MOUNT VERNON PLACE CONSERVANCY, INC.

Financial Statements Together with
Report of Independent Public Accountants

For the Years Ended June 30, 2023 and 2022

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Report of Independent Public Accountants

JUNE 30, 2023 AND 2022

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Certified Public
Accountants &
SBC Business Advisors

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS ON THE AUDIT OF THE FINANCIAL STATEMENTS

To the Board of Directors
Mount Vernon Place Conservancy, Inc.

Opinion

We have audited the statements of financial position of Mount Vernon Place Conservancy, Inc. (MVPC), as of June 30, 2023 and 2022, and the related statements of activities and changes in net assets, 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 MVPC as of June 30, 2023 and 2022, 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 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 MVPC and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal controls 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 MVPC's ability to continue as a going concern for one year after the date that the financial statements are issued.

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Certified Public Accountants & Business Advisors SBC

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 controls. 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 controls 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 MVPC's internal controls. 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 MVPC's ability to continue as a going concern for one year after the date that the financial statements are issued.

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 controls-related matters that we identified during the audit.

Owings Mills, Maryland
January 30, 2026

SB & Company, LLC

MOUNT VERNON PLACE CONSERVANCY, INC.

Statements of Financial Position
As of June 30, 2023 and 2022

	2023	2022
ASSETS		
Cash	$ 441,086	$ 542,368
Grants receivable, net	-	25,340
Total Assets	441,086	567,708
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	19,000	9,154
Net Assets		
Without donor restrictions	389,586	538,554
With donor restrictions	32,500	20,000
Total net assets	422,086	558,554
Total Liabilities and Net Assets	$ 441,086	$ 567,708

MOUNT VERNON PLACE CONSERVANCY, INC.

Statements of Activities and Changes in Net Assets
For the Years Ended June 30, 2023 and 2022

	2023	2022
NET ASSET WITHOUT DONOR RESTRICTIONS		
Revenue		
Contributions	**$ 118,579**	$ 253,442
Government grants	**223,976**	143,095
Federal grants - PPP note forgiveness	**-**	41,665
Membership	**5,887**	8,600
Visitation	**41,903**	37,418
Flower Mart, net of direct expenses of $129,485 and $100,549, respectively	**9,945**	(8,555)
Monument Lighting, net of direct expenses of $119,389 and $7,961, respectively	**(6,656)**	(7,961)
In-kind contributions	**-**	11,028
Net assets released from restrictions	**10,000**	-
Total Revenue and Other Support	**403,634**	478,732
Expenses		
Program services	**404,169**	391,235
Management and general	**129,006**	77,380
Fundraising	**19,427**	12,833
Total Expenses	**552,602**	481,448
Change in Net Assets Without Donor Restrictions	**(148,968)**	(2,716)
NET ASSET WITH DONOR RESTRICTIONS		
Contributions	**22,500**	20,000
Net assets released from restrictions	**(10,000)**	-
Change in Net Assets With Donor Restrictions	**12,500**	20,000
Changes in net assets	**(136,468)**	17,284
Net assets, beginning of year	**558,554**	541,270
Net Assets, End of Year	**$ 422,086**	$ 558,554

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

MOUNT VERNON PLACE CONSERVANCY, INC.

Statement of Functional Expenses
For the Year Ended June 30, 2023, with Comparative 2022 Totals

	2023				
	Program Services	Management and General	Fundraising	Total	2022
Salaries and related benefits	$ 231,996	$ 62,363	$ -	$ 294,359	$ 216,580
Park programming	10,068	-	-	10,068	14,513
Grounds maintenance	63,319	-	-	63,319	79,730
Design, engineering and construction	56,472	-	-	56,472	71,758
Monument operations	26,308	-	-	26,308	26,898
Membership and development	-	-	19,427	19,427	12,833
Other	-	26,903	-	26,903	5,262
Bad debt expense	-	25,340	-	25,340	-
Office expense	4,545	3,030	-	7,575	4,830
Professional fees	3,900	2,600	-	6,500	8,960
Marketing	5,506	-	-	5,506	6,380
Occupancy	-	5,085	-	5,085	3,384
Insurance	-	2,314	-	2,314	4,300
Utilities	1,253	836	-	2,089	2,062
Website	802	535	-	1,337	23,958
Total Expenses	$ 404,169	$ 129,006	$ 19,427	$ 552,602	$ 481,448

The accompanying notes are an integral part of this financial statement.

MOUNT VERNON PLACE CONSERVANCY, INC.

Statement of Functional Expenses
For the Year Ended June 30, 2022

	2022			
	Program Services	Management and General	Fundraising	Total
Salaries and related benefits	$ 165,576	$ 51,004	$ -	$ 216,580
Park programming	14,513	-	-	14,513
Grounds maintenance	79,730	-	-	79,730
Design, engineering and construction	71,758	-	-	71,758
Monument operations	26,898	-	-	26,898
Membership and development	-	-	12,833	12,833
Other	2,494	2,768	-	5,262
Office expense	2,898	1,932	-	4,830
Professional fees	5,376	3,584	-	8,960
Marketing	6,380	-	-	6,380
Occupancy	-	3,384	-	3,384
Insurance	-	4,300	-	4,300
Utilities	1,237	825	-	2,062
Website	14,375	9,583	-	23,958
Total Expenses	$ 391,235	$ 77,380	$ 12,833	$ 481,448

MOUNT VERNON PLACE CONSERVANCY, INC.

Statements of Cash Flows
For the Years Ended June 30, 2023 and 2022

	2023	2022
Cash Flows from Operating Activities		
Changes in net assets	**$ (136,468)**	$ 17,284
Adjustments to reconcile changes in net assets to net cash flow from operating activities:		
Forgiveness of debt - Paycheck Protection Program	**-**	(41,665)
Effect of changes in non-cash operating assets and liabilities:		
Grants receivable, net	**25,340**	(25,100)
Prepaid expenses	**-**	12,945
Accounts payable and accrued expenses	**9,846**	(1,240)
Deferred revenue	**-**	(10,000)
Net Cash Flows from Operating Activities	**(101,282)**	(47,776)
Net change in cash	**(101,282)**	(47,776)
Cash, beginning of year	**542,368**	590,144
Cash, End of Year	**$ 441,086**	$ 542,368

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

1. DESCRIPTION OF THE ORGANIZATION

Mount Vernon Place Conservancy, Inc. (MVPC) was incorporated in 2008 for the charitable purpose of acting as the full-time single management entity responsible for the historic restoration, oversight and protection, and day-to-day maintenance and management of Mount Vernon Place, the centerpiece of a National Historic Landmark District. MVPC's exempt purpose is to ensure that this national treasure will be protected, restored, and properly maintained. MVPC entered into an agreement with the City of Baltimore, Maryland (the City) in 2012 to accomplish these objectives. Under the agreement, the City will contribute some funding and services, and MVPC will contribute some funding and services while taking the lead on management, restoration development, and operating and capital fundraising. The monument and the land are the assets of the City.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

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

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates and assumptions.

Grants Receivable

Grants receivable are primarily unconditional promises to give from public and private institutions, as well as individuals. Management reviews receivables based on historical collection experience and the review of the current status of existing receivables. As of June 30, 2023 and 2022, the allowance for doubtful accounts was $0 and $14,800, respectively.

Net Assets

Net assets without donor restrictions are assets and contributions that are not restricted by donors or for which restrictions have expired.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Net Assets (continued)

Net assets with donor restrictions are those whose use by MVPC has been limited by donors primarily for a specific time period or purpose. When a donor restriction is met, net assets with donor restrictions are reclassified to net assets without donor restrictions. If a donor restriction is met in the same reporting period in which the contribution is received, the contribution (to the extent that the restrictions have been met) is reported as net assets without donor restrictions.

Revenue and Support

Contributions and grants received are recorded as with or without donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Donor-restricted support is reported as an increase in net assets with donor restrictions.

Gifts of cash and other assets are reported as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when some stipulated time restriction ends or purpose of the restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities and changes in net assets as net assets released from restrictions.

Grants from the City are recorded as government grants and are recognized when the annual commitment is made. Other state art grants are recorded here and are recognized at the time the commitment is made, in accordance with the grant agreements.

Memberships are considered to be contributions to MVPC and are recognized when the funds are received.

Visitation revenue and Flower Mart are considered exchange transactions. Revenue is recognized when the performance criteria is met. Visitation revenue is recorded when the public visits the monument. Flower mart revenue is recorded at the time of the event.

Flower Mart and Monument Lighting revenue are recognized at the time of the event.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the accompanying statements of activities and changes in net assets and functional expenses for the years ended June 30, 2023 and 2022. Accordingly, certain costs have been allocated among program and management and general.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Functional Allocation of Expenses (continued)

Management and general expenses and fundraising include those expenses that are not directly identified with any specific program but provide for the overall support and direction of MVPC. The shared expenses are allocated on the basis of estimates of individual staff's time and effort.

Income Taxes

MVPC is exempt from income taxes on its program related revenue under Section 501(c)(3) of the Internal Revenue Code.

The provisions included in accounting principles generally accepted in the United States of America provide consistent guidance for the accounting for uncertainty in income taxes recognized in an entity's financial statements and prescribe a threshold of "more likely than not" for recognition of tax positions taken or expected to be taken in a tax return. MVPC performed an evaluation of uncertain tax positions as of June 30, 2023 and 2022, and determined that there were no matters that would require recognition in the financial statements or which may have any effect on its tax-exempt status.

As of January 30, 2026, the statute of limitations for fiscal years 2023 through 2025, remains open with the U.S. federal jurisdiction or the various states and local jurisdictions in which MVPC files tax returns. It is MVPC's policy to recognize interest and/or penalties related to uncertain tax positions, if any, in income tax expense.

Liquidity and Availability of Resources

The following reflects MVPC's liquid financial assets as of June 30, 2023 and 2022, available for general operations within one year.

	2023	**2022**
Cash	**$ 441,086**	$ 542,368
Grants receivable, net	**-**	25,340
	441,086	567,708
Less: net assets with donor restrictions not available within one year		
Time restricted net assets	**22,500**	10,000
Financial Assets Available to Meet Cash Needs for General Expenses Within One Year	**$ 418,586**	$ 557,708

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Liquidity and Availability of Resources (continued)

MVPC manages its liquidity following two guiding principles: operating within a prudent range of financial soundness and stability, and maintaining adequate liquid assets to fund near-term operating needs. Management monitors its cash balances on a monthly basis to ensure it has enough liquid assets to meet its immediate needs.

MVPC is funded by current operations and charitable donations. Since the original monument renovation was completed, daily/general operations, monument operations and maintenance, park programming (including Flower Mart), and park maintenance are the first priority for cash requirements. Any further renovations to the park squares will only commence when donated funds are available.

Reclassifications

Certain amounts in the 2022 financial statements have been reclassified to conform to the presentation of the 2023 financial statements. These reclassifications had no effect on changes in net assets.

Subsequent Events

MVPC's management evaluated the accompanying financial statements for subsequent events and transactions through January 30, 2026, the date these statements were available for issue, and has determined that no material subsequent events have occurred that would affect the information presented in the accompanying financial statements or require additional disclosure.

3. IN-KIND CONTRIBUTIONS

MVPC recognizes contributed services if the services meet any of the following criteria: a) they create or enhance non-financial assets; or b) they require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

Total in-kind contributions recognized for donated website redesign services for the year ended June 30, 2022 was $11,028. There were no in-kind contributions for the year ended June 30, 2023.

4. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions were available for the following purposes as of June 30, 2023 and 2022:

	2023	2022
Time restricted	**$ 10,000**	$ 10,000
Park maintenance	**12,500**	10,000
Flower Mart and Monument Lighting	**10,000**	-
	$ 32,500	$ 20,000

5. GRANTS

Some grants received by MVPC may be subject to audit by its donors. Until such audits have been completed or the time frame for the audit to occur has past, there exists a contingency that some funds may need to be refunded. Management is of the opinion that no material liability will result from such audits.