SOCIETY FOR THE PROTECTION OF NEW HAMPSHIRE FORESTS

FINANCIAL REPORT

APRIL 30, 2026

C O N T E N T S

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Society for the Protection of New Hampshire Forests
Concord, New Hampshire 03301

Opinion

We have audited the accompanying financial statements of the Society for the Protection of New Hampshire Forests, which comprise the statements of financial position as of April 30, 2026 and 2025, 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 the Society for the Protection of New Hampshire Forests as of April 30, 2026 and 2025, and the changes in its net assets and 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 the Society for the Protection of New Hampshire Forests 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 Society for the Protection of New Hampshire Forests' ability to continue as a going concern for one year after the date that the financial statements are issued.

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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 control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society for the Protection of New Hampshire Forests' 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 Society for the Protection of New Hampshire Forests' 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.

Nathan Wechsler & Company

Concord, New Hampshire
August 5, 2026

SOCIETY FOR THE PROTECTION OF NEW HAMPSHIRE FORESTS

STATEMENTS OF FINANCIAL POSITION
April 30, 2026 and 2025

	2026	2025
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 1,397,609	$ 2,948,871
US Treasury bills	7,382,186	7,838,451
Accrued interest on US Treasury bills	53,964	81,089
Current portion of contributions receivable	384,585	1,448,065
Other receivables	91,188	72,619
Inventories	42,739	30,356
Prepaid expenses	177,231	132,257
Total current assets	9,529,502	12,551,708
PROPERTY AND EQUIPMENT, NET	9,642,267	9,410,075
INVESTMENTS AND OTHER ASSETS		
Investments	22,849,127	18,699,383
Contributions receivable, long-term, net	61,937	978,848
Inventories, long-term	37,388	43,266
	22,948,452	19,721,497
LAND	77,634,280	73,729,752
Total assets	**$ 119,754,501**	**$ 115,413,032**
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Current portion of notes payable	$ 70,412	$ 67,898
Current portion of annuities payable	8,187	11,481
Accounts payable	129,883	153,514
Accrued liabilities	243,788	358,413
Total current liabilities	452,270	591,306
LONG-TERM LIABILITIES		
Notes payable, less current portion	1,517,697	1,588,091
Annuities payable, less current portion, net	43,043	66,977
	1,560,740	1,655,068
Total liabilities	2,013,010	2,246,374
COMMITMENTS (See Notes)		
NET ASSETS		
Without donor restrictions	8,720,631	7,353,325
Without donor restrictions - invested in land, property and equipment	10,986,803	10,264,611
Total net assets without donor restrictions (Note 13)	19,707,434	17,617,936
With donor restrictions	21,744,313	22,673,506
With donor restrictions - invested in land	76,289,744	72,875,216
Total net assets with donor restrictions (Note 12)	98,034,057	95,548,722
Total net assets	117,741,491	113,166,658
Total liabilities and net assets	**$ 119,754,501**	**$ 115,413,032**

See Notes to Financial Statements.

SOCIETY FOR THE PROTECTION OF NEW HAMPSHIRE FORESTS

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
Years Ended April 30, 2026 and 2025

	2026			2025		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Totals
Revenue and support						
Annual fund	$ 951,132	$ -	$ 951,132	$ 982,022	$ -	$ 982,022
Contributions	242,683	1,238,675	1,481,358	213,167	3,621,841	3,835,008
Bequests	775,812	-	775,812	462,880	504,653	967,533
Endowment gifts	-	125,474	125,474	-	96,406	96,406
Grants	263,630	324,860	588,490	214,352	1,588,619	1,802,971
Contributions of land	-	727,474	727,474	-	2,251,100	2,251,100
Dues	465,545	-	465,545	465,693	-	465,693
Rental	463,949	-	463,949	477,284	-	477,284
Forest operations	802,875	-	802,875	715,939	-	715,939
Reimbursement for services	83,481	-	83,481	111,739	-	111,739
Sale of materials	394,469	-	394,469	347,142	-	347,142
Donated conservation easements, goods and services	431,250	-	431,250	400,000	-	400,000
Miscellaneous income (Note 16)	424,323	-	424,323	671	-	671
Total revenue and support	5,299,149	2,416,483	7,715,632	4,390,889	8,062,619	12,453,508
Net assets released from restrictions for satisfaction of purpose restrictions	3,033,518	(3,033,518)	-	2,733,379	(2,733,379)	-
Total revenue, support and net assets released from restrictions	8,332,667	(617,035)	7,715,632	7,124,268	5,329,240	12,453,508
Program expenses						
Land and easement stewardship	3,059,764	-	3,059,764	2,940,461	-	2,940,461
Land protection	2,101,192	-	2,101,192	1,163,840	-	1,163,840
Education and outreach	499,305	-	499,305	490,598	-	490,598
Membership	303,302	-	303,302	308,667	-	308,667
Policy	108,967	-	108,967	133,390	-	133,390
	6,072,530	-	6,072,530	5,036,956	-	5,036,956
Supporting services and general expenses						
Fundraising	820,346	-	820,346	554,953	-	554,953
Finance and administration	953,080	-	953,080	921,315	-	921,315
	1,773,426	-	1,773,426	1,476,268	-	1,476,268
Total functional expenses	7,845,956	-	7,845,956	6,513,224	-	6,513,224
Increase (decrease) in net assets from operations	486,711	(617,035)	(130,324)	611,044	5,329,240	5,940,284
Nonoperating gains and other changes						
Investment income, net of fees	572,408	378,379	950,787	540,289	354,054	894,343
Realized and unrealized gains on investments	1,050,379	2,723,991	3,774,370	300,733	847,798	1,148,531
Gain (loss) on sale of land	(20,000)	-	(20,000)	50,000	-	50,000
Total nonoperating gains and other changes	1,602,787	3,102,370	4,705,157	891,022	1,201,852	2,092,874
Increase in net assets	2,089,498	2,485,335	4,574,833	1,502,066	6,531,092	8,033,158
Net assets, beginning of year	17,617,936	95,548,722	113,166,658	16,115,870	89,017,630	105,133,500
Net assets, end of year	**$ 19,707,434**	**$ 98,034,057**	**$ 117,741,491**	**$ 17,617,936**	**$ 95,548,722**	**$ 113,166,658**

See Notes to Financial Statements.

SOCIETY FOR THE PROTECTION OF NEW HAMPSHIRE FORESTS

STATEMENTS OF CASH FLOWS
Years Ended April 30, 2026 and 2025

	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase in net assets	$ 4,574,833	$ 8,033,158
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	518,240	480,136
Realized and unrealized gains on investments	(3,774,370)	(1,148,531)
Reinvested income	-	(536,698)
Contributions of land received	(727,474)	(2,251,100)
(Gain) loss on sale of land	20,000	(50,000)
Gifts restricted for endowment and capital cost of land acquisitions	(125,474)	(96,406)
(Increase) decrease in accrued interest on US Treasury bills	27,125	(5,665)
(Increase) decrease in contributions receivable	1,980,391	(1,981,160)
Increase in other receivables	(18,569)	(24,837)
Increase in inventories	(6,505)	(9,604)
Increase in prepaid expenses	(44,974)	(19,403)
Decrease in value of charitable gift annuities	(27,228)	(2,352)
Increase (decrease) in accounts payable	(23,631)	48,069
Increase (decrease) in accrued liabilities	(114,625)	59,253
Net cash provided by operating activities	**2,257,739**	**2,494,860**
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of investments	165,135	1,071,804
Purchases of investments	(540,509)	(289,603)
Proceeds from sale of US Treasury bills	16,428,115	13,925,319
Purchases of US Treasury bills	(15,971,850)	(15,918,501)
Proceeds from sale of land	274,000	600,000
Cash paid for land	(3,471,054)	(719,304)
Cash paid for property and equipment	(750,432)	(794,699)
Net cash used in investing activities	**(3,866,595)**	**(2,124,984)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments on notes payable	(67,880)	(65,461)
Gifts restricted for endowment and capital cost of land acquisitions	125,474	96,406
Net cash provided by financing activities	**57,594**	**30,945**
Net increase (decrease) in cash and cash equivalents	**(1,551,262)**	**400,821**
Cash and cash equivalents, beginning of year	2,948,871	2,548,050
Cash and cash equivalents, end of year	**$ 1,397,609**	**$ 2,948,871**

STATEMENTS OF CASH FLOWS (CONTINUED)
Years Ended April 30, 2026 and 2025

		2026		2025
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION				
Cash payments for interest	$	69,261	$	70,896
Cash payments for taxes	$	2,617	$	260

SOCIETY FOR THE PROTECTION OF NEW HAMPSHIRE FORESTS

STATEMENT OF FUNCTIONAL EXPENSES
Year Ended April 30, 2026

	Land and Easement Stewardship	Land Protection	Education and Outreach	Membership	Policy	Fundraising	Finance and Administration	Total
Salaries and wages	$ 1,198,619	$ 269,856	$ 279,624	$ 187,270	$ 71,335	$ 462,146	$ 550,565	$ 3,019,415
Employee benefits	295,721	68,644	73,454	49,039	18,550	120,301	145,114	770,823
Total salaries and related expenses	1,494,340	338,500	353,078	236,309	89,885	582,447	695,679	3,790,238
Professional services	299,112	273,316	44,782	15,533	15,400	152,864	134,514	935,521
Conservation easements	-	862,000	-	-	-	-	-	862,000
Building and grounds	457,338	1,743	5,246	2,831	881	2,043	18,577	488,659
Donated conservation easements	-	431,250	-	-	-	-	-	431,250
Supplies and postage	52,194	1,102	20,179	18,750	1,157	62,417	40,491	196,290
Land transaction assistance and grants	-	139,773	-	-	-	-	-	139,773
Travel expenses, conferences and dues	69,502	6,448	4,278	84	1,355	3,661	13,838	99,166
Cost of sales	91,454	-	-	4,727	-	-	1,286	97,467
Advertising and printing	5,377	1,177	39,248	18,619	-	4,998	-	69,419
Program and event expenses	17,795	11,546	6,369	6,238	289	2,144	19,656	64,037
Subscriptions and documents	8,968	13,575	14,309	-	-	1,028	2,990	40,870
Credit loss expense/pledge write off	-	20,531	-	-	-	-	-	20,531
Bank and credit card fees	6,535	220	-	-	-	8,734	2,115	17,604
Change in present value of annuities	-	-	-	-	-	-	3,363	3,363
Miscellaneous expense	1,442	11	16	211	-	10	577	2,267
Total expenses before interest & depreciation	2,504,057	2,101,192	487,505	303,302	108,967	820,346	933,086	7,258,455
Depreciation	486,446	-	11,800	-	-	-	19,994	518,240
Interest	69,261	-	-	-	-	-	-	69,261
	555,707	-	11,800	-	-	-	19,994	587,501
Total expenses	**$ 3,059,764**	**$ 2,101,192**	**$ 499,305**	**$ 303,302**	**$ 108,967**	**$ 820,346**	**$ 953,080**	**$ 7,845,956**

SOCIETY FOR THE PROTECTION OF NEW HAMPSHIRE FORESTS

STATEMENT OF FUNCTIONAL EXPENSES
Year Ended April 30, 2025

	Land and Easement Stewardship	Land Protection	Education and Outreach	Membership	Policy	Fundraising	Finance and Administration	Total
Salaries and wages	$ 1,077,963	$ 250,687	$ 267,527	$ 172,990	$ 74,952	$ 357,330	$ 533,444	$ 2,734,893
Employee benefits	261,984	65,571	70,616	45,452	19,662	103,541	135,528	702,354
Total salaries and related expenses	1,339,947	316,258	338,143	218,442	94,614	460,871	668,972	3,437,247
Professional services	343,074	310,559	42,431	22,745	34,291	18,206	133,263	904,569
Building and grounds	490,799	5,418	4,285	2,366	736	1,342	17,277	522,223
Donated conservation easements	-	400,000	-	-	-	-	-	400,000
Supplies and postage	44,863	999	29,364	18,636	1,238	52,950	34,709	182,759
Land transaction assistance and grants	-	108,977	-	-	-	-	-	108,977
Advertising and printing	16,242	765	38,001	37,692	-	8,927	45	101,672
Cost of sales	92,645	35	-	2,267	-	-	447	95,394
Travel expenses, conferences and dues	57,507	4,563	7,945	118	2,085	2,453	13,908	88,579
Program and event expenses	14,796	5,029	5,759	5,578	426	1,061	19,182	51,831
Subscriptions and documents	8,116	10,938	13,470	632	-	325	2,930	36,411
Bank and credit card fees	7,189	105	-	-	-	8,818	3,154	19,266
Change in present value of annuities	-	-	-	-	-	-	9,130	9,130
Miscellaneous expense	2,260	194	-	-	-	-	1,489	3,943
Credit loss expense/pledge write off	-	-	-	191	-	-	-	191
Total expenses before interest & depreciation	2,417,438	1,163,840	479,398	308,667	133,390	554,953	904,506	5,962,192
Depreciation	452,127	-	11,200	-	-	-	16,809	480,136
Interest	70,896	-	-	-	-	-	-	70,896
	523,023	-	11,200	-	-	-	16,809	551,032
Total expenses	**$ 2,940,461**	**$ 1,163,840**	**$ 490,598**	**$ 308,667**	**$ 133,390**	**$ 554,953**	**$ 921,315**	**$ 6,513,224**

Note 1. Nature of Activities

The Society for the Protection of New Hampshire Forests (the "Forest Society") is a nonprofit membership organization founded in 1901 to protect the State's most important landscapes and promote wise use of its renewable natural resources. The Forest Society's major sources of revenue consist of contributions, grants and investment income.

The Forest Society achieved accreditation with the Land Trust Accreditation Commission in 2013 and was renewed as required in 2019.

The Forest Society website is http://www.forestsociety.org.

Note 2. Significant Accounting Policies

Basis of accounting: The financial statements of the Forest Society have been prepared on the accrual basis; consequently, revenues and gains are recognized when earned, and expenses and losses are recognized when incurred. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Net assets: The Forest Society reports information regarding its financial position and activities according to two categories of net assets: net assets with donor restrictions and net assets without donor restrictions. Descriptions of these net asset categories are as follows:

Net assets without donor restrictions: Net assets without donor restrictions are available for use at the discretion of the Board of Trustees and/or management for general operating purposes. From time to time the Board of Trustees designates a portion of these net assets for specific purposes which makes them unavailable for use at management's discretion.

Net assets with donor restrictions: Net assets with donor restrictions consist of assets whose use is limited by donor-imposed, time and/or purpose restrictions and also includes the accumulated appreciation and depreciation related to donor-restricted endowment funds.

The Forest Society reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, the net assets are reclassified as net assets without donor restrictions and are reported in the statements of activities and changes in net assets as net assets released from restrictions.

Some net assets with donor restrictions include a stipulation that assets provided be maintained permanently (perpetual in nature) while permitting the Forest Society to expend the income generated by the assets in accordance with the donor restrictions and contributions which require by donor restriction that the full amount be spent on acquiring assets to be held permanently (typically fee interest in land). Net assets with donor restrictions also include holdings of land which the Forest Society acquired by donation or purchase that are intended to be protected indefinitely. See Note 12 for more information on the composition of net assets with donor restrictions.

Cash and cash equivalents: Cash and cash equivalents include all money market accounts and investments purchased with remaining maturities of three months or less.

US Treasury bills: U.S. Treasury bills are classified separately on the statements of financial position and are carried at amortized cost, which approximates fair value due to their short-term maturities and the high credit quality of the issuer. Discounts and premiums, if any, are amortized to interest income over the term of the securities using a method that approximates the effective interest method. Accrued interest receivable on U.S. Treasury bills is presented separately on the statements of financial position.

Other receivables: Receivables are recorded primarily for rent and program service fees on any unpaid balances. Receivables are recorded when invoices are issued and are presented on the statements of financial position net of the allowance for credit losses. At each reporting date, this estimate is updated to reflect any changes in credit risk since the receivable was initially recorded. This estimate is calculated either based on individual accounts or on a pooled basis where similar risk characteristics exist. Receivables deemed uncollectible are removed from receivables and the allowance for credit losses when collection efforts have been exhausted. Total credit loss expense for the years ended April 30, 2026 and 2025, was $20,531 and $191, respectively.

Allowance for credit losses: The Forest Society establishes an allowance for credit loss on financial assets measured at amortized cost, such as US Treasury bills and other receivables. At each statement of financial position date, the Forest Society assesses the need to recognize an expected allowance for credit losses. Management assesses credit loss based on historical experience that is adjusted for current conditions and supportable forecasts when applicable. These assets are considered to be fully collectible and, accordingly, no allowance for credit loss was considered necessary at April 30, 2026 and 2025.

Inventories: Inventories are valued at net realizable value for mature Christmas trees, at cost for immature Christmas trees, and lower of cost or net realizable value for gift shop items.

Inventory consists of the following:

April 30,	2026	2025
Current:		
Gift shop	$ 38,444	$ 30,097
Christmas trees expected to be sold within one year	4,295	259
Total current	**42,739**	**30,356**
Long-term:		
Christmas trees not expected to be sold within one year	**37,388**	**43,266**
Total inventory	$ 80,127	$ 73,622

Investments: The Forest Society accounts for investments in accordance with FASB ASC 958-320, Not-for-Profit Entities—Investments—Debt and Equity Securities, and measures investments reported at fair value in accordance with FASB ASC 820, Fair Value Measurement. Investments in equity securities with readily determinable fair values and debt securities are reported at fair value in the statements of financial position. Investment income, including interest and dividends, is recognized when earned. Realized and unrealized gains and losses are included in the change in net assets in the statements of activities and changes in net assets. Investment management fees are netted against investment income.

Leases: The Forest Society follows FASB ASC 842, Leases. The Forest Society recognizes right-of-use (ROU) assets and lease liabilities on the statements of financial position for all material operating and financing leases greater than one year. Factors contributing to the amount of asset and liability recorded are the determination of the lease term, discount rate used and the inclusion or exclusion of certain lease and non-lease components. The Forest Society elected the short-term lease exemption for all leases that qualify and does not recognize ROU assets or lease liabilities on the statements of financial position.

The Forest Society leases a postage meter from an unrelated party on a short-term basis. At April 30, 2026 and 2025, the total lease payments including supplies and postage amounted to $3,185 and $2,482, respectively. As this lease is considered short-term, it has not been included in the right-of-use assets and liabilities on the Forest Society's statements of financial position.

The Forest Society leases office and conference room space to unrelated parties on a day-to-day basis. Rental income for the years ended April 30, 2026 and 2025 from these leases amounted to $73,292 and $99,583, respectively.

The Forest Society also leases property to an unrelated party with a lease term of 30 years ending December 31, 2028. Income from this lease is calculated based on a percentage of the lessee's revenue, therefore is variable and is not included on the statements of financial position. Income from this lease for the years ended April 30, 2026 and 2025, amounted to $390,657 and $377,701, respectively.

Land: Purchased land is recorded at cost. Donated land is recorded at fair value at the date of donation.

The Forest Society holds title to various tracts of land for several different purposes, as follows:

- Permanent land holdings are those tracts which the Forest Society acquired by donation or purchase that are intended to be protected indefinitely. These include the sites of Forest Society's programs or conservation projects and tracts having certain natural features which the Forest Society deems worthy of preservation.

- Land held in trust includes tracts held by the Forest Society until they can be transferred to a recipient (typically a town conservation commission or the State of New Hampshire) specified by the donor.

- Land purchased or acquired by donation, that is intended to be sold on the open market, typically with use restrictions in the new deed.

- Land held for resale includes land that has been purchased or accepted as a gift, at its fair value, with the intent that it be sold to some other party or agency which will use the land in accordance with specific Forest Society's restrictions written into the deed at the time of transfer or it will be sold with the proceeds to benefit the Forest Society as specified by the donor.

Deed restrictions attached to most land sold severely restrict the use and development of the land in perpetuity. This practice can substantially reduce the fair value of the land. However, in most cases, there is no impairment of the land's value since deed restrictions are generally attached at the time the land is sold.

Land consists of the following:

April 30,		2026		2025
Permanent land holdings	$	76,289,744	$	72,875,216
Land held for resale		1,344,536		854,536
Total	**$**	**77,634,280**	**$**	**73,729,752**

Property and equipment: Property and equipment are recorded at cost or, in the case of donated assets, at fair value. Repairs and maintenance are expensed as incurred and purchases in excess of $5,000 or information technology equipment with a life of at least three years are capitalized as additions to property. Depreciation is computed using the straight-line method over the following estimated useful lives:

	Years
Building and land improvements	10-40
Equipment and software	3-10
Furniture and fixtures	7-20
Vehicles	5-10

Building and equipment are reviewed for impairment when a significant change in the asset's use or another indicator of possible impairment is present. No impairment losses were recognized in the financial statements for the years ended April 30, 2026 and 2025.

Functional allocation of expenses: The statements of functional expenses present expenses by function and natural classification. Most expenses are assigned to functional area as they are incurred by coding every expense to a cost center. Salaries are assigned to cost centers on staff time sheets that are filled out contemporaneously for each pay period. Benefit costs are assigned proportionally to cost centers each pay period based on salary costs.

All other expenses with the exception of buildings and grounds are assigned to cost centers as each expense is incurred.

Building and grounds expenses are assigned to cost centers as they are incurred, with much of that cost assigned to land and easement stewardship where the cost centers for the Conservation Center in Concord and the buildings at the Rocks are assigned. After the close of the fiscal year building and grounds maintenance costs for the Conservation Center and the buildings at the Rocks are spread between the cost centers that use those buildings.

For the Rocks building and grounds costs are spread to programs based on salary costs. The spread is based on salaries because significant amounts of work are done by seasonal staff, so salary cost is a reasonable stand in for effort devoted to a cost center. For the Conservation Center building and grounds costs are spread to programs based on staff full time equivalents (FTEs) devoted to each cost center. The spread is based on regular staff FTEs because most work in Concord is done by regular staff, so FTEs are a reasonable stand in for effort devoted to each cost center.

Fundraising and advertising: Fundraising costs are expensed as incurred, even though they may result in contributions received in future years. The Forest Society generally does not conduct its fundraising activities in conjunction with its other activities. In the few cases in which it does, joint costs have been allocated between fundraising and management and general expenses in accordance with standards for accounting for costs of activities that include fundraising. Additionally, advertising costs are expensed as incurred.

Use of estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Fair value option: GAAP provides a fair value option election that allows organizations to irrevocably elect fair value as the initial and subsequent measurement attribute for certain financial assets and liabilities. GAAP permits the fair value option election on an instrument-by-instrument basis at specified election dates, primarily at the initial recognition of an asset or liability or upon an event that gives rise to a new basis of accounting for that instrument. The Forest Society has elected the fair value option for contributions receivable and annuities payable.

Income taxes: The Forest Society is a not-for-profit organization as described in Section 501(c)(3) of the Internal Revenue Code (the Code) whereby only unrelated business income, as described by Section 512(a)(1) of the Code, is subject to federal income tax. The Forest Society pays a nominal amount of tax relating to unrelated business activities, primarily from gift shop and Christmas tree sales, and New Hampshire Business Enterprise Tax imposed by the state on interest, dividends and payroll expense incurred.

The Forest Society has adopted the provisions of FASB ASC 740, Accounting for Uncertainty in Income Taxes. Accordingly, management has evaluated the Forest Society's tax positions and concluded the Forest Society had maintained its tax-exempt status and had taken no uncertain tax positions that require adjustment or disclosure in the financial statements. With few exceptions, the Forest Society is no longer subject to income tax examinations by the U.S. Federal or State tax authorities for tax years before 2023.

Revenue and revenue recognition: Membership dues, which are nonrefundable, are comprised of an exchange element based on the value benefits provided, and a contribution element for the difference between the total dues paid and the exchange element. The Forest Society recognizes the exchange portion of membership dues over the membership period, and the contribution portion immediately.

The Forest Society 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 – that is, those with a measurable performance or other barrier and a right to return – are not recognized until the conditions on which they depend have been met.

Contributed nonfinancial assets: Contributed nonfinancial assets consist primarily of donated land, conservation easements, and goods and services and are recognized at estimated fair value on the date of contribution based on appraisals or other relevant valuation inputs. Donated goods are valued based on the cost or market value of similar items, and donated services are recognized when they create or enhance nonfinancial assets or require specialized skills that would otherwise be purchased. These assets are used in carrying out the Forest Society's conservation, stewardship, and program activities.

Note 3. Concentration of Credit Risk

The Forest Society maintains its cash balances with local banks. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000. The Forest Society participates in an Insured Cash Sweep Service (ICS) agreement with its bank. The ICS places Forest Society funds at other FDIC insured banks in amounts that do not exceed the FDIC insured maximum. Through the ICS program, the Forest Society can exclude specific banks to ensure the FDIC insured limit is never exceeded at the destination banks. At April 30, 2026, the Forest Society's uninsured cash balances totaled approximately $53,000.

Note 4. Contributions Receivable

Contributions receivable consist of the following:

April 30,		2026		2025
Promise to give expected to be collected in:				
Less than one year	**$**	**384,585**	**$**	**1,448,065**
One to five years		65,000		994,188
		449,585		2,442,253
Less discount to net present value		(3,063)		(15,340)
Net contributions receivable	$	446,522	$	2,426,913

Contributions receivable are reported at fair value, which is estimated as the net present value of expected future cash inflow. A discount rate of 5% was applied to determine present value for the years ended April 30, 2026 and 2025. Contributions receivable are considered to be fully collectible and, accordingly, no allowance for credit losses was considered necessary at April 30, 2026 and 2025.

Note 5. Investments

The following is a summary of investments at cost and related market value as of April 30:

	2026				2025			
		Cost		Fair Value		Cost		Fair Value
Domestic equity funds	$	5,627,708	$	9,707,300	$	5,071,181	$	7,388,800
International equity funds		4,604,429		5,719,096		4,236,327		4,455,539
Fixed income funds		5,665,075		4,978,647		4,696,126		4,738,450
Specialty equity funds		929,817		1,986,508		1,648,682		2,083,174
Cash and short term investments		457,576		457,576		33,420		33,420
Total investments	$	17,284,605	**$**	**22,849,127**	$	15,685,736	**$**	**18,699,383**

Investment return is summarized as follows:

April 30,		2026		2025
Interest on temporary cash balances	$	410,277	$	357,645
Interest and dividend income		565,510		561,698
Realized and unrealized gains		3,774,370		1,148,531
Gross investment return	$	4,750,157	$	2,067,874

Investment management fees amounted to $25,000 for both years ended April 30, 2026 and 2025 and have been netted against interest and dividend income in the accompanying statements of activities and changes in net assets.

Note 6. Property and Equipment

Property and equipment, at cost, April 30,		2026		2025
Building and land improvements	$	13,783,421	$	13,417,876
Equipment and software		961,966		942,898
Furniture and fixtures		415,402		415,402
Vehicles		228,953		201,297
Construction in progress		449,282		146,091
Total property and equipment		15,839,024		15,123,564
Less accumulated depreciation		(6,196,757)		(5,713,489)
Total property and equipment, net	**$**	**9,642,267**	**$**	**9,410,075**

Depreciation expense for the years ended April 30, 2026 and 2025 amounted to $518,240 and $480,136, respectively.

Note 7. Fair Value Measurements

The Fair Value Measurements Topic of the FASB Accounting Standards Codification (FASB ASC 820-10) establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

- Level 1 – inputs are unadjusted, quoted prices in active markets for identical assets at the measurement date. The types of assets carried at level 1 fair value generally are securities listed in active markets. The Forest Society has valued its investments, listed on national exchanges at the last sales price as of the day of valuation.

- Level 2 – inputs are based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

- Level 3 – inputs are generally unobservable and typically reflect management's estimates of assumptions that market participants would use in pricing the asset or liability. The fair values are therefore determined using model-based techniques that include option-pricing models, discounted cash flow models, and similar techniques.

The inputs or methodology used for valuing investments are not necessarily an indication of the risk associated with investing in those investments.

Financial assets and liabilities carried at fair value on a recurring basis consisted of the following at April 30, 2026:

	Level 1	Level 2	Level 3
Assets:			
Domestic equity funds	$ 9,707,300	$ -	$ -
Fixed income funds	4,978,647	-	-
International equity funds	5,719,096	-	-
Specialty equity funds	1,986,508	-	-
Cash and short term investments	457,576	-	-
Contributions receivable, net	-	-	446,522
Total	$ 22,849,127	$ -	$ 446,522
Liabilities:			
Annuities payable	$ -	$ -	$ 51,230

Financial assets and liabilities carried at fair value on a recurring basis consisted of the following at April 30, 2025:

	Level 1	Level 2	Level 3
Assets:			
Domestic equity funds	$ 7,388,800	$ -	$ -
Fixed income funds	4,738,450	-	-
International equity funds	4,455,539	-	-
Specialty equity funds	2,083,174	-	-
Cash and short term investments	33,420	-	-
Contributions receivable, net	-	-	2,426,913
Total	$ 18,699,383	$ -	$ 2,426,913
Liabilities:			
Annuities payable	$ -	$ -	$ 78,458

Assets and liabilities measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the years ended April 30, 2026 and 2025:

	Annuities Payable, net	Contributions Receivable, net
Balance, April 30, 2025	$ 78,458	$ 2,426,913
Payments received	-	(2,036,997)
New contributions	-	64,860
Contribution receivable write-offs	-	(20,531)
Change to present value	3,363	12,277
Annuity balance gifted upon annuitant's death	(22,405)	-
Payments to beneficiaries	(8,186)	-
Balance, April 30, 2026	$ 51,230	$ 446,522

	Annuities Payable, net	Contributions Receivable, net
Balance, April 30, 2024	$ 80,810	$ 445,753
Payments received	-	(161,814)
New contributions	-	2,166,144
Change to present value	9,130	(23,170)
Payments to beneficiaries	(11,482)	-
Balance, April 30, 2025	$ 78,458	$ 2,426,913

GAAP requires disclosure of an estimate of fair value of certain financial instruments. The Forest Society's significant financial instruments are cash, notes payable and other short-term assets and liabilities. For these financial instruments, carrying values approximate fair value.

All assets and liabilities have been valued using a market or income approach and have been consistently applied. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities. Prices may be indicated by pricing guides, sale transactions, market trades, or other sources.

The income approach uses valuation techniques to convert future amounts to a single present amount based on current market expectations about the future amounts (includes present value techniques and option-pricing models). Net present value is an income approach where a stream of expected cash flows is discounted at an appropriate market interest rate.

Note 8. Line of Credit

The Forest Society has $1,500,000 available as a revolving line of credit agreement, payable on demand, with a bank. The line of credit has a review date of March 29, 2027. Bank advances on this line of credit bear interest equal to the Wall Street Journal Prime rate which was 6.75% at April 30, 2026. The line of credit is unsecured. There was no outstanding balance on the line of credit at April 30, 2026 and 2025.

Note 9. Notes Payable

April 30,		2026		2025
Note payable to a voluntary corporation, dated September 2010, in the original amount of $213,750 payable in annual installments of $11,250, no interest, due September 2030. The note is unsecured.	$	45,000	$	56,250
Note payable to bank, payable in monthly interest and principal payments of $10,424, with interest at 4.35%, due January 2044. The note is unsecured.		1,543,109		1,599,739
		1,588,109		1,655,989
Portion payable within one year		**70,412**		**67,898**
Long-term debt, less current maturities	**$**	**1,517,697**	**$**	**1,588,091**

Principal payments on long-term obligations are as follows:

Year Ending April 30,		
2027	$	70,412
2028		73,038
2029		75,780
2030		78,643
2031		70,384
Thereafter		1,219,852
Total	$	1,588,109

The note payable to the bank requires the Forest Society to meet certain financial covenants, the most restrictive requiring a debt service coverage ratio of at least 1.5 to 1.

Note 10. Charitable Gift Annuities

Amounts due under annuities payable represent gifts received under agreements which guarantee to pay a fixed amount for a specified period of time. Such gifts are recorded as revenue when received and the present value of the future amount payable is recorded as a liability. Annuities are reported at their fair value, which is determined based on the ages and life expectancies of the designated beneficiaries using the IRS life expectancy tables and a discount rate of 6% for the years ended April 30, 2026 and 2025.

Note 11. Endowment Fund Assets

The Forest Society's endowment consists of 40 individual funds established for a variety of purposes. Its endowment includes both donor-restricted endowment funds and funds designated by the Board of Trustees to function as endowments. As required by GAAP, net assets associated with endowment funds, including those funds designated by the Board of Trustees, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law: The Forest Society is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) and, thus, classifies amounts in its donor-restricted endowment funds as net assets with donor restrictions because those net assets are time restricted until the Board of Trustees appropriates such amounts for expenditures. Most of those net assets are also subject to purpose restrictions that must be met before reclassifying those net assets to net assets without donor restrictions. The Board of Trustees of the Forest Society has interpreted UPMIFA as not requiring the maintenance of purchasing power of the original gift amount contributed to an endowment fund unless a donor stipulates the contrary.

As a result of this interpretation, when reviewing its donor-restricted endowment funds, the Forest Society considers a fund to be underwater if the fair value of the fund is less than the sum of (a) the original value of initial and subsequent gift amounts donated to the fund and (b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument. The Forest Society has interpreted UPMIFA to permit spending from underwater funds in accordance with the prudent measures required under the law.

Additionally, in accordance with UPMIFA, the Forest Society considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the fund, (2) the purposes of the organization and the donor-restricted endowment fund, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the organization, and (7) the investment policies of the Forest Society.

Underwater Endowment Funds: From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Forest Society to retain as a fund of perpetual duration. There were no deficiencies of this nature as of April 30, 2026 and 2025.

Investment Return Objectives, Risk Parameters and Strategies: The Trustees of the Forest Society have established the following objectives for its invested funds: (a) maintain the purchasing power of the principal on a long-term basis, (b) provide a reasonable stream of income on a total-return basis that will substantially contribute to the funding of the Forest Society's operations and support a prudent spending policy adopted by the Trustees from time to time, and (c) maintain availability of sufficient cash to fund ongoing operating expenses.

The Forest Society's overall investment objective is to achieve growth in the value of the assets that is sufficient to preserve the inflation-adjusted purchasing power of the portfolio over a long-term time horizon.

Spending Policy: The spending policy calculation for the year ended April 30, 2026 was based on 5.0% of the twenty-quarter moving average of the true (permanently restricted) endowment and unrestricted endowment portfolio's market value adjusted for capital additions and withdrawals which is an effective 5.9% draw on the true (permanently restricted) endowment.

Endowment net asset composition by type of fund as of April 30, 2026 is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	$ -	$ 16,675,773	$ 16,675,773
Board designated endowment funds	650,146	-	650,146
Unrestricted invested funds	3,144,319	-	3,144,319
Total	$ 3,794,465	$ 16,675,773	$ 20,470,238

Changes in endowment net assets as of April 30, 2026 are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	$ 2,928,894	$ 13,444,733	$ 16,373,627
Contributions	21,000	829,414	850,414
Investment return, net	1,103,566	3,102,370	4,205,936
Appropriation of endowment assets for expenditure	(258,995)	(700,744)	(959,739)
Endowment net assets, end of year	3,794,465	16,675,773	20,470,238
Other investments:			
Invested restricted funds	-	1,806,004	1,806,004
Charitable gift annuities	572,885	-	572,885
Total investments	$ 4,367,350	$ 18,481,777	**$ 22,849,127**

Endowment net asset composition by type of fund as of April 30, 2025 is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	$ -	$ 13,444,733	$ 13,444,733
Board designated endowment funds	528,252	-	528,252
Unrestricted invested funds	2,400,642	-	2,400,642
Total	$ 2,928,894	$ 13,444,733	$ 16,373,627

Changes in endowment net assets as of April 30, 2025 are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	$ 2,589,121	$ 12,625,202	$ 15,214,323
Contributions	11,000	289,603	300,603
Investment return, net	441,544	1,201,851	1,643,395
Appropriation of endowment assets for expenditure	(112,771)	(671,923)	(784,694)
Endowment net assets, end of year	2,928,894	13,444,733	16,373,627
Other investments:			
Invested restricted funds	-	1,853,627	1,853,627
Charitable gift annuities	472,129	-	472,129
Total investments	$ 3,401,023	$ 15,298,360	**$ 18,699,383**

Note 12. Net Assets with Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes or periods:

April 30,	**2026**	**2025**
Subject to expenditure for specified purpose or period:		
Land protection	$ 2,859,149	$ 6,252,458
Reservation stewardship	2,108,984	2,765,888
Education	49,660	82,746
Policy	37,309	37,309
Communications outreach	-	10,097
Easement stewardship	11,838	78,675
Administration	1,600	1,600
Total subject to expenditure for specified purpose or period	5,068,540	9,228,773
Endowments subject to the Forest Society's spending policy and appropriation:		
Investments in perpetuity (original amounts of $11,651,921 in 2026 and $11,555,615 in 2025), which once appropriated, is expendable to support activities of the Forest Society	16,675,773	13,444,733
Not subject to appropriation or expenditure:		
Permanent land holdings	76,289,744	72,875,216
Total net assets with donor restrictions	**$ 98,034,057**	**$ 95,548,722**

Note 13. Net Assets without Donor Restrictions

The Forest Society's net assets without donor restrictions is comprised of the following:

April 30,		2026		2025
Undesignated	$	4,926,166	$	4,424,431
Undesignated - invested in land, property and equipment		10,986,803		10,264,611
Board designated for endowment		650,146		528,252
Unrestricted invested funds		3,144,319		2,400,642
Total net assets without donor restrictions	**$**	**19,707,434**	**$**	**17,617,936**

Note 14. Liquidity and Availability of Resources

The following reflects the Forest Society's financial assets as of April 30, 2026, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position date. Amounts not available include amounts set aside for long-term investing in the board designated funds and unrestricted invested funds that could be drawn upon if the governing board approves that action. However, amounts already appropriated from the donor-restricted endowment, board designated funds and unrestricted invested funds for general expenditure within one year of the statements of financial position date have not been subtracted as unavailable.

April 30,		2026
Cash	$	1,397,609
US Treasury bills		7,382,186
Accrued interest on US Treasury bills		53,964
Contributions receivable		384,585
Accounts receivable		6,501
Investments		22,849,127
Financial assets, at year-end		32,073,972
Less those unavailable for general expenditures within one year, due to:		
Contractual or donor-imposed restrictions:		
Restricted by donors with purpose restrictions		(2,725,544)
Restricted by donors in perpetuity		(16,016,734)
Investments held in annuity trust		(572,885)
Board designations		(793,398)
Unrestricted invested funds		(2,673,667)
Financial assets available to meet cash needs for general expenditures within one year	$	9,291,744

The Forest Society is substantially supported by restricted contributions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Forest Society must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year.

As part of the Forest Society's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. In addition, the Forest Society has board designated funds of $650,146 and unrestricted investments of $3,144,319. Although the Forest Society does not intend to spend from these funds other than amounts appropriated for general expenditure as part of its annual budget approval and appropriation process, amounts from these funds could be made available if necessary.

As more fully described in Note 8, the Forest Society also has a committed line of credit in the amount of $1,500,000, which it could draw upon in the event of an unanticipated liquidity need.

Note 15. Retirement Plans

Effective January 1, 1988, the Forest Society established a 403(b) tax sheltered annuity plan covering all qualified employees. Presently, the Forest Society matches the first 4% of a participating employee's base salary. Additional voluntary contributions may be made by the employees.

The percentage of the Forest Society's match is determined by the Board of Trustees and has remained unchanged since 1997. For the years ended April 30, 2026 and 2025, the Forest Society's contribution to the plan totaled $86,774 and $82,083, respectively.

Note 16. Employee Retention Credit

The CARES Act provides an Employee Retention Tax Credit (ERTC), which is a refundable tax credit against certain employment taxes for eligible wages paid between March 2020 through September 30, 2021. The Forest Society qualified for the tax credit under the CARES Act and submitted the necessary filings to receive a total of $394,508. Management has elected to apply the FASB ASC 450-30 gain contingency model for reporting the impact of the ERTC, which under this method, the ERTC is realizable when the IRS affirms the entity's eligibility to receive the credit. During the year ended April 30, 2026 the amount was collected in full and included in miscellaneous income on the statements of activities and changes in net assets.

Note 17. Subsequent Events

The Forest Society has evaluated subsequent events through August 5, 2026, the date which the financial statements were available to be issued and have not evaluated subsequent events after that date. There were no subsequent events identified that would require disclosure in the financial statements for the year ended April 30, 2026.