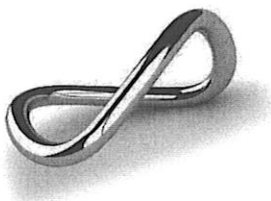


**REVIEWED  
FINANCIAL STATEMENTS**

**HAMBURG NATURAL HISTORY SOCIETY, INC.**

---

December 31, 2019 and 2018



**Barbara A. Hauser, CPA**

Certified Public Accountant and Consultant

**HAMBURG NATURAL HISTORY SOCIETY, INC.**  
**Hamburg, New York**

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# Barbara A. Hauser, CPA

## Certified Public Accountant and Consultant

4535 Southwestern Boulevard, Suite 803B  
Hamburg, New York 14075  
Phone 716-649-8605 Fax 716-649-7893

### INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors  
*Hamburg Natural History Society, Inc.*

I have reviewed the accompanying financial statements of Hamburg Natural History Society, Inc. (a not-for-profit corporation) which comprise the statements of financial position as of December 31, 2019 and 2018 and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytic procedures to management's financial data and making inquiries of Hamburg Natural History Society's 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, I 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 accounting principles generally accepted in the United States of America; this includes 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

My 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 me to perform procedures to obtain limited assurance as a basis for reporting whether I am aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. I believe that the results of my procedures provide a reasonable basis for my conclusion.

#### Accountant's Conclusion

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

*Barbara A. Hauser, CPA*

**BARBARA A. HAUSER, CPA**

Hamburg, New York  
November 2, 2020

**HAMBURG NATURAL HISTORY SOCIETY, INC.**  
**Hamburg, New York**

**STATEMENTS OF FINANCIAL POSITION**

December 31, 2019	Without Donor Restrictions	With Donor Restrictions	Total
<b>ASSETS</b>			
Current Assets			
Cash	\$ 60,488	\$ —	\$ 60,488
Prepaid Expenses	2,543	—	2,543
<b>Total Current Assets</b>	<b>63,031</b>	<b>—</b>	<b>63,031</b>
Property and Equipment	478,704	42,400	521,104
Other Assets			
Non Current Cash	—	68,799	68,799
<b>Total Other Assets</b>	<b>—</b>	<b>68,799</b>	<b>68,799</b>
<b>Total Assets</b>	<b>\$ 541,735</b>	<b>\$ 111,199</b>	<b>\$ 652,934</b>
<b>LIABILITIES AND NET ASSETS</b>			
Current Liabilities			
Deferred Membership Revenue	\$ 970	\$ —	\$ 970
Deferred Grant Revenue	2,198	—	2,198
Accounts Payable	728	—	728
Accrued Expenses	2,652	—	2,652
<b>Total Current Liabilities/Total Liabilities</b>	<b>6,548</b>	<b>—</b>	<b>6,548</b>
Net Assets			
Without Donor Restrictions	535,187	—	535,187
With Donor Restrictions			
Building Fund	—	31,951	31,951
Land	—	42,400	42,400
Special Trust - Life Memberships	—	33,675	33,675
Special Trust - Endowment	—	3,173	3,173
<b>Total With Donor Restrictions</b>	<b>—</b>	<b>111,199</b>	<b>111,199</b>
<b>Total Net Assets</b>	<b>535,187</b>	<b>111,199</b>	<b>646,386</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 541,735</b>	<b>\$ 111,199</b>	<b>\$ 652,934</b>

**HAMBURG NATURAL HISTORY SOCIETY, INC.**  
**Hamburg, New York**

**STATEMENTS OF FINANCIAL POSITION**

December 31, 2018	Without Donor Restrictions	With Donor Restrictions	Total
<b>ASSETS</b>			
Current Assets			
Cash	\$ 77,085	\$ —	\$ 77,085
Prepaid Expenses	2,429	—	2,429
Total Current Assets	79,514	—	79,514
Property and Equipment	445,743	42,400	488,143
Other Assets			
Non Current Cash	—	68,799	68,799
Total Other Assets	—	68,799	68,799
<b>Total Assets</b>	<b>\$ 525,257</b>	<b>\$ 111,199</b>	<b>\$ 636,456</b>
<b>LIABILITIES AND NET ASSETS</b>			
Current Liabilities			
Deferred Membership Revenue	\$ 2,990	\$ —	\$ 2,990
Deferred Grant Revenue	6,125	—	6,125
Accounts Payable	1,761	—	1,761
Accrued Expenses	3,241	—	3,241
Total Current Liabilities/Total Liabilities	14,117	—	14,117
Net Assets			
Without Donor Restrictions	511,140	—	511,140
With Donor Restrictions			
Building Fund	—	31,951	31,951
Land	—	42,400	42,400
Special Trust - Life Memberships	—	33,675	33,675
Special Trust - Endowment	—	3,173	3,173
Total With Donor Restrictions	—	111,199	111,199
Total Net Assets	511,140	111,199	622,339
<b>Total Liabilities and Net Assets</b>	<b>\$ 525,257</b>	<b>\$ 111,199</b>	<b>\$ 636,456</b>

**HAMBURG NATURAL HISTORY SOCIETY, INC.**  
**Hamburg, New York**

**STATEMENTS OF ACTIVITIES**

Year Ended December 31, 2019	Without Donor Restrictions	With Donor Restrictions	Total
<b>Support and Revenue</b>			
Donations	\$ 16,468	\$ —	\$ 16,468
Memberships	22,669	—	22,669
Tours and Educational Events	109,376	—	109,376
Grants	140,241	—	140,241
Fundraising Events	8,435	—	8,435
Sale of Merchandise	13,738	—	13,738
Other Income	2,994	—	2,994
Interest Income	427	—	427
<b>Total Support and Revenue</b>	<b>314,348</b>	<b>—</b>	<b>314,348</b>
<b>Cost of Sales</b>			
Sale of Merchandise	6,864	—	6,864
Fundraising Events	4,717	—	4,717
<b>Total Cost of Sales</b>	<b>11,581</b>	<b>—</b>	<b>11,581</b>
<b>Net Support and Revenue</b>	<b>302,767</b>	<b>—</b>	<b>302,767</b>
<b>Expenses</b>			
Program Costs	197,586	—	197,586
Administrative Costs	52,396	—	52,396
Fund Raising Costs	28,738	—	28,738
<b>Total Expenses</b>	<b>278,720</b>	<b>—</b>	<b>278,720</b>
<b>Change in Net Assets</b>	<b>24,047</b>	<b>—</b>	<b>24,047</b>
<b>Net Assets - Beginning of Year</b>	<b>511,140</b>	<b>111,199</b>	<b>622,339</b>
<b>Net Assets - End of Year</b>	<b>\$ 535,187</b>	<b>\$ 111,199</b>	<b>\$ 646,386</b>

**HAMBURG NATURAL HISTORY SOCIETY, INC.**  
**Hamburg, New York**

**STATEMENTS OF ACTIVITIES**

Year Ended December 31, 2018	Without Donor Restrictions	With Donor Restrictions	Total
<b>Support and Revenue</b>			
Donations	\$ 25,004	\$ 667	\$ 25,671
Memberships	27,548	1,000	28,548
Tours and Educational Events	106,918	—	106,918
Grants	112,395	—	112,395
Fundraising Events	15,550	—	15,550
Sale of Merchandise	12,238	—	12,238
Interest Income	485	—	485
<b>Total Support and Revenue</b>	<b>300,138</b>	<b>1,667</b>	<b>301,805</b>
<b>Cost of Sales</b>			
Sale of Merchandise	11,333	—	11,333
Fundraising Events	6,724	—	6,724
<b>Total Cost of Sales</b>	<b>18,057</b>	<b>—</b>	<b>18,057</b>
<b>Net Support and Revenue</b>	<b>282,081</b>	<b>1,667</b>	<b>283,748</b>
<b>Expenses</b>			
Program Costs	195,803	—	195,803
Administrative Costs	54,182	—	54,182
Fund Raising Costs	19,515	—	19,515
<b>Total Expenses</b>	<b>269,500</b>	<b>—</b>	<b>269,500</b>
<b>Change in Net Assets</b>	<b>12,581</b>	<b>1,667</b>	<b>14,248</b>
<b>Net Assets - Beginning of Year</b>	<b>498,559</b>	<b>109,532</b>	<b>608,091</b>
<b>Net Assets - End of Year</b>	<b>\$ 511,140</b>	<b>\$ 111,199</b>	<b>\$ 622,339</b>

**HAMBURG NATURAL HISTORY SOCIETY, INC.**  
**Hamburg, New York**

**STATEMENT OF FUNCTIONAL EXPENSES**

Year Ended December 31, 2019	Program	Administration	Fundraising	Total
Payroll Wages	\$ 103,136	\$ 31,191	\$ 22,028	\$ 156,355
Payroll Taxes	9,106	2,754	1,945	13,805
Employee Related Insurance	12,344	3,733	2,636	18,713
	124,586	37,678	26,609	188,873
Advertising and Promotion	5,740	—	—	5,740
Depreciation	7,114	—	—	7,114
Donation	—	150	—	150
Dues and Membership	—	288	—	288
Educational Programming	28,007	—	—	28,007
Insurance	4,588	1,168	—	5,756
Meeting Expenses	—	733	—	733
Newsletters and Membership Letters	1,220	—	—	1,220
NYS Charities Fee	—	125	—	125
Office Supplies and Equipment	—	4,400	—	4,400
Other Fund Raising Costs	—	—	991	991
Payroll Processing Fee	—	1,299	—	1,299
Professional Services	—	2,761	—	2,761
Promotion and Outreach	13,198	—	—	13,198
Rent of Office Space	5,327	1,611	1,138	8,076
Service Charges and Fees	2,773	535	—	3,308
Site Improvement and Repair	4,140	—	—	4,140
Staff Development	—	454	—	454
Telephone	—	1,080	—	1,080
Usage Fee	893	—	—	893
Web Site	—	114	—	114
	\$ 197,586	\$ 52,396	\$ 28,738	\$ 278,720



**HAMBURG NATURAL HISTORY SOCIETY, INC.**  
**Hamburg, New York**

**STATEMENT OF FUNCTIONAL EXPENSES**

Year Ended December 31, 2018	Program	Administration	Fundraising	Total
Payroll Wages	\$ 96,314	\$ 31,656	\$ 14,941	\$ 142,911
Payroll Taxes	9,374	3,081	1,454	13,909
Employee Related Insurance	10,425	3,403	1,606	15,434
	116,113	38,140	18,001	172,254
Depreciation	7,176	—	—	7,176
Donation	—	550	—	550
Educational Programming	32,811	—	—	32,811
Insurance	4,183	1,154	—	5,337
Interest Expense	—	2	—	2
Meeting Expenses	—	210	—	210
Newsletters and Membership Letters	3,124	—	—	3,124
NYS Charities Fee	—	125	—	125
Office Supplies and Equipment	—	3,710	—	3,710
Other Fund Raising Costs	—	—	599	599
Payroll Processing Fee	—	1,835	—	1,835
Professional Services	—	3,519	—	3,519
Promotion and Outreach	19,781	—	—	19,781
Rent of Office Space	5,896	1,938	915	8,749
Service Charges and Fees	2,945	150	—	3,095
Site Improvement	2,897	—	—	2,897
Staff Development	—	469	—	469
Telephone	—	2,243	—	2,243
Usage Fee	877	—	—	877
Volunteer Recruitment and Retention	—	—	—	—
Web Site	—	137	—	137
	\$ 195,803	\$ 54,182	\$ 19,515	\$ 269,500

**HAMBURG NATURAL HISTORY SOCIETY, INC.**  
**Hamburg, New York**

**STATEMENTS OF CASH FLOWS**

Years Ended December 31,	2019	2018
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase in Net Assets	\$ 24,047	\$ 14,248
Reconciling Items from Increase in Net Assets to		
Net Cash Flows from Operating Activities		
Depreciation	7,114	7,176
Non Cash Donations	—	(5,600)
Contributions Restricted for Long-term Purposes	—	(1,667)
<i>(Increase) Decrease in Operating Assets</i>		
Prepaid Expenses	(114)	(259)
<i>Increase (Decrease) in Operating Liabilities</i>		
Deferred Membership Revenue	(2,020)	1,285
Deferred Grant Revenue	(3,927)	6,125
Accounts Payable	(1,033)	(61)
Accrued Expenses	(589)	2,058
Net Cash Flows from Operating Activities	23,478	23,305
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant and Equipment	(40,075)	(13,125)
Net Cash Flow from Investing Activities	(40,075)	(13,125)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from Contributions Restricted for:		
Building Fund	—	667
Life Memberships	—	1,000
Net Cash Flows from Financing Activities	—	1,667
<b>Increase (Decrease) in Cash</b>	<b>(16,597)</b>	<b>11,847</b>
Cash - Beginning of Year	145,884	134,037
Cash - End of Year	\$ 129,287	\$ 145,884
Cash - Current	\$ 60,488	\$ 77,085
Cash - Non Current	68,799	68,799
Cash - End of Year	\$ 129,287	\$ 145,884
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:</b>		
<i>Cash paid during the year for:</i>		
Interest	\$ —	\$ 2

**Non Cash Activities:**

*During 2018, the Organization received in kind, non cash donation of Google AdWords valued at \$4,351 and a pavilion valued at \$5,600. Donation income and related expenditures were recorded for \$9,951.*

**HAMBURG NATURAL HISTORY SOCIETY, INC.**  
**Hamburg, New York**  
**Years Ended December 31, 2019 and 2018**

**NOTES TO FINANCIAL STATEMENTS**

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**Note 1 - Description of the Organization**

Hamburg Natural History Society, Inc. ("Society") is a not-for-profit corporation organized under the laws of the State of New York incorporated in 1993. Hamburg Natural History Society promotes the hands on study of natural sciences, including geology, astronomy and ecology through the operation of Penn Dixie Fossil Park and Nature Reserve, a world-class attraction for individuals of all ages and backgrounds. The centerpiece of Penn Dixie is a fossil quarry, a global geological treasure, which visitors are encouraged to collect and keep fossils from the shallow ocean environment that existed 380 million years ago. In addition, Penn Dixie features nature trails, a wetland area, and educational programming in ecology, astronomy, geology, and ornithology.

The Society is supported primarily through grants, donations, tours, educational events and memberships.

**Note 2 - Summary of Significant Accounting Policies**

**Basis of Presentation** - The financial statements of the Society have been prepared in accordance with U.S. generally accepted accounting principles (US GAAP), which requires the Society to report information regarding its financial position and activities according to the following net asset classifications:

**Net assets without donor restrictions:** Net Assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Society's management and Board of Directors.

**Net assets with donor restrictions:** Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; these restrictions will be met by actions of the Society or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

**Measure of Operations** – The statements of activity reports all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to the Society's ongoing purposes and interest and dividends earned on investments. Non-operating activities are limited to resources that generate return from investments and other activities considered to be more unusual or nonrecurring nature.

**Cash and Cash Equivalents** – The Society's cash consist of cash on deposit with banks and cash on hand.

**Accounts Receivable** - Accounts receivable are stated at unpaid balances, less an allowance for uncollectible accounts. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on experience, third-party contracts, and other circumstances. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable.

**HAMBURG NATURAL HISTORY SOCIETY, INC.**  
**Hamburg, New York**  
**Years Ended December 31, 2019 and 2018**

**NOTES TO FINANCIAL STATEMENTS**

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**Note 2 - Summary of Significant Accounting Policies (Continued)**

**Property and Equipment, Net** – Property and equipment are stated at cost at the date of purchase or, for donated assets, at fair value at the date of donation, less accumulated depreciation. Depreciation is calculated using the straight line method over the lesser of the estimated useful lives of the assets or the lease term. The useful lives are as follows: land improvements – 10 years; buildings and improvements - 10 years; and fixtures and equipment – 5 years.

The Society's policy is to capitalize renewals and betterments acquired for greater than \$1,500 and expense normal repairs and maintenance as incurred. The Society's management periodically evaluates whether events or circumstances have occurred indicating that the carrying amount of the long-lived assets may not be recovered. If the carrying amount of the asset is not recoverable, the value is written down to the asset's fair value.

**Deferred Membership Revenue** - Income from memberships are deferred and recognized over the periods to which the membership relates.

**Deferred Grant Revenue** - Income from grants is deferred and will be recognized as revenue upon satisfying the grant requirements.

**Revenue Recognition** – Revenue is recognized as services are provided to the extent collectability is reasonably assured.

**Grant Revenue** – Grant revenue is recorded as revenue when expenditures have been incurred in compliance with the grant requirements.

**Contributions** – Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

**In-kind Donations** - No amounts have been reflected in the financial statements for donated services. The organization generally pays for services requiring specific expertise. Many volunteers have made significant contributions of their time in the furtherance of the Society's mission and perform a variety of tasks that assist with the Society with tours, fundraising events, and various committee assignments. These services are not reflected in the accompanying statements of activities because they do not meet the necessary criteria for recognition under US GAAP.

**HAMBURG NATURAL HISTORY SOCIETY, INC.**  
**Hamburg, New York**  
**Years Ended December 31, 2019 and 2018**

**NOTES TO FINANCIAL STATEMENTS**

**Note 2 - Summary of Significant Accounting Policies (Continued)**

**Functional Expenses** – The costs of providing program and other activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification of expense by function. Directly identifiable expenses are charged to programs and supporting services. Certain costs may have been allocated among program and supporting services benefited. Such allocations are determined by management on an equitable basis. Payroll wages and related costs are allocated based upon estimates of time and effort. Occupancy costs are allocated on the basis of direct salaries.

**Use of Estimates** – The preparation of the financial statements in accordance with US GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

**Income taxes** – The Society is exempt from income tax under IRC section 501(c)(3), though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the Code. The Society has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. The Society has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

In addition, the Society's tax exempt purpose qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2).

**Reclassifications** – Certain prior year amounts have been reclassified to conform to the current year presentation.

**Note 3 – Availability and Liquidity**

The following represents the Society's financial assets:

December 31,	2019	2018
<i>Financial assets at year end:</i>		
Cash	\$ 129,287	\$ 145,884
Accounts receivable	—	—
<b>Total financial assets</b>	<b>129,287</b>	<b>145,884</b>
<i>Less amounts not available to be used within one year:</i>		
Donor restricted for a specific purpose	68,799	68,799
	<b>68,799</b>	<b>68,799</b>
 Financial assets available to meet general expenditures over the next twelve months	 <b>\$ 60,488</b>	 <b>\$ 77,085</b>

As part of the Society's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. The Society is supported by grants. Because grants generally require resources to be used in a particular manner or in a future period, the Society must maintain sufficient resources to meet those responsibilities to its grantors. Thus, financial assets may not be available for general expenditures within one year.

**HAMBURG NATURAL HISTORY SOCIETY, INC.**  
**Hamburg, New York**  
**Years Ended December 31, 2019 and 2018**

**NOTES TO FINANCIAL STATEMENTS**

**Note 4 - Property and Equipment**

A summary of property and equipment is as follows:

December 31,	2019	2018
Land	\$ 455,998	\$ 455,998
Buildings	52,435	52,435
Land Improvements	229,866	192,916
Furniture and Equipment	27,091	27,091
	<b>765,390</b>	728,440
Less: Accumulated Depreciation	<b>256,786</b>	249,672
	<b>508,604</b>	478,768
Construction in Progress		
Building Renderings	12,500	9,375
<b>Total Property and Equipment</b>	<b>\$ 521,104</b>	<b>\$ 488,143</b>

Upon dissolution of the Society, the original portion of land valued at \$42,400 shall revert in title to the Town of Hamburg.

Depreciation expense for the years ended December 31, 2019 and 2018 was \$7,114 and \$7,176.

**Note 5 - Grants**

A summary of revenue, deferred revenue, and accounts receivable relating to grants is as follows:

	Accounts Receivable Grants	Deferred Grant Revenue	Grant Revenue
<b>Year Ended December 31, 2019</b>			
Government			
Erie County ECCRAB	\$ —	\$ —	\$ 96,314
Town of Hamburg	—	—	5,000
Corporate and Foundation Grants	—	2,198	38,927
	<b>\$ —</b>	<b>\$ 2,198</b>	<b>\$ 140,241</b>

	Accounts Receivable Grants	Deferred Grant Revenue	Grant Revenue
<b>Year Ended December 31, 2018</b>			
Government			
Erie County ECCRAB	\$ —	\$ —	\$ 94,920
Town of Hamburg	—	—	5,000
Corporate and Foundation Grants	—	6,125	12,475
	<b>\$ —</b>	<b>\$ 6,125</b>	<b>\$ 112,395</b>

**HAMBURG NATURAL HISTORY SOCIETY, INC.**  
**Hamburg, New York**  
**Years Ended December 31, 2019 and 2018**

**NOTES TO FINANCIAL STATEMENTS**

**Note 6 - Endowment Fund**

Permanently restricted special trust net assets consist of donor restricted endowment fund assets to be held indefinitely. All of interest from these assets can be used to support the Society's general operating support. The Society has adopted an investment policy that attempts to conserve principal with an acceptable level of risk. Endowment assets are invested in cash.

Changes in endowment net assets are as follows:

Years Ended December 31,	2019	2018
Endowment Net Assets – Beginning of Year	\$ 36,848	\$ 35,848
Life Memberships	—	1,000
Donations	—	—
Endowment Net Assets – End of Year	\$ 36,848	\$ 36,848

**Note 7 - Leases**

The Society leases office space under an operating lease that expired December 31, 2017. The lease for office space was not renewed at December 31, 2017 and the Society is leasing as a holdover tenant on a month-to-month basis. Rental expense for this lease consisted of \$8,076 and \$8,076 for the years ended December 31, 2019 and 2018, respectively.

The future minimum lease payments for these operating leases are as follows:

Year Ending December 31,	2021	2020
	\$ —	\$ —

**Note 8 - Concentration of Risks**

The Society receives approximately 32% of its total revenue from Erie County.

**Note 9 - Commitments and Contingencies**

Financial awards from entities in the form of grants are subject to audit. Such audits could result in claims against the Society for disallowed costs or noncompliance with grantor restrictions.

Funding of grants and donor-restricted contributions are contingent upon the Society's compliance with agreed upon terms particular to each grant, contract and/or donation. Non-compliance with the terms of these agreements may result in the return of funds, in whole or in part, to the funding source.

**HAMBURG NATURAL HISTORY SOCIETY, INC.**  
**Hamburg, New York**  
**Years Ended December 31, 2019 and 2018**

**NOTES TO FINANCIAL STATEMENTS**

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**Note 10- Subsequent Events**

The Society has evaluated subsequent events through November 2, 2020, which is the date the financial statements were available to be issued.

Beginning around March 2020, the COVID-19 virus has been declared a global pandemic as it continues to spread rapidly. Business continuity, including supply chains and consumer demand across a broad range of industries and countries could be severely impacted for months or beyond as governments and their citizens take significant and unprecedented measures to mitigate the consequences of the pandemic. Management is carefully monitoring the situation and evaluating its options during this time. No adjustments have been made to these financial statements as a result of this uncertainty.

On April 17, 2020, Hamburg Natural Historical Society, Inc. was granted a loan in the aggregate amount of \$44,900, pursuant to the Paycheck Protection Program (the "PPP") under Division A, Title I of the CARES Act, which was enacted March 2020. The loan will be forgiven as long as Hamburg Natural Historical Society, Inc. uses the loan proceeds for eligible purposes and maintains its payroll levels. The unforgiven portion of the PPP loan matures April 17, 2022 and bears interest at a rate of 1% per annum, payable monthly commencing on November 17, 2020.