

**SEACOAST SCIENCE CENTER, INC.**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2021**

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**HESSION & PARE, P.C.**  
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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
Seacoast Science Center, Inc.  
Rye, NH

### **Opinion**

We have audited the accompanying financial statements of the Seacoast Science Center, Inc. (the "Center") (a nonprofit organization), which comprise the statement of financial position as of December 31, 2021, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Seacoast Science Center, Inc. as of December 31, 2021 and the changes in 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Center 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

To the Board of Directors  
Seacoast Science Center, Inc.

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 the Center's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### **Auditor's 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Center'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 Seacoast Science Center, Inc.'s ability to continue as a going concern for a reasonable period of time.

To the Board of Directors  
Seacoast Science Center, Inc.

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.

**Report on Summarized Comparative Information**

We have previously audited the Center's 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 1, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Manchester, New Hampshire  
July 21, 2022

*Hessum, Pare PC*

SEACOAST SCIENCE CENTER, INC.

STATEMENTS OF FINANCIAL POSITION

As of December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Current assets		
Cash and cash equivalents	\$ 1,664,470	\$ 867,544
Grants and accounts receivable	8,475	1,074
Pledges receivable, net	60,000	30,000
Inventory	19,313	17,754
Other current assets	-	1,974
	<u>1,752,258</u>	<u>918,346</u>
Total current assets		
Property and equipment, net	<u>1,209,146</u>	<u>1,252,196</u>
Other assets		
Long-term pledges receivable, less current portion	10,000	38,553
Funds held by others	347,819	302,842
	<u>357,819</u>	<u>341,395</u>
Total assets	<u>\$ 3,319,223</u>	<u>\$ 2,511,937</u>

LIABILITIES AND NET ASSETS

Liabilities		
Accounts payable	\$ 47,430	\$ 2,356
Accrued wages and taxes	82,193	56,634
Deposits	12,600	14,800
Deferred revenue	34,575	26,063
Paycheck Protection Program Loan	-	215,000
	<u>176,798</u>	<u>314,853</u>
Total liabilities		
Net assets		
Without donor restrictions	2,956,788	2,010,915
With donor restrictions	185,637	186,169
	<u>3,142,425</u>	<u>2,197,084</u>
Total net assets		
Total liabilities and net assets	<u>\$ 3,319,223</u>	<u>\$ 2,511,937</u>

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

SEACOAST SCIENCE CENTER, INC.

STATEMENT OF ACTIVITIES

For the Years Ended December 31, 2021 and 2020

	Without donor restrictions	With donor restrictions	2021	2020
Revenue and support				
Center activities				
Camps	\$ 317,685	\$ 3,545	\$ 321,230	\$ 257,460
Programs	30,896	16,442	47,338	16,720
Admissions	245,945	-	245,945	79,092
	594,526	19,987	614,513	353,272
Development and fundraising				
Membership	74,609	-	74,609	48,658
Beneficiary income	8,926	-	8,926	13,898
Contributions	1,076,296	59,803	1,136,099	659,592
Events	24,550	1,451	26,001	6,644
In-kind consideration	15,675	805	16,480	22,186
	1,200,056	62,059	1,262,115	750,978
Other				
Nature store	145,855	-	145,855	43,172
Grant income	300	46,996	47,296	349,580
Facility income	176,775	-	176,775	50,492
Investment gain	2,136	-	2,136	4,553
Net unrealized and realized gain on funds held by others	59,961	-	59,961	42,252
Forgiveness of Paycheck Protection Program loan	433,793	-	433,793	-
	818,820	46,996	865,816	490,049
Total revenue and support	2,613,402	129,042	2,742,444	1,594,299
Net assets released from restrictions				
Satisfaction of program restrictions	129,574	(129,574)	-	-
Expenses				
Camps	160,630	-	160,630	198,427
Exhibits	198,755	-	198,755	167,936
Programs	461,270	-	461,270	515,337
Marine mammal rescue	123,472	-	123,472	115,902
Membership	1,417	-	1,417	3,359
Admissions	86,595	-	86,595	65,055
Facility	170,164	-	170,164	102,695
Nature store	77,796	-	77,796	30,677
Total program expenses	1,280,099	-	1,280,099	1,199,388
Development	273,892	-	273,892	190,129
General and administrative	243,112	-	243,112	127,906
Total expenses	1,797,103	-	1,797,103	1,517,423
Change in net assets	945,873	(532)	945,341	76,876
Net assets, beginning of year	2,010,915	186,169	2,197,084	2,120,208
Net assets, end of year	\$ 2,956,788	\$ 185,637	\$ 3,142,425	\$ 2,197,084

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

SEACOAST SCIENCE CENTER, INC

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2021  
(with comparative totals for the Year Ended December 31, 2020)

	Camps	Exhibits	Programs	Marine Mammal Rescue	Membership	Admissions	Facility	Nature Store	Total program expenses	Development		General and Administrative		2020
										2021	2020	2021	2020	
Expenses	\$ 125,075	\$ 95,645	\$ 266,360	\$ 86,551	\$ -	\$ 68,328	\$ 45,873	\$ 8,707	\$ 696,539	\$ 99,339	\$ 111,890	\$ 907,768	\$ 866,543	
Salaries	2,066	8,731	19,811	4,174	-	2,080	1,885	-	38,747	6,879	20,640	66,266	134,032	
Benefits	9,244	7,068	19,685	6,396	-	5,049	3,390	643	51,475	7,341	8,269	67,085	66,125	
Payroll taxes														
Total salaries and related expenses	136,385	111,444	305,856	97,121	-	75,457	51,148	9,350	786,761	113,559	140,799	1,041,119	1,066,700	
Outside services	-	-	18,454	6,788	-	-	14,562	-	39,804	105,471	32,271	177,546	47,854	
Exhibit costs	-	83,535	24	-	-	637	512	-	84,708	-	-	84,708	30,802	
Cost of sales	-	-	-	-	-	-	-	63,560	63,560	-	-	63,560	23,282	
Professional fees	-	-	18,109	-	-	-	966	-	19,075	4,590	37,983	61,648	29,356	
Repairs and maintenance	1,496	-	416	485	-	-	34,695	-	37,092	2,250	707	40,049	35,015	
Supplies	2,402	1,769	8,196	4,701	-	1,846	7,970	408	27,292	1,640	7,749	36,681	34,128	
Credit card processing fees	10,973	-	3,826	1,463	663	6,147	3,770	-	26,842	6,567	507	33,916	23,484	
Rent expense	9	-	9,830	-	-	-	19,992	161	29,992	820	2,348	33,160	25,508	
Insurance	656	-	14,998	-	-	-	1,129	-	16,783	2,825	5,120	24,728	28,469	
Voice and data	576	-	12,863	316	-	-	678	-	14,433	2,497	1,007	17,937	7,475	
Professional development	-	966	7,042	400	-	-	-	-	8,408	3,071	2,200	13,679	3,880	
Travel and meals	89	1,016	1,486	4,087	-	38	82	-	6,798	6,258	521	13,577	4,712	
Travel and meals	-	-	611	20	-	-	55	26	712	11,476	89	12,277	7,541	
Software	-	-	2,323	-	-	-	-	-	13,365	(1,447)	-	11,918	22,518	
Program expense	6,267	4,775	-	-	-	-	-	-	2,479	7,723	129	10,331	16,968	
Event expense	254	-	647	-	-	-	1,578	-	2,479	145	3,640	10,291	11,676	
Advertising	541	-	2,665	-	-	2,245	1,055	-	6,506	1,281	2,856	9,841	3,708	
Postage and shipping	-	1,150	16	372	-	-	333	3,833	5,704	-	47	9,509	1,600	
Other grant expenses	192	124	1,295	7,310	-	-	541	420	9,462	785	817	8,964	3,503	
Dues and subscriptions	590	1,401	4,351	100	200	225	75	38	7,362	3,541	753	5,063	3,718	
Miscellaneous	200	-	403	55	-	-	73	-	769	840	279	3,456	10,087	
Printing	-	110	1,433	240	554	-	-	-	2,337	-	3,290	3,304	-	
Interest expense	-	-	-	14	-	-	-	-	14	-	-	-	1,959	
Hosting expense	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total expenses before depreciation and amortization	160,630	206,290	414,844	123,472	1,417	86,595	139,214	77,796	1,210,258	273,892	243,112	1,727,262	1,443,943	
Depreciation and amortization	-	-	21,166	-	-	-	48,675	-	69,841	-	-	69,841	73,480	
Total expenses	\$ 160,630	\$ 206,290	\$ 436,010	\$ 123,472	\$ 1,417	\$ 86,595	\$ 187,889	\$ 77,796	\$ 1,280,099	\$ 273,892	\$ 243,112	\$ 1,797,103	\$ 1,517,423	

See notes to financial statements.



SEACOAST SCIENCE CENTER, INC.

STATEMENTS OF CASH FLOWS

For the Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Cash flows from operating activities		
Change in net assets	\$ 945,341	\$ 76,876
Adjustment to reconcile change in net assets to net cash provided by operating activities		
Depreciation	69,841	73,480
(Increase) decrease in grants and accounts receivable	(7,401)	13,860
(Increase) in pledges receivable	(1,447)	(18,553)
(Increase) in inventory	(1,559)	(813)
Decrease in other current assets	1,974	4,313
Increase (decrease) in accounts payable	45,074	(6,611)
Increase in accrued wages and taxes	25,559	6,277
Increase (decrease) in deferred income	8,512	(5,052)
(Decrease) increase in deposits	<u>(2,200)</u>	<u>1,200</u>
Net cash provided by operating activities	<u>1,083,694</u>	<u>144,977</u>
Cash flows from investing activities		
Purchase of equipment	(26,791)	(5,980)
(Increase) in funds held by others	<u>(44,977)</u>	<u>(22,956)</u>
Net cash (used in) investing activities	<u>(71,768)</u>	<u>(28,936)</u>
Cash flows from financing activities		
Paycheck Protection Program loan	215,000	215,000
Forgiveness of Paycheck Protection Program loan	<u>(430,000)</u>	<u>-</u>
Net cash (used in) provided by financing activities	<u>(215,000)</u>	215,000
Net increase in cash and cash equivalents	796,926	331,041
Cash and cash equivalents, beginning of year	<u>867,544</u>	<u>536,503</u>
Cash and cash equivalents, end of year	<u>\$ 1,664,470</u>	<u>\$ 867,544</u>

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

**SEACOAST SCIENCE CENTER, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**Note 1. NATURE OF ACTIVITIES**

The Seacoast Science Center, Inc. (the “Center”) operates a year-round education facility located at Odiorne Point State Park. Odiorne Point State Park is owned and operated by the State of New Hampshire. In December of 2016, the Center, incorporated in 1992, signed a continuing 10-year management agreement with the Division of Parks and Recreation.

The Center provides programs to school groups and the general public, focused primarily on the history and ecology of Odiorne Point State Park and the Gulf of Maine. The Center’s facility showcases coastal habitats and the environmental history of the Gulf of Maine.

The Center operates a retail store on their premises that follows the same mission as the organization. Items sold allow the general public to take home memorabilia of their visit to the Center, along with books and materials to further educate them about the surrounding area and marine life.

The Center’s major sources of revenue are generated from Center activities and contributions.

**Note 2. SIGNIFICANT ACCOUNTING POLICIES**

**Significant accounting policies**

The Center prepares its financial statements in accordance with generally accepted accounting principles promulgated in the United States of America (U.S. GAAP) for not-for-profit entities. The significant accounting and reporting policies used by the Center are described subsequently to enhance the usefulness and understandability of the financial statements.

**Net assets**

The financial statements report net assets and changes in net assets that are based upon the existence or absence of restrictions on use that are placed by its donors, as follows:

Net assets without donor restrictions – Net assets without donor restrictions are resources available to support operations. The only limits on the use of these net assets are the broad limits resulting from the nature of the Center, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

**SEACOAST SCIENCE CENTER, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**Note 2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

Net assets with donor restrictions – Net assets with donor restrictions are resources that are restricted by a donor for use for a particular purpose or in a particular future period. Some donor-imposed restrictions are temporary in nature, and the restriction will expire when the resources are used in accordance with the donor's instructions or when the stipulated time has passed. Other donor-imposed restrictions are perpetual in nature; the Center must continue to use the resources in accordance with the donor's restrictions.

**Accrual basis**

The financial statements of the Center have been prepared on the accrual basis. Revenue is recorded when earned and expenses are recorded when incurred. Contributions and grants are recognized when received.

**Use of estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, 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.

**Cash and cash equivalents**

For the purpose of the statement of cash flows, the Center considers all cash and money market investments with an initial maturity of three months or less to be cash equivalents.

**Receivables**

Accounts receivable are carried at original invoice amount. Management determines the collectability by regularly evaluating individual receivables. Receivables are written off when deemed uncollectible. Recoveries of accounts receivable previously written off are recorded as revenue when received. Management believes that all outstanding receivables are collectible; therefore, no allowance for uncollectible receivables has been provided. The Center does not accrue interest on unpaid accounts receivable.

**Inventories**

Inventory is stated at the lower of cost or market (first-in, first-out method). Inventory consists of items for resale held at the Center's store.

**SEACOAST SCIENCE CENTER, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**Note 2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Property and equipment**

Property and equipment are capitalized at cost. Expenditures for repairs and maintenance are expensed as incurred and betterments in excess of \$2,500 are capitalized as additions to property and equipment. Depreciation is calculated using the straight-line method over the following estimated useful lives:

Exhibits	10 years
Leasehold improvements	5 – 39 years
Equipment	5 years
Furniture and fixtures	7 – 10 years

For the years ended December 31, 2021 and 2020, depreciation expense was \$69,841 and \$73,480, respectively.

**Deferred income**

Income from facility use and program fees for events and programs are deferred and recognized over the period to which it relates.

**Revenue recognition**

The Center has multiple revenue streams that are accounted for as a reciprocal exchange transaction, including center activities, membership, nature store, and facility income.

Center activities, membership, nature store, and facility income are recognized ratably over the period each service is provided on a straight-line basis in an amount that reflects the consideration the Center expects to be entitled to in exchange for those services. All the Center's revenue from contracts with customers are from performance obligations satisfied over time. Prices are specific to a distinct performance obligation and do not consist of multiple transactions.

Because the Center's performance obligations relate to contracts with a duration of less than one year, the Center has elected to apply the optional exemption provided in FASB ASC 606-10-50-14(a), *Revenue from Contracts with Customers*, and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period. There are no incremental costs of obtaining a contract and no significant financing components.

**SEACOAST SCIENCE CENTER, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**Note 2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Contributions and grants**

Contributions and grants, including unconditional promises to give (pledges), are recognized when received. All contributions are reported as increases in net assets without donor restrictions unless use of the contributed assets is specifically restricted by the donor. Amounts received that are restricted by the donor to use in future periods or for specific purposes are reported as increases in net assets with donor restrictions. Unconditional promises with payments due in future years have an implied restriction to be used in the year payment is due, and therefore, are reported as restricted until the payment is due, unless the contribution is clearly intended to support activities of the current fiscal year. Conditional promises, such as matching grants, are not recognized until they become unconditional; that is, until all conditions on which they depend are substantially met.

**Advertising costs**

Advertising costs are expensed as incurred. For the years ended December 31, 2021 and 2020, non-donated advertising expense was \$10,291 and \$11,676, respectively.

**Functional allocation of expenses**

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities. Expenses that can be identified with a specific program or support service are charged directly to that program or support service. Costs common to multiple functions have been allocated among the various functions benefitted.

**Income taxes**

The Center is a not-for-profit organization exempt under Section 501(c)(3) of the Internal Revenue Code and is classified as other than a private foundation; however, certain unrelated business income is subject to federal taxation. Facility income received is recorded as unrelated business income, and related expenses are reported in the statement of activities. During the years ended December 31, 2021 and 2020, there was no tax liability on unrelated business income. The income tax filings for the tax years before 2018 are no longer subject to examination by federal and state taxing authorities.

SEACOAST SCIENCE CENTER, INC.

NOTES TO FINANCIAL STATEMENTS

**Note 2. SIGNIFICANT ACCOUNTING POLICIES (concluded)**

**Summarized financial information**

The financial statements include certain prior-year summarized comparative information in total, but not by asset class. Accordingly, such information should be read in conjunction with the Center's financial statements for the year ended December 31, 2020, from which the summarized information was derived, in order to have comparative information in conformity with accounting principles generally accepted in the United States of America.

**Note 3. LIQUIDITY AND AVAILABILITY**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use within one year of December 31 are:

	<u>2021</u>	<u>2020</u>
Financial assets:		
Cash and cash equivalents	\$ 1,664,470	\$ 867,544
Grants and accounts receivable	8,475	1,074
Pledges receivable	70,000	68,553
Funds held by others	<u>347,819</u>	<u>302,842</u>
Total financial assets	2,090,764	1,240,013
Less financial assets held to meet donor-imposed restrictions:		
Purpose-restricted net assets	(185,637)	(186,169)
Less financial assets not available within one year:		
Funds held by others	(347,819)	(302,842)
Pledges receivable	<u>(10,000)</u>	<u>(40,000)</u>
Amount available for general expenditures within one year	<u>\$ 1,547,308</u>	<u>\$ 711,002</u>

As part of their liquidity management plan, the Center invests cash in excess of daily requirements in bank certificate of deposits. The Center maintains a revolving line of credit of \$200,000 to cover short-term cash needs.

SEACOAST SCIENCE CENTER, INC.

NOTES TO FINANCIAL STATEMENTS

**Note 4. FAIR VALUE MEASUREMENTS**

Generally accepted accounting principles establish a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels:

Level 1: prices based on quoted prices in active markets which are accessible on the measurement date for identical assets and liabilities.

Level 2: prices based on indirect information, such as quoted prices for similar assets or liabilities in active markets, or quoted prices for identical or similar assets or liabilities in inactive markets.

Level 3: prices based on management's judgment and estimation and are developed using the best information in the circumstances.

**Note 5. PLEDGES RECEIVABLE**

Pledges receivable represent amounts due from grant awards and donors for multi-year, unconditional pledges. Pledges receivable are shown net of a discount on future collections. Payments on the pledges are expected to be received as follows:

	<u>2021</u>	<u>2020</u>
Promises to give expected to be collected in		
Less than one year	\$ 60,000	\$ 30,000
One to five years	<u>10,000</u>	<u>40,000</u>
Total pledges receivable	70,000	70,000
Less discount to present value	<u>( - )</u>	<u>(1,447)</u>
Pledges receivable, net	<u>\$ 70,000</u>	<u>\$ 68,553</u>

Pledge receivables are reported at fair value, which is estimated as the net present value of expected future cash inflows on a non-recurring basis. At December 31, 2021 and 2020, a discount rate of 3.0% was considered to determine the net present value. As discussed in Note 4, the valuation technique used by the Center is a Level 3 measure because there are no observable market transactions.

SEACOAST SCIENCE CENTER, INC.

NOTES TO FINANCIAL STATEMENTS

**Note 6. PROPERTY AND EQUIPMENT**

Property and equipment were comprised of the following at December 31:

	<u>2021</u>	<u>2020</u>
Leasehold improvements	\$ 1,868,115	\$ 1,857,192
Exhibits	795,835	779,967
Equipment	170,577	170,577
Vehicles	55,981	55,981
Website	30,000	30,000
Furniture and fixtures	<u>9,467</u>	<u>9,467</u>
	2,929,975	2,903,184
Less accumulated depreciation	<u>(1,720,829)</u>	<u>(1,650,988)</u>
Total	<u>\$ 1,209,146</u>	<u>\$ 1,252,196</u>

**Note 7. FUNDS HELD BY OTHERS**

The Center is a beneficiary of three designated funds at the New Hampshire Charitable Foundation. Pursuant to the terms of the resolution establishing the funds, property contributed to the New Hampshire Charitable Foundation is held as a separate fund designated for the benefit of the Center. In accordance with its spending policy, the Foundation makes distributions from the funds to the Center.

The distributions are approximately 4.0% 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 New Hampshire Charitable Foundation to be held and administered for the benefit of the Center. For the years ended December 31, 2021 and 2020, \$17,473 and \$17,179 was received from the funds, respectively. At December 31, 2021 and 2020, the market value of the funds' assets was \$459,932 and \$400,456, respectively.

The Center is a beneficiary of two agency funds at the New Hampshire Charitable Foundation. Pursuant to the terms of the resolution establishing the funds, property contributed to the New Hampshire Charitable Foundation is held as a separate fund designated for the benefit of the Center. In accordance with its spending policy, the Foundation makes distributions from the funds to the Center. The distributions are approximately 4.0% of the market value of the funds per year.



SEACOAST SCIENCE CENTER, INC.

NOTES TO FINANCIAL STATEMENTS

**Note 7. FUNDS HELD BY OTHERS (concluded)**

The estimated value of future distributions from the funds is included in these financial statements; however, all property in the funds was contributed to the New Hampshire Charitable Foundation to be held and administered for the benefit of the Center. For the years ended December 31, 2021 and 2020, \$13,214 and \$10,510 was received from the funds, respectively. At December 31, 2021 and 2020, the market value of the funds' assets was \$347,819 and \$302,842, respectively.

**Note 8. PAYCHECK PROTECTION PROGRAM LOAN**

On April 20, 2020 and February 10, 2021, the Center was granted a loan from Meredith Village Savings Bank in the amount of \$215,000 and \$215,000, respectively, through the Paycheck Protection Program ("PPP") under Division A, Title 1 of the CARES Act which was enacted March 27, 2020. Funds from the loan may only be used for payroll costs, costs used to continue group health care benefits, and utilities. Under the terms of the PPP loan, certain amounts of the loan may be forgiven if they are used for qualifying expenses as described in the CARES act. On February 9, 2021 and October 26, 2021, each loan was forgiven.

**Note 9. NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions were available for the following purposes at December 31:

	Balance <u>12/31/20</u>	Revenue	Satisfaction of program restrictions	Satisfaction of property restrictions	Balance <u>12/31/21</u>
Air monitoring	\$ 1,289	\$ -	\$ -	\$ -	\$ 1,289
Audio tour exhibit	248	-	-	-	248
Building and grounds	-	2,384	(2,230)	-	154
Campership	10,376	5,742	-	-	16,118
Carol Lincoln memorial playground	10,787	-	-	-	10,787
Coastal education fund	10,934	-	(150)	-	10,784
Edalhab exhibit	2,338	515	-	-	2,853
Heritage garden (Tallman)	2,310	-	-	-	2,310
Historic exhibit	3,122	-	-	-	3,122
Marine mammal rescue	125,311	96,988	(123,734)	-	98,565
Salt marsh trail	2,878	-	-	-	2,878
Weather exhibit	593	-	-	-	593
Gulf of Maine	-	23,000	(3,460)	-	19,540
Touch tank	10,109	-	-	-	10,109
Wendy Teft Fund	5,874	413	-	-	6,287
	<u>\$ 186,169</u>	<u>\$ 129,042</u>	<u>\$ (129,574)</u>	<u>\$ -</u>	<u>\$ 185,637</u>

**SEACOAST SCIENCE CENTER, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**Note 10. IN-KIND CONTRIBUTIONS**

For the year ended December 31, 2021, numerous unpaid volunteers have made contributions of their time to further the Center's activities. The value of this contributed time is not reflected in these financial statements. For the years ended December 31, 2021 and 2020, contributions of materials recorded at fair market value were \$2,200 and \$15,786, respectively. For the years ended December 31, 2021 and 2020, contributions for radio advertising and professional fees recorded at fair market value were \$14,280 and \$6,400, respectively. Contributed services received were used toward marine mammal rescue, fundraising events and general and administrative costs.

**Note 11. RETIREMENT PLAN**

The Center has a defined contribution retirement plan for all employees meeting certain eligibility requirements. The plan allows eligible employees to contribute a portion of their compensation. The Center has the option of matching employee contributions, and matched 3% of each participant's compensation in 2021. For the years ending December 31, 2021 and 2020, the Center's contribution to the plan totaled \$16,544 and \$18,607, respectively.

**Note 12. CONCENTRATION OF CREDIT RISK**

The Center maintains its cash balances in one financial institution located in New Hampshire. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At December 31, 2021, the Center's uninsured cash balances totaled \$1,106,797.

**Note 13. SUBSEQUENT EVENTS**

During January 2022, the Center had applied for employee retention credits (ERC) of \$260,663 and \$151,200. The ERC relates to qualified wages and health insurance benefits paid in 2021 and 2020. During July 2022, the Center received \$264,541, the first of 2 anticipated distributions for the ERC.

In January 2022, the Center signed an amended contract to extend their management agreement with the Division of Parks and Recreation by 20 years through December 2042. The revised agreement also includes language setting the stage for discussion of an additional 20 year extension through 2062.