

EAST HAMPTON VILLAGE FOUNDATION, INC.

Financial Statements and
Independent Auditors' Report

Years Ended
December 31, 2024 and 2023

EAST HAMPTON VILLAGE FOUNDATION, INC.

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
East Hampton Village Foundation, Inc.
East Hampton, NY

Opinion

We have audited the accompanying financial statements of East Hampton Village Foundation, Inc (a nonprofit organization) which comprise the statements of financial position as of December 31, 2024, and 2023, 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 financial statements referred to above present fairly, in all material respects, the financial position of East Hampton Village Foundation, Inc as of December 31, 2024 and 2023, 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.

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 East Hampton Village Foundation, Inc and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, 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 East Hampton Village Foundation'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 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 judgement made by a reasonable user based on the financial statements.

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

- Exercise professional judgement 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 East Hampton Village Foundation'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 judgement, 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.

Sabel and Oplinger

Sabel & Oplinger, CPA, PC

Southampton, New York

October 24, 2025

EAST HAMPTON VILLAGE FOUNDATION, INC.

Statements of Financial Position

December 31,

	<u>2024</u>	<u>2023</u>
Assets		
Current Assets		
Cash in bank		
Without donor restrictions	\$ 520,167	\$ 395,615
With donor restrictions	<u>251,000</u>	<u>-</u>
Total Current Assets	<u>771,167</u>	<u>395,615</u>
 Total Assets	 <u>\$ 771,167</u>	 <u>\$ 395,615</u>
 Liabilities and Net Assets		
Current Liabilities		
Accounts payable and accrued expenses	<u>\$ 5,742</u>	<u>\$ 14,579</u>
Net Assets		
Net assets without donor restrictions	514,425	381,036
Net assets with donor restrictions	<u>251,000</u>	<u>-</u>
Total Net Assets	<u>765,425</u>	<u>381,036</u>
 Total Liabilities and Net Assets	 <u>\$ 771,167</u>	 <u>\$ 395,615</u>

See accompanying notes to financial statements.

EAST HAMPTON VILLAGE FOUNDATION, INC.

Statement of Activities

Year Ended December 31, 2024

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenues and Support			
Contributions	\$ 527,853	\$ 251,000	\$ 778,853
In-kind donations	22,130	-	22,130
Investment income	109	-	109
Released from restrictions	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues and Support	<u>550,092</u>	<u>251,000</u>	<u>801,092</u>
Expenses			
Program services	361,295	-	361,295
Management and general	28,626	-	28,626
Fundraising	<u>26,782</u>	<u>-</u>	<u>26,782</u>
Total Expenses	<u>416,703</u>	<u>-</u>	<u>416,703</u>
Change in Net Assets	133,389	251,000	384,389
Net Assets, beginning of year	<u>381,036</u>	<u>-</u>	<u>381,036</u>
Net Assets, end of year	<u>\$ 514,425</u>	<u>\$ 251,000</u>	<u>\$ 765,425</u>

See accompanying notes to financial statements.

EAST HAMPTON VILLAGE FOUNDATION, INC.

Statement of Activities

Year Ended December 31, 2023

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenues and Support			
Contributions	\$ 421,014	\$ -	\$ 421,014
Investment income	177	-	177
Released from restrictions	<u>301,460</u>	<u>(301,460)</u>	<u>-</u>
Total Revenues and Support	<u>722,651</u>	<u>(301,460)</u>	<u>421,191</u>
Expenses			
Program services	1,644,424	-	1,644,424
Management and general	41,547	-	41,547
Fundraising	<u>20,089</u>	<u>-</u>	<u>20,089</u>
Total Expenses	<u>1,706,060</u>	<u>-</u>	<u>1,706,060</u>
Change in Net Assets	(983,409)	(301,460)	(1,284,869)
Net Assets, beginning of year	<u>1,364,445</u>	<u>301,460</u>	<u>1,665,905</u>
Net Assets, end of year	<u>\$ 381,036</u>	<u>\$ -</u>	<u>\$ 381,036</u>

See accompanying notes to financial statements.

EAST HAMPTON VILLAGE FOUNDATION, INC.

Statements of Functional Expenses

Years Ended December 31,

	Program Services	Management and General	Fundraising	2024	Program Services	Management and General	Fundraising	2023
Professional fees	\$ -	\$ 8,800	\$ -	\$ 8,800	\$ -	\$ 22,670	\$ -	\$ 22,670
Bank service fee	-	1,212	-	1,212	-	969	-	969
Donation to EH Village	112,138	-	-	112,138	1,195,645	-	-	1,195,645
Event expense	103,672	-	-	103,672	307,691	-	-	307,691
Insurance	3,219	537	1,610	5,366	3,788	631	1,894	6,313
License and permit	76	13	38	127	582	97	291	970
Meals and entertainment	534	67	67	668	-	-	-	-
Office expense	7,022	1,167	3,511	11,700	2,171	362	1,085	3,618
Payroll taxes	11,022	1,378	1,378	13,778	10,851	1,356	1,357	13,564
Lifeguard uniforms	-	-	4,727	4,727	-	-	-	-
Salaries	123,612	15,452	15,451	154,515	123,696	15,462	15,462	154,620
TOTAL EXPENSES	\$ 361,295	\$ 28,626	\$ 26,782	\$ 416,703	\$ 1,644,424	\$ 41,547	\$ 20,089	\$ 1,706,060

See accompanying notes to financial statements.

EAST HAMPTON VILLAGE FOUNDATION, INC.

Statements of Cash Flows

Years Ended December 31,

	<u>2024</u>	<u>2023</u>
<u>Cash Flows from Operating Activities</u>		
Change in Net Assets	\$ 384,389	\$ (1,284,869)
Adjustments to reconcile the change in net assets to net cash provided (used) by operating activities:		
Increase (Decrease) in:		
Accounts payable and accrued expenses	<u>(8,837)</u>	<u>(8,073)</u>
Net Cash Provided by (Used in) Operating Activities	<u>375,552</u>	<u>(1,292,942)</u>
Net Change in Cash	375,552	(1,292,942)
Cash in banks, beginning of year	<u>395,615</u>	<u>1,688,557</u>
Cash in banks, end of year	<u>\$ 771,167</u>	<u>\$ 395,615</u>

See accompanying notes to financial statements.

EAST HAMPTON VILLAGE FOUNDATION, INC.

Notes to Financial Statements

Years Ended December 31, 2024 and 2023

Note 1 - Nature of Organization

East Hampton Village Foundation, Inc. (the "Organization") was incorporated in 2021 as a not-for-profit corporation pursuant to general corporation law of the State of New York. The Organization's purpose is educating the public, funding programs with respect to the beautification and maintenance of East Hampton village properties, including open space and historical structures, and/or in support of public safety, environmental and/or public works in benefit to the village of East Hampton, New York, or the community in which it serves.

Note 2 - Summary of Significant Accounting Policies

The summary of significant accounting policies is presented to assist in understanding the Organization's financial statements. The financial statements and notes are the representations of the Organization's management who are responsible for their integrity and objectivity.

Basis of Accounting

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

Basis of Presentation

The financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which require the organization to report 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 the board of directors.

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.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

EAST HAMPTON VILLAGE FOUNDATION, INC.

Notes to Financial Statements

Years Ended December 31, 2024 and 2023

Note 2 - Summary of Significant Accounting Policies - Continued

Revenue and Revenue Recognition

The Organization recognizes revenue in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2014-09, Revenue from Contracts with Customers, as amended. ASU 2014-09 applies to exchange transactions with customers that are bound by contracts or similar arrangements and establishes a performance obligation approach to revenue recognition. Analysis of various provisions of this standard resulted in no significant changes in the way the Organization recognizes revenue, and therefore no changes to the previously issued audited financial statements were required on a retrospective basis. The presentation and disclosures of revenue have been enhanced in accordance with the standard.

The Organization has the following exchange transaction revenue included in its Statement of Activities for the year ending December 31, 2024:

- *Special events* – The Organization conducts special and fundraising events in which a portion of the proceeds paid by the participant represent payment for the direct cost benefits received by the participant at the event – the exchange component, and a portion represents a contribution to the Organization. The fair value of meals and entertainment provided at these events are measured at actual cost to the Organization and is recognized when the event takes place. The contribution portion is the excess of the gross revenue over the fair value of the direct donor benefit and is recognized immediately, unless there is a right of return if the event does not take place.

Contributions

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. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of 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.

The Organization recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

EAST HAMPTON VILLAGE FOUNDATION, INC.

Notes to Financial Statements

Years Ended December 31, 2024 and 2023

Note 2 - Summary of Significant Accounting Policies – Continued

In-Kind-Contributions

The Organization recognizes contributed goods and services in accordance with ASC 958-605, Revenue Recognition for Not-for-Profit Entities. Contributions of tangible assets are recorded at their estimated fair value on the date of donation. During the year, the Organization received an in-kind donated vehicle, which was recorded as contribution revenue at its estimated fair value of \$20,000. The vehicle was subsequently donated by the Organization to the East Hampton Village, and therefore was expensed in the Statement of Activities in the period of donation rather than capitalized.

In addition, the Organization received donated marketable securities during the year. The securities were recorded at their fair value on the date of donation in accordance with ASC 958, and were immediately sold, with the proceeds used to support general operations. The sale of the donated securities is reflected in the Statement of Cash Flows as operating cash inflows.

Contributed services are recognized if they create or enhance non-financial assets or require specialized skills that would typically need to be purchased if not provided by donation.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents, including restricted funds. Cash investments are placed with high credit-quality financial institutions and may exceed the amount of federal deposit insurance.

Concentration of Credit Risk

The Organization's financial instruments that are potentially exposed to concentrations of credit risk consist primarily of cash in bank, savings and certificates of deposits. The Organization deposits its cash with what it believes to be quality financial institutions and at times during the year the balances have exceeded the federally insured limits. The Organization believes no significant concentration of credit risk exists with respect to its cash and cash equivalents.

Contributed Services

A substantial number of volunteers have donated significant amounts of their time relating to the activities of the Organization. The value of this contributed time is not reported in these financial statements, as it does not meet the criteria for recognition.

EAST HAMPTON VILLAGE FOUNDATION, INC.

Notes to Financial Statements

Years Ended December 31, 2024 and 2023

Note 2 - Summary of Significant Accounting Policies – Continued

Functional Allocation of Expenses

The costs of providing the various programs and supporting services have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Such allocations are determined by management on an equitable basis.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, the actual results could differ from those estimates.

New Accounting Pronouncements

In February 2016 the FASB issued ASU 2016-02, Leases (Topic 842). This standard requires lessees to recognize lease payments payable under operating leases as a liability on the statement of financial position at the net present value of the future payments due under the lease, offset by a “right-of use” (ROU) asset representing the organization’s right to use the underlying asset for the lease term. Lease expense is recognized for these leases on a straight-line basis over the lease term.

ASU 2016-02 became effective as of fiscal years beginning after December 15, 2021, and the Organization adopted this ASU and related ASUs as of July 1, 2022 as required. The Organization elected the short-term lease recognition exemption for leases with an initial term of 12 months or less. The Organization has no agreements that need to be reported as leases under this new accounting standard.

Tax Exempt Status

The Organization has been classified by the Internal Revenue Service as a publicly supported tax-exempt charity pursuant to IRC Section 501 (c) (3) and as a not-for-profit corporation under the laws of New York State. Accordingly, no provision for Federal or State income taxes is required. As of December 31, 2024 and 2023, no amounts have been recognized for uncertain income tax positions.

EAST HAMPTON VILLAGE FOUNDATION, INC.

Notes to Financial Statements

Years Ended December 31, 2024 and 2023

Note 3 - Liquidity and Availability of Financial Assets

The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

The following table reflects the Organization's financial assets as of December 31, 2024, reduced by amounts not available for general use within one year of the statement of financial position date because of contractual or donor-imposed restrictions or internal designations. Financial assets are considered unavailable when illiquid or not convertible to cash within one year, or because the governing board has set aside the funds for specific contingency reserves and projects or a long-term investment as board designated endowments.

	<u>2024</u>	<u>2023</u>
Financial assets at year end:		
Cash and cash equivalents	\$ 771,167	\$ 395,615
Total Financial Assets	771,167	395,615
Less financial assets not available to be used within one year:	<u>(251,000)</u>	<u>-</u>
Financial assets available within one year	<u>\$ 520,167</u>	<u>\$ 395,615</u>

In addition to these available financial assets, management expects that the Organization's annual expenditures will be funded by new contributions from donors.

Note 4 - Net Assets With Donor Restrictions

During the year ended December 31, 2024, the Organization received donor-restricted contributions totaling \$251,000. These funds are restricted by the donors for the benefit and improvement of Herrick Park and may only be used for expenditures related to that purpose. Accordingly, the donations have been reported as net assets with donor restrictions in the accompanying financial statements. The restricted funds will be released from restriction as qualifying expenditures are incurred in accordance with the donors' intent.

Net assets with donor restrictions are as follows as of December 31:

	<u>2024</u>	<u>2023</u>
Herrick Park	\$ 251,000	\$ -

Net assets released from net assets with donor restrictions are as follows as of December 31:

	<u>2024</u>	<u>2023</u>
Herrick Park	\$ -	\$ 301,460

EAST HAMPTON VILLAGE FOUNDATION, INC.

Notes to Financial Statements

Years Ended December 31, 2024 and 2023

Note 5 - Subsequent Events

In preparing the financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through October 24, 2025, which is the date that the financial statements were available to be issued. There are no subsequent events or transactions that required recognition or disclosure in these financial statements.

Sabel & Oplinger, CPA, PC

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To the Board of Directors
East Hampton Village Foundation, Inc.
East Hampton, NY 11937

In planning and performing our audit of the financial statements of East Hampton Village Foundation, Inc. as of and for the years ended December 31, 2024 and 2023, in accordance with auditing standards generally accepted in the United States of America, we considered the organization's internal control over financial reporting (internal control) as a basis for designing our auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the organization's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency or a combination of deficiencies in the internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected, and corrected on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This communication is intended solely for the information and use by management of the East Hampton Village Foundation, Inc and others within the organization, and is not intended to be and should not be used by anyone other than these specified parties.

Sabel and Oplinger

Sabel & Oplinger, CPA, PC

Southampton, New York

October 24, 2025