

AWBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2020

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INDEPENDENT AUDITOR'S REPORT

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

Opinion

We have audited the accompanying financial statements of Awbury Arboretum Association, Inc. and Affiliates (a nonprofit organization), which comprise the consolidated statement of financial position as of June 30, 2021, and the related statements of activities and changes in net assets, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Awbury Arboretum Association, Inc. and Affiliates as of June 30, 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Awbury Arboretum Association, Inc. and Affiliates' ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

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 are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Awbury Arboretum Association, Inc. and Affiliates' 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 Awbury Arboretum Association, Inc. and Affiliates' 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.



INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Report on Summarized Comparative Information

We have previously audited the Awbury Arboretum Association, Inc. and Affiliates' 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated January 11, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Philadelphia, Pennsylvania
April 26, 2022

AWBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2021
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2020

ASSETS

	<u>2021</u>	<u>2020</u>
Current assets:		
Cash	\$ 251,301	\$ 215,086
Accounts receivable	13,832	13,086
Grants receivable	58,395	24,157
Prepaid expenses	14,108	11,950
Total current assets	<u>337,636</u>	<u>264,279</u>
Property and equipment, net of accumulated depreciation of \$463,169 for 2021 and \$374,604 for 2020	<u>1,279,057</u>	<u>1,167,670</u>
Other assets:		
Investment at market		
Donor restricted	901,707	894,541
Board designated	195,403	148,526
Total investment at market	<u>1,097,110</u>	<u>1,043,067</u>
Charitable remainder trusts	164,735	158,437
Total other assets	<u>1,261,845</u>	<u>1,201,504</u>
Total assets	<u>\$2,878,538</u>	<u>\$2,633,453</u>

LIABILITIES AND NET ASSETS

Current liabilities:		
Accounts payable	\$ 49,653	\$ 10,845
Accrued expenses	32,663	7,700
Payroll liabilities	4,749	17,454
Deferred revenue	65,672	19,348
Security deposit	5,000	4,100
Loan payable - PPP	206,265	85,400
Line of credit	9,811	59,811
Total current liabilities	<u>373,813</u>	<u>204,658</u>
Net assets		
Net assets, without donor restrictions	724,090	804,344
Net assets, without donor restrictions - Board designated	195,403	148,526
Net assets, with donor restrictions	<u>1,585,232</u>	<u>1,475,925</u>
Total net assets	<u>2,504,725</u>	<u>2,428,795</u>
Total liabilities and net assets	<u>\$2,878,538</u>	<u>\$2,633,453</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, 2021
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2020

	2021			2020
	Without Donor Restriction	With Donor Restriction	Total	Total
Revenue and Support				
Support				
Administrative				
Trust income	\$ 27,720	\$ 205,734	\$ 233,454	\$ 22,370
Interest and dividends	2,960		2,960	3,144
Capital gain (loss)	339		339	
Unrealized gain (loss)	33,176	(58,192)	(25,016)	146,801
Rental income	71,232		71,232	54,947
Development				
Contributions and memberships	188,316		188,316	108,136
Non-Cash Gift	10,403		10,403	10,455
Sponsorship				2,000
Sales	5,981		5,981	6,139
Grants	41,303	87,619	128,922	155,646
In-Kind Contribution	7,402		7,402	2,290
Programs				
Education	31,208		31,208	48,303
Community events	13,030		13,030	
Landscape services	100,400		100,400	124,356
Others	1,800		1,800	
Net assets released from restrictions	<u>125,854</u>	<u>(125,854)</u>		
Total support	<u>661,124</u>	<u>109,307</u>	<u>770,431</u>	<u>684,587</u>
Expenses				
Programs:				
Education	48,355		48,355	166,123
Community events	31,734		31,734	
Landscaping	67,615		67,615	
Ground	316,627		316,627	360,762
Others - educational	103,149		103,149	
Total programs	<u>567,480</u>		<u>567,480</u>	<u>526,885</u>
Supporting:				
Administrative	100,602		100,602	113,627
Fundraising	34,045		34,045	16,636
Total supporting	<u>134,647</u>		<u>134,647</u>	<u>130,263</u>
Total expenses	<u>702,127</u>		<u>702,127</u>	<u>657,148</u>
Change in net assets before other income (expenses)	(41,003)	109,307	68,304	27,439
Other income (expenses)				
Miscellaneous income	7,899		7,899	9,282
Miscellaneous expense	(273)		(273)	(551)
Total other income (expenses)	<u>7,626</u>		<u>7,626</u>	<u>8,731</u>
Change in net assets	(33,377)	109,307	75,930	36,170
Net assets, beginning of the year	<u>952,870</u>	<u>1,475,925</u>	<u>2,428,795</u>	<u>2,392,625</u>
Net assets, end of year	<u>\$ 919,493</u>	<u>\$1,585,232</u>	<u>\$2,504,725</u>	<u>\$2,428,795</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, 2021
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2020

	<u>2021</u>	<u>2020</u>
Cash flows from operating activities:		
Change in net assets	\$ 75,930	\$ 36,170
Adjustments to reconcile change in net assets to cash provided by operating activities		
Depreciation	88,564	79,273
Unrealized (gain) loss	25,016	(146,801)
Realized gain - included in trust income	(339)	18,746
Stock gift	(10,403)	(10,455)
Charitable remainder trust value adjustment	(7,899)	
(Increase) decrease in:		
Accounts receivable	(746)	(1,379)
Grants receivable	(34,238)	67,336
Prepaid expenses	(2,158)	(11,025)
Increase (decrease) in:		
Accounts payable	38,808	(2,076)
Accrued expenses	24,963	1,200
Payroll liabilities	(12,705)	(15,745)
Deferred revenue	46,324	(9,185)
Security deposit	900	(5,225)
Net cash provided by operating activities	<u>232,017</u>	<u>834</u>
Cash flows from investing activities:		
Proceeds from sale of investments		42,680
Purchases of investment	(66,715)	
Purchases of property and equipment	(199,952)	(61,424)
Net cash used in investing activities	<u>(266,667)</u>	<u>(18,744)</u>
Cash flows from financing activities:		
Proceeds from loans payable - PPP	120,865	85,400
Proceeds from line of credit		59,811
Repayments of line of credit	(50,000)	
Net cash provided by financing activities	<u>70,865</u>	<u>145,211</u>
Net increase in cash	36,215	127,301
Cash, beginning of year	215,086	87,785
Cash, end of year	<u>\$ 251,301</u>	<u>\$ 215,086</u>
Supplementary disclosures:		
Interest paid	\$ 1,449	\$ 789
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, 2021
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2020

	Programs						Supporting			2021	2020
	Education	Community Events	Landscaping	Ground	Educational	Others	Administrative	Fundraising	Total	Total	Total
Salaries	\$ 27,288	\$ 13,240	\$ 2,564	\$132,297	\$ 67,725	\$243,114	\$ 29,443	\$ 21,872	\$ 51,315	\$294,429	\$287,607
Payroll taxes	2,412	1,095	222	11,826	8,942	24,497	3,270	1,748	5,018	29,515	28,046
Benefits	2,990	598	150	6,717	3,439	13,894	1,057		1,057	14,951	15,290
Professional fees	4,320	12,424			9,091	25,835	17,642	5,913	23,555	49,390	49,221
Advertising/marketing	315				363	678	501		501	1,179	3,684
Bank service charges	2,666	528	17	11	6	3,228	1,843	1,021	2,864	6,092	13
Building maintenance				10,405	1,067	11,472	17,089		17,089	28,561	11,607
Continuing education											506
Custodial service and supplies			32,060	542	210	210	799		799	1,009	1,258
Insurance				88,564		32,602	5,119		5,119	37,721	36,585
Depreciation				1,050	380	1,471	5,532		5,532	88,564	79,273
Dues and subscriptions	41			5,908		5,908	2,968		2,968	7,003	8,823
Equipment lease										2,968	2,318
Equipment repair										5,908	5,338
Fees											1,643
Finance charges											
and interest expense											
Landscaping client supplies and services			32,602	5,959	58	32,602	1,449		1,449	1,449	789
Landscaping equipment and supplies				42,823		42,823	475		475	32,602	43,301
Landscaping services							468		468	6,017	6,555
Meeting hospitality										43,298	18,547
Miscellaneous										468	141
Office supplies				1,987		1,987	597	28	625	625	100
Portable restroom rental										1,987	3,495
Postage and delivery							554	1,157	1,711	1,987	2,112
Printing and design	2,077					2,077		1,049	1,049	1,711	1,027
Processing fees										3,126	3,968
Program expenses											1,085
Program supplies and materials	3,834	3,849			1,992	9,675	859	1,257	2,116	11,791	1,010
Real estate tax										9,733	9,733
Security expenses										624	624
Telephone and internet				4,598	826	826	1,871		1,875	1,871	1,426
Transportation				2,752		2,752	3,054		3,054	3,880	4,384
Trash removal				1,188		1,188	40		40	4,638	5,116
Utilities					9,050	9,050	5,972		5,972	2,752	2,752
Web maintenance and IT support	2,412					2,412				16,210	20,148
Project expense										2,412	157
Total expenses	\$ 48,355	\$ 31,734	\$ 67,615	\$316,627	\$103,149	\$567,480	\$ 100,602	\$ 34,045	\$134,647	\$702,127	\$657,148
						<u>80.8%</u>	<u>14.4%</u>	<u>4.8%</u>	<u>19.2%</u>	<u>100.0%</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, 2021
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2020

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, 2021
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2020

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, 2021 and June 30, 2020.

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 inputs (Level 3).

At June 30, 2021 and June 30, 2020, marketable securities consisting of common stock and bonds 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 2020 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, 2021
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2020

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 2019 through 2021 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, 2021 and 2020 was \$1,179 and \$3,684, respectively.

AWBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2020

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, 2021 and June 30, 2020, 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, 2020, from which the summarized information was derived.

AWBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2021
 WITH SUMMARIZED FINANCIAL INFORMATION FOR 2020

Note 3 INVESTMENTS

Investments consist of the following as of June 30, 2021 and June 30, 2020:

Vanguard - board designated:

	<u>2021</u>	<u>2020</u>
Stock portion	\$ 153,549	\$ 107,378
Bonds	1,996	1,817
Short-term revenues	29,456	29,034
Stock bequests	<u>10,402</u>	<u>10,297</u>
Total	<u>\$ 195,403</u>	<u>\$ 148,526</u>

	<u>2021</u>		<u>2020</u>	
	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>
Vanguard board designated	\$ 73,461	\$ 195,403	\$ 114,171	\$ 148,526
Truist Financial/BBT&T	<u>813,426</u>	<u>901,707</u>	<u>765,471</u>	<u>894,541</u>
Total	<u>\$ 886,887</u>	<u>\$1,097,110</u>	<u>\$ 879,642</u>	<u>\$1,043,067</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, 2021 and 2020 and the outstanding balances at June 30, 2021 and 2020 were \$9,811 and \$59,811 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, 2021 and June 30, 2020:

	<u>2021</u>	<u>2020</u>
Land and buildings	\$1,575,983	\$1,383,882
Equipment	<u>166,243</u>	<u>158,392</u>
Total	1,742,226	1,542,274
Less: accumulated depreciation	<u>(463,169)</u>	<u>(374,604)</u>
Property and equipment, net	<u>\$1,279,057</u>	<u>\$1,167,670</u>

Depreciation expense for the years ended June 30, 2021 and June 30, 2020 was \$88,564 and \$79,273, 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, 2021
 WITH SUMMARIZED FINANCIAL INFORMATION FOR 2020

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, 2021 and 2020 was \$1,673,827 and \$1,463,88, respectively. Awbury Arboretum is entitled to receive 3% at time of the final distribution amounting to \$50,215 for 2021 and \$43,917 for 2020.

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. Awbury Arboretum is entitled to receive 100% at time of the final distribution amounting to \$114,520 for 2021 and \$114,520 for 2020.

The fair market value of the charitable remainder trusts at June 20, 2021 and June 30, 2020 were as follows:

	<u>2021</u>	<u>2020</u>
Hock Trust	\$ 50,215	\$ 43,917
Evans Trust	<u>114,520</u>	<u>114,520</u>
	<u>\$ 164,735</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 trust's 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, 2021, and June 30, 2020, is as follows:

	<u>2021</u>	<u>2020</u>
Fair value, beginning of the year	\$ 593,083	\$ 603,462
Change in total value during year	<u>142,166</u>	<u>(10,379)</u>
Fair value, end of year	<u>\$ 735,249</u>	<u>\$ 593,083</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 \$40,376 and \$39,997, respectively, for the fiscal years ended June 30, 2021 and 2020. Awbury Arboretum borrowed \$100,000 from the Awbury Arboretum Trust for the carriage house renovation in the fiscal year ended June 30, 2021.

AWBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2021
 WITH SUMMARIZED FINANCIAL INFORMATION FOR 2020

Note 8 AWBURY ARBORETUM TRUST (Continued)

	<u>2021</u>	<u>2020</u>
Fair value, beginning of the year	\$ 894,541	\$ 799,183
Distribution to Awbury Arboretum	(40,376)	(39,997)
Net trust income (loss)	205,734	(6,570)
Change in total value during year	(58,192)	141,925
Fair value, end of year	<u>\$ 1,001,707</u>	<u>\$ 894,541</u>
Trust income (loss)		
Interest and dividends	\$ 27,785	\$ 20,218
Realized gain (loss)	186,139	(18,862)
Fees	(8,190)	(7,926)
Net trust income (loss)	<u>\$ 205,734</u>	<u>\$ (6,570)</u>

Note 9 SUBSEQUENT EVENTS

In preparing these financial statements, Awbury's management has evaluated events and transactions for potential recognition and disclosure through April 26, 2022, the date on which the financial statements were available to be issued.

Note 10 DEFERRED REVENUE

At June 30, 2021 and 2020, Awbury had the following deferred revenue:

	<u>2021</u>	<u>2020</u>
1. Land rent income	\$ 535	\$ 2,251
2. Camp fees	58,256	13,175
3. Other programs	6,881	3,922
Total deferred revenue	<u>\$ 65,672</u>	<u>\$ 19,348</u>

Note 11 GRANTS RECEIVABLE

At June 30, 2021 and 2020, Awbury had the following grants receivable:

	<u>2021</u>	<u>2020</u>
1. Commonwealth of Pennsylvania	\$ 43,395	
2. Elizabeth B. & Arthur E. Roswell Foundation		\$ 5,000
3. Claniel Foundation	15,000	15,000
4. Pennsylvania Historical and Museum Commission (PHMC)		4,157
Total	<u>\$ 58,395</u>	<u>\$ 24,157</u>

AWBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2021
 WITH SUMMARIZED FINANCIAL INFORMATION FOR 2020

Note 12 LIQUIDITY

Financial assets available for general expenditure within one year are as follows as of June 30, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Cash	\$251,301	\$215,086
Accounts receivable	13,832	13,086
Grants receivable	<u>58,395</u>	<u>24,157</u>
Total	<u>\$323,528</u>	<u>\$252,329</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 13 NET ASSETS WITHOUT DONOR RESTRICTIONS

Net assets without donor restriction was \$919,493 and \$952,870 as of June 30, 2021 and 2020, 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 \$195,403 and \$148,526 as of June 30, 2021 and 2020, respectively.

Note 14 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions was \$1,585,232 and \$1,475,925 as of June 30, 2021 and 2020, respectively.

	<u>2021</u>	<u>2020</u>
Hock charitable remainder trust	\$ 50,215	\$ 43,917
Evans charitable remainder trust	114,520	114,520
PMHC		4,157
Awbury Arboretum Trust	1,001,707	894,541
City Parks - land and building	<u>418,790</u>	<u>418,790</u>
Total	<u>\$1,585,232</u>	<u>\$1,475,925</u>

AWBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2020

Note 15 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 and \$120,865 in March 2021. The first PPP loan of \$85,400 was forgiven in July 2021. The second PPP Loan is forgivable if all employee retention criteria are met.

SUPPLEMENTARY INFORMATION

AWBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
CONSOLIDATING STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2021
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2020

ASSETS						
	Awbury Arboretum Association <u>Inc.</u>	City Parks Association <u>of Philadelphia</u>	Awbury Arboretum <u>Trust</u>	<u>Eliminations</u>	2021 Consolidated <u>Balances</u>	<u>2020</u>
Current assets:						
Cash	\$ 251,301				\$ 251,301	\$ 215,086
Accounts receivable	13,832				13,832	13,086
Grants receivable	58,395				58,395	24,157
Prepaid expenses	14,108				14,108	11,950
Due from Awbury Arboretum Association			<u>\$ 100,000</u>	<u>\$ (100,000)</u>		
Total current assets	<u>337,636</u>		<u>100,000</u>	<u>(100,000)</u>	<u>337,636</u>	<u>264,279</u>
Property and equipment:						
Land, building and equipment, net of accumulated depreciation	<u>860,267</u>	<u>\$ 418,790</u>			<u>1,279,057</u>	<u>1,167,670</u>
Other assets:						
Investment at market						
Donor restricted			901,707		901,707	894,541
Board designated	195,403				195,403	148,526
Total investment at market	<u>195,403</u>		<u>901,707</u>		<u>1,097,110</u>	<u>1,043,067</u>
Charitable remainder trusts	164,735				164,735	158,437
Total other assets	<u>360,138</u>		<u>901,707</u>		<u>1,261,845</u>	<u>1,201,504</u>
Total assets	<u>\$1,558,041</u>	<u>\$ 418,790</u>	<u>\$1,001,707</u>	<u>\$ (100,000)</u>	<u>\$2,878,538</u>	<u>\$2,633,453</u>
LIABILITIES AND NET ASSETS						
Current liabilities:						
Accounts payable	\$ 49,653				\$ 49,653	\$ 10,845
Accrued expenses	32,663				32,663	7,700
Payroll liabilities	4,749				4,749	17,454
Deferred revenue	65,672				65,672	19,348
Security deposit	5,000				5,000	4,100
PPP loan	206,265				206,265	85,400
Line of credit	9,811				9,811	59,811
Due to Awbury Arboretum Association	100,000			(100,000)		
Total current liabilities	<u>473,813</u>			<u>(100,000)</u>	<u>373,813</u>	<u>204,658</u>
Net assets:						
Net assets, without donor restrictions	724,090				724,090	804,344
Net assets, without donor restrictions, board designated	195,403				195,403	148,526
Net assets, with donor restrictions	164,735	\$ 418,790	\$1,001,707		1,585,232	1,475,925
Total net assets	<u>1,084,228</u>	<u>418,790</u>	<u>1,007,707</u>		<u>2,504,725</u>	<u>2,428,795</u>
Total liabilities and net assets	<u>\$1,558,041</u>	<u>\$ 418,790</u>	<u>\$1,001,707</u>	<u>\$ (100,000)</u>	<u>\$2,878,538</u>	<u>\$2,633,453</u>

AWBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2021

	Awbury Arboretum Association <u>Inc.</u>	City Parks Association of Philadelphia	Awbury Arboretum Trust	Eliminations	<u>Total</u>
Revenue and Support					
Support					
Administrative					
Trust income (loss)					
Cope trust, distributions received		\$ 27,720			\$ 27,720
Awbury trust, net investment activities			\$ 205,734		205,734
Interest and dividends	\$ 2,960				2,960
Capital gain (loss)	339				339
Unrealized gain (loss)	33,176		(58,192)		(25,016)
Rental income	71,232				71,232
Management fees	68,096			\$ (68,096)	
Development					
Contributions and memberships	188,316				188,316
Non-cash gift	10,403				10,403
Sales	5,981				5,981
Grants	128,922				128,922
In-kind contributions	7,402				7,402
Programs					
Education	31,208				31,208
Community events	13,030				13,030
Landscaping service	100,400				100,400
Others	1,800				1,800
Total support and net landscaping revenue	<u>663,265</u>	<u>27,720</u>	<u>147,542</u>	<u>(68,096)</u>	<u>770,431</u>
Expenses					
Programs:					
Education	48,355				48,355
Community events	31,734				31,734
Landscaping	67,615				67,615
Ground	316,627				316,627
Others, educational	103,149				103,149
Management fees		27,720	40,376	(68,096)	
Total programs	<u>567,480</u>	<u>27,720</u>	<u>40,376</u>	<u>(68,096)</u>	<u>567,480</u>
Supporting:					
Administrative	100,602				100,602
Fundraising	34,045				34,045
Total supporting	<u>134,647</u>				<u>134,647</u>
Total expenses	<u>702,127</u>	<u>27,720</u>	<u>40,376</u>	<u>(68,096)</u>	<u>702,127</u>
Change in net assets before other income (expenses)	(38,862)		107,166		68,304
Other income (expenses):					
Miscellaneous income	7,899				7,899
Miscellaneous expenses	(273)				(273)
Total other expenses	<u>7,626</u>				<u>7,626</u>
Change in net assets	(31,236)		107,166		75,930
Net assets, beginning	<u>1,115,464</u>	<u>418,790</u>	<u>894,541</u>		<u>2,428,795</u>
Net assets, ending	<u>\$1,084,228</u>	<u>\$ 418,790</u>	<u>\$1,001,707</u>		<u>\$2,504,725</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 <u>Trust</u>	<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	113,627				113,627
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	1,174,652	418,790	799,183		2,392,625
Net assets, ending	<u>\$1,115,464</u>	<u>\$ 418,790</u>	<u>\$ 894,541</u>		<u>\$2,428,795</u>