



# **Watershed Alliance of York Financial Statements (Compiled)**

December 31, 2024 and 2023



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## Independent Accountant's Compilation Report

To the Board of Directors  
Watershed Alliance of York  
York, Pennsylvania

Management is responsible for the accompanying financial statements of Watershed Alliance of York (WAY), which comprise the statement of financial position as of December 31, 2024 and 2023, and the related statements of activities, changes in net assets, functional expenses - by natural classification, and cash flows for the years then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed compilation engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements, nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any assurance on these financial statements.

*RKL LLP*

May 8, 2025  
York, Pennsylvania



# Watershed Alliance of York

## Statement of Financial Position

See Independent Accountant's Compilation Report

	December 31,	
	2024	2023
<b>Assets</b>		
<b>Current Assets</b>		
Cash	\$ 34,636	\$ 85,937
Restricted cash	<u>217,248</u>	<u>270,147</u>
<b>Total Assets</b>	<b><u>\$ 251,884</u></b>	<b><u>\$ 356,084</u></b>
<b>Liabilities and Net Assets</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ -	\$ 45,000
Deferred grant revenue	<u>180,796</u>	<u>268,115</u>
<b>Total Liabilities</b>	<b><u>180,796</u></b>	<b><u>313,115</u></b>
<b>Net Assets</b>		
Without donor restrictions	\$ 34,636	\$ 40,937
With donor restrictions	<u>36,452</u>	<u>2,032</u>
<b>Total Net Assets</b>	<b><u>71,088</u></b>	<b><u>42,969</u></b>
<b>Total Liabilities and Net Assets</b>	<b><u>\$ 251,884</u></b>	<b><u>\$ 356,084</u></b>

# Watershed Alliance of York

## Statement of Activities

See Independent Accountant's Compilation Report

	Year Ended December 31, 2024		
	Without Donor Restrictions	With Donor Restrictions	Total
<b>Support and Revenue</b>			
Grant income	\$ 578,831	\$ 36,000	\$ 614,831
Sponsorship income	11,700	-	11,700
Interest income	4,939	-	4,939
Contributions	2,679	294	2,973
Net assets released from restriction	1,874	(1,874)	-
<b>Total Support and Revenue</b>	<b>600,023</b>	<b>34,420</b>	<b>634,443</b>
<b>Expenses</b>			
Program services	597,261	-	597,261
Supporting services			
Management and general	8,463	-	8,463
Fundraising	600	-	600
<b>Total Expenses</b>	<b>606,324</b>	<b>-</b>	<b>606,324</b>
<b>Changes in Net Assets</b>	<b>\$ (6,301)</b>	<b>\$ 34,420</b>	<b>\$ 28,119</b>

# Watershed Alliance of York

Statement of Activities (continued)

See Independent Accountant's Compilation Report

	Year Ended December 31, 2023		
	Without Donor Restrictions	With Donor Restrictions	Total
<b>Support and Revenue</b>			
Grant income	\$ 1,248,227	\$ -	\$ 1,248,227
Sponsorship income	9,250	-	9,250
Interest income	7,356	-	7,356
Contributions	9,634	2,032	11,666
Net assets released from restriction	874	(874)	-
<b>Total Support and Revenue</b>	<b>1,275,341</b>	<b>1,158</b>	<b>1,276,499</b>
<b>Expenses</b>			
Program services	1,772,599	-	1,772,599
Supporting services			
Management and general	10,332	-	10,332
Fundraising	1,399	-	1,399
<b>Total Expenses</b>	<b>1,784,330</b>	<b>-</b>	<b>1,784,330</b>
<b>Changes in Net Assets</b>	<b>\$ (508,989)</b>	<b>\$ 1,158</b>	<b>\$ (507,831)</b>

## **Watershed Alliance of York**

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### **Statement of Changes in Net Assets**

See Independent Accountant's Compilation Report

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>Net Assets at December 31, 2022</b>	\$ 549,926	\$ 874	\$ 550,800
Changes in net assets	(508,989)	1,158	(507,831)
<b>Net Assets at December 31, 2023</b>	40,937	2,032	42,969
Changes in net assets	(6,301)	34,420	28,119
<b>Net Assets at December 31, 2024</b>	<b>\$ 34,636</b>	<b>\$ 36,452</b>	<b>\$ 71,088</b>

## Watershed Alliance of York

Statement of Functional Expenses - by Natural Classification

See Independent Accountant's Compilation Report

	Year Ended December 31, 2024			
	Supporting Services			
	Program Services	Management and General	Fundraising	Total
Project implementation	\$ 592,705	\$ -	\$ -	\$ 592,705
Professional fees	-	7,509	-	7,509
Fishing derby	3,559	-	-	3,559
Insurance	892	-	-	892
Office expenses	-	662	-	662
Fundraising	-	-	600	600
Advertising and marketing	105	292	-	397
	<u>\$ 597,261</u>	<u>\$ 8,463</u>	<u>\$ 600</u>	<u>\$ 606,324</u>

## Watershed Alliance of York

### Statement of Functional Expenses - by Natural Classification (continued)

See Independent Accountant's Compilation Report

	Year Ended December 31, 2023			
	Supporting Services			Total
	Program Services	Management and General	Fundraising	
Project implementation	\$ 1,768,338	\$ -	\$ -	\$ 1,768,338
Professional fees	-	9,831	-	9,831
Fishing derby	2,364	-	-	2,364
Insurance	923	-	-	923
Office expenses	-	65	-	65
Fundraising	-	-	1,399	1,399
Advertising and marketing	974	436	-	1,410
	<u>\$ 1,772,599</u>	<u>\$ 10,332</u>	<u>\$ 1,399</u>	<u>\$ 1,784,330</u>

# Watershed Alliance of York

## Statement of Cash Flows

See Independent Accountant's Compilation Report

	Years Ended December 31,	
	2024	2023
<b>Cash Flows from Operating Activities</b>		
Changes in net assets	\$ 28,119	\$ (507,831)
Adjustments to reconcile changes in net assets to net cash used in operating activities		
Decrease in assets	-	69,200
Accounts receivable	-	69,200
Increase (decrease) in liabilities		
Accounts payable	(45,000)	(28,783)
Deferred grant revenue	<u>(87,319)</u>	<u>268,115</u>
	<b><u>(104,200)</u></b>	<b><u>(199,299)</u></b>
<b>Net Decrease in Cash</b>	<b><u>(104,200)</u></b>	<b><u>(199,299)</u></b>
<b>Cash at Beginning of Year</b>	<b><u>356,084</u></b>	<b><u>555,383</u></b>
<b>Cash at End of Year</b>	<b><u>\$ 251,884</u></b>	<b><u>\$ 356,084</u></b>
<b>Cash is Comprised of the Following on the Statement of Financial Position</b>		
Cash	\$ 34,636	\$ 85,937
Restricted cash	<u>217,248</u>	<u>270,147</u>
	<b><u>\$ 251,884</u></b>	<b><u>\$ 356,084</u></b>

## **Watershed Alliance of York**

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Notes to Financial Statements

December 31, 2024 and 2023

See Independent Accountant's Compilation Report

### **Note 1 - Nature of Operations**

Watershed Alliance of York (a Pennsylvania non-profit corporation) (WAY) was founded in 2001 to improve York County's water, making it cleaner and healthier for all. WAY's primary program activities include project implementation (such as stream restoration, dam removal, freshwater mussel restoration, research and conservation, water quality monitoring, and watershed forestry) and education and outreach. WAY's primary sources of revenue are grant income, sponsorships, and contributions.

### **Note 2 - Summary of Significant Accounting Policies**

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

#### **Basis of Accounting**

The accompanying financial statements are presented in accordance with the accrual basis of accounting, whereby revenue is recognized when earned and expenses are recognized when incurred.

#### **Use of Estimates**

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities, if any, at 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.

#### **Restricted Cash**

During the year ended December 31, 2023, WAY received a grant award from the Susquehanna River Basin Commission in the amount of \$1,500,000. The funds are to be expended for a project in the South Branch of Codorus Creek Watershed, York, Pennsylvania. During the year ended December 31, 2023, WAY received \$375,000 of advanced working capital related to this award for use in accordance with the project guidelines. No additional grant funds were received during the year ended December 31, 2024. As of December 31, 2024 and 2023, unexpended cash related to this award classified as restricted cash amounted to \$180,796 and \$268,115, respectively.

Additionally, as of December 31, 2024 and 2023, WAY has restricted cash in the amount of \$36,452 and \$2,032, respectively, subject to donor-imposed stipulations that is restricted for a specified purpose (refer to Note 6).

## **Watershed Alliance of York**

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Notes to Financial Statements

December 31, 2024 and 2023

See Independent Accountant's Compilation Report

### **Note 2 - Summary of Significant Accounting Policies (continued)**

#### **Net Assets**

Net assets of WAY and changes therein are classified and reported as follows:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed stipulations and are available for general operating purposes. From time to time, the Board of Directors may designate a portion of these net assets for specific purposes which makes them unavailable for use at management's discretion. As of December 31, 2024 and 2023, WAY did not have any board-designated amounts.

Net assets with donor restrictions - Net assets subject to donor-imposed stipulations that are restricted for a specified purpose or passage of time or are restricted in perpetuity.

#### **Revenue Recognition**

##### **Contributions**

WAY recognizes contributions when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give, that is, those with 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.

All contributions are considered to be available for operations unless specifically restricted by the donor. Amounts received that are restricted by the donor for future periods or for specific purposes are reported as support with donor restrictions that increases that net asset class. However, if a restriction is fulfilled in the same time period in which the contribution is received, WAY reports the support as support without donor restrictions.

##### **Grants**

Grant revenue deemed to be a contribution is classified as support with donor restrictions when received or receivable. Such grant revenue is not deemed to be in respect of exchange transactions, since the proceeds thereof are non-reciprocal, unconditional, and voluntary.

Grant revenue deemed to be in respect of exchange transactions is classified as support without donor restrictions or deferred revenue, as appropriate, when received or receivable. Such grant revenue is not deemed to be a contribution since the proceeds thereof are used to pursue objectives of the grantor.

#### **Donated or Contributed Investments, Services, or Materials**

Donated or contributed investments, services, or materials meeting the criteria for recognition are reflected in the financial statements as in-kind contributions at their estimated value on the date of receipt. Contributed professional services are recognized if the services received (a) create or enhance long-lived assets or (b) require specialized skills, which are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. Contributions of tangible assets are recognized at the fair value when received. Management has determined there were no significant in-kind contributions during the years ended December 31, 2024 and 2023.

## **Watershed Alliance of York**

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Notes to Financial Statements

December 31, 2024 and 2023

See Independent Accountant's Compilation Report

### **Note 2 - Summary of Significant Accounting Policies (continued)**

#### **Advertising Costs**

Advertising costs are expensed as incurred.

#### **Functional Expense Allocation**

The cost of providing various programs and other activities has been summarized on a functional basis in the statement of activities and in the statement of functional expenses - by natural classification. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Supporting services consist of management and general and fundraising expenses. Expenses of WAY are directly attributable to either program or supporting services; therefore, no costs are allocated between the programs and supporting services benefited.

### **Note 3 - Income Taxes**

WAY is a not-for-profit entity described in Section 501(c)(3) of the Internal Revenue Code (the Code) and is exempt from income taxes on related activities pursuant to Section 509(a) of the Code. In addition, WAY was organized under the Pennsylvania Nonprofit Corporation Law and is exempt from state income taxes. WAY is subject to Federal income tax on net income derived from unrelated business activities, if any.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by WAY, including whether the entity is exempt from income taxes. Management evaluated the tax positions taken and concluded that WAY had taken no uncertain tax positions that require recognition or disclosure in the financial statements. With few exceptions, WAY is no longer subject to income tax examinations by the U.S. Federal, state, or local tax authorities for years before December 31, 2021.

### **Note 4 - Concentrations and Credit Risk**

At times during the years ended December 31, 2024 and 2023, WAY's cash balance may have exceeded the federally insured limit of \$250,000.

During the years ended December 31, 2024 and 2023, WAY recognized grant income from two and one funding sources, which accounted for approximately 83% and 79%, respectively, of its total support and revenue.

## Watershed Alliance of York

Notes to Financial Statements

December 31, 2024 and 2023

See Independent Accountant's Compilation Report

### Note 5 - Liquidity and Availability

Financial assets available for general expenditures, that is, without donor restrictions or other designations limiting their use, within one year of the date of the statement of financial position, comprise the following as of December 31:

	2024	2023
<b>Financial Assets</b>		
Cash	\$ 34,636	\$ 85,937
Restricted cash	<u>217,248</u>	<u>270,147</u>
<b>Total Financial Assets</b>	<b>251,884</b>	356,084
<b>Less Amounts that are Internally Designated or Externally Restricted</b>		
Restricted cash	<u>(217,248)</u>	<u>(270,147)</u>
<b>Financial Assets Available to be Used Within One Year</b>	<b>\$ 34,636</b>	<b>\$ 85,937</b>

As part of WAY's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due.

### Note 6 - Net Assets with Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes or periods as of December 31:

	2024	2023
Subject to expenditure for a specified purpose		
Restricted cash - future personnel costs	\$ 35,000	\$ -
Restricted cash - S2C Project	<u>1,452</u>	<u>2,032</u>
	<b>\$ 36,452</b>	<b>\$ 2,032</b>

### Note 7 - Contingencies

WAY participates in state and federally assisted grant programs. These programs are subject to certain compliance requirements imposed by the grantors or their respective oversight agencies. WAY is potentially liable for any expenses, which may be disallowed pursuant to the terms of these grant programs. Management is not aware of any material items of noncompliance, which would result in the disallowance of program expenses.

## **Watershed Alliance of York**

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Notes to Financial Statements

December 31, 2024 and 2023

See Independent Accountant's Compilation Report

### **Note 8 - Subsequent Events**

WAY has evaluated subsequent events through May 8, 2025. This date is the date the financial statements were available to be issued. No material events subsequent to December 31, 2024 were noted.