

**AUDITED FINANCIAL STATEMENTS**

**HITCHCOCK CENTER FOR THE ENVIRONMENT, INC.**

*Amherst, Massachusetts*

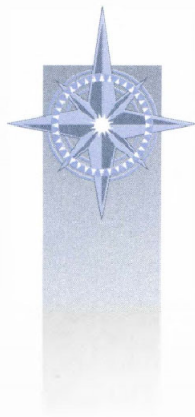
**JUNE 30, 2025**

***Boisselle, Morton & Wolkowicz, LLP***  
*Certified Public Accountants*

# **Hitchcock Center for the Environment, Inc.**

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## **Independent Auditors' Report**

To the Board of Directors  
**Hitchcock Center for the Environment, Inc.**  
Amherst, Massachusetts

### **Opinion**

We have audited the accompanying financial statements of Hitchcock Center for the Environment, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Hitchcock Center for the Environment, Inc. as of June 30, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Hitchcock Center for the Environment, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibilities of Management 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Hitchcock Center for the Environment, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Hitchcock Center for the Environment, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Hitchcock Center for the Environment, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Board of Directors  
**Hitchcock Center for the Environment, Inc.**  
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### **Report on Summarized Comparative Information**

We have previously audited Hitchcock Center for the Environment, Inc.'s June 30, 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 3, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Boisselle, Morton & Wolkowicz, LLP*

Hadley, Massachusetts  
November 13, 2025

**HITCHCOCK CENTER FOR THE ENVIRONMENT, INC.**

## Statement of Financial Position

June 30, 2025 (with comparative totals for June 30, 2024)

	<u>2025</u>	<u>2024</u>
<u>Assets</u>		
Current assets		
Cash and cash equivalents	\$ 308,494	\$ 108,966
Pledges receivable, current portion	83,319	51,272
Grants receivable	77,090	59,831
Accounts receivable	42,158	38,933
Prepaid expenses	6,874	548
Total current assets	<u>517,935</u>	<u>259,550</u>
Cash equivalents, endowments	29,523	29,523
Pledges receivable, long-term, net	87,018	86,609
Investments, Hitchcock Endowment	1,398,182	1,304,234
Property and equipment, net	<u>4,665,168</u>	<u>4,759,807</u>
Total assets	<u>\$ 6,697,826</u>	<u>\$ 6,439,723</u>
<u>Liabilities and Net Assets</u>		
Current liabilities		
Accounts payable	\$ 13,576	\$ 12,346
Accrued expense	26,695	23,646
Deferred revenue	<u>159,974</u>	<u>129,622</u>
Total current liabilities	<u>200,245</u>	<u>165,614</u>
Net assets		
Without donor restrictions		
Property and equipment	4,665,168	4,759,807
Available for operations	<u>84,499</u>	<u>36,441</u>
Total without donor restrictions	<u>4,749,667</u>	<u>4,796,248</u>
With donor restrictions	<u>1,747,914</u>	<u>1,477,861</u>
Total net assets	<u>6,497,581</u>	<u>6,274,109</u>
Total liabilities and net assets	<u>\$ 6,697,826</u>	<u>\$ 6,439,723</u>

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

**HITCHCOCK CENTER FOR THE ENVIRONMENT, INC.**

## Statement of Activities

Year Ended June 30, 2025

(with comparative totals for the year ended June 30, 2024)

	2025			2024
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Revenues, gains and other support				
Contributions	\$ 526,034	\$ 261,750	\$ 787,784	\$ 494,514
Program fees	319,653		319,653	341,678
Grants	261,230		261,230	111,850
Net unrealized gains on investments		124,395	124,395	7,604
Fundraising events, net	74,075		74,075	72,571
Investment income, net	1,306	22,667	23,973	60,643
Other income	22,721		22,721	20,536
Net assets released from restrictions	138,759	(138,759)		
Total revenues, gains and other support	<u>1,343,778</u>	<u>270,053</u>	<u>1,613,831</u>	<u>1,109,396</u>
Expenses and losses				
Programs	1,080,241		1,080,241	1,013,210
Management and general	92,949		92,949	106,462
Development	217,169		217,169	233,643
Total expenses	<u>1,390,359</u>		<u>1,390,359</u>	<u>1,353,315</u>
Change in net assets	(46,581)	270,053	223,472	(243,919)
Net assets - beginning of year	<u>4,796,248</u>	<u>1,477,861</u>	<u>6,274,109</u>	<u>6,518,028</u>
Net assets - end of year	<u>\$ 4,749,667</u>	<u>\$ 1,747,914</u>	<u>\$ 6,497,581</u>	<u>\$ 6,274,109</u>

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

# HITCHCOCK CENTER FOR THE ENVIRONMENT, INC.

## Statement of Functional Expenses

Year Ended June 30, 2025

(with comparative totals for the year ended June 30, 2024)

	2025							2024
	Programs				Management and General	Development	Total	Total
	Adult	School	Children & Family	Total Programs				
Employee and consultant expenses								
Compensation	\$ 24,682	\$ 278,770	\$ 282,193	\$ 585,645	\$ 43,404	\$ 145,129	\$ 774,178	\$ 797,815
Payroll taxes and employee benefits	3,675	37,491	47,156	88,322	17,382	17,697	123,401	117,901
Consultants	10,631	100,333	10,677	121,641	5,519	4,442	131,602	51,858
Total employee and consultant expenses	<u>38,988</u>	<u>416,594</u>	<u>340,026</u>	<u>795,608</u>	<u>66,305</u>	<u>167,268</u>	<u>1,029,181</u>	<u>967,574</u>
Occupancy								
Building repairs and maintenance	1,761	17,973	22,604	42,338	5,286	6,665	54,289	60,763
Insurance	714	7,288	9,166	17,168	4,693	4,558	26,419	24,891
Utilities	129	1,317	1,656	3,102	493	621	4,216	6,238
Rent	39	398	501	938	149	188	1,275	1,238
Total occupancy	<u>2,643</u>	<u>26,976</u>	<u>33,927</u>	<u>63,546</u>	<u>10,621</u>	<u>12,032</u>	<u>86,199</u>	<u>93,130</u>
Office and program supplies	748	15,197	7,229	23,174	832	11,799	35,805	48,384
Bank and credit card fees	789	8,046	10,119	18,954	3,012	5,694	27,660	23,883
Travel	208	17,933	4,080	22,221			22,221	20,444
Printing	261	1,708	714	2,683	49	7,066	9,798	9,883
Equipment rental and maintenance	26	1,377	342	1,745	58	5,610	7,413	8,689
Accounting					7,000		7,000	7,000
Telephone and internet	165	1,690	2,126	3,981	633	798	5,412	4,664
Professional development	152	1,545	2,913	4,610	39	49	4,698	6,589
Subscriptions and dues	89	897	2,427	3,413	321	855	4,589	3,799
Postage	126	411	191	728	57	1,879	2,664	4,008
Advertising	13	138	174	325			325	285
Interest					755		755	7,715
Subtotal	<u>2,577</u>	<u>48,942</u>	<u>30,315</u>	<u>81,834</u>	<u>12,756</u>	<u>33,750</u>	<u>128,340</u>	<u>145,343</u>
Total expenses before depreciation	44,208	492,512	404,268	940,988	89,682	213,050	1,243,720	1,206,047
Depreciation	<u>5,795</u>	<u>59,112</u>	<u>74,346</u>	<u>139,253</u>	<u>3,267</u>	<u>4,119</u>	<u>146,639</u>	<u>147,268</u>
Total expenses	<u>\$ 50,003</u>	<u>\$ 551,624</u>	<u>\$ 478,614</u>	<u>\$ 1,080,241</u>	<u>\$ 92,949</u>	<u>\$ 217,169</u>	<u>\$ 1,390,359</u>	<u>\$ 1,353,315</u>

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



# HITCHCOCK CENTER FOR THE ENVIRONMENT, INC.

## Statement of Cash Flows

Year Ended June 30, 2025

(with comparative totals for the year ended June 30, 2024)

	<u>2025</u>	<u>2024</u>
Cash flows from operating activities		
Change in net assets	\$ 223,472	\$ (243,919)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities		
Depreciation	146,639	147,268
Change in valuation allowance	10,000	10,000
Change in discount on pledges	(739)	1,207
Unrealized gain on investments	(124,395)	(7,604)
Net realized gains on sale of investments	(4,400)	(27,452)
Other changes in assets and liabilities		
Pledges receivable, net	(41,717)	23,483
Grants receivable	(17,259)	27,062
Accounts receivable	(3,225)	(28,158)
Prepaid expenses	(6,326)	5,158
Accounts payable	1,230	5,915
Accrued expense	3,049	2,688
Deferred revenue	30,352	(10,671)
Net cash provided (used) by operating activities	<u>216,681</u>	<u>(95,023)</u>
Cash flows from investing activities		
Purchase of property and equipment	(52,000)	
Purchases of investments	(270,544)	(935,479)
Proceeds from sale of investments	305,391	953,103
Net cash (used) provided by investing activities	<u>(17,153)</u>	<u>17,624</u>
Cash flows from financing activities		
Borrowings on line of credit	(60,043)	
Payments on line of credit	60,043	
Payments on note payable		(159,741)
Net cash used by financing activities	<u>-</u>	<u>(159,741)</u>
Net increase (decrease) in cash and cash equivalents	199,528	(237,140)
Cash and cash equivalents - beginning of year	<u>138,489</u>	<u>375,629</u>
Cash and cash equivalents - end of year	<u>\$ 338,017</u>	<u>\$ 138,489</u>
Supplemental disclosure		
Cash and cash equivalents	\$ 308,494	\$ 108,966
Cash equivalents, endowments	29,523	29,523
Total cash and cash equivalents	<u>\$ 338,017</u>	<u>\$ 138,489</u>
Cash paid for interest	<u>\$ 755</u>	<u>\$ 7,715</u>

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

# HITCHCOCK CENTER FOR THE ENVIRONMENT, INC.

Notes to Financial Statements

June 30, 2025

## 1. Summary of Significant Accounting Policies

*Mission:* Hitchcock Center for the Environment, Inc. (the “Hitchcock Center”) is an independent nonprofit organization, founded in 1962, whose mission is to educate and inspire action for a healthy planet. Hitchcock Center’s hands-on, interdisciplinary programs give people sound scientific information, critical thinking skills, creative and strategic problem-solving abilities, and inspiration to make change.

*Programs:* The Hitchcock Center’s mission is to educate and inspire action for a healthy planet. Instead of simply teaching about climate change, the Hitchcock Center develops hopeful, creative problem-solvers who can take on the challenges of climate change by helping them reconnect to and learn from nature’s efficient systems, develop a problem-solving mindset, and share a positive vision for the future.

We use our Living Building as a teaching tool, pushing the boundaries of sustainable design; we provide opportunities for people of all ages to develop a relationship with nature; we lead sustainable engineering and design challenges for youth; we teach communication, organization, and leadership skill-building for teens; we convene adults for discourse and civic engagement around climate change and sustainability; and we continue to broaden our reach to include communities that are disproportionately impacted by climate change.

The Hitchcock Center is a source of hope and inspiration, a community convener, and an educational resource reaching more than 13,000 people each year in the Connecticut River Valley region and beyond:

- **Living Building:** Our building is a working model for a sustainable future, a resource for others who want to adopt sustainable practices, and a source of hope and inspiration for all who visit. We used the Living Building to teach, convene, and host more than 5,000 people of all ages last year. Our grounds, gardens, and walking trails are open to the public, and help to connect children and adults to nature and each other.
- **Community Convening:** We bring people together, building relationships and collaborations to build resilience to climate change. Through collaboration with the Public Health Institute of Western Mass and many other partners, we educated more than 1,000 people in the Connecticut River Valley about the relationship between air quality, climate and health. We are building a network of more than 140 air quality sensors throughout the region, teaching people how to build their own air cleaners, and how they can advocate for clean air and a healthy environment.
- **Civic Engagement:** Our Adult Community Programs and Climate Action Series brought together more than 1,000 community members to learn about local natural history and address critical issues at the intersection of climate change, sustainability, and environmental justice through practical workshops, learning sessions, and discussions.

## **HITCHCOCK CENTER FOR THE ENVIRONMENT, INC.**

### **Notes to Financial Statements (Continued)**

**June 30, 2025**

#### **1. Summary of Significant Accounting Policies (Continued)**

##### *Programs (Continued):*

- **Stormwater Education:** We partnered with 6 towns throughout the Connecticut River Valley region to educate youth about watershed ecology, water conservation, and nature based solutions to address the increased cycles of flooding and drought we are seeing with climate change.
- **Educating Children, Youth and Families:** 1,080 children participated in our on-site vacation and summer camps, afterschool, and homeschool programs to learn problem-solving skills in an outdoor context, and collaborate on creative visioning of a sustainable future.
- **Financial Access:** More than 30% of the children, youth and families who participated in on-site programs benefited from increased financial access provided by our tiered fee structure and scholarship program.
- **School Residencies:** Hitchcock Center educators made repeated visits to schools, developing relationships with students and teachers as they led sustainable design and engineering challenges, took students on field trips to explore local ecosystems, brought classes to the Hitchcock Center to see sustainable design in action in our Living Building, and supported student action projects. These programs involved 207 teachers and 8,655 student interactions in 12 towns including Springfield, Longmeadow, Northampton, Amherst, South Hadley, Athol, Ware, Ashfield, Conway, Whately, Sunderland, and Deerfield (60% of which are Title I schools).
- **Springfield Public Schools:** More than 700 third-grade students and teachers in 35 classrooms participated in our Schools Exploring Engineering, Design, and Sustainability (SEEDS) program in partnership with the Springfield Public Schools this year. This program will reach all third-grade teachers over 3 years with a combination of professional development, resource kits, classroom activities, and field trips to the Hitchcock Center. Evaluation demonstrates that these students are increasing their understanding of and interest in design and engineering, and building their skills and identity as scientists and engineers. And, teachers are showing increased interest and confidence in teaching about science, engineering, and problem-solving.
- **Holyoke YMCA:** Youth from ages 3-13 worked with Hitchcock Center educators to learn through experiences with living creatures in Holyoke, explore science through hands-on activities, and work on problem solving and design challenges.
- **Youth Climate Leadership:** Teen leaders, supported by Hitchcock Center staff, worked with 20 youth climate action teams from across the region as part of the Western Massachusetts Youth Climate Summit in collaboration with Mass Audubon.

## HITCHCOCK CENTER FOR THE ENVIRONMENT, INC.

### Notes to Financial Statements (Continued)

June 30, 2025

#### 1. Summary of Significant Accounting Policies (Continued)

##### *Programs (Continued):*

- Professional Development: We provided professional learning opportunities for college interns, pre-service and in-service teachers.
- Community Support: This year, 774 donors supported the transformative work of the Hitchcock Center, through generous annual financial and in-kind donations.

*Basis of Accounting:* The financial statements of the Hitchcock Center are prepared on the accrual basis.

*Basis of Presentation:* The net assets of Hitchcock Center are reported in two classes based upon the presence or absence of donor restrictions. Net assets restricted by donors can be temporary in nature by being subject to stipulations imposed by donors and grantors or by being restricted by time of receipt of promises to give. These net assets will be released into net assets without donor restrictions when the Hitchcock Center carries out the donor or grantor stipulations or by the passage of time. Net assets restricted by donors are also due to endowments created by donors that restrict the corpus in perpetuity and allow only the earnings to be used by the Hitchcock Center. All other net assets are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Hitchcock Center.

*Income Taxes:* The Hitchcock Center is a not-for-profit corporation organized under Massachusetts General Laws Chapter 180. The Hitchcock Center is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code. In addition, the Hitchcock Center qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2). The Hitchcock Center is required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, the Hitchcock Center is subject to income tax on net income that is derived from business activities that are unrelated to our exempt purposes. Management has determined that the Hitchcock Center is not subject to unrelated business income tax and has not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.

*Use of Estimates:* The preparation 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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

*Cash and Cash Equivalents:* Cash equivalents include time deposits, certificates of deposit, and all highly liquid debt instruments with original maturity dates of three months or less.

## HITCHCOCK CENTER FOR THE ENVIRONMENT, INC.

### Notes to Financial Statements (Continued)

June 30, 2025

#### 1. Summary of Significant Accounting Policies (Continued)

*Pledges Receivable:* Pledges receivable are recorded when a donor makes a promise to give to Hitchcock Center that is, in substance, unconditional. These unconditional promises to give are recorded net of an allowance for present value of future cash flows and a valuation allowance based on a review of each pledge's collectability by management. The valuation allowance was \$22,500 and \$12,500 at June 30, 2025 and 2024, respectively.

*Grants Receivable:* Grants receivable are recorded when a grant is awarded. Based on past experience, the Hitchcock Center considers grants receivable to be fully collectible, and accordingly, no valuation allowance has been established.

*Accounts Receivable:* Accounts receivable are primarily due from schools and school systems and are stated net of an allowance for credit losses. The allowance for credit losses is measured on a collective basis when similar risk characteristics exist. For all accounts receivable, the Hitchcock Center uses the aging method to determine the allowance for credit losses with consideration of default probability as a key risk characteristic. Management provides for the allowance through a charge to expense and a credit to the valuation allowance based on an estimation using historical loss data, adjusted for current conditions and reasonable and supportable forecasts of future credit losses. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. At June 30, 2025 and 2024, management determined that any valuation allowance would be immaterial to the financial statements as a whole and recorded accounts receivable at their gross amounts.

*Cash Equivalents, Endowments:* Cash equivalents, endowments have donor restrictions from various endowments that only allow the Hitchcock Center to use the earnings from these funds. These funds are not available for general operations.

*Investments, Hitchcock Endowment:* Investments, Hitchcock Endowment are held with one investment broker, and are reported at fair value. Only the earnings from the Hitchcock Endowment may be used and the corpus of the investments is not available for general operations.

*Fair Value Measurements:* Accounting standards have established a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value.

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

## HITCHCOCK CENTER FOR THE ENVIRONMENT, INC.

### Notes to Financial Statements (Continued)

June 30, 2025

#### 1. Summary of Significant Accounting Policies (Continued)

*Fair Value Measurements (Continued):* Inputs to the valuation methodology for the three levels of the fair value hierarchy are described below:

Level 1	Unadjusted quoted prices for identical assets or liabilities in active markets. Market price is generally obtained from exchange or dealer markets.
Level 2	Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; inputs that are derived principally from or corroborated by observable market data by correlation or other means.
Level 3	Unobservable and significant to the fair value measurement.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

*Property and Equipment:* Property and equipment are capitalized when they benefit the operation of the Hitchcock Center for more than one year. These acquisitions are recorded at cost, or, if donated, at their estimated fair value.

Property and equipment are depreciated over the estimated useful lives of the respective assets on a straight-line basis as follows:

Living Building	50 years
Trails and exhibits	10 to 15 years
Furniture and office equipment	5 to 25 years
Leasehold improvements	10 to 15 years

*Deferred Revenue:* Monies received prior to summer day camp or other programs are reported as a liability until the summer day camp or other programs occur.

## HITCHCOCK CENTER FOR THE ENVIRONMENT, INC.

### Notes to Financial Statements (Continued)

June 30, 2025

#### 1. Summary of Significant Accounting Policies (Continued)

*Endowments:* The Hitchcock Center follows guidance from accounting standards generally accepted in the United States of America on the net asset classification of donor-restricted endowment funds for a nonprofit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA).

The Hitchcock Center has endowments established by donor designations (see Note 9). The endowments consist of donations that are invested in investment accounts that are managed by an outside investment brokerage firm. The Hitchcock Center spends the interest income from these endowments on direct program expenses, the camp program, and camp scholarships per the donor restrictions.

*Revenue Recognition:* Contributions are recognized when received or a donor makes a promise to give to the Hitchcock Center that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in the net assets without restrictions class if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases to net assets with donor restrictions.

Program fees are recorded as revenue when the program occurs. Grants are recorded when awarded and accounted for according to grantor restrictions. Grants with a right of return and measurable performance, or other barriers, are not recognized until the conditions on which they depend have been met. Fundraising event income, investment income, and other income are recorded when earned.

*Donated Services, Materials and Space:* The Hitchcock Center records contributed office space, professional services and materials as in-kind support. Contributed professional services are recognized if the services received create or enhance long-lived assets or required specialized skills provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Non-cash donations are recognized at fair market value when received. The amounts reflected in the financial statements as in-kind support are offset by like amounts included in expenses.

The Hitchcock Center receives a substantial number of volunteers and members of the staff to organize and carry on the public programs, annual fundraising campaign and other services. These services do not meet the recognition criteria described above and the value of this contributed time is not reflected in the accompanying financial statements.

# HITCHCOCK CENTER FOR THE ENVIRONMENT, INC.

## Notes to Financial Statements (Continued)

June 30, 2025

### 1. Summary of Significant Accounting Policies (Continued)

*Expense Allocation:* Expenses that are directly related to a specific program are charged directly to that program. All other expenses are charged to the Hitchcock Center's programs and support services on the basis of the Hitchcock Center's estimate of the staff time engaged in the various functions. Costs for specific development activities are directly charged to development. Management and general costs include those expenses that are not directly identifiable with any other specific function but allocated based upon management's estimates of the benefits derived or utilization by each function.

*Advertising:* The Hitchcock Center uses advertising to promote its programs among audiences it serves. The cost of advertising is expensed when incurred. Advertising expense was \$325 and \$285 for the years ended June 30, 2025 and 2024, respectively.

*Reclassifications:* Certain reclassifications have been made to the June 30, 2024 summarized comparative information to be in conformity with the current year presentation. These reclassifications had no effect on the previously reported change in net assets or ending net assets.

*Comparative Information:* The financial statements include certain prior-year summarized comparative information in total but not by function or net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Hitchcock Center's audited financial statements for the year ended June 30, 2024, from which the summarized information was derived.

### 2. Pledges Receivable

Unconditional promises to give are included in the financial statements as "pledges receivable" and revenue of the appropriate net asset category. Pledges are recorded at face value less a discount for the present value of future cash flows and an allowance for uncollectible pledges. The discount rate used to calculate the present value was 3.0%. Pledges receivable consisted of the following at June 30:

	<u>2025</u>	<u>2024</u>
Due in one year	\$ 83,319	\$ 51,272
Due in two to five years	<u>118,125</u>	<u>108,455</u>
Subtotal	201,444	159,727
Less: allowance for uncollectible pledges	22,500	12,500
Less: discount for present value	<u>8,607</u>	<u>9,346</u>
Total pledges receivable, net	<u>\$170,337</u>	<u>\$137,881</u>



# HITCHCOCK CENTER FOR THE ENVIRONMENT, INC.

## Notes to Financial Statements (Continued)

June 30, 2025

### 3. Grants Receivable

Grants receivable consisted of the following at June 30:

	<u>2025</u>	<u>2024</u>
Grants from foundations	\$37,741	\$50,000
Forest Service	3,053	5,000
Institute of Museum & Library Services	781	1,174
US Environmental Protection Agency	<u>35,515</u>	<u>3,657</u>
Total grants receivable	<u>\$77,090</u>	<u>\$59,831</u>

### 4. Investments, Hitchcock Endowment

The fair value of investments, all Level 1, were as follows at June 30:

	<u>2025</u>	<u>2024</u>
Stocks	\$ 842,450	\$ 769,538
Municipal bonds	147,407	147,075
Cash and short-term reserves	96,726	96,555
Corporate bonds	186,265	168,345
U.S. Treasury bills	<u>125,334</u>	<u>122,721</u>
Total investments, Hitchcock Endowment	<u>\$1,398,182</u>	<u>\$1,304,234</u>

Net investment earnings were \$22,667 and \$59,092 for the years ended June 30, 2025, and 2024, respectively. Investment income on the statement of activities also includes bank interest.

Net unrealized gains in market value were \$124,395 and \$7,604 for the years ended June 30, 2025 and 2024, respectively.

The cash and short-term reserves are not considered as cash equivalents because they are included in this restricted investment for the Hitchcock Endowment.

## HITCHCOCK CENTER FOR THE ENVIRONMENT, INC.

### Notes to Financial Statements (Continued)

June 30, 2025

#### 5. Property and Equipment

Property and equipment consisted of the following at June 30:

	<u>2025</u>	<u>2024</u>
Living Building	\$5,364,093	\$5,364,093
Furniture and office equipment	307,070	308,119
Accessible trail improvements	27,377	27,377
Exhibits	151,345	151,345
Leasehold improvements	<u>158,814</u>	<u>106,814</u>
	6,008,699	5,957,748
Less accumulated depreciation	<u>1,343,531</u>	<u>1,197,941</u>
	<u>\$4,665,168</u>	<u>\$4,759,807</u>

Depreciation expense was \$146,639 and \$147,268 for the years ended June 30, 2025 and 2024, respectively.

The Hitchcock Center disposed of a fully-depreciated computer for \$1,049 during the year ended June 30, 2025.

#### 6. Deferred Revenue

Deferred revenue included in the Hitchcock Center's liabilities in the amount of \$159,974 and \$129,622 at June 30, 2025 and 2024, respectively, consisted of prepaid fees for summer day camp and various programs.

#### 7. Line-of-Credit

The Hitchcock Center opened a \$100,000 line-of-credit with a local bank in November 2024. Any borrowings are payable with interest at the Prime Rate (7.5% at June 30, 2025). Borrowings are secured by substantially all the assets of the Hitchcock Center. The Hitchcock Center had a \$50,000 line-of-credit agreement prior to this new line-of-credit. There was no outstanding balance on either line-of-credit at June 30, 2025 or 2024.

#### 8. Note Payable

The Hitchcock Center had a note payable from a local bank, secured by a mortgage on their property in Amherst, Massachusetts. The Hitchcock Center owed \$159,741 on the note payable at June 30, 2023. The Hitchcock Center paid off the note payable during the year ended June 30, 2024.

# HITCHCOCK CENTER FOR THE ENVIRONMENT, INC.

## Notes to Financial Statements (Continued)

June 30, 2025

### 9. Net Assets With Donor Restrictions

Net assets restricted by donors consisted of the following at June 30:

	<u>2025</u>	<u>2024</u>
Purpose and time restrictions:		
Green Building fund	\$ 55,200	\$ 87,700
School year 2025-2026	120,000	
Other restricted funds	8,026	12,949
Annual fund pledges	<u>136,983</u>	<u>43,455</u>
Total purpose and time restrictions	<u>320,209</u>	<u>144,104</u>
Endowments:		
Hitchcock Endowment	1,398,182	1,304,234
Other endowments	<u>29,523</u>	<u>29,523</u>
Total endowments	<u>1,427,705</u>	<u>1,333,757</u>
Total net assets with donor restrictions	<u>\$1,747,914</u>	<u>\$1,477,861</u>

Changes in donor-designated endowment net assets were as follows as of June 30:

	<u>2025</u>	<u>2024</u>
Endowments, beginning of year	\$1,333,757	\$1,316,326
Investment income, net	22,667	59,092
Unrealized market gains, net	124,395	7,604
Less: amounts expended	<u>(53,114)</u>	<u>(49,265)</u>
Endowments, end of year	<u>\$1,427,705</u>	<u>\$1,333,757</u>

### 10. Long-Term Lease

Commencing July 1, 2015, the Hitchcock Center entered into a 95-year ground lease with Hampshire College that requires an annual lease payment based on 5.0% of the assessed value of the land, with annual rent increases of 3.0%. Rent expense was \$1,275 and \$1,238, for the years ended June 30, 2025 and 2024, respectively. The Hitchcock Center chose not to capitalize the right-of-use asset and lease liability associated with this lease as it would have no material impact on the financial statements.

### 11. Related Parties

The Hitchcock Center paid a board member \$9,625 for program consulting services during the year ended June 30, 2024. The Hitchcock Center did not pay any board member during the year ended June 30, 2025.

## HITCHCOCK CENTER FOR THE ENVIRONMENT, INC.

### Notes to Financial Statements (Continued)

June 30, 2025

#### 12. Available Resources and Liquidity

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprised the following at June 30:

	<u>2025</u>	<u>2024</u>
Cash and cash equivalents	\$ 308,494	\$108,966
Pledges receivable, net	170,337	137,881
Grants receivable	77,090	59,831
Accounts receivable	42,158	38,933
Less: Green Building pledges and grant	( 55,200)	( 87,700)
Less: Other pledges due in more than one year	(136,983)	( 43,455)
Less: Other restricted funds	( 8,026)	( 12,949)
Total financial assets available for general expenditures within one year	<u>\$ 397,870</u>	<u>\$201,507</u>

These financial assets are available to pay the following liabilities due within one year of the statement of financial position date of June 30:

	<u>2025</u>	<u>2024</u>
Accounts payable	\$ 13,576	\$ 12,346
Accrued expense	26,695	23,646
Deferred revenue	<u>159,974</u>	<u>129,622</u>
Total liabilities due within one year	<u>\$200,245</u>	<u>\$165,614</u>

As part of the Hitchcock Center's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. The Hitchcock Center also has a \$100,000 line-of-credit available for short-term liquidity needs.

#### 13. Subsequent Events

Management has evaluated subsequent events after the statement of financial position date of June 30, 2025, through November 13, 2025, the date on which the financial statements were available to be issued, and concluded that no additional disclosures were required.