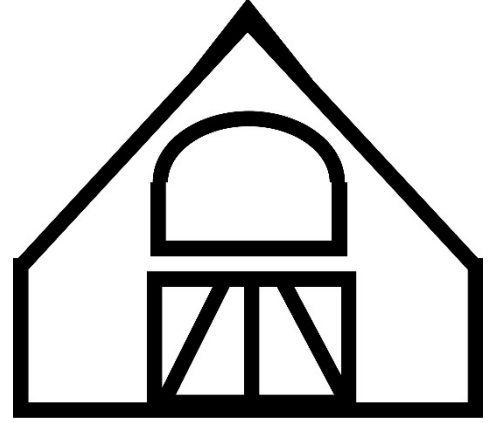




Gorfine Schiller Gardyn

Certified Public Accountants and Consultants



PIKESVILLE
ARMORY FOUNDATION

PIKESVILLE ARMORY FOUNDATION, INC.

**FINANCIAL STATEMENTS
DECEMBER 31, 2024**

PIKESVILLE ARMORY FOUNDATION, INC.
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INDEPENDENT AUDITORS' REPORT

**Board of Directors
Pikesville Armory Foundation, Inc.
Pikesville, Maryland**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Pikesville Armory Foundation, Inc. , which comprise the statement of financial position as of December 31, 2024, and the related statement of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statement.

In our opinion, the accompanying financial statement present fairly, in all material respects, the financial position of Pikesville Armory Foundation, Inc. as of December 31, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. 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 Pikesville Armory Foundation, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Pikesville Armory Foundation, Inc. '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 Pikesville Armory Foundation, Inc. '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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of expenditures of federal awards on page 16, as required by Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 26, 2025, on our consideration of Pikesville Armory Foundation, Inc. internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters for the year ended December 31, 2024. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Pikesville Armory Foundation, Inc. 's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Pikesville Armory Foundation, Inc. 's internal control over financial reporting and compliance.

Morino, Schiller & Galdyn, P.A.

August 26, 2025
Owings Mills, Maryland

FINANCIAL STATEMENTS

PIKESVILLE ARMORY FOUNDATION, INC.
STATEMENT OF FINANCIAL POSITION
December 31, 2024

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 1,269,460
Grants receivable	681,302
Prepaid expenses	<u>222,534</u>

Total current assets 2,173,296

PROPERTY AND EQUIPMENT

Construction in progress	4,426,599
Land	<u>12,028,009</u>

Total property and equipment 16,454,608

OTHER ASSETS

Security deposit	<u>2,500</u>
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Total assets \$ 18,630,404

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable and accrued expenses	\$ 408,036
Other liabilities	<u>148,630</u>

Total liabilities 556,666

NET ASSETS

Without donor restrictions	16,352,468
With donor restrictions	<u>1,721,270</u>

Total net assets 18,073,738

TOTAL LIABILITIES AND NET ASSETS \$ 18,630,404

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

PIKESVILLE ARMORY FOUNDATION, INC.
STATEMENT OF ACTIVITIES
Year Ended December 31, 2024

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUE			
Grants revenue	\$ 9,506,277	\$ 153,313	\$ 9,659,590
Interest income	105,871	-	105,871
Rental income	<u>16,607</u>	<u>-</u>	<u>16,607</u>
Total revenue before net assets released from restrictions	9,628,755	153,313	9,782,068
Net assets released from restrictions	<u>2,736,326</u>	<u>(2,736,326)</u>	<u>-</u>
Total revenue	<u>12,365,081</u>	<u>(2,583,013)</u>	<u>9,782,068</u>
EXPENSES			
Program services	323,760	-	323,760
Management and general	670,247	-	670,247
Fundraising	<u>417,104</u>	<u>-</u>	<u>417,104</u>
Total expenses	<u>1,411,111</u>	<u>-</u>	<u>1,411,111</u>
CHANGES IN NET ASSETS	10,953,970	(2,583,013)	8,370,957
NET ASSETS – Beginning of year	<u>5,398,498</u>	<u>4,304,283</u>	<u>9,702,781</u>
NET ASSETS – End of year	<u>\$ 16,352,468</u>	<u>\$ 1,721,270</u>	<u>\$ 18,073,738</u>

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

PIKESVILLE ARMORY FOUNDATION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2024

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries	\$ 156,528	\$ 53,806	\$ 278,816	\$ 489,150
Payroll taxes	11,784	4,213	21,197	37,194
Employee benefits	11,670	4,012	20,788	36,470
Payroll fee	-	831	-	831
Total salaries, payroll taxes, benefits and fees	<u>179,982</u>	<u>62,862</u>	<u>320,801</u>	<u>563,645</u>
Advertising	4,174	-	16,697	20,871
Awards and grants to others	1,985	-	-	1,985
Consulting fees	51,126	51,126	-	102,252
Contract and professional fees	-	87,096	-	87,096
Equipment lease and maintenance	180	-	-	180
Fees	-	300	-	300
Food	3,381	-	-	3,381
Fundraising fees	-	-	79,148	79,148
Insurance	-	373,794	-	373,794
Landscaping	19,266	4,817	-	24,083
Occupancy	-	25,000	-	25,000
Office equipment and supplies	-	18,028	-	18,028
Other	-	7,174	-	7,174
Postage	-	36	146	182
Property tax	61,984	-	-	61,984
Repairs and maintenance	-	19,001	-	19,001
Supplies	-	16,220	-	16,220
Taxis or shared rides	-	205	-	205
Travel	533	-	-	533
Utilities	<u>1,149</u>	<u>4,588</u>	<u>312</u>	<u>6,049</u>
Total expenses	\$ <u>323,760</u>	\$ <u>670,247</u>	\$ <u>417,104</u>	\$ <u>1,411,111</u>

See accompanying notes to financial statements.

PIKESVILLE ARMORY FOUNDATION, INC.
STATEMENT OF CASH FLOWS
Year Ended December 31, 2024

CASH FLOWS FROM OPERATING ACTIVITIES

Changes in net assets	\$ 8,370,957
Adjustments to reconcile changes in net assets to net cash provided by operating activities:	
Changes in operating assets and liabilities:	
Grants receivable	141,314
Prepaid expenses	(137,491)
Accounts payable	216,825
Other liabilities	148,630
Security deposit	<u>(2,500)</u>
Net cash provided by operating activities	<u>8,737,735</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Purchases of property and equipment	(3,290,533)
Purchases of land	<u>(7,788,009)</u>
Net cash used in investing activities	<u>(11,078,542)</u>

NET CHANGES IN CASH AND CASH EQUIVALENTS	(2,340,807)
CASH AND CASH EQUIVALENTS – Beginning of year	<u>3,610,267</u>
CASH AND CASH EQUIVALENTS – End of year	<u><u>\$ 1,269,460</u></u>

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

PIKESVILLE ARMORY FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

NOTE A – ORGANIZATION

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 accompanying financial statements have been prepared on the accrual basis of accounting, whereby support and revenue are recognized when committed or earned and expenses and purchases are recognized when the related obligations are incurred.

2. Net Assets

Contributions received are recorded as increases in net assets without donor restrictions or net assets with donor restrictions, depending on the existence or nature of any donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

3. Use of 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 the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

4. Contributions and Grants

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. In-Kind Donations

The Organization records in-kind donations at fair value as of the date of the donation. In the prior year, the Organization received in-kind donations of land with a total estimated fair market value of \$4,240,000. These in-kind donations are recognized in the financial statements as land under property and equipment.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

5. In-Kind Donations – Continued

The valuation of in-kind donations was determined based on an appraisal.

6. Cash and Cash Equivalents

The Organization considers all highly liquid instruments with an original maturity of three months or less to be cash equivalents. Cash consists of amounts in deposit accounts.

7. Grants Receivable

Accounts and contributions receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to valuation allowance. Management has determined that at December 31, 2024, an allowance was not necessary.

8. Property and Equipment

Property and equipment are recorded at cost or, if received as a gift, at fair value when received. Depreciation is computed on the straight-line basis over the assets' useful lives, which range from three to forty years. Property and equipment purchases with a cost in excess of \$2,500 are capitalized; all others are expensed as incurred. Ordinary repairs and maintenance costs are expensed as incurred and repairs and maintenance costs in excess of \$2,500 that extend the useful life of the asset are capitalized.

9. Income Taxes

The Organization is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code. Accounting Standards Codification (ASC) topic, *Accounting for Income Taxes* requires the Organization to recognize or disclose any tax positions that would result in unrecognized tax benefits. The Organization has no positions that would require disclosure or recognition under the topic.

10. Advertising

The Organization expenses advertising costs as they are incurred. Advertising expense was \$20,871 for the year ended December 31, 2024.

11. Subsequent Events

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through August 26, 2025, the date the financial statements were available to be issued.

NOTE C – PROPERTY PLANT AND EQUIPMENT

Property plant and equipment consist of the following as of December 31, 2024:

Construction in progress	\$ 4,426,599
Land	<u>12,028,009</u>
Total property plant and equipment	<u>\$ 16,454,608</u>

In recognition of the property, the Organization has begun construction efforts for the redevelopment of the Pikesville Armory historic buildings and property for recreational and community use. On November 13th, 2024 and June 6, 2024, the Organization purchased property at 116-118 and 120-122 Slade Avenue, Pikesville, Maryland 21208 for a contract sales price of \$2,435,941 and \$5,352,068, respectively. As December 31, 2024, the construction in progress was \$4,426,599.

NOTE D – NET ASSETS WITH DONOR RESTRICTONS

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, 2024 are as follows:

State of Maryland	\$ 109,313
Maryland States Art Council	44,000
Balitime County	<u>1,567,957</u>
Total	<u>\$ 1,721,270</u>

NOTE E – NET ASSETS RELEASED FROM RESTRICTONS

Net assets released from restrictions consisted of the following for the year ended December 31, 2024:

Capital support	\$ 198,609
Balitime County	2,252,049
Maryland Historic Trust	100,000
Baltimore Regional Neighborhood Initiative Program	<u>185,668</u>
Total	<u>\$ 2,736,326</u>

NOTE F – LIQUIDITY AND AVAILABILITY

The following represents the Organization’s financial assets at December 31, 2024:

Cash and cash equivalents	\$ 1,269,460
Contributions receivable	<u>681,302</u>
Financial assets available	1,950,762
Less those unavailable for general expenditure within one year, due to:	
Restricted by donor for construction and land acquisitions	<u>(1,721,270)</u>
Financial assets available for general use within one year	<u>\$ 229,492</u>

The Organization has cash and cash equivalents and grants receivable available within one year of December 31, 2024 to meet the cash needs for general expenditures. These amounts include \$1,721,270 of assets subject to donor restrictions as disclosed in Note D. The restriction is to fund the construction of the Organization’s facilities. These assets along with receipts from additional contributions and grants are expected to be sufficient to cover ongoing expenditures.

SUPPLEMENTARY INFORMATION

PIKESVILLE ARMORY FOUNDATION, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2024

<u>Federal Grantor/Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant Period</u>	<u>Program or Award Amount</u>	<u>Federal Expenditures (Allowable)</u>
* U.S. Department of Housing and Urban Development <i>Program: Community Project Funding Grant Agreement</i>	14.251	06/15/2023 - 08/31/2030	\$ 2,400,000	\$ <u>1,631,644</u>
Total Federal Awards				\$ <u>1,631,644</u>

* - major program

PIKESVILLE ARMORY FOUNDATION, INC.
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
December 31, 2024

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Pikesville Armory Foundation, Inc. (the Organization), and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance). Because this schedule presents only a selected portion of the operations of the Organization, it is not intended and does not present the financial position, change in net assets, or cash flows of the Organization. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements. The Organization has elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.



Gorfine Schiller Gardyn

Certified Public Accountants and Consultants

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

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

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Pikesville Armory Foundation, Inc. which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated August 26, 2025.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Pikesville Armory Foundation, Inc. 's internal control over financial reporting (internal control) as a basis for designing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Pikesville Armory Foundation, Inc. 's internal control. Accordingly, we do not express an opinion on the effectiveness of Pikesville Armory Foundation, Inc. 's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weakness may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Pikesville Armory Foundation, Inc. 's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance, and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Martini, Schiller + Gaudyn, P.A.

August 26, 2025
Owings Mills, Maryland



Gorfine Schiller Gardyn

Certified Public Accountants and Consultants

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Pikesville Armory Foundation, Inc. 's compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of Pikesville Armory Foundation, Inc. 's major federal programs for the year ended December 31, 2024. Pikesville Armory Foundation, Inc. 's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Pikesville Armory Foundation, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Pikesville Armory Foundation, Inc. and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Pikesville Armory Foundation, Inc. 's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Pikesville Armory Foundation, Inc. 's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Pikesville Armory Foundation, Inc. 's compliance based on our audit. 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 GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Pikesville Armory Foundation, Inc. 's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Pikesville Armory Foundation, Inc. 's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Pikesville Armory Foundation, Inc. 's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Pikesville Armory Foundation, Inc. 's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Martins, Schiller & Galdyn, P.A.

August 26, 2025
Owings Mills, Maryland

PIKESVILLE ARMORY FOUNDATION, INC.
SCHEDULE OF FINDINGS, QUESTIONED COSTS AND RECOMMENDATIONS
For the Year Ended December 31, 2024

A. SUMMARY OF AUDITORS' RESULTS

1. The auditors' report expresses an unmodified opinion on the financial statements of Pikesville Armory Foundation, Inc. as of and for the year ended December 31, 2024.
2. No material weakness relating to the audit of the financial statements are reported in the Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No material weaknesses relating to the audit of the major federal award programs are reported in the Independent Auditors' Report on Compliance For Each Major Federal Program and on the Internal Control Over Compliance required by the Uniform Guidance.
4. No noncompliance material to the financial statements of Pikesville Armory Foundation, Inc. was disclosed during the audit.
5. No material weaknesses relating to the audit of the major federal award programs are reported in the Independent Auditors' Report on Compliance For Each Major Federal Program and on the Internal Control Over Compliance required by the Uniform Guidance.
6. The independent auditors' report on compliance for each major federal program for Pikesville Armory Foundation, Inc. expresses an unmodified opinion on all major programs.
7. There were no audit findings relative to the major federal award programs for Pikesville Armory Foundation, Inc. to be reported in Part III of this schedule.
8. The program tested as a major program was:

Community Project Funding Grant - ALN #14.251
8. The threshold for distinguishing Type A and B programs was \$750,000.
9. Pikesville Armory Foundation, Inc. was not determined to be a low-risk auditee.

Section II – Findings and Questioned Costs for Financial Statements:

None

Section III – Findings and Questioned Costs for Federal Awards:

None