

**LONG ISLAND CHILDREN'S MUSEUM**

**Financial Statements  
for the years ended  
June 30, 2024  
and  
June 30, 2023**

## **Independent Auditor's Report**

The Board of Trustees  
Long Island Children's Museum

### ***Opinion***

We have audited the accompanying financial statements of Long Island Children's Museum (the "Museum"), which comprise the statements of financial position as of June 30, 2024 and June 30, 2023 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 Museum as of June 30, 2024 and June 30, 2023 and the result 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 Museum 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 Museum'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 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 Museum'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 Museum'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.

*Condon O'Meara McGinty + Donnelly LLP*

November 4, 2024

## LONG ISLAND CHILDREN'S MUSEUM

### Statements of Financial Position

#### Assets

	June 30	
	2024	2023
Cash	\$ 375,773	\$ 671,232
Investments, at fair value	2,439,327	1,918,903
Grants receivable	1,217,708	295,684
Accounts receivable	84,017	23,633
Employee retention credits receivable	-	180,295
Inventory	56,841	51,651
Prepaid expenses	93,020	189,400
Property and equipment, net	348,559	283,481
<b>Total assets</b>	<b>\$ 4,615,245</b>	<b>\$ 3,614,279</b>

#### Liabilities and Nets Assets

##### Liabilities

Accounts payable and accrued expenses	\$ 296,461	\$ 357,852
Deferred membership revenue	367,564	294,935
Loans payable	478,405	491,530
Total liabilities	1,142,430	1,144,317

##### Net assets

Without donor restrictions	268,607	434,278
With donor restrictions	3,204,208	2,035,684
Total net assets	3,472,815	2,469,962
<b>Total liabilities and net assets</b>	<b>\$ 4,615,245</b>	<b>\$ 3,614,279</b>

See notes to financial statements.

## LONG ISLAND CHILDREN'S MUSEUM

### Statements of Activities

	Year Ended June 30					
	2024			2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>Public support and revenue:</b>						
Public support:						
Individuals	\$ 16,175	\$ 384,000	\$ 400,175	\$ 87,663	\$ -	\$ 87,663
Corporations	101,580	120,000	221,580	142,510	100,000	242,510
Foundations	372,800	-	372,800	262,000	575,000	837,000
Federal	35,040	250,000	285,040	-	201,489	201,489
State	21,135	585,000	606,135	77,500	90,000	167,500
County	250,500	-	250,500	150,000	-	150,000
Government grants	-	-	-	619,547	-	619,547
Employee retention credits	-	-	-	471,912	-	471,912
Special events	599,384	200,000	799,384	717,685	-	717,685
Other	27,471	-	27,471	600	-	600
Contributions of nonfinancial assets	257,509	-	257,509	250,009	-	250,009
Total support	1,681,594	1,539,000	3,220,594	2,779,426	966,489	3,745,915
Revenue:						
Admissions	2,529,948	-	2,529,948	2,199,910	-	2,199,910
Memberships	477,862	-	477,862	458,842	-	458,842
Retail sales (net of cost of goods sold of \$159,130 and \$164,007 for 2024 and 2023, respectively)	183,840	-	183,840	155,605	-	155,605
Birthday parties	385,663	-	385,663	320,924	-	320,924
Education fees	306,797	-	306,797	208,098	-	208,098
Theatre performances	56,920	-	56,920	144,625	-	144,625
Museum rentals	75,606	-	75,606	93,896	-	93,896
Vending machines	6,701	-	6,701	5,395	-	5,395
Investment return, net	268,366	-	268,366	167,784	-	167,784
(Loss) on disposal of assets	-	-	-	(9,073)	-	(9,073)
Total revenue	4,291,703	-	4,291,703	3,746,006	-	3,746,006
Total public support and revenue before release from restrictions	5,973,297	1,539,000	7,512,297	6,525,432	966,489	7,491,921
Net assets released from restrictions	370,476	(370,476)	-	589,261	(589,261)	-
Total public support and revenue	6,343,773	1,168,524	7,512,297	7,114,693	377,228	7,491,921
<b>Expenses:</b>						
Program services	5,149,374	-	5,149,374	4,725,946	-	4,725,946
Supporting activities						
Management and general	637,973	-	637,973	568,891	-	568,891
Fundraising	722,097	-	722,097	986,736	-	986,736
Total supporting services	1,360,070	-	1,360,070	1,555,627	-	1,555,627
Total expenses	6,509,444	-	6,509,444	6,281,573	-	6,281,573
<b>Increase (decrease) in net assets</b>	<b>(165,671)</b>	<b>1,168,524</b>	<b>1,002,853</b>	<b>833,120</b>	<b>377,228</b>	<b>1,210,348</b>
Net assets (deficit), beginning of year	434,278	2,035,684	2,469,962	(398,842)	1,658,456	1,259,614
Net assets, end of year	\$ 268,607	\$ 3,204,208	\$ 3,472,815	\$ 434,278	\$ 2,035,684	\$ 2,469,962

See notes to financial statements.

**LONG ISLAND CHILDREN'S MUSEUM**

**Statement of Functional Expenses  
Year Ended June 30, 2024**

	Program Services				Support Services			Totals	
	Exhibitions	Education	Visitors Services	Total Program Services	Management and General	Fundraising	Total Support Services	2024	2023
Salaries	\$ 434,742	\$ 1,809,302	\$ 783,173	\$ 3,027,217	\$ 258,153	\$ 296,880	\$ 555,033	\$ 3,582,250	\$ 3,409,513
Payroll taxes and benefits	66,857	234,783	119,276	420,916	65,208	53,654	118,862	539,778	520,577
Promotions	25,608	106,574	46,132	178,314	-	-	-	178,314	186,868
Banking and credit card charges	13,903	57,861	25,046	96,810	8,256	9,494	17,750	114,560	127,776
Professional fees	36,967	114,026	80,762	231,755	181,737	241,210	422,947	654,702	714,351
Food and catering	1,363	15,719	301	17,383	7,145	361	7,506	24,889	19,660
Traveling exhibition	130,756	845	-	131,601	-	-	-	131,601	87,283
Repairs and maintenance	14,476	3,640	78,149	96,265	559	-	559	96,824	142,473
Telephone and internet	4,750	19,767	8,556	33,073	2,821	3,243	6,064	39,137	37,322
Postage and printing	487	21,388	4,521	26,396	991	24,908	25,899	52,295	32,402
Dues, fees and publications	165	19,085	2,796	22,046	19,504	790	20,294	42,340	27,711
Office expense	38	861	23	922	4,718	14	4,732	5,654	5,990
Custodial services	19,215	79,969	34,615	133,799	11,409	13,122	24,531	158,330	123,180
Materials and supplies	86,818	63,284	47,727	197,829	14,198	13,417	27,615	225,444	220,556
Conferences and training	1,066	8,175	2,963	12,204	9,001	662	9,663	21,867	33,388
Insurance	21,928	91,260	39,503	152,691	13,021	14,974	27,995	180,686	159,403
Furniture and equipment rental	108	1,193	2,353	3,654	11,841	3,179	15,020	18,674	32,928
Miscellaneous	2,097	42,970	522	45,589	717	588	1,305	46,894	9,280
Utilities	31,251	130,061	56,298	217,610	18,558	21,341	39,899	257,509	250,009
Technology	<u>1,521</u>	<u>23,262</u>	<u>14,827</u>	<u>39,610</u>	<u>4,705</u>	<u>18,013</u>	<u>22,718</u>	<u>62,328</u>	<u>78,351</u>
Subtotal	894,116	2,844,025	1,347,543	5,085,684	632,542	715,850	1,348,392	6,434,076	6,219,021
Depreciation and amortization	<u>9,147</u>	<u>38,066</u>	<u>16,477</u>	<u>63,690</u>	<u>5,431</u>	<u>6,247</u>	<u>11,678</u>	<u>75,368</u>	<u>62,552</u>
Total functional expenses	<u>\$ 903,263</u>	<u>\$ 2,882,091</u>	<u>\$ 1,364,020</u>	<u>\$ 5,149,374</u>	<u>\$ 637,973</u>	<u>\$ 722,097</u>	<u>\$ 1,360,070</u>	<u>\$ 6,509,444</u>	<u>\$ 6,281,573</u>

See notes to financial statements.

**LONG ISLAND CHILDREN'S MUSEUM**

**Statement of Functional Expenses  
Year Ended June 30, 2023**

	<u>Program Services</u>				<u>Support Services</u>			<u>Total</u>
	<u>Exhibitions</u>	<u>Education</u>	<u>Visitors Services</u>	<u>Total Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total Support Services</u>	
Salaries	\$ 575,887	\$ 1,504,327	\$ 638,774	\$ 2,718,988	\$ 267,981	\$ 422,544	\$ 690,525	\$ 3,409,513
Payroll taxes and benefits	86,659	218,766	108,595	414,020	48,712	57,845	106,557	520,577
Promotions	29,759	38,305	30,647	98,711	29,438	58,719	88,157	186,868
Banking and credit card charges	24,478	24,478	24,478	73,434	27,350	26,992	54,342	127,776
Professional fees	157,659	132,392	77,087	367,138	77,380	269,833	347,213	714,351
Food and catering	1,007	15,286	1,785	18,078	733	849	1,582	19,660
Traveling exhibitions	26,185	26,185	26,185	78,555	4,364	4,364	8,728	87,283
Miscellaneous	1,856	1,856	1,856	5,568	1,856	1,856	3,712	9,280
Repairs and maintenance	24,328	29,519	30,519	84,366	29,626	28,481	58,107	142,473
Telephone and internet	7,329	7,329	8,006	22,664	7,329	7,329	14,658	37,322
Postage and printing	1,347	11,042	2,185	14,574	4,258	13,570	17,828	32,402
Dues, fees and publications	457	16,772	1,202	18,431	7,784	1,496	9,280	27,711
Office expense	982	1,504	1,597	4,083	947	960	1,907	5,990
Custodial services	35,639	35,639	40,022	111,300	5,940	5,940	11,880	123,180
Materials and supplies	92,121	56,136	54,615	202,872	3,779	13,905	17,684	220,556
Conferences and training	2,722	24,597	256	27,575	1,178	4,635	5,813	33,388
Insurance	47,821	47,821	47,821	143,463	7,970	7,970	15,940	159,403
Furniture and equipment rental	7,994	605	12,257	20,856	10,057	2,015	12,072	32,928
Utilities	75,003	75,003	75,003	225,009	12,500	12,500	25,000	250,009
Technology	8,920	22,482	10,590	41,992	5,567	30,792	36,359	78,351
Subtotal	1,208,153	2,290,044	1,193,480	4,691,677	554,749	972,595	1,527,344	6,219,021
Depreciation and amortization	11,423	11,423	11,423	34,269	14,142	14,141	28,283	62,552
Total functional expenses	<u>\$ 1,219,576</u>	<u>\$ 2,301,467</u>	<u>\$ 1,204,903</u>	<u>\$ 4,725,946</u>	<u>\$ 568,891</u>	<u>\$ 986,736</u>	<u>\$ 1,555,627</u>	<u>\$ 6,281,573</u>

See notes to financial statements.

**LONG ISLAND CHILDREN'S MUSEUM**

**Statements of Cash Flows**

	<b>Year Ended</b>	
	<b>June 30</b>	
	<u><b>2024</b></u>	<u><b>2023</b></u>
<b>Cash flows from operating activities</b>		
Increase in net assets	\$ 1,002,853	\$ 1,210,348
Adjustments to reconcile increase in net assets to net cash provided by (used in) operating activities		
Depreciation and amortization	75,368	62,552
Realized and unrealized (gain) on investments	(206,138)	(159,431)
Loss on disposal of assets	-	9,073
Forgiveness of Payroll Protection Program loan	-	(619,547)
Donation with perpetual donor restrictions	(300,000)	(575,000)
Changes in:		
Grants receivable	(922,024)	198,772
Accounts receivable	(60,384)	(8,820)
Employee retention credits receivable	180,295	19,388
Inventory	(5,190)	(13,684)
Prepaid expenses	96,380	(5,266)
Accounts payable and accrued expenses	(61,391)	69,963
Deferred membership revenue	<u>72,629</u>	<u>(36,063)</u>
Net cash provided by (used in) operating activities	<u>(127,602)</u>	<u>152,285</u>
<b>Cash flows from investing activities</b>		
Purchases of property and equipment	(140,447)	(195,004)
Sale of assets	-	3,600
Purchases of investments	(407,639)	(588,497)
Proceeds from sale of investments	110,835	60,831
Change in money market	<u>(17,481)</u>	<u>(3,999)</u>
Net cash (used in) investing activities	<u>(454,732)</u>	<u>(723,069)</u>
<b>Cash flows from financing activities</b>		
Payments to loan payable	(13,125)	(8,371)
Donation with perpetual donor restriction	<u>300,000</u>	<u>575,000</u>
Net cash provided by financing activities	<u>286,875</u>	<u>566,629</u>
<b>Net (decrease) in cash</b>	<b>(295,459)</b>	<b>(4,155)</b>
<b>Cash, beginning of year</b>	<b><u>671,232</u></b>	<b><u>675,387</u></b>
<b>Cash, end of year</b>	<b><u>\$ 375,773</u></b>	<b><u>\$ 671,232</u></b>

See notes to financial statements.



## LONG ISLAND CHILDREN'S MUSEUM

### Notes to Financial Statements June 30, 2024 and June 30, 2023

#### **Note 1 – Nature of organization**

The Long Island Children's Museum (the "Museum") is an education institution incorporated in 1990 in the State of New York. The Museum presents exhibits and programs for families from all of Long Island, Queens and the New York City metropolitan area, as well as schoolchildren from pre-school through eighth grade from throughout Long Island. The Museum also provides in-depth educational enrichment programs to high need schools and community agencies serving low-income children and families. The Museum connects all our communities' children, and those who care for them, to one another and to a life of wonder, imagination and exploration. Here, children discover their passions and their relationship to the world we share.

The Museum is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and from state and local income taxes under comparable laws.

#### **Note 2 – Summary of significant accounting policies**

##### Basis of accounting

The financial statements of the Museum have been prepared using the accrual basis of accounting and conform to accounting principles generally accepted in the United States of America as applicable to not-for-profit organizations.

##### Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosure of contingent assets and liabilities. Actual results may differ from those estimates.

##### Functional allocation of expenses

The cost of providing the Museum's program and supporting services has been summarized on a functional basis in the accompanying statements of activities. Accordingly, certain costs have been allocated among the program and supporting services in ratios determined by management.

##### Investments

Investments are recorded at fair value based on publicly quoted market prices. Net realized and unrealized gains or (losses) on the investments are recorded in the statements of activities as increases or decreases in net assets.

**LONG ISLAND CHILDREN'S MUSEUM****Notes to Financial Statements (continued)  
June 30, 2024 and June 30, 2023****Note 2 – Summary of significant accounting policies (continued)**Fair value measurements

For assets measured at fair value on a recurring basis, accounting standards require quantitative disclosure about the fair value measurement separately for each major class of assets. The Museum's investments have been classified in the highest level of hierarchy (Level 1). The fair value of the investments are based on quoted prices in active markets for identical assets.

Financial reporting

The Museum reports information regarding its financial position and activities in two classes of net assets, which are as follows:

Without donor restrictionsOperating

Represent resources, if any, that are not subject to donor-imposed restrictions.

Board-designated reserve fund

The Museum was the recipient of two unrestricted gifts from two Trustees that totaled \$250,000. The Board voted to classify these funds as a board-designated reserve fund governed by specific procedures as described in the related Board adopted policy. The purpose of this fund is to assist the Museum to manage operations during periods of low cash levels. At June 30, 2024, the value of the fund was \$263,700.

With donor restrictions

Represent those resources the use of which has been restricted by donors for specific purposes and/or the passage of time. When a donor stipulation expires, that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished, net assets with temporary donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Included in this category are net assets subject to donor-imposed restrictions to be maintained in perpetuity by the Museum.

Grants and grants receivable

Grants are recorded as revenue upon the receipt of cash or unconditional pledges. Grants are considered available for general use, unless specifically restricted by the donor. Conditional grants are recorded when the specified conditions have been met. Any grants to be received over periods longer than a single year are discounted at an interest rate commensurate with the risk involved.

**LONG ISLAND CHILDREN'S MUSEUM****Notes to Financial Statements (continued)  
June 30, 2024 and June 30, 2023****Note 2 – Summary of significant accounting policies (continued)**Grants and grants receivable (continued)

Funding contracts are often subject to audit by the applicable granting agencies. The possible disallowances by the granting agencies of any item charged to the program cannot be determined until such time when and if an audit occurs. Therefore, no provision for any potential disallowances that may result from such audits has been made in the accompanying financial statements. Management is of the opinion that any potential disallowances will not be material to the accompanying financial statements.

All grants receivable are expected to be paid during the 2025 fiscal year.

Revenue recognitionMembership revenue

Membership revenue is recognized as revenue over the year-long term of the membership. Deferred membership revenue consists of memberships that will be earned in future periods.

Admissions and all other sources of revenue

Revenue from admissions and all other sources of revenue are recognized when earned.

Inventory

Inventory consists of educational retail products that further the mission of the Museum and are reported at the lower of cost or market value using an average cost method.

Property and equipment

Property and equipment are recorded at their original costs, or if contributed, at their appraised values at the dates of contribution. Depreciation of exhibits, furniture, fixtures and equipment is provided using the straight-line method over estimated useful lives of three to seven years. Leasehold improvements are being amortized on the straight-line method, over the lesser of the life of the lease or the estimated useful lives of the assets.

Contributed nonfinancial assets

The Museum receives labor services rendered by volunteers who support the Museum's programs and activities. These amounts have not been reflected in the accompanying financial statements as they do not meet the requirements for recognition under generally accepted accounting principles. During the 2024 and 2023 fiscal-years, the total number of hours donated by volunteers amounted to approximately 8,300 and 6,600, respectively.

**LONG ISLAND CHILDREN'S MUSEUM****Notes to Financial Statements (continued)****June 30, 2024 and June 30, 2023****Note 2 – Summary of significant accounting policies (continued)****Contributed nonfinancial assets (continued)**

The Museum receives other contributed nonfinancial assets, which are an integral part of the activities of the Museum and would have had to be purchased by the Museum if they had not been donated. Other contributed nonfinancial assets have been recorded at their estimated fair value based on what it would have cost if purchased independently and have been reflected as support and corresponding expenses in the accompanying statements of activities.

**Advertising costs**

Advertising costs are expensed as incurred.

**Concentrations of credit risk**

The Museum's financial instruments that are potentially exposed to concentrations of credit risk consist primarily of cash, investments and receivables. The Museum places its cash with what it believes to be a quality financial institution. At times during the year, the balances in Museum's accounts exceeded the FDIC insurance limit. However, the Museum has not experienced any losses in these accounts to date. The Museum's investments are exposed to various risks, such as interest rate, market volatility, liquidity and credit. Due to the level of uncertainty related to the aforementioned risks, it is at least reasonably possible that changes in these risks could have a material effect on the amounts reported in the statements of financial position at June 30, 2024. The Museum's receivables consist principally of grants from donors. The Museum's receivables are deemed collectible by management. The Museum believes no significant concentrations of credit risk exist with respect to its cash, investments and receivables.

**Subsequent events**

The Museum has evaluated events and transactions for potential recognition or disclosure through November 4, 2024, which is the date the financial statements were available to be issued.

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

The Museum's working capital and cash flow is subject to variations during the year due to the seasonal nature of cash receipts for admissions and other earned income and the concentration of grants near the end of the fiscal year due to the timing of its fundraising gala event. In order to manage liquidity, the Museum's Board of Trustees designated funds of \$263,700 as a working capital reserve. With varying levels of authorization requirements, management is able to withdraw monies from this fund to meet cash flow needs. The funds must be paid under terms ranging from 60 to 180 days, depending upon the withdrawal amount.

**LONG ISLAND CHILDREN'S MUSEUM**

**Notes to Financial Statements (continued)**

**June 30, 2024 and June 30, 2023**

**Note 3 – Liquidity and availability of financial assets (continued)**

The following is a summary of the Museum's financial assets as of June 30, 2024 and June 30, 2023, reduced by amounts not available for general use within one year of the statements of financial position date due to donor-imposed restrictions or internal designations:

	<u>2024</u>	<u>2023</u>
Cash	\$ 375,773	\$ 671,232
Investments, at fair value	2,439,327	1,918,903
Grants receivable	1,217,708	295,684
Accounts receivable	84,017	23,633
Employee retention credits receivable	-	<u>180,295</u>
Total financial assets	<u>4,116,825</u>	<u>3,089,747</u>
Less: contractual or donor-imposed restrictions:		
Endowment funds	(1,940,000)	(1,640,000)
Board-designations:		
Working capital reserve fund	<u>(263,700)</u>	<u>(250,000)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 1,913,125</u>	<u>\$ 1,199,747</u>

**Note 4 – Investments, at fair value**

Investments, comprising the endowment, consist of the following as of June 30, 2024 and June 30, 2023:

	<u>2024</u>		<u>2023</u>	
	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>
Money market	\$ 21,361	\$ 21,361	\$ 3,879	\$ 3,879
Fixed income – corporate bond	831,817	782,501	667,399	613,233
Exchange traded fund – U.S. large cap	506,857	691,159	466,497	526,617
Equities	<u>891,292</u>	<u>944,306</u>	<u>507,076</u>	<u>775,174</u>
	<u>\$ 2,251,327</u>	<u>\$ 2,439,327</u>	<u>\$ 1,644,851</u>	<u>\$ 1,918,903</u>

For the years ended June 30, 2024 and June 30, 2023, investment return consisted of the following:

	<u>2024</u>	<u>2023</u>
Interest and dividends	\$ 62,569	\$ 8,779
Realized and unrealized gain	<u>206,138</u>	<u>159,431</u>
Total	<u>\$ 268,707</u>	<u>\$ 168,210</u>

**LONG ISLAND CHILDREN'S MUSEUM**

**Notes to Financial Statements (continued)**

**June 30, 2024 and June 30, 2023**

**Note 5 – Property and equipment**

At each fiscal year end, property and equipment consisted of the following:

	June 30	
	2024	2023
Leasehold improvements	\$ 8,809,386	\$ 8,702,286
Exhibits	3,956,086	3,950,836
Furniture and fixtures	636,134	608,038
Equipment	589,399	589,399
Total property and equipment	13,991,005	13,850,559
Less: accumulated depreciation and amortization	(13,642,446)	(13,567,078)
Total property and equipment, net	\$ 348,559	\$ 283,481

Depreciation and amortization expense for fiscal years 2024 and 2023 was \$75,368 and \$62,552, respectively.

**Note 6 – Net assets with donor restrictions**

Net assets with donor-imposed restrictions consists of net asset with temporary and perpetual donor restrictions.

**Net assets with temporary donor restrictions**

At June 30, 2024, net assets with donor restrictions, consisted of the following:

	Balance At June 30, 2023	Support	Released from Restrictions	Balance At June 30, 2024
Saltwater Stories	\$ 68,408	\$ 870,000	\$ (68,408)	\$ 870,000
Succession Planning & Leadership Development	20,124	-	(20,124)	-
NYSCA-General Operating	40,000	-	(40,000)	-
Westbury STEM4 All	257,152	-	(195,444)	61,708
New York Humanities	10,000	-	(9,000)	1,000
Restricted for Time	-	224,000	-	224,000
Music Programming	-	60,000	-	60,000
Together to Kindergarten	-	35,000	-	35,000
Various Educational Programs	-	50,000	(37,500)	12,500
Total	\$ 395,684	\$ 1,239,000	\$ (370,476)	\$ 1,264,208

**Net assets with perpetual donor restrictions**

At June 30, 2024 and June 30, 2023, net assets with perpetual donor restrictions totaled \$1,940,000 and \$1,640,000, respectively.

**LONG ISLAND CHILDREN'S MUSEUM****Notes to Financial Statements (continued)  
June 30, 2024 and June 30, 2023****Note 7 – Endowment funds**The endowment

The Museum's endowment is composed of one fund established for purposes to be defined by the donor.

Return objectives and risk parameters

The Board of Trustees has adopted investment and spending policies for the Museum's endowment assets that seek to provide a predictable stream of funding to programs supported by its endowment, and maintain purchasing power of the endowment over time.

Strategies employed for achieving objectives

To satisfy its long-term rate of return objectives, the Museum's investment policy calls for the reliance on a total-return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Museum targets a diversified asset allocation with prudent risk constraints. The Museum's current endowment fund contains provisions within the gift instrument that supersede the Museum's investment policy.

Spending policy and relationship to investment objectives

Appropriations from the endowment funds will be made on a fund-by-fund basis and in accordance with any specific directives on spending that the donor has imposed. The Museum will establish a spending rate that will balance the need for resources for the Museum with the objective of growing the endowment fund.

**Note 8 – Contributed nonfinancial assets**Use of land

In January 2002, the Museum took occupancy of its Mitchell Field, Garden City, New York exhibit and office space. The Museum has entered into a 20-year renewable lease for this space, which is owned by the County of Nassau (the "County"), and was unoccupied prior to the County permitting the Museum to utilize the space. Due to the Museum serving the public interest by constructing and maintaining a museum within the formerly unoccupied premises, and in consideration of the benefit to the County from the operation of the facility, and for special rates offered to school children, youth groups, etc., the amount of rent to be collected as a rental fee shall be reduced to zero. Accordingly, the Museum has not recorded any rental value in the accompanying financial statements. Also pursuant to the lease, the County has agreed to provide all utilities that are required for the operation of the Museum, excluding telephone service, free of charge. The Museum recorded revenue and corresponding expense for these contributed utilities totaling \$257,509 for 2024 and \$250,009 for 2023. During December 2021, the lease was renewed for 20-years effective June 15, 2018.

**LONG ISLAND CHILDREN'S MUSEUM**

**Notes to Financial Statements (continued)**

**June 30, 2024 and June 30, 2023**

**Note 9 – Retirement plan**

The Museum maintained a deferred compensation plan for a key employee of the Museum. The expense to the Museum was \$11,551 for a former, and now retired key employee for the 2023 fiscal year.

**Note 10 – Loans payable**

At June 30, 2024, loans payable consisted of the following:

Paycheck Protection Program

During February 2021, the Museum received a Paycheck Protection Program loan, totaling \$619,547. During July 2022, the PPP Loan forgiveness was confirmed and as a result, the Museum recorded \$619,547 as a government grant in the 2023 fiscal year statements of activities.

Economic Injury Disaster Loan

During the 2020 fiscal year, the Museum applied for an Economic Injury Disaster Loan (“EIDL”) to provide disaster relief from the COVID-19 pandemic and on May 19, 2020, the loan was approved for \$150,000.

On July 27, 2021, the Museum applied for an amendment to the EIDL. The amendment was approved and the Museum received an additional \$350,000.

Repayment of the EIDL commenced November 2022 and requires monthly payments of \$2,206 applicable first to a fixed interest rate of 2.75% per annum and the balance to a reduction of principal. The EIDL will be amortized over 360 months, until May 2050, when the entire unpaid principal balance and all accrued and unpaid interest would be due and payable. The EIDL is collateralized by a security interest, as defined in the EIDL documents.

As of June 30, 2024, the required annual principal payments on the EIDL is as follows:

<u>Fiscal Year</u>	<u>Amount</u>
2025	\$ 13,490
2026	13,866
2027	14,252
2028	14,649
2029	15,057
2030 and thereafter	407,091
Total	<u>\$ 478,405</u>



**LONG ISLAND CHILDREN'S MUSEUM****Notes to Financial Statements (continued)  
June 30, 2024 and June 30, 2023****Note 11 – Employee retention credits**

In response to the coronavirus emergency, the Coronavirus Aid, Relief and Economic Security Act and subsequent acts (the “Acts”) were signed into law. The Acts provided, among other things, a refundable credit of certain qualified wages per employee for wages paid or incurred from March 13, 2020 through September 30, 2021. In connection therewith, such credits totaled \$471,912 for the year ended June 30, 2023.