

AWBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2021

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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, 2022, 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, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal 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' 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated April 26, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The consolidating statement of financial position as of June 30, 2022, the consolidating statement of activities and changes in net assets - fiscal year ended June 30, 2022, and consolidating statement of activities and changes in net assets - fiscal year ended June 30, 2021 is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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
March 21, 2023

AWBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2022
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2021

ASSETS

	<u>2022</u>	<u>2021</u>
Current assets:		
Cash	\$ 381,660	\$ 251,301
Accounts receivable	10,023	13,832
Grants receivable	29,114	58,395
Prepaid expenses	3,775	14,108
Total current assets	<u>424,572</u>	<u>337,636</u>
Property and equipment, net of accumulated depreciation of \$559,303 for 2022 and \$463,169 for 2021	<u>1,261,047</u>	<u>1,279,057</u>
Other assets:		
Investment at market		
Donor restricted	768,951	901,707
Board designated	199,401	195,403
Total investment at market	<u>968,352</u>	<u>1,097,110</u>
Charitable remainder trusts		164,735
Total other assets	<u>968,352</u>	<u>1,261,845</u>
Total assets	<u>\$2,653,971</u>	<u>\$2,878,538</u>

LIABILITIES AND NET ASSETS

Current liabilities:		
Accounts payable	\$ 29,271	\$ 49,653
Accrued expenses	40,617	32,663
Payroll liabilities	4,962	4,749
Deferred revenue	86,180	65,672
Security deposit	1,060	5,000
Loan payable - PPP		206,265
Line of credit	9,811	9,811
Total current liabilities	<u>171,901</u>	<u>373,813</u>
Net assets		
Net assets, without donor restrictions	971,928	724,090
Net assets, without donor restrictions - Board designated	199,401	195,403
Net assets, with donor restrictions	<u>1,310,741</u>	<u>1,585,232</u>
Total net assets	<u>2,482,070</u>	<u>2,504,725</u>
Total liabilities and net assets	<u>\$2,653,971</u>	<u>\$2,878,538</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, 2022
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2021

	2022		2021	
	Without Donor Restrictions	With Donor Restrictions	Total	
Revenue and Support				
Support				
Administrative				
Trust income:				
Cope trust	\$ 38,366		\$ 38,366	\$ 27,720
Awbury trust		\$ 34,510	34,510	205,734
Interest and dividends	4,820		4,820	2,960
Capital gain (loss)	467		467	339
Unrealized gain (loss)	(29,410)	(159,440)	(188,850)	(25,016)
Rental income	163,234		163,234	71,232
PPP forgiveness	206,265		206,265	
SBA advance	10,000		10,000	
Other	11,890		11,890	
Development				
Contributions and memberships	193,499	32,550	226,049	188,316
Stock Gift	30,282		30,282	10,403
Sponsorship	1,040		1,040	
Sales of product	10,340		10,340	5,981
Grants	28,614	127,189	155,803	128,922
In-Kind Contribution				7,402
Programs				
Education	111,767		111,767	31,208
Community events	7,670		7,670	13,030
Landscape services	70,097		70,097	100,400
Others				1,800
Net assets released from restrictions	<u>309,300</u>	<u>(309,300)</u>		
Total support	<u>1,168,241</u>	<u>(274,491)</u>	<u>893,750</u>	<u>770,431</u>
Expenses				
Programs:				
Education	105,065		105,065	48,355
Community events	41,912		41,912	31,734
Rental	48,778		48,778	
Landscaping	144,568		144,568	67,615
Ground	284,629		284,629	316,627
Others - educational	<u>71,911</u>		<u>71,911</u>	<u>103,149</u>
Total programs	<u>696,863</u>		<u>696,863</u>	<u>567,480</u>
Supporting:				
Administrative	167,372		167,372	100,602
Fundraising	<u>34,552</u>		<u>34,552</u>	<u>34,045</u>
Total supporting	<u>201,924</u>		<u>201,924</u>	<u>134,647</u>
Total expenses	<u>898,787</u>		<u>898,787</u>	<u>702,127</u>
Change in net assets before other income (expenses)	<u>269,454</u>	<u>(274,491)</u>	<u>(5,037)</u>	<u>68,304</u>
Other income (expenses)				
Miscellaneous income				7,899
Miscellaneous (expenses)	(11,919)		(11,919)	(273)
Loss from auto sale	<u>(5,699)</u>		<u>(5,699)</u>	
Total other income (expenses)	<u>(17,618)</u>		<u>(17,618)</u>	<u>7,626</u>
Change in net assets	251,836	(274,491)	(22,655)	75,930
Net assets, beginning of the year	<u>919,493</u>	<u>1,585,232</u>	<u>2,504,725</u>	<u>2,428,795</u>
Net assets, end of year	<u>\$1,171,329</u>	<u>\$1,310,741</u>	<u>\$2,482,070</u>	<u>\$2,504,725</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, 2022
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2021

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities:		
Change in net assets	\$ (22,655)	\$ 75,930
Adjustments to reconcile change in net assets to cash provided by operating activities		
Depreciation	97,910	88,564
PPP loan principal forgiveness	(206,265)	
PPP loan interest forgiveness	(2,025)	
Unrealized loss	188,850	25,016
Realized gain - included in trust income	(467)	(339)
Stock gift	(30,282)	(10,403)
Charitable remainder trust value adjustment	(6,859)	(7,899)
Loss from auto sale	5,699	
(Increase) decrease in:		
Accounts receivable	3,809	(746)
Grants receivable	29,281	(34,238)
Prepaid expenses	10,333	(2,158)
Increase (decrease) in:		
Accounts payable	(20,382)	38,808
Accrued expenses	7,954	24,963
Payroll liabilities	213	(12,705)
Deferred revenue	20,508	46,324
Security deposit	(3,940)	900
Net cash provided by operating activities	<u>71,682</u>	<u>232,017</u>
Cash flows from investing activities:		
Purchase of property and equipment	(85,975)	(199,952)
Proceeds from sale of investments	376	
Proceeds from stock sales	40,376	
Purchases of investments	(67,694)	(66,715)
Proceeds from redemption of charitable remainder	171,594	
Net cash provided by (used in) investing activities	<u>58,677</u>	<u>(266,667)</u>
Cash flows from financing activities:		
Proceeds from loans payable - PPP		120,865
Repayments of line of credit		(50,000)
Net cash provided by financing activities		<u>70,865</u>
Net increase in cash	130,359	36,215
Cash, beginning of year	251,301	215,086
Cash, end of year	<u>\$ 381,660</u>	<u>\$ 251,301</u>
Supplementary disclosures:		
Interest paid	<u>\$ 2,400</u>	<u>\$ 1,449</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, 2022
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2021

	Programs						Supporting		2022	2021		
	Education	Community Events	Rental	Landscaping	Ground	Educational	Others	Total	Administrative	Fundraising	Total	Total
Salaries	\$ 66,203	\$ 22,578	\$10,075	\$ 3,846	\$119,329	\$ 48,668	\$271,199	\$ 73,248	\$ 23,129	\$ 96,377	\$367,576	\$294,429
Payroll taxes	13,315	1,842	676	314	11,335	3,704	31,186	5,180	1,849	7,029	38,215	29,515
Benefits	3,697	1,260	562	215	6,590	2,717	15,141	4,089	1,291	5,380	20,521	14,951
Professional fees	9,149	10,044	22,043		475	734	42,445	28,564	3,508	32,054	74,499	49,390
Advertising/marketing	300	75	80			10	465	819		819	1,284	1,179
Bank service charges	4,029	491	934	10	26	397	5,887	253	1,432	1,685	7,572	6,092
Building maintenance			5,458		2,708	2,951	11,117	6,185		6,185	17,302	28,561
Custodial service												
and supplies	7		140				147	5,656		5,656	5,803	1,009
Insurance				34,573	585		35,158	5,520		5,520	40,678	37,721
Depreciation			8,718	26,355	62,837		97,910				97,910	88,564
Dues and subscriptions			57		152	380	589	9,204		9,204	9,793	7,003
Equipment lease								2,202		2,202	2,202	2,968
Equipment repair					7,386		7,386				7,386	5,908
Finance charges												
and interest expense								2,400		2,400	2,400	1,449
Landscape client					250		34,425				34,425	32,602
supplies and services												
Landscape equipment				4,973			4,973				4,973	6,017
and supplies				40,107			40,107				40,107	43,298
Landscape services							150	349	149	498	648	468
Meeting hospitality		150					35	4,679	67	4,746	4,781	625
Office supplies							340	3,441		3,441	3,781	1,987
Portable restroom rental		340						270		1,311	1,581	1,711
Postage and delivery								4,015		1,790	5,805	3,126
Printing and design												
Program supplies												
and materials	8,365	5,132				1,993	15,490				15,490	11,791
Real estate tax					6,320		6,320				6,320	
Security expenses								1,902		1,902	1,902	1,871
Telephone and internet								3,660		3,660	3,660	3,880
Transportation					5,674		5,674		26	26	5,700	4,638
Trash removal					3,024		3,024				3,024	2,752
Utilities					1,274		11,631	4,712		4,712	16,343	16,210
Web maintenance												
and IT support								1,042		1,042	1,042	2,412
Project expense												
Total	\$105,065	\$ 41,912	\$ 48,778	\$144,568	\$284,629	\$ 71,911	\$696,863	\$167,372	\$ 34,552	\$201,924	\$998,787	\$702,127
							77.6%	18.6%		22.4%	100.0%	100.0%

See accompanying notes to consolidated financial statements

AWBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2021

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, 2022
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2021

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, 2022 and June 30, 2021.

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, 2022 and June 30, 2021, marketable securities consisting of common stock, bonds, and money market funds 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 2021 financial statements have been reclassified to agree with the 2022 presentation.

AWBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2021

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 2020 through 2022 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, 2022 and 2021 was \$1,284 and \$1,179, respectively.

AWBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2022
 WITH SUMMARIZED FINANCIAL INFORMATION FOR 2021

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 Nonfinancial Assets

FASB Accounting Standards Codification (ASC) 958-205, Not-for-Profit Entities- Presentation of Financial Statements, requires not-for-profits (NFPs) to present contributed nonfinancial assets as a separate line item in the statement activities and provide additional disclosures about contributions of nonfinancial assets. Contributed nonfinancial assets, commonly referred to as gifts-in-kind, include fixed assets (such as land, buildings, and equipment), use of fixed assets or utilities, materials and supplies, intangible assets, services, and unconditional promises of those assets.

For the years ended June 30, 2022 and 2021, contributed nonfinancial assets recognized within the statement of activities included:

	2022	2021
Building maintenance materials		\$ 7,402
Total	\$ -0-	\$ 7,402

The Organization recognized contributed nonfinancial assets within revenue, including building maintenance material. Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions.

Contributed building maintenance materials are utilized in the ground program. The Organization estimated the fair value based on estimates of retail values of selling similar products in the United States.

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, 2021, from which the summarized information was derived.

AWBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2022
 WITH SUMMARIZED FINANCIAL INFORMATION FOR 2021

Note 3 INVESTMENTS

Investments consist of the following as of June 30, 2022 and June 30, 2021:

	<u>2022</u>		<u>2021</u>	
	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>
Vanguard board designated	\$ 199,678	\$ 199,401	\$ 73,461	\$ 195,403
Truist Financial/BBT&T	867,328	768,951	813,426	901,707
Total	<u>\$1,067,006</u>	<u>\$ 968,352</u>	<u>\$ 886,887</u>	<u>\$1,097,110</u>

Vanguard - board designated:

	<u>2022</u>	<u>2021</u>
Stocks	\$ 132,045	\$ 153,549
Stock bequests	30,282	10,402
Bonds		1,996
Money market funds	37,074	29,456
Total	<u>\$ 199,401</u>	<u>\$ 195,403</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 4.99% and 3.49% at June 30, 2022 and 2021 and the outstanding balances at both June 30, 2022 and 2021 was \$9,811. The line of credit was collateralized by the Center's assets. The expiration date is June 30, 2023.

Note 5 PROPERTY AND EQUIPMENT

Fixed assets consist of the following as of June 30, 2022 and June 30, 2021:

	<u>2022</u>	<u>2021</u>
Land and buildings	\$1,804,323	\$1,575,983
Equipment	16,027	166,243
Total	1,820,350	1,742,226
Less: accumulated depreciation	<u>(559,303)</u>	<u>(463,169)</u>
Property and equipment, net	<u>\$1,261,047</u>	<u>\$1,279,057</u>

Depreciation expense for the years ended June 30, 2022 and June 30, 2021 was \$97,910 and \$88,564, 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, 2022
 WITH SUMMARIZED FINANCIAL INFORMATION FOR 2021

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 was \$1,673,827. Awbury Arboretum was entitled to receive 3% at time of the final distribution amounting to \$50,215 for 2021.

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.

Awbury Arboretum received the final distributions of \$53,094 from Hock Trust and \$118,500 from Evans Charitable Trust during the fiscal year ended June 30, 2022.

The fair market value of the charitable remainder trusts at June 20, 2022 and June 30, 2021 were as follows:

	<u>2022</u>	<u>2021</u>
Hock Trust		\$ 50,215
Evans Trust	\$ -0-	<u>114,520</u>
	<u>\$ -0-</u>	<u>\$ 164,735</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, 2022, and June 30, 2021, is as follows:

	<u>2022</u>	<u>2021</u>
Fair value, beginning of the year	\$ 735,249	\$ 593,083
Change in total value during year	<u>(122,519)</u>	<u>142,166</u>
Fair value, end of year	<u>\$ 612,730</u>	<u>\$ 735,249</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 \$40,376, respectively, for the fiscal years ended June 30, 2022 and 2021.

AWBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2022
 WITH SUMMARIZED FINANCIAL INFORMATION FOR 2021

Note 8 AWBURY ARBORETUM TRUST (Continued)

	<u>2022</u>	<u>2021</u>
Fair value, beginning of the year	\$ 901,707	\$ 894,541
Distribution to Awbury Arboretum	(40,376)	(40,376)
Net trust income	34,509	205,734
Change in total value during year	(159,439)	(58,192)
Loan to Awbury Arboretum		(100,000)
Deposit in transit	32,550	
Fair value, end of year	<u>\$ 768,951</u>	<u>\$ 901,707</u>
Trust income		
Interest and dividends	\$ 33,550	\$ 27,785
Realized gain	9,247	186,139
Fees	(8,287)	(8,190)
Net trust income	<u>\$ 34,510</u>	<u>\$ 205,734</u>

Note 9 SUBSEQUENT EVENTS

In preparing these financial statements, Awbury's management has evaluated events and transactions for potential recognition and disclosure through March 21, 2023, the date on which the financial statements were available to be issued.

Note 10 DEFERRED REVENUE

At June 30, 2022 and 2021, Awbury had the following deferred revenue:

	<u>2022</u>	<u>2021</u>
1. Land rent income		\$ 535
2. Camp fees	\$ 74,295	58,256
3. Other programs	11,885	6,881
Total deferred revenue	<u>\$ 86,180</u>	<u>\$ 65,672</u>

Note 11 GRANTS RECEIVABLE

At June 30, 2022 and 2021, Awbury had the following grants receivable:

	<u>2022</u>	<u>2021</u>
1. Commonwealth of Pennsylvania		\$ 43,395
2. Claniel Foundation		15,000
3. Children's Hospital of Philadelphia	\$ 20,000	
4. Philadelphia Culture Fund	6,114	
5. PA Department of Environmental Protection	3,000	
Total	<u>\$ 29,114</u>	<u>\$ 58,395</u>

AWBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2022
 WITH SUMMARIZED FINANCIAL INFORMATION FOR 2021

Note 12 LIQUIDITY

Financial assets available for general expenditure within one year are as follows as of June 30, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Cash	\$ 381,660	\$ 251,301
Accounts receivable	10,023	13,832
Grants receivable	29,114	58,395
Total	<u>\$ 420,797</u>	<u>\$ 323,528</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 \$1,171,329 and \$919,493 as of June 30, 2022 and 2021, 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 \$199,401 and \$195,403 as of June 30, 2022 and 2021, respectively.

Note 14 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions was \$1,310,741 and \$1,585,232 as of June 30, 2022 and 2021, respectively.

	<u>2022</u>	<u>2021</u>
Hock charitable remainder trust		\$ 50,215
Evans charitable remainder trust		114,520
Awbury Arboretum Trust	\$ 868,951	1,001,707
City Parks - land and building	418,790	418,790
Children's Hospital of Philadelphia grant	20,000	
PA Department of Environmental Protection grant	3,000	
Total	<u>\$1,310,741</u>	<u>\$1,585,232</u>

AWBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2021

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 of \$120,865 was forgiven in January 2022.

SUPPLEMENTARY INFORMATION

AWBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
CONSOLIDATING STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2022
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2021

ASSETS						
	Awbury Arboretum Association Inc.	City Parks Association of Philadelphia	Awbury Arboretum Trust	Eliminations	2022 Consolidated Balances	2021
Current assets:						
Cash	\$ 381,660				\$ 381,660	\$ 251,301
Accounts receivable	10,023				10,023	13,832
Grants receivable	29,114				29,114	58,395
Prepaid expenses	3,775				3,775	14,108
Due from Awbury Arboretum Association			\$ 100,000	\$ (100,000)		
Total current assets	<u>424,572</u>		<u>100,000</u>	<u>(100,000)</u>	<u>424,572</u>	<u>337,636</u>
Property and equipment:						
Land, building and equipment, net of accumulated depreciation	<u>842,257</u>	\$ 418,790			1,261,047	1,279,057
Other assets:						
Investment at market						
Donor restricted			768,951		768,951	901,707
Board designated	199,401				199,401	195,403
Total investment at market	<u>199,401</u>		<u>768,951</u>		<u>968,352</u>	<u>1,097,110</u>
Charitable remainder trusts						164,735
Total other assets	<u>199,401</u>		<u>768,951</u>		<u>968,352</u>	<u>1,261,845</u>
Total assets	<u>\$1,466,230</u>	<u>\$ 418,790</u>	<u>\$ 868,951</u>	<u>\$ (100,000)</u>	<u>\$2,653,971</u>	<u>\$2,878,538</u>
LIABILITIES AND NET ASSETS						
Current liabilities:						
Accounts payable	\$ 29,271				\$ 29,271	\$ 49,653
Accrued expenses	40,617				40,617	32,663
Payroll liabilities	4,962				4,962	4,749
Deferred revenue	86,180				86,180	65,672
Security deposit	1,060				1,060	5,000
PPP loan						206,265
Line of credit	9,811				9,811	9,811
Due to Awbury Arboretum Association	100,000			\$ (100,000)		
Total current liabilities	<u>271,901</u>			<u>(100,000)</u>	<u>171,901</u>	<u>373,813</u>
Net assets:						
Net assets, without donor restrictions	971,928				971,928	724,090
Net assets, without donor restrictions, board designated	199,401				199,401	195,403
Net assets, with donor restrictions	23,000	418,790	868,951		1,310,741	1,585,232
Total net assets	<u>1,194,329</u>	<u>418,790</u>	<u>868,951</u>		<u>2,482,070</u>	<u>2,504,725</u>
Total liabilities and net assets	<u>\$1,466,230</u>	<u>\$ 418,790</u>	<u>\$ 868,951</u>	<u>\$ (100,000)</u>	<u>\$2,653,971</u>	<u>\$2,878,538</u>

AWBURY ARBORETUM ASSOCIATION, INC. AND AFFILIATES
CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2022

	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:					
Cope trust, distributions received		\$ 38,366			\$ 38,366
Awbury trust, net investment activities			\$ 34,510		34,510
Interest and dividends	\$ 4,820				4,820
Capital gain	467				467
Unrealized loss	(29,410)		(159,440)		(188,850)
Rental income	163,234				163,234
Management fees	78,742			\$ (78,742)	
PPP forgiveness	206,265				206,265
SBA advance	10,000				10,000
Other	11,890				11,890
Development					
Contributions and memberships	193,499		32,550		226,049
Stock gift	30,282				30,282
Sponsorship	1,040				1,040
Sales of product	10,340				10,340
Grants	155,803				155,803
Programs					
Education	111,767				111,767
Community events	7,670				7,670
Landscaping service	70,097				70,097
Total support and net landscaping revenue	<u>1,026,506</u>	<u>38,366</u>	<u>(92,380)</u>	<u>(78,742)</u>	<u>893,750</u>
Expenses					
Programs:					
Education	105,065				105,065
Community events	41,912				41,912
Rental	48,778				48,778
Landscaping	144,568				144,568
Ground	284,629				284,629
Others, educational	71,911				71,911
Management fees		38,366	40,376	(78,742)	
Total programs	<u>696,863</u>	<u>38,366</u>	<u>40,376</u>	<u>(78,742)</u>	<u>696,863</u>
Supporting:					
Administrative	167,372				167,372
Fundraising	34,552				34,552
Total supporting	<u>201,924</u>				<u>201,924</u>
Total expenses	<u>898,787</u>	<u>38,366</u>	<u>40,376</u>	<u>(78,742)</u>	<u>898,787</u>
Change in net assets before other expenses	127,719		(132,756)		(5,037)
Other expenses:					
Miscellaneous expenses	11,919				11,919
Loss from auto sale	5,699				5,699
Total other expenses	<u>17,618</u>				<u>17,618</u>
Change in net assets	110,101		(132,756)		(22,655)
Net assets, beginning	<u>1,084,228</u>	<u>418,790</u>	<u>1,001,707</u>		<u>2,504,725</u>
Net assets, ending	<u>\$1,194,329</u>	<u>\$ 418,790</u>	<u>\$ 868,951</u>	<u>\$ -0-</u>	<u>\$2,482,070</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 Inc.	City Parks Association of Philadelphia	Awbury Arboretum Trust	Eliminations	Total
Revenue and Support					
Support					
Administrative					
Trust income:					
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	339				339
Unrealized 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		<u>27,720</u>	<u>40,376</u>	<u>(68,096)</u>	
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 income	<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>