



Friends of Flight 93 National Memorial

Shanksville, Pennsylvania

Financial Statements

September 30, 2023 and 2022

(Audited)

**FRIENDS OF FLIGHT 93 NATIONAL MEMORIAL
FINANCIAL STATEMENTS
SEPTEMBER 30, 2023 AND 2022**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Friends of Flight 93 National Memorial
P.O. Box 911
Shanksville, Pennsylvania 15560

Opinion

We have audited the financial statements of Friends of Flight 93 National Memorial, which comprise the statements of financial position as of September 30, 2023 and 2022, 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 Friends of Flight 93 National Memorial as of September 30, 2023 and 2022, and the changes in 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 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Friends of Flight 93 National Memorial 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 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 Friends of Flight 93 National Memorial's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit

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 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 Friends of Flight 93 National Memorial'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 Friends of Flight 93 National Memorial'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.



WESSEL & COMPANY
Certified Public Accountants

September 12, 2024

FRIENDS OF FLIGHT 93 NATIONAL MEMORIAL
 STATEMENTS OF FINANCIAL POSITION
 SEPTEMBER 30, 2023 AND 2022

ASSETS

	2023	2022
Cash and cash equivalents	\$ 1,814,174	\$ 1,745,421
Accounts receivable	-	2,610
Investments	253,605	253,605
 Total Assets	 \$ 2,067,779	 \$ 2,001,636

LIABILITIES AND NET ASSETS

Accounts payable	\$ 31,464	\$ 16,748
Accrued expenses	9,736	10,172
 Total Liabilities	 41,200	 26,920
 NET ASSETS		
Without donor restriction	1,552,903	1,518,452
With donor restriction	473,676	456,264
 Total Net Assets	 2,026,579	 1,974,716
 Total Liabilities and Net Assets	 \$ 2,067,779	 \$ 2,001,636

See Independent Auditor's Report and
 Accompanying Notes to Financial Statements

FRIENDS OF FLIGHT 93 NATIONAL MEMORIAL
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenues			
Grants	\$ -	\$ 17,446	\$ 17,446
Donations	173,228	239,851	413,079
Direct mailing donations	318,840	-	318,840
Membership dues	9,773	-	9,773
Special events	55,076	-	55,076
Interest income	7,925	-	7,925
Release from restrictions	239,885	(239,885)	-
Total Support and Revenues	804,727	17,412	822,139
Expenses			
Program	522,462	-	522,462
General and administrative	65,702	-	65,702
Fundraising	182,112	-	182,112
Total Expenses	770,276	-	770,276
Change in Net Assets	34,451	17,412	51,863
Net Assets - Beginning of Year	1,518,452	456,264	1,974,716
Net Assets - End of Year	<u>\$ 1,552,903</u>	<u>\$ 473,676</u>	<u>\$ 2,026,579</u>

See Independent Auditor's Report and
Accompanying Notes to Financial Statements

FRIENDS OF FLIGHT 93 NATIONAL MEMORIAL
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Without Donor Restriction	With Donor Restrictions	Total
Support and Revenues			
Grants	\$ -	\$ 13,996	\$ 13,996
Donations	339,696	42,852	382,548
Direct mailing donations	407,849	-	407,849
Membership dues	7,405	-	7,405
Special events	52,484	-	52,484
Merchandise	8,230	-	8,230
Interest income	1,300	-	1,300
Release from restrictions	269,040	(269,040)	-
Total Support and Revenues	1,086,004	(212,192)	873,812
Expenses			
Program	402,891	-	402,891
General and administrative	80,621	-	80,621
Fundraising	170,973	-	170,973
Total Expenses	654,485	-	654,485
Change in Net Assets	431,519	(212,192)	219,327
Net Assets - Beginning of Year	1,086,933	668,456	1,755,389
Net Assets - End of Year	<u>\$ 1,518,452</u>	<u>\$ 456,264</u>	<u>\$ 1,974,716</u>

See Independent Auditor's Report and
Accompanying Notes to Financial Statements

FRIENDS OF FLIGHT 93 NATIONAL MEMORIAL
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Program</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Salaries and wages	\$ 128,503	\$ 8,031	\$ 24,094	\$ 160,629
Payroll taxes and benefits	10,110	632	1,896	12,637
Outside contracted services	9,794	-	-	9,794
Advertising and promotions	75,129	-	-	75,129
Fundraising expenses	-	-	153,040	153,040
Special events & projects	297,630	-	-	297,630
Miscellaneous	1,296	-	-	1,296
Office expenses	-	27,739	3,082	30,821
Professional fees	-	27,200	-	27,200
Insurance	-	2,100	-	2,100
	<u>\$ 522,462</u>	<u>\$ 65,702</u>	<u>\$ 182,112</u>	<u>\$ 770,276</u>

See Independent Auditor's Report and
Accompanying Notes to Financial Statements

FRIENDS OF FLIGHT 93 NATIONAL MEMORIAL
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Program</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Salaries and wages	\$ 158,572	\$ 9,911	\$ 29,732	\$ 198,215
Payroll taxes and benefits	8,611	538	1,615	10,764
Outside contracted services	42,415	-	-	42,415
Advertising and promotions	60,381	-	-	60,381
Fundraising expenses	-	-	135,014	135,014
Travel	975	-	-	975
Special events & projects	131,901	-	-	131,901
Meetings and conferences	36	-	-	36
Office expenses	-	41,511	4,612	46,123
Professional fees	-	25,253	-	25,253
Insurance	-	3,408	-	3,408
	<u>\$ 402,891</u>	<u>\$ 80,621</u>	<u>\$ 170,973</u>	<u>\$ 654,485</u>

See Independent Auditor's Report and
Accompanying Notes to Financial Statements

FRIENDS OF FLIGHT 93 NATIONAL MEMORIAL
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 2023 and 2022

	2023	2022
Cash Flows From Operating Activities:		
Change in net assets	\$ 51,863	\$ 219,327
Adjustments to reconcile change in net cash provided by operating activities:		
Change in assets and liabilities:		
Accounts receivable	2,610	1,870
Accounts payable	14,716	(242,192)
Accrued expenses	(436)	703
PPP loan	-	(24,885)
Total Adjustments	16,890	(264,504)
Net Cash Provided by/(Used In) Operating Activities	68,753	(45,177)
Net Change in Cash	68,753	(45,177)
Cash - Beginning of Year	1,745,421	1,790,598
Cash - End of Year	\$ 1,814,174	\$ 1,745,421

See Independent Auditor's Report and
Accompanying Notes to Financial Statements

FRIENDS OF FLIGHT 93 NATIONAL MEMORIAL
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023 AND 2022

NOTE 1 ORGANIZATION AND NATURE OF OPERATIONS

The Friends of Flight 93 National Memorial (Friends of Flight 93) is a nonprofit organization engaged in collecting funds through donations, contributions, and merchandise sales in order to fund the Flight 93 National Memorial in Shanksville, Pennsylvania.

As Friends, we welcome worldwide all who would join us in honoring the sacrifice and courage of the passengers and crew of Flight 93 by supporting the mission of the Flight 93 National Memorial with volunteers, resources and civic engagement so as to inspire all who visit with the Flight 93 story.

Friends of Flight 93 National Memorial is a vital partner with the National Park service as stewards of the final resting place of the heroes of Flight 93 and the surrounding lands. We champion the highest standards of resource management and a visitor experience which is both powerful and positive. Through the work of the Friends, Flight 93 National Memorial will remain accessible, relevant and inspirational to present and future generations.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies are the principles of accounting and the methods of applying those principles which are utilized in preparing the financial statements. The accounting policies adopted can significantly affect the reported results of the operations. To facilitate an understanding of the information presented in the financial statements, the significant accounting policies followed in the presentation of the accompanying financial statements are summarized as follows:

Basis of Accounting

The financial statements are presented on the accrual basis of accounting and in accordance with accounting principles generally accepted in the United States of America.

Financial Statement Presentation

The accompanying financial statements of the Friends of Flight 93 National Memorial have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Net assets, revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net assets without donor restrictions – net assets that are not subject to donor imposed restrictions and are available for use in the Friends of Flight 93 National Memorial’s ongoing operations, including funds designated by the Board of Directors. This category replaced the previous category of unrestricted net assets.

Net assets with donor restrictions – net assets subject to donor-imposed restrictions that either expire by passage of time, can be fulfilled and removed by action of the Organization

pursuant to those restrictions, and/or upon receipt of funding or passage of date upon which funds were due. This category also includes net assets subject to donor-imposed restrictions that the principal be maintained permanently by the Friends of Flight 93 National Memorial and generally allow the use of investment earnings. This net asset category combined the previous categories of temporarily restricted net assets and permanently restricted net assets.

Contributions

Contributions received are recorded as increases in net assets with donor restrictions or net assets without donor restrictions, depending on the existence or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is 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 reported in the Statement of Activities as net assets released from restrictions.

Friends of Flight 93 National Memorial has received contributions of artifacts of historical significance that are held in safe keeping for educational and public display. In conformity with accounting standards these artifacts are not capitalized and revenues are not recognized when received.

Income Taxes

Friends of Flight 93 National Memorial is a non-profit organization exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code.

Friends of Flight 93 National Memorial follows FASB ASC 740-10 Topic Accounting for Uncertainty in Income Taxes. The FASB ASC required Friends of Flight 93 National Memorial to evaluate tax positions taken and determine whether it is more-likely-than-not that the tax position will be sustained upon examination based on the technical merits of the position. Friends of Flight 93 National Memorial records tax penalties and interest as they occur. For the years ended September 30, 2023 and 2022, Friends of Flight 93 National Memorial incurred no tax penalty or interest costs. With certain exceptions, the federal income tax returns of Friends of Flight 93 National Memorial for 2020, 2021, and 2022 are subject to examination by the IRS, generally for three years after they were filed.

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, Friends of Flight 93 National Memorial considers all highly liquid debt instruments purchased with an initial maturity of three (3) months or less to be cash equivalents. There were no instruments considered to be cash equivalents at September 30, 2023 and 2022.

Allowance for Doubtful Receivables

No allowance for doubtful accounts was provided as of September 30, 2023 and 2022, as management believes all outstanding receivables are collectible. If collection becomes doubtful, an allowance for doubtful accounts will be established. Recoveries of previously charged off accounts are recorded when received.

Expense Allocation

The costs of providing the Friends of Flight 93's programs and other activities is summarized on a functional basis in the statements of activities and statements of functional expenses. Expenses that can be identified with a specific program or support service are charged directly to that program or support service. Costs common to multiple functions have been allocated among the various functions benefited and are allocated based on the department applicability within each function. Management and general expenses include those costs that are not directly identifiable with any specific program, but which provide for the overall support and direction of the Friends of Flight 93. Fundraising costs are expenses as incurred, even though they may result in contributions received in future years.

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 certain estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates.

Accounting Pronouncements Adopted

The Organization elected Financial Accounting Standards Board ("FASB") "Leases (ASC Topic 842)". Under the guidance of ASC 842, the Organization at the inception of the agreement assesses if an arrangement includes a lease. Right-of-use asset and liability leases are determined at the lease commencement date and is based on the present value of estimated lease payment. For leases that contained both fixed and variable lease payments and/or fixed and variable rate or index, the Organization includes the fixed and variable lease payment and rates in the determination of the right-of-use asset and liability. Variable lease payments that are not based on a rate or index are expensed when incurred. The present value of estimated lease payments is determined utilizing the rate implicit in the lease agreement, if that rate can be determined. If the implicit rate cannot be determined, the present value of the estimated lease payments is determined utilizing the Organization's incremental borrowing rate. The incremental borrowing rate is determined at the lease commencement date and is developed utilizing a readily available market interest rate. For leases that include renew options to extend the lease term, the Organization will include the extended term of the lease if it is reasonably certain that the lease will renew. The Organization under ASC 842, elected not to recognize leases with terms or 12 months or less (short-term) on the statement of financial position for any lease class. For short-term not recorded on the statement of financial position, the lease payments are recognized in the statement of activities over a straight-line basis over the term of the lease.

Recent Accounting Pronouncements

In June 2016, the Financial Accounting Standards Board (“FASB”) issued new accounting guidance Accounting Standards Update (ASU) 2016-13, Financial Instruments—Credit Losses (Topic 326) as amended. The ASU requires credit losses on most financial assets be carried at amortized cost and certain other instruments to be measured using an expected credit loss model. Under this model, entities will estimate credit losses over the entire contractual term of the instrument from the date of initial recognition of that instrument. The initial measurement of expected credit losses, as well as any subsequent change in the estimate of expected credit losses, is recorded as a credit loss expense (or reversal) in the current period income statement. The objective of current expected credit loss (CECL) is to provide financial statement users with an estimate of the net amount the entity expects to collect on those assets. The guidance in general ASU 2016-13 to be applied by the modified retrospective transition approach. An entity must apply the amendments through a cumulative-effect adjustment to retained earnings as of the beginning of the first reporting period in which the guidance is effective except for certain debt securities and purchased credit impaired assets for which a prospective transition approach is required. In November 2018, the FASB issued ASU No. 2018-19, Codification Improvements to Topic 326, Financial Instruments—Credit Losses, to mitigate transition complexity by amending the effective date of the new accounting standard for nonpublic business entities to fiscal years beginning after December 15, 2021, including interim periods within those fiscal years. In November 2019, the FASB issued ASU No. 2019-10, Financial Instruments—Credit Losses (Topic 326), Derivatives and Hedging (Topic 815), and Leases (Topic 842): Effective Dates. This ASU delayed the effective date of Topic 326 to fiscal years beginning after December 15, 2022, including interim periods within those fiscal years for nonpublic companies. Early adoption is permitted.

NOTE 3 CONCENTRATIONS OF CREDIT RISK OF FINANCIAL INSTRUMENTS

Demand deposits in banks are financial instruments of the depositor. The depositor has the contracted right to receive this currency on demand. Friends of Flight 93 National Memorial has cash deposits in multiple financial institutions. Friends of Flight 93 had uninsured deposits of \$1,119,353 and \$1,015,060 as of September 30, 2023 and 2022, respectively.

NOTE 4 INVESTMENTS AND FAIR VALUE

Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, establishes a framework for measuring fair value with generally accepted accounting principles (GAAP) and expands disclosures about fair value measurements. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value.

ASC 820 does not require any new fair value measurements under GAAP and does not expand the application of fair value accounting to any new circumstances. ASC 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

As required by ASC 820, assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Friends of Flight 93’s assessment of the significance of a particular input to the fair value measurement requires judgment and may affect their placement within the fair value hierarchy levels.

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 measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

- Level 1 – Quoted prices in active markets for identical assets or liabilities.
- Level 2 – Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in active markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Following is a description of the valuation methodologies used by the Friends of Flight 93 for assets that are measured at fair value on a recurring basis. There have been no changes in the methodologies used at September 30, 2023 and 2022.

Pooled Investments at the National Park Foundation – Valued at the Friends of Flight 93's proportionate share of the investments held within the pooled fund and explained further below.

Investments held in the investment pool are valued using the market value unit method, which assigns a number of units to each participant based on the relationship in the individual participant's investments to the total investments at the time the investments are pooled. Periodically, the pooled assets are valued and new unit values are assigned and used for valuing additions to, or withdrawals from, the pool for new endowment contributions or withdrawals of endowment funds entering the pool. The Friends of Flight 93 may withdraw from the pool at any time. Net asset value is based on fair market value of the underlying assets of the funds using quoted market prices when available and alternative methods as provided in the individual trust or pooled fund agreements when quoted market prices are not available. The Friends of Flight 93 receives a proportionate share of investment returns, expenses, gains and losses based on its proportionate number of units owned in the pooled investments.

The preceding method may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Friends of Flight 93's management believes its valuation method is appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of these assets could result in a different fair value measurement at the reporting date.

The following table sets forth by level within the fair value hierarchy the Friends of Flight 93's financial assets and that were accounted for at fair value on a recurring basis. As required by ASC 820, financial assets are classified in their entirety based on the lowest level of input that is significant to the fair value measurements.

Fair Value Measurements consist of the following as of September 30, 2023:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets:				
Investment Pool at the National Park Foundation	\$ ---	\$ 253,605	\$ ---	\$ 253,605
Total	<u>\$ ---</u>	<u>\$ 253,605</u>	<u>\$ ---</u>	<u>\$ 253,605</u>

Fair Value Measurements consist of the following as of September 30, 2022:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets:				
Investment Pool at the National Park Foundation	\$ ---	\$ 253,605	\$ ---	\$ 253,605
Total	<u>\$ ---</u>	<u>\$ 253,605</u>	<u>\$ ---</u>	<u>\$ 253,605</u>

The Friends of Flight 93's investments valued at net asset value were as follows as of September 30, 2023:

	<u>Fair Value</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
Funds held in the Investment Pool at the National Park Foundation	<u>\$ 253,605</u>	Daily	None

The Friends of Flight 93's investments valued at net asset value were as follows as of September 30, 2022:

	<u>Fair Value</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
Funds held in the Investment Pool at the National Park Foundation	<u>\$ 253,605</u>	Daily	None

The Friends of Flight 93 has investments held within the Investment Pool which have an investment objective to maximize long-term total return through a combination of income and capital appreciation in a manner consistent with sound investment practices. The Friends of Flight 93 holds the variance power for the assets held within the Investment Pool.

The Friends of Flight 93 invested \$343,000 into the Investment Pool and the funds are temporarily restricted to fund the Learning Center Coordinator position beginning in fiscal year September 30, 2019, and future years. Earnings on the funds held in the Investment Pool are not restricted for use.

The Friends of Flight 93, in order to reflect its investment at fair market value, recorded an unrealized gain of \$-0- for the years ending September 30, 2023 and 2022, respectively.

NOTE 5 CONTRIBUTED SERVICES

Contributed services are recognized if the services received (a) create or enhance long-lived assets, or (b) require specialized skills, are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. Friends of Flight 93 National Memorial receives a significant amount of contributed time that does not meet the two recognition criteria above. Accordingly, the value of this contributed time has not been determined and is not reflected in the accompanying financial statements.

NOTE 6 COMMITMENTS AND CONTINGENCIES

Grant Programs

Friends of Flight 93 National Memorial participates in various grant programs. These programs are subject to program compliance audits by the grantors or their representatives. Friends of Flight 93 National Memorial is potentially liable for any expenditure which may be disallowed pursuant to the terms of these grant programs. In the opinion of management, liabilities resulting from disallowed expenditures, if any, would not be material to the accompanying financial statements at September 30, 2023 and 2022.

Litigation

Friends of Flight 93 National Memorial is subject to certain legal proceedings and claims that arise in the ordinary course of business. In the opinion of management, the amount of any ultimate liability with respect to these actions will not materially affect the Friends of Flight 93 National Memorial's financial statements as a result of operations.

NOTE 7 LINE OF CREDIT

Friends of Flight 93 National Memorial obtained a line of credit in the amount of \$45,000 in July 2015. The line of credit is unsecured. The interest rate for the years ended September 30, 2023 and 2022, was 5.00% and 6.25%, respectively. There was no outstanding balance as of September 30, 2023 and 2022. The line is due on demand.

NOTE 8 LONG-TERM DEBT

SBA Paycheck Protection Program (“PPP”) Loan 2

On March 1, 2021, the Organization was approved for a Payroll Protection Program Loan 2 in the amount of \$24,885 at a one percent (1%) interest rate. The Organization received the funds on March 18, 2021. The Payroll Protection Program (PPP2) Loan 2 is made pursuant to the Consolidation Act 2021, which provides for the application for loan forgiveness for eligible expenses by the Organization to the Financial Institution (servicer for the Small Business Administration (SBA)). The covered period for eligible expenses is between 8 weeks and 24 weeks after the date the loan is disbursed. If the Organization does not apply for forgiveness within 10 months after the last day of the covered period, then PPP loan payments are no longer deferred, and borrowers will begin making loan payments to their PPP lender. The Financial Institution will confirm the loan amount eligible for forgiveness within the required specific days after receiving a forgiveness application from the Organization. The Financial Institution will submit such information to the SBA. The SBA will respond to Financial Institution of payment of the forgivable amount plus accrued interest in accordance with the Consolidation Act 2021, the outstanding principal amount under the loan shall be reduced by the forgivable amount and the forgivable amount shall be deemed cancelled debt. As part of the Consolidation Act 2021, the Organization’s cancelled debt (debt forgiveness) is non-taxable for Federal income tax purposes. For any remaining loan balance, the Organization will be obligated to repay to Financial Institution the total outstanding principal amount, outstanding accrued and unpaid interest in accordance with the terms of this Note. The organization has complied with the forgiveness qualification requirements and received forgiveness of \$24,885 on January 12, 2022. The PPP loan forgiveness covered the remaining balance and \$0 is owed as of September 30, 2022.

NOTE 9 LIQUIDITY AND AVAILABILITY OF RESOURCES

Friends of Flight 93 National Memorial’s financial assets available within one year of the Statement of Financial Position date for general expenditures are as follows as of September 30, 2023:

Cash and cash equivalents	\$ 1,814,174
Accounts receivable	---
Investments	<u>253,605</u>
Total financial assets available within one year	2,067,779
Liquidity resources:	
Bank line of credit	45,000
Less:	
Funds with donor imposed restrictions	(473,677)
Amounts unavailable to management without Board approval	<u>(1,439,890)</u>
Total financial assets available within one year	<u>\$ 199,212</u>

As part of the Friends of Flight 93 National Memorial’s liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, future planned program funding allocations and other obligations come due.

NOTE 10 NET ASSETS WITH DONOR RESTRICTIONS

The following summarizes the net assets with donor restrictions for the years ending September 30, 2023 and 2022.

	<u>2023</u>	<u>2022</u>
Tower of Voices wind chimes	\$ 30,352	\$ 19,739
Education Scholarship	32,558	17,029
NPF Restricted Funds	3,937	18,062
Equipment and payroll	5,304	5,304
Families Ambassador's	10,855	10,035
Families – SG, TOV, WON	173,763	168,124
Somerset County Tourism	---	1,063
Public Awareness	84,552	84,552
Education Specialist	<u>132,356</u>	<u>132,356</u>
Total net assets with donor restrictions	<u>\$ 473,677</u>	<u>\$ 456,264</u>

NOTE 11 NET ASSETS WITHOUT DONOR RESTRICTIONS

The following summarizes the net assets without donor restrictions for the years ending September 30, 2023 and 2022.

	<u>2023</u>	<u>2022</u>
Board designated for various programs	\$ 1,439,890	\$ 1,224,772
Undesignated	<u>113,013</u>	<u>293,679</u>
Total net assets without donor restrictions	<u>\$ 1,552,903</u>	<u>\$ 1,518,451</u>

NOTE 12 SUBSEQUENT EVENTS

Subsequent events were considered through September 12, 2024, the date the financial statements were available to be issued. Other than noted below, the Organization is not aware of any subsequent events which would require recognition or disclosure in the financial statements.

Transfer of Investment Funds

In October 2023, the investment funds discussed in Note 4 were transferred from National Park Foundation back to Friends of Flight 93. \$2,335,980 was distributed with \$2,000,000 going into a new investment account and the rest into a money market.