



**STRAWBERRY BANKE MUSEUM**

**FINANCIAL STATEMENTS**

**March 31, 2020 and 2019**

**STRAWBERRY BANKE MUSEUM**  
**Financial Statements**  
**March 31, 2020 and 2019**

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## 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, 2020 and 2019, and the related statements of activities, functional expenses, 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.

### **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, 2020 and 2019, 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 and changes in net assets with donor restrictions (schedules 1 and 2) on pages 21 through 24 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 3) on page 25 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.



November 4, 2020  
South Portland, Maine

**STRAWBERRY BANKE MUSEUM**  
**Statements of Financial Position**  
**March 31, 2020 and 2019**

	2020	2019
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 805,435	439,645
Accounts receivable	39,131	51,052
Pledges receivable, current portion	99,681	75,681
Prepaid expenses	11,624	18,911
Inventory	29,648	19,407
Total current assets	985,519	604,696
Other assets:		
Investments	4,604,804	5,199,663
Beneficial interest in assets held by others	583,968	658,430
Pledges receivable, non-current portion, net	93,201	137,936
Total other assets	5,281,973	5,996,029
Property and equipment:		
Land and buildings	7,815,816	7,659,298
Construction in process	149,737	202,934
Equipment	1,156,566	1,154,890
Total property and equipment	9,122,119	9,017,122
Less accumulated depreciation	(3,671,317)	(3,418,478)
Net property and equipment	5,450,802	5,598,644
Collections-see note page 5	-	-
<b>Total assets</b>	<b>\$ 11,718,294</b>	<b>12,199,369</b>
<b>LIABILITIES AND NET ASSETS</b>		
Current liabilities:		
Accounts payable	\$ 152,177	195,907
Accrued payroll	167,642	55,611
Other current liabilities	64,651	69,359
Deferred revenue	83,464	65,662
Line of credit	215,000	65,000
Loan payable, current portion	2,701	2,648
Capital lease, current portion	8,840	8,340
Total current liabilities	694,475	462,527
Long-term liabilities:		
Loan payable, net of current portion	3,737	5,493
Capital lease, net of current portion	22,836	32,175
Total long-term liabilities	26,573	37,668
Total liabilities	721,048	500,195
Net assets:		
Without donor restrictions:		
Designated as quasi-endowment	273,747	308,279
Net investment in property and equipment	5,412,688	5,549,988
Undesignated	551,872	598,429
Total net assets without donor restrictions	6,238,307	6,456,696
Net assets with donor restrictions	4,758,939	5,242,478
Total net assets	10,997,246	11,699,174
<b>Total liabilities and net assets</b>	<b>\$ 11,718,294</b>	<b>12,199,369</b>

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

**STRAWBERRY BANKE MUSEUM**  
**Statements of Activities**  
**Years Ended March 31, 2020 and 2019**

	2020					2019				
	Without donor restrictions operating	Without donor restrictions non-operating	Total without donor restrictions	With donor restrictions	Total	Without donor restrictions operating	Without donor restrictions non-operating	Total without donor restrictions	With donor restrictions	Total
Revenue and support:										
Museum activities	\$ 860,329	-	860,329	33,435	893,764	837,636	-	837,636	27,818	865,454
Labrie family skate	315,201	-	315,201	7,180	322,381	334,446	-	334,446	10,919	345,365
Development and fundraising	1,241,677	-	1,241,677	370,427	1,612,104	752,964	-	752,964	754,359	1,507,323
Investment dividends and interest	-	3,752	3,752	140,368	144,120	-	2,180	2,180	122,541	124,721
Net investment (losses) gains	-	(143,550)	(143,550)	(456,637)	(600,187)	-	(81,466)	(81,466)	93,872	12,406
Change in value of assets held by others	-	-	-	(48,875)	(48,875)	-	-	-	4,598	4,598
Other income	618,459	-	618,459	-	618,459	638,018	-	638,018	-	638,018
Subtotal revenue and support	3,035,666	(139,798)	2,895,868	45,898	2,941,766	2,563,064	(79,286)	2,483,778	1,014,107	3,497,885
Net assets released from restrictions and reclassifications	529,437	-	529,437	(529,437)	-	813,732	-	813,732	(813,732)	-
Total revenue and support	3,565,103	(139,798)	3,425,305	(483,539)	2,941,766	3,376,796	(79,286)	3,297,510	200,375	3,497,885
Operating expenses:										
Program services:										
Collections	97,159	-	97,159	-	97,159	106,377	-	106,377	-	106,377
Horticulture	122,287	-	122,287	-	122,287	135,491	-	135,491	-	135,491
Property	832,718	-	832,718	-	832,718	804,022	-	804,022	-	804,022
Visitors services	140,096	-	140,096	-	140,096	145,600	-	145,600	-	145,600
Education	473,364	-	473,364	-	473,364	457,540	-	457,540	-	457,540
Special events	275,674	-	275,674	-	275,674	256,705	-	256,705	-	256,705
Labrie family skate	336,266	-	336,266	-	336,266	349,537	-	349,537	-	349,537
Heritage house program	29,633	-	29,633	-	29,633	72,655	-	72,655	-	72,655
Other programs	327,454	-	327,454	-	327,454	301,423	-	301,423	-	301,423
Total program services	2,634,651	-	2,634,651	-	2,634,651	2,629,350	-	2,629,350	-	2,629,350
Supporting services:										
Management and general	567,808	7,582	575,390	-	575,390	528,814	5,724	534,538	-	534,538
Capital Campaign	177,485	-	177,485	-	177,485	226,194	-	226,194	-	226,194
Development	256,168	-	256,168	-	256,168	272,145	-	272,145	-	272,145
Total supporting services	1,001,461	7,582	1,009,043	-	1,009,043	1,027,153	5,724	1,032,877	-	1,032,877
Total operating expenses	3,636,112	7,582	3,643,694	-	3,643,694	3,656,503	5,724	3,662,227	-	3,662,227
Change in net assets	(71,009)	(147,380)	(218,389)	(483,539)	(701,928)	(279,707)	(85,010)	(364,717)	200,375	(164,342)
Net assets, beginning of year	3,675,860	2,780,836	6,456,696	5,242,478	11,699,174	3,955,567	2,865,846	6,821,413	5,042,103	11,863,516
<b>Net assets, end of year</b>	<b>\$ 3,604,851</b>	<b>2,633,456</b>	<b>6,238,307</b>	<b>4,758,939</b>	<b>10,997,246</b>	<b>3,675,860</b>	<b>2,780,836</b>	<b>6,456,696</b>	<b>5,242,478</b>	<b>11,699,174</b>

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

**STRAWBERRY BANKE MUSEUM**  
**Statement of Functional Expenses**  
**Year Ended March 31, 2020**

	Program services										Supporting activities			Totals 2020	
	Collections	Horticulture	Property	Visitors services	Education	Special events	Labrie family skate	Heritage House	Other programs	Totals	Development	Capital campaign	Management & general		Totals
Salaries	\$ 69,600	83,907	204,425	67,914	343,001	45,831	7,881	11,261	45,040	878,860	197,957	76,474	268,472	542,903	1,421,763
Payroll taxes and employee benefits	11,108	18,218	48,688	10,872	50,027	3,712	583	9,430	3,083	155,721	32,322	5,868	49,510	87,700	243,421
<b>Total salaries and related expenses</b>	<b>80,708</b>	<b>102,125</b>	<b>253,113</b>	<b>78,786</b>	<b>393,028</b>	<b>49,543</b>	<b>8,464</b>	<b>20,691</b>	<b>48,123</b>	<b>1,034,581</b>	<b>230,279</b>	<b>82,342</b>	<b>317,982</b>	<b>630,603</b>	<b>1,665,184</b>
Supplies	849	2,024	10,127	2,641	14,212	10	76	58	1,402	31,399	570	-	9,278	9,848	41,247
Marketing and printing	-	-	-	-	-	-	2,391	-	69,225	71,616	5,109	-	-	5,109	76,725
Repairs and maintenance	4,678	-	183,768	-	-	-	137,394	-	-	325,840	-	-	11,013	11,013	336,853
Real estate taxes	-	-	72,296	-	-	-	-	-	-	72,296	-	-	-	-	72,296
Utilities	-	-	199,110	-	-	-	-	-	-	199,110	-	-	-	-	199,110
Cost of sales	-	-	-	6,781	-	-	-	-	-	6,781	-	-	-	-	6,781
Contract services	-	-	-	-	-	-	-	-	36,000	36,000	-	-	-	-	36,000
Program expenditures	-	4,823	-	18,343	9,784	186,832	144,467	-	167,495	531,744	-	91,733	-	91,733	623,477
Professional services	-	-	-	-	-	-	-	883	-	883	-	-	30,897	30,897	31,780
Insurance	-	-	-	-	-	-	-	3,500	-	3,500	-	-	74,376	74,376	77,876
Interest	-	-	-	-	-	-	-	-	-	-	-	3,410	5,576	8,986	8,986
Technology	-	-	-	-	-	-	953	-	4,960	5,913	-	-	29,018	29,018	34,931
Bank and service fees	-	-	-	18,251	-	8,701	7,047	-	-	33,999	8,060	-	20,326	28,386	62,385
Meetings and staff development	-	206	-	-	3,880	-	-	-	40	4,126	-	-	42,340	42,340	46,466
Membership	-	-	-	-	-	-	-	-	-	-	12,150	-	-	12,150	12,150
Travel	-	-	40	-	-	-	-	-	-	40	-	-	145	145	185
Postage	-	-	-	-	-	-	-	-	-	-	-	-	9,394	9,394	9,394
Miscellaneous	-	-	22,499	-	23	-	1,122	131	209	23,984	-	-	25,045	25,045	49,029
Depreciation	10,924	13,109	91,765	15,294	52,437	30,588	34,352	4,370	-	252,839	-	-	-	-	252,839
<b>Total expenses</b>	<b>\$ 97,159</b>	<b>122,287</b>	<b>832,718</b>	<b>140,096</b>	<b>473,364</b>	<b>275,674</b>	<b>336,266</b>	<b>29,633</b>	<b>327,454</b>	<b>2,634,651</b>	<b>256,168</b>	<b>177,485</b>	<b>575,390</b>	<b>1,009,043</b>	<b>3,643,694</b>

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

**STRAWBERRY BANKE MUSEUM**  
**Statement of Functional Expenses**  
**Year Ended March 31, 2019**

	Program services										Supporting activities				Totals 2019
	Collections	Horticulture	Property	Visitors services	Education	Special events	Labrie family skate	Heritage House	Other programs	Totals	Development	Capital campaign	Management & general	Totals	
Salaries	\$ 80,200	90,294	193,583	74,124	338,510	30,216	7,106	6,602	27,663	848,298	203,756	67,680	266,756	538,192	1,386,490
Payroll taxes and employee benefits	12,719	18,226	39,791	11,522	46,912	2,105	529	11,865	1,713	145,382	36,825	4,969	45,235	87,029	232,411
<b>Total salaries and related expenses</b>	<b>92,919</b>	<b>108,520</b>	<b>233,374</b>	<b>85,646</b>	<b>385,422</b>	<b>32,321</b>	<b>7,635</b>	<b>18,467</b>	<b>29,376</b>	<b>993,680</b>	<b>240,581</b>	<b>72,649</b>	<b>311,991</b>	<b>625,221</b>	<b>1,618,901</b>
Supplies	460	2,943	10,180	3,844	11,494	126	456	4,122	911	34,536	1,064	-	11,482	12,546	47,082
Marketing and printing	-	-	-	-	-	-	4,063	-	62,381	66,444	7,366	-	-	7,366	73,810
Repairs and maintenance	2,063	-	174,861	-	-	-	144,161	-	-	321,085	-	-	13,910	13,910	334,995
Real estate taxes	-	-	76,617	-	-	-	-	-	-	76,617	-	-	-	-	76,617
Utilities	-	-	195,344	-	-	-	-	-	-	195,344	-	-	-	-	195,344
Cost of sales	-	-	-	10,972	-	-	-	-	-	10,972	-	-	-	-	10,972
Contract services	-	-	1,188	-	-	-	-	-	43,750	44,938	-	-	-	-	44,938
Program expenditures	-	8,654	-	13,484	9,606	186,385	136,173	2,105	159,630	516,037	-	152,226	-	152,226	668,263
Professional services	-	-	-	-	-	-	-	2,050	-	2,050	-	-	26,193	26,193	28,243
Insurance	-	-	-	-	-	-	-	6,612	-	6,612	-	-	79,668	79,668	86,280
Interest	-	-	-	-	-	-	1,109	-	-	1,109	-	1,319	214	1,533	2,642
Technology	-	-	-	-	-	-	656	-	4,941	5,597	-	-	25,572	25,572	31,169
Bank and service fees	-	-	-	16,162	-	9,443	6,323	-	-	31,928	8,335	-	22,698	31,033	62,961
Meetings and staff development	-	-	60	-	396	-	-	-	-	456	-	-	18,625	18,625	19,081
Membership	-	-	-	-	-	-	-	-	-	-	14,573	-	-	14,573	14,573
Travel	-	-	79	-	-	-	-	-	-	79	-	-	186	186	265
Postage	-	-	-	-	-	-	-	-	-	-	226	-	8,996	9,222	9,222
Miscellaneous	-	65	22,655	183	323	-	557	30,552	434	54,769	-	-	15,003	15,003	69,772
Depreciation	10,935	15,309	89,664	15,309	50,299	28,430	48,404	8,747	-	267,097	-	-	-	-	267,097
<b>Total expenses</b>	<b>\$ 106,377</b>	<b>135,491</b>	<b>804,022</b>	<b>145,600</b>	<b>457,540</b>	<b>256,705</b>	<b>349,537</b>	<b>72,655</b>	<b>301,423</b>	<b>2,629,350</b>	<b>272,145</b>	<b>226,194</b>	<b>534,538</b>	<b>1,032,877</b>	<b>3,662,227</b>

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



**STRAWBERRY BANKE MUSEUM**  
**Statements of Cash Flows**  
**Years Ended March 31, 2020 and 2019**

	2020	2019
Cash flows from operating activities:		
Change in net assets	\$ (701,928)	(164,342)
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	48,875	(4,598)
Change in discount on pledges receivable	5,636	-
Net realized and unrealized losses (gains) on investments	600,187	(12,406)
Depreciation	252,839	267,097
Gifts with restrictions for long-term purposes	(411,042)	(793,096)
(Increase) decrease in:		
Accounts receivable	11,921	(5,786)
Pledges receivable	15,099	(132,900)
Inventory	(10,241)	(3,902)
Prepaid expenses	7,287	7,061
Increase (decrease) in:		
Accounts payable	(43,730)	66,055
Accrued payroll	112,031	(20,364)
Other current liabilities	(4,708)	16,098
Deferred revenue	17,802	(15,573)
<b>Net cash and cash equivalents used in operating activities</b>	<b>(99,972)</b>	<b>(796,656)</b>
Cash flows from investing activities:		
Purchases of land, buildings and equipment	(113,836)	(231,851)
Purchases of investments	(10,000)	(314,702)
Proceeds from distributions of assets held by others	25,587	25,312
Proceeds from the sale of investments	4,672	288,477
<b>Net cash and cash equivalents used in investing activities</b>	<b>(93,577)</b>	<b>(232,764)</b>
Cash flows from financing activities:		
Gifts with restrictions for long-term purposes	411,042	793,096
Proceeds from line of credit	150,000	7,000
Repayments of loan payable	(1,703)	(2,589)
<b>Net cash and cash equivalents provided by financing activities</b>	<b>559,339</b>	<b>797,507</b>
<b>Net change in cash and cash equivalents</b>	<b>365,790</b>	<b>(231,913)</b>
Cash and cash equivalents, beginning of year	439,645	671,558
<b>Cash and cash equivalents, end of year</b>	<b>\$ 805,435</b>	<b>439,645</b>
Supplemental cash flow disclosures:		
Purchase of fixed assets through capital lease	\$ -	40,515
Cash paid for interest	\$ 5,576	1,323

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

**STRAWBERRY BANKE MUSEUM**  
**Notes to Financial Statements**  
**March 31, 2020 and 2019**

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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 Museum prepares its financial statements in accordance with accounting principles generally accepted in the United States of America. Accordingly, revenues and gains are reported when earned and expenses and losses are recorded when incurred.

**Basis of Presentation** - The financial statement presentation follows the provisions of FASB ASC 958-605 *Revenue Recognition-Contributions* and FASB ASC 958-205 *Presentation of Financial Statements*. In accordance with these provisions, the Museum is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions, and net assets with donor restrictions.

Net assets and 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:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed stipulations.

Undesignated - Net assets without donor restrictions that have not been internally designated by the Board for specified use.

Designated as Quasi-endowment - Net assets consisting of accumulated income without donor restrictions, 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.

Net assets with donor restrictions - Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Net assets with donor restrictions may also include funds that are subject to legal restrictions, such as the unappropriated appreciation of donor-restricted endowment funds. 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**  
**March 31, 2020 and 2019**

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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, 2020 and 2019, the Museum did not consider an allowance for bad debts to be 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 revenues without donor restrictions in the statements of activities unless their use is 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, 2020 and 2019, 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, 2020 and 2019, 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**  
**March 31, 2020 and 2019**

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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 net assets with donor restrictions, are recognized as non-operating support, revenues, gains, and losses.

**Contributed Revenue and Support** - Contributions and pledges received are recorded as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed 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 net assets with donor restrictions to net assets without donor restrictions 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 net assets with donor restrictions class, and a reclassification to net assets without donor restrictions 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, 2020 and 2019 amounted to \$37,118 and \$34,106, 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.

Accounting principles generally accepted in the United States of America requires management to evaluate tax positions taken by the Museum and recognize a tax liability if the Museum has taken an uncertain tax position that more likely than not would not be sustained upon examination by the Internal Revenue Service and state taxing authorities. The Museum is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

**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**  
**March 31, 2020 and 2019**

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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, 2020 and 2019, all cash accounts were insured up to \$250,000. As of March 31, 2020 and 2019, the Museum's uninsured cash balances totaled \$141,959 and \$11,710, 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>2020</u>	<u>2019</u>
Unconditional promises expected to be collected in:		
Less than one year	\$ 99,681	75,681
One year to five years	101,501	140,600
Thereafter	-	-
	201,182	216,281
Less: Current portion	(99,681)	(75,681)
Discount to present value	(8,300)	(2,664)
	<b>\$ 93,201</b>	<b>137,936</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>2020</u>	<u>2019</u>
Mutual funds	\$ 1,458,435	1,514,698
Exchange traded funds	3,144,976	3,533,980
Cash equivalents	1,393	150,985
	<b>\$ 4,604,804</b>	<b>5,199,663</b>

**STRAWBERRY BANKE MUSEUM**  
**Notes to Financial Statements, Continued**  
**March 31, 2020 and 2019**

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ENDOWMENT

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At March 31, 2020 and 2019, the Museum held donor-restricted endowments amounting to \$3,553,567 and \$4,020,895, respectively. Additionally, the Museum held board-designated endowments amounting to \$273,747 and \$308,279, 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 follows the provisions of FASB ASC 958-205-50-1A *Reporting Endowment Funds*. Under this guidance, the Museum is required to classify and report net assets associated with endowment funds, including those designated by the Board of Trustees to function as endowments, based on the existence or absence of donor-imposed restrictions. The Museum is also 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 investments with donor-imposed restrictions that are perpetual in nature to be restricted until appropriated by the Board of Trustees. Accordingly, except for explicit donor stipulations specifying reinvestment of some or all of investment return, net return on investment of endowment funds with donor-imposed restrictions that are perpetual in nature, is available for appropriation and is reported as increases (decreases) in net assets with donor restrictions, in accordance with the donor's stipulations, if any, concerning the purposes for which ordinary income may be used.

Absent explicit donor stipulations to the contrary, the Museum has interpreted UPMIFA as requiring the preservation of the fair value of the original gift, as of the gift date, of the donor-restricted endowment funds. As a result of this interpretation, the Museum retains in perpetuity and classifies as net assets with donor restrictions (1) the original value of gifts donated to the perpetual endowment, (2) the original value of subsequent gifts to the perpetual endowment, and (3) accumulations to the perpetual endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not retained in perpetuity are subject to appropriation for expenditure by the Museum in a manner consistent with the standard of prudence by UPMIFA. In accordance with UPMIFA, the Museum considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the fund, (2) purposes of the Museum and the donor-restricted endowment fund, (3) general economic conditions, (4) possible effects of inflation and deflation, (5) expected total return from income and the appreciation of investments, (6) other resources of the Museum, (7) the Museum's investment policies.

**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.

**STRAWBERRY BANKE MUSEUM**  
**Notes to Financial Statements, Continued**  
**March 31, 2020 and 2019**

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ENDOWMENT, CONTINUED

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**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 was chosen to provide for an appropriate blend of current income as well as long-term growth in the value of the endowment.

The Museum's endowment balances were comprised of the following as of March 31, 2020:

	Without donor <u>restrictions</u>	With donor <u>restrictions</u>	<u>Totals</u>
Donor-restricted endowments:			
Original donor-restricted gift and amounts required to be maintained in perpetuity	\$ -	3,736,417	3,736,417
Accumulated investment gains (losses)	-	(182,850)	(182,850)
Board-designated endowments	273,747	-	273,747
<b>Totals</b>	<b>\$ 273,747</b>	<b>3,553,567</b>	<b>3,827,314</b>

Changes in the Museum's endowment balances for the year ended March 31, 2020 were as follows:

	Without donor <u>restrictions</u>	With donor <u>restrictions</u>	<u>Totals</u>
Endowment net assets, <u>beginning of year</u>	\$ 308,279	4,020,895	4,329,174
Contributions	-	-	-
Investment return, net	(22,283)	(316,269)	(338,552)
Transfers/reclassifications	-	10,000	10,000
Amounts appropriated for expenditure	(12,249)	(161,059)	(173,308)
<b>Endowment net assets, <u>end of year</u></b>	<b>\$ 273,747</b>	<b>3,553,567</b>	<b>3,827,314</b>

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Museum to retain as a fund of perpetual duration. Deficiencies of this nature exist for the donor-restricted endowment funds, which have an original gift value of \$3,736,417, a current fair value of \$3,553,567, and a deficiency of (\$182,850) as of March 31, 2020. This deficiency resulted from unfavorable market fluctuations that have occurred since the restricted gifts were received and invested. There was no such deficiency at March 31, 2019.

**STRAWBERRY BANKE MUSEUM**  
**Notes to Financial Statements, Continued**  
**March 31, 2020 and 2019**

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ENDOWMENT, CONTINUED

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The Museum's endowment balances were comprised of the following as of March 31, 2019:

	<u>Without donor restrictions</u>	<u>With donor restrictions</u>	<u>Totals</u>
Donor-restricted endowments:			
Original donor-restricted gift and amounts required to be maintained in perpetuity	\$ -	3,736,417	3,736,417
Accumulated investment gains	-	284,478	284,478
Board-designated endowments	308,279	-	308,279
<b>Totals</b>	<b>\$ 308,279</b>	<b>4,020,895</b>	<b>4,329,174</b>

Changes in the Museum's endowment balances for the year ended March 31, 2019 were as follows:

	<u>Without donor restrictions</u>	<u>With donor restrictions</u>	<u>Totals</u>
Endowment net assets, beginning of year	\$ 326,107	3,856,860	4,182,967
Contributions	-	191,000	191,000
Investment return, net	9,032	216,413	225,445
Transfers/reclassifications	-	(67,978)	(67,978)
Amounts appropriated for expenditure	(26,860)	(175,400)	(202,260)
<b>Endowment net assets, end of year</b>	<b>\$ 308,279</b>	<b>4,020,895</b>	<b>4,329,174</b>



**STRAWBERRY BANKE MUSEUM**  
**Notes to Financial Statements, Continued**  
**March 31, 2020 and 2019**

**ASSETS MEASURED AT FAIR VALUE ON A RECURRING BASIS**

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.

There have been no changes in the methodologies during either of the years ended March 31, 2020 and 2019.

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.

Fair value measurements at 03/31/20 using:

	<u>Totals</u>	<u>Level 1</u>
Cash equivalents	\$ 1,393	1,393
Mutual funds:		
Real estate funds	437,454	437,454
Absolute return	220,649	220,649
Short-term bond funds	711,153	711,153
Other bond funds	33,489	33,489
Index funds	55,690	55,690
Total mutual funds	1,458,435	1,458,435
Exchange traded funds:		
International exchange traded	3,144,976	3,144,976
Total exchange traded	3,144,976	3,144,976
<b>Totals</b>	<b>\$ 4,604,804</b>	<b>4,604,804</b>

**STRAWBERRY BANKE MUSEUM**  
**Notes to Financial Statements, Continued**  
**March 31, 2020 and 2019**

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ASSETS MEASURED AT FAIR VALUE ON A RECURRING BASIS, CONTINUED

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	<u>Fair value measurements at 03/31/19 using:</u>	
	<u>Totals</u>	<u>Level 1</u>
Cash equivalents	\$ 150,985	150,985
Mutual funds:		
Real estate funds	544,118	544,118
Absolute return	206,826	206,826
Short-term bond funds	674,253	674,253
Other bond funds	32,825	32,825
Index funds	56,676	56,676
Total mutual funds	1,514,698	1,514,698
Exchange traded funds:		
International exchange traded	3,533,980	3,533,980
Total exchange traded	3,533,980	3,533,980
<b>Totals</b>	<b>\$ 5,199,663</b>	<b>5,199,663</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, 2020 and 2019.

The Museum follows 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.

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>2020</u>	<u>2019</u>
Beneficial interest in assets held by others	\$ 583,968	658,430
<b>Total</b>	<b>\$ 583,968</b>	<b>658,430</b>

As discussed in the Beneficial Interest in Assets Held by Others note, 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 as the sole beneficiary.

**STRAWBERRY BANKE MUSEUM**  
**Notes to Financial Statements, Continued**  
**March 31, 2020 and 2019**

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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, 2020 and 2019, totaled \$25,587 and \$25,312, respectively. Total market value of the assets held in these funds amounted to \$583,968 and \$658,430 at March 31, 2020 and 2019, respectively.

**TRUST FUNDS**

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The Museum is the sole beneficiary of four 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, 2020 and 2019, the Museum received \$80,882 and \$7,643, respectively, from these trusts. Total market value of the assets held in these trusts amounted to \$2,187,282 and \$197,955 at March 31, 2020 and 2019, respectively.

The Museum is also an income beneficiary of \$3,422,817 and \$3,833,566, respectively. During the years ended March 31, 2020 and 2019, the Museum received \$281,621 and \$210,737, 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.

**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:

2021	\$ 2,701
2022	3,737
<b>Total</b>	<b>\$ 6,438</b>

**STRAWBERRY BANKE MUSEUM**  
**Notes to Financial Statements, Continued**  
**March 31, 2020 and 2019**

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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 3.25% and 5.50% at March 31, 2020 and 2019, respectively. At March 31, 2020 and 2019, the Museum had \$215,000 and \$65,000 outstanding on this line of credit, respectively, and paid interest on the line in the amount of \$2,910 and \$1,109, respectively. The 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.

**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 \$498,206 and \$532,857, respectively, for the years ended March 31, 2020 and 2019. Cost basis and accumulated depreciation information on the buildings with rental space was as follows at March 31:

	<u>2020</u>	<u>2019</u>
Buildings - cost	\$ 3,449,669	3,207,695
Less accumulated depreciation	(1,003,004)	(889,882)
<b>Net</b>	<b>\$ 2,446,665</b>	<b>2,317,813</b>

As of March 31, 2020 and 2019, 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.

**OPERATING LEASE OBLIGATIONS**

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At March 31, 2019, the Museum held certain equipment subject to an operating lease. The lease was non-cancelable and called for monthly payments of \$435 per month. During the years ended March 31, 2020 and 2019, the Museum incurred rental costs in relation to this operating lease amounting to \$652 and \$5,220, respectively. This lease ended during the year ended March 31, 2020.

**STRAWBERRY BANKE MUSEUM**  
**Notes to Financial Statements, Continued**  
**March 31, 2020 and 2019**

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CAPITAL LEASE OBLIGATIONS

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At March 31, 2020, the Museum held certain equipment subject to capital leases. Accordingly, the Museum has capitalized equipment in the amount of \$44,198 with related accumulated depreciation on this equipment amounting to \$12,522 and \$3,683, respectively, at March 31, 2020 and 2019. Future minimum lease payments required under this lease at March 31 are as follows:

2021	\$ 8,840
2022	8,840
2023	8,840
2024	5,156
Subtotal	31,676
Current portion	(8,840)
<b>Capital lease, non-current</b>	<b>\$ 22,836</b>

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. There were no contributed professional services or other in-kind property and materials contributed for either of the years ended March 31, 2020 and 2019.

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.

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, 2020 and 2019, contributions to the plan were \$24,162 and \$19,932, respectively.

**STRAWBERRY BANKE MUSEUM**  
**Notes to Financial Statements, Continued**  
**March 31, 2020 and 2019**

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RESTRICTIONS AND LIMITATIONS OF NET ASSET BALANCES

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Net assets with donor restrictions consisted of the following at March 31:

To be held in perpetuity:

	<u>2020</u>	<u>2019</u>
Endowment funds held in perpetuity	\$ 3,736,417	3,736,417
<u>Beneficial interest in assets held by others</u>	<u>583,968</u>	<u>658,430</u>
<b>Totals</b>	<b>\$ 4,320,385</b>	<b>4,394,847</b>

Subject to appropriation and expenditure when a specified event or time occurs:

Cumulative endowment (losses) earnings	\$ (182,850)	284,478
<u>Contributions restricted for future program purposes</u>	<u>621,404</u>	<u>563,153</u>
<b>Totals</b>	<b>\$ 438,554</b>	<b>847,631</b>
<b>Total net assets with donor restrictions</b>	<b>\$ 4,758,939</b>	<b>5,242,478</b>

A more detailed description of net assets with donor restrictions, and changes therein, as of and for the years ended March 31, 2020 and 2019, is presented within supplemental Schedule 2 following the notes on pages 22 to 24.

Net assets without donor restrictions consisted of the following at March 31:

	<u>2020</u>	<u>2019</u>
Board-designated quasi endowment	\$ 273,747	308,279
<u>Undesignated</u>	<u>551,872</u>	<u>598,429</u>
<b>Totals</b>	<b>\$ 825,619</b>	<b>906,708</b>

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 investment assets are captioned as board-designated quasi-endowment above, and within the statements of financial position.

**STRAWBERRY BANKE MUSEUM**  
**Notes to Financial Statements, Continued**  
**March 31, 2020 and 2019**

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**LIQUIDITY AND AVAILABILITY OF RESOURCES**

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The Museum has the following financial assets available within one year of the balance sheet date to meet cash needs for general expenditure:

Cash and cash equivalents	\$ 805,435
<u>Accounts receivable, net</u>	<u>39,131</u>
<b>Total</b>	<b><u>\$ 844,566</u></b>

None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the balance sheet date.

The Museum's endowment funds consist of donor-restricted endowments and board-designated quasi-endowment. As described in the "Endowment" footnote, the Museum's Board of Trustees has adopted an endowment spending policy under which the annual distribution from the donor-restricted endowment will be, based on the value of the endowment fund, to the extent that such distribution does not exceed a prudent level in the judgment of the Trustees.

The Museum has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. As more fully described in the "Lines of Credit" note, the Museum has one committed line of credit in the amount of \$250,000 which it could draw upon in the event of an unanticipated liquidity need. The outstanding balance on this line of credit at March 31, 2020 was \$215,000. Additionally, although the Museum does not intend to spend from its quasi-endowment fund other than amounts appropriated for general expenditure as part of its annual distribution amounts from its quasi-endowment funds could be made available if necessary.

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**METHOD USED FOR ALLOCATION OF EXPENSES**

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The financial statements report certain categories of expenses that are attributable to one or more program or supporting functions of the Museum. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Those expenses include depreciation and was allocated based on a percentage of 4% to Collections, 5% to Horticulture, 36% to Property, 6% to Visitors Services, 21% to Education, 12% to Special events, 14% to Labrie Family Skate, and 2% to Heritage House for fiscal 2020. During fiscal 2019, these expenses were allocated 4% to Collections, 6% to Horticulture, 34% to Property, 6% to Visitors Services, 19% to Education, 11% to Special events, 18% to Labrie Family Skate, and 2% to Heritage House.

**STRAWBERRY BANKE MUSEUM**  
**Notes to Financial Statements, Continued**  
**March 31, 2020 and 2019**

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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 November 4, 2020, which is the date these financial statements were available to be issued.

Subsequent to year-end, due to the COVID-19 pandemic, the Museum had to cancel events scheduled to take place in early fiscal 2021, as well as delay the opening of the Museum until July 1, 2020. In addition, the Museum has had to modify its operations to meet guidelines established by the State of New Hampshire. Presently, no school groups are expected to visit the Museum during the fall of 2020, but an online curriculum is being prepared. Camps are also being held remotely.

On April 25, 2020, the Museum applied for and was granted a loan in the amount of \$330,900 pursuant to the Paycheck Protection Program (the "PPP") as provided for under the Coronavirus Aid, Relief and Economy Security Act (CARES Act), enacted in March, 2020. The loan, which was in the form of a note dated April 23, 2020, matures on April 23, 2022 and bears interest at a rate of 1.00% per annum, payable monthly commencing on November 23, 2020. The note may be prepaid by the Museum at any time prior to maturity with no prepayment penalties. Funds from the Loan may only be used for payroll costs, costs used to continue group health care benefits, mortgage payments, rent, utilities, and interest on other debt obligations incurred before February 15, 2020. The Museum intends to use the entire Loan amount for qualifying expenses. Under the terms of the PPP, certain amounts of the Loan may be forgiven if they are used for qualifying expenses as described in the CARES Act. While the Museum currently believes that its use of the loan proceeds will meet the conditions for forgiveness, it is uncertain whether events will take place that could cause the Museum to be ineligible for forgiveness of the Loan, in whole or in part.



**STRAWBERRY BANKE MUSEUM**  
**Schedules of Revenue and Support**  
**Years Ended March 31, 2020 and 2019**

	2020	2019
Museum activities:		
Admissions	\$ 524,570	510,073
Grants	33,808	27,818
Programs	62,808	57,452
Events	272,578	270,109
Total museum activities	893,764	865,452
Labrie family skate	322,381	345,367
Development and fundraising:		
Memberships	152,315	161,498
Contributed income	1,347,340	1,220,645
Corporate sponsorship	112,449	125,180
Total development and fundraising	1,612,104	1,507,323
Investment income:		
Net investment (losses) gains	(649,062)	17,004
Investment income	144,120	124,721
Total investment (loss) income	(504,942)	141,725
Other income:		
Rent	535,277	578,507
Museum store	31,419	23,343
Miscellaneous	51,763	36,168
Total other income	618,459	638,018
Gain on disposition of building and other assets	-	-
<b>Total revenue and support</b>	<b>\$ 2,941,766</b>	<b>3,497,885</b>

*See independent auditor's report.*

**STRAWBERRY BANKE MUSEUM**  
**Schedule of Changes in Net Assets With Donor Restrictions**  
**Years Ended March 31, 2020 and 2019**

	2020				2019			
	Net asset balances		Net assets released from	Net asset balances	Net asset balances		Net assets released from	Net asset balances
	March 31, 2019	Income	restrictions	March 31, 2020	March 31, 2018	Income	restrictions	March 31, 2019
<b>Education:</b>								
Elizabeth P. Nowers Fund	\$ 2,227	-	-	2,227	2,227	-	-	2,227
City Lore - Becoming American Grant	-	-	-	-	-	1,300	(1,300)	-
Theater Project	-	-	-	-	6,232	5,590	(11,822)	-
On-line curriculum pilot	3,156	-	-	3,156	3,156	-	-	3,156
Time Travel Workshops	17,380	21,680	(30,243)	8,817	16,735	43,400	(42,755)	17,380
IMLS Grant	-	27,808	(27,294)	514	-	-	-	-
NH State Council on the Arts	-	-	-	-	2,800	13,000	(15,800)	-
Fuller Foundation	-	6,000	(6,000)	-	-	-	-	-
Lunch Program	-	10,000	-	10,000	-	-	-	-
Boat Shop Project	1,038	21,279	(20,297)	2,020	5,167	9,151	(13,280)	1,038
<b>Total education</b>	<b>23,801</b>	<b>86,767</b>	<b>(83,834)</b>	<b>26,734</b>	<b>36,317</b>	<b>72,441</b>	<b>(84,957)</b>	<b>23,801</b>
<b>Restoration and maintenance:</b>								
Archaeology	-	-	-	-	-	2,500	(2,500)	-
Cotton Tenant House	-	-	-	-	523	12,000	(12,523)	-
Heritage House project	36,420	-	(14,237)	22,183	204,819	-	(168,399)	36,420
Labrie Family Skate	34,962	-	-	34,962	24,043	10,919	-	34,962
Sherbourne Restoration	-	10,850	(6,782)	4,068	-	-	-	-
House Painting	22,800	-	-	22,800	22,800	15,000	(15,000)	22,800
Picnic Tables	(655)	-	-	(655)	(655)	-	-	(655)
Cotton Tenant House - Project	49,294	-	(765)	48,529	49,294	-	-	49,294
Penhallow - LCHIP	7,690	-	(7,690)	-	-	10,000	(2,310)	7,690
Memorial Landscape Project	11,900	17,023	-	28,923	11,850	50	-	11,900
Stoodley's Tavern	-	750	-	750	-	-	-	-
TBA Restorations	300	-	-	300	-	300	-	300
<b>Total restoration and maintenance</b>	<b>162,711</b>	<b>28,623</b>	<b>(29,474)</b>	<b>161,860</b>	<b>312,674</b>	<b>50,769</b>	<b>(200,732)</b>	<b>162,711</b>
<b>Collections:</b>								
Collections	302	-	-	302	302	-	-	302
Deaccession Fund	4,500	610	(4,500)	610	4,500	-	-	4,500
Acquisitions	4,476	-	-	4,476	4,476	-	-	4,476
Interpretation of Cotton Tenant House	242	-	-	242	242	-	-	242
Library (Fales)	3,149	-	-	3,149	3,149	-	-	3,149
Furniture for Yeaton Walsh	10,000	-	-	10,000	10,000	-	-	10,000
FEMA Grant	345	-	-	345	60	4,818	(4,533)	345
Vice Exhibit	8,383	-	(7,314)	1,069	19,835	-	(11,452)	8,383
Exhibits	19,902	5,000	(24,902)	-	584	20,000	(682)	19,902
<b>Total collections</b>	<b>51,299</b>	<b>5,610</b>	<b>(36,716)</b>	<b>20,193</b>	<b>43,148</b>	<b>24,818</b>	<b>(16,667)</b>	<b>51,299</b>

**STRAWBERRY BANKE MUSEUM**  
**Schedule of Changes in Net Assets With Donor Restrictions, Continued**

	2020				2019			
	Net asset balances	Income	Net assets released from restrictions	Net asset balances	Net asset balances	Income	Net assets released from restrictions	Net asset balances
	March 31, 2019			March 31, 2020	March 31, 2018			March 31, 2019
<b>Horticulture:</b>								
Horticulture	6,323	3,644	(7,864)	2,103	3,905	2,418	-	6,323
Children's garden	1,383	-	-	1,383	1,383	-	-	1,383
Victory garden	-	-	-	-	-	-	-	-
NHCF TBA Garden	5,761	685	(6,416)	30	5,081	680	-	5,761
Center for Heirloom Gardens	5,264	-	(225)	5,039	30,700	9,582	(35,018)	5,264
Herb garden arbor	997	-	(997)	-	997	-	-	997
Community garden	415	135	-	550	-	415	-	415
Shapiro garden	310	-	-	310	310	-	-	310
<b>Total horticulture</b>	<b>20,453</b>	<b>4,464</b>	<b>(15,502)</b>	<b>9,415</b>	<b>42,376</b>	<b>13,095</b>	<b>(35,018)</b>	<b>20,453</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	16,005	60	(16,065)	-	16,620	746	(1,361)	16,005
Green Museum	642	-	-	642	642	-	-	642
Vehicles	23,000	-	-	23,000	23,000	-	-	23,000
Board development	29	-	(29)	-	29	-	-	29
<b>Total discretionary funds</b>	<b>55,884</b>	<b>60</b>	<b>(16,094)</b>	<b>39,850</b>	<b>56,499</b>	<b>746</b>	<b>(1,361)</b>	<b>55,884</b>
<b>Salary support:</b>								
Archaeology	-	1,200	(1,200)	-	1,200	-	(1,200)	-
<b>Total salary support</b>	<b>-</b>	<b>1,200</b>	<b>(1,200)</b>	<b>-</b>	<b>1,200</b>	<b>-</b>	<b>(1,200)</b>	<b>-</b>
<b>Pledges receivable:</b>								
Unrestricted contributions	23,600	-	(16,600)	7,000	28,835	-	(5,235)	23,600
<b>Total pledges receivable</b>	<b>23,600</b>	<b>-</b>	<b>(16,600)</b>	<b>7,000</b>	<b>28,835</b>	<b>-</b>	<b>(5,235)</b>	<b>23,600</b>
<b>Capital Campaign:</b>								
Rising Sea Level Initiative	9,100	32,515	(22,562)	19,053	-	11,400	(2,300)	9,100
Research Project - Penhallow & Yeaton Walsh	12,625	-	(2,927)	9,698	-	23,000	(10,375)	12,625
Yeaton Walsh House - Interpretation Programming	12,407	65,458	(12,040)	65,825	-	25,000	(12,593)	12,407
HHP - YW, Penhallow & Patch	500	71,250	(3,096)	68,654	-	500	-	500
Visitor and Community Engagement	-	25,000	-	25,000	-	-	-	-
Preservation Project	-	24,438	(24,438)	-	-	-	-	-
Shapiro House Fund	-	2,634	-	2,634	-	-	-	-
Memorial Landscape Project	-	252	(252)	-	-	-	-	-
Undesignated	190,773	88,358	(113,643)	165,488	-	405,639	(214,866)	190,773
<b>Total capital campaign</b>	<b>225,405</b>	<b>309,905</b>	<b>(178,958)</b>	<b>356,352</b>	<b>-</b>	<b>465,539</b>	<b>(240,134)</b>	<b>225,405</b>
<b>Accumulated Endowment Earnings</b>	<b>284,478</b>	<b>(316,269)</b>	<b>(151,059)</b>	<b>(182,850)</b>	<b>296,493</b>	<b>216,413</b>	<b>(228,428)</b>	<b>284,478</b>

**STRAWBERRY BANKE MUSEUM**  
**Schedule of Changes in Net Assets With Donor Restrictions, Continued**

	2020			2019				
	Net asset balances March 31, 2019	Income	Net assets released from restrictions	Net asset balances March 31, 2020	Net asset balances March 31, 2018	Income	Net assets released from restrictions	Net asset balances March 31, 2019
Held in perpetuity - Endowment corpus:								
Marion H. Elder	\$ 809,727	-	-	809,727	809,727	-	-	809,727
Edward V. French	123,291	-	-	123,291	123,291	-	-	123,291
Emily Fisher Cartwright	130,484	-	-	130,484	130,484	-	-	130,484
Clark, Thompson, Brown, & Gartner	100,261	-	-	100,261	100,261	-	-	100,261
Rice Endowment	3,165	-	-	3,165	3,165	-	-	3,165
Lawrence Grady	22,328	-	-	22,328	22,328	-	-	22,328
Taylor Memorial Fund - MT Brown	50,000	-	-	50,000	50,000	-	-	50,000
Cecil C. Humphreys Memorial Fund	5,000	-	-	5,000	5,000	-	-	5,000
R.M. Gerrity	45,534	-	-	45,534	45,534	-	-	45,534
Shapiro House	47,543	-	-	47,543	47,543	-	-	47,543
Gift Annuity	21,598	-	-	21,598	21,598	-	-	21,598
Storer Goodwin Decatur	4,744	-	-	4,744	4,744	-	-	4,744
Memorial Fund	2,840	-	-	2,840	2,840	-	-	2,840
Marden House	15,000	-	-	15,000	15,000	-	-	15,000
The John Butler Smith & Gladys L. Smith Trusts	634,168	-	-	634,168	634,168	-	-	634,168
Shapiro Family Foundation Endowment	91,775	-	-	91,775	91,775	-	-	91,775
Campaign for Sustainability	1,628,959	-	-	1,628,959	1,437,959	191,000	-	1,628,959
<b>Total held in perpetuity - endowment corpus:</b>	<b>3,736,417</b>	<b>-</b>	<b>-</b>	<b>3,736,417</b>	<b>3,545,417</b>	<b>191,000</b>	<b>-</b>	<b>3,736,417</b>
Held in perpetuity - NHCF trust interest:								
NHCF – Thomas Bailey Aldrich Fund	161,858	(18,296)	-	143,562	166,947	(5,089)	-	161,858
NHCF – Guild of Strawberry Museum Fund	32,195	(3,436)	-	28,759	33,500	(1,305)	-	32,195
NHCF – Lawrence K. Grady Fund	464,377	(52,730)	-	411,647	478,697	(14,320)	-	464,377
<b>Total held in perpetuity</b>	<b>658,430</b>	<b>(74,462)</b>	<b>-</b>	<b>583,968</b>	<b>679,144</b>	<b>(20,714)</b>	<b>-</b>	<b>658,430</b>
<b>Total net assets with donor restrictions</b>	<b>\$ 5,242,478</b>	<b>45,898</b>	<b>(529,437)</b>	<b>4,758,939</b>	<b>5,042,103</b>	<b>1,014,107</b>	<b>(813,732)</b>	<b>5,242,478</b>

*See independent auditor's report.*

**STRAWBERRY BANKE MUSEUM**  
**Schedules of Revenues and Operating Expenses - Budget Basis**  
**Years Ended March 31, 2020 and 2019**

	2020 (Unaudited)	2019 (Unaudited)
<b>REVENUES</b>		
Admission fees	\$ 469,800	422,200
School groups	87,100	93,700
Retail sales	33,100	24,800
Event revenue	251,700	265,900
Program revenue	344,470	351,600
Misc income	4,400	1,500
Annual fund	438,300	416,400
Individual memberships	147,300	155,000
Corporate support	157,200	189,300
Investment income	161,630	174,000
Trust income	156,120	84,200
Rental income	528,080	574,400
Grant and project income	264,300	370,500
Management fees	21,100	20,800
Restricted funds	134,430	133,700
<b>Total Revenues</b>	<b>3,199,030</b>	<b>3,278,000</b>
<b>OPERATING EXPENSES</b>		
Salaries	1,355,080	1,337,700
Payroll taxes	98,400	96,300
Benefits	132,500	125,400
Insurance	71,200	74,900
Administrative office	59,480	51,800
Business & operations	950,850	897,300
Utilities	201,900	194,900
Grant and project income	244,300	370,500
Rental expense	161,700	171,000
<b>Total operating expenses</b>	<b>3,275,410</b>	<b>3,319,800</b>
<b>Excess deficiency of revenues under operating expenses - budget basis</b>	<b>\$ (76,380)</b>	<b>(41,800)</b>

*See independent auditor's report.*