

**SHENANDOAH NATIONAL PARK TRUST**  
**CHARLOTTESVILLE, VIRGINIA**

**FINANCIAL REPORT**  
**YEAR ENDED SEPTEMBER 30, 2025**



# SHENANDOAH NATIONAL PARK TRUST

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## REPORT OF INDEPENDENT AUDITORS

To the Board of Trustees  
of Shenandoah National Park Trust  
Charlottesville, Virginia

### *Opinion*

We have audited the accompanying financial statements of SHENANDOAH NATIONAL PARK TRUST (a nonprofit organization), which comprise the statement of financial position as of September 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year 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 SHENANDOAH NATIONAL PARK TRUST as of September 30, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### *Basis for Opinion*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 SHENANDOAH NATIONAL PARK TRUST and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Responsibilities of Management for the Financial Statements*

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

### *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 generally accepted auditing standards will always detect

To the Board of Trustees  
of Shenandoah National Park Trust

## **REPORT OF INDEPENDENT AUDITORS**

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 SHENANDOAH NATIONAL PARK TRUST'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 SHENANDOAH NATIONAL PARK TRUST'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.

### ***Report on Summarized Comparative Information***

We have previously audited SHENANDOAH NATIONAL PARK TRUST's September 30, 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated February 11, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2024 is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Hantzmon Wiebel* LLP

Charlottesville, Virginia  
February 3, 2026

# SHENANDOAH NATIONAL PARK TRUST

## STATEMENT OF FINANCIAL POSITION

SEPTEMBER 30, 2025

(WITH COMPARATIVE TOTALS AS OF SEPTEMBER 30, 2024)

### ASSETS

	2025	2024
Cash and cash equivalents .....	\$ 1,677,979	\$ 1,753,168
Promises to give (Note 5) .....	175,000	75,669
Other receivables (Note 4) .....	412,205	395,065
Investments (Note 6) .....	3,327,651	2,902,768
Prepaid expenses .....	89,573	57,379
Cash restricted for long-term purposes (Note 8) .....	623,685	652,581
Right-of-use asset under operating lease .....	251,298	24,563
Land (Note 9) .....	230,000	734,569
	<u>\$ 6,787,391</u>	<u>\$ 6,595,762</u>
Total assets .....	<u>\$ 6,787,391</u>	<u>\$ 6,595,762</u>

### LIABILITIES AND NET ASSETS

#### LIABILITIES

Accounts payable .....	\$ 3,448	\$ 52,633
Agency fund payable .....	....	10,402
Accrued salaries and benefits .....	25,384	17,134
Obligation under operating lease (Note 10) .....	252,758	22,035
	<u>281,590</u>	<u>102,204</u>
Total liabilities .....	<u>281,590</u>	<u>102,204</u>

#### NET ASSETS

Without donor restrictions (Note 11) .....	4,466,399	4,298,110
With donor restrictions (Note 12) .....	2,039,402	2,195,448
	<u>6,505,801</u>	<u>6,493,558</u>
Total net assets .....	<u>6,505,801</u>	<u>6,493,558</u>
Total liabilities and net assets .....	<u>\$ 6,787,391</u>	<u>\$ 6,595,762</u>

(The accompanying notes are an integral part of this financial statement)

# SHENANDOAH NATIONAL PARK TRUST

## STATEMENT OF ACTIVITIES FOR THE YEAR ENDED SEPTEMBER 30, 2025 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2024)

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	2025 TOTALS	2024 TOTALS
<b>REVENUE AND SUPPORT</b>				
Contributions .....	\$ 835,923	\$ 963,208	\$ 1,799,131	\$ 1,634,530
In-kind donated services and materials (Note 17) .....	47,081	....	47,081	22,233
Special events revenue, net of expenses of \$61,578 (2025) and \$83,522 (2024) .....	173,769	....	173,769	127,721
Interest and dividend income .....	153,314	30,005	183,319	149,382
Realized and unrealized gains .....	252,174	26,268	278,442	543,812
Department of Motor Vehicles:				
License plate revenue .....	296,070	....	296,070	285,855
Miscellaneous income .....	4,424	....	4,424	1,849
Assets released from restrictions .....	1,175,527	( 1,175,527)	....	....
Total revenue and support .....	2,938,282	( 156,046)	2,782,236	2,765,382
<b>OPERATING EXPENSES</b>				
Program services .....	2,354,245	....	2,354,245	1,331,247
General and administrative .....	176,445	....	176,445	111,146
Fund-raising .....	236,775	....	236,775	185,711
Total operating expenses .....	2,767,465	....	2,767,465	1,628,104
<b>OTHER GAINS (LOSSES)</b>				
Loss on termination of lease .....	( 2,528)	....	( 2,528)	....
Total other gains (losses) .....	( 2,528)	....	( 2,528)	....
<b>CHANGE IN NET ASSETS</b> .....	168,289	( 156,046)	12,243	1,137,278
<b>NET ASSETS AT BEGINNING OF YEAR</b> .....	4,298,110	2,195,448	6,493,558	5,356,280
<b>NET ASSETS AT END OF YEAR</b> .....	\$ 4,466,399	\$ 2,039,402	\$ 6,505,801	\$ 6,493,558

(The accompanying notes are an integral part of this financial statement)

## SHENANDOAH NATIONAL PARK TRUST

### STATEMENT OF FUNCTIONAL EXPENSES FOR THE YEAR ENDED SEPTEMBER 30, 2025 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2024)

	PROGRAM SERVICES	GENERAL AND ADMINISTRATIVE	FUND- RAISING	2025 TOTALS	2024 TOTALS
Compensation .....	\$ 499,144	\$ 63,914	\$ 126,899	\$ 689,957	\$ 512,574
Employee benefits .....	64,581	9,045	17,289	90,915	52,337
Payroll taxes .....	37,762	5,516	9,792	53,070	38,784
In-kind donated services and materials .....	47,081	....	....	47,081	22,233
Grants .....	1,453,655	....	....	1,453,655	664,123
Dues and fees .....	10,557	1,242	15,835	27,634	15,010
Insurance .....	2,317	2,457	391	5,165	4,474
Meetings and events .....	42,162	6,437	2,248	50,847	58,468
Occupancy and utilities .....	54,392	6,399	15,145	75,936	48,910
Office supplies and expenses .....	48,406	6,559	13,478	68,443	46,703
Outreach, printing, community engagement .....	61,630	327	26,658	88,615	79,146
Professional services .....	2,174	70,985	605	73,764	55,866
Travel .....	30,384	3,564	8,435	42,383	29,476
	<u>\$ 2,354,245</u>	<u>\$ 176,445</u>	<u>\$ 236,775</u>	<u>\$ 2,767,465</u>	<u>\$ 1,628,104</u>

(The accompanying notes are an integral part of this financial statement)

# SHENANDOAH NATIONAL PARK TRUST

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED SEPTEMBER 30, 2025 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2024)

	2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets .....	\$ 12,243	\$ 1,137,278
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Realized and unrealized gains .....	( 278,442)	( 543,812)
Transfer of land .....	504,569	( 230,000)
Amortization of right-of-use assets .....	42,829	36,231
Loss on termination of lease .....	2,528	....
(Increase) decrease in operating assets:		
Other receivables .....	( 17,140)	( 301,731)
Promises to give .....	( 99,331)	9,331
Prepaid expenses .....	( 32,194)	( 38,287)
Increase (decrease) in operating liabilities:		
Accounts payable .....	( 49,185)	21,871
Agency fund payable .....	( 10,402)	( 1,537)
Accrued salaries .....	8,250	1,763
Obligation under operating lease .....	( 41,369)	( 36,546)
Net cash provided by operating activities .....	<u>42,356</u>	<u>54,561</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of investments .....	110,000	86,843
Purchases of investments .....	( 256,441)	( 107,153)
Net cash used in investing activities .....	<u>( 146,441)</u>	<u>( 20,310)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b> .....		
	....	....
<b>NET CHANGE IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH</b> .....	( 104,085)	34,251
<b>CASH, CASH EQUIVALENTS, AND RESTRICTED CASH AT BEGINNING OF YEAR</b> .....	<u>2,405,749</u>	<u>2,371,498</u>
<b>CASH, CASH EQUIVALENTS, AND RESTRICTED CASH AT END OF YEAR</b> .....	<u>\$ 2,301,664</u>	<u>\$ 2,405,749</u>
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS, AND RESTRICTED CASH</b>		
Amounts reported within the statement of financial position that sum to the total above:		
Cash and cash equivalents .....	\$ 1,677,979	\$ 1,753,168
Cash restricted for long-term purposes .....	<u>623,685</u>	<u>652,581</u>
Total cash, cash equivalents, and restricted cash .....	<u>\$ 2,301,664</u>	<u>\$ 2,405,749</u>
<b>SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION</b>		
Gift property received by the Trust .....	<u>\$ ....</u>	<u>\$ 230,000</u>
Transfer of land to the National Park Service from the Trust .....	<u>\$ 504,569</u>	<u>\$ ....</u>
Obtaining a right-of-use asset in exchange for a lease liability .....	<u>\$ 272,092</u>	<u>\$ ....</u>

(The accompanying notes are an integral part of this financial statement)

# SHENANDOAH NATIONAL PARK TRUST

## NOTES TO FINANCIAL STATEMENTS

### NOTE 1 - NATURE OF ORGANIZATION

The Shenandoah National Park Trust (the Trust) is a non-stock corporation formed in 2007 under the laws of Virginia. The Trust fosters public awareness and appreciation for Shenandoah National Park (the Park) and receives contributions to support the restoration and preservation of the Park's outstanding natural and historic resources for the use and enjoyment of current and future generations.

### NOTE 2 - COMPARATIVE PRIOR-YEAR FINANCIAL INFORMATION

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U. S. generally accepted accounting principles (GAAP). Accordingly, such information should be read in conjunction with the Trust's financial statements for the year ended September 30, 2024, from which the summarized information was derived.

### NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### *Basis of Accounting*

The financial statements of the Trust have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (GAAP). Contributions and revenue are recorded when earned and expenses are recorded when incurred, rather than when funds are received or disbursed.

#### *Financial Statement Presentation*

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB). Under this guidance, the Trust is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

In order to ensure observance of limitations and restrictions placed on the use of resources available to the Trust, its accounts are maintained in accordance with donor restrictions placed on the donated assets. Separate accounts are maintained for both categories of net assets. The assets, liabilities, and net assets of the Trust are reported in the following self-balancing net asset groups:

Net assets without donor restrictions represent the portion of net assets that can be utilized to support current and future Trust operations.

Net assets with donor restrictions represent the Trust contributions expendable for purposes specified by the donor or that are required to be held in perpetuity, so that only the income can be used for current operating purposes.

# SHENANDOAH NATIONAL PARK TRUST

## NOTES TO FINANCIAL STATEMENTS

The Trust reports gifts of cash and other assets as restricted support when they are received with donor stipulations limiting the use of the donated assets. When a stipulated purpose restriction is satisfied or a time restriction ends, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as assets released from restrictions.

The Trust reports gifts of land, buildings, and equipment as support without donor restrictions, unless explicit donor restrictions specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as support with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Trust reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

### *Fair Values of Financial Instruments*

The Financial Accounting Standards Board has established a framework for measuring fair value, which expands disclosures about fair value measurements under GAAP. The fair value framework requires the categorization of assets and liabilities into three levels based upon the assumptions (inputs) used to price the assets or liabilities. Level 1 provides the most reliable measure of fair value, whereas Level 3 generally requires significant management judgment. The three levels are defined as follows:

- Level 1 Unadjusted quoted prices in active markets for identical assets and liabilities.
- Level 2 Observable inputs other than those included in Level 1. For example, quoted prices for similar assets or liabilities in active markets or quoted prices for identical assets or liabilities in inactive markets.
- Level 3 Unobservable inputs reflecting management’s own assumptions about the inputs used in pricing the asset or liability. For example, unconditional promises to give that are receivable by the Trust.

The fair values of the Trust’s assets that are categorized in accordance with FASB Accounting Standards Codification (ASC) 820 at September 30, 2025 are as follows:

	<b>LEVEL 1</b>	<b>LEVEL 2</b>	<b>LEVEL 3</b>	<b>TOTAL</b>
Promises to give .....	\$ .....	\$ .....	\$ 175,000	\$ 175,000
Investments - mutual funds .....	<u>3,327,651</u>	<u>.....</u>	<u>.....</u>	<u>3,327,651</u>
Total financial assets at fair value .....	<u>\$3,327,651</u>	<u>\$ .....</u>	<u>\$ 175,000</u>	<u>\$3,502,651</u>

During the year ended September 30, 2025, there were no changes to the classification among categories.

# SHENANDOAH NATIONAL PARK TRUST

## NOTES TO FINANCIAL STATEMENTS

Generally accepted accounting principles permit entities to choose to measure many financial instruments and certain other items at fair value. The Trust has elected to report promises to give at fair value, as management feels this measure is more meaningful to the users of the financial statements.

### *Accounting Estimates*

The preparation of financial statements in conformity with GAAP 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 and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

### *Cash and Cash Equivalents*

For purposes of the statement of cash flows, the Trust considers all highly-liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. The Trust maintains its cash accounts in commercial bank institutions. Cash balances in excess of Federal Deposit Insurance Corporation (FDIC) insurance limits are subject to credit risk.

### *Other Receivables*

Management evaluates annually the collectability of receivables based on specific account analysis, previous experience, and other relevant factors. Receivables deemed uncollectible are written off to bad debt expense in the year of management's determination. Based on the Trust's historical credit loss experience, adjusted for current conditions and reasonable and supportable forecasts, management has deemed all amounts collectible as of September 30, 2025 and has, therefore, not established an allowance for expected credit losses.

### *Promises to Give*

Promises to give are unconditional pledges from donors. Collection will generally not be enforced by the Trust. Accordingly, these receivables are shown net of an allowance for uncollectible promises to give, which has been estimated by management based on historic experience, the age of the promise, and other relevant factors. As of September 30, 2025 and 2024, management considered all promises to give to be collectible. Any changes in the provision for uncollectible promises to give and promises to give adjustments are reflected in contributions revenue.

The Trust reports unconditional promises to give as revenue when the promise is made. Promises to give for future periods are recorded as net assets with donor restrictions and are discounted to net present values based on expected future cash flows. Upon expiration of the time restrictions, these net assets are reclassified as net assets without donor restrictions.

Conditional promises to give receivable are recognized as revenue when the conditions on which they depend are substantially met.

# SHENANDOAH NATIONAL PARK TRUST

## NOTES TO FINANCIAL STATEMENTS

### *Investments*

The Trust records investment purchases at cost or, if donated, at fair value on the date of donation. Investments are carried at market value as determined by quoted market prices. Interest and dividend income is generally classified as net assets without donor restrictions, except where donor restrictions on earnings from contributions exist, when such investment income is credited to net assets with donor restrictions. Unrealized gains or losses and realized gains or losses on the sale of securities are considered net assets without donor restrictions, unless specifically restricted by the donor. The value of investments is tied to the market and to market volatility.

### *Property and Equipment*

Purchased property and equipment are recorded at cost. The Trust's policy is to capitalize purchases over \$2,000. Donated assets are capitalized at their fair market value (if objectively determinable) at the date of the gift. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

### *Income Taxes*

The Trust is an organization described in Internal Revenue Code (IRC) §501(c)(3) and, accordingly, is exempt from federal and state income taxes under IRC §501(a). It has also been classified as an organization that is not a private foundation under IRC §509(a)(2). Therefore, no provision or liability for federal or state income taxes has been included in these financial statements.

### *Accounting for Uncertain Tax Positions*

The Trust has reviewed and evaluated the relevant technical merits of each of its tax positions in accordance with guidance established by the FASB and determined that there are no uncertain tax positions that would have a material impact on the financial statements of the Trust.

### *In-Kind Donated Services and Materials*

Contributed goods are valued at their estimated fair value at the date of gift. Contributed services are recognized in the financial statements at their fair market value if the services require specialized skills, the services are provided by individuals possessing those skills, and the services would typically need to be purchased if not donated. All of the goods and services contributed during the year ended September 30, 2025 were directly related to program-related expenses.

### *Advertising Costs*

Advertising costs include paid advertising and brochure costs.

The Trust expenses costs of advertising as incurred. Advertising costs totaled \$19,328 for the year ended September 30, 2025.

# SHENANDOAH NATIONAL PARK TRUST

## NOTES TO FINANCIAL STATEMENTS

### *Leases*

The Trust leases property. The Trust determines if an arrangement is a lease at inception. Operating leases are included in the statement of financial position as right-of-use (ROU) assets under operating lease, and under liabilities as obligations under operating lease.

ROU assets represent the right to use an underlying asset for the lease term, and lease liabilities represent the obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. If a lease is entered into that does not provide an implicit rate, the Trust uses the risk-free rate based on the information available at commencement date in determining the present value of lease payments. The lease terms may include options to extend or terminate the lease when it is reasonably certain the Trust will exercise those options. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

The Trust’s lease agreements do not contain any material residual value guarantees or material restrictive covenants.

In evaluating contracts to determine if they qualify as a lease, the Trust considers factors such as if it has obtained substantially all of the rights to the underlying asset through exclusivity, if the Trust can direct the use of the asset by making decisions about how and for what purpose the asset will be used, and if the lessor has substantive substitution rights. This evaluation may require significant judgment.

The Trust has elected to apply the short-term lease exemption to facilities and office equipment. In 2025, the Trust did not have any leases within these classes of underlying assets.

### *Subsequent Events*

Management has evaluated events through February 3, 2026, which is the date the financial statements were available to be issued.

### **NOTE 4 - OTHER RECEIVABLES**

Other receivables are from two different sources. One source is the license plate revenue receivable from the Virginia Department of Motor Vehicles (DMV). Individuals who purchase the Trust license plates from the DMV pay an annual fee of \$25, of which \$15 is considered a charitable contribution and given to the Trust through the DMV. The second source of receivables is from the National Park Foundation for lodge and cash register round-up contributions. Individuals who visit the Park have an opportunity to donate funds to the Trust while staying at Park lodges or purchasing items at concessions in the Park. These donations, less an administrative fee, are distributed to the Trust.

Other receivables consist of the following at September 30, 2025:

Virginia Department of Motor Vehicles license plate revenue .....	\$376,995
National Park Foundation lodging and round-up revenue .....	<u>35,210</u>
	<u>\$412,205</u>

# SHENANDOAH NATIONAL PARK TRUST

## NOTES TO FINANCIAL STATEMENTS

### NOTE 5 - PROMISES TO GIVE

The Organization follows FASB ASC 825, *Financial Instruments*, to value its multi-year promises to give at fair value. The election was made because management believes that the use of fair value reduces the cost of measuring its multi-year promises to give in periods subsequent to their receipt and provides equal or better information to users of its financial statements than if those promises were measured using present value techniques and historical discount rates.

Unconditional promises to give at September 30, 2025 are as follows:

Promises to give in less than one year .....	\$135,000
Promises to give in one to five years .....	<u>40,000</u>
Total unconditional promises to give .....	<u>\$175,000</u>

Changes in unconditional promises to give for the year ended September 30, 2025 are as follows:

Promises to give - beginning of year .....	\$ 75,669
New promises to give received .....	130,000
Payments received .....	<u>(30,669)</u>
Total unconditional promises to give .....	175,000
Change in discount valuation .....	<u>.....</u>
Promises to give - end of year .....	<u>\$175,000</u>

At September 30, 2025, 100% of promises to give originated from four donors.

### NOTE 6 - INVESTMENTS

Investments are carried at fair market value and are subject to market risk.

The fair value of investments at September 30, 2025 is as follows:

	FAIR MARKET VALUE	COST
Vanguard Funds .....	<u>\$3,327,651</u>	<u>\$2,479,195</u>

# SHENANDOAH NATIONAL PARK TRUST

## NOTES TO FINANCIAL STATEMENTS

### NOTE 7 - ENDOWED FUNDS

The Trust’s endowed funds include the Board-designated endowment and other endowed restricted funds.

The Trust has interpreted the Uniform Prudent Management of Institutional Funds Act (Act) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowed funds, absent explicit donor stipulations to the contrary. As a result, the Trust classifies as net assets with donor restrictions to be held in perpetuity (a) the original value of gifts donated to the endowed funds, (b) the original value of subsequent gifts to the endowed funds, and (c) accumulations to the endowed funds made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowed funds that is required to be held in perpetuity is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Trust in a manner consistent with the standard of prudence prescribed by the Act. In accordance with the Act, the Trust considers the following factors in making a determination to appropriate or accumulate donor-restricted endowed funds:

- The duration and preservation of the fund
- The purpose of the Trust and the donor-restricted endowment fund
- General economic conditions
- The possible effects of inflation and deflation
- The expected total return from income and the appreciation or depreciation of investments
- Other resources of the Trust
- The investment policies of the Trust

The endowed funds’ net asset classification by type of fund as of September 30, 2025 is as follows:

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
Board-designated endowment fund .....	\$3,007,628	\$ ....	\$3,007,628
Donor-restricted endowment fund .....	.....	<u>320,023</u>	<u>320,023</u>
	<u>\$3,007,628</u>	<u>\$ 320,023</u>	<u>\$3,327,651</u>

**SHENANDOAH NATIONAL PARK TRUST**

**NOTES TO FINANCIAL STATEMENTS**

Changes in the endowed funds’ net assets for the year ended September 30, 2025 are as follows:

	<b>WITHOUT DONOR RESTRICTIONS</b>	<b>WITH DONOR RESTRICTIONS</b>	<b>TOTAL</b>
Endowed net assets, beginning of year .....	\$2,800,804	\$ 101,964	\$2,902,768
Net appreciation .....	252,174	26,268	278,442
Additions .....	64,650	191,791	256,441
Withdrawals .....	<u>(110,000)</u>	<u>.....</u>	<u>(110,000)</u>
Endowed net assets, end of year.....	<u>\$3,007,628</u>	<u>\$ 320,023</u>	<u>\$3,327,651</u>

The endowed funds are invested and administered in accordance with policies recommended by the Finance Committee and approved by the Trust’s Board members. While maintaining a long-term perspective, investments and spending policies are determined to balance equally important objectives: preserve principal, maximize investment return, and provide sufficient distributions to fund operational needs of the Trust and other fund beneficiaries. While preservation of principal is a key objective of the endowed funds, investments are made to maximize long-term total returns consistent with prudent levels of risk. The investment policy objective is real annual total return (net of all fees) at a rate of 2% above the rate of inflation. It is the Trust’s intention to continually grow these endowment funds and disbursements from the endowments with donor restrictions are limited to accumulated earnings. Disbursements from the Board-designated endowment fund are determined on an annual basis. A fixed amount to withdraw from the fund is ascertained each year, should the Board determine a disbursement necessary. For the year ended September 30, 2025, the Finance Committee approved a fixed disbursement of \$110,000 from the fund.

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 Trust to retain as a fund of perpetual duration. There were no deficiencies of this nature as of September 30, 2025.

**NOTE 8 - CASH RESTRICTED FOR LONG-TERM PURPOSES**

Cash restricted for long-term purposes was \$623,685 as of September 30, 2025. Of these funds, \$593,685 may be used for the purpose of promoting the establishment of conservation easements and similar land conservation practices on lands within, adjacent to, or contiguous to the authorized boundary of the Shenandoah National Park as established by act of Congress dated May 22, 1926. Contiguous land includes, without limitation, lands adjacent to other lands for which conservation easement or other similar land conservation practices provide an unbroken protected property chain back to the authorized boundary. The remaining \$30,000 will be used to invest in an additional endowed restricted fund.

**SHENANDOAH NATIONAL PARK TRUST**

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 9 - LAND**

As of September 30, 2025, the Trust owns one property with the intent of transferring it to the Shenandoah National Park.

**NOTE 10 - OPERATING LEASE**

The Trust leases its office building in Charlottesville, Virginia under a real estate operating lease that extends to April 30, 2030.

The components of lease expense were as follows for the year ended September 30, 2025:

Operating lease cost.....     \$ 24,916

The weighted-average remaining lease term and incremental borrowing rate are as follows:

Operating lease:	
Weighted-average remaining lease term.....	4.58 years
Weighted-average incremental borrowing rate .....	3.81%

The following is a schedule by year of future minimum payments required under the lease, together with its total present value as of September 30, 2025:

<b>YEAR ENDING SEPTEMBER 30,</b>	<b>OPERATING LEASES</b>
2026.....	\$ 57,004
2027.....	58,726
2028.....	60,498
2029.....	62,321
2030.....	<u>36,984</u>
 Total minimum payments .....	 275,533
Less: Amount representing interest .....	<u>(22,775)</u>
 Present value of minimum lease payments .....	 <u>\$252,758</u>

**NOTE 11 - NET ASSETS WITHOUT DONOR RESTRICTIONS**

The Trust had the following net assets without donor restrictions at September 30, 2025:

Undesignated net assets .....	\$1,458,771
Board designated endowment .....	<u>3,007,628</u>
 Total net assets without donor restrictions .....	 <u>\$4,466,399</u>

# SHENANDOAH NATIONAL PARK TRUST

## NOTES TO FINANCIAL STATEMENTS

### NOTE 12 - NET ASSETS WITH DONOR RESTRICTIONS

The Trust had the following restricted net assets at September 30, 2025:

Subject to appropriation and expenditure when a specified event occurs:	
Land Acquisition & Preservation .....	\$ 823,685
Public Engagement & Education at Shenandoah .....	427,027
Conserve & Protect Shenandoah’s Native Ecosystem ...	272,627
Stewards of Shenandoah.....	<u>165,000</u>
 Total subject to appropriation and expenditure .....	 1,688,339
Held in perpetuity:	
Kevin H. Adams Endowment .....	186,163
Peterson-Woodward Endowment .....	132,500
Grateful Appreciation Endowment .....	30,000
Doris C. Belak Endowment .....	<u>2,400</u>
 Total net assets with donor restrictions .....	 <u>\$2,039,402</u>

The Peterson-Woodward, Kevin H. Adams, and Doris C. Belak endowments are held in separate Vanguard funds and earnings are being accumulated. The Grateful Appreciation endowment was held in restricted cash at September 30, 2025 and will be transferred into a segregated brokerage fund in 2026.

### NOTE 13 - FUNCTIONAL ALLOCATION OF EXPENSES

The statement of functional expenses presents the natural classification of expenses by function. Certain costs have been allocated among the programs and supporting services benefited. Expenses require allocation on a reasonable basis that is consistently applied. The expenses are allocated on the basis of time and effort spent on programs and supporting services benefited.

### NOTE 14 - AGREEMENT WITH THE NATIONAL PARK SERVICE

The Trust entered into an agreement with the National Park Service (NPS) on October 1, 2007. The mutual responsibility of the parties under this agreement is to work together in good faith for the benefit of the Park. Under this agreement, the Trust became the primary fund-raising organization for the Park.

The original term of this agreement was ten years, with the opportunity to renew. A renewal was signed in July 2023 extending the agreement until July 24, 2033. Upon termination or expiration of this agreement, any remaining assets of the Trust will be transferred to NPS or a mutually-agreed-upon third party to be used for purposes that are consistent with the terms of the agreement. The Trust also agreed to waive any right to an ownership or possessory interest in projects and programs in the Park that have been funded by contributions made by or through the Trust.

# SHENANDOAH NATIONAL PARK TRUST

## NOTES TO FINANCIAL STATEMENTS

### NOTE 15 - CONCENTRATIONS

During the year ended September 30, 2025, two donors accounted for 28% of contributions.

### NOTE 16 - RETIREMENT PLAN

The Trust sponsors a 401(k) retirement fund plan available to all employees, who may participate on a voluntary basis. The Trust provides a matching contribution, which amounted to \$21,765 during the year ended September 30, 2025.

### NOTE 17 - IN-KIND DONATED SERVICES AND MATERIALS

The Trust received the following contributions of nonfinancial assets for the year ended September 30, 2025:

Raffle items .....	\$ 16,036
Marketing .....	4,495
Donated professional services .....	3,042
Donated event venue space .....	8,200
Donated food, beverage, and supplies .....	9,129
Donated trail software subscriptions .....	5,399
Rent .....	<u>780</u>
Total nonfinancial asset contributions ....	<u>\$ 47,081</u>

The Trust receives items to be given away at its annual raffle, and all items are to be included in the raffle. Contributed items are valued at the gross selling price received. Additionally, the Trust receives donated space for its annual event as well as donated storage space. The value of these donated facilities are determined by their respective donors. Contributed printing materials are valued at the gross selling price received.

### NOTE 18 - LIQUIDITY AND AVAILABILITY

The Trust regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds.

The Trust considers investment income without donor restrictions, contribution revenue without donor restrictions, and contribution revenue with donor restrictions for use in current programs that are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. General expenditures include program services, general and administrative expenses, and fund-raising expenses expected to be paid in the subsequent year.

# SHENANDOAH NATIONAL PARK TRUST

## NOTES TO FINANCIAL STATEMENTS

The Trust manages its cash available to meet general expenditures under the following guiding principles:

- Operating within a prudent range of financial soundness and stability,
- Maintaining adequate liquid assets to fund near-term operating needs, and
- Maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be met.

The following financial assets are available for general expenditure within one year of September 30, 2025:

Cash and cash equivalents, net of cash restricted for long-term or specified purposes .....	\$1,677,979
Other receivables .....	412,205
Promises to give .....	135,000
Estimated distribution from investments .....	<u>123,700</u>
Total available for general expenditure .....	<u>\$2,348,884</u>

The Trust’s endowment funds consist of donor-restricted and Board-designated endowments. Income from donor-restricted endowments is restricted for specific purposes. Donor-restricted endowments are not available for general expenditure.

Although the Trust does not intend to spend from the Board-designated endowments (other than amounts appropriated for general expenditure as part of the Boards’ annual budget approval), the funds could be made available if necessary.