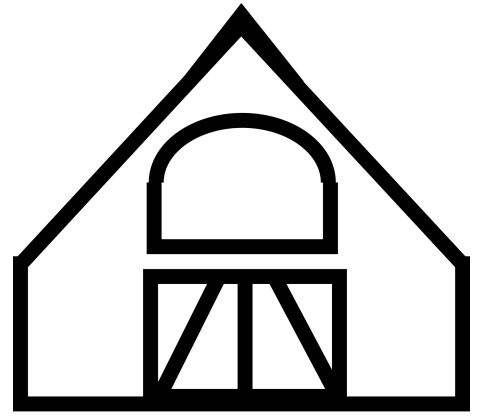




Gorfine Schiller Gardyn

Certified Public Accountants and Consultants



PIKESVILLE
ARMORY FOUNDATION

PIKESVILLE ARMORY FOUNDATION, INC.

FINANCIAL STATEMENTS
DECEMBER 31, 2022 AND 2021

PIKESVILLE ARMORY FOUNDATION, INC.

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

**To the Board of Directors
Pikesville Armory Foundation, Inc.
Baltimore, Maryland**

We have reviewed the accompanying financial statements of Pikesville Armory Foundation, Inc. (a not-for-profit organization), which comprise the statements of financial position as of December 31, 2022 and 2021, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

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

Accountants' Responsibility

Our responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Pikesville Armory Foundation, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our reviews.

Accountants' Conclusion

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Morfine, Schiller & Galdyn, P.A.

June 30, 2023
Owings Mills, Maryland

FINANCIAL STATEMENTS

PIKESVILLE ARMORY FOUNDATION, INC.
STATEMENTS OF FINANCIAL POSITION
December 31, 2022 and 2021

<u>ASSETS</u>		
	<u>2022</u>	<u>2021</u>
Cash and cash equivalents	\$ 95,368	\$ 179,827
Grants receivable	<u>1,245,924</u>	<u>-</u>
TOTAL ASSETS	<u><u>\$ 1,341,292</u></u>	<u><u>\$ 179,827</u></u>
 <u>LIABILITIES AND NET ASSETS</u> 		
LIABILITIES		
Accounts payable	<u>\$ 5,500</u>	<u>\$ -</u>
NET ASSETS		
Without donor restrictions	158,798	179,827
With donor restrictions	<u>1,176,994</u>	<u>-</u>
TOTAL NET ASSETS	<u>1,335,792</u>	<u>179,827</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 1,341,292</u></u>	<u><u>\$ 179,827</u></u>

See independent accountants' review report and notes to the financial statements.

PIKESVILLE ARMORY FOUNDATION, INC.
STATEMENTS OF ACTIVITIES
For the Years Ended December 31, 2022 and 2021

	<u>2022</u>			<u>2021</u>		
	<u>Without Donor Restriction</u>	<u>With Donor Restriction</u>	<u>Total</u>	<u>Without Donor Restriction</u>	<u>With Donor Restriction</u>	<u>Total</u>
REVENUES AND PUBLIC SUPPORT						
Grant income	\$ 50,000	\$ 1,401,000	\$ 1,451,000	\$ 160,765	\$ -	160,765
Interest income	1,171	-	1,171	250	-	250
Net assets released from restrictions	<u>224,006</u>	<u>(224,006)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues and public support	<u>275,177</u>	<u>1,176,994</u>	<u>1,452,171</u>	<u>161,015</u>	<u>-</u>	<u>161,015</u>
START-UP EXPENSES						
Advertising	500	-	500	3,105	-	3,105
Contract and professional fees	220,257	-	220,257	-	-	-
Insurance	830	-	830	482	-	482
Legal	14,306	-	14,306	1,250	-	1,250
Office expenses	613	-	613	524	-	524
Staffing	58,637	-	58,637	-	-	-
Supplies	<u>1,063</u>	<u>-</u>	<u>1,063</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total start-up expenses	<u>296,206</u>	<u>-</u>	<u>296,206</u>	<u>5,361</u>	<u>-</u>	<u>5,361</u>
CHANGES IN NET ASSETS	(21,029)	1,176,994	1,155,965	155,654	-	155,654
NET ASSETS - Beginning of year	<u>179,827</u>	<u>-</u>	<u>179,827</u>	<u>24,173</u>	<u>-</u>	<u>24,173</u>
NET ASSETS - End of year	<u>\$ 158,798</u>	<u>\$ 1,176,994</u>	<u>\$ 1,335,792</u>	<u>\$ 179,827</u>	<u>\$ -</u>	<u>\$ 179,827</u>

See independent accountants' review report and notes to the financial statements.

PIKESVILLE ARMORY FOUNDATION, INC.
STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2022 and 2021

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	\$ 1,155,965	\$ 155,654
Changes in operating assets and liabilities:		
Grants receivable	(1,245,924)	-
Accounts payable	5,500	-
Net cash (used in) provided by operating activities	(84,459)	155,654
CASH AND CASH EQUIVALENTS - Beginning of year	179,827	24,173
CASH AND CASH EQUIVALENTS - End of year	\$ 95,368	\$ 179,827

See independent accountants' review report and notes to the financial statements.

PIKESVILLE ARMORY FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021

NOTE A – NATURE OF OPERATIONS

Pikesville Armory Foundation, Inc. (the “Organization”) is a Maryland non-stock corporation formed as an Internal Revenue Code (IRC) Section 501(c)(3) organization in December 2020. The Organization’s mission is to redevelop the Pikesville Armory historic buildings and property for recreation, art, youth development, education, and community gathering purposes and to manage charitable and educational programs and activities at the Pikesville Armory after redevelopment is completed.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting.

2. Cash and Cash Equivalents

The Organization considers all deposits held in interest and non-interest bearing accounts to be cash equivalents.

3. Grant Receivable

Grants due in less than one year are recorded at their net realizable value upon receipt. Grants due in more than one year are recorded at fair value on the date received. An allowance for doubtful accounts is recorded for any amounts not considered collectible. All grants receivable at December 31, 2022 and 2021 are considered fully collectible.

4. Contributions and Revenue

All donor-restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities and changes in net assets as net assets released from restrictions. However, if a restriction is fulfilled in the same fiscal year in which the support is received, the Organization reports the support as an increase in net assets without donor restrictions.

5. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of support, revenue and expenses during the reporting period. Actual results could differ from those estimates.

See independent accountants’ review report.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

6. Basis of Presentation

The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. Classification of net assets is based on the existence or absence of donor-imposed restrictions.

7. Income Taxes

The Organization is exempt from income tax under Section 501(c)(3) of the U.S. Internal Revenue Code (Code), and contributions to it are tax deductible within the limitations prescribed by the Code. The Organization has been classified as a publicly supported organization which is not a private foundation under Section 509(a)(1) and 170(b)(1)(a)(vi) of the Code. The Organization has no tax positions that would require disclosure or recognition.

8. Subsequent Events

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through June 30, 2023, the date the financial statements were available to be issued. During this period, the Organization did not have any material recognizable subsequent events.

NOTE C – NET ASSETS WITH DONOR RESTRICTIONS

Assets are classified as with donor restrictions when donors have placed restrictions on their use based on the passage of time or compliance with other restrictions.

Net assets with donor restrictions as of December 31, 2022 and 2021 are as follows:

	<u>2022</u>	<u>2021</u>
Capital Support	\$ 775,994	\$ -
NCO capital	400,000	-
NCO operations	<u>1,000</u>	<u>-</u>
Total	<u>\$ 1,176,994</u>	<u>\$ -</u>

NOTE D – LIQUIDITY AND AVAILABILITY

The Organization has cash and cash equivalents and grants receivable available within one year of December 31, 2022 and 2021, respectively, to meet the cash needs for general expenditures. These amounts include \$1,176,994 and \$-0-, respectively, of assets subject to donor restrictions as disclosed in Note C. Additionally, the grants receivable are reimbursement based grants and are therefore only available to meet expenditures allowed under the specific grant agreements. These assets along with receipts from additional contributions and grants are expected to be sufficient to cover ongoing expenditures. The Organization had \$13,700,000 of anticipated grant funding approved, awaiting various reviews and receipt of final agreements as of the date of issuance.

See independent accountants' review report.