THE BATTERY CONSERVANCY, INC.

Financial Statements
for years ended
December 31, 2025
and
December 31, 2024

COMD
Certified Public Accountants

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Independent Auditor's Report

The Board of Trustees of
The Battery Conservancy, Inc.

Opinion

We have audited the accompanying financial statements of The Battery Conservancy, Inc. (the "Organization"), which comprise the statement of financial position as of December 31, 2025 and December 31, 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 financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2025 and December 31, 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 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 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 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 judgment made by a reasonable user based on the financial statements.

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



May 19, 2026

THE BATTERY CONSERVANCY, INC.

Statement of Financial Position

Assets

	December 31 2025	December 31 2024
Assets		
Cash and cash equivalents	$ 607,400	$ 387,857
Restricted cash – SeaGlass capital reserve fund	706,639	689,404
Investments, at fair value	7,824,509	8,774,005
Unconditional promises to give	-	10,300
Prepaid expenses	102,448	48,258
Property and equipment, at cost, net	4,861,228	5,053,546
Right-of-use asset – operating lease	51,455	117,720
Security deposit	15,000	15,000
Total assets	**$14,168,679**	**$15,096,090**

Liabilities and Net Assets

Liabilities		
Accounts payable and accrued expenses	$ 194,829	$ 136,372
Unearned revenue	55,000	4,120
Operating lease liability	51,455	117,720
Security deposit payable	160,000	110,000
Total liabilities	461,284	368,212
Net assets		
Without donor restrictions		
Board designated		
Quasi - endowment	1,601,788	1,601,788*
Operating reserve	1,658,547	1,595,447
Property and equipment, net	4,861,228	5,053,546
Operations	4,528,324	4,829,023
Total without donor restrictions	12,649,887	13,079,804*
With donor restrictions	1,057,508	1,648,074*
Total net assets	13,707,395	14,727,878
Total liabilities and net assets	**$ 14,168,679**	**$15,096,090**

* Restated

See notes to financial statements.

THE BATTERY CONSERVANCY, INC.

Statement of Activities

	Year Ended December 31					
	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Public support and revenue						
Contributions of cash and other financial assets	$ 656,326	$ 60,000	$ 716,326	$ 676,039	$ 50,000	$ 726,039
Fundraising benefits (net of direct benefits to donor of $156,807 in 2025 and $164,240 in 2024)	1,584,528	-	1,584,528	1,648,848	-	1,648,848
Contributed nonfinancial assets	30,000	-	30,000	30,000	-	30,000
Park usage event fees	4,700	-	4,700	126,398	-	126,398
Concession income (net payments made to NYC Parks of $116,695 in 2025 and $101,561 in 2024)	191,910	-	191,910	183,356	-	183,356
Net investment return	585,267	-	585,267	475,160	-	475,160
Other	4,612	-	4,612	4,266	-	4,266
Net assets released from restrictions	650,566	(650,566)	-	185,159	(185,159)	-
Total public support and revenue	3,707,909	(590,566)	3,117,343	3,329,226	(135,159)	3,194,067
Expenses						
Program services						
Park programs	3,315,866	-	3,315,866	3,184,610	-	3,184,610
Supporting services						
Management and general	514,669	-	514,669	355,974	-	355,974
Fundraising	307,291	-	307,291	184,626	-	184,626
Total supporting services	821,960	-	821,960	540,600	-	540,600
Total expenses	4,137,826	-	4,137,826	3,725,210	-	3,725,210
(Decrease) in net assets	**(429,917)**	**(590,566)**	**(1,020,483)**	**(395,984)**	**(135,159)**	**(531,143)**
Net assets, beginning of year	**12,989,804**	**1,738,074**	**14,727,878**	**13,475,788***	**1,783,233***	**15,259,021**
Net assets, end of year	**$ 12,559,887**	**$ 1,147,508**	**$ 13,707,395**	**$ 13,079,804***	**$ 1,648,074***	**$ 14,727,878**

* Restated

See notes to financial statements.

THE BATTERY CONSERVANCY, INC.

Statement of Functional Expenses

	Year Ended December 31									
	2025					2024				
		Supporting Services					Supporting Services			
	Park Programs	Management and General	Fundraising	Total	Total	Park Programs	Management and General	Fundraising	Total	Total
Salaries	$1,465,246	$ 179,530	$ 164,886	$ 344,416	$1,809,662	$ 1,374,386	$ 170,295	$ 81,774	$ 252,069	$ 1,626,455
Payroll taxes	109,560	22,280	12,309	34,589	144,149	103,203	12,571	5,990	18,561	121,764
Employee benefits	302,304	27,959	21,872	49,831	352,135	306,586	17,304	16,434	33,738	340,324
Park and office maintenance	354,836	1,220	2,700	3,920	358,756	304,522	2,471	2,040	4,511	309,033
Consultants	31,473	182,771	63,079	245,850	277,323	55,120	58,195	35,582	93,777	148,897
Special events	-	-	156,807	156,807	156,807	-	-	164,240	164,240	164,240
Technology service and equipment	62,518	11,123	7,370	18,493	81,011	62,201	7,070	5,069	12,139	74,340
Advertising and promotion	372	203	5,725	5,928	6,300	10	314	8,192	8,506	8,516
Office supplies	86	3,024	781	3,805	3,891	241	1,602	1,221	2,823	3,064
Postage, mailing and delivery	617	2,419	1,633	4,052	4,669	192	2,616	918	3,534	3,726
Insurance	52,581	7,893	192	8,085	60,666	38,131	5,704	-	5,704	43,835
Travel and entertainment	4,927	3,300	5,661	8,961	13,888	2,677	2,780	5,647	8,427	11,104
Accounting	-	58,456	-	58,456	58,456	-	58,356	-	58,356	58,356
Occupancy	56,323	7,149	6,278	13,427	69,750	59,288	6,974	3,488	10,462	69,750
Other	3,529	944	10,629	11,573	15,102	4,001	2,767	15,572	18,339	22,340
Total expenses before depreciation	2,444,372	508,271	459,922	968,193	3,412,565	2,310,558	349,019	346,167	695,186	3,005,744
Depreciation	871,494	6,398	4,176	10,574	882,068	874,052	6,955	2,699	9,654	883,706
Total expenses	3,315,866	514,669	464,098	978,767	4,294,633	3,184,610	355,974	348,866	704,840	3,889,450
Less: direct benefits net with revenue on the statement of activities	-	-	156,807	156,807	156,807	-	-	164,240	164,240	164,240
Total expenses per statement of activities	**$3,315,866**	**$ 514,669**	**$ 307,291**	**$ 821,960**	**$4,137,826**	**$ 3,184,610**	**$ 355,974**	**$ 184,626**	**$ 540,600**	**$ 3,725,210**

See notes to financial statements.

THE BATTERY CONSERVANCY, INC.

Statement of Cash Flows

	Year Ended December 31	
	2025	**2024**
Cash flows from operating activities		
(Decrease) in net assets	$(1,020,483)	$ (531,143)
Adjustments to reconcile (decrease) in net assets to net cash provided by (used in) operating activities:		
Amortization of right-of-use asset – operating lease	66,265	63,683
Depreciation	882,068	883,706
Realized and unrealized (gain) on investments	(261,448)	(100,358)
Donated securities	(224,422)	-
Proceeds from sale of donated securities	224,422	-
(Increase) decrease in:		
Unconditional promises to give	10,300	118,012
Accounts receivable	-	30,321
Prepaid expenses	(54,190)	(2,546)
Increase (decrease) in:		
Accounts payable and accrued expenses	58,457	27,646
Unearned revenue	50,880	4,120
Operating lease liability	(66,265)	(63,683)
Security deposit payable	50,000	-
Net cash provided by (used in) operating activities	(284,416)	429,758
Cash flows from investing activities		
Additions to property and equipment	(689,750)	(244,010)
Purchases of investments	(1,942,183)	(9,734,694)
Proceeds from sales of investments	3,153,127	9,484,728
Net cash provided by (used in) investing activities	521,194	(493,976)
Net increase (decrease) in cash and cash equivalents	**236,778**	**(64,218)**
Cash, and cash equivalents, beginning of year	**1,077,261**	**1,141,479**
Cash, and cash equivalents, end of year	**$ 1,314,039**	**$ 1,077,261**
Summary of cash and cash equivalents balances:		
Operating	$ 607,400	$ 387,857
Restricted-SeaGlass capital reserve fund	706,639	689,404
Total	$ 1,314,039	$ 1,077,261

See notes to financial statements.

THE BATTERY CONSERVANCY, INC.

Notes to Financial Statements
December 31, 2025 and December 31, 2024

Note 1 – Nature of organization and summary of significant accounting policies

Nature of organization

The Battery Conservancy, Inc. (the "Organization") is a not-for-profit corporation, which was formed May 20, 1994 to restore and revitalize The Battery, Manhattan's birthplace park, and Castle Clinton National Monument, the park's major landmark.

Financial statement presentation

The financial statements of the Organization have been prepared in accordance with accounting principles generally accepted in the United States, 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, including those with Board designations, may be used at the discretion of the Organization's management and Board of Trustees.

Net assets with donor restrictions

Net assets subject to stipulations imposed by donors and granters. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or the passage of time. Other donor restrictions are perpetual in nature, whereby, the donor has stipulated the funds be maintained in perpetuity. The Organization did not have any net assets with perpetual restriction as of December 31, 2025 and December 31, 2024.

Cash equivalents

The Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents, except for cash equivalents held in the Organization's investment portfolio.

Restricted cash

As of December 31, 2025 and December 31, 2024, the Organization has cash restricted for a capital reserve for the SeaGlass Carousel of $706,639 and $689,404, respectively (see note 8).

Investments

The Organization reflects investments at fair value in the statement of financial position. Interest, dividends, and gains and losses on investments are reflected in the statement of activities as increases and decreases in net assets without donor restrictions unless their use is donor restricted by explicit donor stipulations or by law. Gains and other investment income that are limited to specific uses by donor- imposed restrictions are reported as increases in net assets without donor restrictions if the restrictions are met in the same year in which the gains and other investment income are recognized.

THE BATTERY CONSERVANCY, INC.

Notes to Financial Statements (continued)
December 31, 2025 and December 31, 2024

Note 1 – Nature of organization and summary of significant accounting policies (continued)

Investments (continued)

Fair value is an estimate of the exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants (i.e., the exit price at the measurement date). Fair value measurements are not adjusted for transaction costs and a fair value hierarchy is implemented that prioritizes inputs to valuation techniques used to measure fair value into three levels:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 Inputs other than quoted market prices that are observable, either directly or indirectly, and reasonably available. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability and are developed based on market data obtained from sources independent of the Organization.

Level 3 Unobservable inputs reflect the assumptions developed by the Organization based on available information about what market participants would use in valuing the asset or liability.

The values assigned to investments and any unrealized gains or losses reported are based on available information and do not necessarily represent amounts that might be realized if a ready market existed and such differences could be material. Furthermore, the ultimate realization of such amounts depends on future events and circumstances, and therefore, valuation estimates may differ from the value realized upon disposition of individual positions.

Contributions and promises to give

Contributions are recognized when the donor makes a promise to give to the Organization, that is, in substance, unconditional. Conditional promises to give, that have a measurable performance or other barrier and a right of return, are not recognized until the conditions on which they depend have been substantially met. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Unconditional promises to give at December 31st are expected to be collected in the subsequent year.

Allowance for credit losses

As of December 31, 2025 and December 31, 2024, the Organization's management has determined that there are no potentially uncollectible receivables and thus, an allowance for credit losses is not necessary. Such estimate is based on management's experience, the aging of the receivables, subsequent receipts and current and future anticipated economic conditions. The Organization did not adjust the allowance for credit losses and did not have any bad debt write-offs in 2025 and 2024.

THE BATTERY CONSERVANCY, INC.

Notes to Financial Statements (continued)
December 31, 2025 and December 31, 2024

Note 1 – Nature of organization and summary of significant accounting policies (continued)

Property and equipment

The Organization does not own The Battery's 25-acre landscape or any of the features, structures, or improvements to it. The Organization maintains and operates The Battery pursuant to a licensing agreement with the City of New York. All land and improvements are property of the City of New York. Certain improvements to the licensed premises, donated by the Organization to the City of New York to further the Organization's mission and programmatic activities are capitalized and depreciated within the Organization's financial statements.

Property and equipment are recorded at cost and are being depreciated using the straight-line method over the estimated useful life of the asset or the term of the lease agreement. Donated items are capitalized at the estimated fair value at the date of the gift and are depreciated over their estimated useful lives.

Operating lease

Right-of-use ("ROU") assets and lease liabilities are recognized at the lease commencement date based on the future lease payments over the expected lease term. The Organization has decided to exclude leases with terms shorter than 12 months. The Organization has elected to use a risk-free rate to discount its office space to net present value.

Contributed nonfinancial assets

Donated and contributed services, which require specialized skills and which the Organization would have to pay for if not donated, are recorded at the estimated fair value at the time services are rendered. In addition, a number of volunteers, including members of the Board of Trustees, have donated significant amounts of their time to the Organization's program services and supporting activities. These donated services have not been recorded in the accompanying statement of activities because they do not meet the criteria for recording such services.

Revenue recognition

The Organization has revenue streams that are accounted for as exchange transactions, including park usage and other event fees and concession sublicensing revenue. The Organization recognizes revenue at the point or over the period during which the related performance obligations are satisfied. All of the Organization's revenue from contracts with customers is for a distinct performance obligation satisfied at a point in time and does not consist of multiple transactions.

Total revenue recognized over time and at a point in time is as follows for the years ended December 31, 2025 and December 31, 2024:

	2025	2024
Net revenue recognized at a point in time	$ 1,593,840	$ 1,779,512
Net revenue recognized over time	191,910	183,356
Total	$ 1,785,750	$ 1,962,868

THE BATTERY CONSERVANCY, INC.

Notes to Financial Statements (continued)
December 31, 2025 and December 31, 2024

Note 1 – Nature of organization and summary of significant accounting policies (continued)

Functional allocation of expenses

The financial statements report certain categories of expenses that are attributable to more than one program service or supporting activity. Expenses are applied directly to programs where applicable or allocated on a reasonable and consistent basis. A substantial portion of the Organization's expenses are directly related to program activities. The expenses that are allocated include general office expenses, park maintenance, salaries, payroll taxes and employee benefits which are allocated based on employee time and effort.

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. Actual results could differ from those estimates.

Concentrations of credit risk

The Organization's financial instruments that are potentially exposed to concentrations of credit risk consist primarily of cash, cash equivalents and investments. The Organization places its cash and cash equivalents with what it believes to be quality financial institutions. At times during the year, the Organization's bank accounts exceeded the FDIC insurance limit. The Organization has not incurred any losses in its cash accounts to date. The Organization's investments are exposed to various risks such as interest rate, market volatility, liquidity and credit. Due to the level of risk associated with investment securities, it is reasonably possible that changes in these risks could materially affect the fair value of the investments reported in the statement of financial position as of December 31, 2025. As a result, the Organization believes no significant concentrations of credit risk exist with respect to its cash, cash equivalents and investments.

Reclassifications

Certain items in the 2024 financial statements have been reclassified for comparative purposes only.

Subsequent events

The Organization has evaluated events and transactions for potential recognition or any other disclosure through May 19, 2026, which is the date the financial statements were available to be issued.

Note 2 – Liquidity and availability of financial assets

A substantial portion of annual revenue is comprised of contribution revenue raised during the current year, and revenue from other sources earned during the year. The Organization considers general expenditures to consist of all expenses related to its ongoing program activities, and the expenses related to general and administrative and fundraising activities undertaken to support those services.

THE BATTERY CONSERVANCY, INC.

Notes to Financial Statements (continued)
December 31, 2025 and December 31, 2024

Note 2 – Liquidity and availability of financial assets (continued)

The Organization regularly monitors liquidity to meet its operating needs and other commitments and obligations, while seeking to maximize the investment of its available funds. Management prepares regular cash flow projections to determine liquidity needs, and has a policy to maintain liquid financial assets on an ongoing basis sufficient to cover 90 days of general expenditures. Financial assets in excess of daily cash requirements are invested in money market funds and other highly liquid investments.

The Organization's financial assets as of December 31, 2025 and December 31, 2024 available to meet cash needs for general expenditures within one year are summarized as follows:

	2025	2024
Cash and cash equivalents	$ 607,400	$ 387,857
Restricted cash – SeaGlass capital reserve fund	706,639	689,404
Investments, at fair value	7,824,509	8,774,005
Unconditional promises to give	-	10,300
Total financial assets	9,138,548	9,861,566
Less: net assets with donor restrictions, subject to expenditure for specific purpose or passage of time	(1,057,508)	(1,648,074)
Add: net assets with donor restrictions expected to be met and released from restriction in less than one year	60,000	515,922
Less: net assets without donor restrictions, subject to spending policy and appropriation	(3,966,974)	(3,886,639)
Financial assets available to meet general expenditures within one year	$ 4,174,066	$ 4,842,775

In addition to these financial assets available within one year, the Organization maintains board designated quasi-endowment and operating reserve funds of $3,260,335 and $3,197,235 as of December 31, 2025 and December 31, 2024, respectively. The endowment, which is invested under the direction of the Finance Committee, could be made available at any time to meet cash needs for general expenditures at the discretion of the Board of Trustees.

Note 3 – Correction of prior period classification

During 2026, the Organization reevaluated the classification of net assets previously reported as net assets with perpetual donor restrictions. Based on a review of historical documentation, management determined that $90,000 previously classified as net assets with perpetual donor restrictions should have been reported as net assets without donor restrictions, as sufficient evidence of a donor-imposed restriction was not available. Accordingly, the accompanying 2024 comparative financial statements have been restated to reflect this correction. The correction resulted in a $90,000 decrease in net assets with donor restrictions and a corresponding $90,000 increase in net assets without donor restrictions as of January 1, 2024. The correction had no effect on total net assets, change in net assets, or cash flows.

Note 4 – Net assets

Net assets without donor restrictions – board designated

The Board has established a Board-designated fund called the "Board-Designated Quasi-Endowment Fund," to which unrestricted funds are contributed and spent at the discretion of the Board, the purpose of which is "growing an endowment-like fund to provide financial stability and future funding for operations." This fund had a balance of $1,601,788 as of December 31, 2025 and December 31, 2024. Spending from the fund during 2025 and 2024 was $46,057 and $35,028, respectively, which represented the investment earnings.

In addition, the Board has established a Board-designated Operating Reserve Fund "for purposes of holding reserves against the possibility of future operating losses" and "to provide liquidity to fund operating deficits not otherwise payable from available working capital." The Operating Reserve Fund was established in 2023 with an initial allocation of $1.5 million in unrestricted funds. The Board also established a policy to maintain a balance in such fund during each fiscal year equal to no less than 50% of the budgeted revenues for such fiscal year, which minimum target amount which shall be established by the Board annually upon its approval of the budget. For the years ended December 31, 2025 and December 31, 2024, 50% of revenue was $1,673,395 and $1,608,518, respectively. The fund had a balance of $1,658,547 and $1,595,447 as of December 31, 2025 and December 31, 2024, respectively. There was no spending from this fund during 2025 and 2024.

Net assets with temporary donor restrictions

Net assets with temporary donor restrictions as of December 31, 2025 and December 31, 2024 are restricted for future programs and periods as follows:

	2025	2024
Operating		
Subject to expenditure for specified purpose:		
Playscape and field house future enhancements	$ 997,508	$ 1,582,152
Playscape programs	-	15,922
Education	60,000	50,000
Total net assets with temporary donor restrictions	$1,057,508	$ 1,648,074

THE BATTERY CONSERVANCY, INC.

Notes to Financial Statements (continued)
December 31, 2025 and December 31, 2024

Note 5 – Investments, at fair value

All investments are classified as Level 1 in the fair value hierarchy and are summarized as follows as of December 31, 2025 and December 31, 2024:

	2025		2024	
	Cost	Fair Value	Cost	Fair Value
Money market funds	$ 253,087	$ 253,087	$ 1,587,569	$ 1,587,569
U.S. Treasury securities – fixed income	1,634,138	1,649,633	1,495,603	1,582,739
Exchange-traded and mutual funds	5,573,331	5,921,789	5,488,813	5,603,697
Total	$ 7,460,556	$ 7,824,509	$ 8,571,985	$ 8,774,005

Net investment return for the years ended December 31, 2025 and December 31, 2024 consists of:

	2025	2024
Interest and dividends	$ 340,666	$ 384,463
Realized and unrealized gain on sale of investments	261,448	100,358
Investment fees	(16,847)	(9,661)
Total	$ 585,267	$ 475,160

Note 6 – Property and equipment

Property and equipment consist of the following as of December 31, 2025 and December 31, 2024:

	Estimate Useful Life	2025	2024
Office furniture and equipment	5 years	$ 77,791	$ 63,024
Park furniture and equipment	3-15 years	1,086,604	1,030,137
Website	3 years	81,501	66,150
Improvements – Castle Clinton	15 years	28,198	28,198
Tenant improvements	Life of Lease	21,593	21,593
Bosque	10 years	197,541	197,541
SeaGlass Carousel	13.5 years	8,503,829	8,503,829
Battery Playscape	15 years	2,383,629	2,365,109
Projects in progress		781,172	196,527
Sub-total		13,161,858	12,472,108
Less: accumulated depreciation		8,300,630	7,418,562
Total		$ 4,861,228	$ 5,053,546

As of December 31, 2025 and December 31, 2024, the Battery Playscape Parkhouse represents projects in process.

Note 7 – Operating lease liability

The Organization occupies office space under an operating lease agreement expiring September 30, 2026 for its main office. The lease provides for fixed rent and fixed electrical charges of $69,750 per annum.

Operating lease expense for the years ended December 31, 2025 and December 31, 2024 was $66,265 and $63,685, respectively. There were no variable lease costs incurred. As of December 31, 2025, the remaining term of the Organization's operating lease is nine months and the discount rate is 3.98%.

Maturities of the Organization's operating lease liability as of December 31, 2025 are as follows:

Total payments due	$ 52,312
Less: amount attributable to interest	857
Operating lease liability	$ 51,455

Note 8 – Commitments

Operating agreements

Effective July 9, 2024, NYC Parks licensed the Organization to operate and maintain the 25 acres of The Battery (less the areas already separately licensed to the Organization as described below) for the use and enjoyment of the general public. The master license agreement allows the Organization to receive a share of revenue from sales made at New Amsterdam Plein and Pavilion (see below) of tickets for ferry service to the Statue of Liberty and Ellis Island National Monuments. For the years ended December 31, 2025 and December 31, 2024, there have been no such sales or revenue from ferry services. The license allows the Organization to host and/or produce a variety of public and private events – including fundraising and other revenue events – throughout the park. The initial term is ten years, renewable for two (2) five-year periods.

The Organization holds a license from NYC Parks to operate and maintain two food kiosks that Organization constructed within the Bosque Gardens in 2007. The license expired upon execution of the master license agreement described above. In 2005, NYC Parks decided against issuing a new Bosque-specific license but began a process to incorporate the Battery Bosque area into the master license agreement. Under this new structure – to be finalized in 2026 – NYC Parks will directly engage an operator for the kiosks, with all revenue that the City would normally collect from such operations instead of directed to the Organization.

The Organization holds a license from NYC Parks to operate and maintain a food and beverage concession within the New Amsterdam Plein and Pavilion at the Peter Minuit Plaza. The ten-year term will expire on March 26, 2035. The license allows for two (2) five-year optional renewals.

Note 8 – Commitments (continued)

Operating agreements (continued)

Since November 1, 2011, the Organization sublicensed the operations of the concession to a series of third parties, and in accordance with the terms of the NYC Parks license agreement, retains sublicensing revenue to provide services for the maintenance and/or improvement of the licensed premises. The agreed upon value of such services is $468,000 per year. If any sublicensing revenue exceeds the lesser of the annual eligible service costs or $468,000, such funds will be paid by the Organization directly to NYC Parks.

The Organization issued a new request for proposal, and in May 2023, awarded a sublicense to a new operator through May 25, 2026 with three (3) optional one-year renewals.

The Organization holds a license for operations and maintenance of SeaGlass Carousel (the "Carousel"), from NYC Parks for the period August 20, 2015 (when it first opened to the public) to February 25, 2017, renewable for twelve (12) one-year periods. Effective May 8, 2015, the Organization sublicensed the operations of the Carousel to a third party through August 20, 2020, renewable for five (5) one-year periods. In 2025, the Organization issued a request for proposal for a new sublicense, ultimately selecting the incumbent operator to continue as sublicensee through February 25, 2029 with six annual renewal options. For the first year of the new sublicense, the operator will pay the Organization a Minimum Guaranteed Fee ("MGF") of $251,250 against 7% of gross receipts, whichever is greater. Both the MGF and percentage of gross receipts increase each year of the sublicense to $290,853 against 10% of gross receipts in the final year. The Organization is required to apply revenue from the SeaGlass licensed premises (as defined) to the extent available, to fund a SeaGlass Capital Reserve Fund (the "Reserve"). Whenever the Reserve balance equals a target amount of $500,000 (adjusted each year by CPI), the annual revenue (in excess of any required transfers to the Reserve) up to $1,000,000 is applied 50% to the Organization and 50% to NYC Parks. Amounts greater than $1,000,000 are paid 100% to NYC Parks.

Note 9 – Contributed nonfinancial assets

For the years ended December 31, 2025 and December 31, 2024, the Organization received donated horticultural services in the amount of $30,000 annually. Horticultural services are utilized by the Organization in the performance of its program services. Donated services are valued by the service providers based on rates charged for similar services.

Note 10 – Retirement plan

The Organization maintains a 401(k) plan for employees that have attained at least age 21 and have completed one year of employment in which the employee works at least 1,000 hours of service. The Organization may elect to make annual discretionary profit sharing contributions to be allocated on behalf of each eligible plan participant. For the years ended December 31, 2025 and December 31, 2024, the Organization contributed $24,955 and $23,315, respectively, to the plan.

Note 11 – Tax status

The Organization is a not-for-profit corporation exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and has been determined to be a publicly supported Organization and not a private foundation.