

**THE PALISADES PARKS CONSERVANCY, INC.**

**Financial Statements  
For the Years Ended  
March 31, 2022  
and  
March 31, 2021**

**Independent Auditor's Report**

To the Board of Directors of  
The Palisades Parks Conservancy, Inc.

***Opinion***

We have audited the accompanying financial statements of The Palisades Parks Conservancy, Inc. (the "Conservancy"), which comprise the statement of financial position as of March 31, 2022 and March 31, 2021 and the related statements of activities, functional expenses and cash flows for the years 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 the Conservancy as of March 31, 2022 and March 31, 2021 and the results of its activities 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 the Conservancy 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 the Conservancy's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the 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 the Conservancy's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Conservancy's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

*Carole Dileasa Sulc-Guth & Donnelly LLP*

**THE PALISADES PARKS CONSERVANCY, INC.**

**Statement of Financial Position**

**Assets**

	<b>March 31</b>	
	<b>2022</b>	<b>2021</b>
<b>Current assets</b>		
Cash and cash equivalents	\$ 36,905	\$ 122,532
Contributions and other receivables	41,300	-
Accrued interest receivable	1,434	1,702
Prepaid expenses	18,617	-
Total current assets	98,256	124,234
<b>Investments, at fair value</b>	398,504	411,568
<b>Total assets</b>	<b>\$ 496,760</b>	<b>\$ 535,802</b>

**Liabilities and Net Assets**

<b>Current liabilities</b>		
Accounts payable	\$ 16,701	\$ 6,040
Accrued expenses	10,400	6,755
PPP loan	-	26,400
Total current liabilities	27,101	39,195
<b>Net assets</b>		
Without donor restrictions	284,504	253,379
With donor restrictions	185,155	243,228
Total net assets	469,659	496,607
<b>Total liabilities and net assets</b>	<b>\$ 496,760</b>	<b>\$ 535,802</b>

See notes to financial statements.

**THE PALISADES PARKS CONSERVANCY, INC.**

**Statement of Activities  
Year Ended March 31, 2022  
(with summarized comparative information for 2021)**

	2022			2021 Total
	Without Donor Restrictions	With Donor Restrictions	Total	
<b>Public support and revenue</b>				
Contributions	\$ 9,257	\$ 100,637	\$ 109,894	\$ 126,252
Government grants	120,286	-	120,286	9,202
In-kind contributions	40,000	-	40,000	40,148
Special events, net	128,122	-	128,122	111,805
Investment return, net	5,994	-	5,994	6,332
Net unrealized and realized gain (loss) on investments	(8,534)	-	(8,534)	755
Other	801	-	801	239
Net assets released from restrictions	<u>158,710</u>	<u>(158,710)</u>	<u>-</u>	<u>-</u>
Total public support and revenue	<u>454,636</u>	<u>(58,073)</u>	<u>396,563</u>	<u>294,733</u>
<b>Expenses</b>				
Program services	296,347	-	296,347	118,066
Supporting activities				
Management and general	82,507	-	82,507	111,863
Fundraising	<u>44,657</u>	<u>-</u>	<u>44,657</u>	<u>61,441</u>
Total expenses	<u>423,511</u>	<u>-</u>	<u>423,511</u>	<u>291,370</u>
<b>Increase (decrease) in net assets</b>	<b>31,125</b>	<b>(58,073)</b>	<b>(26,948)</b>	<b>3,363</b>
<b>Net assets, beginning of year</b>	<u><b>253,379</b></u>	<u><b>243,228</b></u>	<u><b>496,607</b></u>	<u><b>493,244</b></u>
<b>Net assets, end of year</b>	<u><b>\$ 284,504</b></u>	<u><b>\$ 185,155</b></u>	<u><b>\$ 469,659</b></u>	<u><b>\$ 496,607</b></u>

See notes to financial statements.

**THE PALISADES PARKS CONSERVANCY, INC.**

**Statement of Activities  
Year Ended March 31, 2021**

	<b>Without Donor <u>Restrictions</u></b>	<b>With Donor <u>Restrictions</u></b>	<b><u>Total</u></b>
<b>Public support and revenue</b>			
Contributions	\$ 37,504	\$ 88,748	\$ 126,252
Grants	9,202	-	9,202
In-kind contributions	40,148	-	40,148
Special events, net	111,805	-	111,805
Investment return, net	6,332	-	6,332
Net unrealized and realized gain on investments	755	-	755
Other	239	-	239
Net assets released from restrictions	<u>72,293</u>	<u>(72,293)</u>	<u>-</u>
Total public support and revenue	<u>278,278</u>	<u>16,455</u>	<u>294,733</u>
<b>Expenses</b>			
Program services	118,066	-	118,066
Supporting activities			
Management and general	111,863	-	111,863
Fundraising	<u>61,441</u>	<u>-</u>	<u>61,441</u>
Total expenses	<u>291,370</u>	<u>-</u>	<u>291,370</u>
<b>Increase (decrease) in net assets</b>	<b>(13,092)</b>	<b>16,455</b>	<b>3,363</b>
<b>Net assets, beginning of year</b>	<u><b>266,471</b></u>	<u><b>226,773</b></u>	<u><b>493,244</b></u>
<b>Net assets, end of year</b>	<u><b>\$ 253,379</b></u>	<u><b>\$ 243,228</b></u>	<u><b>\$ 496,607</b></u>

See notes to financial statements.

**THE PALISADES PARKS CONSERVANCY, INC.**

**Statement of Functional Expenses  
Year Ended March 31, 2022  
(with summarized comparative totals information for 2021)**

	<u>2022</u>				<u>2021 Total</u>
	<u>Program Services</u>	<u>Supporting Activities</u>		<u>Total</u>	
		<u>Management and General</u>	<u>Fund- Raising</u>		
Salaries and wages	\$ 68,264	\$ 9,752	\$ 19,504	\$ 97,520	\$ 138,480
Payroll taxes and employee benefits	12,101	1,673	3,457	17,231	27,248
Grant to domestic organizations	54,092	-	-	54,092	7,259
Research	122,688	-	-	122,688	-
Professional fees	8,733	53,248	7,980	69,961	57,624
Occupancy	28,000	4,000	8,000	40,000	40,000
Supplies	-	863	-	863	1,123
Telephone	-	673	-	673	657
Postage and shipping	50	573	-	623	392
Printing and copying	-	873	61	934	2,524
Travel	2,419	6,337	-	8,756	1,448
Training	-	-	-	-	1,195
Membership dues	-	-	-	-	2,150
Other	-	4,515	5,655	10,170	11,270
<b>Total</b>	<b><u>\$ 296,347</u></b>	<b><u>\$ 82,507</u></b>	<b><u>\$ 44,657</u></b>	<b><u>\$ 423,511</u></b>	<b><u>\$ 291,370</u></b>

See notes to financial statements.

**THE PALISADES PARKS CONSERVANCY, INC.**

**Statement of Functional Expenses  
Year Ended March 31, 2021**

	<u>Program Services</u>	<u>Supporting Activities</u>		<u>Total</u>
		<u>Management and General</u>	<u>Fund- Raising</u>	
Salaries and wages	\$ 74,772	\$ 34,164	\$ 29,544	\$ 138,480
Payroll taxes and employee benefits	14,713	6,722	5,813	27,248
Grant to domestic organizations	7,259	-	-	7,259
Professional fees	-	53,314	4,310	57,624
Occupancy	13,600	13,200	13,200	40,000
Supplies	606	277	240	1,123
Telephone	355	162	140	657
Postage and shipping	91	26	275	392
Printing and copying	1,155	231	1,138	2,524
Travel	823	48	577	1,448
Training	-	-	1,195	1,195
Membership dues	860	-	1,290	2,150
Other	3,832	3,719	3,719	11,270
	<u>\$ 118,066</u>	<u>\$ 111,863</u>	<u>\$ 61,441</u>	<u>\$ 291,370</u>
<b>Total</b>	<b>\$ 118,066</b>	<b>\$ 111,863</b>	<b>\$ 61,441</b>	<b>\$ 291,370</b>

See notes to financial statements.



**THE PALISADES PARKS CONSERVANCY, INC.**

**Statement of Cash Flows**

	<b>Year Ended</b>	
	<b>March 31</b>	
	<b>2022</b>	<b>2021</b>
<b>Cash flows from operating activities</b>		
Increase (decrease) in net assets	\$ (26,948)	\$ 3,363
Adjustments to reconcile increase (decrease) in net assets to net cash provided by (used in) operating activities		
Net unrealized and realized (gain) loss on investments	8,534	(755)
Forgiveness of PPP loan	(26,400)	-
(Increase) decrease in assets		
Contributions and other receivables	(41,300)	66,748
Accrued interest receivable	268	(156)
Prepaid expenses	(18,617)	-
Increase (decrease) in liabilities		
Accounts payable	10,661	2,821
Accrued expenses	3,645	(59,095)
Net cash provided by (used in) operating activities	<u>(90,157)</u>	<u>12,926</u>
<b>Cash flows from investing activities</b>		
Proceeds from sale of investments	69,798	100,594
Purchase of investments	<u>(65,268)</u>	<u>(112,782)</u>
Net cash provided by (used in) investing activities	<u>4,530</u>	<u>(12,188)</u>
<b>Cash flows from financing activities</b>		
Proceeds from PPP loan	<u>-</u>	<u>26,400</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(85,627)</b>	<b>27,138</b>
<b>Cash and cash equivalents, beginning of year</b>	<b><u>122,532</u></b>	<b><u>95,394</u></b>
<b>Cash and cash equivalents, end of year</b>	<b><u>\$ 36,905</u></b>	<b><u>\$ 122,532</u></b>

See notes to financial statements.

**THE PALISADES PARKS CONSERVANCY, INC.****Notes to Financial Statements  
March 31, 2022 and March 31, 2021****Note 1 – Nature of Organization**

The Palisades Parks Conservancy, Inc. (the "Conservancy"), formerly Friends of the Palisades Interstate Park Commission, Inc. was formed in March 2001 in the State of New York. The Conservancy's mission is to preserve the Palisades Interstate Park's rich history and biodiversity, and protect America's first bi-state park system. The Conservancy is committed to supporting parks where all visitors can play, connect, and immerse themselves in nature and culture. The Conservancy achieves its mission by raising funds and delivering programs and projects that provide education and stewardship, environmental conservation and restoration, historic preservation, public access and recreation, and protection of natural and cultural resources, all benefiting the Palisades Interstate Park system. The Conservancy raises and administers funds that improve the facilities, preserve environmental and cultural sites and provides education within the Palisades Interstate Park system.

**Note 2 – Summary of significant accounting policies****Net assets**

The Conservancy reports information regarding its financial position and activities into two classes of net assets as follows:

**Without donor restrictions**

Net assets that are not subject to donor imposed restrictions and are available for operations.

**With donor restrictions****Temporary donor restrictions**

Net assets that are subject to specific donor imposed restrictions that are expected to be satisfied by passage of time or performance of activities.

**Cash equivalents**

The Conservancy considers highly liquid assets with original maturities of 90 days or less to be cash equivalents.

**Investments**

The fair value of the investments is based on publicly quoted prices. The cost of investments sold is determined on an average cost basis.

**THE PALISADES PARKS CONSERVANCY, INC.****Notes to Financial Statements (continued)  
March 31, 2022 and March 31, 2021****Note 2 – Summary of significant accounting policies (continued)**Fair value measurements

For assets measured at fair value on a recurring basis as of March 31, 2022 and March 31, 2021, accounting principles generally accepted in the United States of America require quantitative disclosures about the fair value measurements separately for each major class of assets. The Conservancy's investments have all been classified in the highest level of hierarchy (Level 1). Its quoted prices are in active markets for identical assets.

Allowance for doubtful accounts

As of March 31, 2022 and March 31, 2021, the Conservancy has determined that its contribution receivables are all collectible and an allowance for any possible uncollectible receivables is not necessary. Such estimate is based on management's experience, the aging of the receivables, subsequent receipts and current economic conditions.

Contributions receivable

Contributions including unconditional promises to give ("pledges") are recognized as revenue in the period received and when the conditions on which they depend have been substantially met.

Contributions

Contributions and grants received including unconditional promises to give, are recorded as support without donor restrictions or with donor restrictions, depending on the existence or absence of donor restrictions, at the time of receipt or promise. Donor-restricted contributions that have their restriction met within the fiscal year are reported as support without donor restrictions. Restrictions that are not met are reported as an increase in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

In-kind contributions

In-kind contributions are estimated at their fair value and reported as both support and expenses in the period in which they are used. In-kind contributions are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Conservancy. Certain individuals volunteer their time and perform a variety of tasks that assist the Conservancy. These services do not meet the criteria to be recorded and have not been included in the financial statements.

For the 2022 and 2021 fiscal years, the Conservancy received donated office space of \$40,000.

**THE PALISADES PARKS CONSERVANCY, INC.****Notes to Financial Statements (continued)  
March 31, 2022 and March 31, 2021****Note 2 – Summary of significant accounting policies (continued)**Functional expenses

The cost of providing the various programs and other activities has been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs and supporting activities benefited. Expenses attributable to more than one functional category are allocated using a variety of cost allocation techniques primarily consisting of salaries and wages and time and effort reporting.

Research

During the 2022 fiscal year, the Conservancy engaged an independent consultant to prepare the Fort Lee Historic Park Visitor Center Conditions Assessment and a Cultural Landscape Report. Fees paid for these services totaling \$122,688 are presented on the 2022 fiscal year statement of functional expenses as programmatic research.

Use of estimates

The preparation of financial statements in conformity with the United States of America generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Concentrations of credit risk

The Conservancy's financial instruments that are potentially exposed to concentrations of credit risk consist of cash, cash equivalents, receivables and investments. The Conservancy places its cash and cash equivalents with what it believes to be quality financial institutions. At times, cash balances were in excess of the FDIC insurance limit. However, the Conservancy has not experienced any losses in these accounts to date. The Conservancy closely monitors the collectability of its receivables. The Conservancy's investments are subject to various risks such as interest rate, market volatility, liquidity and credit. Due to the level of uncertainty related to the foregoing risks, it is reasonably possible that changes in these risks could materially affect the fair value of the investments reported in the statement of financial position at March 31, 2022. The Conservancy routinely assesses the financial strength and diversification of its investment portfolio. As a result, management believes concentrations of credit risk are limited.

Decrease in net assets

The decrease in net assets for the year ended March 31, 2022 was due to certain contributions with donor restrictions for the Fort Lee Historic Park project (the "Project") and Golden Winged Warbler Program (the "Program") being recorded prior to the 2022 fiscal year while the expenses associated with the Project and Program totaling \$153,710 being incurred in the 2022 fiscal year.

**THE PALISADES PARKS CONSERVANCY, INC.**

**Notes to Financial Statements (continued)  
March 31, 2022 and March 31, 2021**

**Note 2 – Summary of significant accounting policies (continued)**

Subsequent events

The Conservancy has evaluated subsequent events and transactions for potential recognition and disclosure in the financial statements through September 1, 2022, the date which these financial statements were available to be issued.

**Note 3 – Liquidity and availability of financial assets**

The Conservancy's working capital and cash flows vary due to timing of payments received for contributions, grants and special events.

As of March 31, 2022 and March 31, 2021, financial assets and liquidity resources available within one year of the statement of financial position date for general expenditures were as follows:

	<u>2022</u>	<u>2021</u>
Cash and cash equivalents	\$ 36,905	\$ 122,532
Receivables	<u>42,734</u>	<u>1,702</u>
Total	<u>\$ 79,639</u>	<u>\$ 124,234</u>

**Note 4 – Investments**

The following is a summary of the investments, at fair value, held by the Conservancy, as of March 31, 2022 and March 31, 2021:

	<u>2022</u>	<u>2021</u>
	<u>Fair Value</u>	<u>Fair Value</u>
Fixed income	\$ 308,529	\$ 316,241
Bond funds	<u>89,975</u>	<u>95,327</u>
Total	<u>\$ 398,504</u>	<u>\$ 411,568</u>

Investment return for the years ended March 31, 2022 and March 31, 2021 is comprised of the following:

	<u>2022</u>	<u>2021</u>
Interest and dividends	\$ 6,787	\$ 7,127
Less: fees	<u>(793)</u>	<u>(795)</u>
Investment return, net	<u>\$ 5,994</u>	<u>\$ 6,332</u>

**THE PALISADES PARKS CONSERVANCY, INC.**

**Notes to Financial Statements (continued)  
March 31, 2022 and March 31, 2021**

**Note 5 – Net assets with donor restrictions**

Temporary donor restrictions

The following summarizes the changes in net assets with temporary donor restrictions for the year ended March 31, 2022:

	Balance		Net assets		Balance
	March 31, 2021	Contributions	Released from	Restrictions	March 31, 2022
Trailside Museum and Zoo	\$ 66,819	\$ 250	\$ -		\$ 67,069
Regional Museum Endowment	50,000	-	-		50,000
Fort Lee Historic Park	34,800	7,500	(42,300)		-
Golden Winged Warbler Program	32,500	-	(32,500)		-
Bear Mountain Projects	31,493	500	-		31,993
National Park Services	14,500	64,410	(78,910)		-
Senate House Exhibits	7,931	-	-		7,931
Patagonia	3,500	-	-		3,500
Gift for Zoo Habitat Project	1,000	-	-		1,000
Signage at Schunнемunk	685	-	-		685
Learning in the Parks	-	5,000	(5,000)		-
NJ Historical Commission	-	16,150	-		16,150
USDA	-	6,827	-		6,827
	<u>          </u>	<u>          </u>	<u>          </u>		<u>          </u>
Total	\$ 243,228	\$ 100,637	\$ (158,710)		\$ 185,155

**Note 6 – Simple IRA Plan**

The Conservancy maintains a SIMPLE IRA Plan (the “Plan”). The Conservancy’s expense was \$900 and \$3,600 for the 2022 and 2021 fiscal years, respectively.

**Note 7 – PPP Loan**

The Conservancy applied for and in April 2021 received a \$26,400 business loan under the Paycheck Protection Program (“PPP”). The Conservancy elected to record the proceeds as a liability until the loan was, in part or wholly, forgiven and the Conservancy was legally released. The Conservancy expended the full amount of the loan on purposes consistent with the PPP and maintained its payroll levels. In August 2021, the Conservancy’s application for PPP loan forgiveness was approved. Accordingly, the \$26,400 was recognized as a government grant on the 2022 fiscal year statement of activities.

**THE PALISADES PARKS CONSERVANCY, INC.****Notes to Financial Statements (continued)  
March 31, 2022 and March 31, 2021****Note 8 – Tax status**

The Conservancy is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the “Code”). In addition, the Conservancy has been determined by the Internal Revenue Service to be a publicly supported organization, and not a private foundation, within the meaning of Section 509(a)(1) of the Code.