

Boston Harbor Now, Inc.

Financial Statements

March 31, 2025 and 2024

Boston Harbor Now, Inc.

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Independent Auditors' Report

To the Board of Directors of
Boston Harbor Now, Inc.

Opinion

We have audited the financial statements of Boston Harbor Now, Inc. (the Organization), which comprise the statements of financial position as of March 31, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of March 31, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America (GAAP).

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 GAAP, 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.

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 Organization'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 GAAS 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 GAAS, 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 Organization'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 the Organization'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.

The image shows a handwritten signature in black ink that reads "Baker Tilly US, LLP". The signature is written in a cursive, flowing style.

Tewksbury, Massachusetts
August 5, 2025

Boston Harbor Now, Inc.Statements of Financial Position
March 31, 2025 and 2024

	2025	2024
Assets		
Current Assets		
Cash and cash equivalents	\$ 4,737,515	\$ 2,778,059
Investments	114,431	69,845
Government grants and contracts receivable	2,747,907	291,470
Current portion of contributions receivable	1,780,500	1,388,398
Contributions receivable, nonfinancial assets	9,218	8,769
Prepaid expenses	99,471	86,965
	<u>9,489,042</u>	<u>4,623,506</u>
Total current assets	<u>9,489,042</u>	<u>4,623,506</u>
Noncurrent Assets		
Contributions receivable, net of current portion	50,000	225,000
Property and equipment, net of accumulated depreciation	190,291	92,996
	<u>240,291</u>	<u>317,996</u>
Total noncurrent assets	<u>240,291</u>	<u>317,996</u>
Total assets	<u><u>\$ 9,729,333</u></u>	<u><u>\$ 4,941,502</u></u>
Liabilities and Net Assets		
Current Liabilities		
Line of credit	\$ -	\$ -
Accounts payable	86,099	87,556
Accrued expenses	340,508	222,357
	<u>426,607</u>	<u>309,913</u>
Total current liabilities	<u>426,607</u>	<u>309,913</u>
Net Assets		
Net assets without donor restrictions	755,583	709,966
Net assets with donor restrictions	8,547,143	3,921,623
	<u>9,302,726</u>	<u>4,631,589</u>
Total net assets	<u>9,302,726</u>	<u>4,631,589</u>
Total liabilities and net assets	<u><u>\$ 9,729,333</u></u>	<u><u>\$ 4,941,502</u></u>

See notes to financial statements

Boston Harbor Now, Inc.

Statements of Activities

Years Ended March 31, 2025 and 2024

	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Operating Activities						
Revenue and other support:						
Contributions	\$ 404,459	\$ 3,241,405	\$ 3,645,864	\$ 474,112	\$ 3,269,170	\$ 3,743,282
Government grants and contracts	1,090,186	4,414,849	5,505,035	982,692	362,398	1,345,090
Special events, net of direct benefit to donor costs	880,771	-	880,771	913,373	-	913,373
Program service fees	176,081	-	176,081	190,851	-	190,851
Interest income	149,048	-	149,048	84,087	-	84,087
Contributions, nonfinancial assets	74,253	-	74,253	62,042	-	62,042
Net assets released from restriction	3,030,734	(3,030,734)	-	2,655,779	(2,655,779)	-
	<u>5,805,532</u>	<u>4,625,520</u>	<u>10,431,052</u>	<u>5,362,936</u>	<u>975,789</u>	<u>6,338,725</u>
Total revenue and other support						
Operating expenses:						
Program services:						
Public programs	1,388,191	-	1,388,191	1,141,569	-	1,141,569
Planning and policy	840,485	-	840,485	872,179	-	872,179
Park projects and operations	776,177	-	776,177	530,967	-	530,967
Stone Living Lab	610,566	-	610,566	603,182	-	603,182
Park promotion	477,784	-	477,784	536,010	-	536,010
	<u>4,093,203</u>	<u>-</u>	<u>4,093,203</u>	<u>3,683,907</u>	<u>-</u>	<u>3,683,907</u>
Total program services						
General and administrative	861,910	-	861,910	691,430	-	691,430
Fundraising	805,743	-	805,743	800,245	-	800,245
	<u>5,760,856</u>	<u>-</u>	<u>5,760,856</u>	<u>5,175,582</u>	<u>-</u>	<u>5,175,582</u>
Total operating expenses						
Increase in net assets from operations	<u>44,676</u>	<u>4,625,520</u>	<u>4,670,196</u>	<u>187,354</u>	<u>975,789</u>	<u>1,163,143</u>
Nonoperating Activities						
Investment income, net	941	-	941	20,051	-	20,051
	<u>941</u>	<u>-</u>	<u>941</u>	<u>20,051</u>	<u>-</u>	<u>20,051</u>
Total nonoperating activities						
Increase in net assets	<u>45,617</u>	<u>4,625,520</u>	<u>4,671,137</u>	<u>207,405</u>	<u>975,789</u>	<u>1,183,194</u>
Net Assets, Beginning	<u>709,966</u>	<u>3,921,623</u>	<u>4,631,589</u>	<u>502,561</u>	<u>2,945,834</u>	<u>3,448,395</u>
Net Assets, Ending	<u>\$ 755,583</u>	<u>\$ 8,547,143</u>	<u>\$ 9,302,726</u>	<u>\$ 709,966</u>	<u>\$ 3,921,623</u>	<u>\$ 4,631,589</u>

See notes to financial statements

Boston Harbor Now, Inc.

Statements of Functional Expenses
Years Ended March 31, 2025 and 2024

	2025								
	Program Services						General and Administrative	Fundraising	Total
	Public Programs	Planning and Policy	Park Projects and Operations	Stone Living Lab	Park Promotion	Total Program Services			
Salaries, wages and benefits	\$ 584,489	\$ 266,840	\$ 217,521	\$ 368,528	\$ 287,570	\$ 1,724,948	\$ 434,594	\$ 427,279	\$ 2,586,821
Contract and professional fees	29,824	144,007	49,272	58,522	124,281	405,906	214,673	78,293	698,872
Project expenses	14,575	419,243	13,280	122,171	-	569,269	25	-	569,294
Program costs	448,303	1,219	3,818	34,373	33,904	521,617	116	3,384	525,117
Park and harbor improvements	-	-	423,751	-	-	423,751	-	-	423,751
Special events	-	-	-	-	-	-	-	375,877	375,877
Water transportation	302,625	450	7,258	8,917	824	320,074	3,000	-	323,074
Occupancy	-	-	46,298	-	-	46,298	54,492	-	100,790
Information technology	2,114	507	2,192	4,674	22,275	31,762	7,365	15,366	54,493
Office expense	2,031	1,073	9,733	1,794	6,385	21,016	24,250	5,821	51,087
Insurance	-	-	-	-	-	-	46,310	-	46,310
Professional development	1,940	5,449	160	4,636	1,691	13,876	29,624	346	43,846
Depreciation and amortization	-	-	-	-	-	-	27,075	-	27,075
Travel and meals	1,744	1,521	2,815	6,713	806	13,599	10,946	434	24,979
Other expense	546	176	79	238	48	1,087	9,440	10,693	21,220
Bad debt expense (recoveries)	-	-	-	-	-	-	-	-	-
Total expenses	1,388,191	840,485	776,177	610,566	477,784	4,093,203	861,910	917,493	5,872,606
Less expenses included with revenue on the statements of activities	-	-	-	-	-	-	-	111,750	111,750
	<u>\$ 1,388,191</u>	<u>\$ 840,485</u>	<u>\$ 776,177</u>	<u>\$ 610,566</u>	<u>\$ 477,784</u>	<u>\$ 4,093,203</u>	<u>\$ 861,910</u>	<u>\$ 805,743</u>	<u>\$ 5,760,856</u>

See notes to financial statements

Boston Harbor Now, Inc.

Statements of Functional Expenses
Years Ended March 31, 2025 and 2024

	2024								
	Program Services						General and Administrative	Fundraising	Total
	Public Programs	Planning and Policy	Park Projects and Operations	Stone Living Lab	Park Promotion	Total Program Services			
Salaries, wages and benefits	\$ 441,424	\$ 286,716	\$ 175,536	\$ 337,089	\$ 280,424	\$ 1,521,189	\$ 306,416	\$ 488,265	\$ 2,315,870
Contract and professional fees	136,194	64,657	55,881	76,863	217,030	550,625	196,382	42,975	789,982
Project expenses	5,434	519,270	4,322	82,024	-	611,050	128	-	611,178
Program costs	323,746	375	2,245	84,598	9,982	420,946	81	733	421,760
Park and harbor improvements	-	-	255,166	-	-	255,166	-	-	255,166
Special events	-	-	-	-	-	-	-	302,323	302,323
Water transportation	175,724	-	387	6,642	-	182,753	-	-	182,753
Occupancy	-	-	22,102	-	-	22,102	53,458	-	75,560
Information technology	1,772	382	1,710	546	13,157	17,567	12,318	17,367	47,252
Office expense	1,458	54	12,242	3,907	13,392	31,053	20,881	23,724	75,658
Insurance	-	-	-	-	-	-	45,827	-	45,827
Professional development	1,000	555	50	6,788	1,714	10,107	3,132	2,499	15,738
Depreciation and amortization	-	-	-	-	-	-	29,987	-	29,987
Travel and meals	433	170	1,326	4,650	258	6,837	12,360	945	20,142
Other expense	212	-	-	75	53	340	10,460	3,914	14,714
Bad debt expense (recoveries)	54,172	-	-	-	-	54,172	-	-	54,172
Total expenses	1,141,569	872,179	530,967	603,182	536,010	3,683,907	691,430	882,745	5,258,082
Less expenses included with revenue on the statements of activities	-	-	-	-	-	-	-	82,500	82,500
	<u>\$ 1,141,569</u>	<u>\$ 872,179</u>	<u>\$ 530,967</u>	<u>\$ 603,182</u>	<u>\$ 536,010</u>	<u>\$ 3,683,907</u>	<u>\$ 691,430</u>	<u>\$ 800,245</u>	<u>\$ 5,175,582</u>

See notes to financial statements

Boston Harbor Now, Inc.

Statements of Cash Flows

Years Ended March 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Cash Flows From Operating Activities		
Increase in net assets	\$ 4,671,137	\$ 1,183,194
Adjustments to reconcile increase in net assets to net cash from operating activities:		
Depreciation and amortization	27,075	31,059
Net unrealized losses (gains) on investments	711	(18,022)
(Increase) decrease in government grants and contracts receivable	(2,456,437)	345,670
Increase in contributions receivable	(217,102)	(925,123)
Increase in prepaid expenses	(12,506)	(48,231)
Decrease in accounts payable	(1,457)	(5,557)
Increase in accrued expenses	118,151	2,901
Increase in contributions receivable, nonfinancial assets	(449)	(225)
Net cash from operating activities	<u>2,129,123</u>	<u>565,666</u>
Cash Flows From Investing Activities		
Acquisition of property and equipment	(124,370)	(13,332)
Purchase of investments	<u>(45,297)</u>	<u>-</u>
Net cash from investing activities	<u>(169,667)</u>	<u>(13,332)</u>
Net change in cash and cash equivalents	1,959,456	552,334
Cash and Cash Equivalents, Beginning	<u>2,778,059</u>	<u>2,225,725</u>
Cash and Cash Equivalents, Ending	<u><u>\$ 4,737,515</u></u>	<u><u>\$ 2,778,059</u></u>

Supplemental Disclosure of Noncash Investing Activities

During the year ended March 31, 2024, the Organization disposed of fully depreciated property and equipment in the amount of \$52,787.

1. Organization and Summary of Significant Accounting Policies**Nature of Organization**

Boston Harbor Now, Inc. (the Organization) is a nonprofit organization incorporated on April 1, 2016 and is a result of a merger between The Boston Harbor Association, Inc. and Boston Harbor Island Alliance. The Organization envisions a vibrant, welcoming and resilient harbor that benefits everyone in the region. Working in partnership, the Organization focuses on access, activation and the resilience of Boston's waterfront, parks and public open spaces, including the Boston Harbor Islands National and State Park, Harborwalk and working port. The Organization's mission is to ensure that Boston Harbor, its waterfront and islands are accessible and inclusive and that these special places are properly adapted to the risks of climate change. This is accomplished by advancing a broad vision for development on Boston Harbor, offering everyone opportunities to utilize and enjoy the harbor and its waterfront and islands, researching effective measures to protect the islands and the Greater Boston region from sea level rise and partnering with federal, state and municipal governments and nonprofits to implement programs and projects consistent with the above.

Basis of Presentation

The financial statements of the Organization have been prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). Any reference in these notes to applicable guidance is meant to refer to the authoritative United States generally accepted accounting principles as found in the Accounting Standards Codification (ASC) and Accounting Standards Updates (ASU) of the Financial Accounting Standards Board (FASB).

The Organization reports information regarding its financial position and activities according to the following net asset classifications:

Net Assets Without Donor Restrictions - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and Board of Directors. Net assets without donor restrictions include net assets designated by the board for specific purposes.

Net Assets With Donor Restrictions - Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Fair Value Measurements

The framework for measuring fair value 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). The three levels of the fair value hierarchy are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- 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; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

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.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Revenue and Other Support

Revenue is reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Revenue represents amounts derived from program service fees, government grants and contracts, special events and contributions.

Revenue is recognized when control of the goods and services provided is transferred to the Organization's customers and in an amount that reflects the consideration the Organization expects to be entitled to in exchange for those goods and services using the following steps: 1) identification of the contract or contracts with a customer, 2) identification of performance obligations in the contract, 3) determination of the transaction price, 4) allocation of the transaction price to the performance obligations in the contract and 5) recognition of revenue when or as the Organization satisfies the performance obligations.

The Organization generates revenue from various services and programs and recognizes the corresponding revenue when the service is performed. Revenue related to special events is generally recognized when the event takes place.

The Organization typically invoices its customers as services are provided. Typical payment terms provide that customers pay upon receipt of the invoice.

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions.

Donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long contributed assets must be used are recorded as net assets with donor restrictions. Otherwise, the contributions are recorded as net assets without donor restrictions.

Contributions of services are reported as revenue and expenses without donor restrictions at the fair value of the service received only if the services create or enhance a nonfinancial asset or would typically need to be purchased by the Organization if they had not been provided by contribution, require specialized skills and are provided by individuals with those skills. Contributions of goods and space to be used in program operations are reported as revenue and expenses without donor restrictions at the time the goods or space is received.

The Organization must determine whether a contribution (or a promise to give) is conditional or unconditional for transactions deemed to be a contribution. A contribution is considered to be a conditional contribution if an agreement includes a barrier that must be overcome and either a right of return of assets or a right of release of a promise to transfer assets exists. Indicators of a barrier include measurable performance related barrier or other measurable barriers, a stipulation that limits discretion by the recipient on the conduct of an activity and stipulations that are related to the purpose of the agreement. The Organization cannot consider probability of compliance with the barrier when determining if such awards are conditional and should be reported as conditional grant advance liabilities until such conditions are met.

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Discount amortization is included in contribution revenue. Conditional promises to give are not included as support until the conditions are met.

Government grants and contracts revenue is recognized as reimbursable expenses are incurred and upon meeting the legal and contractual requirements of the funding source.

Special Events

During the years ended March 31, 2025 and 2024, the Organization incurred fundraising expenses that directly benefited donors in the amount of \$111,750 and \$82,500, respectively. These direct benefit to donor costs have been included in special events, net of direct benefit to donor costs in the accompanying statements of activities.

Cash and Cash Equivalents

The Organization maintains its cash in bank deposit accounts, which, at times, may exceed federally insured limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash. The Organization has a cash management program, which provides for the investment of excess cash balances primarily in money market mutual funds and insured cash sweep programs.

Investments and Investment Income

The Organization's investments are reported at fair value as of the date of the statements of financial position. Realized and unrealized gains and losses are reflected in the accompanying statements of activities. Investment income or loss on investments (including realized and unrealized gains and losses on investments, interest and dividends), is recorded net of related investment fees and is included in net assets without donor restrictions unless the income or loss is restricted by donor or law.

Concentrations of Credit Risk

Financial instruments that potentially subject the Organization to concentration of credit risk consist primarily of cash, cash equivalents, investments, government grants and contracts receivable and contributions receivable. The Organization maintains its cash, cash equivalents and investments with high-credit quality financial institutions. The Organization believes it is not exposed to any significant losses due to credit risk on cash, cash equivalents and investments. Contributions receivable and government grants and contracts receivable are carried at amounts based upon management's judgment of potential defaults. Management identifies troubled receivables balances by assessing the donor's credit worthiness. As of March 31, 2025 and 2024, management has determined all contributions receivable and government grants and contracts receivable are collectible and an allowance for doubtful accounts on potentially uncollectible contributions receivable and government grants and contracts receivable is immaterial to the financial statements.

Other Risks and Uncertainties

Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in the values of the investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of financial position.

Property and Equipment

Property and equipment are recorded at cost on the date of acquisition. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets, as follows:

Equipment	3-5 years
Building and improvements	30 years
Furniture and fixtures	5 years

Definite-Lived Intangible Assets

Definite-lived intangible assets consist of website development costs. The Organization accounts for amortization using the straight-line method over the related asset's estimated useful life of three years. As of March 31, 2024, the Organization's definite-lived intangible assets were fully amortized. For the year ended March 31, 2024, amortization expense amounted to \$1,072.

Impairment of Long-Lived Assets

It is required that long-lived assets, including purchased intangible assets with finite lives, be reviewed for possible impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. As of March 31, 2025 and 2024, the Organization has determined that there have been no significant events or changes in circumstances that would trigger impairment testing of the Organization's long-lived assets.

Leases

The Organization has elected not to apply the lease recognition requirements of ASC 842, *Leases*, to all leases with an original term of 12 months or less, for which the Organization is not reasonably certain to exercise a renewal option or purchase the asset at the end of the lease; rather, lease payments for short-term leases are recognized on a straight-line basis over the lease term. For the years ended March 31, 2025 and 2024, there was no short-term lease expense.

Functional Allocation of Expenses

The costs of providing the Organization's program and other activities have been summarized on a functional basis in the statements of activities. Expenses related directly to program services or supporting activities are charged directly while other expenses that are common to several functions are allocated based on management's estimates, among major classes of programs services and supporting activities. Salaries, wages and benefits have been allocated based upon time and effort.

Income Taxes

The Organization is a nonprofit Organization as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal and state income taxes on trade or business profits generated by activities related to the Organization's exempt function. The Organization may be subject to federal and state income taxes for profits generated from trade or business activities unrelated to the Organization's exempt function. As of March 31, 2025 and 2024, management believes that the Organization has not generated any unrelated business taxable income.

The Organization assesses the recording of uncertain tax positions by evaluating the minimum recognition threshold and measurement requirements a tax position must meet before being recognized as a benefit in the financial statements. The Organization's policy is to recognize interest and penalties accrued on any uncertain tax positions as a component of income tax expense, if any, in its statements of activities. The Organization has not recognized any liabilities for uncertain tax positions or unrecognized benefits as of March 31, 2025 and 2024. The Organization does not expect any material change in uncertain tax benefits within the next 12 months.

Use of Estimates

Management has used estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities in its preparation of the financial statements in accordance with GAAP. Actual results experienced by the Organization may differ from those estimates.

Subsequent Events

Management has evaluated subsequent events spanning the period from March 31, 2025 through August 5, 2025, the date the financial statements were available to be issued.

Reclassification

Certain accounts in the March 31, 2024 financial statements have been reclassified for comparative purposes to conform to the presentation in the March 31, 2025 financial statements.

Boston Harbor Now, Inc.

Notes to Financial Statements
March 31, 2025 and 2024

2. Fiscal Sponsorship

The Organization is the fiscal sponsor for Friends of the Boston Harbor Islands, Friends of Boston Harborwalk, Harborfront Neighborhood Alliance and Coalition for Resilient and Inclusive Waterfront. The Organization receives tax-deductible charitable contributions on behalf of these organizations and provides related administrative support.

During the years ended March 31, 2025 and 2024, the Organization received revenue on behalf of these organizations and paid expenses on behalf of these organizations in the amounts as follows:

	March 31, 2025		March 31, 2024	
	Revenue	Expenditures	Revenue	Expenditures
Coalition for Inclusive and Resilient Waterfront	\$ 750,000	\$ 343,801	\$ 357,500	\$ 489,505
Harborfront Neighborhood Alliance	140,000	103,447	115,300	79,095
Friends of the Boston Harbor Islands	68,352	14,862	21,979	11,462
Friends of the Harbor Walk	9,401	12,087	10,163	2,159
	<u>\$ 967,753</u>	<u>\$ 474,197</u>	<u>\$ 504,942</u>	<u>\$ 582,221</u>

As of March 31, 2025 and 2024, the Organization's net assets with donor restrictions includes unspent amounts received on behalf of these organizations in the amount of \$998,876 and \$505,320, respectively.

3. Availability and Liquidity

The following reflects the Organization's financial assets as of March 31, 2025 and 2024, reduced by amounts not available for general use within one year of March 31, 2025 and 2024 due to contractual or donor-imposed restrictions.

	2025	2024
Financial assets at end of year:		
Cash and cash equivalents	\$ 4,737,515	\$ 2,778,059
Investments	114,431	69,845
Government grants and contracts receivable	2,747,907	291,470
Contributions receivable	<u>1,830,500</u>	<u>1,613,398</u>
Total financial assets at end of year	9,430,353	4,752,772
Less amounts unavailable for general expenditures within one year:		
Due to contractual or donor-imposed restriction:		
Restricted by donor with time or purpose restrictions	<u>8,547,143</u>	<u>3,921,623</u>
Financial assets available to meet cash needs for general expenditures over the next 12 months	<u>\$ 883,210</u>	<u>\$ 831,149</u>

Boston Harbor Now, Inc.

Notes to Financial Statements
March 31, 2025 and 2024

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations may come due.

4. Investments

Investments as of March 31, 2025 and 2024 consist of the following:

	<u>2025</u>	<u>2024</u>
Equities	\$ 69,665	\$ 69,845
Mutual funds	44,724	-
Exchange traded funds	42	-
	<u>\$ 114,431</u>	<u>\$ 69,845</u>

For the years ended March 31, 2025 and 2024, net investment income consists of the following:

	<u>2025</u>	<u>2024</u>
Interest and dividends	\$ 1,652	\$ 2,029
Net unrealized (losses) gains	(711)	18,022
	<u>\$ 941</u>	<u>\$ 20,051</u>

5. Property and Equipment

Property and equipment as of March 31, 2025 and 2024 consists of the following:

	<u>2025</u>	<u>2024</u>
Equipment	\$ 124,733	\$ 124,733
Building and improvements	117,180	-
Furniture and fixtures	40,522	33,332
	282,435	158,065
Less accumulated depreciation	92,144	65,069
	<u>\$ 190,291</u>	<u>\$ 92,996</u>

Depreciation expense for the years ended March 31, 2025 and 2024 amounted to \$27,075 and \$29,987, respectively.

Boston Harbor Now, Inc.

Notes to Financial Statements
March 31, 2025 and 2024

6. Contributions Receivable

Contributions receivable as of March 31, 2025 and 2024 consists of the following:

	<u>2025</u>	<u>2024</u>
Receivable in less than one year	\$ 1,780,500	\$ 1,388,398
Receivable in one to five years	<u>50,000</u>	<u>225,000</u>
	<u>\$ 1,830,500</u>	<u>\$ 1,613,398</u>

As of March 31, 2025 and 2024, long-term contributions receivable have not been discounted by the Organization using a risk adjusted rate based on the daily treasury yield curves, as management has determined the discount on long-term receivables is immaterial to the financial statements.

7. Line of Credit

At March 31, 2024 the Organization was party to a revolving line of credit agreement with a bank for maximum borrowings of 95% of cash on deposit with the financial institution. The line of credit bore interest at the bank's prime rate and was collateralized by the cash on deposit with the financial institution. As of March 31, 2024, no amounts were outstanding under the line of credit. During the year ended March 31, 2025, the Organization shifted financial institutions and the revolving line of credit was terminated.

Boston Harbor Now, Inc.

Notes to Financial Statements
March 31, 2025 and 2024

8. Net Assets With Donor Restrictions

Net assets with donor restrictions as of March 31, 2025 and 2024 consists of the following:

	2025	2024
Subject to Expenditure for Specified Purpose and Passage of Time:		
Department of Conservation and Recreation Fort Warren	\$ 4,000,000	\$ -
Stone Living Lab	749,434	962,154
Coalition for a Resilient and Inclusive Waterfront	727,707	321,508
Make Moakley Yours Phase 2	486,781	-
Harborwalk 2.0	399,086	-
Climate and Resilience	200,000	-
Harborfront Neighborhood Alliance	131,094	94,541
Friends of the Boston Harbor Islands	127,494	74,004
Department of Conservation and Recreation Engagement, Outreach, and Programming	103,357	113,386
Green Ribbon Commission Coastal Resilience Working Group	99,657	74,729
Community Cruises	78,945	12,488
Water Transportation	78,610	125,000
Boston Harbor Islands Welcome Center/ Harbor Park Pavilion	67,465	100,798
Public Programs	63,573	89,365
Department of Conservation and Recreation Summer Nights	61,334	26,976
National Park Foundation Capacity Building	50,000	-
150 Seaport Trust Waterfront Access	50,000	-
Volunteer Fund	45,124	24,915
Boston Park - Spectacle Island	44,325	44,325
National Park Foundation Open Outdoors for Kids	39,994	26,618
Government Relations	33,500	8,500
National Park Foundation Boston Light	32,318	32,318
Massachusetts Department of Environmental Protection (DEP) - Access Data Project	26,944	31,944
National Park Foundation Fishing	23,843	30,837
Community Preservation: Georges Island Pavilion	20,968	48,623
Department of Conservation and Recreation Innovation Islands	19,525	150,254
Mazzone Funds	17,241	11,676
Marine Debris Removal	14,547	14,547
Friends of Harborwalk	14,529	13,894
Illuminate the Harbor	12,581	15,267
Department of Conservation and Recreation Improvements and Maintenance	12,344	-
Future Portion of Donated Facility, Nonfinancial Assets	11,538	16,526
Make Moakley Yours	9,218	8,769
Park Projects and Operations	7,450	148,414
Moakley Park	4,619	4,619
Communications Strategy and Website Consulting	2,410	2,581
Youth Workforce Development	1,948	2,586
Access Programs	1,499	7,439
Cabot Corporation - SCA	615	615
National Park Foundation Stone Living Lab Teacher	526	526
Neponset River Watershed Association - MAPC Grant	-	19,353
BPDA - Downtown Watersheet Guidelines	-	4,500
Total purpose restrictions	7,872,143	2,669,095
Subject to Passage of Time	675,000	1,252,528
Total net assets with donor restrictions	\$ 8,547,143	\$ 3,921,623

Boston Harbor Now, Inc.

Notes to Financial Statements
March 31, 2025 and 2024

9. Net Assets Released From Restriction

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes specified by donors or by the passage of time. Net assets released from restriction during the years ended March 31, 2025 and 2024 consists of the following:

	2025	2024
Stone Living Lab	\$ 844,719	\$ 556,094
Subject to passage of time	697,528	698,000
Coalition for Resilient and Inclusive Waterfront	343,801	489,505
Make Moakley Yours	140,964	131,648
Community Preservation: Georges Island Pavilion	130,729	76,636
Harborfront Neighborhood Alliance	103,447	79,095
Green Ribbon Commission Resilience Working Group	75,072	271
Department of Conservation and Recreation Innovation Islands	64,436	58,324
Illuminate the Harbor	62,656	-
Department of Conservation and Recreation Moorings	60,000	-
Government Relations	55,000	60,000
National Parks Foundation Open Outdoors for Kids	48,251	36,717
Water Transportation	46,390	-
Public Programming	45,795	79,304
Department of Conservation and Recreation Summer Nights	40,492	29,946
Marine Debris Removal	39,364	42,899
Boston Harbor Islands Welcome Center/Park Pavilion	33,333	22,041
National Park Foundation	27,656	19,136
Community Cruises	23,543	17,042
National Park Foundation Stone Living Lab Teacher Institute	19,353	47,855
Friends of the Boston Harbor Islands	14,862	11,462
Moakley Park	14,490	17,233
Make Moakley Yours Phase 2	13,218	-
Friends of the Harborwalk	12,087	2,159
Access Programs	11,000	18,855
Department of Conservation and Recreation Engagement, Outreach, and Programming	10,029	9,789
Volunteer Fund	8,775	8,264
Future Portion of Donated Facility, Nonfinancial Assets	8,769	8,544
Data Project	6,995	111,974
Neponset River Watershed Association - MAPC Grant	6,000	-
Youth Workforce Development	5,940	6,064
Massachusetts Department of Environmental Protection (DEP) - Access	5,000	3,063
Department of Conservation and Recreation Park Improvements and Maintenance	4,988	2,594
BPDA - Downtown Watersheet Guidelines	4,500	-
Harborwalk 2.0	914	-
Communications Strategy and Website Consulting	638	9,802
Harborwalk Webtool	-	901
Park Projects and Operations	-	562
	<u>\$ 3,030,734</u>	<u>\$ 2,655,779</u>

10. Contributions, Nonfinancial Assets

The Organization received contributed nonfinancial assets and services recognized as revenue and other support within the statements of activities. The contributed nonfinancial assets did not have donor-imposed restrictions.

Boston Harbor Now, Inc.

Notes to Financial Statements
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The Organization had received a donation of office space in Boston, Massachusetts covering a period beginning June 1, 2022 through May 31, 2025. The Organization has recorded an accounts receivable-nonfinancial asset and donor restricted contribution for the fair value of the space in the amount of \$8,544 that was utilized during the year ended March 31, 2024. The Organization has also recorded a donor restricted contribution for the fair value of the space in the amount of \$8,769 that was utilized during the year ended March 31, 2025.

During the years ended March 31, 2025 and 2024, contributed nonfinancial assets consisted of the following:

	<u>2025</u>	<u>2024</u>
Office space	\$ 45,304	\$ 52,386
Special events	27,949	18,200
Consulting services	1,000	-
	<u>\$ 74,253</u>	<u>\$ 70,586</u>

Contributed services recognized consist of office space, consulting, catering, food and drinks for fundraising events hosted by the Organization. Contributed services are valued and are reported at the estimated fair value in the financial statements based on current rates for similar services.

11. Retirement Plan

The Organization sponsors a defined contribution plan covering substantially all of its employees who meet certain eligibility requirements. The Organization, at the discretion of the Board of Directors, may make contributions to the plan. During the years ended March 31, 2025 and 2024, the Organization made contributions to the plan of \$30,553 and \$26,048, respectively.

12. Economic Dependency

During the years ended March 31, 2025 and 2024, the Organization generated a substantial portion of its revenue from two sources. Revenue from these donors approximated 51% and 31% of the Organization's total revenue during the years ended March 31, 2025 and 2024, respectively. As of March 31, 2025 and 2024, contributions receivable from two donors represented approximately 75% and 87%, respectively, of the Organization's total contributions receivable.

13. Indemnifications

In the ordinary course of business, the Organization enters into various agreements containing standard indemnification provisions. The Organization's indemnification obligations under such provisions are typically in effect from the date of execution of the applicable agreement through the end of the applicable statute of limitations. The aggregate maximum potential future liability of the Organization under such indemnification provisions is uncertain. As of March 31, 2025 and 2024, no amounts have been accrued related to such indemnification provisions.