

**IRONPIGS CHARITIES
(A Not-for-Profit Corporation)**

**Financial Statements,
Independent Accountant's Review Report, and
Supplementary Information**

December 31, 2022

IRONPIGS CHARITIES
(A Not-for-Profit Corporation)
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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors
IronPigs Charities
Allentown, PA

We have reviewed the accompanying financial statements of IronPigs Charities (A Not-for-Profit Corporation) which comprise the statement of financial position as of December 31, 2022, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year 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 entity 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 these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement 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 IronPigs Charities and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our review, 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.

Supplementary Information

The supplementary information included in the Schedules of Revenues and Support is presented for purposes of additional analysis and is not a required part of the basic 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 supplementary information has been subjected to the review procedures applied in our review of the basic financial statements. We are not aware of any material modifications that should be made to the supplementary information. We have not audited the supplementary information and do not express an opinion on such information.

Summarized Comparative Information

The financial statements and supplementary information of IronPigs Charities as of December 31, 2021, were audited by other accountants, and they expressed an unmodified opinion on those financial statements in their report dated May 8, 2023. They have not performed any auditing procedures since that date. We are not aware of any material modifications that should be made to the summarized comparative information presented herein as of for the year ended December 31, 2021, for it to be consistent with the audited financial statements from which it has been derived.

Cory Bell, Rappold & Yasuta LLP

October 11, 2023

IRONPIGS CHARITIES
(A Not-for-Profit Corporation)
STATEMENTS OF FINANCIAL POSITION
December 31, 2022 (Reviewed) and 2021 (Audited)

	December 31, 2022	December 31, 2021
<u>ASSETS</u>		
Cash and cash equivalents	\$ 376,480	\$ 376,973
Due from LV	-	-
Prepaid expenses	5,000	-
Property and equipment, net (Note 3)	-	-
TOTAL ASSETS	<u>\$ 381,480</u>	<u>\$ 376,973</u>
<u>LIABILITIES AND NET ASSETS</u>		
<u>Liabilities:</u>		
Accounts payable	\$ 3,282	\$ 1,669
Accrued expenses	-	75,546
Deferred revenues	25,900	6,793
TOTAL LIABILITIES	<u>29,182</u>	<u>84,008</u>
<u>Net Assets:</u>		
Without donor restrictions	352,298	292,965
TOTAL NET ASSETS	<u>352,298</u>	<u>292,965</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 381,480</u>	<u>\$ 376,973</u>

See independent accountant's review report and notes to financial statements.

IRONPIGS CHARITIES
(A Not-for-Profit Corporation)
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
For the Years Ended December 31, 2022 (Reviewed) and 2021 (Audited)

	For the Year Ended December 31, 2022	For the Year Ended December 31, 2021
<u>Support and revenues without donor restrictions</u>		
Contributions	\$ 29,208	\$ 32,344
Program revenues	4,628	3,486
Special events	256,056	192,030
Less: direct benefit cost	(87,241)	(38,411)
Contributions of nonfinancial assets	19,813	15,212
Other revenue	5,675	189
	<u>228,139</u>	<u>204,850</u>
<u>Expenses:</u>		
Financial assistance to charitable organizations	105,136	67,602
Educational and recreational programs for children	9,677	7,599
Management and general	22,736	18,720
Fundraising	31,257	87,301
	<u>168,806</u>	<u>181,222</u>
Change in net assets without donor restrictions	59,333	23,628
Net assets at the beginning of the year	<u>292,965</u>	<u>269,337</u>
Net assets at the end of the year	<u><u>\$ 352,298</u></u>	<u><u>\$ 292,965</u></u>

See independent accountant's review report and notes to financial statements.

IRONPIGS CHARITIES
(A Not-for-Profit Corporation)
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2022 (Reviewed)
With Summarized Information for the Year ended December 31, 2021 (Audited)

	Program Services			Supporting Services		Year Ended 12/31/2022	Year Ended 12/31/2021
	Financial Assistance to Charitable Organizations	Educational and Recreational Programs for Children	Total Program Services	Management and General	Fundraising	Totals	Totals
Board of directors	\$ -	\$ -	\$ -	\$ 290	\$ -	\$ 290	\$ 117
Donations	-	-	-	-	1,000	1,000	2,895
Golf tournament	-	-	-	-	7,415	7,415	9,421
Grants	75,000	-	75,000	-	-	75,000	60,100
IronPiggy Bank	-	-	-	-	925	925	300
Jersey auctions	-	-	-	-	24,874	24,874	25,620
Team event	-	-	-	-	1,223	1,223	-
Office supplies	-	-	-	148	-	148	241
Phillies Caravan	-	-	-	-	25,032	25,032	3,309
Professional fees	-	-	-	7,392	-	7,392	6,202
Suites and Treats	-	4,608	4,608	-	-	4,608	2,044
50/50 Raffle	-	-	-	-	28,697	28,697	22,806
Game on Grants	20,000	-	20,000	-	-	20,000	-
Youth Sports Academy	-	-	-	-	-	-	1,804
Miscellaneous expense	-	-	-	150	-	150	150
Credit card fees	-	-	-	308	2,769	3,077	4,554
Salary	8,624	4,312	12,936	12,936	17,248	43,120	33,346
Salary - other	-	-	-	-	5,534	5,534	3,432
Insurance	1,512	757	2,269	1,512	3,781	7,562	4,162
Depreciation	-	-	-	-	-	-	719
Special events expense	-	-	-	-	-	-	38,411
	\$ 105,136	\$ 9,677	\$ 114,813	\$ 22,736	\$ 118,498	\$ 256,047	\$ 219,633
Less: Special events expense reported with support and revenues without donor restrictions on the Statement of Activities and Changes in Net Assets	-	-	-	-	(87,241)	-	(38,411)
Total expenses	\$ 105,136	\$ 9,677	\$ 114,813	\$ 22,736	\$ 31,257	\$ 256,047	\$ 181,222

See independent accountant's review report and notes to financial statements.

IRONPIGS CHARITIES
(A Not-for-Profit Corporation)
STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2022 (Reviewed) and 2021 (Audited)

	For the Year Ended December 31, 2022	For the Year Ended December 31, 2021
Cash flows from operating activities		
Change in net assets	\$ 59,333	\$ 23,628
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	-	719
(Increase) decrease in operating assets:		
Due from LV	-	106
Prepaid Expenses	(5,000)	-
Increase (decrease) in operating liabilities:		
Accounts payable	1,613	1,669
Accrued expenses	(75,546)	75,071
Deferred revenue	19,107	(9,107)
Net cash provided (used) by operating activities	(493)	92,086
Net increase (decrease) in cash and cash equivalents	(493)	92,086
Cash and cash equivalents, beginning	376,973	284,887
Cash and cash equivalents, ending	<u>\$ 376,480</u>	<u>\$ 376,973</u>

See independent accountant's review report and notes to financial statements.

IRONPIGS CHARITIES
(A Not-for-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

1. Nature of Activities

IronPigs Charities (the "Organization") is a Pennsylvania non-for-profit corporation which was incorporated on May 9, 2007. The purpose of the Organization is to provide educational and recreational opportunities for children and to provide financial assistance to charitable organizations in the area of the Lehigh Valley in Pennsylvania. The Organization is the affiliated non-profit organization of the minor league baseball franchise known as the Lehigh Valley IronPigs.

2. Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Accordingly, revenues are recognized when earned, and expenses are recognized when incurred.

Basis of Presentation

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

Net Assets Without Donor Restrictions

Net assets available for use in general operations and not subject to donor or certain grantor restrictions. Net assets without donor restrictions may be designated for specific purposes by the action of the Board.

Net Assets With Donor Restrictions

Net assets subject to donor or certain grantor-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. 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.

The Organization did not have any net assets with donor restrictions.

The Organization reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities and Changes in Net Assets as net assets released from restrictions.

IRONPIGS CHARITIES
(A Not-for-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

2. Summary of Significant Accounting Policies (Continued)

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 amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Concentrations of Credit Risks

The Organization maintains cash and cash equivalents in bank accounts which, at times, may exceed federally insured limits. Accounts are guaranteed by the Federal Deposit Insurance Corporation up to \$250,000. It historically has not experienced any credit related losses. The Organization had \$205,221 in excess of federally insured limits held at one bank at December 31, 2022.

Property and Equipment

The Organization capitalizes all expenditures for property and equipment in excess of \$500 at cost, or if donated, at market value at time of donation. All repairs and maintenance charges are expensed in the period incurred. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets, which range from five to ten years.

Grants Payable

Grants payable represent unconditional grants that have been authorized prior to year-end but remain unpaid as of the Statement of Financial Position date. A conditional grant is an expense and is considered payable in the period in which the conditions are substantially satisfied. There were no conditional grants as of December 31, 2022 and 2021.

Revenue Recognition

The Organization receives its support and other revenue primarily through fund raising activities, which includes 50/50 raffles, winter banquets, auctions, donations, and other events.

Contributions received are recorded as support with donor restrictions, or support without donor restrictions, depending on the existence and/or nature of any donor restrictions.

Program service fees are recognized at the time the service is performed.

IRONPIGS CHARITIES
(A Not-for-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

2. Summary of Significant Accounting Policies (Continued)

Contributed Services

The Organization generally pays for services requiring specific expertise. However, certain administrative and bookkeeping services are provided by the Lehigh Valley IronPigs at no cost to the Organization.

Both parties determined that the value of the Organization's share for the services noted is de minimum and hence, no revenue and expense have been recorded on the books of the Organization for the years ended December 31, 2022 and 2021.

Functional Allocation of Expenses

The costs of program and supporting service activities have been summarized on a functional basis in the Statement of Activities and Changes in Net Assets. The Statement 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 financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Most expenditures are identifiable as a direct cost to the program services and the Organization's specific events. Expenses not directly are allocated based on estimated time and effort, as also outlined, and approved in the Organization's budget.

Income Taxes

The Organization is a not-for-profit corporation exempt from federal income tax under the provisions of Section 501(c)(3) of the Internal Revenue Code. None of its present or anticipated future activities are subject to unrelated business income.

The accounting standard for uncertainty in income taxes addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under that guidance, the Organization may recognize the tax benefits from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by tax authorities based on the technical merits of the position. Examples of tax positions include the tax-exempt status of the Organization and various positions related to the potential sources of unrelated business taxable income (UBIT). The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. There are no unrecognized tax benefits or liabilities recorded for the period ending December 31, 2022 and 2021.

The Organization files Federal Form 990, *Return of Organization Exempt Form Income Tax*, with the United States Internal Revenue Service and with the Bureau of Charitable Organizations in Pennsylvania.

Reclassifications

For comparability, certain prior-year amounts have been reclassified to conform with the 2022 presentation.

IRONPIGS CHARITIES
(A Not-for-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

3. Property and Equipment

Property and Equipment consists of the following:

	<u>2022</u>	<u>2021</u>
50/50 Raffle Kiosks	\$ 20,120	\$ 20,120
Less: Accumulated Depreciation	<u>(20,120)</u>	<u>(20,120)</u>
	<u>\$ -</u>	<u>\$ -</u>

Depreciation expense for the years ended December 31, 2022 and 2021 was \$0 and \$719, respectively.

4. Contributions of Nonfinancial Assets

The Organization receives support services and other miscellaneous items utilized in various programs, administrative and fundraising activities. The contributed nonfinancial assets are recorded at the estimated fair value based on actual amounts paid for insurance by the Lehigh Valley IronPigs, and at approximately \$600 for autographed caps utilized in auctions. The nature of the contributed amounts are as follows:

	<u>2022</u>	<u>2021</u>
Executive Director's Insurance	\$ 7,562	\$ 4,162
Auction Items	<u>12,251</u>	<u>11,050</u>
	<u>\$ 19,813</u>	<u>\$ 15,212</u>

5. Related Party Transactions

Five employees of the Lehigh Valley IronPigs sit on the Board of Directors of the Organization. These are volunteer positions. The Organization reimbursed the executive director's salary in full. The total amount of the executive director's salary reimbursed for the years ended December 31, 2022 and 2021 was \$43,119 and \$33,346, respectively.

The Organization also reimbursed all of the wages of the Lehigh Valley IronPigs employees who assisted in the 50/50 raffles during home games. The total amount of wages reimbursed for the years ended December 31, 2022 and 2021 was \$5,534 and \$3,432, respectively.

As previously noted, the Lehigh Valley IronPigs pays for the insurance of the executive director, and the amount is recognized as a contribution of nonfinancial assets.

IRONPIGS CHARITIES
(A Not-for-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

6. Liquidity and Availability of Resources

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the date of the Statement of Financial Position, consist of the following:

	<u>2022</u>	<u>2021</u>
Cash and Cash Equivalents	<u>\$ 376,480</u>	<u>\$ 376,973</u>

The Organization is supported mainly by special events revenue, contributions and program service revenues and believes that revenues along with the assets held at December 31, 2022, are sufficient to enable the Organization to continue to operate for the upcoming year.

7. Summarized Totals for the Year Ended December 31, 2021

The financial statements include certain prior-year summarized comparative information in total, but not by functional class. Such information does not include sufficient details to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the financial statements for the year ended December 31, 2021, from which summarized information was derived.

8. Subsequent Events

The Organization's management has evaluated subsequent events subsequent to December 31, 2022 that affect the Organization through October 11, 2023, the date the financial statements were available to be issued and concluded that no subsequent events have occurred that would require recognition or disclosure in the financial statements.

SUPPLEMENTARY INFORMATION

IRONPIGS CHARITIES
(A Not-for-Profit Corporation)
SCHEDULES OF REVENUES AND SUPPORT
For the Years Ended December 31, 2022 (Reviewed) and 2021 (Audited)

	For the Year Ended December 31, 2022	For the Year Ended December 31, 2021
<u>Contributions:</u>		
Contributions	\$ 28,889	\$ 32,262
IronPiggy Bank	319	82
	<u>\$ 29,208</u>	<u>\$ 32,344</u>
<u>Program Revenues:</u>		
Special announcements	\$ 3,765	\$ 3,418
Ballpark tours	863	68
	<u>\$ 4,628</u>	<u>\$ 3,486</u>
<u>Special Events:</u>		
50/50 Raffle	\$ 113,136	\$ 103,790
Phillies winter banquet	48,004	26,605
Auctions	43,351	29,590
Golf tournament	23,680	22,394
Suites and Treats (Halloween)	12,000	6,500
Community clubhouse	6,835	-
Team event	6,503	-
Exhibition Game	2,547	-
Bingo	-	3,151
	<u>\$ 256,056</u>	<u>\$ 192,030</u>

See independent accountant's review report on supplementary information.