

**NORTHAMPTON COUNTY HISTORICAL  
& GENEALOGICAL SOCIETY**

**FINANCIAL REPORT**

**December 31, 2023**

# **NORTHAMPTON COUNTY HISTORICAL AND GENEALOGICAL SOCIETY**

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## **Table of Contents**

**December 31, 2023**

	<b><u>Page</u></b>
<b>Independent Auditors' Report</b>	<b>1-2</b>
<b>Financial Statements</b>	
Statement of assets, liabilities and net assets – modified cash basis	3
Statement of revenues and expenses – modified cash basis	4
Statement of functional expenses – modified cash basis	5-6
Notes to the financial statements	7-14

# BUCKNO LISICKY & COMPANY

Certified Public Accountants | Business Consultants

## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
of Northampton County Historical and Genealogical Society

### Opinion

We have audited the accompanying financial statements of Northampton County Historical and Genealogical Society (a nonprofit organization), which comprise the statement of assets, liabilities and net assets – modified cash basis as of December 31, 2023 and 2022, and the related statements of revenues and expenses – modified cash basis and functional expenses – modified cash basis 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 assets, liabilities and net assets of Northampton County Historical and Genealogical Society as of December 31, 2023 and 2022, and its revenues and expenses for the years then ended in conformity with the modified cash basis of accounting as described in Note 2.

### 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Northampton County Historical and Genealogical Society 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.

### Basis of Accounting

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

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting described in Note 2; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair

presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### **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 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 Northampton County Historical and Genealogical Society'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 Northampton County Historical and Genealogical Society'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 audits.

*Buckno Lisicky + Company*

Allentown, Pennsylvania  
August 5, 2024

**NORTHAMPTON COUNTY HISTORICAL & GENEALOGICAL SOCIETY**  
**Statement of Assets, Liabilities and Net Assets - Modified Cash Basis**  
**December 31, 2023 and 2022**

<b>ASSETS</b>	<b>2023</b>	<b>2022</b>
Cash and cash equivalents	\$ 319,390	\$ 471,635
Investments	2,606,525	2,277,293
Beneficial interest in perpetual trust	113,021	105,568
Inventory	8,678	7,335
Property and equipment, net	<u>4,815,285</u>	<u>5,008,869</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 7,862,899</u></b>	<b><u>\$ 7,870,700</u></b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Security deposits payable	\$ 500	\$ 500
<b>TOTAL LIABILITIES</b>	<u>500</u>	<u>500</u>
<b>NET ASSETS</b>		
Without donor restriction	7,579,371	7,573,656
With donor restriction	<u>283,028</u>	<u>296,544</u>
<b>TOAL NET ASSETS</b>	<u>7,862,399</u>	<u>7,870,200</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 7,862,899</u></b>	<b><u>\$ 7,870,700</u></b>

See Notes to Financial Statements.

# **NORTHAMPTON COUNTY HISTORICAL & GENEALOGICAL SOCIETY**

## **Statements of Revenues and Expenses - Modified Cash Basis**

**Years Ended December 31, 2023 and 2022**

	2023			2022		
	Without Donor Restriction	With Donor Restriction	Total	Without Donor Restriction	With Donor Restriction	Total
<b>REVENUES AND OTHER SUPPORT</b>						
Program:						
Admissions	\$ 5,706	\$ -	\$ 5,706	\$ 7,616	\$ -	\$ 7,616
Membership dues	26,423	-	26,423	31,186	-	31,186
Library revenue	1,808	-	1,808	841	-	841
Education programs	11,501	-	11,501	10,330	-	10,330
Museum store sales	17,645	-	17,645	12,613	-	12,613
Contributions and gifts	166,995	-	166,995	125,869	-	125,869
Grants	42,865	63,165	106,030	260,199	49,000	309,199
Special events	157,603	-	157,603	115,325	-	115,325
Deaccession	6,250	-	6,250	5,000	-	5,000
Rent	30,904	-	30,904	26,711	-	26,711
Miscellaneous	150	-	150	23,128	-	23,128
Investment return (loss), net	386,244	186	386,430	(486,283)	167	(486,116)
Change in value of perpetual trust	-	12,000	12,000	-	(27,436)	(27,436)
Net assets released from restrictions	88,867	(88,867)	-	92,685	(92,685)	-
<b>TOTAL REVENUE AND OTHER SUPPORT</b>	<b>942,961</b>	<b>(13,516)</b>	<b>929,445</b>	<b>225,220</b>	<b>(70,954)</b>	<b>154,266</b>

<b>EXPENSES</b>						
Program expenses	693,860	-	693,860	571,891	-	571,891
Supporting services:						
Management and general	212,918	-	212,918	208,386	-	208,386
Fundraising	30,468	-	30,468	56,475	-	56,475
<b>TOTAL EXPENSES</b>	<b>937,246</b>	<b>-</b>	<b>937,246</b>	<b>836,752</b>	<b>-</b>	<b>836,752</b>
<b>CHANGE IN NET ASSETS</b>	<b>5,715</b>	<b>(13,516)</b>	<b>(7,801)</b>	<b>(611,532)</b>	<b>(70,954)</b>	<b>(682,486)</b>
NET ASSETS, Beginning of Year	7,573,656	296,544	7,870,200	8,185,188	367,498	8,552,686
<b>NET ASSETS, End of Year</b>	<b>\$ 7,579,371</b>	<b>\$ 283,028</b>	<b>\$ 7,862,399</b>	<b>\$ 7,573,656</b>	<b>\$ 296,544</b>	<b>\$ 7,870,200</b>

See Notes to Financial Statements.

**NORTHAMPTON COUNTY HISTORICAL & GENEALOGICAL SOCIETY****Statement of Functional Expenses - Modified Cash Basis****Year Ended December 31, 2023**

	<u>Program Expenses</u>	<u>Supporting Services</u>		<u>Total</u>
		<u>Management and General</u>	<u>Fundraising</u>	
Salaries and wages	\$ 243,828	\$ 86,842	\$ 12,840	\$ 343,510
Payroll taxes	20,531	7,312	1,081	28,924
Employee benefits	15,601	5,200	-	20,801
Professional fees	-	42,001	-	42,001
Advertising and marketing	-	-	6,213	6,213
Insurance	19,486	19,487	-	38,973
Bank fees	-	1,809	-	1,809
Collections exhibits	30,844	-	-	30,844
Occupancy and maintenance	101,271	11,202	-	112,473
Miscellaneous expense	-	3,799	-	3,799
Museum store purchases	9,047	-	-	9,047
Education expenses	13,016	-	-	13,016
Membership expenses	200	-	-	200
Passport to history	19,179	-	-	19,179
Postage	-	1,390	-	1,390
Office supplies	5,359	4,092	3,182	12,633
Technology	-	2,487	3,413	5,900
Depreciation	166,535	27,049	-	193,584
Other taxes	688	-	-	688
Consultant fees	47,795	-	-	47,795
Special events and meetings	480	248	3,739	4,467
	<u>\$ 693,860</u>	<u>\$ 212,918</u>	<u>\$ 30,468</u>	<u>\$ 937,246</u>

See Notes to Financial Statements.

**NORTHAMPTON COUNTY HISTORICAL & GENEALOGICAL SOCIETY****Statement of Functional Expenses - Modified Cash Basis****Year Ended December 31, 2022**

	<u>Program Expenses</u>	<u>Supporting Services</u>		<u>Total</u>
		<u>Management and General</u>	<u>Fundraising</u>	
Salaries and wages	\$ 163,101	\$ 71,262	\$ 31,998	\$ 266,361
Payroll taxes	15,868	6,933	3,113	25,914
Employee benefits	7,381	2,461	-	9,842
Professional fees	-	56,004	-	56,004
Advertising and marketing	-	-	10,715	10,715
Insurance	18,490	18,490	-	36,980
Bank fees	-	1,516	-	1,516
Collections exhibits	43,964	-	-	43,964
Occupancy and maintenance	93,072	9,335	-	102,407
Miscellaneous expense	-	1,499	-	1,499
Museum store purchases	3,588	-	-	3,588
Education	24,263	-	-	24,263
Passport to history	23,542	-	-	23,542
Postage	-	445	-	445
Office supplies	3,158	6,666	348	10,172
Technology	135	3,240	3,407	6,782
Depreciation	171,751	28,446	-	200,197
Other taxes	1,259	-	-	1,259
Special events and meetings	2,319	2,089	6,894	11,302
	<u>\$ 571,891</u>	<u>\$ 208,386</u>	<u>\$ 56,475</u>	<u>\$ 836,752</u>

See Notes to Financial Statements.



## **NORTHAMPTON COUNTY HISTORICAL & GENEALOGICAL SOCIETY**

### **Notes to the Financial Statements**

**December 31, 2023 and 2022**

#### **NOTE 1. NATURE OF ACTIVITIES**

Northampton County Historical & Genealogical Society is a not-for-profit corporation exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization was founded in 1906 and its mission is to preserve the past, serve the present and shape the future of Northampton County. The major sources of revenue are contributions, grants, membership dues and return on investments.

The Society provides public admission hours for its display and interpretation of its holdings at the Sigal Museum, Bachmann Publick House and Jacob Nicholas House. More than 75 lectures, programs and events annually are open to the public, covering a wide range of topics on Northampton County and American history, including public school field trips and educational outreach in the schools. The extensive local history and genealogical files of the society's library are available for review by students, scholars, local historians and those undertaking genealogical research.

#### **NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### **Basis of accounting**

The accompanying financial statements have been prepared on the modified cash basis which is a basis of accounting that differs from generally accepted accounting principles in the United States of America. Certain revenues are recognized when received rather than when earned and certain expenses are recognized when paid rather than when the obligation is incurred. With the exception of the Society's accounting for the changes in market value of investments, the capitalization and depreciation of non-historical property, and accounting for inventory, all remaining transactions are recognized on the cash basis. The Society reports information regarding its financial position and activities according to two classes of net assets based on the existence or absence of donor-imposed restrictions.

##### **Basis of presentation**

Financial statement presentation follows the requirements of the Financial Accounting Standards Board (FASB) in its Accounting Standards Update (ASU) No. 2016-14, which provides guidance for the classification of net assets. The amounts for each of the two classes of net assets are based on the existence or absence of donor-imposed restrictions described as follows:

Net assets without donor restrictions – net assets of the Society whose use has not been restricted by an outside donor or law. They are available for any use carrying out the operation of the Society. This class also includes assets previously restricted where restrictions have expired or have been met.

Net assets with donor restriction – net assets of the Society whose use has been limited by donor-imposed stipulations that either expire with the passage of time or can be fulfilled and removed by actions of the Society. When such stipulations end or are fulfilled, the net assets with donor restrictions are released to net assets without donor restrictions. Certain restrictions may need to be maintained in perpetuity.

## **NORTHAMPTON COUNTY HISTORICAL & GENEALOGICAL SOCIETY**

### **Notes to the Financial Statements**

**December 31, 2023 and 2022**

#### **Contributions**

Contributions are recorded as received. All contributions are generally available for unrestricted use unless specifically restricted by the donor.

#### **Donated services**

The Society receives volunteer services donated by its members in the carrying out of its program services. No amounts have been reflected in the financial statements for these services in that they do not meet the criteria for recognition.

#### **Program services**

Program services include museum functions, historical programs, educational programs and meetings. Any fee collected for services is recognized when the cash is collected.

#### **Use of estimates**

The preparation of financial statements in conformity with the modified cash basis of accounting requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

#### **Store inventory**

Inventory is valued by management at the lower of cost or market using the first-in, first-out method. Items to be sold on consignment are not included in museum inventory.

#### **Property and equipment**

Property and equipment are stated at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Additions and betterments of \$500 or more are capitalized while maintenance and repairs that do not improve or extend the original useful lives of the respective assets are expenses as incurred:

	Years
Buildings and improvements	10-40
Furniture and equipment	3-10

#### **Sales tax**

The Society collects the appropriate sales tax from its non-exempt customers and remits the entire amount to the appropriate State. The Society's accounting policy is to include the tax collected and remitted to the State in revenues and costs of sales.

#### **Advertising**

The Society expenses the costs of advertising the first time the advertising takes place, except for trade show brochures relating to the following year. Advertising expense is \$6,213 and \$10,715 for the years ended December 31, 2023 and 2022, respectively.

## **NORTHAMPTON COUNTY HISTORICAL & GENEALOGICAL SOCIETY**

### **Notes to the Financial Statements December 31, 2023 and 2022**

#### **Collections**

The Society maintains a collection of rare books, diaries, pamphlets, manuscripts, documents, paintings, photographs, furniture, and various artifacts. The collections, which were acquired through purchases and contributions since the Society's inception, are not recognized as assets on the statement of assets, liabilities and net assets. Purchases of collection items are recorded as operating expenses in the year in which the items are acquired. Contributed collection items are not reflected on the financial statements.

#### **Income taxes**

The Society is a non-profit organization that is exempt from income taxes under the section 501(c)(3) of the Internal Revenue Code. The Society files a Return of Organization Exempt From Income Tax annually. The Society's returns for 2021, 2022 and 2023 are subject to examination by the IRS, generally for three years after they were filed.

#### **Functional allocation of expenses**

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among programs and support services. Therefore, certain expenses require allocation on a reasonable basis that is consistently applied. Expenses that are generally allocated on the basis of estimated time and effort include salaries and wages and payroll taxes. Expenses that are generally allocated on the basis of square footage include depreciation and occupancy expenses.

#### **Date of management's review**

In preparing these financial statements, the Society has evaluated events and transactions for potential recognition or disclosure through August 5, 2024, the date the financial statements were available to be issued.

### **NOTE 3. PROPERTY AND EQUIPMENT**

Property and equipment as of December 31, 2023 and 2022 consists of the following:

	<u>2023</u>	<u>2022</u>
Buildings	\$7,145,389	\$7,145,389
Furniture and equipment	<u>201,905</u>	<u>201,905</u>
	7,347,294	7,347,294
Less: accumulated depreciation	<u>(2,532,009)</u>	<u>(2,338,425)</u>
	<u>\$4,815,285</u>	<u>\$5,008,869</u>

Depreciation charged to expense was \$193,584 and \$200,197 for 2023 and 2022, respectively.

**NORTHAMPTON COUNTY HISTORICAL & GENEALOGICAL SOCIETY**

**Notes to the Financial Statements**

**December 31, 2023 and 2022**

**NOTE 4. INVESTMENTS AND FAIR VALUE MEASUREMENTS**

Investments are presented at estimated fair market value. Fair value is the selling 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. Accounting standards defines fair value and establishes a hierarchy that prioritizes the types of inputs used in the valuation technique. The inputs are categorized in the following levels:

Level 1: Unadjusted quoted prices in active markets for identical assets and liabilities;

Level 2: Directly or indirectly observable inputs other than quoted prices included for identical or similar assets and liabilities other than Level 1;

Level 3: Unobservable inputs not corroborated by market data, thereby requiring the entity to use the best available information in the circumstances, including the entity's own data.

Certain financial instruments are carried at cost on the statement of assets, liabilities, and net assets, approximate fair value due to their short-term, highly liquid nature. These instruments include cash and cash equivalents and other current liabilities. For long-term assets, the Society will continue to utilize the exemption from certain disclosure requirements for financial instruments provided by FASB ASC 825-10-50-3.

The following is a description of the valuation methodologies used for assets measured at fair value. There has been no change in the methodologies used from December 31, 2022.

*Equity securities, U.S. Government securities and unit investment trusts:* Valued at the closing price reported on the active market on which the individual securities are traded.

*Mutual funds:* Valued at the net asset value of shares held at year end.

*Outside perpetual trusts:* Measured based on quoted market prices of the underlying securities and other relevant information generated by market transactions, divided by the Society's share based on its pro-rata share of distributable income of the trusts.

The method described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Society believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The Society's measure of financial instruments at fair value as of December 31, 2023 and 2022 are:

**NORTHAMPTON COUNTY HISTORICAL & GENEALOGICAL SOCIETY****Notes to the Financial Statements****December 31, 2023 and 2022**

<u>2023</u>				
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Cash and equivalents	\$ 63,402	\$ -	\$ -	\$ 63,402
Fixed income: mutual funds	736,096	-	-	736,096
Fixed income: accrued int.	3,512	-	-	3,512
Equity mutual funds	1,702,183	-	-	1,702,183
Liquid real assets mutual funds	101,332	-	-	101,332
Outside Perpetual Trust	-	-	113,021	113,021
	<u>\$ 2,606,525</u>	<u>\$ -</u>	<u>\$ 113,021</u>	<u>\$ 2,719,546</u>

  

<u>2022</u>				
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Cash and equivalents	\$ 59,406	\$ -	\$ -	\$ 59,406
Fixed income: mutual funds	694,969	-	-	694,969
Fixed income: accrued int.	2,365	-	-	2,365
Equity mutual funds	1,426,190	-	-	1,426,190
Liquid real assets mutual funds	94,363	-	-	94,363
Outside Perpetual Trust	-	-	105,568	105,568
	<u>\$ 2,277,293</u>	<u>\$ -</u>	<u>\$ 105,568</u>	<u>\$ 2,382,861</u>

**NOTE 5. BENEFICIAL INTEREST IN PERPETUAL TRUST**

The Society is the beneficiary of a perpetual trust held by Wilmington Trust. Terms of the trust provide for quarterly income distributions to the Society. Distributions from the Trust were \$4,223 and \$5,520 for 2023 and 2022, respectively. Distributions are unrestricted. The amount recorded as an asset represents the fair value of the Society's beneficial interest held by the bank which was \$113,021 and \$105,568 as of December 31, 2023 and 2022.

The table below sets forth a summary of changes in fair value of the trust, a Level 3 asset, for the years ended December 31, 2023 and 2022:

**NORTHAMPTON COUNTY HISTORICAL & GENEALOGICAL SOCIETY****Notes to the Financial Statements  
December 31, 2023 and 2022**

	2023	2022
Balance, Beginning of Year	<u>\$ 105,568</u>	<u>\$ 138,099</u>
Additions:		
Interest and dividends	15	2,278
Realized gains	1,033	5,721
Unrealized gains (losses)	<u>14,782</u>	<u>(29,319)</u>
	<u>15,830</u>	<u>(21,320)</u>
Distributions:		
Distributions to beneficiary	(4,223)	(5,520)
Fees and expenses	<u>(4,154)</u>	<u>(5,691)</u>
	<u>(8,377)</u>	<u>(11,211)</u>
Balance, End of Year	<u>\$ 113,021</u>	<u>\$ 105,568</u>

**NOTE 6. NET ASSETS WITHOUT DONOR RESTRICTIONS**

The Society's net assets without donor restrictions is comprised of amounts for the following purposes as of December 31, 2023 and 2022:

	2023	2022
Undesignated	\$ 42,148	\$ 165,910
Board-designated:		
Endowment	2,606,525	2,277,293
Collections account	115,413	121,584
Investment in property and equipment	<u>4,815,285</u>	<u>5,008,869</u>
Total Net Assets Without Donor Restrictions	<u>\$ 7,579,371</u>	<u>\$ 7,573,656</u>

**NOTE 7. NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions are restricted for the following purposes as of December 31, 2023 and 2022:

**NORTHAMPTON COUNTY HISTORICAL & GENEALOGICAL SOCIETY****Notes to the Financial Statements  
December 31, 2023 and 2022**

	<u>2023</u>	<u>2022</u>
Subject to purpose or time:		
Capital campaigns	\$ 7,156	\$ 17,022
Library	83,111	87,093
Program grants	<u>79,740</u>	<u>86,861</u>
	<u>170,007</u>	<u>190,976</u>
Perpetual in nature:		
Beneficial perpetual trust	<u>113,021</u>	<u>105,568</u>
	<u>113,021</u>	<u>105,568</u>
Total Net Assets With Donor Restrictions	<u>\$ 283,028</u>	<u>\$ 296,544</u>

**NOTE 8. BOARD DESIGNATED ENDOWMENT**

A portion of net assets without donor restrictions consist of endowment funds from a contributor, held in investments by the Society, in the Society's name. The Society invests the endowment funds in diversified publicly traded debt and equity securities, managed by a professional investment advisor. The Society spends up to the net income of the funds, generally the fund's interest and dividend income, which are used for museum operations and maintenance.

Endowment Return Objectives, Risk Parameters and Strategies

The Society has adopted an investment policy which has been approved by the Board of Directors. The investment objective is long-term growth generating comparable returns to current market indices. The Society's portfolio should be balanced with asset allocations consisting of cash, fixed income and common stocks.

Endowment Spending Policy

The Society is permitted to spend the earnings of the fund quarterly at its discretion. This is defined as the interest and dividends earned in the fiscal period. By practice, the Society recognized the portion of earnings on the endowment as distributed at the end of the fiscal year and reported as investment income in the without donor restrictions net asset class.

The following table represents the changes in the board designated endowment for the years ended December 31, 2023 and 2022:

**NORTHAMPTON COUNTY HISTORICAL & GENEALOGICAL SOCIETY****Notes to the Financial Statements****December 31, 2023 and 2022**

	<u>2023</u>	<u>2022</u>
Endowment net assets, beginning	\$ 2,277,293	\$ 2,891,470
Contributions	-	-
Investment return (loss):		
Interest and dividends	64,443	53,032
Realized gains	135,638	698
Unrealized gains (losses)	202,858	(524,231)
Investment fees	(15,588)	(15,839)
Endowment withdrawal	<u>(58,119)</u>	<u>(127,837)</u>
Endowment net assets, ending	<u>\$ 2,606,525</u>	<u>\$ 2,277,293</u>

**NOTE 9. LIQUIDITY AND AVAILABILITY**

Financial assets available for general expenditures, that is without donor restrictions limiting their use within one year of the balance sheet date, comprises the following:

	<u>2023</u>	<u>2022</u>
Financial assets available to fund general operations within one year		
Cash and cash equivalents	\$ 319,390	\$ 471,635
Investments	<u>2,606,525</u>	<u>2,277,293</u>
	<u>2,925,915</u>	<u>2,748,928</u>
Less those unavailable for general expenditures within one year, due to		
Financial assets subject to donor restrictions for specified purpose	(170,007)	(190,976)
Financial assets held for specified purpose designated by Board	<u>(2,721,938)</u>	<u>(2,398,877)</u>
	<u>(2,891,945)</u>	<u>(2,589,853)</u>
Plus other funds subject to appropriation for expenditure		
Endowment appropriations for operations in the next fiscal year	<u>75,721</u>	<u>58,119</u>
Financial assets available to meet cash needs for general expenditure within one year	<u>\$ 109,691</u>	<u>\$ 217,194</u>

**NOTE 10. CONCENTRATION OF CREDIT RISK**

Financial instruments, which potentially subject the Society to concentrations of credit risk, consist of cash balances in excess of federally insured amounts. Periodically, the Society's cash was in excess of the federal deposit insurance limit of \$250,000. The Society has not experienced any losses as a result of these uninsured cash balances.