

**STRAWBERRY BANKE MUSEUM**

**Financial Statements**

**March 31, 2018 and 2017**

## Independent Auditor's Report

To the Board of Trustees and Management  
of Strawberry Banke Museum

We have audited the accompanying financial statements of Strawberry Banke Museum (a nonprofit organization), which comprise the statements of financial position as of March 31, 2018 and 2017, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

### **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.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Strawbery Banke Museum as of March 31, 2018 and 2017, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other-Matters**

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of revenue and support, operating expenses, and changes in temporarily restricted net assets (schedules 1 through 3) on pages 18 through 23 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

The schedule of revenues and operating expenses – budget basis (schedule 4) on page 24 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on it.



October 1, 2018  
South Portland, Maine

**STRAWBERRY BANKE MUSEUM**  
**Statements of Financial Position**  
**March 31, 2018 and 2017**

	2018	2017
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 671,558	579,374
Accounts receivable	45,266	22,196
Pledges receivable, current portion	62,381	131,404
Prepaid expenses	25,972	20,874
Inventory	15,505	13,942
Total current assets	820,682	767,790
Other assets:		
Investments	5,161,032	4,827,584
Beneficial interest in assets held by others	679,144	645,568
Pledges receivable, non-current portion, net	18,336	38,144
Total other assets	5,858,512	5,511,296
Property and equipment:		
Land and buildings	7,441,833	7,136,193
Construction in process	211,906	186,427
Equipment	1,091,017	1,068,463
Total property and equipment	8,744,756	8,391,083
Less accumulated depreciation	(3,151,381)	(2,890,730)
Net property and equipment	5,593,375	5,500,353
Collections-see note page 5	-	-
<b>Total assets</b>	<b>\$ 12,272,569</b>	<b>11,779,439</b>
<b>LIABILITIES AND NET ASSETS</b>		
Current liabilities:		
Accounts payable	129,852	73,311
Accrued payroll	75,975	75,735
Other current liabilities	53,261	52,649
Deferred revenue	81,235	47,119
Line of credit	58,000	20,000
Loan payable, current portion	2,596	2,545
Total current liabilities	400,919	271,359
Long-term liabilities:		
Loan payable, net of current portion	8,134	10,724
Total long-term liabilities	8,134	10,724
Total liabilities	409,053	282,083
Net assets:		
Unrestricted:		
Designated as quasi-endowment	326,107	318,145
Net investment in property and equipment	5,582,645	5,487,084
Undesignated	912,661	959,669
Total unrestricted net assets	6,821,413	6,764,898
Temporarily restricted	817,542	541,474
Permanently restricted	4,224,561	4,190,984
Total net assets	11,863,516	11,497,356
<b>Total liabilities and net assets</b>	<b>\$ 12,272,569</b>	<b>11,779,439</b>

*The accompanying notes are an integral part of these financial statements.*

**STRAWBERRY BANKE MUSEUM**  
**Statements of Activities**  
**Years Ended March 31, 2018 and 2017**

	2018					2017				
	Operating unrestricted	Non-operating unrestricted	Temporarily restricted	Permanently restricted	Total	Operating unrestricted	Non-operating unrestricted	Temporarily restricted	Permanently restricted	Total
Revenue and support:										
Museum activities	\$ 865,221	-	52,573	-	917,794	869,530	-	79,675	-	949,205
Labrie family skate	276,323	-	24,043	-	300,366	313,665	-	44,570	-	358,235
Development and fundraising	1,029,385	-	380,287	-	1,409,672	959,395	-	314,219	-	1,273,614
Investment income (loss)	-	72,806	127,679	-	200,485	-	13,586	104,911	-	118,497
Net investment gains (losses)	-	65,414	222,825	-	288,239	-	155,427	161,692	-	317,119
Change in value of assets held by others	-	-	-	33,577	33,577	-	-	-	38,610	38,610
Other income	628,849	-	-	-	628,849	606,262	-	-	-	606,262
Subtotal revenue and support	2,799,778	138,220	807,407	33,577	3,778,982	2,748,852	169,013	705,067	38,610	3,661,542
Net assets released from restrictions and reclassifications	531,339	-	(531,339)	-	-	661,734	-	(661,734)	-	-
Total revenue and support	3,331,117	138,220	276,068	33,577	3,778,982	3,410,586	169,013	43,333	38,610	3,661,542
Operating expenses:										
Program services:										
Collections	119,347	-	-	-	119,347	116,642	-	-	-	116,642
Marketing	131,443	-	-	-	131,443	114,765	-	-	-	114,765
Property	719,932	-	-	-	719,932	725,105	-	-	-	725,105
Museum store	3,015	-	-	-	3,015	8,616	-	-	-	8,616
Education	844,951	-	-	-	844,951	754,497	-	-	-	754,497
Special fund expense	205,875	-	-	-	205,875	321,016	-	-	-	321,016
Labrie family skate	287,306	-	-	-	287,306	322,620	-	-	-	322,620
Heritage house program	55,122	-	-	-	55,122	93,352	-	-	-	93,352
Depreciation	260,651	-	-	-	260,651	251,896	-	-	-	251,896
Total program services	2,627,642	-	-	-	2,627,642	2,708,509	-	-	-	2,708,509
Supporting services:										
Management and general	504,374	5,679	-	-	510,053	502,457	5,604	-	-	508,061
Development	275,127	-	-	-	275,127	296,414	-	-	-	296,414
Total supporting services	779,501	5,679	-	-	785,180	798,871	5,604	-	-	804,475
Total operating expenses	3,407,143	5,679	-	-	3,412,822	3,507,380	5,604	-	-	3,512,984
Change in net assets	(76,026)	132,541	276,068	33,577	366,160	(96,794)	163,409	43,333	38,610	148,558
Net assets, beginning of year as previously stated	4,079,128	2,758,963	541,474	4,190,984	11,570,549	4,102,729	2,595,554	498,141	4,152,374	11,348,798
Prior period adjustment	(73,193)	-	-	-	(73,193)	-	-	-	-	-
<b>Net assets, beginning of year, restated</b>	4,005,935	2,758,963	541,474	4,190,984	11,497,356	4,102,729	2,595,554	498,141	4,152,374	11,348,798
<b>Net assets, end of year</b>	<b>\$ 3,929,909</b>	<b>2,891,504</b>	<b>817,542</b>	<b>4,224,561</b>	<b>11,863,516</b>	<b>4,005,935</b>	<b>2,758,963</b>	<b>541,474</b>	<b>4,190,984</b>	<b>11,497,356</b>

*The accompanying notes are an integral part of these financial statements.*

**STRAWBERRY BANKE MUSEUM**  
**Statements of Cash Flows**  
**Years Ended March 31, 2018 and 2017**

	2018	2017
Cash flows from operating activities:		
Change in net assets	\$ 366,160	148,558
Adjustments to reconcile change in net assets to net cash and cash equivalents used in operating activities:		
Change in value of assets held by others	(33,577)	(38,610)
Change in discount on pledges receivable	(3,191)	-
Net realized and unrealized gains on investments	(288,239)	(317,119)
Depreciation	260,651	251,896
Gifts with temporary restrictions	(432,860)	(393,894)
(Increase) decrease in:		
Accounts receivable	(23,070)	29,639
Pledges receivable	92,022	18,055
Inventory	(1,563)	1,110
Prepaid expenses	(5,098)	4,982
Increase (decrease) in:		
Accounts payable	56,541	(33,182)
Accrued payroll	240	52,419
Other current liabilities	612	(15,401)
Deferred revenue	34,116	9,391
<b>Net cash and cash equivalents used in operating activities</b>	<b>22,744</b>	<b>(282,156)</b>
Cash flows from investing activities:		
Purchases of land, buildings and equipment	(353,672)	(101,071)
Purchases of investments	(195,826)	(111,834)
Proceeds from the sale of investments	150,617	148,864
<b>Net cash and cash equivalents used in investing activities</b>	<b>(398,881)</b>	<b>(64,041)</b>
Cash flows from financing activities:		
Gifts with temporary restrictions	432,860	393,894
Repayments of line of credit	-	(34,206)
Proceeds from line of credit	38,000	-
Repayments of loan payable	(2,539)	(2,661)
<b>Net cash and cash equivalents provided by financing activities</b>	<b>468,321</b>	<b>357,027</b>
<b>Net change in cash and cash equivalents</b>	<b>92,184</b>	<b>10,830</b>
Cash and cash equivalents, beginning of year	579,374	568,544
<b>Cash and cash equivalents, end of year</b>	<b>\$ 671,558</b>	<b>579,374</b>
Supplemental cash flow disclosures:		
Cash paid for interest	\$ 1,279	1,918

*The accompanying notes are an integral part of these financial statements.*

**STRAWBERRY BANKE MUSEUM**  
**Notes to Financial Statements**

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NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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**Description of Purpose** - Strawberry Banke Museum (the Museum) is a public, nonprofit, educational institution in Portsmouth, New Hampshire. Its mission is to promote understanding of the lives of individuals and the value of community through encounters with the history and ongoing preservation of a New England waterfront neighborhood. To accomplish this goal, the Museum:

- Acquires and conserves historic buildings, objects, and other material pertinent to its mission for today's visitors and for future generations;
- Conducts research aimed at placing local developments within the broader context of city, state, and national history;
- Disseminates the results of that research to the public through exhibitions, publications, demonstrations, tours, symposia, workshops, and other educational activities and programs.

**Basis of Accounting** - The financial statements of the Museum have been prepared on the accrual basis of accounting. Accordingly, revenues and gains are reported when earned and expenses and losses are recorded when incurred.

**Basis of Presentation** - The Museum follows the provisions of FASB ASC 958-605 *Revenue Recognition-Contributions* and FASB ASC 958-205 *Presentation of Financial Statements*. Under these provisions, the Museum is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. Net assets, revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified as follows:

Unrestricted net assets - Net assets that are not subject to donor-imposed stipulations.

Undesignated - Unrestricted net assets that have not been internally designated by the Board for specified use.

Designated as Quasi-endowment - Net assets consisting of accumulated unrestricted income which the Board has designated to function as an endowment fund. It consists of investments, the income from which is used to fund the Museum operations in accordance with spending policies adopted by the Board.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Museum and/or the passage of time.

Permanently restricted net assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Museum. Generally, the donors of these assets permit the Museum to use all or part of the income earned on related investments for general or specific purposes.

**STRAWBERRY BANKE MUSEUM**  
**Notes to Financial Statements, Continued**

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NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

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**Cash and Cash Equivalents** - For purposes of the statements of cash flows, management considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. Cash equivalents consist of short-term investments, money market accounts, and certificates of deposit held by investment companies and banks.

**Accounts Receivable** - Accounts receivable consist primarily of rent receivables and other items. The Museum considers receivables uncollectible after all efforts for collection have been exhausted. At March 31, 2018 and 2017, the Museum did not consider an allowance for bad debts necessary as all amounts were considered fully collectible.

**Inventory** - Inventory is valued at the lower of cost (first-in, first-out basis) or market (net realizable). Inventory consists of museum shop merchandise, including books and other publications held for sale.

**Investments** - Investments in equity securities with readily determinable fair values and all investments in debt securities are reported at fair value. Interest, dividends, and realized and unrealized gains and losses on these investments are reported as unrestricted revenues in the statements of activities unless their use is temporarily or permanently restricted by explicit donor stipulations or by law.

**Property and Equipment** - Property and equipment is carried at cost if purchased or fair value if received by donation. Major additions with expected useful lives of more than one year and initial cost or value exceeding \$1,000 are capitalized as property and equipment, while maintenance and repairs which do not improve or extend the life of the assets are expensed as incurred. Depreciation is calculated using the straight-line method over the estimated useful lives of 5 to 10 years for equipment and 15 to 40 years for buildings and improvements. Land with a carrying value of \$215,331 is included within land and buildings on the statements of financial position as of March 31, 2018 and 2017, respectively.

**Collections** - In conformity with the practice followed by many museums, the collections of books, manuscripts, furniture, and other objects, and historical buildings purchased or donated are not included in the statements of financial position. The Museum employs a curator to ensure that its historical buildings and collections are protected and preserved. Purchases of collection items are included in other charges in the statements of activities as a change in net assets. Contributed collection items are not reflected in the financial statements. Proceeds from deaccessions or insurance recoveries are reflected as increases in the appropriate net asset classes. The insured value of the collection objects and buildings at both March 31, 2018 and 2017, was \$11,161,071.

**Collection Policy** - Buildings related to the preservation and/or educational mission of the Museum are classified as part of the collection and, as described in the preceding paragraph, are not capitalized as assets in the statements of financial position. These buildings include those used for formal exhibition spaces, buildings maintained exclusively for preservation purposes, and furnished historical buildings. Where buildings have more than one use, the current use associated with a majority of the floor space shall determine the classification of the building.

**Reclassifications** - Certain prior year balances have been reclassified to correspond to the current year presentation. Such reclassifications had no effect on the results of operations as previously presented.



**STRAWBERRY BANKE MUSEUM**  
**Notes to Financial Statements, Continued**

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NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

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**Measure of Operations** - In its statements of activities, the Museum includes in its definition of operations all revenues and expenses that are an integral part of its programs and supporting services. Investment income, including net realized and unrealized gains and losses, and contributions to temporarily and permanently restricted net assets, are recognized as non-operating support, revenues, gains, and losses.

**Contributed Revenue and Support** - Contributions and pledges received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Donations of marketable securities or other non-cash assets are recorded at fair value as of the date the item is received. Contributions of cash that must be used to acquire property and equipment and collection items are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Museum reports expirations of donor restrictions when the acquired asset is placed in service as instructed by the donor. The Museum reclassifies restricted net assets to unrestricted net assets at that time.

**Contributions with Restrictions Met in the Same Year** - Contributions received with donor-imposed restrictions that are met in the same year as received are reported as revenues of the temporarily restricted net asset class, and a reclassification to unrestricted net assets is made to reflect the expiration of such restrictions.

**Functional Expenses** - The costs of providing program services and supporting services have been summarized on a functional basis in the statements of activities. Directly identifiable expenses are charged to programs and supporting services. Administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Museum.

**Advertising** - Advertising costs are expensed as incurred. Advertising costs for the years ended March 31, 2018 and 2017 amounted to \$33,244 and \$33,403, respectively.

**Income Taxes** - The Museum is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, the Museum 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)(1) of the Code.

The Museum follows the provisions of FASB ASC 740-10 *Accounting for Uncertainty in Income Taxes*, which clarifies the criteria that an individual tax position must satisfy for some or all of the benefits of that position to be recognized in an entity's financial statements. It also prescribes a recognition threshold of more likely-than-not, and a measurement attribute for all tax positions taken or expected to be taken on a tax return, in order for those tax positions to be recognized in the financial statements. There were no liabilities (or reduction in amounts refundable) for unrecognized tax benefits at March 31, 2018 and 2017, and no interest or penalties were accrued. The Museum is currently open to audit under the statute of limitations by the Internal Revenue Service and state taxing authorities for the years ended March 31, 2015 through 2018.

**Use of Estimates** - The presentation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**STRAWBERRY BANKE MUSEUM**  
**Notes to Financial Statements, Continued**

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**CONCENTRATIONS OF CREDIT RISK ARISING FROM CASH DEPOSITS IN EXCESS OF INSURED LIMITS**

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The Museum maintains cash in bank deposit accounts which may exceed federal deposit insurance limits. The Museum has not experienced any such losses in these accounts. Management believes the Museum is not exposed to any significant credit risk with respect to these accounts. For the years ended March 31, 2018 and 2017, all cash accounts were insured up to \$250,000. As of March 31, 2018 and 2017, the Museum's uninsured cash balances totaled \$91,974 and \$140,410, respectively.

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**PLEDGES RECEIVABLE**

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Pledges receivable, net of unamortized discount, assuming a discount rate of 3.0%, are summarized as follows at March 31:

	<u>2018</u>	<u>2017</u>
Unconditional promises expected to be collected in:		
Less than one year	\$ 62,381	131,404
One year to five years	21,000	44,000
Thereafter	-	-
	83,381	175,404
Less: Current portion	(62,381)	(131,404)
Discount to present value	(2,664)	(5,856)
	<b>\$ 18,336</b>	<b>38,144</b>

No allowance for uncollectible pledges is deemed necessary as management considers all amounts to be fully collectible.

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**INVESTMENTS**

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In accordance with FASB ASC 820-10 *Fair Value Measurement*, the Museum reports its investments at fair value, which were comprised of the following at March 31:

	<u>2018</u>	<u>2017</u>
Mutual funds	\$ 3,997,851	3,601,279
Fixed income funds	1,158,253	1,173,915
Cash equivalents	4,928	52,390
	<b>\$ 5,161,032</b>	<b>4,827,584</b>

**STRAWBERRY BANKE MUSEUM**  
**Notes to Financial Statements, Continued**

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**ENDOWMENT**

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At March 31, 2018 and 2017, the Museum held donor-restricted endowments amounting to \$3,856,860 and \$3,628,613, respectively. Additionally, the Museum held board-designated endowments amounting to \$326,107 and \$318,145, respectively, as of these same dates. The purpose of these endowment funds is to provide investment income and gains to further various activities of the Museum.

The Museum has adopted the provisions of FASB ASC 958-205-50-1A *Reporting Endowment Funds*. Under these provisions, the Museum is required to provide the following disclosures relating to its endowment activities.

**Relevant Law** - The Museum conducts its activities primarily in Portsmouth, New Hampshire, and accordingly considers itself bound by the version of the Uniform Prudent Management of Institutional Funds Act ("UPMIFA") adopted by the state of New Hampshire's legislature. In accordance with that statute, the Museum has interpreted state law to require all realized and unrealized gains and losses on permanently restricted investments to be classified as temporarily restricted until appropriated by the Board of Trustees. Accordingly, except for explicit donor stipulations specifying reinvestment of some or all of net appreciation (depreciation), net appreciation (depreciation) on permanently restricted endowment investments is available for appropriation and is reported as increases (decreases) in temporarily restricted net assets, in accordance with the donor's stipulations, if any, concerning the purposes for which ordinary income may be used.

**Endowment Spending Policy** - The Board of Trustees has approved an annual distribution from the donor-restricted endowment, based on the value of the endowment fund, to support current operations, plus current investment income, to the extent that such distribution does not exceed a prudent level in the judgment of the Trustees. Distributions from the board-designated endowment are determined from time to time by the Board of Trustees based on the current needs of the Museum.

**Endowment Investment Policy** - The Museum's endowment assets are held in a variety of readily marketable securities including money market instruments, equities, and fixed income obligations. This investment mix has been chosen to provide for an appropriate blend of current income as well as long-term growth in the value of the endowment.

**STRAWBERRY BANKE MUSEUM**  
**Notes to Financial Statements, Continued**

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ENDOWMENT, CONTINUED

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The Museum's endowment balances were comprised of the following as of March 31, 2018:

	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Permanently restricted</u>	<u>Totals</u>
Donor-restricted endowments	\$ -	311,443	3,545,417	3,856,860
Board-designated endowments	326,107	-	-	326,107
<b>Totals</b>	<b>\$ 326,107</b>	<b>311,443</b>	<b>3,545,417</b>	<b>4,182,967</b>

The changes in the Museum's endowment balances for the year ended March 31, 2018 were as follows:

	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Permanently restricted</u>	<u>Totals</u>
Endowment net assets, beginning of year	\$ 318,145	83,196	3,545,417	3,946,758
Investment return:				
Investment income, net of fees	7,576	127,679	-	135,255
Net appreciation	17,412	222,825	-	240,237
Total investment return	24,988	350,504	-	375,492
Transfers/reclassifications	32,098	14,950	-	47,048
Amounts appropriated for expenditure	(49,124)	(137,207)	-	(186,331)
<b>Endowment net assets, end of year</b>	<b>\$ 326,107</b>	<b>311,443</b>	<b>3,545,417</b>	<b>4,182,967</b>

**STRAWBERRY BANKE MUSEUM**  
**Notes to Financial Statements, Continued**

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**ENDOWMENT, CONTINUED**

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The Museum's endowment balances were comprised of the following as of March 31, 2017:

	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Permanently restricted</u>	<u>Totals</u>
Donor-restricted endowments	\$ -	83,196	3,545,417	3,628,613
Board-designated endowments	318,145	-	-	318,145
<b>Totals</b>	<b>\$ 318,145</b>	<b>83,196</b>	<b>3,545,417</b>	<b>3,946,758</b>

The changes in the Museum's endowment balances for the year ended March 31, 2017 were as follows:

	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Permanently restricted</u>	<u>Totals</u>
Endowment net assets, beginning of year	\$ 180,525	-	3,545,417	3,725,942
Investment return:				
Investment income, net of fees	5,825	104,911	-	110,736
Net appreciation	150,718	161,692	-	312,410
Total investment return	156,543	266,603	-	423,146
Amounts appropriated for expenditure	(18,923)	(183,407)	-	(202,330)
<b>Endowment net assets, end of year</b>	<b>\$ 318,145</b>	<b>83,196</b>	<b>3,545,417</b>	<b>3,946,758</b>

**STRAWBERRY BANKE MUSEUM**  
**Notes to Financial Statements, Continued**

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ASSETS MEASURED AT FAIR VALUE ON A RECURRING BASIS

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In accordance with FASB ASC 820-10 *Fair Value Measurement and Disclosure*, the Museum is required to disclose, for its assets and liabilities measured at fair value on a recurring basis, the sources and types of information, known as inputs, used to determine those fair value measurements.

*Level 1:* Level 1 inputs are quoted prices in active markets for identical assets and liabilities that an entity has the ability to access at a measurement date.

*Level 2:* Level 2 inputs are inputs other than quoted prices that are observable for the specific asset or liability, either directly or indirectly.

*Level 3:* Level 3 inputs are unobservable inputs for the asset or liability in which little or no market activity is available for the asset or liability at the measurement date.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies during either of the years ended March 31, 2018 and 2017.

- *Money Market Funds:* Valued at the closing price as reported on the active market on which the underlying investments of the fund are traded.
- *Bond Funds:* Valued at the closing price as reported on the active market on which the individual securities are traded.
- *Mutual and Exchange Traded Funds:* Valued at the net asset value (NAV) of shares held by the Museum at year end.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although Museum management 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.

**STRAWBERRY BANKE MUSEUM**  
**Notes to Financial Statements, Continued**

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ASSETS MEASURED AT FAIR VALUE ON A RECURRING BASIS, CONTINUED

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	Totals 03/31/18	Fair value measurements at 03/31/18 using:		
		Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Cash equivalents	\$ 4,928	4,928	-	-
Mutual funds:				
International exchange traded	3,190,795	3,190,795	-	-
Real estate funds	492,345	492,345	-	-
Absolute return	201,381	201,381	-	-
Index funds	113,330	113,330	-	-
Total mutual funds	3,997,851	3,997,851	-	-
Fixed income:				
Short-term bond funds	703,213	703,213	-	-
Corporate exchange traded	243,129	243,129	-	-
Other bond funds	211,911	211,911	-	-
Total fixed income	1,158,253	1,158,253	-	-
<b>Totals</b>	<b>\$ 5,161,032</b>	<b>5,161,032</b>	-	-

	Totals 03/31/17	Fair value measurements at 03/31/17 using:		
		Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Cash equivalents	\$ 52,390	52,390	-	-
Mutual funds:				
International exchange traded	2,856,783	2,856,783	-	-
Real estate funds	461,344	461,344	-	-
Absolute return	200,304	200,304	-	-
Index funds	82,848	82,848	-	-
Total mutual funds	3,601,279	3,601,279	-	-
Fixed income:				
Short-term bond funds	727,192	727,192	-	-
Corporate exchange traded	237,148	237,148	-	-
Other bond funds	209,575	209,575	-	-
Total fixed income	1,173,915	1,173,915	-	-
<b>Totals</b>	<b>\$ 4,827,584</b>	<b>4,827,584</b>	-	-

Transfers between asset levels are recognized on the actual date of the event, or change in circumstances, that caused the transfer. There were no such transfers between levels during the years ended March 31, 2018 and 2017.

**STRAWBERRY BANKE MUSEUM**  
**Notes to Financial Statements, Continued**

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ASSETS MEASURED AT FAIR VALUE ON A RECURRING BASIS, CONTINUED

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During the year, the Museum adopted the provisions of the Financial Accounting Standards Board (FASB) ASU No. 2015-07: *Disclosure for Investments in Certain Entities That Calculate Net Asset Value Per Share (or its equivalent)*. This pronouncement removes the requirements to categorize within the fair value hierarchy all investments for which fair value is measured using the net asset value per share as a practical expedient and certain disclosure requirements. Application of this new standard was applied retrospectively to all periods presented.

Beneficial interests in assets held by others are assets held by the New Hampshire Charitable Foundation and are valued using the net asset value per share as a practical expedient. As such, assets held by the New Hampshire Charitable Foundation are not assigned a level within the fair value hierarchy.

Assets held using the net asset value per share as a practical expedient, consisted of the following for the years ended March 31:

	<u>2018</u>	<u>2017</u>
<u>Beneficial interest in assets held by others</u>	<u>\$ 679,144</u>	<u>645,568</u>
<b><u>Total</u></b>	<b><u>\$ 679,144</u></b>	<b><u>645,568</u></b>

As discussed below, beneficial interest in assets held by others represents assets transferred to the New Hampshire Charitable Foundation (the Foundation). Upon transfer of the assets to the Foundation, variance power over the assets is granted with no opportunity for redemption, and the Museum is designated the sole beneficiary.

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BENEFICIAL INTEREST IN ASSETS HELD BY OTHERS

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The Museum is the sole beneficiary of three designated investment funds held by the New Hampshire Charitable Foundation (the Foundation). Pursuant to the terms of the resolution establishing these funds, property contributed to the Foundation is held as a separate fund designated for the benefit of the Museum. In accordance with its spending policy the Foundation makes distributions from the funds to the Museum. The distributions are approximately 4.25% of the market value of the funds per year. The estimated value of the future distributions from the fund is included in these financial statements as required under FASB ASC 958-605 *Revenue Recognition-Contributions*, however all property in the funds was contributed to the Foundation to be held and administered for the benefit of the Museum.

The amounts received from the funds for the years ended March 31, 2018 and 2017, totaled \$25,658 and \$25,597, respectively. Total market value of the assets held in these funds amounted to \$679,144 and \$645,568 at March 31, 2018 and 2017, respectively.



**STRAWBERRY BANKE MUSEUM**  
**Notes to Financial Statements, Continued**

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TRUST FUNDS

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The Museum is the sole beneficiary of three designated funds held by the New Hampshire Charitable Foundation (the Foundation). Pursuant to the terms of the resolution establishing these funds, property contributed to the Foundation is held as a separate fund designated for the benefit of the Museum. In accordance with its spending policy the Foundation makes distributions from the fund to the Museum. The distributions are approximately 4.03% of the market value of the funds per year. The funds are not included in these financial statements, since all property in the funds was contributed to the Foundation by third party donors to be held and administered for the benefit of the Museum. During the years ended March 31, 2018 and 2017, the Museum received \$8,123 and \$8,125, respectively, from these trusts. Total market value of the assets held in these trusts amounted to \$204,250 and \$194,508 at March 31, 2018 and 2017, respectively.

The Museum is also an income beneficiary of several trust funds held by third parties. At March 31, 2018 and 2017, these trust funds had fair values of \$3,733,346 and \$4,555,593, respectively. During the years ended March 31, 2018 and 2017, the Museum received \$282,995 and \$171,632, respectively, from the trust funds. In accordance with accounting principles generally accepted in the United States of America, the trust funds assets are not presented in the Museum's financial statements.

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LOAN PAYABLE

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In March, 2013 the Museum entered into an uncollateralized loan agreement with the City of Portsmouth, NH for an amount totaling \$25,240. Ten payments of principal and interest, at 2% per annum, are due annually on April 1. Required future minimum principal payments are as follows at March 31:

2019	\$ 2,596
2020	2,648
2021	2,701
<u>2022</u>	<u>2,785</u>
<b>Total</b>	<b><u>\$ 10,730</u></b>

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LINE OF CREDIT

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The Museum has an unsecured line of credit with a local bank with a maximum borrowing limit of \$250,000. Interest is payable monthly at the Wall Street Prime rate, set annually. The interest rate was 4.75% and 4.00% at March 31, 2018 and 2017, respectively. At March 31, 2018 and 2017, the Museum had \$58,000 and \$20,000 outstanding on this line of credit, respectively and paid interest on the line in the amount of \$1,014 and \$1,603, respectively. This line of credit is required to be paid down to at least fifty percent (50%) of its high balance for thirty (30) consecutive days within a 12-month cycle.

**STRAWBERRY BANKE MUSEUM**  
**Notes to Financial Statements, Continued**

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LEASES

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The Museum has a number of spaces in buildings located on its property which are leased to individuals and companies. All lessees sign a lease upon initial renting of their space. When leases are not formally renewed or extended, and the lessees continue to occupy their spaces, the lessees are then considered tenants-at-will. Rental income from these properties totaled \$498,055 and \$496,950, respectively, for the years ended March 31, 2018 and 2017. Cost basis and accumulated depreciation information on the buildings with rental space was as follows at March 31:

	<u>2018</u>	<u>2017</u>
Buildings - cost	\$ 3,207,695	3,119,835
Less accumulated depreciation	(718,708)	(663,393)
<b>Net</b>	<b>\$ 2,488,987</b>	<b>2,456,442</b>

As of March 31, 2018 and 2017, the Museum had several leases with various individuals and companies, all of which are either cancelable month-to-month leases or have a lease term that does not exceed one year.

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OPERATING LEASE OBLIGATIONS

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At March 31, 2018, the Museum held certain equipment subject to an operating lease. The lease is non-cancelable and calls for monthly payments of \$435 per month. During the years ended March 31, 2018 and 2017, the Museum incurred rental costs in relation to all operating leases amounting to \$5,220 each year. Estimated future minimum payments under these leases are as follows:

<u>Year ending</u>	<u>Amount</u>
2019	\$ 5,220
2020	652
<b>Total</b>	<b>\$ 5,872</b>

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IN-KIND CONTRIBUTIONS

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Donated services are recognized as contributions in accordance with FASB ASC 958-605 *Revenue Recognition-Contributions*, if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Museum. The value of contributed professional services and other in-kind contributed property and materials for the years ended March 31, 2018 and 2017 was \$7,814 and \$23,993, respectively.

Over 300 unpaid volunteers have made significant contributions of their time to further the Museum's activities. The value of this contributed time is not reflected in these statements since the criteria for those services, per FASB ASC 958-605 *Revenue Recognition-Contributions*, is not met.

**STRAWBERRY BANKE MUSEUM**  
**Notes to Financial Statements, Continued**

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TEMPORARILY RESTRICTED NET ASSETS

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Balances of, and changes in, temporarily restricted net assets as of and for the years ended March 31, 2018 and 2017 are presented within supplemental Schedule 3 following the notes on pages 22 and 23.

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PERMANENTLY RESTRICTED NET ASSETS

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Permanently restricted net assets consisted of the following at March 31:

	<u>2018</u>	<u>2017</u>
Marion H. Elder	\$ 809,727	809,727
Edward V. French	123,291	123,291
Emily Fisher Cartwright	130,484	130,484
Clark, Thompson, Brown, & Gartner	100,261	100,261
Rice Endowment	3,165	3,165
Lawrence Grady	22,328	22,328
Taylor Memorial Fund - MT Brown	50,000	50,000
Cecil C. Humphreys Memorial Fund	5,000	5,000
R.M. Gerrity	45,534	45,534
Shapiro House	47,543	47,543
Gift Annuity	21,598	21,598
Storer Goodwin Decatur	4,744	4,744
Memorial Fund	2,840	2,840
Marden House	15,000	15,000
NHCF – Thomas Bailey Aldrich Fund	166,947	158,699
NHCF – Guild of Strawberry Museum Fund	33,500	31,822
NHCF – Lawrence K. Grady Fund	478,697	455,046
The John Butler Smith & Gladys L. Smith Trusts	634,168	634,168
Shapiro Family Foundation Endowment	91,775	91,775
Campaign for Sustainability	1,437,959	1,437,959
<b>Total permanently restricted net assets</b>	<b>\$ 4,224,561</b>	<b>4,190,984</b>

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BOARD-DESIGNATED NET ASSETS

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The Museum has designated certain investment assets to be held at the Board's discretion for purposes of generating investment return to support the Museum's operations. The balances of such board-designated investment assets are captioned as quasi-endowment net assets within the statements of financial position, and amounted to \$326,107 and \$318,145 at March 31, 2018 and 2017, respectively.

**STRAWBERRY BANKE MUSEUM**  
**Notes to Financial Statements, Continued**

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**PENSION BENEFIT PLAN**

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The Museum has established a defined contribution plan for all employees meeting certain eligibility requirements. The Museum matches employee contributions up to a maximum of 3% of eligible employee wages. For the years ended March 31, 2018 and 2017, contributions to the plan were \$19,421 and \$23,880, respectively.

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**PRIOR PERIOD ADJUSTMENT**

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During the year ended March 31, 2018, it was discovered that prior year depreciation expense had been incorrectly calculated and was thus understated in the amount of \$73,193 for the year ending March 31, 2017. Accordingly, prior year balances have been restated and a prior period adjustment has been reflected in the current year presentation on the statements of financial position.

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**SUBSEQUENT EVENTS**

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In accordance with FASB ASC 855-10 *Subsequent Events*, management has evaluated subsequent events for possible recognition or disclosure through October 1, 2018, which is the date these financial statements were available to be issued.

**STRAWBERRY BANKE MUSEUM**  
**Schedules of Revenue and Support**  
**Years Ended March 31, 2018 and 2017**

	<b>2018</b>	<b>2017</b>
Museum activities:		
Admissions	\$ 558,435	533,513
Grants	52,573	79,675
Programs	42,739	43,453
Events	264,047	292,564
Total museum activities	917,794	949,205
Labrie family skate	300,366	358,235
Development and fundraising:		
Memberships	149,762	152,797
Contributed income	1,143,259	1,044,120
Corporate sponsorship	116,651	76,697
Total development and fundraising	1,409,672	1,273,614
Investment income:		
Net investment gains (losses)	321,816	355,729
Investment income (loss)	200,485	118,497
Total investment income (loss)	522,301	474,226
Other income:		
Rent	537,844	528,821
Museum store	12,836	16,768
Miscellaneous	78,169	60,673
Total other income	628,849	606,262
<b>Total revenue and support</b>	<b>\$ 3,778,982</b>	<b>3,661,542</b>

*See independent auditor's report.*

**STRAWBERRY BANKE MUSEUM**  
**Schedules of Operating Expenses**  
**Years Ended March 31, 2018 and 2017**

	2018	2017
<b>Collections:</b>		
Salaries	\$ 96,587	97,336
Payroll taxes and benefits	16,445	15,511
Curator's department	6,261	2,695
Archaeology department	54	1,100
<b>Total collections</b>	<b>119,347</b>	<b>116,642</b>
<b>Marketing:</b>		
Marketing expense	131,443	114,765
<b>Total marketing</b>	<b>131,443</b>	<b>114,765</b>
<b>Property:</b>		
Salaries	196,564	195,692
Payroll taxes and benefits	41,933	36,800
Maintenance and operations	395,177	420,477
Real estate taxes	67,829	53,318
Security	18,429	18,818
<b>Total property</b>	<b>719,932</b>	<b>725,105</b>
<b>Museum store:</b>		
Cost of sales	2,961	8,777
Operating expenses	54	(161)
<b>Total museum store</b>	<b>3,015</b>	<b>8,616</b>

**STRAWBERRY BANKE MUSEUM**  
**Schedules of Operating Expenses, Continued**

	2018	2017
Education:		
Salaries	\$ 477,636	464,486
Payroll taxes and benefits	75,314	71,081
Events	205,322	140,064
Historical gardens	26,569	15,451
Programs	60,110	63,415
Total education	844,951	754,497
Special fund expense	205,875	321,016
Heritage House Program:		
Salaries	\$ 30,131	34,042
Payroll taxes and benefits	12,811	12,068
Materials	1,372	10,193
Professional services	3,012	5,041
Miscellaneous	7,796	32,008
Total Heritage House Program	55,122	93,352
Labrie Family Skate:		
Salaries	7,298	4,295
Payroll taxes and benefits	511	331
Marketing	2,614	3,142
Materials	637	618
Program costs	138,238	132,147
Office supplies	242	339
Repairs and maintenance	129,080	170,092
Professional services	-	1,278
Insurance	246	-
Miscellaneous	3,115	5,572
Interest expense	1,014	1,603
Bank fees	4,311	3,203
Total Labrie Family Skate	287,306	322,620
Depreciation	260,651	251,896

**STRAWBERRY BANKE MUSEUM**  
**Schedules of Operating Expenses, Continued**

	<b>2018</b>	<b>2017</b>
Management and general:		
Salaries	\$ 261,667	267,215
Payroll taxes and benefits	55,161	54,259
Insurance	69,582	75,050
Professional services	26,350	25,825
Office supplies	4,318	5,423
Directors contingencies	5,837	3,996
Interest expense	265	315
Postage	8,788	7,013
Equipment maintenance	12,542	11,683
Trustee and overseer annual meeting	1,006	652
Meetings and staff development	13,992	6,091
Travel	1,897	374
Miscellaneous	42,969	44,561
Total administrative	504,374	502,457
Development:		
Salaries	199,903	219,654
Payroll taxes and benefits	30,079	27,223
Membership and development	22,395	19,999
Publicity and promotion	6,017	5,545
In-kind services	7,814	23,993
Bad debt	8,919	-
Total development	275,127	296,414
<b>Total operating expenses</b>	<b>\$ 3,407,143</b>	<b>3,507,380</b>
	<i>See independent auditor's report.</i>	



**STRAWBERRY BANKE MUSEUM**  
**Schedule of Changes in Temporarily Restricted Net Assets**  
**Years Ended March 31, 2018 and 2017**

	2018					2017				
	Net asset	Inter-fund	Income	Net assets	Net asset	Net asset	Inter-fund	Income	Net assets	Net asset
	balances			released from	balances	balances			released from	balances
March 31, 2017	transfers	restrictions	March 31, 2018	March 31, 2016	transfers	restrictions	March 31, 2017			
Education:										
New Education Programs	\$ -	-	-	-	-	-	-	-	-	-
Elizabeth P. Nowers Fund	2,227	-	-	-	2,227	2,227	-	-	-	2,227
Theater Project	6,793	-	-	(561)	6,232	6,793	-	-	-	6,793
On-line curriculum pilot	3,156	-	-	-	3,156	3,156	-	-	-	3,156
Treaty of Portsmouth Lecture Series	443	-	-	(443)	-	673	-	-	(230)	443
Time Travel Workshops	-	-	50,131	(33,396)	16,735	11,084	-	29,600	(40,684)	-
IMLS Grant	-	-	32,173	(32,173)	-	-	-	57,659	(57,659)	-
NH State Council on the Arts	-	-	10,400	(7,600)	2,800	-	-	9,500	(9,500)	-
Boat Shop Project	8,373	-	8,587	(11,793)	5,167	7,507	-	21,562	(20,696)	8,373
<b>Total education</b>	<b>20,992</b>	<b>-</b>	<b>101,291</b>	<b>(85,966)</b>	<b>36,317</b>	<b>31,440</b>	<b>-</b>	<b>118,321</b>	<b>(128,769)</b>	<b>20,992</b>
Restoration and maintenance:										
Archaeology	1,427	-	-	(1,427)	-	427	-	1,000	-	1,427
Maintenance - Jones	11,888	-	-	(11,888)	-	7,667	-	19,250	(15,029)	11,888
Cotton Tenant House	523	-	-	-	523	523	-	-	-	523
Heritage House project	249,614	-	84,750	(129,545)	204,819	286,369	-	156,255	(193,010)	249,614
Community Development Block Grant	329	-	-	(329)	-	4,630	-	6,675	(10,976)	329
Labrie Family Skate	11,500	-	24,043	(11,500)	24,043	11,000	-	52,070	(51,570)	11,500
Pitt Tavern Painting	-	-	-	-	-	1,366	-	-	(1,366)	-
Chicken Coop	550	-	-	(550)	-	550	-	-	-	550
House Painting	11,691	-	19,800	(8,691)	22,800	5,894	-	7,750	(1,953)	11,691
Picnic Tables	(655)	-	-	-	(655)	(655)	-	-	-	(655)
Cotton Tenant House - Project	-	-	132,048	(82,754)	49,294	-	-	-	-	-
Penhallow - LCHIP	-	-	10,000	(10,000)	-	-	-	-	-	-
Memorial Landscape Project	-	-	11,850	-	11,850	-	-	-	-	-
Lowd House-Lchip	-	-	-	-	-	20,694	-	14,308	(35,002)	-
<b>Total restoration and maintenance</b>	<b>286,867</b>	<b>-</b>	<b>282,491</b>	<b>(256,684)</b>	<b>312,674</b>	<b>338,465</b>	<b>-</b>	<b>257,308</b>	<b>(308,906)</b>	<b>286,867</b>

**STRAWBERRY BANKE MUSEUM**  
**Schedule of Changes in Temporarily Restricted Net Assets, Continued**

	2018				2017					
	Net asset balances	Inter-fund transfers	Income	Net assets released from restrictions	Net asset balances	Net asset balances	Inter-fund transfers	Income	Net assets released from restrictions	Net asset balances
	March 31, 2017				March 31, 2018	March 31, 2016				March 31, 2017
<b>Collections:</b>										
Collections	\$ 557	-	-	(255)	302	557	-	-	-	557
Deaccession Fund	4,500	-	-	-	4,500	-	-	4,500	-	4,500
Acquisitions	2,770	-	1,706	-	4,476	2,770	-	-	-	2,770
Allen Breed furniture	-	-	-	-	-	100	-	-	(100)	-
Interpretation of Cotton Tenant House	242	-	-	-	242	242	-	-	-	242
Library (Fales)	3,149	-	-	-	3,149	3,149	-	-	-	3,149
Game On	600	-	-	(600)	-	600	-	-	-	600
Furniture for Yeaton Walsh	-	-	10,000	-	10,000	-	-	-	-	-
FEMA Grant	60	-	-	-	60	-	-	7,576	(7,516)	60
Vice Exhibit	-	-	22,000	(2,165)	19,835	-	-	-	-	-
Exhibits	1,466	-	250	(1,132)	584	25,755	-	-	(24,289)	1,466
<b>Total collections</b>	<b>13,344</b>	<b>-</b>	<b>33,956</b>	<b>(4,152)</b>	<b>43,148</b>	<b>33,173</b>	<b>-</b>	<b>12,076</b>	<b>(31,905)</b>	<b>13,344</b>
<b>Horticulture:</b>										
Horticulture	3,461	-	444	-	3,905	1,889	-	3,292	(1,720)	3,461
Children's garden	1,383	-	-	-	1,383	1,622	-	-	(239)	1,383
Victory garden	26	-	-	(26)	-	299	-	-	(273)	26
NHCF TBA Garden	4,398	-	683	-	5,081	4,398	-	-	-	4,398
Center for Heirloom Gardens	42,760	-	7,000	(19,060)	30,700	6,410	-	36,550	(200)	42,760
Herb garden arbor	997	-	-	-	997	997	-	-	-	997
Shapiro garden	310	-	-	-	310	310	-	-	-	310
<b>Total horticulture</b>	<b>53,335</b>	<b>-</b>	<b>8,127</b>	<b>(19,086)</b>	<b>42,376</b>	<b>15,925</b>	<b>-</b>	<b>39,842</b>	<b>(2,432)</b>	<b>53,335</b>
<b>Master plan:</b>										
Masterplan	-	-	-	-	-	738	-	-	(738)	-
<b>Total master plan</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>738</b>	<b>-</b>	<b>-</b>	<b>(738)</b>	<b>-</b>
<b>Discretionary funds:</b>										
Disability survey	234	-	-	-	234	234	-	-	-	234
Aerial images	15,789	-	-	-	15,789	15,789	-	-	-	15,789
Giving Tree	185	-	-	-	185	185	-	-	-	185
Children's book	10,507	-	6,838	(725)	16,620	4,945	-	10,917	(5,355)	10,507
Green Museum	642	-	-	-	642	642	-	-	-	642
Vehicles	-	-	23,000	-	23,000	-	-	-	-	-
Board development	29	-	-	-	29	29	-	-	-	29
<b>Total discretionary funds</b>	<b>27,386</b>	<b>-</b>	<b>29,838</b>	<b>(725)</b>	<b>56,499</b>	<b>21,824</b>	<b>-</b>	<b>10,917</b>	<b>(5,355)</b>	<b>27,386</b>
<b>Salary support:</b>										
Archaeology	175	-	1,200	(175)	1,200	175	-	-	-	175
<b>Total salary support</b>	<b>175</b>	<b>-</b>	<b>1,200</b>	<b>(175)</b>	<b>1,200</b>	<b>175</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>175</b>
<b>Pledges receivable:</b>										
Unrestricted contributions	56,179	-	-	(27,344)	28,835	56,401	-	-	(222)	56,179
<b>Total pledges receivable</b>	<b>56,179</b>	<b>-</b>	<b>-</b>	<b>(27,344)</b>	<b>28,835</b>	<b>56,401</b>	<b>-</b>	<b>-</b>	<b>(222)</b>	<b>56,179</b>
Accumulated Endowment Earnings	83,196	-	350,504	(137,207)	296,493	-	-	266,603	(183,407)	83,196
<b>Total temporarily restricted net assets</b>	<b>\$ 541,474</b>	<b>-</b>	<b>807,407</b>	<b>(531,339)</b>	<b>817,542</b>	<b>498,141</b>	<b>-</b>	<b>705,067</b>	<b>(661,734)</b>	<b>541,474</b>

See independent auditor's report.

**STRAWBERRY BANKE MUSEUM**  
**Schedules of Revenues and Operating Expenses - Budget Basis**  
**Years Ended March 31, 2018 and 2017**

	2018 (Unaudited)	2017 (Unaudited)
<b>REVENUES</b>		
Admission fees	\$ 494,840	469,361
School groups	103,722	95,104
Retail sales	15,128	18,266
Event revenue	261,547	254,112
Program revenue	292,005	362,235
Misc income	8,405	3,669
Annual fund	454,713	486,413
Individual memberships	143,082	137,922
Corporate support	193,280	155,933
Investment income	184,172	187,804
Trust income	78,593	80,354
Rental income	535,552	527,323
Management fees	33,651	40,498
Restricted funds	133,756	131,028
<b>Total Revenues</b>	<b>2,932,446</b>	<b>2,950,022</b>
<b>OPERATING EXPENSES</b>		
Salaries	1,293,612	1,322,879
Payroll taxes	91,359	93,231
Benefits	132,047	115,505
Insurance	66,162	73,050
Administrative office	44,355	45,974
Business & operations	892,935	902,127
Utilities	204,868	185,980
Rental expense	150,049	159,790
<b>Total operating expenses</b>	<b>2,875,387</b>	<b>2,898,536</b>
<b>Excess deficiency of revenues under operating expenses - budget basis</b>	<b>\$ 57,059</b>	<b>51,486</b>

*See independent auditor's report.*