

**AMERICAN TRUCK HISTORICAL SOCIETY**

**BASIC FINANCIAL STATEMENTS  
AND  
INDEPENDENT AUDITOR'S REPORTS**

**FOR THE YEARS ENDED  
DECEMBER 31, 2021 AND 2020**

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## **KenneyDHales, CPA, PC**

2 Victory Drive, Suite 230 D, Liberty, MO 64068  
P: (816) 679-1331 F: (816) 817-1030

### **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
American Truck Historical Society

#### **Report on the Financial Statements**

I have audited the accompanying financial statements of American Truck Historical Society, a non-profit organization, which comprise the statements of financial position as of December 31, 2021, and 2020, and the related statements of activities, functional expenses, and cash flows for the years then ended and the related notes to the financial statements.

#### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

My responsibility is to express an opinion on these financial statements based on my audits. I conducted my audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### **Opinion**

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of American Truck Historical Society as of December 31, 2021, and 2020, and the changes in its net assets, its functional expenses and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

### **Supplementary Information**

I conducted my audits in accordance with auditing standards generally accepted in the United States of America for the purpose of forming our opinion on the basic financial statements taken as a whole. The schedules of unrelated business income are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Kenney D Hales, CPA*

Kenney D, Hales, CPA, PC  
Liberty, Missouri  
April 25, 2022

**AMERICAN TRUCK HISTORICAL SOCIETY  
STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2021 AND 2020**

|  | <u>2021</u>                | <u>2020</u>                |
|--|----------------------------|----------------------------|
| <b>ASSETS</b>                                  |                            |                            |
| Cash and cash equivalents (Note 4)             | \$ 128,444                 | \$ 343,308                 |
| Restricted cash and cash equivalents (Note 11) | 1,248,292                  | 1,081,647                  |
| Accounts receivable                            | 43,821                     | 35,971                     |
| Inventory held for resale (Note 5)             | 303,347                    | 340,444                    |
| Prepaid expenses (Note 6)                      | 33,857                     | 32,063                     |
| Property and equipment – net (Note 7)          | 2,018,683                  | 1,829,410                  |
| Library and museum collections                 | <u>705,833</u>             | <u>705,833</u>             |
| <b>TOTAL ASSETS</b>                            | <b><u>\$ 4,482,277</u></b> | <b><u>\$ 4,368,676</u></b> |
| <b>LIABILITIES AND NET ASSETS</b>              |                            |                            |
| Accounts payable                               | \$ 51,362                  | \$ 68,101                  |
| Accrued expenses (Note 8)                      | 53,645                     | 41,562                     |
| Accrued liability - Showtime                   | 49,437                     | 49,437                     |
| Deferred revenue                               | 76,232                     | 70,084                     |
| Short-term debt                                | -                          | 71,600                     |
| Security deposit                               | <u>13,000</u>              | <u>13,000</u>              |
| <b>TOTAL LIABILITIES</b>                       | <b><u>243,676</u></b>      | <b><u>313,784</u></b>      |
| <b>NET ASSETS</b>                              |                            |                            |
| Without donor restrictions                     | 2,990,309                  | 2,973,245                  |
| With donor restrictions (Note 11)              | <u>1,248,292</u>           | <u>1,081,647</u>           |
| <b>TOTAL NET ASSETS</b>                        | <b><u>\$ 4,238,601</u></b> | <b><u>\$ 4,054,892</u></b> |

The accompanying notes are an integral part of these financial statements.

**AMERICAN TRUCK HISTORICAL SOCIETY  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2021**

|  | <u>Without<br/>Restrictions</u> | <u>With<br/>Restrictions</u> | <u>Total</u>        |
|--|---------------------------------|------------------------------|---------------------|
| <b>REVENUES AND GAINS</b>                            |                                 |                              |                     |
| Memberships  | \$ 571,015                      | \$ -                         | \$ 571,015          |
| Convention   | 243,072                         | -                            | 243,072             |
| Magazine sales                                       | 286,782                         | -                            | 286,782             |
| PPP loan forgiveness                                 | 186,759                         | -                            | 186,759             |
| Investment income                                    | 87,766                          | -                            | 87,766              |
| Contributions  | 229,943                         | 15,177                       | 245,120             |
| Rent   | 125,863                         | -                            | 125,863             |
| Advertising  | 38,546                          | -                            | 38,546              |
| Royalties  | 52,183                          | -                            | 52,183              |
| Merchandise sales                                    | 49,781                          | -                            | 49,781              |
| Miscellaneous  | <u>5,347</u>                    | <u>-</u>                     | <u>5,347</u>        |
| <br>   |                                 |                              |                     |
| TOTAL REVENUES AND GAINS                             | 1,877,057                       | 15,177                       | 1,892,234           |
| <br><b>EXPENSES</b>                                  |                                 |                              |                     |
| Program  | 1,270,459                       | -                            | 1,270,459           |
| Management   | 303,682                         | -                            | 303,682             |
| Fundraising  | <u>134,384</u>                  | <u>-</u>                     | <u>134,384</u>      |
| <br>   |                                 |                              |                     |
| TOTAL EXPENSES                                       | <u>1,708,525</u>                | <u>-</u>                     | <u>1,708,525</u>    |
| <br><b>CHANGE IN DONOR<br/>RESTRICTED NET ASSETS</b> |                                 |                              |                     |
| Net assets released from restriction                 | <u>(151,468)</u>                | <u>151,468</u>               | <u>-</u>            |
| <br>   |                                 |                              |                     |
| CHANGE IN NET ASSETS                                 | 17,064                          | 166,645                      | 183,709             |
| <br>   |                                 |                              |                     |
| NET ASSETS, beginning of year                        | <u>2,973,245</u>                | <u>1,081,647</u>             | <u>4,054,892</u>    |
| <br>   |                                 |                              |                     |
| NET ASSETS, end of year                              | <u>\$ 2,990,309</u>             | <u>\$ 1,248,292</u>          | <u>\$ 4,238,601</u> |

The accompanying notes are an integral part of these financial statements.

**AMERICAN TRUCK HISTORICAL SOCIETY  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2020**

|  | <u>Without<br/>Restrictions</u> | <u>With<br/>Restrictions</u> | <u>Total</u>        |
|--|---------------------------------|------------------------------|---------------------|
| <b>REVENUES AND GAINS</b>                              |                                 |                              |                     |
| Memberships  | \$ 566,713                      | \$ -                         | \$ 566,713          |
| Convention   | 39,052                          | -                            | 39,052              |
| Magazine sales   | 264,135                         | -                            | 264,135             |
| Investment income                                      | 144,077                         | -                            | 144,077             |
| Contributions  | 498,706                         | 41,641                       | 540,347             |
| Rent   | 122,252                         | -                            | 122,252             |
| Advertising  | 38,720                          | -                            | 38,720              |
| Royalties  | 36,439                          | -                            | 36,439              |
| Merchandise sales                                      | 40,374                          | -                            | 40,374              |
| Miscellaneous  | <u>2,899</u>                    | <u>-</u>                     | <u>2,899</u>        |
| <br>   |                                 |                              |                     |
| TOTAL REVENUES AND GAINS                               | 1,753,367                       | 41,641                       | 1,795,008           |
| <br><b>EXPENSES</b>                                    |                                 |                              |                     |
| Program  | 1,133,023                       | -                            | 1,133,023           |
| Management   | 289,594                         | -                            | 289,594             |
| Fundraising  | <u>127,976</u>                  | <u>-</u>                     | <u>127,976</u>      |
| <br>   |                                 |                              |                     |
| TOTAL EXPENSES   | <u>1,550,593</u>                | <u>-</u>                     | <u>1,550,593</u>    |
| <br><b>CHANGE IN TEMPORARILY<br/>RESTRICTED ASSETS</b> |                                 |                              |                     |
| Net assets released from restriction                   | <u>(176,321)</u>                | <u>176,321</u>               | <u>-</u>            |
| <br>   |                                 |                              |                     |
| CHANGE IN NET ASSETS                                   | 26,453                          | 217,962                      | 244,415             |
| <br>   |                                 |                              |                     |
| NET ASSETS, beginning of year                          | <u>2,946,792</u>                | <u>863,685</u>               | <u>3,810,477</u>    |
| <br>   |                                 |                              |                     |
| NET ASSETS, end of year                                | <u>\$ 2,973,245</u>             | <u>\$ 1,081,647</u>          | <u>\$ 4,054,892</u> |

The accompanying notes are an integral part of these financial statements.

**AMERICAN TRUCK HISTORICAL SOCIETY**  
**SCHEDULE OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2021 (WITH 2020 MEMORANDUM TOTALS)**

|                                   | <u>Program</u>      | <u>Management</u> | <u>Fundraising</u> | <u>2021<br/>Total</u> | <u>2020<br/>Total</u> |
|-----------------------------------|---------------------|-------------------|--------------------|-----------------------|-----------------------|
| Compensation, benefits, and taxes | \$ 350,008          | \$ 143,553        | \$ 81,890          | \$ 575,451            | \$ 585,886            |
| Convention                        | 199,508             | -                 | -                  | 199,508               | 64,437                |
| Magazines                         | 165,098             | -                 | -                  | 165,098               | 164,659               |
| Building                          |                     |                   |                    |                       |                       |
| Utilities                         | 42,422              | 30,639            | 5,500              | 78,561                | 73,338                |
| Cleaning and janitorial           | 11,895              | 8,590             | 1,542              | 22,027                | 24,839                |
| Landscaping                       | 13,917              | 10,051            | 1,804              | 25,772                | 16,267                |
| Insurance                         | 532                 | 385               | 69                 | 986                   | -                     |
| Repairs and maintenance           | 17,120              | 12,366            | 2,220              | 31,706                | 20,740                |
| Subtotal                          | <u>85,886</u>       | <u>62,031</u>     | <u>11,135</u>      | <u>159,052</u>        | <u>135,184</u>        |
| Postage and delivery              | 79,093              | 11,864            | 7,909              | 98,866                | 91,543                |
| Depreciation                      | 50,019              | 36,125            | 6,484              | 92,628                | 85,031                |
| Contract labor                    | 56,680              | 8,502             | 5,668              | 70,850                | 23,411                |
| Computer                          | 47,519              | 7,128             | 4,752              | 59,399                | 56,718                |
| Service charges                   | 31,458              | 4,718             | 3,146              | 39,322                | 33,550                |
| Insurance                         | 18,183              | 13,132            | 2,357              | 33,672                | 45,490                |
| Telephone                         | 22,420              | 3,362             | 2,242              | 28,024                | 20,625                |
| Merchandise sold                  | 23,914              | -                 | -                  | 23,914                | 24,349                |
| Professional fees                 | 17,547              | 2,632             | 1,755              | 21,934                | 22,218                |
| Other events                      | 21,681              | -                 | -                  | 21,681                | -                     |
| Repairs and maintenance           | 13,352              | 2,002             | 1,335              | 16,689                | 15,418                |
| Office supplies                   | 12,082              | 1,812             | 1,208              | 15,102                | 11,195                |
| Miscellaneous                     | 12,183              | 1,560             | 959                | 14,702                | 15,782                |
| Member development                | 10,785              | 1,618             | 1,078              | 13,481                | 6,964                 |
| Promotions                        | 10,070              | 1,510             | 1,007              | 12,587                | 7,624                 |
| Hall of fame                      | 11,783              | -                 | -                  | 11,783                | -                     |
| Chapter development               | 10,535              | -                 | -                  | 10,535                | 1,495                 |
| Registration fees and taxes       | 5,887               | 884               | 589                | 7,360                 | 2,360                 |
| Donation                          | 3,673               | -                 | -                  | 3,673                 | 113,000               |
| Dues and subscriptions            | 2,540               | 382               | 254                | 3,176                 | 1,417                 |
| Printing                          | 2,089               | 314               | 209                | 2,612                 | 5,243                 |
| Storage                           | 1,920               | 288               | 192                | 2,400                 | 2,600                 |
| Board and committee               | 2,030               | 113               | 113                | 2,256                 | 10,623                |
| Scholarships                      | 1,500               | -                 | -                  | 1,500                 | 2,167                 |
| Library/MAP                       | 1,016               | 152               | 102                | 1,270                 | 1,604                 |
| <b>TOTAL</b>                      | <u>\$ 1,270,459</u> | <u>\$ 303,682</u> | <u>\$ 134,384</u>  | <u>\$ 1,708,525</u>   | <u>\$ 1,550,593</u>   |

The accompanying notes are an integral part of these financial statements.



**AMERICAN TRUCK HISTORICAL SOCIETY  
SCHEDULE OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2020**

|                                   | <u>Program</u>             | <u>Management</u>        | <u>Fundraising</u>       | <u>2020<br/>Total</u>      |
|-----------------------------------|----------------------------|--------------------------|--------------------------|----------------------------|
| Compensation, benefits, and taxes | \$ 356,197                 | \$ 146,208               | \$ 83,481                | \$ 585,886                 |
| Magazines                         | 164,659                    | -                        | -                        | 164,659                    |
| Building                          |                            |                          |                          |                            |
| Utilities                         | 39,602                     | 28,602                   | 5,134                    | 73,338                     |
| Cleaning and janitorial           | 13,413                     | 9,687                    | 1,739                    | 24,839                     |
| Landscaping                       | 8,784                      | 6,344                    | 1,139                    | 16,267                     |
| Repairs and maintenance           | 11,199                     | 8,089                    | 1,452                    | 20,740                     |
| Subtotal                          | 72,998                     | 52,722                   | 9,464                    | 135,184                    |
| Donation                          | 113,000                    | -                        | -                        | 113,000                    |
| Postage and delivery              | 73,234                     | 10,986                   | 7,323                    | 91,543                     |
| Depreciation                      | 45,917                     | 33,162                   | 5,952                    | 85,031                     |
| Convention                        | 64,437                     | -                        | -                        | 64,437                     |
| Computer                          | 45,375                     | 6,806                    | 4,537                    | 56,718                     |
| Insurance                         | 24,565                     | 17,741                   | 3,184                    | 45,490                     |
| Service charges                   | 26,840                     | 4,026                    | 2,684                    | 33,550                     |
| Merchandise sold                  | 24,349                     | -                        | -                        | 24,349                     |
| Contract labor                    | 18,728                     | 2,810                    | 1,873                    | 23,411                     |
| Professional fees                 | 17,775                     | 2,666                    | 1,777                    | 22,218                     |
| Telephone                         | 16,499                     | 2,476                    | 1,650                    | 20,625                     |
| Miscellaneous                     | 14,316                     | 3,098                    | 1,280                    | 18,694                     |
| Repairs and maintenance           | 12,335                     | 1,850                    | 1,233                    | 15,418                     |
| Office supplies                   | 8,955                      | 1,344                    | 896                      | 11,195                     |
| Board and committee               | 9,561                      | 531                      | 531                      | 10,623                     |
| Promotions                        | 6,100                      | 914                      | 610                      | 7,624                      |
| Member development                | 5,571                      | 836                      | 557                      | 6,964                      |
| Printing                          | 4,194                      | 630                      | 419                      | 5,243                      |
| Storage                           | 2,080                      | 312                      | 208                      | 2,600                      |
| Registration fees and taxes       | 1,887                      | 284                      | 189                      | 2,360                      |
| Scholarships                      | 2,167                      | -                        | -                        | 2,167                      |
| Library/MAP                       | 1,284                      | 192                      | 128                      | 1,604                      |
| Other events                      | -                          | -                        | -                        | -                          |
| Director's expense                | -                          | -                        | -                        | -                          |
| <b>TOTAL</b>                      | <b><u>\$ 1,133,023</u></b> | <b><u>\$ 289,594</u></b> | <b><u>\$ 127,976</u></b> | <b><u>\$ 1,550,593</u></b> |

The accompanying notes are an integral part of these financial statements.

**AMERICAN TRUCK HISTORICAL SOCIETY  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020**

|   | <u>2021</u>         | <u>2021</u>         |
|---|---------------------|---------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                 |                     |                     |
| Increase in net assets                                      | \$ 183,709          | \$ 244,415          |
| Depreciation and amortization                               | 92,628              | 85,031              |
| Change in operating assets and liabilities:                 |                     |                     |
| Accounts receivable   | (7,850)             | (19,447)            |
| Inventory held for sale                                     | 37,097              | (172,092)           |
| Prepaid expenses  | (1,794)             | (10,526)            |
| Accounts payable  | (16,739)            | 16,257              |
| Accrued expenses  | (12,083)            | (5,776)             |
| Showtime payable  | -                   | 12,000              |
| Deferred revenue  | <u>(6,148)</u>      | <u>766</u>          |
| <b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>            | <u>268,820</u>      | <u>150,628</u>      |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                 |                     |                     |
| Net proceeds from short-term debt                           | (35,138)            | 21,828              |
| Purchases of property and equipment                         | <u>(281,901)</u>    | <u>(10,623)</u>     |
| <b>NET CASH PROVIDED (USED) BY<br/>INVESTING ACTIVITIES</b> | <u>(317,039)</u>    | <u>11,205</u>       |
| <b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>              | (48,219)            | 161,833             |
| <b>CASH AND CASH EQUIVALENTS, beginning of year</b>         | <u>1,424,955</u>    | <u>1,263,122</u>    |
| <b>CASH AND CASH EQUIVALENTS, end of year</b>               | <u>\$ 1,376,736</u> | <u>\$ 1,424,955</u> |
| <br>Cash paid during the year for:                          |                     |                     |
| Interest  | \$ 430              | \$ 2,730            |
| Taxes   | \$ -                | \$ 246              |

The accompanying notes are an integral part of these financial statements.

**AMERICAN TRUCK HISTORICAL SOCIETY  
NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 1. ORGANIZATION AND NATURE OF ACTIVITIES**

**Organization**

The American Truck Historical Society (the Society) was incorporated in the state of Illinois on March 24, 1971 as a nonprofit entity. The Society was organized for the collection and preservation of the dynamic history of trucks, the trucking industry, and its pioneers. The Society had 16,884 and 18,971 members as of December 31, 2021, and 2020, respectively.

**Nature of Activities**

The Society maintains a Library and Museum Collection in Kansas City, Missouri. Library and museum collections consist of historical objects acquired by gift or purchase. The values of the historical objects acquired by gift for which the Society can make a reasonable estimate, or which have been appraised, are recorded in the financial statements based on estimates or appraisals. Historical objects acquired by purchase are recorded at cost. The collections are considered inexhaustible and are not depreciated. The Society meets annually in the spring of each year throughout the United States to foster the promotion and preservation of the history of trucks.

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES**

**Method of Accounting**

The Society's financial statements are prepared on the accrual basis of accounting, which conforms to accounting principles generally accepted in the United States of America.

**Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Financial Statement Presentation**

Net assets and revenue, gains and losses are classified based on donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as:

Without Donor Restrictions – Those resources not subject to donor-imposed restrictions. The board of directors has discretionary control over these resources.

With Donor Restrictions – Those resources subject to donor-imposed restrictions that will be satisfied by action of the Organization or the passage of time.

**AMERICAN TRUCK HISTORICAL SOCIETY  
NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES - continued**

**Cash and Cash Equivalents**

The Society considers all highly liquid debt instruments with an original maturity of three months or less to be cash equivalents.

**Contributions and Receivables**

The Society utilizes FASB ASC 985-605, "Not-for-Profit Revenue Recognition". This standard requires that unconditional promises to give be recorded as receivables and revenues and requires the Society to distinguish between contributions received for each net asset category in accordance with donor-imposed restrictions. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted by the donor for future periods or specific purposes are reported as temporarily restricted or permanently restricted revenues that increase those net asset classes. However, if a restriction is met in the same time period in which the contribution is received, the Society reports the revenue as unrestricted. Conditional promises to give are not included as revenue until the conditions are substantially met.

**Revenue**

The Society derives unrestricted revenue through memberships, rental of unused office space, a national convention and by selling items that were purchased, produced, or donated for sale. Examples include the sale of magazines and publications, reproductions, articles of clothing, and advertising space. Such sales are often cash sales at the Kansas City, MO facility or mail order sales. Memberships, rent, convention income and sales are recorded as revenue at the time of sale or shipment. Magazine sales, however, are recognized over the period to which the subscription applies, and deferred revenues are recorded for subscriptions relating to future periods.

**Property and Equipment**

The Organization capitalizes all expenditures in excess of \$1,000 for property and equipment at cost. Contributed property and equipment is recorded at fair value at the date of donation. If donors stipulate how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulations, contributions of property and equipment are recorded as unrestricted support.

Depreciation is provided over the estimated useful lives of the respective assets from five to forty years based on a straight-line basis. Routine repairs and maintenance are expensed as incurred.

**AMERICAN TRUCK HISTORICAL SOCIETY  
NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES – continued**

**Donated Services**

Donated services are reflected as contributions at their estimated value at the date of receipt. Contributed services are recorded if they required specialized skills which would typically need to be purchased if not provided by donation. The Society had no donations which met this criterion in 2021 and 2020.

**Fair Value Measurements**

The Society uses FASB ASC 820-10, “Fair Value Measurements”, which provides a framework for measuring fair value under generally accepted accounting principles. This measure applies to all financial instruments being measured and reported on a fair value basis.

**NOTE 3. CONCENTRATION OF CREDIT RISK**

The Society maintains cash balances at various financial institutions. The balance at each institution is insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2021 and 2020, the Society’s had no uninsured cash balances.

**NOTE 4. CASH AVAILABLE FOR OPERATIONS**

Cash and cash equivalents of \$1,376,736 and \$1,424,955 as of December 31, 2021, and 2020, respectively, have been set aside for the additions to the library and for capital costs related to the acquisition of land and buildings for the national headquarters.

|                                     | <u>2021</u>        | <u>2020</u>        |
|-------------------------------------|--------------------|--------------------|
| Cash and cash equivalents           | \$ 1,376,736       | \$ 1,424,955       |
| Less: Board restriction             | -                  | (214,894)          |
| Permanently restricted<br>(Note 11) | <u>(1,248,292)</u> | <u>(1,081,647)</u> |
| Cash available for operations       | <u>\$ 128,444</u>  | <u>\$ 128,414</u>  |

**NOTE 5. INVENTORY HELD FOR RESALE**

The Society purchases for resale books, photos and clothing related to the trucking industry. The value of remaining inventory as of December 31, 2021, and 2020 was \$79,399 and \$59,131 respectively, based on the lower of cost or market method. The Society also received a donation of a toy truck collection which is available for sale. The remaining value of the collection as of December 31, 2021 was \$223,948.

**AMERICAN TRUCK HISTORICAL SOCIETY  
NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 6. PREPAID EXPENSES**

Prepaid expenses as of December 31, 2021, and 2020 are as follows:

|                             | <u>2021</u>      | <u>2020</u>      |
|-----------------------------|------------------|------------------|
| Prepaid convention expenses | \$ 16,872        | \$ 18,875        |
| Prepaid postage             | 7,251            | 7,251            |
| Prepaid insurance           | <u>9,734</u>     | <u>5,937</u>     |
| Total                       | <u>\$ 33,857</u> | <u>\$ 32,063</u> |

**NOTE 7. PROPERTY AND EQUIPMENT**

Depreciation and amortization expense was \$92,628 and \$85,031 for the years ended December 31, 2021 and 2020, respectively. Property and equipment and the related accumulated depreciation as of December 31, 2021, and 2020 are as follows:

|  | <u>2021</u>         | <u>2020</u>         |
|--|---------------------|---------------------|
| Building                                       | \$ 2,820,563        | \$ 2,607,617        |
| Office furniture and equipment                 | 516,517             | 453,862             |
| Leasehold improvements                         | 185,710             | 179,430             |
| Land   | <u>200,020</u>      | <u>200,000</u>      |
| Subtotal                                       | 3,722,810           | 3,440,909           |
| Less accumulated depreciation and amortization | <u>(1,704,127)</u>  | <u>(1,611,499)</u>  |
| Net property and equipment                     | <u>\$ 2,018,683</u> | <u>\$ 1,829,410</u> |

**NOTE 8. ACCRUED EXPENSES**

Accrued expenses as of December 31, 2021, and 2020 are as follows:

|                         | <u>2021</u>      | <u>2020</u>      |
|-------------------------|------------------|------------------|
| Property taxes          | \$ 35,629        | \$ 13,682        |
| Wages and payroll taxes | <u>18,016</u>    | <u>27,880</u>    |
| Total                   | <u>\$ 53,645</u> | <u>\$ 41,562</u> |

**AMERICAN TRUCK HISTORICAL SOCIETY  
NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 9. EMPLOYEE BENEFIT PLAN**

The Society offers staff employees the opportunity for participation in an IRA retirement plan. The employee becomes eligible after one year of employment. The Society contributes 1.0% of the employee's salary for every 1.0% contributed by the employee, up to a Society maximum contribution of 3.0%. The Society in 2021 and 2020 contributed \$1,048 and \$4,731, respectively, towards the employee retirement plan.

**NOTE 10. INCOME TAX STATUS**

The Society is an exempt organization for federal income tax purposes under Internal Revenue Code Section 501 (c)(3); therefore, no federal income taxes have been provided for. The Society is classified by the Internal Revenue Service as other than a private foundation. However, the Society did report unrelated business loss from the lease of unused office space in 2021 and 2020, respectively.

**NOTE 11. PERMANENTLY RESTRICTED NET ASSETS**

The Greater Kansas City Community Fund holds the monies for the endowment established to ensure the long-term viability of the Society. Monies are added to the endowment by purpose donations from the members of the Society and organizational reserves as designated by the Board of Directors. Permanently restricted net assets totaled \$1,248,292 and \$1,081,647, respectively, at December 31, 2021 and 2020. The Society has placed all past, present, and will place future Life and Endowing dues in this fund, with only the income from this fund may be used for operating expenses.

**NOTE 12. FUNCTIONAL ALLOCATION OF EXPENSES**

The cost of providing the various programs and activities has been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting activities benefited.

**AMERICAN TRUCK HISTORICAL SOCIETY  
NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 13. COMMITMENT AND CONTINGENCIES**

The Society leases out 32% of the Kansas City, MO facility to two unrelated entities. The leases reduced unrestricted net assets through the loss of the real estate tax exemption for the portion used by the tenant, \$7,143 and \$444 for the years 2021 and 2020, respectively. The entire real estate tax is the sole responsibility of the tenant, the taxes are paid by the Society and is reimbursed by the tenant. Then rental income defrayed operating costs of \$133,006 and \$122,696 in 2021 and 2020, respectively. A major tenant signed an eight-year lease effective May 1, 2019 for a current, monthly lease amount of \$10,478. The lease payment increases slightly after each two-year period. In October 2018, another tenant signed a ten-year lease for \$1,112 per year. The entire operating cost allocated to the rental of the building would have been substantially incurred without regard to having a tenant occupying a portion of the building.

**NOTE 14. – SUBSEQUENT EVENTS**

The Company has evaluated subsequent events through April 25, 2022, the date which the financial statements were available to be issued. Nothing material was found.



**SUPPLEMENTARY INFORMATION**

**AMERICAN TRUCK HISTORICAL SOCIETY  
SCHEDULES OF UNRELATED BUSINESS INCOME  
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020**

|                                   | <b>2021</b> | <b>2020</b> |
|-----------------------------------|-------------|-------------|
| Income:                           |             |             |
| Rent Income                       | \$ 125,863  | \$ 122,252  |
| Expenses:                         |             |             |
| Building                          |             |             |
| Utilities                         | \$ 25,139   | \$ 23,468   |
| Repairs and maintenance           | 10,146      | 6,637       |
| Landscaping                       | 8,247       | 5,205       |
| Cleaning and janitorial           | 7,048       | 7,948       |
| Depreciation and amortization     | 29,641      | 27,210      |
| Compensation, benefits, and taxes | 21,966      | 17,959      |
| Insurance                         | 11,091      | 14,557      |
| Postage and printing              | 6,089       | 5,493       |
| Miscellaneous                     | 5,618       | 7,883       |
| Service charges                   | 2,359       | 2,013       |
| Telephone                         | 1,681       | 1,238       |
| Repairs and maintenance           | 1,001       | 925         |
| Professional fees                 | 877         | 889         |
| Office supplies                   | 906         | 672         |
| Marketing                         | 755         | 457         |
| Registration fees and taxes       | 442         | 142         |
| Total expenses                    | 133,006     | 122,696     |
| Net unrelated business loss       | \$ (7,143)  | \$ (444)    |