

THE EDMUND NILES HUYCK PRESERVE, INC.

Financial Statements

December 31, 2023

THE EDMUND NILES HUYCK PRESERVE, INC.
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63 Putnam Street, Ste. 204
Saratoga Springs, NY 12866
(866) 247-6800

INDEPENDENT AUDITOR'S REPORT

The Board of Directors
THE EDMUND NILES HUYCK PRESERVE, INC.

Rensselaerville, New York

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **THE EDMUND NILES HUYCK PRESERVE, INC.**, (the "Organization"), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, and change in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization, as of December 31, 2023, 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 the audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization 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 controls 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 Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's 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 auditor's 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 judgement 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 Organization'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 Organization'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.



Catherine Harris, CPA
CHS Wealth Management & CPAs, PLLC

Saratoga Springs, NY

June 15, 2024

THE EDMUND NILES HUYCK PRESERVE, INC.
STATEMENT OF FINANCIAL POSITION
December 31, 2023

	2023
<u>ASSETS</u>	
Current Assets	
Cash	\$ 286,034
Investments <i>(Note 8)</i>	2,190,030
Property Legal Defense & Stewardship Fund	61,220
Accounts Receivable	57,566
Prepaid Expenses	5,122
Total Current Assets	2,599,972
Property & Equipment	
Land	753,108
Furniture, Fixtures & Equipment	102,091
Buildings & Improvements	782,236
	1,637,435
Less Accumulated Depreciation	(643,539)
	993,896
Other Assets	-
Total Assets	3,593,868
<u>LIABILITIES & NET ASSETS</u>	
Current Liabilities	
Accounts Payable	3,650
Accrued Expenses	17,995
Current Portion Long-Term Debt	-
Total Current Liabilities	21,645
Long-Term Liabilities	
Notes Payable	-
Long-Term debt, Less Current Portion	-
Total Long-Term Liabilities	-
Total Liabilities	21,645
Commitments & Contingent Liabilities	-
Net Assets	
Without Donor Restrictions	
Designated by the Board for specific projects	194,512
Undesignated	3,313,659
Total Board-designated and Undesignated Net Assets	3,508,171
With Donor Restrictions	
Purpose-restricted Net Assets	64,052
Total Net Assets	3,572,223
Total Liabilities and Net Assets	\$ 3,593,868

See accompanying notes to financial statements

THE EDMUND NILES HUYCK PRESERVE, INC.
STATEMENT OF ACTIVITIES & CHANGE IN NET ASSETS
Year Ended December 31, 2023

	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Revenues & Other Support			
Grants	\$ 226,138	\$ -	\$ 226,138
Program Income	43,968	-	43,968
Contributions & Memberships	155,131	-	155,131
Special Events	32,840	-	32,840
Facilities Rental	19,000	-	19,000
Other Miscellaneous Income	13,381	-	13,381
Dividend Income	54,780	2,944	57,724
Interest Income	50	-	50
Unrealized Gain/(Loss)			
From Investments	251,324	-	251,324
Total Revenues & Other Support	<u>796,612</u>	<u>2,944</u>	<u>799,556</u>
Expenses			
Program Services - Research & Preservation	421,098	-	421,098
Support Services - Management & General Support	54,686	-	54,686
Fundraising	11,691	-	11,691
Total Expenses	<u>487,475</u>	<u>-</u>	<u>487,475</u>
Change in Net Assets	309,137	2,944	312,081
Net Assets, Beginning of Year	3,199,034	61,108	3,260,142
Net Assets, End of Year	<u>\$ 3,508,171</u>	<u>\$ 64,052</u>	<u>\$ 3,572,223</u>

See accompanying notes to financial statements

THE EDMUND NILES HUYCK PRESERVE, INC.
STATEMENT OF FUNCTIONAL EXPENSES - OPERATIONS
Year Ended December 31, 2023

	2023			
	Program Services	Management & General	Fund- Raising	Total
Salaries & Wages	\$ 229,455	\$ 22,693	\$ -	\$ 252,148
Payroll Taxes & Benefits	33,313	3,295	-	36,608
Auto Expenses	6,005	-	-	6,005
Utilities	17,077	-	-	17,077
Repairs & Maintenance	5,734	3,584	-	9,318
Professional Fees	-	25,114	-	25,114
Dues & Subscriptions	2,930	-	-	2,930
Insurance	16,631	-	-	16,631
Office & Program Expenses	7,358	-	-	7,358
Telephone & Internet	7,270	-	-	7,270
Research Expenses & Grants	53,760	-	-	53,760
Activities & Education	6,170	-	-	6,170
Lake Expenses	3,623	-	-	3,623
Miscellaneous	6,224	-	-	6,224
Fundraising	-	-	11,691	11,691
Depreciation	25,548	-	-	25,548
Total Expenses	\$ 421,098	\$ 54,686	\$ 11,691	\$ 487,475

See accompanying notes to financial statements

THE EDMUND NILES HUYCK PRESERVE, INC.
STATEMENT OF CASH FLOWS
Year Ended December 31, 2023

	2023
Cash Provided From (Used For) Operating Activities:	
Change in Net Assets	\$ 312,081
Adjustments To Reconcile Change In Net Assets To Cash Provided By Operating Activities	
Depreciation	25,548
Net (Gain) Loss on Investments	(277,335)
Changes In Operating Assets & Liabilities	
Accounts Receivable	35,237
Prepaid Expenses	(3,367)
Accounts Payable And Accrued Expenses	(8,375)
Cash From Operating Activities	83,788
Cash Used For Investing Activities:	
Proceeds from Sales of Investments	31,003
Reinvested Dividends	(17,307)
Interfund Transfers - Purchases	(24,300)
Interfund Transfers - Sales	24,300
Investment Withdrawals	(6,961)
Acquisition Of Property, Plant & Equipment	-
Cash From Investing Activities	6,735
Cash From (Used For) Financing Activities	
Proceeds From Short-Term Borrowings	-
Payments On Short-Term Borrowings	-
Proceeds From Long-Term Borrowing	-
Payments On Long-Term Borrowing	-
	-
Increase (Decrease) In Cash	90,523
Cash & Equivalents, Beginning Of Year	195,511
Cash & Equivalents, End of Year	\$ 286,034
Supplemental Information:	
Interest Paid	\$ -

See accompanying notes to financial statements

THE EDMUND NILES HUYCK PRESERVE, INC.
Notes to Financial Statements
December 31, 2023

(1) Organization and Summary of Significant Accounting Policies

The Edmund Niles Huyck Preserve, Inc. (the "Preserve") was incorporated in 1931 and is located in Rensselaerville, New York. The Preserve's primary purpose is to preserve the natural beauty of the lands surrounding it and to increase the general knowledge and love of nature. The Preserve is supported primarily through grants and contributions, the most significant being from The Edmund Niles Huyck Foundation.

The Preserve is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and is classified as an organization that is not a private foundation, and qualifies for the charitable contribution deduction for individual donors. Management believes there are no sources of unrelated business taxable income and no uncertain tax positions. The Preserve is required to file Federal Form 990 "Return of Organization Exempt from Income Tax" annually.

The accompanying financial statements have been prepared on the accrual basis of accounting. Net assets, revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions.

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 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. While management uses its best estimates and judgments, actual results could differ from those estimates as future confirming events occur.

(a) Revenue Recognition

Contributions

Contributions are recognized as revenues in the period received or promised, whichever is earlier. All contributions are considered to be available for the general programs of the Preserve unless specifically restricted by the donor. When a restriction expires, 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. Restrictions imposed that are met in the same year they are received are included in net assets without donor restrictions.

Grants

The Preserve derives revenue from grants and contracts. These are considered non-exchange transactions and are reported as increases in net assets without donor restrictions as the associated barriers are overcome, which generally are allowable expenses under such contracts are incurred. Amounts received in excess of allowable expenses incurred or in advance of being earned are recorded as deferred revenue. The Preserve has elected a policy to report grants and contracts where the condition and restriction are met in the same reporting period within net assets without donor restrictions.

THE EDMUND NILES HUYCK PRESERVE, INC.
Notes to Financial Statements
December 31, 2023

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

(b) Investments

The Preserve records investments in publicly traded equity and debt securities at fair value. Fair value is determined based upon quoted market prices. Investment gains and losses are recognized in the statement of activities. Investment income, including gains or losses, is recognized as an increase or decrease in net assets without donor restrictions unless its use is restricted by explicit external stipulations or by law.

(c) Cash Equivalents

The Preserve considers all highly liquid investments, principally brokerage money market funds, to be cash equivalents.

(d) Land, Buildings, Equipment and Depreciation

Land, buildings and equipment are recorded at cost or, if donated, at the fair value at date of donation. It is the Preserve's policy to capitalize fixed asset expenditures with a unit value greater than or equal to \$1,000 and a useful life greater than one year. Contributions of long-lived assets with explicit restrictions that specify how the assets are to be used and contributions of cash or other assets that are to be used to acquire long-lived assets are reported as contributions with donor restrictions. Absent explicit donor stipulations about how long-lived assets are to be maintained, the Preserve reports expirations of donor restrictions when the contributed or acquired long-lived assets are placed in service. Depreciation is computed on the straight-line method over the estimated useful lives of the assets. Expenditures for repairs and maintenance are charged to operations as incurred. When units of property are retired or otherwise disposed of, their costs and related accumulated depreciation are removed from the accounts and any resulting gain or loss is credited or charged to operations.

(e) Functional Expenses

Expenses are charged to program services, supporting services or fundraising based on direct expenditures incurred. Any expenses not directly chargeable are allocated based upon appropriate percentages determined by management.

(f) Grants Payable

Grants authorized but unpaid at year end are reported as a liability in accordance with Financial Accounting Standards Board (FASB) "Accounting Standards Codification 720". Grants payable are measured and reported at fair value which equals net realizable value. The Preserve has no grants payable as of December 31, 2023.

THE EDMUND NILES HUYCK PRESERVE, INC.
Notes to Financial Statements
December 31, 2023

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

(g) Financial Assets - Liquidity and Availability

The Preserve has \$3,033,641 of financial assets available within one year of the statement of financial position date to meet cash needs for general expenditures, consisting of cash and cash equivalents of \$786,045 (this amount includes unrestricted money market funds of \$500,002). Also included are grants and accounts receivable of \$57,566, and unrestricted investments of \$2,190,030.

Additionally, there are donor-restricted investments of \$61,220 and other donor-restricted funds totaling \$2,832. These restricted assets are not subject to financial liquidity within one year unless donor or Board-restrictions are lifted. As part of its liquidity management, the Preserve has a policy to structure its financial assets to be available as general expenditures, liabilities and other obligations become due.

(2) The Edmund Niles Huyck Foundation

The Preserve receives an annual grant from The Edmund Niles Huyck Foundation (the "Foundation") consisting of amounts for current operations and research. The amount of the grant was for \$150,000 for December 31, 2023.

The annual grant from The Foundation, although received since 1960 by the Preserve, is made at the discretion of The Foundation's Trustees who are under no obligation to make such distributions to the Preserve. It is anticipated that these grants will continue to be made to the Preserve in the future in accordance with the stipulations in the will of Mrs. E. N. Huyck, which specifies that the Trustees may distribute monies from the income and principal of The Foundation to organizations or individuals to promote purposes which are common to the Preserve and the Foundation.

(3) Net Assets with Restrictions

The Preserve receives grants and donor funds, some of which may be donor-advised. These restrictions may also include Board-designated uses.

	<u>Board-designated</u>	<u>Donor-restricted</u>	<u>Total</u>
Land Preservation Fund	\$ -	\$ 15,000	\$ 15,000
Anniversary Book	-	10,060	10,060
Davis Cottage	-	5,992	5,992
Public School Bus Fund	5,000	-	5,000
Capital Improvement Fund	4,143	-	4,143
Property Legal Defense & Stewardship Fund	58,220	3,000	61,220
Easement Fund	44,649	30,000	74,649
Matching of NYS OPRHP Trail Grant	62,500	-	62,500
Ordway's Barn Foundation	20,000	-	20,000
Total	<u>\$ 194,512</u>	<u>\$ 64,052</u>	<u>\$ 258,564</u>

THE EDMUND NILES HUYCK PRESERVE, INC.
Notes to Financial Statements
December 31, 2023

(4) Property and Equipment

Property and equipment are recorded at the following values:

Land & Improvements	
Purchases, at cost	\$ 297,040
Donated (estimated average market values at dates of donations)	306,065
Land Improvements, at cost	150,003
	753,108
Buildings & Improvements	
Acquired prior to 1973, at appraised value	55,670
Additions after 1972, at cost	726,566
	782,236
Equipment, at cost	102,091
Property & Equipment, total	\$ 1,637,435

(5) Investments

Following is a summary of investments at December 31, 2023. (See Note 8 for additional details):

Current	
Mutual Funds	\$ 1,622,286
Common Stock	67,742
	\$ 1,690,028

The following schedule summarizes the investment return as recorded in the statement of activities:

Investment Income	
Interest & Dividends	\$ 57,774
Net Gain (Loss) on Investments	251,324
	\$ 309,098

(6) Retirement Plan

The Preserve has established a salary deferral plan whereby employees can elect to defer a portion of their gross pay for income tax purposes. Contributions made by the employee, which are held by a third-party administrator in the employee's name, are fully vested. The Preserve's contribution was \$6,441.

THE EDMUND NILES HUYCK PRESERVE, INC.
Notes to Financial Statements
December 31, 2023

(7) Concentration of Credit Risk

Financial instruments that potentially subject the Preserve to concentrations of credit risk consist principally of cash accounts in financial institutions which, from time to time, exceed the federally insured limit of \$250,000. Additionally, the Preserve has funds invested in uninsured money market funds, the balance of which totaled \$500,002 at December 31, 2023.

(8) Fair Value Measurement - Definition and Hierarchy

FASB "Accounting Standards Codification 820" establishes a framework for measuring fair value. That framework provides a hierarchy that prioritizes inputs to valuation techniques used to measure fair value. The three levels of the fair value hierarchy and a description of the valuation techniques used for instruments measured at fair value are as follows:

Level 1 Inputs - quoted prices in active markets for identical assets or liabilities as of the reporting date.

Level 2 Inputs - pricing inputs other than quoted prices included in Level 1, which are either directly observable or that can be derived or supported from observable data as of the reporting date.

Level 3 Inputs - pricing inputs include those that are significant to the fair value of the financial asset or financial liability and are generally less observable from objective sources. These inputs may be used with internally developed techniques that result in management's best estimate of fair value.

The following table sets forth the Preserve's financial assets that were accounted for at fair value. Financial assets are classified in their entirety based on the lowest level of input that is significant to the fair value measurement:

	<u>Level 1</u>	<u>Total</u>
Brokerage Money Market Accounts	\$ 500,002	\$ 500,002
Mutual Funds	1,622,286	1,622,286
Common Stock	67,742	67,742
	<u>\$ 2,190,030</u>	<u>\$ 2,190,030</u>

(9) Fair Value Measurement - Definition and Hierarchy

Cash, grants and accounts receivable and current liabilities - carrying amounts reported in the statement of financial position approximate fair values because of the short maturities of those instruments.

THE EDMUND NILES HUYCK PRESERVE, INC.
Notes to Financial Statements
December 31, 2023

(10) Contingent Liability

Grant Programs

The Preserve participates in grant and contract programs. These programs are subject to financial and compliance audits by the grantors or their representatives. Accordingly, the Preserve's compliance with applicable grant and contract requirements may be established at some future date. The amount, if any, of expenditures or funding which may be disallowed by the granting agencies cannot be determined at this time.

(11) Leases

The Company is subject to *ASC 842 - Accounting for Leases*. Under the standard, management is required to examine any outstanding or future financial contracts, if known, to determine if they are leases, and if they qualify for disclosure. Management has reviewed its financial contracts and determined that no leases that fall under ASC 842 exist or will exist as of the report date.

(12) Coronavirus ("COVID-19")

The United States recently experienced a national health pandemic due to the Coronavirus ("COVID-19"). The overall consequences of COVID-19 are presently unknown but have the potential to result in continued economic impacts. The impact of this event on the Organization and its future results and financial position is not presently determinable.

(13) Subsequent Events

Management has evaluated subsequent events through the report date, and determined that there have been no subsequent events that have occurred that would modify our report or require adjustments to our disclosures in the financial statements.