KPMG

THE NEW-YORK HISTORICAL SOCIETY

Financial Statements

June 30, 2025 and 2024

(With Independent Auditors’ Report Thereon)

KPMG LLP
Two Manhattan West
375 9th Avenue, 17th Floor
New York, NY 10001

Independent Auditors' Report

The Board of Trustees
The New-York Historical Society:

Opinion

We have audited the financial statements of The New-York Historical Society (TNYH), which comprise the balance sheets as of June 30, 2025 and 2024, 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 accompanying financial statements present fairly, in all material respects, the financial position of TNYH as of June 30, 2025 and 2024, and the changes in net assets and its cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the TNYH 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 U.S. generally accepted accounting principles, 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 TNYH's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditors' 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 auditors' 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 GAAS 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 GAAS, 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 TNYH'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 TNYH'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.

KPMG LLP

New York, New York
November 26, 2025

THE NEW-YORK HISTORICAL SOCIETY

Balance Sheets

June 30, 2025 and 2024

Assets		**2025**	**2024**
Cash and cash equivalents	$	4,876,441	6,727,021
Prepaid expenses		2,518,805	3,044,171
Other assets, net		4,794,082	4,094,759
Right-of-use assets (note 12)		5,632,645	6,636,424
Contributions and grants receivable, net (note 7)		27,082,087	36,953,745
Investments, endowment (note 4)		63,778,783	58,578,591
Investments, non-endowment (note 4)		6,362,258	15,836,030
Fixed assets, net (note 5)		164,987,380	112,046,580
Collections (note 2 (d))			
Total assets	$	280,032,481	243,917,321
Liabilities and Net Assets			
Liabilities:			
Accounts payable and accrued expenses	$	10,523,287	8,952,690
Deferred revenue		2,541,039	1,360,525
Line of credit (note 10)		28,000,000	—
Mortgage payable (note 10)		10,866,453	11,328,328
Lease liabilities (note 12)		6,092,665	6,976,647
Asset retirement obligation (note 9)		4,371,820	4,258,161
Total liabilities		62,395,264	32,876,351
Commitments (notes 10, 12 and 13)			
Net assets:			
Without donor restrictions (note 11):			
Available for operations (notes 13 and 14)		814,811	802,886
Available for nonoperating projects		53,878,965	61,464,695
Total net assets without donor restrictions		54,693,776	62,267,581
With donor restrictions (notes 8 and 11):			
Time or purpose		115,050,540	100,801,808
Endowment corpus		47,892,901	47,971,581
Total net assets with donor restrictions		162,943,441	148,773,389
Total net assets		217,637,217	211,040,970
Total liabilities and net assets	$	280,032,481	243,917,321

See accompanying notes to financial statements.

THE NEW-YORK HISTORICAL SOCIETY

Statement of Activities

Year ended June 30, 2025
(with summarized comparative totals for the year ended June 30, 2024)

	Without donor restrictions			With donor restrictions				
	Available for operations	Available for nonoperating projects including designations for fixed assets	Total	Time or purpose	Endowment corpus	Total	Total 2025	Total 2024
Revenue, gains, and other support:								
Private contributions and grants	$ 8,396,505	—	8,396,505	18,805,620	18,141	18,823,761	27,220,266	40,809,740
Government grants	40,000	—	40,000	3,884,304	—	3,884,304	3,924,304	957,748
Special events, net of expenses of $444,924	3,300,911	—	3,300,911	—	—	—	3,300,911	2,980,224
Admissions	1,701,518	—	1,701,518	—	—	—	1,701,518	1,137,978
Fees and other (note 14)	1,683,833	—	1,683,833	—	—	—	1,683,833	7,745,321
Auxiliary activities	3,875,623	—	3,875,623	—	—	—	3,875,623	2,744,056
Net investment return (notes 4 and 11)	2,992,017	752,315	3,744,332	4,707,177	—	4,707,177	8,451,509	8,389,413
	21,990,407	752,315	22,742,722	27,397,101	18,141	27,415,242	50,157,964	64,764,480
Change in donor designation	—	—	—	96,821	(96,821)	—	—	—
Net assets released from restrictions	13,810,811	(565,621)	13,245,190	(13,245,190)	—	(13,245,190)	—	—
Total revenue, gains, and other support	35,801,218	186,694	35,987,912	14,248,732	(78,680)	14,170,052	50,157,964	64,764,480
Expenses:								
Program services:								
Library services	5,323,929	1,096,865	6,420,794	—	—	—	6,420,794	6,002,225
Museum programs and exhibitions	13,669,782	3,102,129	16,771,911	—	—	—	16,771,911	18,329,235
Public and education programs	6,190,596	1,423,893	7,614,489	—	—	—	7,614,489	7,876,983
Auxiliary activities	3,048,417	1,558,122	4,606,539	—	—	—	4,606,539	4,455,902
Total program services	28,232,724	7,181,009	35,413,733	—	—	—	35,413,733	36,664,345
Supporting services:								
Management and general	4,728,450	498,135	5,226,585	—	—	—	5,226,585	5,429,788
Development	2,828,119	93,280	2,921,399	—	—	—	2,921,399	2,792,310
Total supporting services	7,556,569	591,415	8,147,984	—	—	—	8,147,984	8,222,098
Total expenses	35,789,293	7,772,424	43,561,717	—	—	—	43,561,717	44,886,443
Increase (decrease) in net assets	11,925	(7,585,730)	(7,573,805)	14,248,732	(78,680)	14,170,052	6,596,247	19,878,037
Net assets at beginning of year	802,886	61,464,695	62,267,581	100,801,808	47,971,581	148,773,389	211,040,970	191,162,933
Net assets at end of year	$ 814,811	53,878,965	54,693,776	115,050,540	47,892,901	162,943,441	217,637,217	211,040,970

See accompanying notes to financial statements.

THE NEW-YORK HISTORICAL SOCIETY

Statement of Activities

Year ended June 30, 2024

	Without donor restrictions			With donor restrictions			
	Available for operations	Available for nonoperating projects including designations for fixed assets	Total	Time or purpose	Endowment corpus	Total	Total 2024
Revenue, gains, and other support:							
Private contributions and grants	$ 9,525,427	—	9,525,427	31,279,649	4,664	31,284,313	40,809,740
Government grants	40,000	—	40,000	917,748	—	917,748	957,748
Special events, net of expenses of $424,261	2,980,224	—	2,980,224	—	—	—	2,980,224
Admissions	1,137,978	—	1,137,978	—	—	—	1,137,978
Fees and other (note 14)	7,739,431	—	7,739,431	5,890	—	5,890	7,745,321
Auxiliary activities	2,744,056	—	2,744,056	—	—	—	2,744,056
Net investment return (notes 4 and 11)	2,491,046	284,690	2,775,736	5,613,677	—	5,613,677	8,389,413
	26,658,162	284,690	26,942,852	37,816,964	4,664	37,821,628	64,764,480
Change in donor designation	—	—	—	1,896,921	(1,896,921)	—	—
Net assets released from restrictions	11,415,602	154,724	11,570,326	(11,570,326)	—	(11,570,326)	—
Total revenue, gains, and other support	38,073,764	439,414	38,513,178	28,143,559	(1,892,257)	26,251,302	64,764,480
Expenses:							
Program services:							
Library services	5,008,300	993,925	6,002,225	—	—	—	6,002,225
Museum programs and exhibitions	15,269,635	3,059,600	18,329,235	—	—	—	18,329,235
Public and education programs	6,269,005	1,607,978	7,876,983	—	—	—	7,876,983
Auxiliary activities	2,941,998	1,513,904	4,455,902	—	—	—	4,455,902
Total program services	29,488,938	7,175,407	36,664,345	—	—	—	36,664,345
Supporting services:							
Management and general	5,331,694	98,094	5,429,788	—	—	—	5,429,788
Development	2,753,567	38,743	2,792,310	—	—	—	2,792,310
Total supporting services	8,085,261	136,837	8,222,098	—	—	—	8,222,098
Total expenses	37,574,199	7,312,244	44,886,443	—	—	—	44,886,443
Increase (decrease) in net assets	499,565	(6,872,830)	(6,373,265)	28,143,559	(1,892,257)	26,251,302	19,878,037
Net assets at beginning of year	303,321	68,337,525	68,640,846	72,658,249	49,863,838	122,522,087	191,162,933
Net assets at end of year	$ 802,886	61,464,695	62,267,581	100,801,808	47,971,581	148,773,389	211,040,970

See accompanying notes to financial statements.

THE NEW-YORK HISTORICAL SOCIETY

Statement of Functional Expenses

Year ended June 30, 2025
(with summarized comparative totals for the year ended June 30, 2024)

	Library services	Museum programs and exhibitions	Public and education programs	Auxiliary activities	Total program services	Management and general	Development	Total supporting services	2025 Total expenses	2024 Total expenses
Available for operations:										
Salaries, benefits, and payroll taxes	$ 3,461,462	8,318,689	4,065,931	1,883,489	17,729,571	3,958,124	1,624,166	5,582,290	23,311,861	24,042,803
Fees for services:										
Accounting	—	—	—	—	—	188,741	—	188,741	188,741	238,720
Legal	—	—	—	—	—	12,787	—	12,787	12,787	56,854
Other	133,758	771,722	729,557	33,450	1,668,487	145,068	394,895	539,963	2,208,450	2,638,043
Advertising and promotion	25,073	483,171	151,808	25,523	685,575	31,308	25,473	56,781	742,356	754,191
Office expenses	4,621	123,457	81,062	97,509	306,649	11,439	130,240	141,679	448,328	371,234
Information technology	66,117	223,504	194,250	37,606	521,477	69,808	80,848	150,656	672,133	692,831
Occupancy:										
Space rental	269,467	897,332	5,005	1,702	1,173,506	5,424	9,117	14,541	1,188,047	1,184,306
Utilities	530,748	496,540	229,513	86,067	1,342,868	86,067	28,689	114,756	1,457,624	1,475,882
Travel and meals	6,085	72,855	104,728	15,024	198,692	16,329	41,440	57,769	256,461	393,636
Conferences and meetings	3,882	23,175	18,040	3,605	48,702	26,994	2,447	29,441	78,143	70,001
Insurance	118,776	231,496	51,363	19,261	420,896	19,261	6,420	25,681	446,577	436,651
Interest	155,871	139,020	67,404	25,276	387,571	27,348	8,425	35,773	423,344	476,501
Cost of sales	—	—	—	535,204	535,204	—	—	—	535,204	464,948
Other:										
Exhibition costs	2,621	658,318	11,290	371	672,600	371	371	742	673,342	969,771
Building and equipment maintenance and repairs	256,803	293,242	112,174	66,132	728,351	41,569	13,862	55,431	783,782	1,064,366
Equipment purchases and rentals	22,762	38,715	23,421	4,441	89,339	5,037	18,207	23,244	112,583	239,876
Printing and publication	42,682	136,874	81,347	24,384	285,287	1,561	39,443	41,004	326,291	350,892
Other supplies (other than office)	45,716	195,455	73,876	105,906	420,953	77,150	782,317	859,467	1,280,420	1,111,354
Agency temporary staff	108,217	446,397	173,788	70,762	799,164	17,466	14,818	32,284	831,448	547,249
Bad debt expense	—	—	—	—	—	(30,113)	—	(30,113)	(30,113)	9,199
Other	69,268	119,820	16,039	12,705	217,832	16,711	51,865	68,576	286,408	409,152
	5,323,929	13,669,782	6,190,596	3,048,417	28,232,724	4,728,450	3,273,043	8,001,493	36,234,217	37,998,460
Available for nonoperating projects:										
Collection acquisitions	346,357	167,800	—	—	514,157	—	—	—	514,157	154,724
Depreciation and amortization	708,454	2,896,822	1,405,708	1,551,302	6,562,286	491,315	91,007	582,322	7,144,608	7,012,244
Accretion of asset retirement obligation	42,054	37,507	18,185	6,820	104,566	6,820	2,273	9,093	113,659	122,876
	1,096,865	3,102,129	1,423,893	1,558,122	7,181,009	498,135	93,280	591,415	7,772,424	7,312,244
Total expenses	6,420,794	16,771,911	7,614,489	4,606,539	35,413,733	5,226,585	3,366,323	8,592,908	44,006,641	45,310,704
Less special events expenses	—	—	—	—	—	—	(444,924)	(444,924)	(444,924)	(424,261)
Total expenses, excluding special events expenses	$ 6,420,794	16,771,911	7,614,489	4,606,539	35,413,733	5,226,585	2,921,399	8,147,984	43,561,717	44,886,443

See accompanying notes to financial statements.

THE NEW-YORK HISTORICAL SOCIETY

Statement of Functional Expenses

Year ended June 30, 2024

	Library services	Museum programs and exhibitions	Public and education programs	Auxiliary activities	Total program services	Management and general	Development	Total supporting services	2024 Total expenses
Available for operations:									
Salaries, benefits, and payroll taxes	$ 3,161,125	9,678,712	4,146,335	1,902,301	18,888,473	3,584,753	1,569,577	5,154,330	24,042,803
Fees for services:									
Accounting	—	—	—	—	—	238,720	—	238,720	238,720
Legal	—	—	—	—	—	56,854	—	56,854	56,854
Other	95,924	990,599	724,643	50,292	1,861,458	393,453	383,132	776,585	2,638,043
Advertising and promotion	20,563	494,839	154,354	21,831	691,587	36,537	26,067	62,604	754,191
Office expenses	5,523	100,793	76,614	49,246	232,176	7,689	131,369	139,058	371,234
Information technology	78,716	243,393	189,524	41,713	553,346	53,256	86,229	139,485	692,831
Occupancy:									
Space rental	236,583	885,938	2,662	492	1,125,675	6,833	51,798	58,631	1,184,306
Utilities	539,475	498,995	233,287	87,482	1,359,239	87,482	29,161	116,643	1,475,882
Travel and meals	60,086	121,194	121,400	15,692	318,372	21,034	54,230	75,264	393,636
Conferences and meetings	3,695	23,585	11,481	9,221	47,982	20,848	1,171	22,019	70,001
Insurance	113,417	231,274	49,045	18,392	412,128	18,392	6,131	24,523	436,651
Interest	—	—	—	—	—	476,501	—	476,501	476,501
Cost of sales	—	—	—	464,948	464,948	—	—	—	464,948
Other:									
Exhibition costs	7,985	917,270	44,457	23	969,735	23	13	36	969,771
Building and equipment maintenance and repairs	363,334	369,614	157,150	96,217	986,315	58,538	19,513	78,051	1,064,366
Equipment purchases and rentals	35,612	76,447	33,471	6,312	151,842	6,673	81,361	88,034	239,876
Printing and publication	123,537	77,829	75,487	25,711	302,564	2,075	46,253	48,328	350,892
Other supplies (other than office)	63,661	148,330	78,929	119,368	410,288	83,298	617,768	701,066	1,111,354
Agency temporary staff	45,705	327,007	128,592	25,151	526,455	7,299	13,495	20,794	547,249
Bad debt expense	—	—	8,483	—	8,483	716		716	9,199
Other	53,359	83,816	33,091	7,606	177,872	170,720	60,560	231,280	409,152
	5,008,300	15,269,635	6,269,005	2,941,998	29,488,938	5,331,694	3,177,828	8,509,522	37,998,460
Available for nonoperating projects:									
Collection acquisitions	25,775	128,949	—	—	154,724	—	—	—	154,724
Depreciation and amortization	922,686	2,890,102	1,570,461	1,501,987	6,885,236	90,722	36,286	127,008	7,012,244
Accretion of asset retirement obligation	45,464	40,549	19,661	7,373	113,047	7,372	2,457	9,829	122,876
Other	—	—	17,856	4,544	22,400	—	—	—	22,400
	993,925	3,059,600	1,607,978	1,513,904	7,175,407	98,094	38,743	136,837	7,312,244
Total expenses	6,002,225	18,329,235	7,876,983	4,455,902	36,664,345	5,429,788	3,216,571	8,646,359	45,310,704
Less special events expenses	—	—	—	—	—	—	(424,261)	(424,261)	(424,261)
Total expenses, excluding special events expenses	$ 6,002,225	18,329,235	7,876,983	4,455,902	36,664,345	5,429,788	2,792,310	8,222,098	44,886,443

See accompanying notes to financial statements.

THE NEW-YORK HISTORICAL SOCIETY

Statements of Cash Flows

Years ended June 30, 2025 and 2024

	2025	2024
Cash flows from operating activities:		
Increase in net assets	$ 6,596,247	19,878,037
Adjustments to reconcile increase in net assets to net cash used in operating activities:		
Contributions and grants restricted for capital expenditures	(11,914,678)	(27,842,730)
Contributions and grants restricted for endowment corpus	(18,141)	(4,664)
Contributions and grants restricted for collection acquisitions	(1,866,001)	(278,631)
Collection acquisitions	514,157	154,724
Depreciation and amortization	7,144,608	7,012,244
Reduction in carrying amount of right-of-use assets	1,003,779	595,442
Accretion of asset retirement obligation	113,659	122,876
Net realized and unrealized gains on investments	(7,549,372)	(7,303,547)
Changes in operating assets and liabilities:		
Prepaid expenses	381,294	668,153
Other assets	(699,323)	(2,987,978)
Contributions and grants receivable, net of amounts classified as financing activities	1,608,774	7,528,017
Accounts payable and accrued expenses	(35,740)	(678,173)
Deferred revenue	1,180,514	140,895
Lease liabilities	(883,982)	(432,110)
Net cash used in operating activities	(4,424,205)	(3,427,445)
Cash flows from investing activities:		
Proceeds from sales of investments	69,160,139	37,538,205
Purchases of investments	(55,550,984)	(27,609,713)
Purchases of fixed assets	(59,941,336)	(23,152,758)
Change in accounts payable related to construction	1,606,337	3,094,924
Collection acquisitions	(514,157)	(154,724)
Net cash used in investing activities	(45,240,001)	(10,284,066)
Cash flows from financing activities:		
Borrowings on line of credit	36,000,000	—
Repayments on line of credit	(8,000,000)	—
Repayments on mortgage payable	(461,875)	(406,562)
Collection of contributions and grants restricted for capital expenditures	19,755,274	20,346,036
Collection of contributions and grants restricted for endowment corpus	317,929	863,896
Collection of contributions restricted for collection acquisitions	1,988,501	153,631
Net cash provided by financing activities	49,599,829	20,957,001
Net (decrease)/increase in cash, cash equivalents, and restricted cash	(64,377)	7,245,490
Cash, cash equivalents, and restricted cash at beginning of year	11,271,484	4,025,994
Cash, cash equivalents, and restricted cash at end of year	$ 11,207,107	11,271,484
Supplemental disclosure of cash flow information:		
Reconciliation of cash, cash equivalents, and restricted cash reported within the balance sheet that sum to the total above:		
Cash and cash equivalents	$ 4,876,441	6,727,021
Restricted cash in investments	6,330,666	4,544,463
Total cash, cash equivalents, and restricted cash	$ 11,207,107	11,271,484
Interest paid	$ 859,921	476,501

See accompanying notes to financial statements.

(1) Organization

The New-York Historical Society ("The New York Historical" or "TNYH"), founded in 1804, is organized as a not-for-profit institution to collect, preserve, and interpret historical artifacts, American art, and other materials documenting the history of the United States as seen through the prism of New York City and State. The New York Historical was selected as an alternate name following a rebranding exercise. TNYH's mission is to make its library and museum collections accessible to the broadest possible public through exhibitions, student and teacher education programs, adult public programs, and scholarly research. For more information, see TNYH's website at www.nyhistory.org.

(2) Summary of Significant Accounting Policies

TNYH's financial statements have been prepared on the accrual basis of accounting in accordance with standards established by the Financial Accounting Standards Board (FASB) for external financial reporting by not-for-profit organizations. All contributions are considered to be available for use unless specifically restricted by donor or by law. Other significant accounting policies are as follows:

(a) Basis of Presentation

TNYH's net assets and revenue, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of TNYH and changes therein are classified and reported as follows:

Net assets without donor restrictions are available for use at the discretion of the Board of Trustees (the Board) or management for general operating purposes.

Net assets with donor restrictions consist of assets whose use is limited by donor-imposed, time or purpose restrictions. Some net assets with donor-imposed restrictions include a stipulation that assets provided be maintained permanently (perpetual in nature) while permitting TNYH to expend the income generated by the assets in accordance with the provisions of additional donor-imposed stipulations or a Board approved spending.

Revenue is reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions or by law. Expenses are reported as decreases in net assets. Gains and losses on investments and other assets or liabilities, except gains and losses on investments of assets with donor restrictions, are reported as increases or decreases in net assets unless their use is restricted by explicit donor stipulation or by law. Expiration of restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and or the stipulated time period has elapsed) are reported as net assets released from restrictions.

Contributions, including unconditional promises to give (pledges), are recognized as revenue in the period received. A contribution is conditional if the agreement includes both a barrier that must be overcome for the recipient to be entitled to the assets transferred and a right of return for the transferred assets or a right of release of the promisor's obligation to the transferred assets. Conditional promises to give are not recognized until the conditions on which they depend are substantially met. Contributions to be received after one year are discounted at a rate commensurate with the risk involved, net of allowances. There were no conditional promises as of June 30, 2025 and June 30, 2024.

(b) Depreciation and Amortization of Fixed Assets

Fixed assets are depreciated using the straight-line method over their estimated useful lives ranging from 5 to 100 years.

	Years
Buildings (fully depreciated)	50–100
Building improvements	5–35
Equipment, furniture, and fixtures	5–10
Long-term exhibitions	5–20

(c) Exhibitions

TNYH's museum presents both short-term and long-term exhibitions. TNYH reports all costs of creating and building short-term exhibitions as prepaid expenses until the exhibitions open for public viewing. At that time, all accumulated costs are recognized as operating expenses. Additional costs of maintaining and dismantling these exhibitions are recognized as operating expenses as incurred.

For long-term exhibitions, TNYH capitalizes the costs of creating and building the exhibitions as fixed assets and depreciates the accumulated costs over the estimated lives of the exhibitions. Periodic costs of maintaining long-term exhibitions are treated as operating costs as incurred.

(d) Collections

Collections are not capitalized in TNYH's financial statements. Collections, including library holdings, are held for public exhibition, education, and research. The Board has adopted a policy whereby any proceeds from the sale of collection items can be utilized only for acquisitions, direct care (e.g., conservation, preservation, rehousing, or storage), processing, and/or cataloging of the collections and collections management.

(e) Inventory

Inventory is stated at the lower of cost or net realizable value with cost determined on a weighted average basis.

(f) Investments

Investments in publicly traded securities and mutual funds are stated at fair value based upon quoted or published market prices. The reported values of investments in limited partnerships are based on net asset values provided by the fund managers based upon the underlying net assets of the funds as a practical expedient in determining fair value. These values are reviewed and evaluated by management.

(g) Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A three-level hierarchy is used for measuring fair value measurements based on the observable inputs to the valuation of an asset and liability at the measurement date. It prioritizes the inputs to the valuation techniques used to measure fair value by giving the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

Level 1: Inputs that are quoted or published prices (unadjusted) in active markets for identical assets or liabilities that TNYH has the ability to access at the measurement date

Level 2: Inputs other than Level 1 prices, such as quoted or published prices for similar assets or liabilities; quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities

Level 3: Inputs that are unobservable; these prices are supported by little or no market activity and the unobservable inputs are significant to the fair value of the asset or liabilities.

(h) Cash and Cash Equivalents

TNYH considers all highly liquid debt instruments purchased with original maturities of three months or less to be cash equivalents, except for those short-term instruments included in the investment portfolio.

(i) Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Items subject to such estimates and assumptions include the useful lives of fixed assets, the valuation of alternative investments, contributions receivable, and asset retirement obligation, and the allocation of functional expenses.

(j) Tax Status

TNYH is a not-for-profit organization, exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code (the Code) for related activities. Contributions to it are tax-deductible by donors as prescribed by the Code. In addition, TNYH is tax-exempt from state and local income tax for related activities, property taxes, and sales tax. TNYH recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. TNYH has evaluated its tax positions and has determined that it is more likely than not that there are no significant uncertain tax positions and that it will continue to be exempt from taxes.

(k) Leases

TNYH assesses contracts at inception to determine whether an arrangement includes a lease. Right of use operating lease assets represents TNYH’s right to use the underlying assets and right of use operating lease liability represents TNYH’s obligation to make lease payments for the use of the leased asset. TNYH has elected the short-term lease exemption for leases with a term of twelve months or less and also elected to account for lease and non-lease components as a single lease component.

(Continued)

TNYH recognizes right of use assets and lease liabilities based on the present value of lease payments over the lease term at commencement date. The rate implicit in TNYH's leases typically is not readily determinable. As a result, TNYH uses a risk-free discount rate of the applicable U.S. treasury yield rate determined using periods comparable to the lease terms.

(l) Reclassification of Prior Year Presentation

Certain prior year amounts have been reclassified for consistency with the current year presentation. These reclassifications had no effect on the reported results of operations.

(3) Statement of Activities

The statement of activities distinguishes between revenue and expenses available for operations and designated for fixed assets and non-operating projects. Operating activities are those designated by management for standard mission activities of TNYH and are monitored by the annual operating-budget process. Non-operating projects include, but are not limited to, assets without donor restrictions invested in fixed assets, activity related to collection acquisitions funded through contributions and/or donor-restricted endowment earnings, insurance proceeds and damages related to unusual situations and contributions and grants designated by the Board for special projects, net of any deficit of earnings on TNYH's endowment.

(4) Investments and Investment Returns

The following table presents TNYH's fair value hierarchy of investments, endowment (excluding advance from 2010 Fund, see note 11) at June 30, 2025 and 2024:

		2025	2024
Investments, endowment:			
Investments (Level 1):			
Cash and cash equivalents	$	400,457	1,606,507
Exchange traded funds and mutual funds:			
International equities		8,893,026	13,248,999
Fixed income		2,953,822	1,084,912
		12,247,305	15,940,418
Investments measured at net asset value (or its equivalent):			
Alternative investments:			
Absolute return funds		572,112	1,297,759
Mutli-strategy/globally diversified funds		50,959,366	41,340,414
Total alternative investments		51,531,478	42,638,173
Total investments, endowment	$	63,778,783	58,578,591

Investments, non-endowment:

The non-endowment investments consist of proceeds from the sale of duplicate objects from the collection and other temporarily restricted funds. The following table presents the fair value of investments, non-endowment at June 30:

		2025	2024
Investments, non-endowment (Level 1):			
Cash and cash equivalents	$	6,330,666	15,836,030
Fixed income		31,592	—
Total investments, non-endowment	$	6,362,258	15,836,030

The limitations and restrictions on TNYH's ability to redeem or sell its alternative investments vary by investment and ranges from required notice periods to specified terms at inception. Based on the terms and conditions in effect at June 30, 2025, TNYH's alternative investments can be redeemed or sold as follows:

Quarterly redemption with 65-75 days' notice	$	47,612,231
Biannual redemption with 90 days' notice		87,055
Redemption in 1–2 years		13,983
Redemption in 1–3 years		3,818,209
	$	51,531,478

For the years ended June 30, 2025 and 2024, net investment returns consist of returns as follows:

	2025	2024
On non-endowment investments:		
Interest and dividends	$ 772,274	834,939
Net realized (losses) gains	(21,779)	368,093
Net unrealized losses	(155,747)	(292,063)
	594,748	910,969
On endowment investments:		
Interest and dividends	329,065	377,181
Net realized gains	783,074	4,496,434
Net unrealized gains	6,766,298	2,731,083
	7,878,437	7,604,698
Less investment management fees	(21,676)	(126,254)
	7,856,761	7,478,444
Net investment return	$ 8,451,509	8,389,413

Investment expenses represent management fees incurred from external investment managers.

(5) Fixed Assets

At June 30, 2025 and 2024, fixed assets, at cost, consist of the following:

	2025	2024
Land	$ 2,335,100	2,335,100
Building and building improvements	149,759,759	149,783,426
Long-term exhibitions	22,266,471	22,273,337
Equipment, furniture, and fixtures	9,762,976	9,625,537
Leasehold improvements	482,644	482,644
	184,606,950	184,500,044
Less accumulated depreciation and amortization	(122,701,748)	(115,701,212)
	61,905,202	68,798,832
Construction in progress, Wing expansion	92,835,811	36,686,666
Construction in progress, other	10,246,367	6,561,082
	$ 164,987,380	112,046,580

Fixed assets include the costs of creating several long-term exhibitions and projects. These include TNYH's fourth-floor open-storage exhibition space, a children's museum, a history film, main lobby installations, and a recurring exhibition related to TNYH's toy and train collection acquired in July 2014. Construction in progress primarily includes costs related to the construction of a new wing and a windows upgrade project. Completion of both projects is expected in 2026.

(6) Pension Plans

After one year and having completed 1,000 hours of continuous service (in a 12-month period) and attaining age 21, all employees, except union security guards (see below), interns, educators, and fellows, are covered by TNYH's defined-contribution, noncontributory, single-employer pension plan administered by TIAA. Contributions for eligible nonunion employees were 7.5% of compensation paid up to the Social Security cap and 10% of compensation paid over the Social Security cap. Employees covered by a union contract with United Auto Workers received 7.5% of an employee's compensation. Pension costs are funded as accrued and the employee is immediately vested. Total costs for TNYH's TIAA plan were $1,055,178 and $1,099,686 for the years ended June 30, 2025 and 2024, respectively. TNYH filed Form 5500 and the supporting audited financial statements for the plan years ended December 31, 2024 and 2023.

Most of TNYH's security guards are members of the Allied International Union and are covered by a defined-benefit, noncontributory, multiemployer pension plan administered by the Allied International Union – Allied Security Pension Fund, EID # 11-2528660, Plan # 001. Based on information received from the union's staff, the plan's Pension Protection Act zone status was in neither endangered nor critical status, and the liabilities were 82.2% funded as of January 1, 2024. TNYH contributed $100 per month for each covered employee. Total costs for the Allied pension plan were $18,900 and $17,300 for the years ended June 30, 2025 and 2024. The union filed Form 5500 and the supporting audited financial statements for the plan years ended December 31, 2024 and 2023.

(7) Contributions and Grants Receivable

At June 30, 2025 and 2024, contributions and grants receivable consist of the following:

		2025	2024
For nonoperating projects	$	22,027,462	30,627,594
For endowments		566,571	884,500
For operating projects		6,190,442	8,098,185
Total contributions and grants receivable		28,784,475	39,610,279
Less:			
Discount to present value (at discount rates ranging from 0.16% to 5.40%)		(855,851)	(1,494,754)
Allowance for doubtful accounts		(846,537)	(1,161,780)
	$	27,082,087	36,953,745

Contributions and grants receivable at June 30, 2025 are expected to be collected in the following fiscal years:

2026	$	17,554,485
2027		4,750,496
2028		3,909,494
2029		1,675,000
2030		885,000
Thereafter		10,000
Total	$	28,784,475

As of June 30, 2025 and 2024, approximately 49% and 52% of gross contributions and grants receivable, respectively, were due from five donors. During the fiscal years ended June 30, 2025 and 2024, approximately 35% and 39% of gross contributions and grants revenue, respectively, were received from five donors.

For fiscal year ended June 30, 2025, there were no funds expended by the City of New York for capital projects. For fiscal year ended June 30, 2024, the City of New York expended $1,662,504 for capital projects. The City's investment of capital funding obligated TNYH to operate the facility and/or maintain equipment for the respective bonding term as a nonprofit entity, open to and used and maintained for the benefit of the people of the City of New York for cultural, educational, or artistic uses and/or related purposes approved by the City of New York.

(8) Net Assets with Donor Restrictions

Net assets with donor restrictions – time or purpose at June 30, 2025 and 2024 were available for the following projects:

		2025	2024
Library services	$	4,386,413	3,198,459
Museum programs and exhibitions		4,306,251	2,885,095
Public and education programs		4,901,689	2,641,045
Collection acquisition and direct care		2,777,961	5,631,854
Capital projects		95,971,165	83,523,490
Future periods		2,707,061	2,921,865
Total	$	115,050,540	100,801,808

The investment income earned on the balances of net assets with donor restrictions – endowment corpus is restricted for the following uses as of June 30, 2025 and 2024:

		2025	2024
Library services	$	8,009,151	8,003,172
Museum programs and exhibitions		6,633,566	6,727,830
Public and education programs		13,117,588	13,116,801
Collection acquisition and direct care		230,100	230,100
General operating		19,902,496	19,893,678
Total	$	47,892,901	47,971,581

(9) Asset Retirement Obligation

TNYH accrues for costs related to legal obligations to perform certain activities in connection with the retirement, disposal, or abandonment of assets. In 2006, management identified asbestos abatement as a conditional asset retirement obligation and estimated that the cost of remediation was $2,750,000 and, since that time, has increased the liability by current inflation rates. In keeping with this policy, the liability was increased $113,659 and $122,876 during the years ended June 30, 2025 and 2024, representing inflation factors of 2.67% and 2.97%, respectively.

(10) Line of Credit and Mortgage Payable

During the years ended June 30, 2025 and 2024, TNYH had a $2 million line of credit (the LOC) available with a financial institution. Borrowings under the LOC can be used for the normal short-term working capital needs of TNYH and bear interest at Prime minus 1% with an interest rate floor of 2.75%. In June 2024, the LOC was terminated. As of June 30, 2025, there were no outstanding borrowings on the line.

In June 2024, TNYH entered into a five-year line of credit with a financial institution (the "2024 LOC") to provide bridge financing for the Wing capital project. The 2024 LOC provides for borrowings of up to $82 million for the first twenty-four months (or thirty months in the event of a delay in government funding) and then $45 million for the remainder of the term. A potential incremental facility of $18 million may also be requested. Interest is payment monthly at the rate of Daily SOFR (not less than 2%) plus 1.99% or Prime (not less than 3.99%). An unused fee of 0.125% is charged quarterly on the undrawn portion of the line. The 2024 LOC calls for certain compliance requirements and an annual debt service covenant. Pledge payments are deposited to a specific bank account, which is to be used for the capital project or to repay the line. There were $28 million in outstanding amounts as of June 30, 2025.

In June 2019, TNYH purchased a townhouse for $16.5 million. The townhouse, located at 15 West 76th Street adjoins TNYH's existing property. TNYH paid the seller $4 million in cash and took a 7-year, interest-only (4%) loan from the seller for the remaining $12.5 million. In December 2021, TNYH re-financed the existing mortgage. The new mortgage of $12,375,000 is payable ratably over 7 years and incurs interest at a fixed rate of 3.75%. TNYH expects to be able to repay the loan before the 2029 due date. There was $10.9 million outstanding as of June 30, 2025.

TNYH entered into a mortgage (the Mortgage) with the City of New York (the City) in 1996, which has been amended in 1998, 2009, and 2017, and 2022 (note 7). The Mortgage, as amended, requires TNYH to complete certain capital improvements within the terms and conditions of the contracts, and requires that for 20 years from the substantial date of completion of the projects, TNYH continue to own and use its premises for a historical society, museum, gallery, and library or other ancillary uses as otherwise permitted under the Mortgage. During the Mortgage term, TNYH shall not sell, assign, lease, license, or otherwise convey all or any portion of the premises, except as otherwise permitted under the Mortgage. It is management's intention to comply with all of TNYH's obligations under the Mortgage, after which the Mortgage will, by its terms, be discharged and satisfied without any payment by TNYH to the City. Accordingly, the mortgage is not included as a liability on TNYH's balance sheets.

(11) Endowment

At June 30, 2025 and 2024, TNYH's endowment fund consists of approximately 59 individual donor-restricted funds, respectively, a board-designated fund (2010 Fund), and the accumulated, unused returns on the fund's investment assets, net of any deficit of these returns.

The endowment fund net assets as of June 30, 2025 and 2024 were as follows:

		2025	2024
Investments	$	63,778,783	58,578,591
Advance from 2010 Fund (a)		6,168,018	6,168,018
Loan receivable from net assets without restrictions (b)		2,275,000	2,275,000
Contributions and grants receivable, net		565,666	865,454
Due to operating funds (c)		(258,105)	(266,525)
Total	$	72,529,362	67,620,538

(a) In connection with the various capital projects, TNYH's Board has approved spending from the 2010 Fund to cover certain expenditures while awaiting receipt of funds pledged by various donors.

(b) Also in connection with the renovation project, TNYH received permission from a donor to borrow against an endowment gift to fund construction costs.

TNYH manages its endowment in accordance with the New York Prudent Management of Institutional Funds Act (NYPMIFA). TNYH has interpreted NYPMIFA as requiring the preservation of the fair value of donor-restricted endowment funds absent explicit donor stipulations to the contrary. In accordance with NYPMIFA, TNYH considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- the duration and preservation of the fund
- the purposes of TNYH and the donor-restricted endowment fund
- general economic conditions
- the possible effect of inflation and deflation

- the expected total return from income and the appreciation of investments
- other resources of TNYH
- where appropriate and the circumstances would otherwise warrant, alternatives to expenditure of the endowment fund, giving due consideration to the effect such alternatives may have on TNYH
- the investment policies of TNYH

In compliance with NYPMIFA, the Investment Committee adopted a revised statement of investment policies for its endowment investments in May 2011. The statement provides the Investment Committee with a framework to prudently manage and invest TNYH's investments assets to further TNYH's goals and mission. To this end, TNYH has established the following as its key investment objectives:

- Manage TNYH's assets with the objective of earning a "real" total rate of return averaging at least 5% per annum.
- Follow prudent standards for preservation of capital and maintenance of liquidity.
- Achieve the highest possible rate of return consistent with the Fund's tolerance for risk as determined by the Investment Committee in its role as fiduciary.

In accordance with accounting guidance issued with the adoption of NYPMIFA, the fair value of each donor-restricted endowment is reported in various net asset classifications for financial reporting purposes. The portion representing the historic value of original gifts (and any subsequent donations) is reported as net assets with donor restrictions – endowment corpus. The difference between the fair value of a donor-restricted endowment fund and the historic value is classified as net assets with donor restrictions.

At June 30, 2025, 2 funds with endowment corpus of $694,434 had deficiencies of $5,566. At June 30, 2024, 27 funds with endowment corpus of $6,935,926 had deficiencies of $130,587.

In accordance with NYPMIFA and the Investment Policy Guidelines, the Investment Committee and the Board established an annual endowment draw as part of the budget process based on a trailing 12-quarter average of the market value of the endowment's investments.

The components of endowment net assets, including contributions and loans receivable, as of June 30, 2025 and 2024 were as follows:

		2025			
		Without donor restrictions	**Time or purpose**	**Endowment corpus**	**Total**
Donor-restricted endowment funds	$	—	7,481,464	47,892,901	55,374,365
Board-designated fund		17,154,997	—	—	17,154,997
Total endowment net assets	$	17,154,997	7,481,464	47,892,901	72,529,362

		2024		
	Without donor restrictions	Time or purpose	Endowment corpus	Total
Donor-restricted endowment funds	$ —	3,401,926	47,971,581	51,373,507
Board-designated fund	16,247,031	—	—	16,247,031
Total endowment net assets	$ 16,247,031	3,401,926	47,971,581	67,620,538

The following table presents the changes in the net assets of the endowment fund for the year ended June 30, 2025:

	Without donor restrictions	Time or purpose	Endowment corpus	Total
Endowment net assets at June 30, 2024	$ 16,247,031	3,401,926	47,971,581	67,620,538
Contributions	—	—	18,141	18,141
Appropriation of endowment return for expenditure in operating fund	(509,462)	(2,323,620)	—	(2,833,082)
Funds due to operating fund	8,420	—	—	8,420
Change in donor designation	—	(36,175)	(96,821)	(132,996)
Investment net gains, net of expenses	1,409,008	6,439,333	—	7,848,341
Endowment net assets at June 30, 2025	$ 17,154,997	7,481,464	47,892,901	72,529,362

The following table presents the changes in the net assets of the endowment fund for the year ended June 30, 2024:

	Without donor restrictions	Time or purpose	Endowment corpus	Total
Endowment net assets at June 30, 2023	$ 16,042,726	(768,997)	49,863,838	65,137,567
Contributions	—	—	4,664	4,664
Appropriation of endowment return for expenditure in operating fund	(1,710,653)	(1,288,697)	—	(2,999,350)
Funds due to operating fund	(266,525)	—	—	(266,525)
Change in donor designation	—	(103,079)	(1,896,921)	(2,000,000)
Investment net gains, net of expenses	2,181,483	5,562,699	—	7,744,182
Endowment net assets at June 30, 2024	$ 16,247,031	3,401,926	47,971,581	67,620,538

(12) Leases

TNYH assesses contracts at inception to determine whether an arrangement includes a lease. Right of use operating lease assets represents TNYH's right to use the underlying assets and right of use operating lease liability represents TNYH's obligation to make lease payments for the use of the leased asset. TNYH has elected the short-term lease exemption for leases with a term of twelve months or less. TNYH recognizes right of use assets and lease liabilities based on the present value of lease payments over the lease term at commencement date. The rate implicit in TNYH's leases typically is not readily determinable. As a result, a risk free rate of a comparable time period is used.

At June 30, 2025, ROU assets and liabilities relating to operating leases were $5,632,645 and $6,092,665, respectively. At June 30, 2024, ROU assets and liabilities relating to operating leases were $6,636,424 and $6,976,647, respectively.

TNYH is obligated under leases for equipment and space rental used in its operations. The future lease payments and reconciliation to the balance sheet are as follows:

	Operating leases
2026	$ 693,695
2027	712,938
2028	717,693
2029	719,222
2030	662,389
Thereafter	4,238,149
Total future lease payments	7,744,086
Less discount for net present value	(1,651,421)
Lease liabilities	$ 6,092,665

The weighted-average remaining lease term and discount rates for operating leases are as follows:

	2025	2024
Weighted-average remaining lease term (years)	10.29	10.80
Weighted-average discount rate	2.99 %	2.99 %

Lease expense included in the statement of activities is as follows:

	2025	2024
Lease expense:		
Short term lease expense	$ 548,684	477,300
Operating lease expense	745,521	810,782
Total lease cost	$ 1,294,205	1,288,082

(13) Commitments and Contingencies

TNYH is involved in various claims and legal actions arising in the ordinary course of business. In the opinion of management, all claims have been accrued or will be covered by insurance.

(14) Liquidity and Availability

TNYH manages its liquidity by developing and adopting annual operating budgets that provide sufficient funds for general expenditures. The following schedule reflects TNYH's financial assets available for general expenditure within one year from June 30, 2025 and June 30, 2024. For purposes of analyzing resources available to meet general expenditures over a 12-month period, TNYH considers all expenditures related to its ongoing activities of operating the facility, providing a venue for exhibitions relating to the mission, operating a research library, conducting lectures, seminars, other educational programs, and its capital activities to be general expenditures.

	2025	2024
Cash and cash equivalents	$ 4,876,441	6,727,021
Accounts receivable, due within one year	4,455,747	3,754,715
Contributions and grants receivable, due within one year	17,554,485	17,497,572
Net endowment appropriation, not yet drawn	2,743,661	2,928,930
Total financial assets available within one year for general expenditures	29,630,334	30,908,238
Additional liquidity resources available:		
Board resources, net of obligations	11,245,085	10,079,014
Committed line of credit	54,000,000	82,000,000
Total financial assets and liquidity resources available within one year for general expenditures	$ 94,875,419	122,987,252

(15) Subsequent Events

In connection with the preparation of the financial statements, TNYH evaluated events after the balance sheet date of June 30, 2025 and through November 26, 2025 which was the date the financial statements were available to be issued.