THE FRIENDS OF RAYNHAM HALL, INC.

FINANCIAL STATEMENTS
December 31, 2025 and 2024

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Trustees
The Friends of Raynham Hall, Inc.

We have reviewed the accompanying financial statements of The Friends of Raynham Hall, Inc., (a nonprofit organization), which comprise the statements of assets, liabilities, and net assets - modified cash basis as of December 31, 2025 and 2024, and the related statements of support, revenues, and expenses - modified cash basis, functional expenses - modified cash basis, and cash flows - modified cash basis for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of entity management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of financial statements in the circumstances. Management is also responsible 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.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with the modified cash basis of accounting. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of The Friends of Raynham Hall, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with the modified cash basis of accounting.

Basis of Accounting

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our conclusion is not modified with respect to this matter.

Sheehan & Company CPA, P.C

Brightwaters, New York
March 17, 2026

FINANCIAL STATEMENTS

THE FRIENDS OF RAYNHAM HALL, INC.

STATEMENTS OF ASSETS, LIABILITIES, AND NET ASSETS - MODIFIED CASH BASIS
December 31, 2025 and 2024

	2025	2024
CURRENT ASSETS:		
Cash and cash equivalents	$ 363,900	$ 278,673
Investments	1,430,261	1,179,226
Gift shop inventory	12,409	8,951
Total current assets	1,806,570	1,466,850
LONG-TERM ASSETS:		
Collections (Note 3)	-	-
Total long-term assets	-	-
Total assets	$ 1,806,570	$ 1,466,850
NET ASSETS:		
Without donor restriction	$ 1,565,670	$ 1,203,037
With donor restriction	240,900	263,813
Total net assets	1,806,570	1,466,850
Total liabilities and net assets	$ 1,806,570	$ 1,466,850

The accompanying notes are an
integral part of these financial statements.

THE FRIENDS OF RAYNHAM HALL, INC.

STATEMENT OF SUPPORT, REVENUES, AND EXPENSES - MODIFIED CASH BASIS
For the Year Ended December 31, 2025

	Without Donor Restriction	With Donor Restriction	Total
REVENUES AND OTHER SUPPORT:			
Government grants	$ 130,000	$ 40,000	$ 170,000
Non-government grants	42,000	20,150	62,150
Contributions:			
Operating	37,859	-	37,859
Donated securities	539	-	539
Admissions	45,078	-	45,078
Memberships	35,580	-	35,580
Education and lecture series	9,790	-	9,790
Special event and fundraising revenues	151,455	6,250	157,705
Investment income:			
Interest and dividends, net of investment fees	3,085	-	3,085
Net realized gain on sale of investments	77,376	-	77,376
Net unrealized gain on investments	302,875	-	302,875
Other revenue	573	-	573
Gift shop sales	9,824	-	9,824
Total revenues and other support	846,034	66,400	912,434
NET ASSETS RELEASED FROM RESTRICTIONS:			
Satisfaction of program restrictions	89,313	(89,313)	-
Net revenues and other support	935,347	(22,913)	912,434
EXPENSES:			
Program services	300,386	-	300,386
General and administrative	133,989	-	133,989
Fundraising	104,880	-	104,880
Cost of direct benefit to donors	33,459	-	33,459
Total expenses	572,714	-	572,714
Change in net assets before changes related to collection items not capitalized	362,633	(22,913)	339,720
Change in net assets related to collection items not capitalized:			
Proceeds from sale of collection items	-	-	-
Collection items purchased but not capitalized	-	-	-
Net assets released from restrictions for collection acquisition and direct care	-	-	-
Total change in net assets related to collection items not capitalized	-	-	-
Change in net assets	362,633	(22,913)	339,720
Net assets, beginning of year	1,203,037	263,813	1,466,850
Net assets, end of year	$ 1,565,670	$ 240,900	$ 1,806,570

The accompanying notes are an
integral part of these financial statements.

THE FRIENDS OF RAYNHAM HALL, INC.

STATEMENT OF SUPPORT, REVENUES, AND EXPENSES -
MODIFIED CASH BASIS
For the Year Ended December 31, 2024

	Without Donor Restriction	With Donor Restriction	Total
REVENUES AND OTHER SUPPORT:			
Government grants	$ 130,000	$ 40,000	$ 170,000
Non-government grants	34,150	118,739	152,889
Contributions:			
Operating	34,307	-	34,307
Donated securities	1,045	-	1,045
Admissions	48,884	-	48,884
Memberships	22,625	-	22,625
Education and lecture series	13,277	-	13,277
Special event and fundraising revenues	150,672	3,800	154,472
Investment income:			
Interest and dividends, net of investment fees	4,055	-	4,055
Net realized gain on sale of investments	43,892	-	43,892
Net unrealized gain on investments	210,014	-	210,014
Other revenue	284	-	284
Gift shop sales	9,675	-	9,675
Total revenues and other support	702,880	162,539	865,419
NET ASSETS RELEASED FROM RESTRICTIONS:			
Satisfaction of program restrictions	48,270	(48,270)	-
Net revenues and other support	751,150	114,269	865,419
EXPENSES:			
Program services	260,985	-	260,985
General and administrative	168,055	-	168,055
Fundraising	91,724	-	91,724
Cost of direct benefit to donors	38,085	-	38,085
Total expenses	558,849	-	558,849
Change in net assets before changes related to collection items not capitalized	192,301	114,269	306,570
Change in net assets related to collection items not capitalized:			
Proceeds from sale of collection items	-	-	-
Collection items purchased but not capitalized	-	-	-
Net assets released from restrictions for collection acquisition and direct care	-	-	-
Total change in net assets related to collection items not capitalized	-	-	-
Change in net assets	192,301	114,269	306,570
Net assets, beginning of year	1,010,736	149,544	1,160,280
Net assets, end of year	$ 1,203,037	$ 263,813	$ 1,466,850

The accompanying notes are an
integral part of these financial statements.

THE FRIENDS OF RAYNHAM HALL, INC.

STATEMENT OF FUNCTIONAL EXPENSES - MODIFIED CASH BASIS
For the Year Ended December 31, 2025

	Program Services	General and Administrative	Fundraising	Costs of Direct Benefit to Donors	Total
EXPENSES:					
Salaries and related expenses:					
Salaries and wages	$ 205,183	$ 58,078	$ 50,212	$ -	$ 313,473
Payroll taxes	15,773	4,442	3,842	-	24,057
Employee benefits	5,366	4,268	4,930	-	14,564
Total salaries and related expenses	226,322	66,788	58,984	-	352,094
Development expenses:					
Membership, marketing, and publicity	1,029	1,029	1,407	-	3,465
Entertainment	3,000	-	-	-	3,000
Event meals and entertainment	-	-	-	33,459	33,459
Fundraising expense	-	-	44,489	-	44,489
Total development	4,029	1,029	45,896	33,459	84,413
Office expense	25,656	8,884	-	-	34,540
Repairs and maintenance	-	12,248	-	-	12,248
Equipment	4,227	-	-	-	4,227
Professional fees	-	35,655	-	-	35,655
Dues and subscriptions	5,795	-	-	-	5,795
Liability insurance	-	3,257	-	-	3,257
Educational programs and lecture series	23,446	-	-	-	23,446
Collections and curatorial expense	1,307	-	-	-	1,307
Garden and grounds	998	-	-	-	998
Director's fund	3,728	-	-	-	3,728
Gift shop cost of goods sold	4,878	-	-	-	4,878
Bank and credit card processing fees	-	6,128	-	-	6,128
Total expenses	$ 300,386	$ 133,989	$ 104,880	$ 33,459	$ 572,714

The accompanying notes are an
integral part of these financial statements.

THE FRIENDS OF RAYNHAM HALL, INC.

STATEMENT OF FUNCTIONAL EXPENSES - MODIFIED CASH BASIS
For the Year Ended December 31, 2024

	Program Services	General and Administrative	Fundraising	Costs of Direct Benefit to Donors	Total
EXPENSES:					
Salaries and related expenses:					
Salaries and wages	$ 180,879	$ 50,720	$ 43,707	$ -	$ 275,306
Payroll taxes	13,837	3,880	3,344	-	21,061
Employee benefits	4,655	3,658	4,218	-	12,531
Total salaries and related expenses	199,371	58,258	51,269	-	308,898
Development expenses:					
Membership, marketing, and publicity	405	406	1,790	-	2,601
Event meals and entertainment	-	-	-	38,085	38,085
Fundraising expense	-	-	38,665	-	38,665
Total development expenses	405	406	40,455	38,085	79,351
Office expense	20,164	8,949	-	-	29,113
Repairs and maintenance	-	12,898	-	-	12,898
Equipment	1,437	-	-	-	1,437
Professional fees	-	72,130	-	-	72,130
Dues and subscriptions	6,967	-	-	-	6,967
Liability insurance	-	7,117	-	-	7,117
Educational programs and lecture series	14,227	-	-	-	14,227
Collections and curatorial expense	5,110	-	-	-	5,110
Garden and grounds	3,914	-	-	-	3,914
Director's fund	1,016	-	-	-	1,016
Gift shop cost of goods sold	8,374	-	-	-	8,374
Website expense	-	3,231	-	-	3,231
Bank and credit card processing fees	-	5,066	-	-	5,066
Total expenses	$ 260,985	$ 168,055	$ 91,724	$ 38,085	$ 558,849

The accompanying notes are an
integral part of these financial statements.

THE FRIENDS OF RAYNHAM HALL, INC.

STATEMENTS OF CASH FLOWS - MODIFIED CASH BASIS
For the Years Ended December 31, 2025 and 2024

	2025	2024
Cash flows from operating activities:		
Change in net assets	$ 339,720	$ 306,570
Adjustments to reconcile change in net assets to net cash from operating activities:		
Donated securities	(539)	(1,045)
Realized gain on sales of investments	(77,376)	(43,892)
Unrealized gain on investments	(302,875)	(210,014)
(Increase) decrease in assets:		
Gift shop inventory	(3,458)	5,240
Decrease in liabilities:		
Sales tax payable	-	(1,109)
Net cash from operating activities	(44,528)	55,750
Cash flows from investing activities:		
Proceeds from sales of investments	181,719	109,436
Purchases of investments	(51,964)	(36,955)
Net cash from investing activities	129,755	72,481
Net change in cash and cash equivalents	85,227	128,231
Cash and cash equivalents, beginning of year	278,673	150,442
Cash and cash equivalents, end of year	$ 363,900	$ 278,673

The accompanying notes are an
integral part of these financial statements.

THE FRIENDS OF RAYNHAM HALL, INC.

NOTES TO FINANCIAL STATEMENTS

1. Nature of the Organization

The Friends of Raynham Hall, Inc. (the "Organization"), was incorporated on January 23, 1953, under the Not-For-Profit Corporation Law of the State of New York for the purpose of operating Raynham Hall Museum (the "Museum") in Oyster Bay, New York. The Town of Oyster Bay (the "Town"), which assumes responsibility for the maintenance of the building and grounds, including the payment of utilities and major repairs, owns the real property comprising the Museum. The agreement with the Town is subject to the rights, conditions, and provisions set forth in the Deed of Conveyance of the subject property, by the Daughters of the American Revolution, Oyster Bay Chapter, Inc. to the Town, dated October 2, 1947, as modified by their letter dated December 28, 1989. The Organization receives an annual grant from the Town to subsidize its operating expenses. For the years ended December 31, 2025 and 2024, the annual grant received from the Town totaled $130,000.

2. Summary of Significant Accounting Policies

Basis of accounting: The accompanying financial statements have been prepared on the modified cash basis of accounting, which is a special purpose framework of accounting other than accounting principles generally accepted in the United States of America ("U.S. GAAP"). Under the modified cash basis, certain revenues and the related assets are recognized when received rather than when earned and certain expenses are recognized when paid rather than when the obligations are incurred. Consequently, the Organization has not recognized receivables from donors, accounts payable to vendors, or their related effects on the changes in net assets in the accompanying financial statements.

The Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restriction and net assets with donor restriction.

Net assets without donor restriction - net assets available for general use to support operations. The only limits on the use of net assets without donor restriction are broad limits resulting from the nature of the Organization, the environment in which it operates, and the purposes specified in its corporate documents.

Net assets with donor restriction - net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or programmatic purposes specified by the donor.

Board-designated endowment without donor restriction: The Organization maintains a Board-designated endowment. The Organization's policy is to invest funds according to a long-term asset allocation that is expected to meet the Organization's investment objectives with the appropriate level of risk.

2. Summary of Significant Accounting Policies (continued)

<u>Cash and cash equivalents</u>: The Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

<u>Contributions and other support</u>: Contributions and other support are reported as increases in net assets and classified based on the presence or absence of donor-imposed restrictions. Donor-restricted contributions and other support are reported as increases in net assets with donor restrictions and classified based on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the Statements of Support, Revenues, and Expenses - Modified Cash Basis as net assets released from restrictions.

<u>Revenue and revenue recognition</u>: The Organization follows the modified cash basis of accounting and, accordingly, revenue is recognized at a point in time when received based on the transaction cash value. Revenue consists primarily of payments received from admissions, memberships, education and lecture series, and gift shop sales.

<u>Investments at fair value</u>: Investments consist of equity securities, exchange-traded funds, and U.S Treasury securities, which are adjusted to fair market value on the Statements of Assets, Liabilities, and Net Assets - Modified Cash Basis date, resulting in either an unrealized gain or loss. Investment income consists of interest and dividends and net realized gain on sale of securities. Dividends are recorded at the ex-dividend date. Purchases and sales are recorded on a trade-date basis.

<u>Fixed assets</u>: Furniture and equipment acquisitions and leasehold improvements are expensed in the year of purchase.

<u>Gift shop inventory</u>: Gift shop inventory is recorded at cost. Inventories of merchandise purchased for resale are stated at lower of cost or market determined by the first-in, first-out method.

<u>Collections</u>: The Organization has adopted a policy whereby collection items are not capitalized in the accompanying financial statements. Accordingly, the Organization's collections, acquired through either purchase or donation, are not recognized as assets on the Organization's Statements of Assets, Liabilities, and Net Assets - Modified Cash Basis. Purchases of collection items are recorded in the year in which the items were acquired as decreases in net assets without donor restrictions. Contributed collection items are not reflected in the financial statements. Proceeds from the sale of collection items are used primarily to acquire other items for the collection or for the direct care of existing collections.

2. Summary of Significant Accounting Policies (continued)

Collections (continued):

The Organization devotes its resources towards the direct care of its collection items to safeguard and preserve the quality of such items and extend their lifespan. Direct care of the collection includes any activity that involves the protection and preservation of the collection. During the years ended December 31, 2025 and 2024, the Organization used $1,307 and $5,110 of funds to support the direct care of the collection. See Note 3.

Advertising costs: Advertising costs are charged to expense as incurred. Total advertising costs for the years ended December 31, 2025 and 2024, were $1,407 and $1,790, respectively, and are reflected within membership, marketing, and publicity expense on the Statements of Functional Expenses - Modified Cash Basis.

Functional allocation of expenses: The Statements of Functional Expenses - Modified Cash Basis report expenses by both natural and functional classification. Certain categories of expenses are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Costs are directly applied to the related program or supporting service category when identifiable and possible. General operating costs across nearly all natural categories are allocated on the basis of estimates of time and effort.

Use of estimates: The process of preparing financial statements in conformity with the modified cash basis of accounting requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The Organization's results are affected by economic, political, legislative, regulatory, and legal actions. Economic conditions, such as recessionary trends, inflation, interest and monetary exchange rates, government fiscal policies, and changes in the prices of materials, can have a significant impact on operations. These factors and other events may cause actual results to differ from management's estimates.

Income taxes: The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the "Code") and, therefore, has made no provision for income taxes in the accompanying financial statements. In addition, the Organization has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a) of the Code. There was no unrelated business income for the years ended December 31, 2025 and 2024.

Contributions to the Organization qualify for the charitable contribution deduction to the extent provided by Section 170 of the Code.

2. Summary of Significant Accounting Policies (continued)

Income taxes (continued):

Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 740 requires that organizations must recognize the tax impact of a tax position taken on a tax return when it is more likely than not that the position will not be sustained on audit, based on the technical merits of the position. The Organization does not believe there are any material uncertain tax positions and, accordingly, has not recognized any liability for unrecognized tax benefits. For the years ended December 31, 2025 and 2024, there was no interest or penalties recorded or included in the Statements of Support, Revenues, and Expenses - Modified Cash Basis.

Donated services, materials and facilities: During the year ended December 31, 2024, the Organization received donated legal services, the value of which was considered to be immaterial to the financial statements. The Organization also received donated materials during the years ended December 31, 2025 and 2024, the values of which were determined to be not material. In addition, the Town has provided use of facilities in which the Organization operates. The fair market value of these donated facilities was not measurable. The Organization does not recognize such donated services, materials, or facilities in the accompanying Statements of Support, Revenues, and Expenses - Modified Cash Basis.

Reclassification: Certain amounts in the prior year financial statements have been reclassified for comparative purposes to conform with the presentation in the current year financial statements.

Subsequent events: Subsequent events have been evaluated through March 17, 2026, which is the date the financial statements were available to be issued.

3. Collections

The Organization's collection is comprised of approximately 6,000 objects and archival materials from around the world that document the Townsend family, Oyster Bay, and the greater Long Island area. Spanning over 300 years, the collection provides a deeper understanding of the Townsend family and its impact on the world in which family members lived.

The collection contains objects such as furniture, works of art, household accessories, textiles, toys, and games, and the archive includes objects such as personal correspondence, account books, ledgers, and photographs.

3. Collections (continued)

The Organization recognizes its ethical and legal responsibility to safeguard all collection items and artifacts and is devoted to ensuring the preservation of such items. The Organization maintains the highest standard of care for artifacts in storage and on display while providing a stable environment and ensuring proper documentation and conservation of such items. There were no purchased collection acquisitions during the years ended December 31, 2025 and 2024.

Proceeds from the sale of collection items are to be utilized for the acquisition of new collection items and for the direct care of existing items. Total proceeds from the sale of collection items are reported on the Statements of Support, Revenues, and Expenses - Modified Cash Basis. There were no sales of collection items in 2025 or 2024.

4. Concentration of Custodial Credit Risk

The Organization maintains cash accounts at a commercial bank located in New York. The accounts are insured by the Federal Deposit Insurance Corporation ("FDIC") for up to $250,000 per bank. At times during the years ended December 31, 2025 and 2024, the Organization's bank balances have exceeded the FDIC insurance limit.

The Organization maintains an investment account with one brokerage firm. The account contains cash and marketable securities. Balances are insured up to $500,000 (with a cash limit of $250,000) by the Securities Investor Protection Corporation ("SIPC"). At times during the year, the Organization may maintain certain brokerage accounts with balances in excess of SIPC insurance limits.

5. Investments

Investments are presented in the financial statements at fair value based on quoted prices in active markets. Unrealized gains and losses are included in the changes in net assets. Investment income and gains are reported as increases in net assets without donor restriction in the reporting period in which the income and gains are recognized.

At December 31, 2025, investments consisted of the following:

	Cost	Market Value
Equity securities	$ 568,943	$ 1,239,404
U.S. Treasury securities	15,003	15,121
Exchange-traded funds	152,360	175,736
Total investments	$ 736,306	$ 1,430,261

5. Investments (continued)

At December 31, 2024, investments consisted of the following:

	Cost	Market Value
Equity securities	$ 581,138	$ 969,806
U.S. Treasury securities	30,032	30,177
Exchange-traded funds	177,020	179,243
Total investments	$ 788,190	$ 1,179,226

6. Fair Value Measurements

ASC 820, Fair Value Measurement, clarifies the definition of fair value for financial reporting, establishes a framework for measuring fair value, and requires additional disclosures about the use of fair value measurements.

ASC 820 defines fair value as the price to sell an asset or transfer a liability (i.e., the exit price) in an orderly transaction between market participants. Additionally, ASC 820 establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs that market participants would use in pricing the asset developed based on market data obtained from sources independent of the Organization. Unobservable inputs are inputs that reflect the Organization's assumptions about the assumptions market participants would use in pricing the asset based on the best information available in the circumstances. The hierarchy is broken down into three levels based on the reliability of inputs as follows:

Level 1 - Observable inputs are unadjusted, quoted prices for identical assets or liabilities in active market at the measurement date. Level 1 investments include highly liquid U.S. Treasury investments, certain common stocks, and mutual funds.

Level 2 - Observable inputs other than quoted prices included in Level 1 that are observable for the asset or liability through corroboration with market data at the measurement date. Most debt, investments, preferred stocks, certain equity investments, short-term investments, and derivatives are model-priced using observable inputs and are classified as Level 2.

Level 3 - Unobservable inputs that reflect management's best estimate of what market participants would use in pricing the asset or liability at the measurement date. Examples of Level 3 assets include investments in limited partnerships.

6. Fair Value Measurements (continued)

The Organization has no assets measured at fair value on a recurring basis using unobservable inputs, which are considered Level 3 assets.

The level in the fair value hierarchy, within which a fair measurement in its entirety falls, is based on the lowest level input that is significant to the fair value measurement in its entirety.

The Organization holds equity securities and exchange-traded funds, which are classified as Level 1, and U.S. Treasury securities, which are classified as Level 2 based on the hierarchy described above.

Market risk includes global events which could impact the value of investment securities such as a pandemic or international conflict.

The following table presents the Organization's assets at December 31, 2025, that are measured at fair value on a recurring basis and are categorized using the fair value hierarchy:

	Quoted Market Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	Total
Equity securities	$ 1,239,404	$ -	$ -	$ 1,239,404
U.S. Treasury securities	-	15,121	-	15,121
Exchange-traded funds	175,736	-	-	175,736
Total	$ 1,415,140	$ 15,121	$ -	$ 1,430,261

The following table presents the Organization's assets at December 31, 2024, that are measured at fair value on a recurring basis and are categorized using the fair value hierarchy:

	Quoted Market Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	Total
Equity securities	$ 969,806	$ -	$ -	$ 969,806
U.S. Treasury securities	-	30,177	-	30,177
Exchange-traded funds	179,243	-	-	179,243
Total	$ 1,149,049	$ 30,177	$ -	$ 1,179,226

7. Net Assets with Donor Restriction

Net assets with donor restriction are available for the following purposes:

	2025	2024
Restricted for education	$ 15	$ 1,600
Restricted for special projects	240,885	262,213
Total	$ 240,900	$ 263,813

8. Board-Designated Endowment

The Organization's endowment consists of funds designated by the Board of Trustees to function as an endowment. Net assets associated with the Board-designated endowment fund are classified and reported based on the existence or absence of donor-imposed restrictions.

Investment policy: During 2015, the Organization adopted an investment and spending policy, approved by the Board of Trustees, that attempts to provide a predictable stream of funding to programs supported by the endowment fund while also maintaining the purchasing power of those endowment assets over the long-term. The long-term investment objectives of the Organization's investment policy are to:

- Maintain in perpetuity the purchasing power of the Organization's assets, net of expenses, by meeting or exceeding a rate of return equal to the policy spending rate, plus a non-profit index over an investment cycle, generally three to five years.
- Balance investment risks and returns and monitor diversification in a manner considered prudent and consistent with fiduciary standards.
- Provide adequate portfolio cash flow to support the spending policy.

Spending policy: The spending policy of the Organization is determined by the Board of Trustees. It is currently 4% of the weighted average of portfolio values over the prior three years. To achieve its long-term investment objective, the Board strives to meet or exceed a rate of return (net of fees) equal to the spending policy rate plus a non-profit index over an investment cycle, typically three to five years.

The changes in endowment net assets for the year ended December 31, 2025, were as follows:

8. Board-Designated Endowment (continued)

		Without Donor Restriction
Board-designated endowment net assets, beginning of year	$	1,190,758
Investment return, net		382,249
Amount appropriated for expenditure		(40,809)
Board-designated endowment net assets, end of year	$	1,532,198

The changes in endowment net assets for the year ended December 31, 2024, were as follows:

		Without Donor Restriction
Board-designated endowment net assets, beginning of year	$	1,004,737
Investment return, net		256,485
Amount appropriated for expenditure		(70,464)
Board-designated endowment net assets, end of year	$	1,190,758

9. Concentrations

The Organization receives a substantial amount of its annual revenues from the Town of Oyster Bay. During the years ended December 31, 2025 and 2024, the Organization received a grant totaling $130,000 per year, which represented approximately 14% and 15%, respectively, of the Organization's total revenues and other support.

10. Related Parties

During the years ended December 31, 2025 and 2024, the Organization received contributions totaling $36,500 and $31,000, respectively, from one grantor agency. The Organization's Executive Director serves as a director for this grantor.

During the years ended December 31, 2025 and 2024, the Organization received $76,737 and $76,703, respectively, in contributions and special event and fundraising revenues from members of the Board and management.

11. Liquidity and Availability

	2025	2024
Total financial assets at year-end:		
Cash and cash equivalents	$ 363,900	$ 278,673
Investments, at fair value	1,430,261	1,179,226
Total financial assets at year-end	$ 1,794,161	$ 1,457,899
Less: amounts not available to be used within one year:		
Board-designated for endowments	$ (1,532,198)	$ (1,190,758)
Total amounts not available to be used within one year	$ (1,532,198)	$ (1,190,758)
Financial assets available to meet cash needs for general expenditures within one year	$ 261,963	$ 267,141

The Organization receives contributions restricted by donors and considers contributions restricted for collections, research, education, and special projects, which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. Amounts available also include Board-designated funds for the gift shop.

The Organization manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged.

The Organization anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources. Further, the Organization's investment portfolio consists of equity securities, exchange-traded funds and U.S. Treasury securities, which are not subject to any constraints limiting the Organization's ability to respond quickly to changes in market conditions.