,643		608,643
Fundraising	893,829		893,829
Total Expenses	<u>4,298,515</u>		<u>4,298,515</u>
Change in Net Assets	<u>(161,444)</u>	<u>281,963</u>	<u>120,519</u>
Net Assets, Beginning of Year	<u>1,096,328</u>	<u>224,594</u>	<u>1,320,922</u>
Net Assets, End of Year	<u>\$ 934,884</u>	<u>\$ 506,557</u>	<u>\$ 1,441,441</u>

Statement of Functional Expenses

For the Year Ended March 31, 2023

	Public Policy	Contributions to Hudson River Park Trust	Communications and Services	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total Expenses
Salaries	\$ 130,283	\$ 527,564	\$ 181,752	\$ 839,599	\$ 316,860	\$ 451,968	\$ 768,828	\$ 1,608,427
Payroll taxes	12,046	27,908	29,019	68,973	23,460	35,957	59,417	128,390
Employee benefits	29,676	68,750	71,490	169,916	57,795	88,580	146,375	316,291
Professional fees		10,378	44,477	54,855	33,752	10,378	44,130	98,985
Technology and equipment		4,839	8,167	13,006	98,092		98,092	111,098
Publications and printing			11,801	11,801			-	11,801
Postage and delivery					1,663		1,663	1,663
Occupancy					11,807		11,807	11,807
Dues and subscriptions					22,589		22,589	22,589
Office supplies and expenses					6,305		6,305	6,305
Telephone					11,926		11,926	11,926
Meetings and travel					13,523		13,523	13,523
Insurance					15,398		15,398	15,398
Advertising and promotion			1,458	1,458		1,459	1,459	2,917
Credit card fees and bank charges					33,533		33,533	33,533
Other					25,210	1,051	26,261	26,261
Depreciation and amortization		6,120	6,120	12,240	3,864		3,864	16,104
Individual and corporate giving		875,020		875,020		346,169	346,169	1,221,189
Interest expense					7,573		7,573	7,573
Program contributions to Hudson River Park Trust		2,085,403		2,085,403	7,383	98,095	105,478	2,190,881
Total expenses	\$ 172,005	\$ 3,605,982	\$ 354,284	\$ 4,132,271	\$ 690,733	\$ 1,033,657	\$ 1,724,390	\$ 5,856,661

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

Statement of Functional Expenses

For the Year Ended March 31, 2022

	Public Policy	Contributions to Hudson River Park Trust	Communications and Services	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total Expenses
Salaries	\$ 131,518	\$ 532,566	\$ 183,476	\$ 847,560	\$ 319,863	\$ 456,255	\$ 776,118	\$ 1,623,678
Payroll taxes	12,528	29,025	30,181	71,734	24,400	37,396	61,796	133,530
Employee benefits	26,658	61,757	64,218	152,633	51,915	79,569	131,484	284,117
Professional fees		3,147	13,484	16,631	17,979	3,146	21,125	37,756
Technology and equipment		4,634	7,822	12,456	93,953		93,953	106,409
Publications and printing			3,129	3,129			-	3,129
Postage and delivery					2,309		2,309	2,309
Occupancy					4,596		4,596	4,596
Dues and subscriptions					17,020		17,020	17,020
Office supplies and expenses					2,526		2,526	2,526
Telephone					10,533		10,533	10,533
Meetings and travel					7,740		7,740	7,740
Insurance					11,543		11,543	11,543
Advertising and promotion			2,161	2,161		2,161	2,161	4,322
Credit card fees and bank charges					26,876		26,876	26,876
Other					3,825	159	3,984	3,984
Depreciation and amortization		4,246	4,246	8,492	2,689		2,689	11,181
Individual and corporate giving		585,870		585,870		231,778	231,778	817,648
Interest expense					4,601		4,601	4,601
Program contributions to Hudson River Park Trust		1,095,377		1,095,377	6,275	83,365	89,640	1,185,017
Total expenses	\$ 170,704	\$ 2,316,622	\$ 308,717	\$ 2,796,043	\$ 608,643	\$ 893,829	\$ 1,502,472	\$ 4,298,515

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

Statements of Cash Flows

For the Years Ended March 31,

Years Ended March 31,

	<u>2023</u>	<u>2022</u>
Cash flows from operating activities		
Change in net assets	\$ (632,098)	\$ 120,519
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation and amortization	16,104	11,181
Bad debt		
Forgiveness of PPP advance		(310,382)
(Increase) decrease in operating assets		
Accounts receivable	(78,967)	81,165
Pledges receivable	132,516	(398,213)
Increase (decrease) in operating liabilities		
Accounts payable and accrued expenses	120,238	(94,812)
Due to Hudson River Park Trust	302,693	1,014,073
Prepaid expenses	(126,308)	95,293
Deferred revenue	181,694	(27,500)
Net cash flows from operating activities	<u>(84,128)</u>	<u>491,324</u>
Cash flows from investing activities		
Purchase of equipment	(23,593)	(27,991)
Net cash flows from investing activities	<u>(23,593)</u>	<u>(27,991)</u>
Net change in cash and cash equivalents	(107,721)	463,333
Cash, cash equivalents and restricted cash at beginning of year	<u>2,786,865</u>	<u>2,323,532</u>
Cash, cash equivalents and restricted cash at end of year	<u>\$ 2,679,144</u>	<u>\$ 2,786,865</u>
Cash and cash equivalents		
Cash and cash equivalents	\$ 717,315	\$ 1,127,729
Restricted cash	1,961,829	1,659,136
	<u>\$ 2,679,144</u>	<u>\$ 2,786,865</u>
Supplemental cash flow information		
Cash paid for interest	<u>\$2,173</u>	<u>\$3,612</u>

Notes to Financial Statements

March 31, 2023 and 2022

NOTE 1 – NATURE OF THE ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Nature of the Organization

Friends of Hudson River Park, Inc. (Friends) is a non-profit organization founded in June 1999 to support the development of Hudson River Park on Manhattan's West Side. Friends works as a private sector partner with the Hudson River Park Trust (the Trust) to ensure that the Park is adequately funded and built in accordance with the Hudson River Act.

Friends operates under a Memorandum of Understanding (MOU), with the Trust, the state-city agency that builds, manages and operates Hudson River Park, as their designated fundraising partner. The MOU establishes parameters under which the two organizations will collaborate on budgeting, planning and promotion of the Park, and set goals for funds to be raised for the Park's operations and construction. The Trust and Friends are also parties to a Trademark and Domain Name License Agreement dated June 15, 2017 whereby the Trust, as owner of certain trademarks and domain name, licenses such trademarks and domain name to Friends solely in connection with authorized activities.

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of Friends and changes therein are classified and reported as follows:

Net Assets without Donor Restrictions

Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions and can be used for any purpose designated by the board.

Net Assets with Donor Restrictions

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

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

Estimates

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

Cash and Cash Equivalents

Friends considers all highly liquid savings, deposits and investments with initial maturities of three months or less when purchased to be cash equivalents.

Notes to Financial Statements

March 31, 2023 and 2022

NOTE 1 – NATURE OF THE ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to trade accounts receivable. Changes in the valuation allowance have not been material to the financial statements. Management determined that no allowance for uncollectible accounts was necessary as of March 31, 2023 and 2022.

Promises to Give Receivable

Unconditional promises to give are initially recorded and subsequently carried at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. Promises to give are written off when deemed uncollectable.

Property and Equipment

Property and equipment are stated at cost. Friends capitalizes all expenditures in excess of \$1,000 with a life of more than one year. Depreciation of property and equipment is computed on accelerated and straight-line methods with lives varying from three to 39 years.

Deferred Revenue

Deferred revenue represents contributions for the fundraising events in the following fiscal year that were received in the current fiscal year.

Revenue and Revenue Recognition

Membership revenue, which is nonrefundable, is a specific contribution level whereby a membership application is completed to show support for the organization but no benefits are provided. No exchange element is included.

Special events revenue is comprised of an exchange element based upon the direct benefits donors receive and a contribution element for the difference. We recognize special events revenue equal to the fair value of direct benefits to donors when the special event takes place. We recognize the contribution element of special event revenue immediately, unless there is a right of return if the special event does not take place.

Contributions, including promises to give, are considered conditional or unconditional, depending on the nature and existence of any donor or grantor conditions. A contribution or promise to give contains a donor or grantor condition when both of the following are present:

- An explicit identification of a barrier, that is more than trivial, that must be overcome before the revenue can be earned and recognized.
- An implicit right of return of assets transferred or a right of release of a donor or grantor's obligation to transfer assets promised, if the condition is not met.

Conditional contributions are recognized when the barrier(s) to entitlement are overcome. Unconditional contributions are recognized as revenue when received.

Notes to Financial Statements

March 31, 2023 and 2022

NOTE 1 – NATURE OF THE ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Revenue and Revenue Recognition – Continued

Unconditional contributions or conditional contributions in which the conditions have been substantially met or explicitly waived by the donor are recorded as support with or without donor restrictions, depending on the existence and nature of any donor restrictions.

A portion of the organization's revenue is derived from state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when expenditures in compliance with specific contract or grant provisions are incurred. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position. No amounts have been received in advance under state contracts and grants,

In-kind Contributions

Contributed nonfinancial assets include donated professional services, donated equipment, and other in-kind contributions which are recorded at the respective fair values of the good or services received. In addition to non-financial assets, volunteers contribute significant amounts of time to program services, administration and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by general accepted accounting principles. Contributed goods are recorded at fair value at the date of donation.

Functional Expense Allocation

The costs of programs and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expense by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Income Taxes

Friends is a nonprofit organization as described in Section 501(c) (3) of the Internal Revenue Code and, as such, income related to its charitable purpose is exempt from federal and state income taxes under the provisions of the IRS Code.

Reclassifications

Certain reclassifications of amounts previously reported have been made to the accompanying financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets.

Notes to Financial Statements

March 31, 2023 and 2022

NOTE 1 – NATURE OF THE ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Recently Adopted Accounting Pronouncements

Leasing

In February 2016, FASB issued ASU 2016–02, *Leases*. This new standard will provide users of the financial statements a more accurate picture of the assets and the long-term financial obligations of entities that lease. The proposal is for a dual-model approach; a lessee would account for most existing capital leases as Type A leases, and most existing operating leases as Type B leases. Both would be reported on the balance sheet of the entity for leases with a term exceeding 12 months. Lessors will see some changes too, largely made to align with the revised lease model. For nonpublic companies, the new leasing standard applies for fiscal years beginning after December 15, 2021. The organization currently does not have any long-term lease obligations.

Contributed Nonfinancial Assets

In September 2020, FASB issued ASU update 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. This new standard will increase the transparency of contributed nonfinancial assets for not-for-profit entities through enhancements to presentation and disclosure to include disaggregation of contributed nonfinancial assets and qualitative information about the use of these assets as well as descriptions regarding restrictions, valuation techniques and fair value measurement. The new standard applies for years beginning after June 30, 2021. Management has adopted this standard with no significant impact on its financial statements.

NOTE 2 – LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the date of the statement of financial position, comprise the following:

	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 664,150	\$ 1,051,041
Promises to give receivable	305,697	438,213
Accounts receivable	175,653	96,686
	<u>\$ 1,145,500</u>	<u>\$ 1,585,940</u>

NOTE 3 – CASH AND CASH EQUIVALENTS

Friends maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits of \$250,000. Friends has not experienced losses in such deposits, and management believes it is not exposed to any significant credit risk on cash and cash equivalents. The uninsured balance at March 31, 2023 was approximately \$3,535,595.

Notes to Financial Statements

March 31, 2023 and 2022

NOTE 4 – PROMISES TO GIVE RECEIVABLE

Unconditional promises to give are estimated to be collected as follows at March 31:

	<u>2023</u>	<u>2022</u>
Within one year	\$ 321,864	\$ 438,213
In one to five years	<u>60,000</u>	<u>80,000</u>
	381,864	518,213
Less discount to net present value at 3%	<u>(7,823)</u>	<u>(11,656)</u>
	<u>\$ 374,041</u>	<u>\$ 506,557</u>

NOTE 5 – DEFERRED REVENUE

Deferred revenue as of March 31:

	<u>2023</u>	<u>2022</u>
Deferred revenue, beginning of year	\$ 97,500	\$ 125,000
Revenue recognized from prior year	(97,500)	(125,000)
Increases due to support received for events to be held in the future	<u>279,194</u>	<u>97,500</u>
Deferred revenue, end of year	<u>\$ 279,194</u>	<u>\$ 97,500</u>

NOTE 6 – PENSION PLAN

Friends has established a 401(k) profit sharing plan for employees. Participants may contribute a percentage of their compensation up to the maximum statutory limit. Friend's offers a 50% match on 4% of employee contributions. Friends' contribution was approximately \$55,694 and \$58,564 for the years ended March 31, 2023 and 2022, respectively.

NOTE 7 – FUNCTIONAL EXPENSES

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses allocated are salaries based on time and effort, and other operating expenses based on salaries and benefit ratio to total expenses.

Notes to Financial Statements

March 31, 2023 and 2022

NOTE 8 – LONG-TERM DEBT

Notes payable consisted of the following at March 31:

	<u>2023</u>	<u>2022</u>
A promissory note in the amount of \$150,000 with SBA to be repaid in monthly payments of \$641 including interest at 2.75%. Final payment is due on April 19, 2050. Secured by assets of Friends.	<u>\$ 150,000</u>	<u>150,000</u>
	<u>150,000</u>	
Less current portion	<u>2,973</u>	
Long-term portion	<u>\$ 147,027</u>	

Maturities of long-term debt are, as follows:

Year ending March 31,	
2024	\$ 2,973
2025	3,695
2026	3,798
2027	3,904
2028	4,012
Thereafter	<u>131,618</u>
	<u>\$ 150,000</u>

NOTE 9 – FORGIVABLE PPP LOANS

Friends received two forgivable advances in the amounts of \$332,997 on April 20, 2020 and \$310,382 on February 18, 2021 under the Paycheck Protection Program (“PPP”). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act (“CARES Act”), provides for loans to qualifying businesses for amounts up to 2.5 times of the average monthly payroll expenses of the qualifying business. The loans and accrued interest are forgivable as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels. The amount of loan forgiveness will be reduced if the borrower terminates employees or reduces salaries during the selected period. The unforgiven portion of the PPP loan is payable over two years at an interest rate of 1%, with a deferral of payments for the first six months. The first PPP loan in the amount of \$332,997 was granted forgiveness on January 12, 2021 and recognized as contribution revenue in year ended March 31 2021. The second PPP loan for \$310,382 was granted forgiveness September 16, 1921 and recognized as contribution revenue in year ended March 31, 2022.

Notes to Financial Statements

March 31, 2023 and 2022

NOTE 10 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes or periods:

	<u>2023</u>	<u>2022</u>
Subject to expenditure for specified purpose:		
Trust projects	<u>\$ 53,165</u>	<u>\$ 76,688</u>
	<u>53,165</u>	<u>76,688</u>
Subject to the passage of time:		
Promises to give that are not restricted by donors, but which are unavailable for expenditure until due	<u>\$ 374,041</u>	<u>\$ 429,869</u>
Total subject to expenditure for specified purpose and passage of time	<u>427,206</u>	<u>506,557</u>
Total net assets with donor restrictions	<u><u>\$ 427,206</u></u>	<u><u>\$ 506,557</u></u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the year ended March 31:

	<u>2023</u>	<u>2022</u>
Satisfaction of purpose restrictions		
Park projects	<u>\$ 139,351</u>	<u>\$ 156,250</u>
	<u><u>\$ 139,351</u></u>	<u><u>\$ 156,250</u></u>

NOTE 11 – RELATED PARTY AGREEMENT

Friends and the Trust operate under a Memorandum of Understanding/Collaborative Agreement. Funds raised by Friends inure to the Trust after allowance for its reasonable operating expenses and a prudent reserve. Friends contributed direct grants of \$2,085,403 and \$1,095,377 and other support services of \$1,520,579 and \$1,221,245 to the Trust during the years ended March 31, 2023 and 2022, respectively and has approximately \$1,961,829 and \$1,659,136 in a Trust related party due to account as of March 31, 2023 and 2022, respectively.

Notes to Financial Statements

March 31, 2023 and 2022

NOTE 12 – DONATED PROFESSIONALSERVICES AND MATERIALS

Contributions of Nonfinancial Assets

For year ended March 31, 2023:

Donation	Revenue Recognized	Utilization in Program	Donor Restrictions	Valuation Techniques
Storage unit	\$ 3,795	Administration	None	Based on fair market value at time of receipt.
Food	1,008	Volunteers	None	Based on fair market value at time of receipt.
Gift baskets	31,467	Fundraising	None	Based on fair market value at time of receipt.
Auction Items	21,149	Fundraising	None	Based on fair market value at time of receipt.
Discounts for events (food and venue)	30,000	Fundraising	None	Based on fair market value at time of receipt.
Corporate Volunteers	130,355	Park	None	Hours tracked at current market value rate.
Total	<u>\$ 217,774</u>			

For year ended March 31, 2022:

Donation	Revenue Recognized	Utilization in Program	Donor Restrictions	Valuation Techniques
Storage unit	\$ 2,592	Administration	None	Based on fair market value at time of receipt.
Food and event expenses	100,600	Fundraising	None	Based on fair market value at time of receipt.
Corporate Volunteers	89,640	Park	None	Hours tracked at current market value rate.
Total	<u>\$ 192,832</u>			

NOTE 13 – SUBSEQUENT EVENTS

Friends has evaluated subsequent events through August 8, 2023, which represents the date on which the financial statements were available to be issued and determined that any subsequent events that would require recognition or disclosure have been considered in the preparation of these financial statements.