

AWBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2018

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Table of Contents

	<u>Page</u>
Independent Auditor's Report	3 - 4
Consolidated Statements of Financial Position	5
Consolidated Statements of Activities and Changes in Net Assets	6
Consolidated Statements of Cash Flows	7
Consolidated Statements of Functional Expenses	8
Notes to Financial Statements	9 - 17
Supplementary Information	18
Independent Auditor's Report on Supplementary Information	19
Consolidating Statements of Financial Position	20
Consolidating Statement of Activities and Changes in Net Assets - Fiscal Year Ended 6/30/19	21
Consolidating Statement of Activities and Changes in Net Assets - Fiscal Year Ended 6/30/18	22



INDEPENDENT AUDITOR'S REPORT

To The Board of Directors of
Awbury Arboretum Association, Inc. and Affiliates
Philadelphia, Pennsylvania

We have audited the accompanying consolidated financial statements of Awbury Arboretum Association, Inc. (a Non-Profit Organization) and Affiliates which comprise the consolidated statement of financial position as of June 30, 2019, and the related consolidated statements of activities and changes in net assets, cash flows and functional expenses for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Awbury Arboretum Association, Inc. and Affiliates as of June 30, 2019, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the Awbury Arboretum Association, Inc. and Affiliates' 2018 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated April 29, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2018, is consistent, in all material respects, with the audited financial statements from which it has been derived.



Philadelphia, Pennsylvania
January 13, 2020

AWBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2019
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2018

ASSETS

	2019	2018
Current assets:		
Cash	\$ 83,785	\$ 143,838
Accounts receivable	11,707	31,874
Grants receivable	91,493	1,027
Prepaid expenses	925	805
Loans receivable - employees		1,566
Total current assets	<u>187,910</u>	<u>179,110</u>
Cash restricted for capital improvements	<u>4,000</u>	<u>96,807</u>
Property and equipment, net of accumulated depreciation of \$251,780 for 2019 and \$357,449 for 2018	<u>1,191,519</u>	<u>990,811</u>
Other assets:		
Investment at market		
Undesignated	799,183	1,069,591
Board designated	142,054	112,030
Total investment at market	<u>941,237</u>	<u>1,181,621</u>
Charitable remainder trusts	158,437	159,699
Total other assets	<u>1,099,674</u>	<u>1,341,320</u>
Total assets	<u>\$2,483,103</u>	<u>\$2,608,048</u>

LIABILITIES AND NET ASSETS

Current liabilities:		
Accounts payable	\$ 12,921	\$ 40,869
Accrued expenses	6,500	10,800
Payroll liabilities	33,199	18,316
Deferred revenue	28,533	98,807
Security deposit	9,325	9,364
Total current liabilities	<u>90,478</u>	<u>178,156</u>
Net assets		
Net assets, without donor restrictions	870,161	669,242
Net assets, without donor restrictions - Board designated	142,054	112,030
Net assets, with donor restrictions	<u>1,380,410</u>	<u>1,648,620</u>
Total net assets	<u>2,392,625</u>	<u>2,429,892</u>
Total liabilities and net assets	<u>\$2,483,103</u>	<u>\$2,608,048</u>

See accompanying notes
to consolidated financial statements

AWBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2019
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2018

	2019			2018
	Without Donor Restriction	With Donor Restriction	Total	Total
Revenue and Support				
Support				
Administrative				
Interest and dividends	\$ 3,496		\$ 3,496	\$ 276
Unrealized gain (loss)	(11,773)	\$ (1,802)	(13,575)	50,429
Trust income	85,872		85,872	44,474
Rental income	134,480		134,480	95,625
Other income (loss)	3,510		3,510	10,650
Development				
Contributions and memberships	62,631		62,631	131,421
Non-Cash Gift	10,246		10,246	9,435
Sponsorship	3,000		3,000	1,750
Sales	909		909	3,662
Special events				695
Grants	260,441	111,820	372,261	285,016
In-Kind Contribution	4,531		4,531	1,388
Programs				
Education	32,131		32,131	17,198
Landscape Services	96,493		96,493	105,506
Others	22,759		22,759	68,479
Net assets released from restrictions	378,228	(378,228)		
Total support	1,086,954	(268,210)	818,744	826,004
Expenses				
Programs:				
Education and camps	331,743		331,743	285,475
Grounds and building	365,503		363,503	274,281
Total programs	697,246	-0-	697,246	559,756
Supporting:				
Administrative	138,273		138,273	154,944
Fundraising	7,143		7,143	16,774
Total supporting	145,416	-0-	145,416	171,718
Total expenses	842,662	-0-	842,662	731,474
Change in net assets before other income (expenses)	244,292	(268,210)	(23,918)	94,530
Other income (expenses)				
Evans trust				114,520
Write-offs of fixed assets	(389)		(389)	
Miscellaneous write-offs	(12,960)		(12,960)	
Total other income (expenses)	(13,349)	-0-	(13,349)	114,520
Change in net assets	230,943	(268,210)	(37,267)	209,050
Net assets, beginning of the year	781,272	1,648,620	2,429,892	2,220,842
Net assets, end of year	\$1,012,215	\$1,380,410	\$2,392,625	\$2,429,892

See accompanying notes
to consolidated financial statements

AWBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2019
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2018

	<u>2019</u>	<u>2018</u>
Cash flows from operating activities:		
Change in net assets	\$(37,267)	\$ 209,050
Adjustments to reconcile change in net assets to cash provided by (used in) operating activities		
Depreciation	72,788	64,585
Unrealized loss (gain)	13,575	(50,429)
Realized gain	(21,384)	(20,031)
Stock gift	(10,246)	(9,435)
Charitable remainder trust	(9,435)	(114,520)
Write-offs of fixed assets	83,834	
Miscellaneous write-offs	12,960	
(Increase) decrease in:		
Accounts receivable	20,165	(31,304)
Grants receivable	(90,466)	23,973
Loan receivable from employees	1,567	(1,566)
Prepaid expenses	(120)	(806)
Increase (decrease) in:		
Accounts payable	(27,948)	9,775
Accrued expenses	(4,300)	6,227
Payroll liabilities	14,882	(3,130)
Deferred revenue	(70,274)	84,136
Due to officer		(6,298)
Security deposit	(39)	(7,751)
Net cash provided by (used in) operating activities	<u>(125,715)</u>	<u>152,476</u>
Cash flows from investing activities:		
Proceeds from sale of investments	250,000	215,000
Purchases of property and equipment	(277,145)	(91,315)
Proceeds from sale of assets		<u>2,500</u>
Net cash provided by (used in) investing activities	<u>(27,145)</u>	<u>126,185</u>
Cash flows from financing activities		
Repayment of loans payable		<u>(84,951)</u>
Net cash (used in) financing activities	<u>-0-</u>	<u>(84,951)</u>
Net increase (decrease) in cash	(152,860)	193,710
Cash and equipment at beginning of year	<u>240,645</u>	<u>46,935</u>
Cash and equipment at end of year	<u>\$ 87,785</u>	<u>\$ 240,645</u>
Supplementary disclosures:		
Interest paid	<u>\$ 1,507</u>	<u>\$ 5,983</u>
Tax paid	<u>\$ -0-</u>	<u>\$ -0-</u>

See accompanying notes
to consolidated financial statements

AMBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2019
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2018

	Program		Supporting		2018 Total
	Education	Landscaping	Administrative	Fundraising	
		Total		Total	2019 Total
Salaries	\$ 140,292	\$ 178,878	\$ 58,094	\$ 146	\$ 298,054
Payroll taxes	10,788	13,756	12,302	20	28,666
Benefits	4,252	5,422	5,680		4,833
Professional fees and outside services	53,772	5,086	18,649		134,315
Advertising/marketing	2,448	2,448	298	369	6,284
Bank service charges			33		2,822
Building maintenance		23,653	6,448		18,939
Contributions					235
Cost of goods sold					4,634
Custodial service and supplies	1,619				3,389
Insurance	35,175	1,619	15,075		30,691
Depreciation		72,789			64,585
Dues and subscriptions	1,980	1,980	3,677		9,049
Equipment lease	3,572	3,572	101	1,359	4,090
Equipment repair	4,119	4,119			5,750
Finance charges and interest expense			1,507		5,983
Landscape maintenance		16,051			10,408
Landscape supplies and tools		49,868			19,715
Meeting hospitality	186	186	173	652	4,215
Miscellaneous	2,075	2,075			2,372
Office supplies	2,554	2,554	852		4,962
Other					1,892
Postage and delivery	365	365	704	703	2,181
Printing and design	1,670	1,670	313	105	4,162
Processing fees	743	743	743	3,469	
Program supplies and materials	36,551	36,551			21,486
Real estate tax			489		606
Reimbursements			5,085		
Security expenses	1,237	1,237	94		1,531
Stipends	2,134	2,134		99	786
Telephone and internet	3,099	3,099	1,107	221	4,049
Transportation	5,464	5,464	2,040		6,541
Utilities	17,598	17,598	4,809		23,818
Web maintenance and IT support	50	50			431
Total expenses	\$ 331,743	\$ 365,503	\$ 138,273	\$ 7,143	\$ 731,474
		<u>82.7%</u>	<u>16.4%</u>	<u>.9%</u>	<u>100.0%</u>

See accompanying notes
to consolidated financial statements

AWBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2018

Note 1 Nature of Organization

Awbury Arboretum Association, Inc. and Affiliates (Awbury), is a Pennsylvania not-for-profit association organized to maintain and preserve the Francis Cope House and the surrounding park and arboretum. The mission of the Awbury Arboretum is to preserve and interpret Awbury Arboretum's historic house and landscape thereby connecting an urban community with nature and history.

The City Parks Association of Philadelphia (City Parks) is a Pennsylvania not-for-profit organization that owns the Francis Cope House and grounds. City Parks also provides financial support to Awbury through the Cope Trusts. City Parks and Awbury operate under one joint board and Awbury charges Awbury Arboretum Trust and City Parks a management fee. Awbury Arboretum Trust is a Pennsylvania Trust which was created as a part of a land easement granted by City Parks.

Note 2 Principles of Consolidation

The consolidated financial statements of Awbury Arboretum Association, Inc. include the accounts of Awbury Arboretum Association, Inc., City Parks Association of Philadelphia, and Awbury Arboretum Trust. The Company consolidates subsidiaries in which it holds, directly or indirectly, more than 50 percent of the voting rights or where it exercises control.

Awbury Arboretum Association, Inc. and City Parks Association of Philadelphia have the same board of directors. Awbury Arboretum is the co-trustee of the Awbury Arboretum Trust. Accordingly, these financial statements are presented on a consolidated basis.

All significant inter-company accounts and transactions have been eliminated from the accompanying consolidated financial statements.

Note 3 Summary of Significant Accounting Policies

Basis of Presentation

The financial statements of the Organization have been prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America. The financial statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958, and the provisions of the American Institute of Certified Public Accountants (AICPA) "Audit and Accounting Guide for Not-for-Profit Organizations" (the "Guide").

Under the provisions of the Guide, net assets and revenues, and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified as follows:

AWBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2018

Note 3 Summary of Significant Accounting Policies (Continued)

Basis of Presentation (Continued)

Net Assets Without Donor Restrictions

Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. The Organization's board may designate assets without restrictions for specific operational purposes from time to time.

Net Assets With Donor Restrictions

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

Grants and Accounts Receivable

Awbury assesses the financial strength of its receivables based upon prior history and experience and determined that no allowances for collectability are deemed necessary as of June 30, 2019 and June 30, 2018.

Investments

Investments in marketable securities are reported at their fair value in the statement of financial position pursuant to FASB ASC 820 Fair Value Measurements and Disclosures. Fair value is defined as the price that the Organization would receive to sell an investment with an independent buyer in the principal market, or in the absence of a principal market, the most advantageous market. FASB ASC 820 establishes a three-tier hierarchy based on quoted prices in the active markets (Level 1), other observable inputs (Level 2), or unobservable imputes (Level 3).

At June 30, 2019 and June 30, 2018, marketable securities consisting of common stock are all at Level 1.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires the use of estimates based on management's knowledge and experience. Accordingly, actual results could differ from those estimates.

Reclassification

Certain amounts in the 2018 financial statements have been reclassified to agree with the 2019 presentation.

AWBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2019
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2018

Note 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Land, Buildings, and Equipment

Land, Buildings, and Equipment are stated at cost. Depreciation is provided over the estimated useful lives of the related assets using the straight-line method. Awbury capitalizes all equipment expenditures over \$1,000. Major renewals and betterments are charged to the capital accounts while maintenance and repairs which do not improve or extend the life of the respective asset are expensed.

Contributions

Contributions, including unconditional promises to give, are recognized when received. All donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires or the conditions have been substantially met, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Unconditional promises to give due in the next year are recorded at their net realizable value. Unconditional promises to give due in subsequent years are reported at the present value of their net realizable value, using risk-free interest rates applicable to the years in which the promises are to be received.

Tax Status

The Organization is incorporated in the Commonwealth of Pennsylvania and is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization is registered as required with the Pennsylvania Bureau of Charitable Organizations.

The Tax years from 2017 through 2019 remain subject to examination by major tax jurisdictions.

Credit and Market Risk

Financial instruments which subject Awbury to concentrations of credit and market risk consist principally of cash and receivables. From time to time, Awbury may have amounts on deposit in excess of the federally insured deposit limit at one bank. Awbury places its cash with high quality financial institutions. Receivables are subject to the risk that donors might renege on their commitments, Awbury periodically reminds donors of their commitments.

Advertising Expense

Advertising costs are expensed as incurred. Advertising expense for the years ended June 30, 2019 and 2018 was \$3,115 and \$6,284, respectively.

AWBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2019
 WITH SUMMARIZED FINANCIAL INFORMATION FOR 2018

Note 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Methods Used for Allocation of Expenses from Management and General Activities

The financial statements report certain categories of expenses that are attribute to one or more program or supporting functions. Those expenses include payroll related expenses, professional fees, insurance, and office related expenses. Payroll related expenses are allocated based on estimates of time and efforts, professional fees are allocated based on estimates of cost of specific task, insurance expenses are allocated based on estimates of cost of specific coverage and office expenses are allocated based on estimates of cost of specific usage.

Contributed Services

Many individuals volunteer their time and perform a variety of tasks that assist Awbury in fulfilling its mission. Contributed services are reported as contributions at their fair value if such services create or enhance non-financial assets, would have been purchased if not provided by contribution, require specialized skills, and are provided by individuals possessing such specialized skills. During the years ended June 30, 2019 and June 30, 2018, no amounts have been reflected in the financial statements since none of these services met the necessary criteria.

Prior-Year Summarized Comparative Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2018, from which the summarized information was derived.

Note 4 INVESTMENTS

Investments consist of the following as of June 30, 2019 and June 30, 2018:

	<u>2019</u>		<u>2018</u>	
	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>
Vanguard board designated	\$ 125,013	\$ 142,054	\$ 114,767	\$ 112,030
BBT&T / National Penn	750,000	799,183	1,000,000	1,069,591
Total	<u>\$ 875,013</u>	<u>\$ 941,237</u>	<u>\$1,114,767</u>	<u>\$1,181,621</u>

AWBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2019
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2018

Note 4 INVESTMENTS (Continued)

The following summarizes the investment revenue for the years ended June 30, 2019 and June 30, 2018:

	<u>2019</u>			<u>2018</u>		
	<u>Awbury Arboretum Assoc. Inc</u>	<u>City Parks Association of Phila</u>	<u>Total</u>	<u>Awbury Arboretum Assoc. Inc</u>	<u>City Parks Association of Phila</u>	<u>Total</u>
Interest and dividends	\$ 2,913	\$ 43,727	\$46,640	\$ 3,911	\$ 3,055	\$ 6,966
Realized gain (loss)	583	20,801	21,384	(3,636)	23,667	20,031
Net unrealized gain (loss) on investments	<u>16,281</u>	<u>(29,856)</u>	<u>(13,575)</u>	<u>11,594</u>	<u>38,835</u>	<u>50,429</u>
Total	<u>\$ 19,777</u>	<u>\$ 34,672</u>	<u>\$ 54,449</u>	<u>\$ 11,869</u>	<u>\$ 65,557</u>	<u>\$ 77,426</u>

Note 5 PROPERTY AND EQUIPMENT

Fixed assets consist of the following as of June 30, 2019 and June 30, 2018:

	<u>2019</u>	<u>2018</u>
Land and buildings	\$1,322,458	\$ 1,045,313
Equipment	<u>158,392</u>	<u>158,392</u>
Total	1,480,850	1,203,705
Less: accumulated depreciation	<u>(289,331)</u>	<u>(212,894)</u>
Property and equipment, net	<u>\$1,119,519</u>	<u>\$ 990,811</u>

Depreciation expense for the years ended June 30, 2019 and June 30, 2018 was \$72,789 and \$64,585, respectively.

Note 6 CHARITABLE REMAINDER TRUSTS

The Organization is the ultimate beneficiary of two charitable remainder trusts. During the lifetime of the donors, the trustee pays the donors and upon the passing of the donors, any remaining corpus will be distributed to the Organization.

In 2006, a charitable remainder trust (Hock Trust) was established at a bank naming Awbury as a 3% beneficiary. Awbury has recorded its valuation of the remainder trust representing Awbury's 3% interest in the present value of future benefits expected to be received. Changes in the fair value of Awbury's beneficial interest are recognized as increases or decreases in the accompanying statement of activities. The fair value market value as of June 30, 2019 and 2018 was \$1,463,888 \$1,505,964, respectively. Awbury Arboretum is entitled to receive 3% at time of distribution amounting to \$43,917 for 2019 and \$45,179 for 2018.

AWBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2019
 WITH SUMMARIZED FINANCIAL INFORMATION FOR 2018

Note 6 CHARITABLE REMAINDER TRUSTS (Continued)

In 2018, the Organization discovered that in October of 2005 the Evans Charitable Remainder Trust will benefit Awbury upon the death of the final annuitants. Awbury is a 100% beneficiary of the trust. The market value of June 30, 2018 was \$114,520 and was listed as other income. The fair market value of the charitable remainder trust at June 20, 2019 and June 30, 2018 was as follows:

	<u>2019</u>	<u>2018</u>
Hock Trust	\$ 43,917	\$ 45,179
Evans Trust	<u>114,520</u>	<u>114,520</u>
	<u>\$ 158,437</u>	<u>\$ 159,699</u>

Note 7 COPE TRUST

City Parks is the sole income beneficiary of the Clementine and Annette Cope Memorial Trust managed by BNY Mellon and the trusts income is distributed to the Organization. The value of the trust and its market value activity, which are not reflected in Awbury's consolidated financial statements for the years ended June 30, 2019 and June 30, 2018 is as follows:

	<u>2019</u>	<u>2018</u>
Fair value, beginning of the year	\$ 613,887	\$ 585,305
Change in total value during year	<u>(10,425)</u>	<u>28,582</u>
Fair value, end of year	<u>\$ 603,462</u>	<u>\$ 613,887</u>

Note 8 AWBURY ARBORETUM TRUST

City Parks formed the Awbury Arboretum Trust from proceeds of \$1,000,000 from the sale of the Conservation Easement on 38 acres of the Arboretum on January 20, 2015. Awbury Arboretum is the beneficiary of this Trust and entitled to take annual income for operating purposes, and entitled to take principal to purchase adjoining property. Awbury Arboretum took income of \$46,039 and \$64,465, respectively, for the fiscal years ended June 30, 2019 and 2018. In fiscal year 2019 Awbury Arboretum took \$250,000 from principal to purchase 5925-31 Devon Place.

	<u>2019</u>	<u>2018</u>
Fair value, beginning of the year	\$1,069,591	\$1,079,058
Distribution to Awbury Arboretum	(46,039)	(64,465)
Distribution to Awbury Arboretum	(250,000)	
Investment fee paid during the year end	(9,041)	(10,558)
Change in total value during year	<u>34,672</u>	<u>65,556</u>
Fair value, end of year	<u>\$ 799,183</u>	<u>\$1,069,591</u>

AWBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2019
 WITH SUMMARIZED FINANCIAL INFORMATION FOR 2018

Note 9 SIGNIFICANT EVENTS

During 2018, the William Penn Foundation provided a grant who's purpose included the retirement of debt.

Note 10 SUBSEQUENT EVENTS

In preparing these financial statements, Awbury's management has evaluated events and transactions for potential recognition and disclosure through January 13, 2020, the date on which the financial statements were available to be issued.

Note 11 GRANTS

In fiscal year 2019 and 2018, Awbury recorded the following grant revenue:

<u>Organization</u>	<u>2019</u> <u>Amount</u>	<u>2018</u> <u>Amount</u>
1. Haas Trusts	\$ 25,000	\$ 25,000
2. Leo and Peggy Pierce	15,000	20,000
3. PA Department of Agriculture	12,493	
4. The Claneil Foundation		7,500
5. The Patricia Kind Foundation	7,500	7,500
6. Rosenlund Family Foundation	5,000	5,000
7. Tides Foundation	5,000	5,000
8. Philadelphia Cultural Fund	3,498	2,915
9. The Christopher Ludwick Foundation	2,500	
10. Christian R. & May F. Lindback Foundation	2,500	
11. Dolfinger-McMahon Foundation	1,250	1,725
12. The Huston Foundation	4,000	
13. Franklin Institute	2,000	
14. Hardy Plant Society	500	
15. The Slow Food Philadelphia	400	
16. Fidelity Charitable Fund	300	
17. Henrietta Tower Wurts Memorial	3,000	2,000
18. Drexel University	500	15,000
19. Roswell foundation	15,000	5,000
20. Skilling trust		2,000
21. Pennsylvania Horticultural Society		9,263
22. Tabitah Foundation		7,500
23. Raynier Institution and Foundation	10,000	
24. Vanguard Group Foundation	5,000	
25. William Penn (released from restriction)	140,000 98,807	61,027 90,166
26. Historic Germanton Signage	4,000	
27. PHMC (released from restriction)		12,671
28. PPIC - Local Development Corporation	9,013	4,722
29. East Mt. Airy Neighbors		1,027
Total	<u>\$ 372,261</u>	<u>\$ 285,016</u>

AWBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2019
 WITH SUMMARIZED FINANCIAL INFORMATION FOR 2018

Note 12 DEFERRED REVENUE

In fiscal year 2019 and 2018, Awbury had the following deferred revenue:

	<u>2019</u>	<u>2018</u>
1. William Penn Foundation		
Grant received in Fiscal Year 2018		\$250,000
Grant spent for Capital improvements in Fiscal Year 2018		(61,027)
Grant spent for Debt Retirement in Fiscal Year 2018		(90,166)
William Penn Foundation total	<u>\$ -0-</u>	<u>98,807</u>
2. Camp fees 2019-2020	<u>28,533</u>	<u>-0-</u>
Total deferred revenue	<u>\$ 28,533</u>	<u>\$ 98,807</u>

Note 13 GRANTS RECEIVABLE

In fiscal year 2019 and 2018, Awbury had the following grants receivable:

	<u>2019</u>	<u>2018</u>
1. William Penn Foundation	\$40,000	
2. Otto Haas Charitable Trust	25,000	
3. Commonwealth of Pennsylvania	12,493	
4. Elizabeth B. & Arthur E. Roswell Foundation	10,000	
5. Historic Germantown Society	4,000	
6. East Mt. Airy Neighbors		\$ 1,027
Total	<u>\$ 91,493</u>	<u>\$ 1,027</u>

Note 14 Liquidity

Financial assets available for general expenditure within one year are as follows as of June 30, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Cash	\$ 83,785	\$143,838
Accounts receivable	11,707	31,874
Grants receivable	91,493	1,027
Total	<u>\$186,985</u>	<u>\$176,739</u>

As part of the Organization's liquidity management, the Organization's goal is to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

AWBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2019
 WITH SUMMARIZED FINANCIAL INFORMATION FOR 2018

Note 15 NET ASSETS WITHOUT DONOR RESTRICTIONS

Net assets without donor restriction was \$940,494 and \$781,272 as of June 30, 2019 and 2018, respectively.

Awbury's Board of Directors has designated a portion of Awbury's net assets without donor restrictions for long-term investment with the investment income from such investments available primarily for operations. Net assets without donor restriction - board designated amount was \$142,054 and \$112,030 as of June 30, 2019 and 2018, respectively.

Note 16 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions was \$1,380,410 and \$1,648,620 as of June 30, 2019 and 2018, respectively.

	<u>2019</u>	<u>2018</u>
Hock charitable remainder trust	\$ 43,917	\$ 45,719
Evans charitable remainder trust	114,520	114,520
Historic Germantown	4,000	
Awbury Arboretum Trust	799,183	1,069,591
City Parks - land and building	418,790	418,790
Total	<u>\$1,380,410</u>	<u>\$1,648,620</u>

SUPPLEMENTARY INFORMATION



INDEPENDENT AUDITOR'S REPORT
ON SUPPLEMENTARY INFORMATION

To the Board of Directors of
Awbury Arboretum Association, Inc. and Affiliates
Philadelphia, Pennsylvania

We have audited the consolidated financial statements of Awbury Arboretum Association, Inc. and Affiliates as of and for the years ended June 30, 2019, and have issued our report thereon dated January 13, 2020, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole.

The 2019 consolidating statement of financial position and consolidating statement of activities and changes in net assets and 2018 consolidated statement of financial position and consolidating statement of activities and changes in net assets are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Philadelphia, Pennsylvania
January 13, 2020

AWBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
CONSOLIDATING STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2019
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2018

	ASSETS					
	Awbury Arboretum Association Inc.	City Parks Association of Philadelphia	Awbury Arboretum Trust	Eliminations	2019 Consolidated Balances	2018
Current assets:						
Cash	\$ 83,785				\$ 83,785	\$ 143,838
Accounts receivable	11,707				11,707	31,874
Grants receivable	91,493				91,493	1,027
Prepaid expenses	925				925	805
Loans receivable - employees						1,566
Total current assets	<u>187,910</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>187,910</u>	<u>179,110</u>
Cash Restricted for signage/capital improvements	<u>4,000</u>				<u>4,000</u>	<u>96,807</u>
Property and equipment:						
Land, building and equipment, net of accumulated depreciation	<u>772,729</u>	<u>\$ 418,790</u>			<u>1,191,519</u>	<u>990,811</u>
Other assets:						
Investment at Market						
Undesignated			\$ 799,183		799,183	1,069,591
Board designated	142,054				142,054	112,030
Total investment at market	<u>142,054</u>	<u>-0-</u>	<u>799,183</u>	<u>-0-</u>	<u>941,237</u>	<u>1,181,621</u>
Charitable remainder trusts	158,437				158,437	159,699
Total other assets	<u>300,491</u>	<u>-0-</u>	<u>799,183</u>	<u>-0-</u>	<u>1,099,674</u>	<u>1,341,320</u>
Total assets	<u>\$1,265,130</u>	<u>\$ 418,790</u>	<u>\$ 799,183</u>	<u>\$ -0-</u>	<u>\$2,483,103</u>	<u>\$2,608,048</u>

	LIABILITIES AND NET ASSETS					
Current liabilities:						
Accounts payable	\$ 12,921				\$ 12,921	\$ 40,869
Accrued expenses	6,500				6,500	10,800
Payroll liabilities	33,199				33,199	18,316
Deferred revenue	28,533				28,533	98,807
Security deposit	9,325				9,325	9,364
Total current liabilities	<u>90,478</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>90,478</u>	<u>178,156</u>
Net assets:						
Net assets, without donor restrictions	870,161				870,161	669,242
Net assets, without donor restrictions, board designated	142,054				142,054	112,030
Net assets, with donor restrictions	162,437	\$ 418,790	\$ 799,183		1,380,410	1,648,620
Total net assets	<u>1,174,652</u>	<u>418,790</u>	<u>799,183</u>	<u>-0-</u>	<u>2,392,625</u>	<u>2,429,892</u>
Total liabilities and net assets	<u>\$1,265,130</u>	<u>\$ 418,790</u>	<u>\$ 799,183</u>	<u>\$ -0-</u>	<u>\$2,483,103</u>	<u>\$2,608,048</u>

AWBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2019

	Awbury Arboretum Association <u>Inc.</u>	City Parks Association of Philadelphia	Awbury Arboretum <u>Trust</u>	<u>Eliminations</u>	<u>Total</u>
Revenue and Support					
Support					
Administrative					
Interest and dividends	\$ 3,496				\$ 3,496
Unrealized gain (loss)	16,281		\$ (29,856)		(13,575)
Trust income		\$ 30,385	55,487		85,872
Rental income	134,480				134,480
Management fees	76,424			\$ (76,424)	-0-
Other income	3,510				3,510
Development					
Contributions and memberships	312,631			(250,000)	62,631
Non-cash gift	10,246				10,246
Sponsorship	3,000				3,000
Sales	909				909
Grants	372,261				372,261
In-kind contributions	4,531				4,531
Programs					
Education	32,131				32,131
Landscaping services	96,493				96,493
Others	22,759				22,759
Total support and net landscaping revenue	<u>1,089,152</u>	<u>30,385</u>	<u>25,631</u>	<u>(326,424)</u>	<u>818,744</u>
Expenses					
Programs:					
Education	331,743				331,743
Landscaping	365,503				365,503
Management fees		30,385	296,039	(326,424)	-0-
Total programs	<u>697,246</u>	<u>30,385</u>	<u>296,039</u>	<u>(326,424)</u>	<u>697,246</u>
Supporting:					
Administrative	138,273				138,273
Fundraising	7,143				7,143
Total supporting	<u>145,416</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>145,416</u>
Total expenses	<u>842,662</u>	<u>30,385</u>	<u>296,039</u>	<u>(326,424)</u>	<u>842,662</u>
Change in net assets before other expenses	246,490		(270,408)		(23,918)
Other expenses:					
Write-offs of fixed assets	(389)				(389)
Miscellaneous write-offs	(12,960)				(12,960)
Total other expenses	<u>(13,349)</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>(13,349)</u>
Change in net assets	233,141		(270,408)		(37,267)
Net assets, beginning	941,511	418,790	1,069,591		2,429,892
Net assets, ending	<u>\$1,174,652</u>	<u>\$ 418,790</u>	<u>\$ 799,183</u>	<u>\$ -0-</u>	<u>\$2,392,625</u>

AWBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2018

	Awbury Arboretum Association Inc.	City Parks Association of Philadelphia	Awbury Arboretum Trust	Eliminations	Totals
Revenue and Support					
Support					
Administrative					
Interest and dividends	\$ 276				\$ 276
Unrealized gain (loss)	11,594		\$ 38,835		50,429
Trust income		\$ 28,311	16,163		44,474
Rental income	95,625				95,625
Management fees	92,776			\$ (92,776)	-0-
Other income	10,650				10,650
Development					
Contributions and memberships	131,421				131,421
Non-cash gift	9,435				9,435
Sponsorship	1,750				1,750
Sales	3,662				3,662
Special events	695				695
Grants	285,016				285,016
In-kind contributions	1,388				1,388
Programs					
Children's education	17,198				17,198
Landscape services	105,506				105,506
Others	68,479				68,479
Total support and net landscaping revenue	<u>835,471</u>	<u>28,311</u>	<u>54,998</u>	<u>(92,776)</u>	<u>826,004</u>
Expenses					
Programs:					
Education	285,475				285,475
Landscaping	274,281				274,281
Management fees		28,311	64,465	(92,776)	-0-
Total programs	<u>559,756</u>	<u>28,311</u>	<u>64,465</u>	<u>(92,776)</u>	<u>559,756</u>
Supporting:					
Administrative	154,944				154,944
Fundraising	16,774				16,774
Total supporting	<u>171,718</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>171,718</u>
Total expenses	<u>731,474</u>	<u>28,311</u>	<u>64,465</u>	<u>(92,776)</u>	<u>731,474</u>
Change in net assets before other income	103,997		(9,467)		94,530
Other income:					
Evans Trust	<u>114,520</u>				<u>114,520</u>
Change in net assets	218,517		(9,467)		209,050
Net assets, beginning	722,994	418,790	1,079,058		2,220,842
Net assets, ending	<u>\$ 941,511</u>	<u>\$ 418,790</u>	<u>\$1,069,591</u>	<u>\$ -0-</u>	<u>\$2,429,892</u>