HISTORIC Germanna

Financial Statements

December 31, 2025 and 2024

Keiter
Your Opportunity Advisors

4401 Dominion Boulevard
Glen Allen, Virginia 23060
Tel: 804.747.0000
www.keitercpa.com

HISTORIC GERMANNA

Table of Contents

	Page
Independent Auditor's Report	1
Financial Statements:	
Statements of Financial Position	3
Statements of Activities	4
Statements of Functional Expenses	6
Statements of Cash Flows	8
Notes to Financial Statements	9

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Historic Germanna
Locust Grove, Virginia

Opinion

We have audited the accompanying financial statements of Historic Germanna, formerly known as Germanna Foundation, which comprise the statements of financial position as of December 31, 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 Historic Germanna as of December 31, 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 audits 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 Historic Germanna 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 Historic Germanna's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Certified Public
Accountants & Consultants
4401 Dominion Boulevard
Glen Allen, VA 23060
T:804.747.0000 F:804.747.3632

www.keitercpa.com

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 Historic Germanna'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 Historic Germanna'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.

July 15, 2026
Glen Allen, Virginia

HISTORIC GERMANNA

Statements of Financial Position
December 31, 2025 and 2024

Assets	2025	2024
Current assets:		
Cash and cash equivalents	$ 188,514	$ 247,071
Inventory	19,624	22,176
Prepaid expenses	12,272	11,700
Total current assets	220,410	280,947
Investments (Notes 3 and 8)	2,127,812	2,139,515
Property and equipment:		
Property and equipment, net of accumulated depreciation (Note 5)	1,742,426	1,799,116
Historical properties	237,047	237,047
Total property and equipment, net	1,979,473	2,036,163
Operating right of use asset, net (Notes 2 and 6)	6,783	8,685
Total assets	$ 4,334,478	$ 4,465,310
Liabilities and Net Assets		
Current liabilities:		
Accounts payable	$ 2,700	$ 4,366
Accrued expenses and other liabilities	25,624	45,115
Deferred revenue (Note 2)	16,730	11,682
Operating lease liability (Notes 2 and 6)	1,986	1,902
Total current liabilities	47,040	63,065
Operating lease liability (Notes 2 and 6)	4,796	6,783
Total liabilities	51,836	69,848
Net assets:		
Without donor restrictions	3,584,435	3,803,465
With donor restrictions (Note 9)	698,207	591,997
Total net assets	4,282,642	4,395,462
Total liabilities and net assets	$ 4,334,478	$ 4,465,310

See accompanying notes to financial statements.

HISTORIC GERMANNA

Statements of Activities
Year Ended December 31, 2025

	Without Donor Restrictions				
	Operating	Board Designated	Total	With Donor Restrictions	Total
Support and revenue:					
Grants (Note 1)	$ -	$ -	$ -	$ 361,722	$ 361,722
Contributions	127,125	-	127,125	43,157	170,282
Bequests	29,750	-	29,750	-	29,750
Public programming	28,510	-	28,510	-	28,510
Property rentals	800	-	800	-	800
Publications and merchandise sales, net of cost of good sold ($3,759)	5,020	-	5,020	-	5,020
Germany tour	139,368	-	139,368	-	139,368
Investment returns (Notes 3 and 8)	-	218,110	218,110	63,056	281,166
Other	14,347	-	14,347	-	14,347
Total support and revenue	344,920	218,110	563,030	467,935	1,030,965
Net assets released from restriction	361,725	-	361,725	(361,725)	-
Expenditures:					
Program services	806,701	-	806,701	-	806,701
Supporting services:					
Management and general	312,860	-	312,860	-	312,860
Fundraising	24,224	-	24,224	-	24,224
Total expenditures	1,143,785	-	1,143,785	-	1,143,785
Change in net assets	(437,140)	218,110	(219,030)	106,210	(112,820)
Net assets, beginning of year	2,504,960	1,298,505	3,803,465	591,997	4,395,462
Net assets, end of year	$ 2,067,820	$ 1,516,615	$ 3,584,435	$ 698,207	$ 4,282,642

See accompanying notes to financial statements.

HISTORIC GERMANNA

Statements of Activities, Continued
Year Ended December 31, 2024

	Without Donor Restrictions				
	Operating	Board Designated	Total	With Donor Restrictions	Total
Support and revenue:					
Grants (Note 1)	$ -	$ -	$ -	$ 54,331	$ 54,331
Contributions	105,463	-	105,463	14,656	120,119
Bequests	37,918	-	37,918	-	37,918
Public programming	24,273	-	24,273	-	24,273
Property rentals	700	-	700	-	700
Publications and merchandise sales, net of cost of good sold ($6,128)	4,077	-	4,077	-	4,077
Germany tour	79,882	-	79,882	-	79,882
Investment returns (Notes 3 and 8)	-	271,718	271,718	60,896	332,614
Other	42,841	-	42,841	-	42,841
Total support and revenue	295,154	271,718	566,872	129,883	696,755
Net assets released from restriction	75,290	-	75,290	(75,290)	-
Net assets designated by the Board	(1,000)	1,000	-	-	-
Expenditures:					
Program services	643,141	-	643,141	-	643,141
Supporting services:					
Management and general	295,355	-	295,355	-	295,355
Fundraising	54,702	-	54,702	-	54,702
Total expenditures	993,198	-	993,198	-	993,198
Change in net assets	(623,754)	272,718	(351,036)	54,593	(296,443)
Net assets, beginning of year	3,128,714	1,025,787	4,154,501	537,404	4,691,905
Net assets, end of year	$ 2,504,960	$ 1,298,505	$ 3,803,465	$ 591,997	$ 4,395,462

See accompanying notes to financial statements.

HISTORIC GERMANNA

Statements of Functional Expenses
Year Ended December 31, 2025

	Program Services					Supporting Services		
	Visitor Center	Hitt Farm	Salubria	Fort Germanna	Hitt Center	Management and General	Fundraising	Total
Salaries	$ 91,757	$ 3,102	$ 44,945	$ 140,121	$ 113,199	$ 141,868	$ 13,390	$ 548,382
Payroll taxes	7,550	232	3,388	12,529	9,641	10,952	988	45,280
Annual conference and reunion	21,482	-	-	-	-	-	-	21,482
Germany tour	113,236	-	-	-	-	-	-	113,236
Professional fees	18,339	-	62,617	5,421	1,509	90,902	-	178,788
Printing and publications	23,505	-	433	-	1,816	48	6,931	32,733
Ground and maintenance	10,593	1,720	13,304	2,574	1,570	-	-	29,761
Insurance	4,918	-	4,205	-	-	5,273	-	14,396
Supplies	118	-	6,434	-	603	5,773	-	12,928
Website and internet	7,715	-	-	-	65	17,477	-	25,257
Occupancy	5,930	-	3,723	-	3,434	2,421	-	15,508
Telephone	-	-	-	-	-	3,336	834	4,170
Postage	6,754	-	-	-	-	31	2,081	8,866
Travel	-	-	478	-	-	4,571	-	5,049
Equipment rental	45	-	1,417	1,323	-	136	-	2,921
Depreciation	31,688	-	-	-	22,723	2,279	-	56,690
Other	500	-	45	-	-	27,793	-	28,338
Total expenditures	$ 344,130	$ 5,054	$ 140,989	$ 161,968	$ 154,560	$ 312,860	$ 24,224	$ 1,143,785

See accompanying notes to financial statements.

HISTORIC GERMANNA

Statements of Functional Expenses, Continued
Year Ended December 31, 2024

	Program Services					Supporting Services		
	Visitor Center	Hitt Farm	Salubria	Fort Germanna	Hitt Center	Management and General	Fundraising	Total
Salaries	$ 86,774	$ 1,187	$ 36,422	$ 114,739	$ 101,896	$ 94,318	$ 40,700	$ 476,036
Payroll taxes	6,598	79	2,672	9,848	8,297	6,935	2,890	37,319
Annual conference and reunion	19,138	-	-	-	-	-	-	19,138
Germany tour	78,400	-	-	-	-	-	-	78,400
Professional fees	14,480	-	6,380	-	-	119,988	-	140,848
Printing and publications	20,046	-	146	-	1,842	5,269	8,306	35,609
Ground and maintenance	13,239	4,010	26,084	1,980	91	-	-	45,404
Insurance	2,988	-	2,547	-	-	6,857	-	12,392
Supplies	452	-	438	96	-	5,094	-	6,080
Website and internet	7,324	-	-	-	147	13,670	-	21,141
Occupancy	4,932	-	3,470	-	3,171	2,332	-	13,905
Telephone	-	-	-	-	-	3,168	792	3,960
Postage	6,876	-	-	-	-	1,286	2,014	10,176
Travel	-	-	-	-	-	5,363	-	5,363
Equipment rental	433	-	-	1,065	-	-	-	1,498
Depreciation	31,191	-	-	-	23,663	2,720	-	57,574
Other	-	-	-	-	-	28,355	-	28,355
Total expenditures	$ 292,871	$ 5,276	$ 78,159	$ 127,728	$ 139,107	$ 295,355	$ 54,702	$ 993,198

See accompanying notes to financial statements.

HISTORIC GERMANNA

Statements of Cash Flows
Years Ended December 31, 2025 and 2024

	2025	2024
Cash flows from operating activities:		
Change in net assets	$ (112,820)	$ (296,443)
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation	56,690	57,574
Investment returns reinvested	(26,865)	(27,363)
Net realized and unrealized gains on investments	(254,301)	(305,251)
Changes in operating assets and liabilities:		
Inventory	2,552	(136)
Prepaid expenses	(572)	(2,644)
Other current assets	-	707
Accounts payable	(1,666)	(19,095)
Accrued expenses	(19,491)	25,342
Deferred revenue	5,048	6,482
Net cash used in operating activities	(351,426)	(560,827)
Cash flows from investing activities:		
Purchase of property and equipment	-	(12,276)
Sales of investments, net	292,869	74,670
Net cash provided by investing activities	292,869	62,394
Net change in cash and cash equivalents	(58,557)	(498,433)
Cash and cash equivalents, beginning of year	247,071	745,504
Cash and cash equivalents, end of year	$ 188,514	$ 247,071
Supplemental disclosure of cash flow information:		
Noncash transactions:		
Establishment of an operating right of use asset and operating lease liability	$ -	$ 10,094

See accompanying notes to financial statements.

HISTORIC GERMANNA

Notes to Financial Statements

1. Organization and Mission:

The Memorial Foundation of the Germanna Colonies in Virginia, Inc. ("Historic Germanna") is a Virginia non-profit organization incorporated on March 14, 1956.

Mission

Inspire understanding and engagement in the rich history and natural resources of Germanna through archaeology, education, genealogy, and preservation.

Strategic Vision

Historic Germanna envisions a future where the Germanna region is widely recognized a unique place that connects diverse stories through shared heritage and cultural and environmental significance, fostering a sense of belonging, learning, and inspiration for all.

Strategic Priorities

- Storytelling and Education
- Our Physical and Natural Resources
- Community Engagement and Inclusivity
- Sustainability and Growth

The name Germanna, selected by Lieutenant Governor Alexander Spotswood (Spotswood), reflected both the German immigrants who sailed across the Atlantic Ocean to the Colony of Virginia and Anne, Queen of Great Britain, France and Ireland, who was in power at the time of the founding of Germanna in 1714.

The People

Germanna's history encompasses the lives of Indigenous peoples, English colonists, German immigrants and their descendants, and African and African American communities.

The Places

The Germanna region was a confluence of Indigenous, African, African American, English, and German cultures and later played a pivotal role in the American Civil War. Today, this region of Central Virginia lies between bustling cities and the Blue Ridge Mountain and is a crossroads of history and culture, offering opportunities to share a unique part of Virginia's history that continues today.

1. Organization and Mission, Continued:

Their Stories

Germanna has many stories to tell, from Indigenous use of the land to the migration of German immigrants to the experiences of African and African Americans; our continued research and collaborations with scholars, community knowledge-keepers and cultural advisors are how we develop a deeper understanding of the past to share with visitors and stakeholders.

Land Conservation

Since 1956, Historic Germanna has owned and managed about 176 acres of riparian deciduous forest called Siegen Forest located between the Rapidan River and Virginia Route 3 (Germanna Highway) in Orange County, Virginia. Historic Germanna developed hiking trails on the land with the assistance of skilled professionals and dedicated volunteers, including area Boy Scouts. Historic Germanna is committed to wise stewardship of this historic area by working with the Commonwealth of Virginia and private-sector conservation groups, as well as making the educational value of this historic site available to the public.

In October 2013, Historic Germanna acquired a 62.2-acre tract of land situated in the Gordon District of Orange County, Virginia from the Commonwealth of Virginia, which had been managed by University of Mary Washington (UMW) with a historic easement placed on the property. This property contains several known archaeological sites, including Fort Germanna, the Enchanted Castle, the first Spotsylvania Courthouse and the Gordon Plantation. Germanna archaeologist excavate these sites annually, with oversite from the Department of Historic Resources.

In 2021, Historic Germanna started the process of placing the Siegen Forest property under Historic Easement with the Virginia Department of Historic Resources (DHR). Historic Germanna applied for and was successfully awarded a grant from the Virginia Land Conservation Foundation (VLCF) of $629,901 and a grant from the American Battlefield Protection Program (ABPP) for $628,910. Historic Germanna finalized the easement of this property in November of 2024, and at that time, received the grant funding from VLCF and ABPP.

Historic Germanna's Fort Germanna Visitor Center (Visitor Center) houses a museum and the Evelyn C. Martin Genealogical Research Library; the Hitt Archaeology Center (dedicated in 2019) and Memorial Garden are located on the Siegen Forest campus, adjacent to the Locust Grove campus of Germanna Community College, whose 100-acre site was donated by Historic Germanna to the Commonwealth of Virginia in 1969 for the purpose of founding the college.

1. Organization and Mission, Continued:

Historic Preservation and Archaeological Investigation

Beginning in 2016, Historic Germanna's archaeology program partnered with Dr. Bernard Means (Faculty Member of the Anthropology Department and School of World Studies at Virginia Commonwealth University). Historic Germanna has hosted the Virginia Commonwealth University (VCU) Field School since 2016. The Field School is a six-week hands-on, experiential learning opportunity for students interested in archaeology. The students are introduced to data collection methods on a real world, working excavation site. In the practice of professional and academic archaeology, Field Schools are seen as a "gateway" experience to entering the profession. The partnership between Historic Germanna and VCU provides a unique experience for VCU students on an important Virginia archaeology site.

Historic Germanna hosts "Public Archaeology Days" at the Fort Germanna/Enchanted Castle site. These public access days provide visitors the opportunity to come and see the archeology site and observe the progress during the year. In addition, archaeologists develop and set up related activities and displays.

In December 2020, the artifact collections excavated at the Enchanted Castle Site during the 1970s and 1980s, were transferred from UMW to the Hitt Archaeology Center. The collections, on loan from DHR, includes artifacts, notes, drawings and other data from the previous excavations of the Enchanted Castle ruins. These collections are currently housed in the Hitt Archaeology Center for the purposes of study, analysis and exhibit. Historic Germanna will make these collections available for researchers and scholars.

In 2018 and 2019, Historic Germanna constructed the Hitt Archaeology Center, which was placed into service in May 2019 as a headquarters for Historic Germanna's archaeology program. The Hitt Archaeology Center gives Historic Germanna a place to clean, study, store and evaluate artifacts found on the Historic Germanna properties. This 3,000-square foot facility has space for long-term storage of artifacts, a lab for the cataloging and study of those artifacts as well as facilities for cleaning and preserving items found in the field. The storage provides a climate-controlled environment ensuring the preservation of collections.

The Hitt Archaeology Center is a place where scholars can visit and study artifacts from Historic Germanna's collection, including artifacts recovered from Alexander Spotswood's Enchanted Castle, and the Fort Germanna, Salubria and the Hitt Farm sites.

1. Organization and Mission, Continued:

Historic Preservation and Archaeological Investigation, Continued

In September 2017, Historic Germanna acquired a 7.4-acre property which contains a c.1800 log house built by and for Peter Hitt in Marshall Magisterial District, Fauquier County, Virginia. The dating of the log house was confirmed by a dendrochronology study performed by Oxford Tree-Ring Laboratory in 2017 and is among the oldest log houses in the county. The property is adjacent to the 4.2-acre property which contains the historic Peter Hitt cemetery site. These two properties are referred to by Historic Germanna as the Hitt Farm. Historic Germanna maintains this property with the goal of caring for it and making it available to researchers, conservationists, and descendants.

In February 2007, Historic Germanna acquired a 4.2-acre property which contains the historic Peter Hitt cemetery site located in Marshall Magisterial District, Fauquier County, Virginia. Historic Germanna maintains this historic property with the goal of caring for it and keeping it available for future researchers, conservationists, and descendants.

In October 2000, Historic Germanna accepted stewardship of Salubria, an 18th century Georgian style mansion with 19.6 acres of wooded grounds and a terraced garden located in Culpeper County, Virginia. A conservation easement held by DHR also protects this property.

Outreach and Public Programming

Historic Germanna organizes and executes several events focused on public participation at Historic Germanna's sites, along with programs using the sites as backdrops.

Several Public Access Days are held at the Fort Germanna/Enchanted Castle Archaeology site as well as at Salubria. These events consist of tours of the properties with experts, family activities, brickmaking and quill pen writing, and demonstrations, such as flint knapping. These events allow the public to learn about the environment and landscape and what the people of these places would have experienced.

Since 1957, Historic Germanna has held an annual July conference and reunion, continuing a tradition started in the 1940's by its unincorporated predecessor. The program includes guided tours of historic sites in the Virginia counties of Orange, Culpeper, Fauquier, and Madison that are associated with the Germanna families. In addition, during the annual conference local and nationally recognized speakers present talks on topics of historical interest, genealogy, archaeology, and historic preservation.

In 2025 and 2024, Germanna archaeologist took their "Archaeology in the Classroom" program to several schools in Orange County, and hosted several more students on-site.

1. Organization and Mission, Continued:

Education

Education is central to Historic Germanna's mission. The Visitor Center holds a large collection of books and genealogy records, as well as interpretive exhibits that tell the Germanna history.

In 2023, Historic Germanna hired an Education Manager to better interpret the Germanna region's history to the public. Historic Germanna has been focusing on building an interpretive program at Salubria and integrating the centuries of history at Germanna into public programming.

Since its formation in 1956, Historic Germanna has published 25 books that cover a wide range of historic topics relating to Germanna, as well as genealogies of many of the families.

Historic Germanna publishes a newsletter four times a year that reflects information about Historic Germanna activities and programs, and informative articles.

Historic Germanna operates and maintains a website, www.germanna.org, that contains historical information, news, officer, trustee and staff profiles, program promotion, historical articles, and a store where all publications and related items can be ordered online.

Historic Germanna also offers educational opportunities to college and graduate students through supervised internships that provide hands-on experience in research, public relations, and the administration of a historic site and organization.

Cultivation of Transatlantic Relations

The development of strong ties with ancestral villages of Germanna colonists and supporters of Historic Germanna living in Germany has been an important part of Historic Germanna's mission since its inception. Ties with researchers and genealogists in Siegen, Germany remain strong to the present. Official delegations from Germany have visited Historic Germanna over the years, including several by Volkmar Klein, former Member of Parliament in Berlin, Germany.

Historic Germanna leads group tours annually to Germany. Each group tour is custom designed, whether the person is a Germanna descendent of the First or Second Germanna Colony, has German roots, or has an interest in German culture.

2. Summary of Significant Accounting Policies:

Basis of Accounting: The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP).

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

Net assets without donor restrictions represents funds that impose no restrictions on Historic Germanna as to their use or purpose. Such funds are expended for charitable purposes as deemed appropriate by the Board of Trustees and for operating purposes.

Board-designated net assets without donor restrictions represents funds set aside by the Board of Trustees to be used as an operating reserve to meet cash flow needs and for other special purposes as approved by the Board of Trustees.

Net assets with donor restrictions are subject to donor-imposed stipulations that will be met either by actions of Historic Germanna and/or the passage of time. These net assets represent contributions and other income, which must be spent for the purpose designated by the donors. Expirations of temporary restrictions on net assets (i.e., donor-stipulated purpose has been fulfilled and/or stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets. Net assets with donor restrictions on contributions to acquire long-lived assets are considered met in the period in which the assets are acquired and placed into service.

Revenues are reported as increases in net assets without donor restriction unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restriction. Gains and losses on investments are reported as increases or decreases in net assets without donor restriction unless their use is restricted by explicit donor stipulation or by law. Gains and losses in the present value of contributions receivable are included as contributions revenue or loss. Expirations of net assets with donor restrictions (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restrictions.

Cash and Cash Equivalents: For purposes of the statements of cash flows, Historic Germanna considers all highly liquid securities not included in the investment portfolio that were purchased with a maturity of three months or less to be cash equivalents.

Inventory: Inventory consists of books and merchandise held for sale. Inventory is accounted for at the lower of cost (as determined by the first-in, first-out (FIFO) method) or net realizable value.

2. Summary of Significant Accounting Policies, Continued:

Investments and Investment Income: Historic Germanna accounts for its investments at fair value (refer to Note 8).

Credit Risk and Concentrations: Financial instruments that potentially subject Historic Germanna to concentrations of credit risk consist principally of cash and cash equivalents, pledge receivables, and investments. Historic Germanna maintains its cash and cash equivalents in a financial institution with balances that periodically exceed federally insured limits. Historic Germanna has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and temporary cash investments.

Historic Germanna invests in professionally-managed mutual funds that contain stocks, bonds, a market neutral fund, and commodities. Such investments are exposed to various risks such as interest rate, market and credit. Due to the level of risk associated with such investments and the uncertainty related to changes in the value of such investments, it is at least reasonably possible that changes in the near term would materially affect investment balances and the amounts reported in the financial statements.

For the year ended December 31, 2025, one donor accounted for 10% or more of total support and revenue. For the year ended December 31, 2024, no individual donor accounted for 10% or more of total support and revenue.

Property and Equipment: Property and equipment are stated at cost, less accumulated depreciation. Major repairs and betterments are capitalized and normal maintenance and repairs are charged to expense as incurred. Depreciation is computed by the straight-line method over the estimated useful lives of the related assets, ranging from 5 to 40 years. Upon retirement or sale of an asset, the cost and accumulated depreciation are removed from the accounts and any gain or loss is reflected in operations.

Historical Properties: Historical properties donated to Historic Germanna are recorded at the fair value established by the donor at the date of the deed of gift. All subsequent restoration costs are capitalized and added to the cost of the historic property. Historic properties are not subject to provisions for depreciation. Improvements (such as modernized mechanical systems) and additions to historical properties are recorded as building improvements in property and equipment, and are subject to depreciation. Repairs and maintenance costs related to historical properties are expensed as incurred.

Collection Objects: In conformity with the practice followed by most museums, Historic Germanna's financial statements exclude the value of the collection objects and library holdings, and no determination has been made as to the aggregate value of such items. Purchases of collection items are recorded as decreases in net assets without donor restrictions or net assets with donor restrictions if the assets used to purchase collection items are restricted by the donor. Refer to Note 4 for a description of the collection objects and library holdings.

2. Summary of Significant Accounting Policies, Continued:

Leases: Historic Germanna recognizes right-of-use assets and lease liabilities on the accompanying statements of financial position in accordance with Financial Accounting Standards Board ("FASB") guidance (Topic 842) for accounting for leases. The right-of-use assets and lease liabilities are initially measured at the present value of future lease payments, discounted using the interest rate implicit in the lease, or the risk-free rate. The right-of-use assets and lease liabilities are calculated to include options to extend or terminate the lease when the Organization determines that is reasonably certain it will exercise those options. In making those determinations, the Organization considers various existing economic and market factors, business strategies, as well as the nature, length, and terms of the lease agreements.

Certain leases may include variable lease payments as well as variable payments for items such as property taxes, insurance, maintenance, and other operating expenses associated with the leased assets. These variable payments are excluded from the measurement of the Organization's right-of-use assets and lease liabilities and are recognized in the period in which the obligation for those payments are incurred.

Impairment or Disposal of Long-Lived Assets: Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. No impairments were identified during the years ended December 31, 2025 and 2024.

Deferred Revenue: Deferred revenue at December 31, 2025 and 2024 consists of security deposits for the annual trip to Germany.

Revenue Recognition: Historic Germanna recognizes revenue from transactions involving nonexchange transactions and exchange transactions. Revenue from nonexchange transactions (contributions and grants) is recognized when received, when unconditional promises to give are made, or when grant awards are executed. Revenue from exchange transactions is recognized at a point in time (annual conference and reunion and publications and merchandise sales) based upon how the value for the transaction transfers to the customer. There are no contract assets at December 31, 2025, 2024, or 2023. Contract liabilities at December 31, 2025 and 2024 are recorded as deferred revenue on the accompanying statements of financial position. At December 31, 2023, contract liabilities were $5,200.

2. Summary of Significant Accounting Policies, Continued:

Functional Allocation of Expenses: The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities and a functional and natural classification basis in the statements of functional expenses. Certain categories of expenses are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The following expenses are allocated based on time and effort: salaries, payroll taxes, printing and publications, ground and maintenance, website and internet, occupancy, depreciation, and other expenses.

Advertising: Historic Germanna expenses advertising costs as they are incurred.

Income Taxes: Historic Germanna received a favorable determination letter from the Internal Revenue Service in August 1958, stating that it is exempt from income taxes under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3).

Income Tax Uncertainties: Historic Germanna has adopted financial reporting guidance related to accounting for uncertainty in income taxes, which clarifies the accounting for income taxes by prescribing the minimum recognition threshold that a tax position is required to meet before being recognized in Historic Germanna's financial statements. The guidance also provides criteria on derecognition, classification, interest and penalties, disclosure and transition.

Historic Germanna discloses the expected future tax consequences of uncertain tax positions presuming the taxing authorities' full knowledge of the facts and Historic Germanna's position, and records unrecognized tax benefits or liabilities for known, or anticipated tax issues based on Historic Germanna's analysis of whether additional taxes would be due to the authority given their full knowledge of the tax position. Historic Germanna has completed its assessment and determined that there are no tax positions which would require recognition. Historic Germanna is not currently under audit by any jurisdiction.

Use of Estimates: Management of Historic Germanna has made a number of estimates and assumptions relating to the reporting of assets, liabilities, revenues and expenses and disclosure of contingent assets and liabilities to prepare these financial statements in conformity with GAAP. Actual results could differ from those estimates.

Reclassifications: Certain prior year balances have been reclassified to conform with the current year presentation.

Subsequent Events: Management has evaluated subsequent events through July 15, 2026, the date the financial statements were available to be issued, and determined that there are no subsequent events to be recognized or disclosed in the accompanying financial statements.

3. Investments:

Investments at December 31, 2025 are comprised of the following:

	Market	Cost
Vanguard 500 Index Admiral CL (VFIAX)	$ 1,407,766	$ 923,291
Vanguard Total Stock Market Index Fund Admiral Shares (VTSAX)	35,845	19,534
Vanguard Balance Index Fund Admiral Shares (VBIAX)	526,591	410,693
Vanguard Treasury Money Market Investor CL (VUSXX)	157,610	157,610
	$ 2,127,812	$ 1,511,128

Investments at December 31, 2024 are comprised of the following:

	Market	Cost
Vanguard 500 Index Admiral CL (VFIAX)	$ 1,257,783	$ 970,558
Vanguard Total Stock Market Index Fund Admiral Shares (VTSAX)	30,508	19,039
Vanguard Balance Index Fund Admiral Shares (VBIAX)	472,995	389,838
Vanguard Treasury Money Market Investor CL (VUSXX)	378,229	378,229
	$ 2,139,515	$ 1,757,664

Investment returns, net, for the years ended December 31, 2025 and 2024 are as follows:

	2025	2024
Investment income	$ 26,865	$ 27,363
Unrealized gains	234,831	277,941
Realized capital gains	19,470	27,310
	$ 281,166	$ 332,614

3. Investments, Continued:

In 2025 and 2024, Historic Germanna invested in the Vanguard Total Stock Market Index Fund Admiral Shares, a Vanguard mutual fund, ticker symbol VTSAX from donations received in connection with the time capsule that was placed inside the Hitt Archaeology Center in 2019. Prior to 2068, investment returns will be reinvested into VTSAX. Principal and interest will be released when the time capsule is opened in 2068. Once the principal and interest are released, it is Historic Germanna's long-term plan that it will be used to support operations and programs of Historic Germanna.

In 2025 and 2024, Historic Germanna invested in the Vanguard Balance Index Fund Admiral Shares, a Vanguard mutual fund, ticker symbol VBIAX from donations received to fund expenses incurred by the Hitt Farm property and other expenses incurred by Historic Germanna. It is Historic Germanna's plan to use investment returns to support routine maintenance of the Hitt Farm property and to support other operations and programs of Historic Germanna. Historic Germanna may also reinvest the investment returns into VBIAX or use the investment returns and principal to fund future projects at the Hitt Farm property and to support other operations and programs of Historic Germanna.

In 2025 and 2024, Historic Germanna invested in the Vanguard 500 Index Fund, a Vanguard mutual fund, ticker symbol VFIAX from grant funds received in connection with the Siegen Forest property being placed under Historic Easement with Virginia's DHR (refer to Note 1 and 7).

In 2025 and 2024, Historic Germanna invested in the Vanguard Treasury Money Market Investor CL Fund, a Vanguard mutual fund, ticker symbol VUSXX from interest earned from the Vanguard Brokerage CDs and bequest donations received during the year.

In 2022, Historic Germanna invested in Vanguard Brokerage CDs from bequest donations received during the year. The Vanguard Brokerage CDs were redeemed in December 2024 and the funds were deposited in VUSXX.

4. Collections:

Historic Germanna collects manuscripts, books, maps, newspapers, photographs, portraits, and other works of art, as well as artifacts from archaeological investigations that are related to Virginia and American history. Historic Germanna's collections are maintained for research, education, and public exhibition in furtherance of public service rather than for financial gain. Collections are the most valuable assets of Historic Germanna and are protected, kept unencumbered, cared for, preserved, and cataloged.

Intellectual as well as physical control of all collections is maintained by an extensive paper trail including provenance of origin; accession date; terms of gift or purchase price, whichever is applicable; physical description and condition report; location; and conservation record.

4. Collections, Continued:

In conformity with American Association of Museum guidelines, collections are deaccessioned rarely and in close adherence to specific steps, culminating in approval from Historic Germanna's Board of Trustees. The sale of deaccessioned collection items is used to acquire new items for collections or for the care and maintenance of the collections.

Historic Germanna does not include either the cost or the value of its collections in the statements of financial position, nor does it recognize gifts of collection items as revenues in the statements of activities.

5. Property and Equipment:

A summary of property and equipment at December 31, 2025 and 2024 is as follows:

	2025	2024
Land	$ 623,256	$ 623,256
Buildings and improvements	1,994,090	1,994,090
Furniture and equipment	169,015	169,015
Total	2,786,361	2,786,361
Less accumulated depreciation	(1,043,935)	(987,245)
Property and equipment, net	$ 1,742,426	$ 1,799,116

Historic Germanna recorded depreciation expense of $56,690 for 2025 and $57,574 for 2024.

6. Operating Leases:

Historic Germanna leases a copier under a non-cancellable operating lease with monthly payments of $187, which are due through March 2029. Total minimum future payments under the non-cancellable operating lease as of December 31, 2025 are as follows: $2,241 in 2026 through 2028 and $501 in 2029. Of these payment amounts, $839 represents interest.

Copier lease expense was $2,241 in 2025 and $1,681 in 2024, which is presented as a component of printing and publications expense in the accompanying statements of functional expenses.

6. Operating Leases, Continued:

From time to time, Historic Germanna rents equipment for events under short-term leasing agreements. Lease expense for short-term leases was $2,921 for 2025 and $1,498 for 2024.

7. Endowment Funds:

There is one endowment fund at Historic Germanna at and for the year ended December 31, 2025 and 2024 that is invested in the Vanguard 500 Index Fund, a Vanguard mutual fund, ticker symbol VFIAX. The endowment fund includes funds designated by the Board of Trustees to function as an endowment.

In May 2023, Vanguard merged VPGDX into Vanguard Life Strategy Moderate Growth Fund, ticker symbol VSMGX. Historic Germanna exchanged its VSMGDX shares into shares of VFIAX. The investment returns in 2025 and 2024 from VFIAX were reinvested into VFIAX, but it is Historic Germanna's long-term plan that the annual investment returns will be used to support operations and programs of Historic Germanna. As required by GAAP, net assets associated with an endowment fund, including funds designated by the Board of Trustees to function as an endowment, are classified and reported based on the existence or absence of donor-imposed restrictions.

Principal Investment Strategy

At December 31, 2025, VFIAX Fund employs an indexing investment approach designed to track the performance of the Standard & Poor's (S&P) 500 Index (the Index), a widely recognized benchmark of U.S. stock market performance that is dominated by the stocks of large U.S. companies. The Fund attempts to replicate the target index by investing all, or substantially all, of its assets in the stocks that make up the Index, holding each stock in approximately the same proportion as its weighting in the Index.

The VFIAX Fund distributes to shareholders virtually all of its net income (interest and dividends, less expenses) as well as any net short-term or long-term capital gains realized from the sale of its holdings. From time to time, the VFIAX Fund may also make distributions that are treated as a return of capital. Income dividends generally are distributed quarterly in March, June, September, and December; capital gains distributions, if any, generally occur annually in December. In addition, the VFIAX Fund may occasionally make a supplemental distribution at some other time during the year.

Historic Germanna's Board of Trustees elected to reinvest all the VFIAX Fund distributions in 2025 and 2024 in additional VFIAX Fund shares. In January 2025, $62,889 was withdrawn from the VFIAX to help fund operations for the year. It is the Board of Trustees intent to continue to reinvest all distributions by the Fund during 2026.

7. Endowment Funds, Continued:

Principal Risks

The VFIAX Fund could lose money over short or long periods of time. The VFIAX Fund's share price and total return to fluctuate within a wide range. The VFIAX Fund is subject to the following risks, which could affect the VFIAX Fund's performance:

• Stock market risk, which is the chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices. The VFIAX Fund's target index tracks a subset of the U.S. stock market, which could cause the Fund to perform differently from the overall stock market. In addition, the VFIAX Fund's target index may, at times, become focused in stocks of a particular market sector, which would subject the VFIAX Fund to proportionately higher exposure to the risks of that sector.

• Investment style risk, which is the chance that returns from large-capitalization stocks will trail returns from the overall stock market. Large-cap stocks tend to go through cycles of doing better—or worse—than other segments of the stock market or the stock market in general. These periods have, in the past, lasted for as long as several years.

• Index replicating risk, which is the chance that the VFIAX Fund may be prevented from holding one or more securities in the same proportion as in its target index.

Endowment net asset composition included $1,407,766 as of December 31, 2025 and $1,257,783 December 31, 2024 of board-designated funds.

Changes in endowment net assets were as follows for the years ended December 31, 2025 and 2024:

	2025	2024
Net assets, beginning of year	$ 1,257,783	$ 1,005,663
Purchase of investments	-	1,000
Sale of investments	(62,889)	-
Investment gain, net	212,872	251,120
Net assets, end of year	$ 1,407,766	$ 1,257,783

8. Fair Value Measurements:

The FASB has issued guidance for measurement and disclosure of fair value and establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value.

This guidance provides a framework for measuring fair value under GAAP and defines fair value 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 market participants on the measurement date. This guidance requires that valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs. This guidance also establishes a fair value hierarchy which prioritizes the valuation inputs into three broad levels.

Based on the underlying inputs, each fair value measurement in its entirety is reported in one of three levels:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets at the measurement date.

Level 2 Quoted prices for similar instruments in active and inactive markets; and model driven valuations with significant inputs and drivers derived from observable active markets.

Level 3 Inputs to the valuation methodology are unobservable for the instrument and significant to the fair value measurement.

Mutual funds: Valued at the net asset value (NAV) of shares held by Historic Germanna at year end.

Assets measured at fair value on a recurring basis of $2,127,812 at December 31, 2025 and $2,139,515 at December 31, 2024 were valued using Level 1 criteria.

Historic Germanna did not have any liabilities measured at fair value on a recurring basis as of December 31, 2025 and 2024.

9. Net Assets With Donor Restrictions:

Net assets with donor restrictions include the following at December 31:

	2025	2024
Hitt Farm	$ 529,277	$ 477,396
Other (including time restrictions)	168,930	114,601
	$ 698,207	$ 591,997

Net assets released from restriction were the result of expenses incurred in satisfying the restricted purposes of contributions during 2025 and 2024.

10. Commitments and Contingencies:

Historic Germanna entered into a twelve month consulting agreement with an independent contractor in 2025 and 2024 as a philanthropic advisor to perform agreed upon procedures in working with Historic Germanna to develop effective engagement and development strategies. The contracts included a total package price of $48,000 to be paid in twelve monthly installments of $4,000. Historic Germanna paid the independent contractor $40,000 in 2025 and $36,000 in 2024.

Historic Germanna entered into a twelve-month consulting agreement with an independent contractor in January 2024 that was extended for an additional 12-months in February 2025 as an accounting advisor to perform agreed upon procedures in working with Historic Germanna to perform monthly accounting oversight, develop monthly financial reports, be a liaison and assist in overseeing the annual audit process with the external auditors and provide advice and technical assistance in developing Historic Germanna's annual budget. The contractor is compensated at an hourly rate of $65 and work an average of 20 hours per month, not to exceed a total annual amount of 240 hours. Historic Germanna paid the independent contractor $17,907 in 2025 and $14,138 in 2024.

Historic Germanna entered into a consulting agreement with an independent contractor on November 16, 2023 to assist Historic Germanna in the design, facilitation, and development of a strategic planning process, and the delivery of an updated organization strategic plan. The contract included a total package price of $26,500. Historic Germanna paid the independent contractor $26,500 in 2024.

Historic Germanna entered into a twelve-month consulting agreement with an independent contractor in December 2023 as a philanthropic advisor to perform agreed upon procedures in working with Historic Germanna to develop effective engagement and development strategies. The contract included a total package price of $48,000 to be paid in twelve monthly installments of $4,000. Historic Germanna paid the independent contractor $4,000 in 2025 and $44,000 in 2024.

11. Liquidity and Availability of Financial Assets:

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statements of financial position date comprise the following:

	2025	2024
Cash and cash equivalents	$ 188,514	$ 247,071
Investments	2,127,812	2,139,515
Total financial assets available within one year	2,316,326	2,386,586
Net assets with donor restrictions	(698,207)	(591,997)
Net assets without donor restrictions - board-designated	(1,516,615)	(1,298,505)
Total financial assets available within one year after net assets with donor restrictions	$ 101,504	$ 496,084

As part of Historic Germanna's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures become due. Historic Germanna takes a conservative approach to liquidity management to ensure funding availability to meet its needs. Additionally, Historic Germanna has board-designated net assets without donor restrictions that are held as an operating reserve.