

**CRIMSON TIDE FOUNDATION  
FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

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## INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

July 20, 2023

Crimson Tide Foundation  
PO Box 62  
Pottsville, PA 17901

Management is responsible for the accompanying financial statements of Crimson Tide Foundation (a nonprofit organization), which comprise the statement of assets, liabilities, and net assets – cash basis as of December 31, 2022, and the related statements of support, revenues, expenses, and other changes in net assets – cash basis and functional expenses – cash basis for the year then ended, and the related notes to the financial statements in accordance with the cash basis of accounting, and for determining that the cash basis of accounting is an acceptable financial reporting framework. I have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. I did not audit or review the financial statements nor was I required to perform any procedures to verify the accuracy or completeness of the information provided by management. I do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

I draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

*Patton and Company CPAs*

Patton and Company CPAs

**CRIMSON TIDE FOUNDATION**  
**STATEMENT OF ASSETS, LIABILITIES, AND NET ASSETS -**  
**CASH BASIS**  
**DECEMBER 31, 2022**

**ASSETS**

Cash in Bank - CACL Checking	\$ 30,784
Cash in Bank - CACL Savings	2,098
Cash in Bank - Mid Penn EITC	9,645
Cash in Bank - M&T Checking - Scholarship	332
Cash in Bank - PayPal	<u>197</u>

TOTAL ASSETS \$ 43,056

**LIABILITIES AND NET ASSETS**

**LIABILITIES** \$ -0-

**NET ASSETS**

Without Donor Restrictions 43,056

TOTAL NET ASSETS 43,056

TOTAL LIABILITIES AND NET ASSETS \$ 43,056

**SEE ACCOMPANYING NOTES AND INDEPENDENT ACCOUNTANT'S COMPILATION REPORT**

**CRIMSON TIDE FOUNDATION**  
**STATEMENT OF SUPPORT, REVENUES, EXPENSES, AND OTHER CHANGES IN NET ASSETS -**  
**CASH BASIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

**CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS**

<b>SUPPORT AND REVENUES</b>	
Contributions	\$ 21,056
Contributions - EITC	9,000
Cornhole Event	3,728
Interest	<u>27</u>
TOTAL SUPPORT AND REVENUES WITHOUT DONOR RESTRICTIONS	<u>33,811</u>
 <b>EXPENSES</b>	
Program Services	27,276
Management and General	1,964
Fundraising	<u>2,827</u>
TOTAL EXPENSES	<u>32,067</u>
<b><u>INCREASE IN NET ASSETS</u></b>	1,744
<b><u>NET ASSETS - JANUARY 1, 2022</u></b>	<u>41,312</u>
<b><u>NET ASSETS - DECEMBER 31, 2022</u></b>	<u>\$ 43,056</u>

**SEE ACCOMPANYING NOTES AND INDEPENDENT ACCOUNTANT'S COMPILATION REPORT**

**CRIMSON TIDE FOUNDATION  
STATEMENT OF FUNCTIONAL EXPENSES -  
CASH BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>PROGRAM EXPENSES</u>	<u>MANAGEMENT AND GENERAL</u>	<u>FUNDRAISING</u>	<u>TOTAL</u>
Dues	\$ -0-	\$ 500	\$ -0-	\$ 500
Insurance	-0-	375	-0-	375
Cornhole Event Costs	-0-	-0-	2,827	2,827
Legal and Accounting	-0-	1,015	-0-	1,015
Postage	-0-	74	-0-	74
EITC Expenditures - PASD	10,703	-0-	-0-	10,703
Venture Grants - PASD	10,573	-0-	-0-	10,573
Awards - PASD	<u>6,000</u>	<u>-0-</u>	<u>-0-</u>	<u>6,000</u>
<b><u>TOTAL</u></b>	<b><u>\$ 27,276</u></b>	<b><u>\$ 1,964</u></b>	<b><u>\$ 2,827</u></b>	<b><u>\$ 32,067</u></b>

**SEE ACCOMPANYING NOTES AND INDEPENDENT ACCOUNTANT'S COMPILATION REPORT**

**CRIMSON TIDE FOUNDATION  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**ORGANIZATION**

The organization is a nonprofit organization dedicated to the aid and support of various educational endeavors of the Pottsville Area School District encompassing the elementary, middle and high schools.

**BASIS OF ACCOUNTING**

The Organization's policy is to prepare its financial statements on the cash basis of accounting. Under that basis, revenues are recognized when received rather than when earned, and expenses are recognized when paid rather than when incurred.

**CASH**

For purposes of these financial statements, cash is defined as deposits held in banks.

**REVENUE RECOGNITION**

Unless specifically restricted by the donor, all contributions are considered to be available for unrestricted use.

**FINANCIAL STATEMENT PRESENTATION**

In August 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-14, *Not-for-Profit Entities* (ASU 2016-14) which improves current reporting requirements for not-for-profit entities. The most significant provisions of the ASU require not-for-profit entities to 1) report only two classes of net assets, and 2) provide enhanced disclosure related to liquidity, underwater endowments, board designated net assets and time-restricted net assets. This update was effective for fiscal years beginning after December 15, 2017. The Organization has adopted this ASU 2016-14 for its financial statements.

**CONTRIBUTIONS**

Contributions received are recorded as net assets with donor restrictions or net assets without donor restrictions depending on the existence or nature of any donor restrictions.

**ESTIMATES**

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

**SEE INDEPENDENT ACCOUNTANT'S COMPILATION REPORT**

**CRIMSON TIDE FOUNDATION  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 2 – INCOME TAX STATUS**

The Organization is exempt from Federal income taxes under the Internal Revenue Code as an organization described in Section 501(c)(3).

**NOTE 3 – COMMITMENTS AND CONTINGENCIES**

The Organization receives a substantial amount of its support from contributions. If a significant reduction in the level of this support were to occur, it may have an effect on the Organization's programs and activities.

**NOTE 4 – FUNCTIONAL EXPENSES**

Expenses of the Organization are classified as program, management and general, and fundraising. For 2022, the expenses of the Cornhole Event were considered fundraising. The expenses of operating the Organization were considered to be management and general. All other expenses are considered program expenses, and are for the benefit of the Pottsville Area School District.

**NOTE 5 – CONCENTRATION OF CREDIT RISK**

The Organization maintains its bank accounts with M&T Bank, Mid Penn Bank and CACL Credit Union. Accounts at an institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At December 31, 2022, the balances in the banks were \$43,056, which is less than the insured ceilings.

**NOTE 6 – DONATED SERVICES**

No amounts have been reflected in the statement for donated services. However, a substantial number of volunteers have donated significant amounts of their time in the Organization's program services and in the fund-raising event.

**NOTE 7 – DATE OF MANAGEMENT'S REVIEW OF SUBSEQUENT EVENTS**

Management has evaluated subsequent events through July 20, 2023, the date which the financial statements were available to be issued.

**SEE INDEPENDENT ACCOUNTANT'S COMPILATION REPORT**