

**FOUR FREEDOMS PARK CONSERVANCY, INC.**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2021  
(Unaudited)**

**FOUR FREEDOMS PARK CONSERVANCY, INC.**

**TABLE OF CONTENTS**

	<b>Page</b>
Independent Accountants' Review Report.....	1-2
Financial Statements	
Statement of Financial Position .....	3
Statement of Activities .....	4
Statement of Functional Expenses .....	5
Statement of Cash Flows.....	6
Notes to Financial Statements .....	7-12



**LUTZ AND GARR**  
CERTIFIED PUBLIC ACCOUNTANTS, LLP  
551 FIFTH AVENUE - SUITE 400, NEW YORK, NY 10176  
212-697-2299 FAX: 212-949-1768

## **INDEPENDENT ACCOUNTANTS' REVIEW REPORT**

To the Board of Directors of  
Four Freedoms Park Conservancy, Inc.

We have reviewed the accompanying financial statements of Four Freedoms Park Conservancy, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2021 and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with 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.

### **Accountants' Responsibility**

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

We are required to be independent of Four Freedoms Park Conservancy, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

**Accountants' Conclusion**

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

*Lotz + Carr, LLP*

New York, New York  
October 26, 2022

**FOUR FREEDOMS PARK CONSERVANCY, INC.**

**STATEMENT OF FINANCIAL POSITION**

**DECEMBER 31, 2021**

**(Unaudited)**

**Assets**

Cash (Note 4a)	\$713,877
Contributions receivable - without donor restrictions (Notes 1b and 4b)	25,000
Prepaid expenses	5,886
Property and equipment, at cost (net of accumulated depreciation and amortization) (Notes 1d and 5)	<u>53,109</u>

**Total Assets**

\$797,872

**Liabilities and Net Assets**

Liabilities	
Accounts payable and accrued expenses	<u>\$ 47,785</u>
Commitments (Note 6)	
Net Assets	
Without donor restrictions	700,087
With donor restrictions (Note 3)	<u>50,000</u>
Total Net Assets	<u><u>750,087</u></u>

**Total Liabilities and Net Assets**

\$797,872

**FOUR FREEDOMS PARK CONSERVANCY, INC.**

**STATEMENT OF ACTIVITIES**

**YEAR ENDED DECEMBER 31, 2021**  
**(Unaudited)**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>Changes in Net Assets</b>			
Revenue and Support			
Contributions (Note 4b)	\$ 471,105	\$ 50,000	\$521,105
Donated legal services	19,665	-	19,665
Program service revenue	87,688	-	87,688
Investment income	471	-	471
Other income	14,250	-	14,250
Net assets released from restrictions	<u>50,000</u>	<u>(50,000)</u>	<u>-</u>
Total Revenue and Support	<u>643,179</u>	<u>-</u>	<u>643,179</u>
Expenses			
Program Services	618,841	-	618,841
Supporting Services			
Management and general	71,979	-	71,979
Fundraising	<u>57,678</u>	<u>-</u>	<u>57,678</u>
Total Expenses	<u>748,498</u>	<u>-</u>	<u>748,498</u>
Decrease in Net Assets Before Transfer of Property and Equipment	(105,319)	-	(105,319)
Transfer of property and equipment (Notes 5 and 6)	<u>(31,595)</u>	<u>-</u>	<u>(31,595)</u>
Decrease in net assets	(136,914)	-	(136,914)
Net assets, beginning of year	<u>837,001</u>	<u>50,000</u>	<u>887,001</u>
 <b>Net Assets, End of Year</b>	 <u><u>\$ 700,087</u></u>	 <u><u>\$ 50,000</u></u>	 <u><u>\$750,087</u></u>

See accompanying notes and independent accountants' review report.

**FOUR FREEDOMS PARK CONSERVANCY, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES**

**YEAR ENDED DECEMBER 31, 2021  
(Unaudited)**

	<u>Program Services</u>	<u>Supporting Services</u>		<u>Total Expenses</u>
		<u>Management and General</u>	<u>Fundraising</u>	
Salaries	\$164,423	\$ 14,036	\$ 22,057	\$200,516
Payroll taxes and employee benefits	33,280	2,841	4,464	40,585
Consultants	9,668	825	1,297	11,790
Insurance	29,556	2,523	3,965	36,044
Office supplies and expenses	14,008	1,196	1,879	17,083
Professional fees	17,387	47,062	-	64,449
Program equipment	1,366	-	-	1,366
Program supplies and expenses	260,445	-	-	260,445
Promotion	-	-	14,222	14,222
Rent and utilities	24,970	432	679	26,081
Repairs and maintenance	40,303	237	601	41,141
Technology	3,747	320	5,731	9,798
Travel	2,576	220	346	3,142
Miscellaneous expense	10,495	1,723	1,549	13,767
Depreciation and amortization	6,617	564	888	8,069
Total Expenses	<u>\$618,841</u>	<u>\$ 71,979</u>	<u>\$ 57,678</u>	<u>\$748,498</u>

**FOUR FREEDOMS PARK CONSERVANCY, INC.**

**STATEMENT OF CASH FLOWS**

**YEAR ENDED DECEMBER 31, 2021  
(Unaudited)**

**Cash Flows From Operating Activities**

Decrease in net assets	\$(136,914)
Adjustments to reconcile decrease in net assets to net cash used by operating activities:	
Depreciation and amortization	8,069
Transfer of property and equipment	31,595
Decrease in:	
Contributions receivable	25,000
Prepaid expenses	3,121
Increase (decrease) in:	
Accounts payable and accrued expenses	19,825
Security deposits payable	<u>(14,250)</u>
Net Cash Used By Operating Activities	<u>(63,554)</u>

**Cash Flows From Investing Activities**

Acquisition of property and equipment	<u>(57,759)</u>
Net decrease in cash	(121,313)
Cash, beginning of year	<u>835,190</u>

**Cash, End of Year** \$ 713,877



# FOUR FREEDOMS PARK CONSERVANCY, INC.

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021

(Unaudited)

### Note 1 - Organization and Summary of Significant Accounting Policies

#### a - Organization

Four Freedoms Park Conservancy, Inc. (the "Organization" or "Conservancy"), a not-for-profit organization, was incorporated in the State of New York on June 30, 2011. The Conservancy programs Franklin D. Roosevelt Four Freedoms State Park on Roosevelt Island (the "Park"), on behalf of the people of New York, and in partnership with the New York State Office of Parks, Recreation, and Historic Preservation (the "State") under a friends' programming agreement. Prior to February 2021, the Conservancy operated, maintained, programmed, and funded the Park under a Cooperative Agreement with the State (Note 6).

The Conservancy programs Franklin D. Roosevelt Four Freedoms State Park to the highest standard. As founder of this extraordinary civic space, the Conservancy has a simple mission: to advance President Roosevelt's legacy and inspire, educate, and engage public in the ideals of the Four Freedoms: freedom of speech and expression, freedom of worship, freedom from want, and freedom from fear.

#### b - Contributions and Contributions Receivable

Contributions are recognized when the donor makes a promise to give to the Organization, that is, in substance, unconditional. Conditional promises to give, that have a measurable performance or other barrier and a right of return, are not recognized until the conditions on which they depend have been met. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported on the statement of activities as net assets released from restrictions.

The Organization uses the allowance method to determine uncollectible contributions receivable. The allowance, when necessary, is based on prior years' experience and management's analysis of specific promises made.

Contributions receivable as of December 31, 2021 are due within one year.

#### c - Investments

The policy of the Organization is to sell donated investments soon after receipt and consider them cash donations valued at the sale price.

**FOUR FREEDOMS PARK CONSERVANCY, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2021**

**(Unaudited)**

**Note 1 - Organization and Summary of Significant Accounting Policies (continued)**

d - Property and Equipment

Property and equipment are recorded at cost and are being depreciated and amortized using the straight-line method over the estimated useful lives of the assets. Contributed property is recognized at fair market value at the date of donation.

e - Revenue Recognition

Program service revenue relates to fees received in exchange for program services and consists primarily of license fees for park usage. Revenue is recognized when the program service is provided. Any revenue received which has not been earned is recorded as deferred revenue.

f - Financial Statement Presentation

The financial statements of the Organization have been prepared in accordance with accounting principles generally accepted in the United States, which require the Organization 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 Organization'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; those restrictions will be met by actions of the Organization or the passage of time. Other donor restrictions are perpetual in nature whereby the donor has stipulated the funds to be maintained in perpetuity.

g - Functional Allocation of Expenses

The cost of providing the various programs and supporting services has been summarized on a functional basis in the statement of activities. Expenses are applied directly to programs where applicable or allocated on a reasonable and consistent basis. A substantial portion of the Organization's expenses are directly related to program activities. Certain other expenses are attributable to more than one program or supporting function and require allocation. The expenses that are allocated include salaries, payroll taxes and employee benefits, insurance, office supplies and expenses, and rent and utilities, which are allocated on the basis of staff time and effort.

# FOUR FREEDOMS PARK CONSERVANCY, INC.

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021

(Unaudited)

### Note 1 - Organization and Summary of Significant Accounting Policies (continued)

#### h - Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

#### i - Tax Status

Four Freedoms Park Conservancy, Inc. is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and has been designated as an organization which is not a private foundation. The Conservancy also includes the Franklin D. Roosevelt Four Freedoms Park, LLC (the "LLC"), a single member limited liability company which had been formed to build the first memorial to President Franklin D. Roosevelt in his home state of New York. The LLC has no assets, liabilities, or activity, and is treated as a disregarded entity for income tax purposes.

#### j - Subsequent Events

The Organization has evaluated subsequent events through October 26, 2022, the date that the financial statements are considered available to be issued.

### Note 2 - Information Regarding Liquidity and Availability

The Organization operates based on the revenues expected to be available to fund anticipated expenses. A substantial portion of annual revenue is comprised of contributions and earned income. The Organization considers general expenditures to consist of all expenses related to its ongoing program activities, and the expenses related to general and administrative and fundraising activities undertaken to support those services.

The Organization regularly monitors liquidity to meet its operating needs and other commitments and obligations. Management prepares regular cash flow projections to determine liquidity needs.

**FOUR FREEDOMS PARK CONSERVANCY, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2021**

**(Unaudited)**

**Note 2 - Information Regarding Liquidity and Availability (continued)**

The Organization's financial assets as of December 31, 2021 and those available within one year to meet cash needs for general expenditures are summarized as follows:

Financial Assets at Year End:	
Cash	\$713,877
Contributions receivable	<u>25,000</u>
Total Financial Assets	738,877
Less: Amounts not Available to be Used within One Year:	
Net assets with donor restrictions, subject to expenditure for specific purposes	(50,000)
Plus: Net assets with donor restrictions expected to be met in less than one year	<u>25,000</u>
Financial Assets Available to Meet General Expenditures within One Year	<u>\$713,877</u>

**Note 3 - Net Assets With Donor Restrictions**

Net assets with donor restrictions are restricted for future periods.

**Note 4 - Concentrations**

a - The Organization maintains its cash balances at a financial institution in New York. The balances, at times, may exceed federally insured limits.

b - For the year ended December 31, 2021, approximately 50% of total contributions were from two foundations and one individual. As of December 31, 2021, all contributions receivable were due from one individual.

**FOUR FREEDOMS PARK CONSERVANCY, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2021**

**(Unaudited)**

**Note 5 - Property and Equipment**

Property and equipment consist of the following at December 31, 2021:

	<u>Life</u>	<u>Amount</u>
Furniture and fixtures	5 years	\$32,449
Computer equipment	3 years	1,726
Website	5 years	<u>21,310</u>
		55,485
Less: Accumulated depreciation and amortization		<u>(2,376)</u>
		<u>\$53,109</u>

During the year ended December 31, 2021, property and equipment with a net book value of \$31,595 was transferred to New York State Office of Parks, Recreation, and Historic Preservation upon entering into the friends' programming agreement described in Note 6.

**Note 6 - Commitments**

In March 2013, the Organization entered into a cooperative agreement with the New York State Office of Parks, Recreation, and Historic Preservation. The agreement granted to the Organization a license to manage and operate the land and improvements comprising the Park. The agreement had an initial term of 10 years, expiring in 2023. There was an option to extend the agreement for an additional 10 years. There was no rent or other fee due from or to either party of the agreement. The agreement stated that the State would employ best efforts to provide an annual subsidy to the Organization to support basic park operations and security and core maintenance activities.

In February 2021, the Organization entered into a friends' programming agreement with the State, which terminated the previous cooperative agreement. The agreement authorizes the Organization to conduct public programming and fundraising efforts. The State will take all operational responsibility and liability for the Park. The agreement has an initial term of two years, expiring in 2023. There is an option to extend the agreement for an additional three years. Upon commencement of the agreement, the Organization transferred certain property, equipment and supplies that were used for park maintenance, with a net book value of \$31,595, to the State (Note 5).

**FOUR FREEDOMS PARK CONSERVANCY, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2021**

**(Unaudited)**

**Note 6 - Commitments (continued)**

The original cooperative agreement asserted that the State shall consent to the Natural Heritage Trust ("NHT"), a public benefit 501(c)(3) corporation of the State of New York, paying up to \$100,000 annually to the Organization from an investment account established by Alphawood Foundation.

In February 2021, a new agreement was entered into between NHT and the Organization, whereby the Organization will be eligible for up to \$50,000 annually provided that the Organization raises matching funds from non-State entities. The funds from NHT may only cover non-personnel program costs of the Organization. During the year ended December 31, 2021, \$50,000 was received from NHT.