

GREENWICH HISTORICAL SOCIETY, INC.

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

Year Ended June 30, 2016

GREENWICH HISTORICAL SOCIETY, INC.

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of
Greenwich Historical Society, Inc.

We have audited the accompanying financial statements of Greenwich Historical Society, Inc. (a not-for-profit organization), which comprise the statement of financial position as of June 30, 2016, and the related statements of activities and cash flows for the year 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 audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit 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

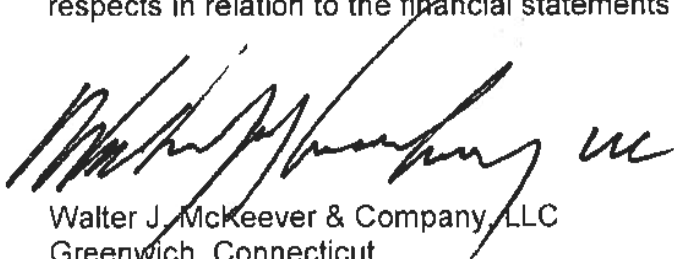
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Greenwich Historical Society, Inc. as of June 30, 2016, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the Greenwich Historical Society, Inc.'s June 30, 2015 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 8, 2015. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2015, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on pages 13 - 15 is presented for purposes of additional analysis and is not a required part of the 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.



Walter J. McKeever & Company, LLC
Greenwich, Connecticut
September 13, 2016

GREENWICH HISTORICAL SOCIETY, INC.
STATEMENT OF FINANCIAL POSITION
As of June 30, 2016
(With Comparative Totals as of June 30, 2015)

	<u>June 30, 2016</u>	<u>June 30, 2015</u>
<u>ASSETS</u>		
Current Assets		
Cash and cash equivalents - unrestricted	\$ 573,482	\$ 271,306
Short-term investments (Note 2)	1,506,939	50,431
Pledges receivable	406,786	267,203
Inventories	5,507	5,496
Prepaid expenses	7,416	24,721
Total Current Assets	<u>2,500,130</u>	<u>619,157</u>
Property, Equipment and Furnishings		
Buildings and land	2,229,520	2,229,483
Equipment and furnishings	760,065	742,624
Less: accumulated depreciation	(1,209,570)	(1,154,570)
Net Property, Equipment and Furnishings	<u>1,780,015</u>	<u>1,817,537</u>
Other Assets		
Investments (Note 2)	4,782,020	5,283,301
Historic land, buildings, furniture and collections	<u>5,714,178</u>	<u>5,047,590</u>
Total Other Assets	<u>10,496,198</u>	<u>10,330,891</u>
 Total Assets	 <u><u>\$ 14,776,342</u></u>	 <u><u>\$ 12,767,585</u></u>
<u>LIABILITIES AND NET ASSETS</u>		
Current Liabilities		
Accounts payable	\$ 115,801	\$ 48,202
Total Liabilities	<u>115,801</u>	<u>48,202</u>
Net Assets		
Unrestricted	7,502,955	6,970,555
Unrestricted, Board designated (Note 5)	711,265	723,471
Temporarily Restricted (Note 6)	2,911,163	1,390,199
Permanently Restricted (Note 7)	3,535,158	3,635,158
Total Net Assets	<u>14,660,541</u>	<u>12,719,383</u>
 Total Liabilities and Net Assets	 <u><u>\$ 14,776,342</u></u>	 <u><u>\$ 12,767,585</u></u>

See accompanying notes to financial statements.

GREENWICH HISTORICAL SOCIETY, INC.
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2016
(With Comparative Totals For the Year Ended June 30, 2015)

	UNRESTRICTED				TOTAL	TEMPORARILY PERMANENTLY RESTRICTED	TOTAL	TOTAL
	OPERATING	RESERVE	BOARD DESIGNATED MAINTENANCE	VAN DER STRICHT				
<u>Revenue and Support</u>								
Contributions	\$ 505,550	\$	\$	\$ 505,550	\$ 2,641,059	\$	\$ 3,146,609	\$ 1,139,593
Memberships	54,180			54,180			54,180	47,213
Grants	11,498			11,498			11,498	80,496
Investment return (Note 2)	(24,295)			(24,295)	(125,109)		(149,404)	(36,819)
Program service fees	72,419			72,419			72,419	68,868
Special events revenue	387,643			387,643			387,643	410,287
less: costs of direct benefits to donors	(182,388)			(182,388)			(182,388)	(180,778)
Publications sales	3,855			3,855			3,855	3,431
Rental income	92,273			92,273			92,273	89,835
Other income	10,945			10,945			10,945	4,041
Net assets released from restrictions - Operating restrictions satisfied by purpose	429,217		(2,200)	427,017	(427,017)			
Total Revenue and Support	1,360,897		(2,200)	1,358,697	2,088,933		3,447,630	1,626,167
<u>Expenses</u>								
Program	927,220			927,220			927,220	865,254
Support	304,763			304,763			304,763	370,221
Fundraising	274,489			274,489			274,489	269,890
Total Expenses	1,506,472			1,506,472			1,506,472	1,505,365
Change in Net Assets - Operating	(145,575)		(2,200)	(147,775)	2,088,933		1,941,158	120,802
Net assets released from restrictions - Capital restrictions satisfied by purpose	677,975		(10,006)	667,969	(667,969)			
Change in Net Assets	532,400		(10,006)	520,194	1,420,964		1,941,158	120,802
Asset reclassification (Note 10)					100,000			(100,000)
Net Assets - Beginning of Year	6,970,555	375,000	140,886	7,694,026	1,390,199	3,635,158	12,719,383	12,598,581
Net Assets - End of Year	\$ 7,502,955	\$ 375,000	\$ 130,880	\$ 8,214,220	\$ 2,911,163	\$ 3,535,158	\$ 14,660,541	\$ 12,719,383

See accompanying notes to financial statements.

GREENWICH HISTORICAL SOCIETY, INC.
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2016
(With Comparative Totals For the Year Ended June 30, 2015)

	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Cash flows from operating activities:		
Change in net assets	\$ 1,941,158	\$ 120,802
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	55,000	56,112
Unrealized loss on investments	397,891	388,846
Realized gain on investments	(135)	(837)
Increase in pledges receivable	(139,583)	(267,203)
(Increase) Decrease in inventories	(11)	364
Decrease (Increase) in prepaid expenses	17,305	(7,422)
Increase (Decrease) in accounts payable	67,599	(3,948)
Total adjustments	<u>398,066</u>	<u>165,912</u>
Net cash provided by operating activities	<u>2,339,224</u>	<u>286,714</u>
Cash flows from investing activities:		
Proceeds from sale of investments	353,018	97,284
Purchase of investments	(1,706,000)	(177,004)
Historic expenditures	(666,588)	(223,645)
Capital expenditures	<u>(17,478)</u>	<u>(35,278)</u>
Net cash used by investing activities	<u>(2,037,048)</u>	<u>(338,643)</u>
Net increase (decrease) in cash and cash equivalents	302,176	(51,929)
Cash and cash equivalents - beginning of year	<u>271,306</u>	<u>323,235</u>
Cash and cash equivalents - end of year	<u>\$ 573,482</u>	<u>\$ 271,306</u>

See accompanying notes to financial statements.

GREENWICH HISTORICAL SOCIETY, INC
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NATURE OF ACTIVITIES

Greenwich Historical Society, Inc. (the "Historical Society") was organized in 1931 as a non for profit organization. The Historical Society preserves the history of Greenwich, engages the public in an exploration of its rich cultural heritage, inspires a spirit of discovery through educational programs and encourages active participation in the preservation and interpretation of the Town's past.

BASIS OF ACCOUNTING

The financial statements of the Historical Society have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and all other liabilities.

BASIS OF PRESENTATION

Financial statement presentation requires the Historical Society to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

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 the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

REVENUE RECOGNITION

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

All donor-restricted support is reported in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

CASH AND CASH EQUIVALENTS

For purposes of the statements of cash flows, the Historical Society considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

INVENTORIES

Inventories are stated at the lower of cost or market determined by the first-in, first-out method.

INVESTMENTS

Investments are recorded at fair market value. See Note 2 for a discussion of fair value measurements. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are satisfied (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

(Continued)

GREENWICH HISTORICAL SOCIETY, INC
NOTES TO FINANCIAL STATEMENTS
June 30, 2016
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

HISTORIC LAND, BUILDINGS, FURNITURE, AND COLLECTIONS

The Historical Society capitalizes certain assets that were acquired as items of historic importance. Accessions are capitalized at cost if purchased and at fair value at date of accession if received by donation. Gains and losses on deaccessions of donated historic items are recorded based on the presence or absence of donor restrictions placed on items at the date of donation.

PROPERTY, EQUIPMENT, AND FURNISHINGS

Depreciable assets are recorded at cost and depreciation is calculated using the straight line method taken over their useful lives. Building and improvements are depreciated over 27.5 years and equipment and furnishings are depreciated over 5 to 10 years.

The expenditures for repairs and maintenance are charged to expense, renewals and betterments are capitalized. The cost of assets disposed or retired is eliminated from the related asset and accumulated depreciation accounts and any gains or losses are reflected in activities for the period.

DONATED ASSETS AND SERVICES

All assets donated to the Historical Society are valued at fair market value upon the date of receipt. Donated services have not been reflected in the financial statements since no objective basis is available to measure the value of such services. However, volunteers donate significant amounts of their time to the Historical Society.

EXPENSE ALLOCATION

Expenses are charged to programs and other supporting services on the basis of periodic time and expense studies. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Historical Society.

INCOME TAX STATUS

The Historical Society is a "not-for-profit" organization as described in Section 509(a)(1) and 170(b)(1)(A)(vi) of the Internal Revenue Code and is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Historical Society accounts for uncertainty in income tax positions in the financial statements by applying a recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. Management has analyzed the tax positions taken and has concluded that as of June 30, 2016, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Historical Society is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Federal information returns are subject to examination for a period of three years from the filing date of the return; fiscal years ending June 30, 2013 – June 30, 2015 remain open.

COMPENSATED ABSENCES

Employees of the Historical Society are entitled to paid vacation, paid sick days, and personal days off depending on job classification, length of service, and other factors. It is impractical to estimate the amount of compensation for future absences and, accordingly, no liability has been recorded in the accompanying financial statements. The Historical Society policy is to recognize the costs of compensated absences when actually paid to employees.

(Continued)

GREENWICH HISTORICAL SOCIETY, INC
NOTES TO FINANCIAL STATEMENTS
June 30, 2016
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

COMPARATIVE FINANCIAL INFORMATION

The financial statements include certain prior-year summarized comparative information in total but not by 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 Historical Society's financial statements for the year ended June 30, 2015, from which the summarized information was derived.

NOTE 2. INVESTMENTS

The Historical Society's investments are reported at fair value in the accompanying statement of financial position. The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Historical Society believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Fair value measurements at reporting date using:

<u>June 30, 2016</u>	<u>Fair Value</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Certificates of deposit	<u>\$ 1,506,939</u>	<u>\$ 1,506,939</u>	<u>\$</u>	<u>\$</u>
Total short-term investments	<u>\$ 1,506,939</u>	<u>\$ 1,506,939</u>	<u>\$</u>	<u>\$</u>
Mutual funds	<u>\$ 4,782,020</u>	<u>\$</u>	<u>\$</u>	<u>\$ 4,782,020</u>
Total long-term investments	<u>\$ 4,782,020</u>	<u>\$</u>	<u>\$</u>	<u>\$ 4,782,020</u>

The fair value measurements authoritative literature establishes 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 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of observable inputs other than quoted prices for identical assets, and Level 3 inputs consist of unobservable inputs reflecting companies' own assumptions about the way assets should be priced and have the lowest priority.

Level 1 Fair Value Measurements

The fair values of certificates of deposit are based on quoted market prices from active markets.

(Continued)

GREENWICH HISTORICAL SOCIETY, INC
NOTES TO FINANCIAL STATEMENTS
June 30, 2016
(Continued)

NOTE 2. INVESTMENTS (Continued)

Level 3 Fair Value Measurements

The mutual funds are not actively traded and significant other observable inputs are not available; therefore, a degree of judgment is necessary to estimate fair value. Mutual funds are valued by the investment manager who evaluates the funds individually to determine that their net asset value are calculated appropriately and considers whether an adjustment to the net asset value is necessary based upon various factors, including, but not limited to, the attributes of the interest in each individual fund, including the rights and obligations, and any restriction on or illiquidity of such interests, and the fair value of such fund's investment portfolio or other assets and liabilities.

The following table provides further details of the Level 3 fair value measurements for the year ended June 30, 2016:

Beginning balance	\$ 5,283,301
Total gains or losses (realized and unrealized)	(397,891)
Investment income	247,489
Transfers out	<u>(350,879)</u>
Ending balances	<u>\$ 4,782,020</u>

The following schedule summarizes the investment return and its classification in the statement of activities for the year ended June 30, 2016:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Interest	\$ 863		\$ 863
Dividends	35,696	211,793	247,489
Realized gain on investments	135		135
Unrealized loss on investments	<u>(60,989)</u>	<u>(336,902)</u>	<u>(397,891)</u>
	<u>\$ (24,295)</u>	<u>\$ (125,109)</u>	<u>\$ (149,404)</u>

At June 30, 2016, the permanently restricted fund balances were comprised of the original principal (contribution) amounts totaling \$3,635,158. According to Connecticut state law, any income, realized gains/losses, and unrealized gains/losses from permanently restricted funds are to be included with temporarily restricted fund balances.

The current policy is to transfer annually to the unrestricted fund an amount equal to 4% of the average year-end market value of the permanently restricted funds for the preceding three years. For the year ended June 30, 2016, \$104,400 was transferred to the unrestricted fund. At June 30, 2016, \$678,688 can be transferred to the unrestricted fund before the permanently restricted funds' cumulative investment returns are depleted. See Note 7 for Wierdsma Fund policy.

GREENWICH HISTORICAL SOCIETY, INC
NOTES TO FINANCIAL STATEMENTS
June 30, 2016
(Continued)

NOTE 3. EMPLOYEE BENEFITS PLAN

The Historical Society has a defined contribution plan (the "Plan") under section 403(b) of the Internal Revenue Code covering all employees with at least one year of service and who have attained the age of 25. The Historical Society makes a contribution to the Plan each year equal to 3% of all participants' compensation. In addition, the Historical Society entered into a tax-deferred annuity plan qualified under Section 403(b). The plan covers employees of the Historical Society. Employees may make contributions to the plan up to the maximum amount allowed by the Internal Revenue Code, if they wish. In 2007, a tax-deferred defined contribution plan qualified under Section 457(b) of the Internal Revenue Code was established for certain qualified employees. Total pension expense for the year ended June 30, 2016 was \$20,628.

NOTE 4. CONCENTRATIONS OF CREDIT RISK

The Historical Society maintains cash balances and short-term investments at five financial institutions located in Southern Connecticut. As of June 30, 2016, the Historical Society had no risk related to these accounts.

The Historical Society maintains two investment accounts with The Investment Fund for Foundations ("TIFF"). The investment accounts are protected by the Securities Investor Protection Corporation, which provides up to \$500,000 per investor (\$250,000 for cash claims), and an internal TIFF policy that covers all cash and securities. The Historical Society also maintains one investment account with The Vanguard Group which is protected by the Securities Investor Protection Corporation. As of June 30, 2016 none of the Historical Society's securities were at risk.

NOTE 5. BOARD DESIGNATED NET ASSETS

The Board of Trustees of the Historical Society set aside funds in the amount of \$130,880 as of June 30, 2016 for future major repairs to buildings and grounds, \$375,000 as a quasi-endowment, and \$205,385 for support of the preservation mission of the Historical Society. Unrestricted net assets have been reduced by \$711,265 and the designated funds are reported as a separate line item on the statement of financial position.

NOTE 6 - TEMPORARILY RESTRICTED NET ASSETS

As of June 30, 2016 the temporarily restricted net assets total \$2,911,163 and are held for the following purposes as listed below.

Anniversary Fund	for development of exhibitions and education programs
Book Award Fund	for high school history teachers to award juniors with an annual book award
CC Program Enrichment	for enhancements of education programs, exhibitions, collections initiatives and expanded communications
Capital Campaign	for reimagining the campus
Collections Fund	for the care or acquisition of collections
Constance Hinman Getz Fund	for the support of the archives
Finch Archives Fund	for general use pertaining to archives
French Farm Fund	for support of programs and initiatives jointly with the Friends of French Farm
Henson Exhibition	for an exhibition in the Spring of 2017
Historic Markers	for signs in Greenwich Town's Historic District

(Continued)

GREENWICH HISTORICAL SOCIETY, INC
NOTES TO FINANCIAL STATEMENTS
June 30, 2016
(Continued)

NOTE 6 - TEMPORARILY RESTRICTED NET ASSETS (Continued)

Landmarks Fund	for subsidizing cost of landmark plaques
Online History Fund	for projects utilizing digital technology
Strackbein Fund	for support of specific exhibitions and projects
Thomas Cooke Collection	for offsite storage costs for collections.
Williams Acquisitions Fund	for acquisitions to the collections

The individual fund balances are presented in the accompanying Schedule of Temporarily Restricted Net Assets on page 15.

NOTE 7 - PERMANENTLY RESTRICTED NET ASSETS

The Historical Society's permanently restricted net assets total \$3,535,158 and consist of endowment fund assets to be held indefinitely. During the year ended June 30, 2011, the Historical Society received a bequest of \$1.6 million from the late David Wierdsma, a life-long preservationist and founder of French Farm in Greenwich. In accordance with an understanding reached with David Wierdsma before his death, the bequest has been designated the David R. A. Wierdsma Fund ("the Fund") and invested in a manner similar to the Historical Society's other long-term investments. The annual total return of the Fund (comprised of interest, dividends and realized and unrealized gains and losses) will be distributed each fiscal year in an amount up to 4% of the average fair market value of the Fund as of June 30 of the three preceding fiscal year, provided that no distribution may be made which would reduce the principal of the Fund to less than its original amount of \$1.6 million. Sixty percent of the distribution will be spent by the Historical Society on programs jointly sponsored by the Society and Friends of French Farm, a nonprofit organization established by David Wierdsma and others for the preservation of historical landscapes and gardens and the development of educational and cultural programs.

The individual fund balances are presented in the accompanying Schedule of Permanently Restricted Net Assets on page 16.

NOTE 8. COMMITMENTS

On December 16, 2015, the Organization entered into a one year agreement with Koszyn & Company to serve as the Campaign Strategic Council and Manager for the Capital Campaign Project. The term of the agreement will start on March 13, 2016 with a total compensation of \$130,000 within the following fee schedule:

Signing payment (on or before March 13, 2016)	\$ 32,500
July 1, 2016	32,500
November 1, 2016	32,500
March 1, 2017	<u>32,500</u>
	<u>\$ 130,000</u>

(Continued)

GREENWICH HISTORICAL SOCIETY, INC
NOTES TO FINANCIAL STATEMENTS
June 30, 2016
(Continued)

NOTE 9. REIMAGINE THE CAMPUS CAMPAIGN

The Historical Society has embarked upon a program to transform the campus of the Bush-Holley House, including the restoration of Toby's Tavern to its art colony era appearance, the construction of a two-story archives and exhibitions building, the expansion of parking and improved access to the site. This reimagining of the campus is expected to cost approximately \$13.5 million, including \$1.7 million for program enrichment. Funding is being provided by a combination of public grants and private donations through a Capital Campaign which, during its quiet phase, has raised \$3.1 million as of June 30, 2016, together with an additional \$6.1 million in pledges of future contributions. Construction is expected to commence late in 2016.

NOTE 10. ASSET RECLASSIFICATION

The Historical Society recognized that the Strackbein Archives Fund was misclassified as a permanently restricted net asset at June 30, 2015, therefore overstating the permanently restricted net assets by \$100,000 and understating the temporarily restricted net assets by \$100,000. A journal entry has been made to correct the error during the year ended June 30, 2016.

NOTE 11. SUBSEQUENT EVENTS

Management has evaluated all activity through September 13, 2016 (the report date of the financial statements as well as the date the financial statements were available to be issued) and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to financial statements.

SUPPLEMENTARY INFORMATION

GREENWICH HISTORICAL SOCIETY, INC.
SCHEDULE OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2016
(With Comparative Totals For the Year Ended June 30, 2015)

	<u>PROGRAM</u>	<u>SUPPORT</u>	<u>FUNDRAISING</u>	<u>TOTAL</u> <u>June 30, 2016</u>	<u>TOTAL</u> <u>June 30, 2015</u>
Advertising	\$ 10,226	\$ -	\$ -	\$ 10,226	\$ 8,802
Bank and investment fees	1,923	961	1,617	4,501	4,954
Conferences	1,276	1,805		3,081	888
Consultants	6,086	25,406	1,685	33,177	23,236
Cultivation		3,424	1,341	4,765	5,137
Dues and subscriptions	3,298	3,284	90	6,672	6,294
Exhibition design	4,275			4,275	9,500
Fabrication	31,805			31,805	56,040
Graphic design	29,031		2,603	31,634	21,591
Health insurance	17,907	14,914	10,698	43,519	44,960
Honoraria	15,650			15,650	15,625
Hospitality	47,290	8,609	7,075	62,974	50,188
Insurance	3,257	41,692		44,949	49,576
Maintenance - building		42,281		42,281	55,260
Maintenance - equipment		9,908		9,908	10,509
Maintenance - grounds		39,033		39,033	42,088
Miscellaneous expense	749	250		999	472
Museum store purchases	1,832			1,832	2,387
Online expense	2,100	4,376		6,476	4,137
Outside services	21,630	3,883		25,513	13,979
Pension contribution	11,334	5,283	4,011	20,628	19,541
Photography	7,825		750	8,575	15,218
Postage	8,352	6,732	140	15,224	17,707
Printing and photocopying	32,895	6,881	8,405	48,181	50,419
Professional fees	37,554	13,100	1,128	51,782	90,680
Rentals	30,873	45		30,918	22,866
Salaries	402,449	144,694	174,685	721,828	674,412
Security	575	4,302		4,877	4,919
Supplies	10,491	10,195	111	20,797	20,508
Taxes - payroll	30,166	10,165	12,957	53,288	49,890
Taxes - real estate taxes		11,676		11,676	11,698
Travel	2,993	633	5	3,631	2,382
Utilities and telephone		36,797		36,797	43,390
Allocation of expenses	153,378	(200,566)	47,188		
Totals Expenses Before Depreciation	927,220	249,763	274,489	1,451,472	1,449,253
Depreciation		55,000		55,000	56,112
Total Expenses	\$ 927,220	\$ 304,763	\$ 274,489	\$ 1,506,472	\$ 1,505,365

GREENWICH HISTORICAL SOCIETY, INC.
SCHEDULE OF PERMANENTLY RESTRICTED NET ASSETS
For the Year Ended June 30, 2016

	<u>C&H</u> <u>Vanderbilt</u>	<u>R&D</u> <u>Reynolds</u>	<u>General</u>	<u>RT</u> <u>Vanderbilt</u>	<u>Antell</u> <u>Family</u>	<u>William</u> <u>Crooks</u>	<u>Subtotal</u>	<u>David R.A.</u> <u>Weirdsma Fund</u>	<u>Grand Total</u> <u>Total</u>
<u>Support</u>									
Contributions	\$	\$	\$	\$	\$	\$	\$	\$	\$
Net assets released from restrictions - Capital Restrictions satisfied by purpose									
Change in Net Assets									
Net Assets at July 1, 2015	1,144,210	402,297	272,208	30,425	20,890	51,400	1,921,430	1,613,728	3,535,158
Net Assets at June 30, 2016	<u>\$ 1,144,210</u>	<u>\$ 402,297</u>	<u>\$ 272,208</u>	<u>\$ 30,425</u>	<u>\$ 20,890</u>	<u>\$ 51,400</u>	<u>\$ 1,921,430</u>	<u>\$ 1,613,728</u>	<u>\$ 3,535,158</u>
<u>Market value at June 30, 2016:</u>									
Contributions	\$ 1,144,210	\$ 402,297	\$ 272,208	\$ 30,425	\$ 20,890	\$ 51,400	\$ 1,921,430	\$ 1,613,728	\$ 3,535,158
Allocation of Investment Returns	297,405	104,467	70,672	7,881	5,446	13,318	499,190	81,865	581,055
	<u>\$ 1,441,615</u>	<u>\$ 506,764</u>	<u>\$ 342,880</u>	<u>\$ 38,306</u>	<u>\$ 26,336</u>	<u>\$ 64,718</u>	<u>\$ 2,420,620</u>	<u>\$ 1,695,593</u>	<u>\$ 4,116,213</u>