

AWBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2019

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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, 2020, 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.

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, 2020, 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' 2019 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated January 13, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.



Philadelphia, Pennsylvania
January 11, 2021

AWBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2020
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2019

ASSETS

	2020	2019
Current assets:		
Cash	\$ 215,086	\$ 87,785
Accounts receivable	13,086	11,707
Grants receivable	24,157	91,493
Prepaid expenses	11,950	925
Total current assets	<u>264,279</u>	<u>191,910</u>
Property and equipment, net of accumulated depreciation of \$374,604 for 2020 and \$289,331 for 2019	<u>1,167,670</u>	<u>1,191,519</u>
Other assets:		
Investment at market		
Donor restricted	894,541	799,183
Board designated	148,526	142,054
Total investment at market	<u>1,043,067</u>	<u>941,237</u>
Charitable remainder trusts	158,347	158,437
Total other assets	<u>1,201,504</u>	<u>1,099,674</u>
Total assets	<u>\$2,633,453</u>	<u>\$2,483,103</u>

LIABILITIES AND NET ASSETS

Current liabilities:		
Accounts payable	\$ 10,845	\$ 12,921
Accrued expenses	7,700	6,500
Payroll liabilities	17,454	33,199
Deferred revenue	19,348	28,533
Security deposit	4,100	9,325
Loan payable - PPP	85,400	
Line of credit	59,811	
Total current liabilities	<u>204,658</u>	<u>90,478</u>
Net assets		
Net assets, without donor restrictions	804,344	870,161
Net assets, without donor restrictions - Board designated	148,526	142,054
Net assets, with donor restrictions	<u>1,475,925</u>	<u>1,380,410</u>
Total net assets	<u>2,428,795</u>	<u>2,392,625</u>
Total liabilities and net assets	<u>\$2,633,453</u>	<u>\$2,483,103</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, 2020
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2019

	2020			2019
	Without Donor Restriction	With Donor Restriction	Total	Total
Revenue and Support				
Support				
Administrative				
Trust income	\$ 22,370		\$ 22,370	\$ 85,872
Interest and dividends	3,144		3,144	3,496
Unrealized gain (loss)		\$ 146,801	146,801	(13,575)
Rental income	54,947		54,947	134,480
Other income (loss)				3,510
Development				
Contributions and memberships	106,886	1,250	108,136	62,631
Non-Cash Gift	10,445		10,455	10,246
Sponsorship		2,000	2,000	3,000
Sales	6,139		6,139	909
Grants	75,498	80,148	155,646	372,261
In-Kind Contribution	2,290		2,290	4,531
Programs				
Education	48,303		48,303	32,131
Landscape Services	124,356		124,356	96,493
Others				22,759
Net assets released from restrictions	<u>134,684</u>	<u>(134,684)</u>		
Total support	<u>589,072</u>	<u>95,515</u>	<u>684,587</u>	<u>818,744</u>
Expenses				
Programs:				
Education and camps	166,123		166,123	331,743
Grounds and building	<u>360,762</u>		<u>360,762</u>	<u>363,503</u>
Total programs	<u>526,885</u>		<u>526,885</u>	<u>697,246</u>
Supporting:				
Administrative	113,627		113,627	138,273
Fundraising	<u>16,636</u>		<u>16,636</u>	<u>7,143</u>
Total supporting	<u>130,263</u>		<u>130,263</u>	<u>145,416</u>
Total expenses	<u>657,148</u>		<u>657,148</u>	<u>842,662</u>
Change in net assets before other income (expenses)	(68,076)	95,515	27,439	(23,918)
Other income (expenses)				
Write-offs of fixed assets				(389)
Miscellaneous income	9,282		9,282	
Miscellaneous write-offs				(12,960)
Miscellaneous expense	<u>(551)</u>		<u>(551)</u>	
Total other income (expenses)	<u>8,731</u>		<u>8,731</u>	<u>(13,349)</u>
Change in net assets	(59,345)	95,515	36,170	(37,267)
Net assets, beginning of the year	<u>1,012,215</u>	<u>1,380,410</u>	<u>2,392,625</u>	<u>2,429,892</u>
Net assets, end of year	<u>\$ 952,870</u>	<u>\$1,475,925</u>	<u>\$2,428,795</u>	<u>\$2,392,625</u>

See accompanying notes
to consolidated financial statements

AWBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2020
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2019

	<u>2020</u>	<u>2019</u>
Cash flows from operating activities:		
Change in net assets	\$ 36,170	\$ (37,267)
Adjustments to reconcile change in net assets to cash provided by (used in) operating activities		
Depreciation	79,273	72,789
Unrealized (gain) loss	(146,801)	13,575
Realized gain - included in trust income	18,746	(21,384)
Stock gift	(10,455)	(10,246)
Charitable remainder trust		(9,435)
Write-offs of fixed assets		389
Miscellaneous write-offs		12,960
(Increase) decrease in:		
Accounts receivable	(1,379)	20,165
Grants receivable	67,336	(90,466)
Loan receivable from employees		1,567
Prepaid expenses	(11,025)	(120)
Increase (decrease) in:		
Accounts payable	(2,076)	(27,948)
Accrued expenses	1,200	(4,300)
Payroll liabilities	(15,745)	14,882
Deferred revenue	(9,185)	(70,274)
Security deposit	(5,225)	(40)
Net cash provided by (used in) operating activities	<u>834</u>	<u>(125,715)</u>
Cash flows from investing activities:		
Proceeds from sale of investments	42,680	250,000
Purchases of property and equipment	(61,424)	(277,145)
Net cash used in investing activities	<u>(18,744)</u>	<u>(27,145)</u>
Cash flows from financing activities:		
Proceeds from loans payable - PPP	85,400	
Proceeds from line of credit	59,811	
Net cash provided by financing activities	<u>145,211</u>	
Net increase (decrease) in cash	127,301	(152,860)
Cash, beginning of year	87,785	240,645
Cash, end of year	<u>\$ 215,086</u>	<u>\$ 87,785</u>
Cash unrestricted	\$ 215,086	\$ 87,785
Cash restricted		
Total Cash	<u>\$ 215,086</u>	<u>\$ 87,785</u>
Supplementary disclosures:		
Interest paid	<u>\$ 789</u>	<u>\$ 1,507</u>
Tax paid	<u>\$ -0-</u>	<u>\$ -0-</u>

See accompanying notes
to consolidated financial statements

AWBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2020
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2019

	Program		Supporting		2019
	Education	Landscapeing	Administrative	Fundraising	Total
		Total			Total
Salaries	\$ 83,525	\$ 157,984	\$ 36,351	\$ 9,747	\$ 377,410
Payroll taxes	7,835	15,025	4,326	860	36,866
Benefits	4,440	8,399	1,933	518	15,354
Professional fees and outside services	6,706	5,641	36,194	680	77,507
Advertising/marketing	2,939	2,939	745	745	3,115
Bank service charges			13	13	33
Building maintenance	5,341	6,266			30,101
Continuing education	466	40		506	
Custodial service and supplies	57	13	1,188		1,619
Insurance	25,610	25,610	10,975		50,250
Depreciation		79,273			72,789
Dues and subscriptions	470	1,332	6,500	521	5,657
Equipment lease			2,318		5,032
Equipment repair		5,338			4,119
Fees			1,643		
Finance charges and interest expense			789		1,507
Landscape client supplies and services		43,301			41,547
Landscape equipment and supplies	6,555	6,555			8,321
Landscape services	18,547	18,547			16,051
Meeting hospitality	141	141			1,011
Miscellaneous				100	100
Office supplies	1,226	1,169		1,100	2,075
Portable restroom rental	1,953	159			3,495
Postage and delivery	150	150			2,112
Printing and design	3,053	3,053	182	695	1,027
Processing fees			1,085	915	3,968
Program expenses	1,010	1,010			1,085
Program supplies and materials	9,733	9,733			1,010
Real estate tax			624		9,733
Reimbursements					624
Security expenses	1,426				489
Stipends					5,085
Telephone and internet	1,072	1,072	3,312		1,331
Transportation		5,116			2,233
Utilities	8,970	4,386	5,292	1,500	4,427
Web maintenance and IT support			157		7,504
Project expense		2,218			20,148
					157
					2,218
Total expenses	\$ 166,123	\$ 360,762	\$ 113,627	\$ 16,636	\$ 657,148
		<u>80.2%</u>	<u>17.3%</u>	<u>2.5%</u>	<u>100.0%</u>
					<u>\$ 842,662</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, 2020
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2019

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 Summary of Significant Accounting Policies

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.

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, 2020
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2019

Note 2 . 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 net 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 were deemed necessary as of June 30, 2020 and June 30, 2019.

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, 2020 and June 30, 2019, 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 2019 financial statements have been reclassified to agree with the 2020 presentation.

AWBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2020
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2019

Note 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment

Property 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 2018 through 2020 remain subject to examination by major tax jurisdictions.

Credit and Market Risk

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

Advertising Expense

Advertising costs are expensed as incurred. Advertising expense for the years ended June 30, 2020 and 2019 was \$3,684 and \$3,115, respectively.

Revenue Recognition

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) NO. 2014-09, Revenue from Contracts with Customers (Topic 606), which requires entities to recognize revenue when control of the promised goods or services is transferred to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This standard was adapted in the fiscal year ended June 30, 2020. The standard did not affect the changes in net assets, financial position or cash flows.

AWBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2020
 WITH SUMMARIZED FINANCIAL INFORMATION FOR 2019

Note 2 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, payroll taxes, benefits, professional fees, advertising, custodial service and supplies, insurance, dues and subscriptions, office supplies, postage and delivery, printing, telephone, and utilities. payroll, payroll taxes and benefits 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 advertising expenses are allocated based on estimates of cost of specific purpose, custodial service and supplies, dues and subscriptions, office supplies, postage and delivery, printing, telephone, and utilities 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, 2020 and June 30, 2019, 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, 2019, from which the summarized information was derived.

Note 3 INVESTMENTS

Investments consist of the following as of June 30, 2020 and June 30, 2019:

Vanguard - board designated:

	<u>2020</u>	<u>2019</u>
Stock portion	\$ 107,378	\$ 132,502
Bonds	1,817	3,467
Short-term revenues	29,034	6,085
Stock bequests	10,297	
Total	<u>\$ 148,526</u>	<u>\$ 142,054</u>

	<u>2020</u>		<u>2019</u>	
	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>
Vanguard board designated	\$ 114,171	\$ 148,526	\$ 125,013	\$ 142,054
BBT&T / National Penn	765,471	894,541	750,000	799,183
Total	<u>\$ 879,642</u>	<u>\$1,043,067</u>	<u>\$ 875,013</u>	<u>\$ 941,237</u>

AWBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2020
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Note 3 INVESTMENTS (Continued)

The following summarizes the investment revenue for the years ended June 30, 2020 and June 30, 2019:

	<u>2020</u>		<u>2019</u>	
	<u>Awbury Arboretum Assoc. Inc</u>	<u>City Parks Association of Phila</u>	<u>Awbury Arboretum Assoc. Inc</u>	<u>City Parks Association of Phila</u>
Interest and dividends	\$ 3,029	\$ 20,218	\$ 2,913	\$ 43,727
Realized gain (loss)	116	(18,862)	583	20,801
Net unrealized gain (loss) on investments	<u>4,876</u>	<u>141,925</u>	<u>16,281</u>	<u>(29,856)</u>
Total	<u>\$ 8,021</u>	<u>\$ 143,281</u>	<u>\$ 19,777</u>	<u>\$ 34,672</u>

Note 4 LINE OF CREDIT

The Organization has available a \$100,000 bank line of credit for operating purposes. The effective interest rates were 3.49% and 5.74% for the years ended June 30, 2020 and 2019 and the outstanding balances at June 20, 2020 and 2019 were \$59,811 and \$-0-, respectively. The line of credit was collateralized by the Center's assets. The expiration date is June 30, 2022.

Note 5 PROPERTY AND EQUIPMENT

Fixed assets consist of the following as of June 30, 2020 and June 30, 2019:

	<u>2020</u>	<u>2019</u>
Land and buildings	\$1,383,882	\$1,322,458
Equipment	<u>158,392</u>	<u>158,392</u>
Total	1,542,274	1,480,850
Less: accumulated depreciation	<u>(374,604)</u>	<u>(289,331)</u>
Property and equipment, net	<u>\$1,167,670</u>	<u>\$1,191,519</u>

Depreciation expense for the years ended June 30, 2020 and June 30, 2019 was \$79,273 and \$72,789, 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.

AWBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2020
 WITH SUMMARIZED FINANCIAL INFORMATION FOR 2019

Note 6 CHARITABLE REMAINDER TRUSTS (Continued)

In 2006, a charitable remainder trust (Hock Trust) was established at a bank naming the Organization as a 3% beneficiary. Awbury Arboretum has recorded its valuation of the remainder trust representing the Organization's 3% interest in the present value of future benefits expected to be received. Changes in the fair value of the Organization's beneficial interest are recognized as increases or decreases in the accompanying statement of activities. The fair value market value as of June 30, 2020 and 2019 was \$1,463,888 \$1,463,88 respectively. Awbury Arboretum is entitled to receive 3% at time of distribution amounting to \$43,917 for 2020 and \$43,917 for 2019.

In October 2005, the Evans Charitable Remainder Trust was established. The trust will benefit Awbury Arboretum upon the death of the final annuitants. Awbury Arboretum is a 100% beneficiary of the trust.

The fair market value of the charitable remainder trusts at June 20, 2020 and June 30, 2019 were as follows:

	<u>2020</u>	<u>2019</u>
Hock Trust	\$ 43,917	\$ 43,917
Evans Trust	<u>114,520</u>	<u>114,520</u>
	<u>\$ 158,437</u>	<u>\$ 158,437</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, 2020 and June 30, 2019 is as follows:

	<u>2020</u>	<u>2019</u>
Fair value, beginning of the year	\$ 603,462	\$ 613,887
Change in total value during year	<u>(10,379)</u>	<u>(10,425)</u>
Fair value, end of year	<u>\$ 593,083</u>	<u>\$ 603,462</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 \$39,997 and \$46,039, respectively, for the fiscal years ended June 30, 2020 and 2019. In fiscal year 2019 Awbury Arboretum took \$250,000 from principal to purchase 5925-31 Devon Place.

AWBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2020
 WITH SUMMARIZED FINANCIAL INFORMATION FOR 2019

Note 8 AWBURY ARBORETUM TRUST (Continued)

	<u>2020</u>	<u>2019</u>
Fair value, beginning of the year	\$ 799,183	\$1,069,591
Distribution to Awbury Arboretum	(39,997)	(46,039)
Distribution to Awbury Arboretum		(250,000)
Investment fee paid during the year end	(7,926)	(9,041)
Change in total value during year	<u>143,281</u>	<u>34,672</u>
Fair value, end of year	<u>\$ 894,541</u>	<u>\$ 799,183</u>
Trust income (loss)		
Interest and dividends	\$ 20,218	\$ 43,727
Realized gain (loss)	(18,862)	20,801
Fees	(7,926)	(9,041)
Net trust income (loss)	<u>\$ (6,570)</u>	<u>\$ 55,487</u>

Note 9 SUBSEQUENT EVENTS

In preparing these financial statements, Awbury's management has evaluated events and transactions for potential recognition and disclosure through January 11, 2021, the date on which the financial statements were available to be issued.

Note 10 DEFERRED REVENUE

At June 30, 2020 and 2019, Awbury had the following deferred revenue:

	<u>2020</u>	<u>2019</u>
1. Land rent income	\$ 2,251	
2. Camp fees	13,175	\$28,533
3. Other programs	3,922	
Total deferred revenue	<u>\$ 19,348</u>	<u>\$ 28,533</u>

Note 11 GRANTS RECEIVABLE

At June 30, 2020 and 2019, Awbury had the following grants receivable:

	<u>2020</u>	<u>2019</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	\$ 5,000	10,000
5. Historic Germantown Society		4,000
6. Claniel Foundation	15,000	
7. Pennsylvania Historical and Museum Commission (PHMC)	4,157	
Total	<u>\$ 24,157</u>	<u>\$ 91,493</u>

AWBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2020
 WITH SUMMARIZED FINANCIAL INFORMATION FOR 2019

Note 12 GRANTS

In fiscal year 2020 and 2019, Awbury recorded the following grant revenue:

<u>Organization</u>	<u>2020</u> <u>Amount</u>	<u>2019</u> <u>Amount</u>
1. Haas Trusts		\$ 25,000
2. Leo and Peggy Pierce		15,000
3. PA Department of Agriculture		12,493
4. The Claneil Foundation	\$ 51,300	
5. The Patricia Kind Foundation		7,500
6. Rosenlund Family Foundation	5,000	5,000
7. Tides Foundation	5,000	5,000
8. Philadelphia Cultural Fund	4,198	3,498
9. The Christopher Ludwick Foundation	2,500	2,500
10. Christian R. & May F. Lindback Foundation	2,500	2,500
11. Dolfinger-McMahon Foundation		1,250
12. The Huston Foundation	4,000	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
18. Drexel University		500
19. Roswell foundation		15,000
20. Allen Hills Fund	5,000	
21. Raynier Institution and Foundation	10,000	10,000
22. Vanguard Group Foundation		5,000
23. William Penn (released from restriction)		140,000
		98,807
24. Historic Germanton Signage		4,000
25. PHMC	20,783	
26. PIDC - Philadelphia Industrial Development Corporation	16,524	9,013
27. Carolyn and Joseph M Evans Foundation	2,150	
28. Natural Lands Trust, Inc.	2,439	
29. Tree Pennsylvania	24,252	
Total	<u>\$ 155,646</u>	<u>\$ 372,261</u>

AWBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2020
 WITH SUMMARIZED FINANCIAL INFORMATION FOR 2019

Note 13 Liquidity

Financial assets available for general expenditure within one year are as follows as of June 30, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Cash	\$215,086	\$ 83,785
Accounts receivable	13,086	11,707
Grants receivable	24,157	91,493
Total	<u>\$252,329</u>	<u>\$186,985</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. The Organization has a line of credit of \$100,000 available to assist with liquidity management.

Note 14 NET ASSETS WITHOUT DONOR RESTRICTIONS

Net assets without donor restriction was \$952,870 and \$1,012,215 as of June 30, 2020 and 2019, 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 \$148,526 and \$142,054 as of June 30, 2020 and 2019, respectively.

Note 15 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions was \$1,475,925 and \$1,380,410 as of June 30, 2020 and 2019, respectively.

	<u>2020</u>	<u>2019</u>
Hock charitable remainder trust	\$ 43,917	\$ 43,917
Evans charitable remainder trust	114,520	114,520
Historic Germantown		4,000
PMHC	4,157	
Awbury Arboretum Trust	894,541	799,183
City Parks - land and building	418,790	418,790
Total	<u>\$1,475,925</u>	<u>\$1,380,410</u>

AWBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2020
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2019

Note 16 SIGNIFICANT UNCERTAINTY

In December 2019, an outbreak of novel strain of coronavirus (COVID-19) originated in Wuhan, China and has since spread to other countries, including the U.S. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. In addition, multiple jurisdictions in the U.S. have declared a state of emergency. It is anticipated that these impacts will continue for some time. Future potential impacts on the Organization may include prolonged disruptions in their ability to provide their program, rental, and events programs. The impacts on the economy may reduce the program, rental, and event revenues and increase support services expenses. The future effects of these issues are unknown. The Organization applied for the Paycheck Protection Program (PPP) Loan, which provides a direct incentive for small business to keep their employees on the payroll by U.S. Small Business Administration (SBA) and received \$85,400 from SBA in May 2020. The PPP Loan is forgivable if all employee retention criteria are met.

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, 2020, and have issued our report thereon dated January 11, 2021, 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 2020 consolidating statement of financial position and consolidating statement of activities and changes in net assets and 2019 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 11, 2021

AWBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
CONSOLIDATING STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2020
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2019

	ASSETS					
	Awbury Arboretum Association Inc.	City Parks Association of Philadelphia	Awbury Arboretum Trust	Eliminations	2020 Consolidated Balances	2019
Current assets:						
Cash	\$ 215,086				\$ 215,086	\$ 83,785
Accounts receivable	13,086				13,086	11,707
Grants receivable	24,157				24,157	91,493
Prepaid expenses	11,950				11,950	925
Total current assets	<u>264,279</u>				<u>264,279</u>	<u>187,910</u>
Cash Restricted for signage/capital improvements						4,000
Property and equipment:						
Land, building and equipment, net of accumulated depreciation	<u>748,880</u>	<u>\$ 418,790</u>			<u>1,167,670</u>	<u>1,191,519</u>
Other assets:						
Investment at Market						
Donor restricted			\$ 894,541		894,541	799,183
Board designated	148,526				148,526	142,054
Total investment at market	<u>148,526</u>		<u>894,541</u>		<u>1,043,067</u>	<u>941,237</u>
Charitable remainder trusts	158,437				158,437	158,437
Total other assets	<u>306,963</u>		<u>894,541</u>		<u>1,201,504</u>	<u>1,099,674</u>
Total assets	<u>\$1,320,122</u>	<u>\$ 418,790</u>	<u>\$ 894,541</u>		<u>\$2,633,453</u>	<u>\$2,483,103</u>

LIABILITIES AND NET ASSETS						
Current liabilities:						
Accounts payable	\$ 10,845				\$ 10,845	\$ 12,921
Accrued expenses	7,700				7,700	6,500
Payroll liabilities	17,454				17,454	33,199
Deferred revenue	19,348				19,348	28,533
Security deposit	4,100				4,100	9,325
PPP loan	85,400				85,400	
Line of credit	59,811				59,811	
Total current liabilities	<u>204,658</u>				<u>204,658</u>	<u>90,478</u>
Long term liabilities:						
Total liabilities	<u>204,658</u>				<u>204,658</u>	
Net assets:						
Net assets, without donor restrictions	804,344				804,344	870,161
Net assets, without donor restrictions, board designated	148,526				148,526	142,054
Net assets, with donor restrictions	162,594	\$ 418,790	894,541		1,475,925	1,380,410
Total net assets	<u>1,115,464</u>	<u>418,790</u>	<u>894,541</u>		<u>2,428,795</u>	<u>2,392,625</u>
Total liabilities and net assets	<u>\$1,320,122</u>	<u>\$ 418,790</u>	<u>\$ 894,541</u>	<u>\$</u>	<u>\$2,633,453</u>	<u>\$2,483,103</u>

AWBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2020

	Awbury Arboretum Association <u>Inc.</u>	City Parks Association of Philadelphia	Awbury Arboretum Trust	<u>Eliminations</u>	<u>Total</u>
Revenue and Support					
Support					
Administrative					
Trust income (loss)					
Cope trust, distributions received		\$ 28,940			\$ 28,940
Awbury trust, net investment activities			\$(6,570)		(6,570)
Interest and dividends	\$ 3,144				3,144
Unrealized gain (loss)	4,876		141,925		146,801
Rental income	54,947				54,947
Management fees	68,937			\$ (68,937)	
Development					
Contributions and memberships	108,136				108,136
Non-cash gift	10,455				10,455
Sponsorship	2,000				2,000
Sales	6,139				6,139
Grants	155,646				155,646
In-kind contributions	2,290				2,290
Programs					
Education	48,303				48,303
Landscape services	124,356				124,356
Total support and net landscaping revenue	<u>589,229</u>	<u>28,940</u>	<u>135,355</u>	<u>(68,937)</u>	<u>684,587</u>
Expenses					
Programs:					
Education	166,123				166,123
Landscaping	360,762				360,762
Management fees		28,940	39,997	(68,937)	
Total programs	<u>526,885</u>	<u>28,940</u>	<u>39,997</u>	<u>(68,937)</u>	<u>526,885</u>
Supporting:					
Administrative	111,627				111,627
Fundraising	16,636				16,636
Total supporting	<u>130,263</u>				<u>130,263</u>
Total expenses	<u>657,148</u>	<u>28,940</u>	<u>39,997</u>	<u>(68,937)</u>	<u>657,148</u>
Change in net assets before other income (expenses)	(67,919)		95,358		27,439
Other income (expenses):					
Miscellaneous income	9,282				9,282
Miscellaneous expenses	(551)				(551)
Total other expenses	<u>8,731</u>				<u>8,731</u>
Change in net assets	(59,188)		95,358		36,170
Net assets, beginning	<u>1,174,652</u>	<u>418,790</u>	<u>799,183</u>		<u>2,392,625</u>
Net assets, ending	<u>\$1,115,464</u>	<u>\$ 418,790</u>	<u>\$ 894,541</u>		<u>\$2,428,795</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 Inc.	City Parks Association of Philadelphia	Awbury Arboretum Trust	Eliminations	Totals
Revenue and Support					
Support					
Administrative					
Trust income:					
Cope trust, distributions received		\$ 30,385			\$ 30,385
Awbury trust, net investment activities			\$55,487		55,487
Interest and dividends	\$ 3,496				3,496
Unrealized gain (loss)	16,281		(29,856)		(13,575)
Rental income	134,480				134,480
Management fees	76,424			\$ (76,424)	
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
Landscape 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)	
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>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>(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>