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March 28, 2024

Members of the Board of Directors and Management
F.M. Kirby Foundation, Inc
17 Dehart Street
Morristown, NJ 07963

We have audited the financial statements of F.M. Kirby Foundation, Inc. (the "Foundation") for the year ended December 31, 2023, and we will issue our report thereon dated March 28, 2024. Professional standards require that we advise you of the following matters relating to our audit.

Under Separate Engagements We* Also Provide the Following Services
* ("We", "our" or "firm" as used in this letter may refer to EisnerAmper LLP and/or Eisner Advisory Group LLC, as applicable)

We provide assistance with the preparation and submission of the F.M Kirby Foundation, Inc.'s federal Form 990-PF.

Our Responsibility under Generally Accepted Auditing Standards

As communicated in our engagement letter dated January 16, 2024, our responsibility, as described by professional standards and as described above, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as described by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether financial statements and related disclosures are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, as part of our audit, we considered the internal control of F.M. Kirby Foundation, Inc. solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control, and we express no opinion on the effectiveness of internal control over financial reporting.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

"EisnerAmper" is the brand name under which EisnerAmper LLP and Eisner Advisory Group LLC and its subsidiary entities provide professional services. EisnerAmper LLP and Eisner Advisory Group LLC are independently owned firms that practice in an alternative practice structure in accordance with the AICPA Code of Professional Conduct and applicable law, regulations and professional standards. EisnerAmper LLP is a licensed CPA firm that provides attest services, and Eisner Advisory Group LLC and its subsidiary entities provide tax and business consulting services. Eisner Advisory Group LLC and its subsidiary entities are not licensed CPA firms.

Planned Scope and Timing of the Audit

We are required to communicate an overview of the planned scope and timing of the audit. We previously communicated our planned scope and timing to you in the engagement letter dated January 16, 2024, and during our meeting about planning matters on January 25, 2024.

Compliance with All Ethics Requirements Regarding Independence

Generally accepted auditing standards require independence for all audits. The auditor is required to communicate to those charged with governance circumstances or relationships (for example, financial interests, business or family relationships, or non-audit services provided or expected to be provided) that, in the auditor's professional judgment, may reasonably be thought to bear on independence, and to which the auditors gave significant consideration in reaching the conclusion that independence had not been impaired.

The engagement team, others in our firm, as appropriate, and our firm have complied with all relevant ethical requirements regarding independence.

Materiality in the Context of an Audit

The concept of materiality in planning and executing the audit included the consideration that:

- Misstatements, including omissions, are considered to be 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.
- Judgments about materiality are made in light of surrounding circumstances and are affected by the size or nature of a misstatement, or a combination of both.
- Judgments about materiality involve both qualitative and quantitative considerations.
- Judgments about matters that are material to users of the financial statements are based on a consideration of the common financial information needs of users as a group. The possible effect of misstatements on specific individual users, whose needs may vary widely, is not considered.

The auditor's determination of materiality is a matter of professional judgment and is affected by the auditor's perception of the financial information needs of users of the financial statements.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by F.M. Kirby Foundation, Inc. is included in Note A to the financial statements.

All significant transactions have been recognized in the financial statements in the proper period.

We noted no accounting policies in controversial areas or areas for which there is a lack of authoritative guidance or consensus, or diversity in practice.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements is the estimated fair value of investments and investment management fees and the federal excise tax.

Management's estimate of the fair value is based on pricing information obtained from a third-party subscription based service and information received from investment managers. Management's estimate of the federal excise tax calculation is based on net investment income for the year. We evaluated the key factors and assumptions used to develop the fair value of investments and the federal excise tax and determined that it is reasonable in relation to the basic financial statements taken as a whole.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users.

We consider the disclosures in F.M. Kirby Foundation, Inc.'s financial statements to be adequate and neutral in content, consistent, and clear.

Significant Unusual Transactions

For purposes of this report, professional standards define significant unusual transactions as transactions that are outside the normal course of business for the Organization or that otherwise appear to be unusual due to their timing, size or nature.

We noted no significant unusual transactions during our audit.

Related Party Relationships and Transactions

As part of our audit, we evaluated the Organization's identification of, accounting for, and disclosure of the Organization's relationships and transactions with related parties as required by professional standards. Related party transactions, as described in ASC 850, *Related Party Disclosures*, are transactions that involve the transfer of assets or liabilities or the performance of services by, to or for a related party irrespective of whether a price is charged. We noted no:

- Related parties or related party relationships or transactions that were previously undisclosed to us;
- Significant related-party transactions that have not been approved in accordance with the Organization's policies and procedures or for which exceptions to the Organization's policies and procedures were granted; or
- Significant related party transactions that appeared to lack a business purpose.

Uncorrected and Corrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. No audit adjustments were identified in connection with our audit of the financial statements.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the Organization's financial statements or to the auditor's report. We are pleased to report that no such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the attached letter dated March 28, 2024.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing or accounting matters.

Other Significant Matters, Findings or Issues

In the normal course of our professional association with F.M. Kirby Foundation, Inc., we have generally discussed a variety of matters, including the application of accounting principles and auditing standards, business conditions affecting the entity, and business plans and strategies that may affect the risks of material misstatement. However, these discussions occurred in the normal course of our professional relationship and none of the matters discussed resulted in a condition to our retention as the auditors of the F.M. Kirby Foundation, Inc.'s financial statements.

Restriction

This letter is intended solely for the information and use of the Board of Directors and management of F.M. Kirby Foundation, Inc. and is not intended to be used, and should not be used, for any other purpose.

Very truly yours,

EISNERAMPER LLP

EisnerAmper LLP

Attachments:

Management representation letter

F. M. KIRBY FOUNDATION, INC.
17 DEHART STREET
MORRISTOWN, N.J. 07960
973-538-4800

March 28, 2024

EisnerAmper LLP
111 Wood Ave. South
Iselin, NJ 08830

Ladies and Gentlemen:

This representation letter is provided in connection with your audits of the financial statements of F.M. Kirby Foundation, Inc. (the "Foundation"), which comprise the statements of financial position as of December 31, 2023 and 2022. and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements. Your audit was conducted for the purpose of expressing an opinion on whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of March 28,2024.

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated January 16, 2024 including our responsibilities for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP.

2. The financial statements referred to above are fairly presented in conformity with U.S. GAAP.

3. We acknowledge our responsibility 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.

4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.

5. We understand that you have examined or tested accounting records of the Foundation and obtained other supporting evidence by methods (and to the extent) you deemed appropriate for the purpose of expressing an opinion on the financial statements but that such procedures would not necessarily disclose all fraud should any exist.

6. The methods, data, and significant assumptions used by us in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement, or disclosure that is reasonable in accordance with U.S. GAAP.

7. All related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.

8. All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.

9. The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.

10. Significant estimates and material concentrations have been properly disclosed in accordance with U.S. GAAP:

    - relationships with other entities (including, but not limited to, affiliates, equities in privately held corporations, membership in a controlled group, etc.)
    - related-party transactions and related amounts receivable or payable, including revenues, expenses, loans, transfers, leasing arrangements, and guarantees (including, but not limited to all transactions with Board members, affiliated Foundations, or other Foundations controlled by or under common control with the Foundation)

11. There are no:

    a. guarantees, whether written or oral, under which the Foundation is contingently liable;

    b. other liabilities or gain or loss contingencies that are required to be accrued or disclosed;

    c. designations of net assets disclosed to you that were not properly authorized and approved, or reclassifications of net assets that have not been properly reflected in the financial statements; or

    d. agreements to repurchase assets previously sold or otherwise disposed.

12. We have evaluated and classified any subsequent events as recognized or non-recognized and disclosed the date through which this determination was made. No events, including instances of noncompliance, have occurred subsequent to December 31, 2023 and through the date of this letter, that would require adjustment to or disclosure in the financial statements.

13. We manage our investments in accordance with our investment policies. All investments and earnings thereon have been properly recorded in our financial records and reported in the financial statements.

We review and evaluate the values provided by the managers of our limited partnership investment that is not publicly traded and believe the carrying amounts of that investment is reported at a reasonable estimate of its fair values. We acknowledge that those estimated values may differ significantly from the value that would have been used had a ready market for those instruments existed.

The Financial Accounting Standards Board provides accounting guidance on measuring the fair value of certain investments such as private equity funds and hedge funds, to offer investors a practical expedient for measuring the fair value of investments in certain entities that calculate net asset value ("NAV"). Under this practical expedient, the Foundation is permitted to use NAV without adjustment for certain investments that qualified under the guidance. The Foundation's investments in funds fitting this description are carried at fair value based on NAV.

14. Only assets available for general operating purposes are reported as net assets without donor restrictions in the financial statements. Assets subject to donors' and grantors' restrictions or use for limited purposes are included in the financial statements as net assets with donor restrictions.

15. The financial statements referred to above include all assets under the Foundation's control. The Foundation does not have a relationship with another entity in which the elements of control and economic benefit would require that the financial statements of the other entity be combined or consolidated with those of the Foundation.

16. The Foundation has satisfactory title to all reported assets. Allowances for depreciation and/or impairments have been adjusted for all important items of property, plant, and equipment that have been sold, abandoned or are otherwise unusable. No security agreements have been executed under the provisions of the Uniform Commercial Code and there are no liens or encumbrances on assets nor has any asset been pledged.

17. There were no material commitments for construction or acquisition of property, plant, and equipment or to acquire other noncurrent assets, such as investments or intangibles.

18. Specifically identifiable expenditures have been properly classified to programmatic and supporting expense categories. Where expenditures made have related to two or more functional categories, objective bases of cost allocation have been applied by management.

19. We have accurately presented the Foundation's position regarding taxation and tax-exempt status.

20. The bases used for allocation of functional expenses are reasonable and appropriate.

21. We have included in the financial statements all assets and liabilities under the Foundation's control.

22. We have designed, implemented, and maintained adequate internal controls over the receipt and recording of contributions.

23. Methods and significant assumptions used by management to determine fair values, their consistency in application, and the completeness and adequacy of fair value information for financial statement measurement and disclosure purposes are appropriate.

24. In regard to the preparation of 990PF Tax Form that will be performed by you, we will:

- Make all management decisions and will perform all management functions;
- Designate an individual with suitable skill, knowledge, or experience to oversee the services; and
- Establish and maintain internal controls, including monitoring activities.

Information Provided

1. We have provided you with:

   a) Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements, such as records (including information obtained from outside the general and subsidiary ledgers), documentation, and other matters;

   b) Additional information that you have requested from us for the purpose of the audit;

   c) Unrestricted access to persons within the Foundation from whom you determined it necessary to obtain audit evidence;

   d) All minutes of the meetings of stockholders, directors, and committees of directors, or summaries of actions of recent meetings for which minutes were not yet prepared; and

2. All material transactions have been recorded in the accounting records and are reflected in the financial statements.

3. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

4. We have disclosed to you all information that we are aware of regarding fraud or suspected fraud that affects the Foundation and involves:
   - Management;
   - Employees who have significant roles in internal control; or
   - Others when the fraud could have a material effect on the financial statements.

5. We have disclosed to you all information that we are aware of regarding allegations of fraud or suspected fraud affecting the Foundation's financial statements communicated by employees, former employees, analysts, regulators, or others.

6. We have disclosed to you that we are not aware of any instances of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements.

7. We are not aware of any pending or threatened litigation, claims and assessments whose effects should be considered when preparing the financial statements.

8. We have disclosed to you the identity of the Foundation's related parties and all the related party relationships and transactions of which we are aware.

9. We have satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.

10. With respect to the Foundation's tax status:
    a. The Foundation has met all conditions necessary to maintain tax-exempt status under Section 501(c)(3) of the Internal Revenue Code (including, but not limited to, the filing of all appropriate information returns with all applicable federal, state, and local agencies that are due as of the date of this letter);
    b. We are unaware of, and have not engaged in, any activities that would jeopardize the Foundation's tax-exempt status, including, but not limited to, political or lobbying activities;
    c. We are unaware of any activities the Foundation is currently engaging in that would be subject to tax on unrelated business income; and;
    d. We believe that, due to the Foundation's general not-for-profit status, accounting and reporting for uncertainty in income taxes has not had, and is not anticipated to have, a material impact on the Foundation's financial statements.

11. All material contracts entered into (e.g., employment, construction, etc.) have been approved by the Board of Directors. In addition, appropriate due-diligence has been conducted with regard to the fairness and appropriate costs of these contracts. We are unaware of any persons who have engaged or who are engaging in a non-fair-market-value transaction ("excess benefit transaction") with the Foundation, directly or indirectly, and have done proper due-diligence to prevent against any persons receiving unreasonable compensation.

12. The Foundation has not incurred "join fund-raising costs" whereby fundraising costs with a programmatic appeal have been allocated to program activities within the statements of functional expenses.

13. We are responsible for compliance with laws, regulations, and provisions of contracts and grant agreements applicable to us, and we have identified and disclosed to you all laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial-statement amounts or other financial data significant to the audit objectives.

F. M. KIRBY FOUNDATION, INC.
17 DEHART STREET
MORRISTOWN, N.J. 07960
973-538-4800

14. We believe that there are no known significant conditions, events, or circumstances that currently impact the Foundation's ability to continue as a going concern.

15. We have responded fully and truthfully to all inquiries made to us by you during your audits.

Very truly yours,

F.M. Kirby Foundation, Inc.

By: ______________________
Justin Kiczek, Executive Director

By: ______________________
Helen Benson, Director of Finance

F.M. KIRBY FOUNDATION, INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2023 and 2022

F.M. KIRBY FOUNDATION, INC.

Contents

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
F.M. Kirby Foundation, Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of F.M. Kirby Foundation, Inc. (the "Foundation"), which comprise the statements of financial position as of December 31, 2023 and 2022, and the related statements of activities, functional expenses, and cash flows for each of the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of F.M. Kirby Foundation, Inc. as of December 31, 2023 and 2022, and the changes in its net assets and its cash flows for each of 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 ("U.S. GAAS"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Foundation 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 these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

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Auditors' 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 auditors' 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 U.S. GAAS 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 U.S. GAAS, we:

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

EisnerAmper LLP

EISNERAMPER LLP
Iselin, New Jersey
March 28, 2024

F.M. KIRBY FOUNDATION, INC.

Statements of Financial Position

	December 31,	
	2023	**2022**
ASSETS		
Cash and cash equivalents	**$ 812,217**	$ 96,692
Investments	**353,136,520**	322,700,945
Accrued investment income	**179,479**	1,609,986
Art and other collectible items	**20,705**	20,705
Total assets	**$ 354,148,921**	$ 324,428,328
LIABILITIES		
Accounts payable and accrued expenses	**$ 244,190**	$ 507,753
Excise taxes payable	**-**	156,022
Promises to give	**1,695,000**	612,500
Total liabilities	**1,939,190**	1,276,275
NET ASSETS		
Without donor restrictions	**352,209,731**	323,152,053
Total liabilities and net assets	**$ 354,148,921**	$ 324,428,328

F.M. KIRBY FOUNDATION, INC.

Statements of Activities

	Year Ended December 31, 2023	Year Ended December 31, 2022
Investment income:		
Net realized and unrealized gains (losses) on investments	**$ 38,825,101**	$ (67,310,593)
Dividends and interest, net of investment management fees	**8,327,728**	16,509,584
Total investment income (loss)	**47,152,829**	(50,801,009)
Expenses:		
Program services	**17,539,399**	14,827,699
Supporting services	**555,752**	652,990
Total expenses	**18,095,151**	15,480,689
Change in net assets without donor restrictions	**29,057,678**	(66,281,698)
Net assets without donor restrictions, beginning of year	**323,152,053**	389,433,751
Net assets without donor restrictions, end of year	**$ 352,209,731**	$ 323,152,053

F.M. KIRBY FOUNDATION, INC.

Statements of Functional Expenses

	Year Ended December 31, 2023		
	Program Services	Supporting Services	Total
Grants	$ 16,513,675	$ -	$ 16,513,675
Federal excise tax	-	157,000	157,000
Salaries	632,174	210,724	842,898
Insurance	113,122	37,707	150,829
Tax deferred retirement plan contributions	57,673	19,224	76,897
Office and related expenses	59,869	19,956	79,825
Consulting fees	25,709	8,570	34,279
Accounting and legal	-	56,844	56,844
Payroll taxes and related expenses	50,580	16,860	67,440
Software maintenance, tech support	46,231	15,410	61,641
Online services, license fees	20,874	6,960	27,834
Education/professional development	19,492	6,497	25,989
	$ 17,539,399	$ 555,752	$ 18,095,151

	Year Ended December 31, 2022		
	Program Services	Supporting Services	Total
Grants	$ 13,941,300	$ -	$ 13,941,300
Federal excise tax	-	296,016	296,016
Salaries	544,489	181,496	725,985
Insurance	87,249	29,083	116,332
Tax deferred retirement plan contributions	53,995	17,998	71,993
Office and related expenses	54,097	18,032	72,129
Consulting fees	48,343	16,115	64,458
Accounting and legal	-	61,508	61,508
Payroll taxes and related expenses	41,903	13,968	55,871
Software maintenance, tech support	28,983	9,661	38,644
Online services, license fees	19,157	6,386	25,543
Education/professional development	8,183	2,727	10,910
	$ 14,827,699	$ 652,990	$ 15,480,689

F.M. KIRBY FOUNDATION, INC.

Statements of Cash Flows

	Year Ended December 31, 2023	Year Ended December 31, 2022
Cash flows from operating activities:		
Change in net assets without donor restrictions	**$ 29,057,678**	$ (66,281,698)
Adjustments to reconcile change in net assets without donor restrictions to net cash (used in) provided by operating activities:		
Net realized and unrealized (gains) losses on investments	**(38,825,101)**	67,310,593
Changes in:		
Accrued investment income	**1,430,507**	(985,390)
Accounts payable and accrued expenses	**(263,563)**	(71,288)
Excise tax payable	**(156,022)**	21,682
Promises to give	**1,082,500**	(412,750)
Net cash used in operating activities	**(7,674,001)**	(418,851)
Cash flows from investing activities:		
Proceeds from sales of investments and returns of capital	**23,647,420**	20,137,827
Purchases of investments	**(15,257,894)**	(20,016,011)
Net cash provided by investing activities	**8,389,526**	121,816
Change in cash and cash equivalents	**715,525**	(297,035)
Cash and cash equivalents, beginning of year	**96,692**	393,727
Cash and cash equivalents, end of year	**$ 812,217**	$ 96,692
Supplemental disclosure of cash flow information:		
Excise tax paid	**$ 313,022**	$ 274,334

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

[1] The Foundation:

The F.M. Kirby Foundation, Inc. (the "Foundation") is a private foundation incorporated in Delaware and established in 1931. The Foundation aims effectively to manage and utilize that which has been entrusted to it over multiple generations of the Kirby family. It strives to make thoughtful and prudent philanthropic commitments to highly selective grantee partners. The goal is to invest in opportunities that foster self-reliance or otherwise create strong, healthy communities. The Foundation is supported predominantly through investment income.

[2] Federal excise tax:

The Internal Revenue Service (the "IRS") has recognized the Foundation as a tax-exempt charitable organization under Section 501(c)(3) of the Internal Revenue Code (the "Code") and, accordingly, it is not subject to federal income tax. However, the Foundation is subject to an excise tax of 1.39% on net investment income, including interest, dividends and net realized gains, as defined in the Code. In addition, the Foundation must make certain minimum qualifying distributions in an amount equal to 5% of the average fair market value of its assets held during the year. On December 31, 2022, the Foundation had excess distributions carryover of approximately $52,000,000 which expired on December 31, 2023.

[3] Basis of accounting:

The Foundation's financial statements have been prepared using the accrual basis of accounting and conform to accounting principles generally accepted in the United States of America ("U.S. GAAP") as applicable to not-for-profit organizations.

[4] Use of estimates:

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements, and the reported amounts of income and expenses during the reporting periods. Actual results could differ from those estimates.

[5] Cash and cash equivalents:

Cash and cash equivalents include highly liquid investments with maturities of three months or less when acquired. Cash and cash equivalents that are designated to be part of the Foundation's long-term investment portfolio are recorded as investments in the statements of financial position.

[6] Art and other collectibles:

Art and other collectibles consist of nondepreciable assets contributed to the Foundation by certain board members and one non-board member. The Foundation recorded these contributed assets at their estimated fair value, as provided by an independent third-party appraiser.

[7] Net assets:

These financial statements have been prepared to focus on the Foundation as a whole and to present balances and transactions according to the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified as follows:

(i) Net assets without donor restrictions:

Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Foundation.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[7] Net assets: (continued)

(ii) Net assets with donor restrictions:

Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates those resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Revenues are reported as increases in net assets without donor restrictions unless use of the related asset is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by donor stipulation or by law.

As of December 31, 2023 and 2022, the Foundation had no net assets with donor restrictions.

[8] Grants and promises to give:

Promises to give are recognized in the accompanying financial statements at the time of the Foundation's approval. The Foundation's promises to give as of December 31, 2023 and 2022 are as follows:

	2023	2022
Less than one year	**$ 1,085,000**	$ 327,500
One to five years	**610,000**	285,000
Promises to give	**$ 1,695,000**	$ 612,500

Promises to give, which are payable in more than one year, are discounted at a risk-free rate of return appropriate for the expected term of the promise to give. Discounts to net present value for the years ended December 31, 2023 and 2022 were not material to the financial statements and therefore have not been recorded. Conditional grants and promises to give, if any, are not reported as expenses until the conditions are substantially met.

For the years ended December 31, 2023 and 2022, cash paid for grants was $15,431,175 and $14,354,050, respectively.

[9] Income taxes:

Management has analyzed the tax positions taken by the Foundation and has concluded that as of December 31, 2023 and 2022, there are no uncertain tax positions taken or expected to be taken that would require the recognition of a liability or disclosure in the financial statements. The Foundation recognizes accrued interest and penalties associated with income taxes, if any, in interest and supporting expenses. There were no income tax related interest or penalties recorded for the years ended December 31, 2023 and 2022.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[10] Functional allocation of expenses:

The costs of program and supporting services activities have been summarized on a functional basis in the statements of functional expenses. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The expenses that are allocated include salaries, insurance, tax deferred retirement plan contributions, office and related expenses, consulting, accounting and legal fees, payroll taxes and related expenses, software maintenance and tech support, other services and license fees, education and professional development, which are allocated based on estimates of time and effort.

[11] Subsequent events:

The Foundation evaluated subsequent events through March 28, 2024, the date the financial statements were available to be issued.

NOTE B - INVESTMENTS

Investments in equities, mutual funds and debt securities with readily determinable market prices are stated at their fair values. Unrealized gains and losses are included as changes in net assets without donor restrictions in the accompanying statements of activities. Investments received by gift, if any, are initially recorded at fair value at the date of receipt. Fair value for equities, mutual funds and debt securities are based on quoted market prices. Investments in limited partnerships (the “partnerships”) which are exchange traded are stated at market prices, and for those that are non-marketable, at management’s estimated fair value using the net asset value (“NAV”) of the Foundation’s ownership interest in partners’ capital as provided by the management of the partnerships.

The preceding methods described may produce a fair value estimate that may not be indicative of net realizable value or reflective of future values. Furthermore, although management believes its valuation methods are appropriate and consistent with the practices of other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. The fair value estimate of these assets does not necessarily represent amounts that might be realized upon their ultimate disposition, and the difference may be material.

Users of these financial statements should be aware that the financial markets’ volatility may significantly impact the subsequent valuation of the Foundation’s investments. Accordingly, the valuation of investments may not necessarily be indicative of amounts that could be realized in a current market exchange.

NOTE B - INVESTMENTS (CONTINUED)

Gains and losses on sales of investments are determined using the average cost method. The fair value and realized and unrealized gains and losses of the Foundation's investments as of and for the years ended December 31, 2023 and 2022 are summarized as follows:

	Cost	Fair Value	Excess of Fair Value Over Cost
Year Ended December 31, 2023:			
Balance at end of year	**$ 301,878,884**	**$ 353,136,520**	**$ 51,257,636**
Balance at beginning of year	**$ 307,404,618**	**$ 322,700,945**	**15,296,327**
Increase in unrealized gain			**35,961,309**
Realized net gain for year			**2,863,792**
Total net gain (realized and unrealized) on investments			**$ 38,825,101**

	Cost	Fair Value	Excess of Fair Value Over Cost
Year Ended December 31, 2022:			
Balance at end of year	$ 307,404,618	$ 322,700,945	$ 15,296,327
Balance at beginning of year	$ 302,455,589	$ 390,133,354	87,677,765
Decrease in unrealized gain			(72,381,438)
Realized net gain for year			5,070,845
Total net loss (realized and unrealized) on investments			$ (67,310,593)

NOTE C - FAIR VALUE MEASUREMENTS

In determining fair value, the Foundation uses various approaches, including market, income and/or cost approaches. For most investments, the Foundation uses a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value and gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements), and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy and the Foundation's related classification of investments are described below:

Level 1 - Values are based on unadjusted quoted prices in active markets for identical assets or liabilities.

NOTE C - FAIR VALUE MEASUREMENTS (CONTINUED)

Level 2 - Values are based on quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in inactive markets; or inputs that are derived principally from or corroborated by observable market data.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurements.

The financial instruments within the fair value hierarchy are based on the lowest level of any input that is significant to the fair value measurement. The valuation levels are not necessarily an indication of the risk or liquidity associated with the underlying assets and liabilities.

The following tables set forth, by level, the Foundation's assets at fair value, within the fair value hierarchy, as of December 31, 2023 and 2022:

	December 31, 2023			
	Level 1	Level 2	Level 3	Total
Mutual funds	**$ 182,627,015**	**$ -**	**$ -**	**$ 182,627,015**
Global allocation fund	**69,149,396**	**-**	**-**	**69,149,396**
Equity securities – domestic	**48,287,227**	**-**	**-**	**48,287,227**
Equity securities – foreign	**39,946,393**	**-**	**-**	**39,946,393**
Equity securities – global infrastructure	**10,312,448**	**-**	**-**	**10,312,448**
Money market funds	**1,872,131**	**-**	**-**	**1,872,131**
Total	**$ 352,194,610**	**$ -**	**$ -**	**352,194,610**
Limited partnership interests measured at NAV (A):				
Private lending fund for financially distressed companies				**941,910**
Total investments				**$ 353,136,520**

	December 31, 2022			
	Level 1	Level 2	Level 3	Total
Mutual funds	$ 164,672,825	$ -	$ -	$ 164,672,825
Global allocation fund	67,159,562	-	-	67,159,562
Equity securities – domestic	43,795,175	-	-	43,795,175
Equity securities – foreign	32,691,545	-	-	32,691,545
Equity securities – global infrastructure	9,489,531	-	-	9,489,531
Money market funds	3,557,502	-	-	3,557,502
Total	$ 321,366,140	$ -	$ -	321,366,140
Limited partnership interests measured at NAV (A):				
Private lending fund for financially distressed companies				1,334,805
Total investments				$ 322,700,945

(A) Certain investments that are measured at fair value using the NAV per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in these tables are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of financial position.

NOTE C - FAIR VALUE MEASUREMENTS (CONTINUED)

Information regarding the nature and risk of certain investments reported at NAV as of December 31, 2023 is as follows:

	Fair Value	Unfunded Commitments
Private lending fund for financially distressed companies:		
Fund II	$ 941,910	$ 6,578,888
Total	$ 941,910	$ 6,578,888

The Foundation is not permitted to borrow or make withdrawals from the private lending funds. The Foundation may recover its investment through distributions made at the discretion of the funds.

The availability of observable market data is monitored to assess the appropriate classifications of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such circumstances, the transfer is reported at the beginning of the reporting period.

NOTE D - LIQUIDITY AND AVAILABILITY

The Foundation regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. The Foundation has various sources of liquidity at its disposal, including cash and cash equivalents and investments.

For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Foundation considers all expenditures related to its ongoing activities of grants, as well as the conduct of services undertaken to support those activities to be general expenditures.

In addition to financial assets available to meet general expenditures over the next 12 months, the Foundation operates with a balanced budget and anticipates generating sufficient investment income to cover general expenditures.

As of December 31, 2023 and 2022, the following financial assets could readily be made available within one year of the statements of financial position date to meet general expenditures:

	December 31,	
	2023	**2022**
Cash and cash equivalents	**$ 812,217**	$ 96,692
Investments not subject to liquidity restrictions	**352,194,610**	321,366,140
	$ 353,006,827	$ 321,462,832

NOTE E - EMPLOYEE BENEFIT PLANS

The Foundation offers a tax deferred retirement plan, as defined in Section 403(b) of the Code, to all employees eligible under the provisions of the plan. Eligible employees may make discretionary contributions to the plan, and the Foundation matches employee contributions dollar-for-dollar in an amount up to 10% of each employee's eligible salary. Matching contributions for the years ended December 31, 2023 and 2022 were $76,897 and $71,993, respectively.

NOTE F - RELATED PARTIES

For the years ended December 31, 2023 and 2022, a member of the Foundation's Board of Directors served as the Foundation's legal counsel. Fees or reimbursed expenses paid to the law firm for the years ended December 31, 2023 and 2022 were $7,519 and $10,137, respectively.

NOTE G - RISKS AND UNCERTAINTIES

Concentrations of cash balances:

The Foundation maintains its cash and cash equivalents in financial institutions that, at times, may exceed federally insured limits. The Foundation has not experienced any losses in these accounts and, as such, believes it is not exposed to any significant credit risk on cash and cash equivalents.