

**SPADY CULTURAL HERITAGE MUSEUM, INC.**

FINANCIAL STATEMENTS WITH  
INDEPENDENT AUDITORS' REPORT

September 30, 2025 and 2024

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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Spady Cultural Heritage Museum, Inc.  
Delray Beach, Florida

### Opinion

We have audited the accompanying financial statements of Spady Cultural Heritage Museum, Inc. (the "Organization") (a nonprofit organization), which comprise the statements of financial position as of September 30, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Spady Cultural Heritage Museum, Inc. as of September 30, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our 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 the Organization 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 the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### **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 a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

*Sullivan & Fengler*

Fort Lauderdale, FL  
January 21, 2026

## **FINANCIAL STATEMENTS**

**SPADY CULTURAL HERITAGE MUSEUM, INC.**

STATEMENTS OF FINANCIAL POSITION

September 30, 2025 and 2024

ASSETS

	<u>2025</u>	<u>2024</u>
Cash	\$ 202,357	\$ 233,822
Beneficial interest in assets held by others	19,799	-
Grants receivable	70,458	116,331
Prepaid expenses	-	3,914
Inventory	5,166	8,407
Investments - exhibits, artifacts, artwork, and display	143,811	125,311
Property and equipment (less accumulated depreciation of \$291,338 and \$275,836 for 2025 and 2024, respectively)	84,281	99,781
Deposits	61	62
	<hr/>	<hr/>
TOTAL ASSETS	\$ 525,933	\$ 587,628

LIABILITIES AND NET ASSETS

Accounts payable and accrued expenses	\$ 15,025	\$ 32,701
Related party payable	1,000	1,000
TOTAL LIABILITIES	<hr/> 16,025	<hr/> 33,701
Net Assets:		
Without donor restrictions:		
Board restricted	19,799	-
Without donor restrictions	434,276	469,088
Total without donor restrictions	<hr/> 454,075	<hr/> 469,088
With donor restrictions	<hr/> 55,833	<hr/> 84,839
TOTAL NET ASSETS	<hr/> 509,908	<hr/> 553,927
	<hr/>	<hr/>
TOTAL LIABILITIES AND NET ASSETS	\$ 525,933	\$ 587,628

See independent auditors' report and notes to the financial statements.

**SPADY CULTURAL HERITAGE MUSEUM, INC.**

STATEMENT OF ACTIVITIES  
Year Ended September 30, 2025

	<u>Without Donor</u> <u>Restrictions</u>	<u>With Donor</u> <u>Restrictions</u>	<u>Total</u>
Revenue, support, and gains			
Contracts, grants, and awards	\$ 334,178	\$ 55,000	\$ 389,178
Contributions	96,579	-	96,579
Special events	20,258	-	20,258
Admissions/facility usage	3,165	-	3,165
Dues	5,315	-	5,315
Program income	2,747	-	2,747
Marketplace income	2,898	-	2,898
Other income	9	-	9
In-kind contributions	133,795	-	133,795
Net assets released from restrictions:			
Satisfaction of purpose restriction	84,006	(84,006)	-
Total revenue, support, and gains	<u>682,950</u>	<u>(29,006)</u>	<u>653,944</u>
 Expenses and losses			
Program expenses:			
S.D. Spady Cultural Arts Museum	315,624	-	315,624
Education and cultural research	47,131	-	47,131
Kids Cultural Club	235,823	-	235,823
Total program expenses	<u>598,578</u>	<u>-</u>	<u>598,578</u>
Supporting expenses:			
Management and general	49,997	-	49,997
Fundraising and development	49,388	-	49,388
Total supporting expenses	<u>99,385</u>	<u>-</u>	<u>99,385</u>
Total expenses and losses	<u>697,963</u>	<u>-</u>	<u>697,963</u>
 CHANGE IN NET ASSETS	(15,013)	(29,006)	(44,019)
 Net assets beginning of year	<u>469,088</u>	<u>84,839</u>	<u>553,927</u>
 Net asset end of year	<u>\$ 454,075</u>	<u>\$ 55,833</u>	<u>\$ 509,908</u>

See independent auditors' report and notes to the financial statements.

**SPADY CULTURAL HERITAGE MUSEUM, INC.**

STATEMENT OF ACTIVITIES  
Year Ended September 30, 2024

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenue, support, and gains			
Contracts, grants, and awards	\$ 403,287	\$ 83,989	\$ 487,276
Contributions	30,428	-	30,428
Special events	27,301	-	27,301
Admissions/facility usage	3,846	-	3,846
Dues	3,690	-	3,690
Program income	8,118	-	8,118
Marketplace income	7,503	-	7,503
Other income	60	-	60
In-kind contributions			
Use of facility	115,295	-	115,295
Net assets released from restrictions:			
Satisfaction of purpose restriction	56,250	(56,250)	-
Total revenue, support, and gains	<u>655,778</u>	<u>27,739</u>	<u>683,517</u>
 Expenses and losses			
Program expenses:			
S.D. Spady Cultural Arts Museum	293,252	-	293,252
Education and cultural research	41,164	-	41,164
Kids Cultural Club	217,852	-	217,852
Total program expenses	<u>552,268</u>	<u>-</u>	<u>552,268</u>
Supporting expenses:			
Management and general	43,442	-	43,442
Fundraising and development	49,551	-	49,551
Total supporting expenses	<u>92,993</u>	<u>-</u>	<u>92,993</u>
Total expenses and losses	<u>645,261</u>	<u>-</u>	<u>645,261</u>
 CHANGE IN NET ASSETS	10,517	27,739	38,256
Net assets beginning of year	<u>458,571</u>	<u>57,100</u>	<u>515,671</u>
Net asset end of year	<u>\$ 469,088</u>	<u>\$ 84,839</u>	<u>\$ 553,927</u>

See independent auditors' report and notes to the financial statements.

**SPADY CULTURAL HERITAGE MUSEUM, INC.**

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended September 30, 2025

	PROGRAM SERVICES				SUPPORTING SERVICES			
	S.D. Spady Cultural Arts Museum	Education and Cultural Research	Kids Cultural Club	Total Program	Management and General	Fundraising and Development	Total support	Total
Payroll	\$ 57,148	\$ 24,166	\$ 45,066	\$ 126,380	\$ 24,655	\$ 12,246	\$ 36,901	\$ 163,281
Payroll taxes	4,331	1,826	3,406	9,563	1,851	926	2,777	12,340
Dues and subscriptions	2,429	2,421	2,421	7,271	-	-	-	7,271
Professional fees	875	875	10,782	12,532	4,288	-	4,288	16,820
Community awareness	43,078	-	51,185	94,263	-	-	-	94,263
Program expenses	70,414	9,498	83,841	163,753	-	-	-	163,753
Repairs and maintenance	35,032	-	-	35,032	3,851	-	3,851	38,883
Postage and delivery	326	-	88	414	177	176	353	767
Printing	20	-	5	25	10	11	21	46
Travel/meetings/training	842	842	844	2,528	-	-	-	2,528
Licenses/permits	-	-	-	-	1,366	-	1,366	1,366
Supplies and other	1,252	1,252	1,252	3,756	1,251	1,252	2,503	6,259
Insurance	2,305	-	1,127	3,432	482	-	482	3,914
Occupancy	80,556	-	31,734	112,290	9,764	-	9,764	122,054
Utilities	4,720	-	1,860	6,580	572	-	572	7,152
Telephone/internet	2,220	2,220	2,212	6,652	337	337	674	7,326
Special events	-	-	-	-	-	30,754	30,754	30,754
Marketplace	-	-	-	-	-	3,686	3,686	3,686
	<u>305,548</u>	<u>43,100</u>	<u>235,823</u>	<u>584,471</u>	<u>48,604</u>	<u>49,388</u>	<u>97,992</u>	<u>682,463</u>
Depreciation	10,076	4,031	-	14,107	1,393	-	1,393	15,500
	<u>\$ 315,624</u>	<u>\$ 47,131</u>	<u>\$ 235,823</u>	<u>\$ 598,578</u>	<u>\$ 49,997</u>	<u>\$ 49,388</u>	<u>\$ 99,385</u>	<u>\$ 697,963</u>

See independent auditors' report and notes to the financial statements.

**SPADY CULTURAL HERITAGE MUSEUM, INC.**

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended September 30, 2024

	PROGRAM SERVICES				SUPPORTING SERVICES			
	S.D. Spady Cultural Arts Museum	Education and Cultural Research	Kids Cultural Club	Total Program	Management and General	Fundraising and Development	Total support	Total
Payroll	\$ 48,171	\$ 20,370	\$ 37,986	\$ 106,527	\$ 20,783	\$ 10,322	\$ 31,105	\$ 137,632
Payroll taxes	3,692	1,557	2,903	8,152	1,578	789	2,367	10,519
Dues and subscriptions	1,232	1,227	1,227	3,686	-	-	-	3,686
Professional fees	699	699	8,614	10,012	3,426	-	3,426	13,438
Community awareness	35,497	-	42,178	77,675	-	-	-	77,675
Program expenses	72,544	9,785	86,377	168,706	-	-	-	168,706
Repairs and maintenance	29,411	-	-	29,411	3,232	-	3,232	32,643
Postage and delivery	347	-	94	441	188	188	376	817
Printing	20	-	6	26	11	11	22	48
Travel/meetings/training	172	173	173	518	-	-	-	518
Licenses/permits	-	-	-	-	412	-	412	412
Supplies and other	1,226	1,226	1,226	3,678	1,225	1,226	2,451	6,129
Insurance	2,309	-	1,129	3,438	482	-	482	3,920
Occupancy	80,395	-	31,671	112,066	9,744	-	9,744	121,810
Utilities	5,425	-	2,137	7,562	657	-	657	8,219
Telephone/internet	2,138	2,138	2,131	6,407	323	325	648	7,055
Special events	-	-	-	-	-	36,379	36,379	36,379
Marketplace	-	-	-	-	-	311	311	311
	<u>283,278</u>	<u>37,175</u>	<u>217,852</u>	<u>538,305</u>	<u>42,061</u>	<u>49,551</u>	<u>91,612</u>	<u>629,917</u>
Depreciation	9,974	3,989	-	13,963	1,381	-	1,381	15,344
	<u>\$ 293,252</u>	<u>\$ 41,164</u>	<u>\$ 217,852</u>	<u>\$ 552,268</u>	<u>\$ 43,442</u>	<u>\$ 49,551</u>	<u>\$ 92,993</u>	<u>\$ 645,261</u>

See independent auditors' report and notes to the financial statements.

**SPADY CULTURAL HERITAGE MUSEUM, INC.**

STATEMENTS OF CASH FLOWS

Year Ended September 30, 2025 and 2024

	2025	2024
Cash flows from (to) operating activities:		
Change in net assets	\$ (44,019)	\$ 38,256
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	15,500	15,344
(Increase) decrease in operating assets:		
Grants receivable	45,873	(26,079)
Prepaid expenses	3,914	313
Inventory	3,241	(2,061)
Deposits	1	1
Increase (decrease in operating liabilities):		
Accounts payable and accrued expenses	(17,676)	17,850
Net cash provided (used) by operating activities	6,834	43,624
 Cash flows from (to) investing activities:		
Purchase of property and equipment	-	(1,580)
Donation of exhibits, artifacts, artwork, and display	(18,500)	-
Beneficial interest in assets held by others	(19,799)	-
Net cash provided (used) by investing activities	(38,299)	(1,580)
 Net change in cash	(31,465)	42,044
Cash, beginning of year	233,822	191,778
Cash, end of year	\$ 202,357	\$ 233,822

See independent auditors' report and notes to the financial statements.

## **NOTES TO FINANCIAL STATEMENTS**

**SPADY CULTURAL HERITAGE MUSEUM, INC.**  
Notes to Financial Statements  
September 30, 2025 and 2024

**NOTE A - NATURE OF ACTIVITIES**

Nature of Activities

Spady Cultural Heritage Museum, Inc. (previously Expanding and Preserving Our Cultural Heritage, Inc. EPOCH), (the "Organization" or "Museum") is a Delray Beach, Florida nonprofit organization dedicated to expanding, preserving and presenting the culturally diverse history of the African Diaspora in Palm Beach County. The Organization's primary source of revenue is grants and contributions.

The S.D. Spady House was built in 1926 by Solomon D. Spady and his wife. Mr. Spady was a prominent African American leader of Delray Beach. The house was opened to the public in July 2001, as the S.D. Spady Cultural Arts Museum. The Museum provides a site to collect, preserve, display, and store data and materials that pertain to the history of Delray Beach and Palm Beach County as it relates to African American heritage and culture. It also promotes intercultural exchange among all people, and helps to improve understanding, racial harmony, and respect for all. The Museum hosts four traveling exhibits per year. These exhibits are selected based on their rich cultural and historical content.

The Spady Museum also sponsors:

- Historic trolley tours of the City of Delray Beach
- Outreach, including speakers and video screenings in their documentary series
- An annual Martin Luther King, Jr. Breakfast in honor of the King Holiday
- Exhibit openings and lecture series all centered around the history and culture of African Americans

The Museum's Kids Cultural Club is a training ground for future community leaders, providing activities, which include health and nutrition, family history and traditions, visual poise, storytelling, intergenerational group discussions, personal finances, and participation in community projects.

The Juneteenth Festival is held annually and is one of the premier educational events in Delray Beach. Festival goers are treated to music, food, and activities designed to provide cultural and historical experiences no longer available today for adults, elders, and children.

**NOTE B - SIGNIFICANT ACCOUNTING POLICIES**

Basis of Presentation

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

**SPADY CULTURAL HERITAGE MUSEUM, INC.**  
Notes to Financial Statements – Continued  
September 30, 2025 and 2024

**NOTE B - SIGNIFICANT ACCOUNTING POLICIES - continued**

Net Assets

Net assets, revenues, gains and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Net Assets Without Donor Restrictions*

Net assets without donor restrictions are available for use in general operations and are not subject to donor or grantor restrictions.

*Net Assets With Donor Restrictions*

Net assets with donor restrictions consist of assets whose use is limited by donor/grantor imposed, time and/or purpose restrictions. Donor imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

The Organization reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the same reporting periods in which the revenue is recognized. All other donor-restrictions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

See Note I for more information on the composition of net assets with donor restrictions.

Functional Allocation of Expenses

The costs of providing the various programs and supporting services have been summarized on a functional basis in the statement of activities. The statements of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses that are allocated include occupancy, depreciation, supplies, utilities, telephone/internet, insurance, travel/meetings/training, postage and delivery, program expenses, community awareness, dues and subscriptions, and supplies and other expense are allocate on use. Payroll, payroll taxes, and professional fees are allocated on a basis of estimates of time and effort.

Fixed Assets

Acquisitions of property and equipment or repairs, maintenance, or betterments that materially prolong the useful lives of assets in excess of \$1,000 are capitalized.

Property and equipment are stated at cost. Depreciation is charged to operations over the estimated useful lives of the respective assets using the straight-line method from five to thirty years.

**SPADY CULTURAL HERITAGE MUSEUM, INC.**  
Notes to Financial Statements – Continued  
September 30, 2025 and 2024

**NOTE B - SIGNIFICANT ACCOUNTING POLICIES - continued**

Revenue Recognition

*Contributions*

The Organization recognizes contributions, including unconditional promises to give, as revenues in the period when the conditions on which they depend are substantially met. Conditional promises to give are not recognized until they become unconditional; that is, when the conditions on which they depend are substantially met.

*Grants*

Grants are recognized as revenues in the period when the conditions on which they depend are substantially met.

Donated Services

Donated services (in-kind donations) are recognized as contributions if the services create or enhance non-financial assets, or require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization.

See Note G for more information on donated services.

Inventory

Inventory consists of jewelry and shirts for sale to the public recorded at cost.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. Although these estimates are based on management's knowledge of current events and actions it may undertake in the future, they may ultimately differ from actual results.

Cash

The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Evaluation of Subsequent Events

The Organization has evaluated subsequent events through January 21, 2026, the date which the financial statements were available to be issued.

**SPADY CULTURAL HERITAGE MUSEUM, INC.**  
Notes to Financial Statements - Continued  
September 30, 2025 and 2024

**NOTE B - SIGNIFICANT ACCOUNTING POLICIES - continued**

Fair Value Measurement

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between participants on the measurement date.

The Organization has determined that there was no material difference between the carrying value and fair value of its financial assets and liabilities at September 30, 2025 or 2024; therefore, no adjustment was made.

Income Taxes

The Organization qualified as a tax-exempt organization under section 501(c)(3) of the Internal Revenue Code and, therefore has no provision for federal income tax. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(a) and has been classified as an organization that is not a private organization under Section 509(a)(2). Income from certain Organization activities not directly related to its tax-exempt purpose may be subject to income tax. The current and previous three years remain subject to examination by the IRS. There was no unrelated business income or deferred taxes for the years ended September 30, 2025 or 2024.

Donated Property and Equipment

Donations of property and equipment are recorded as contributions at their estimated fair value at the date of donation. Such donations are reported as increases in net assets without donor restriction unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use or contributions of cash that must be used to acquire property and equipment are reported as net assets with donor restrictions. The Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

**NOTE C - DONATED USE OF FACILITIES**

The Organization has a thirty-year agreement with the City of Delray Beach for one dollar per year for use of the S.D. Spady Cultural Arts Museum facility. This agreement was amended in August of 2008 to include the Williams Cottage at the Spady Museum. This agreement was subsequently amended to extend the term through August of 2036. The value of these facilities use was estimated to be \$115,295 for the years ending September 30, 2025 and 2024. This amount is recognized in the statement of activities as in-kind revenue with an offsetting expense to occupancy. The Organization has prepaid its rent for the remaining eleven years.

**NOTE D - CONTINGENCIES**

The Organization receives a substantial amount of support from local government agencies. A decline in this support, if it were to occur, would have a significant impact on the Organization's programs and facility.

**SPADY CULTURAL HERITAGE MUSEUM, INC.**  
Notes to Financial Statements - Continued  
September 30, 2025 and 2024

**NOTE E - INVESTMENTS - EXHIBITS, ARTIFACTS, ARTWORK, AND DISPLAY**

The Museum has historical artifacts, displays, and exhibits valued at \$143,811 and \$125,311 as of September 30, 2025 and 2024, respectively. These items are recorded at cost or the market value at the date of donation. The Organization may from time to time sell historical artifacts or artwork to raise funds for the Organization. During the year ended September 30, 2025, the Organization received artwork valued at \$18,500. This amount is recognized in the statement of activities as in-kind revenue and an asset on the statements of financial position to investments – exhibits, artifacts, artwork, and display.

**NOTE F - PROPERTY AND EQUIPMENT**

Property and equipment at September 30, consists of:

	<u>2025</u>	<u>2024</u>
Equipment	\$ 40,534	\$ 40,534
Educational items	25,815	25,815
Furniture	16,989	16,989
Leasehold improvements	72,000	72,000
The Williams Cottage	<u>220,281</u>	<u>220,279</u>
	375,619	375,617
Accumulated depreciation	<u>(291,338)</u>	<u>(275,836)</u>
	<u>\$ 84,281</u>	<u>\$ 99,781</u>

The aggregate depreciation charged to operations for furniture, equipment, and improvements was \$15,500 and \$15,344 in 2025 and 2024, respectively.

**NOTE G - CONTRIBUTED SERVICES AND MATERIALS**

The Organization received the following contributed services and materials for the years ending September 30, with the support recorded as in-kind donations in the statement of activities and the offsetting expenses and capitalized assets as follows:

	<u>2025</u>	<u>2024</u>
<b>Support:</b>		
In-kind contributions	<u>\$ 133,795</u>	<u>\$ 115,295</u>
<b>Expenses:</b>		
Occupancy	<u>\$ 115,295</u>	<u>\$ 115,295</u>
<b>Capitalized Items:</b>		
Investments - exhibits, artifacts, artwork, and display	<u>\$ 18,500</u>	<u>\$ -</u>

The Organization has volunteers who have donated significant amounts of their time to the Organization's fundraising campaigns and day to day operations. Such contributed services do not meet the criteria for recognition under accounting principles generally accepted in the United States of America.

**SPADY CULTURAL HERITAGE MUSEUM, INC.**  
Notes to Financial Statements - Continued  
September 30, 2025 and 2024

**NOTE H - RELATED PARTY NOTE PAYABLE**

During the year ended September 30, 2011, certain board members loaned the Organization \$12,000 at no interest to meet cash flow needs. The terms of repayment are not stated. As of September 30, 2025 \$11,000 has been either donated or repaid.

**NOTE I - NET ASSETS WITH DONOR RESTRICTIONS**

A summary of net assets with donor restrictions as of September 30, are as follows:

	<u>September 30, 2024</u>	<u>Contributions</u>	<u>Restriction Satisfied</u>	<u>September 30, 2025</u>
Brick Project	\$ 850	\$ -	\$ -	\$ 850
Black History Study Program	55,830	55,000	(55,847)	54,983
Time Restricted	<u>28,159</u>	<u>-</u>	<u>(28,159)</u>	<u>-</u>
	<u>\$ 84,839</u>	<u>\$ 55,000</u>	<u>\$ (84,006)</u>	<u>\$ 55,833</u>

**NOTE J - ACCOUNTS/GRANTS RECEIVABLE**

Accounts/grants receivable are carried at face amounts less an allowance for credit losses. On a periodic basis, they are evaluated and an allowance for credit losses is established based on a combination of specific customer circumstances, credit conditions, and our history of write-offs and collections. No allowance for credit losses was deemed necessary for the years ended September 30, 2025 or 2024.

**NOTE K - BENEFICIAL INTEREST IN ASSETS HELD BY OTHERS**

Beneficial interest in assets held by Palm Health Foundation represents the fiscal year end fair value of the Fund. The Organization established this Fund with Palm Health Foundation and specified itself as the beneficiary of that Fund. The Organization can request withdrawals from the Fund as needed.

**NOTE L - LIQUIDITY AND AVAILABILITY OF RESOURCES**

The Organization maintains a policy of operating within a prudent range of financial soundness and stability, structuring its financial assets to be available as its general expenditures, liabilities, and other obligations come due and operating within the annual approved budget. The Organization also received contributions restricted by donors, and considers contribution restricted for programs which are ongoing, major and central to its annual operations to be available to meet cash needs for general expenditures. To achieve this, the Organization forecasts its future cash flows and monitors its liquidity on a monthly basis.

**SPADY CULTURAL HERITAGE MUSEUM, INC.**  
Notes to Financial Statements - Continued  
September 30, 2025 and 2024

**NOTE L - LIQUIDITY AND AVAILABILITY OF RESOURCES - continued**

The Organization's financial assets available within one year of the statement of financial position date for general expenditure are as follows:

Cash	\$ 202,357
Beneficial interest in assets held by others	19,799
Grants receivable	<u>70,458</u>
Total financial assets available within one year	292,614
 Less:	
Amounts unavailable for general expenditures within one year:	
Restricted by donors with purpose restrictions	<u>55,833</u>
 Total financial assets available to management within one year	 <u><u>\$ 236,781</u></u>



October 25, 2025

EXPANDING, PRESERVING AND  
PRESENTING THE CULTURALLY  
DIVERSE HISTORY OF THE  
BLACK COMMUNITIES IN PALM  
BEACH COUNTY

Mr. Jeff Oris, Assistant City Manager  
City of Delray Beach  
100 NW 1st Ave  
Delray Beach, FL 33444

**Expanding and Preserving  
Our Cultural Heritage, Inc.**

**170 NW 5<sup>th</sup> Avenue  
Delray Beach, FL 33444**

Phone: 561-279-8883  
[www.spadymuseum.com](http://www.spadymuseum.com)

**President**

Elizabeth Burrows

**1st Vice President**

Stacey Copeland

**2<sup>nd</sup> Vice President**

**Treasurer**

Colleen Rhodd

**Secretary**

Adelina Ruiz-Baez

**Board Members**

Andrea Bruton  
Larry Rosensweig  
Clarence M. Vaughn  
William Whigham

**Founder**

Vera R. Farrington

**Memorialized Member**

C. Spencer Pompey  
Alfred "Zach" Straghn

**Executive Director**

Charlene Farrington

*"Until the lions have their historians  
the tales of the hunt will continue to  
glorify the hunter." ...an African proverb*

Dear Mr. Oris:

In accordance to the Amendment NO. 2 to the December 8, 2016 Funding Agreement between the City of Delray Beach and Spady Cultural Heritage Museum, F.K.A. Expanding and Preserving Our Heritage, Inc., the attached summary serves as a statement that all Performance Standards as outlined in Exhibit A were met by Spady Cultural Heritage Museum, Inc during FY2024-2025.

Sincerely,

A handwritten signature in blue ink, appearing to read "Charlene Farrington", is written over a light blue rectangular background.

Charlene Farrington  
Executive Director

## Spady Cultural Heritage Museum

### Exhibit A Performance Standards

1. The Spady Cultural Heritage Museum continues to operate the Museum at 170 NW 5th Ave, Delray Beach, FL 33444.
2. The Spady Cultural Heritage Museum is open to the public, Tuesday-Saturday, 11am-4pm.
3. The Spady Cultural Heritage Museum provides guided educational tours to the public, which includes visitors, school groups and clubs/organizations. The museum also implements commemorative programs, special events, lecture series, book clubs, and public and private tours of Delray Beach's five historic districts to share the rich cultural history of the "Village by the Sea." The following is an outline of the services the museum offers to promote the historic importance, cultural vibrance, and economic sustainability for the City of Delray Beach.  
Total Visitors in 2024-2025 fiscal year: 7,220
4. Spady Museum exhibitions continue to focus on black culture and experiences that recognize the achievements of African Americans in Delray Beach, Palm Beach County and throughout the State of Florida.
  - *Ives Gabriel-Inside Outside*: October 2024 – January 2025
  - *Franklin Sinanan—Water Work*: February 2025- October 2025
  - *Reconstruction-Civil Rights*: Spady Museum Archives and Supporting Panel Displays
  - *Dox Thrash Exhibit*-October 2025
  - *Ozie Youngblood, A Man of the Century: Semi-permanent exhibit (Williams Cottage)*
5. The Spady Museum continues to host the annual Martin Luther King, Jr. Brunch with featured speakers that highlights the legacy of Dr. King on the MLK holiday in January. Featured speaker, Don Mizell. Event Date: January 20, 2025. 300+ attendees
6. Open to the public commemorative events: Kwanzaa (January 26, 2024); A Delray Beach Family Affair—Florida Emancipation Day (May 18, 2025); and Juneteenth (June 19, 2025). Each event brings in 100-200 attendees.
7. Black History Studies and Cultural Immersion Program: A ten-month curriculum for adults and youth at the Spady Museum and the PBC African Diaspora Historical and Cultural Society. 420 participants during the 10-month curriculum.
8. The Spady Museum continues to produce community forums that encourage dialogue about race relations, diversity and inclusion through the Sankofa Study Group, youth book clubs, book signings, and other discussion groups. 300 attendees.
  - Sankofa Study Group: Last Saturday each month.
  - Book Club—Zora Neal Hurston, "Their eyes are watching God."
  - Afternoon Insights/Shaking the Tree—local and out of state lecturers and educators
9. Museum tours and historic district tours for schools and tourist/residents-year-round. 6,000 attendees.

Charlene Farrington  
Executive Director

A handwritten signature in blue ink on a light yellow background. The signature is stylized, starting with a large, rounded 'C' or 'Q' shape, followed by a series of loops and a long, horizontal tail that ends in a small hook.