

Combined Financial Statements  
and Supplementary Information

for

**USA BASEBALL**

Years Ended December 31, 2025 and 2024  
with Independent Auditor's Report



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To the Board of Directors  
USA Baseball  
Cary, North Carolina

## **Independent Auditor's Report**

### **Opinion**

We have audited the accompanying combined financial statements of United States Baseball Federation, Inc. and the USA Baseball Foundation, Inc. (USA Baseball), which comprise the combined statements of financial position as of December 31, 2025 and 2024, and the related combined statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements (collectively, the financial statements).

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of USA Baseball as of December 31, 2025 and 2024, and the changes in its net assets and its cash flows for 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of USA Baseball 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 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 USA Baseball's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### **Auditor's 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 auditor's 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 generally accepted 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 generally accepted 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 USA Baseball'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 USA Baseball'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.

*Dean Dotson Allen Ford, PLLC*

Raleigh, North Carolina  
April 29, 2026

## USA BASEBALL

### Combined Statements of Financial Position

December 31, 2025 and 2024

<b>Assets</b>	<u>2025</u>	<u>2024</u>
Current assets:		
Cash	\$ 3,827,351	\$ 1,460,067
Restricted cash	959,647	761,642
Accounts receivable, net	1,654,964	3,046,503
Pledges receivable	841,822	203,244
Inventories	676,097	579,145
Investments	3,759,598	3,320,198
Other current assets	<u>277,349</u>	<u>249,542</u>
Total current assets	11,996,828	9,620,341
Property and equipment, net	690,870	749,079
Non-current and other assets:		
Pledges receivable, due after one year, net of discount	2,824,733	-
Right-of-use assets (ROU) - operating leases	<u>11,492,934</u>	<u>11,949,117</u>
Total noncurrent and other assets	<u>14,317,667</u>	<u>11,949,117</u>
Total assets	<u>\$ 27,005,365</u>	<u>\$ 22,318,537</u>
<b>Liabilities and Net Assets</b>		
Current liabilities:		
Bat licensing program	\$ 1,616,795	\$ 1,539,441
Accounts payable and accrued expenses	509,431	994,035
Deferred revenue	913,366	368,460
Operating lease liabilities	<u>263,749</u>	<u>239,563</u>
Total current liabilities	3,303,341	3,141,499
Non-current liabilities:		
Operating lease liabilities	<u>10,324,767</u>	<u>10,588,518</u>
Total liabilities	13,628,108	13,730,017
Net assets:		
Without donor restrictions	13,377,257	8,535,176
With donor restrictions	<u>-</u>	<u>53,344</u>
Total net assets	<u>13,377,257</u>	<u>8,588,520</u>
Total liabilities and net assets	<u>\$ 27,005,365</u>	<u>\$ 22,318,537</u>

See accompanying notes.

## USA BASEBALL

### Combined Statement of Activities

Year ended December 31, 2025

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenues and other support:			
Major League Baseball funding	\$ 2,011,225	\$ 1,838,367	\$ 3,849,592
Bat licensing program royalties	6,522,464	-	6,522,464
Event registration and room rebates	2,597,599	-	2,597,599
Merchandise sales and memorabilia	1,836,692	-	1,836,692
MLB/USAB joint events	4,081,469	-	4,081,469
Prospect Development Pipeline	-	550,000	550,000
Sponsorship, licensing, and donations	2,655,479	254,500	2,909,979
Ticket sales	458,714	-	458,714
MLB Combine	240,295	-	240,295
In-kind donations	284,231	-	284,231
Other income	3,512,859	-	3,512,859
Dividends and interest	270,827	-	270,827
Net realized and unrealized gains on investments	292,998	-	292,998
Net assets released from restrictions	<u>2,696,211</u>	<u>(2,696,211)</u>	<u>-</u>
Total revenues and other support	27,461,063	(53,344)	27,407,719
Expenses and direct costs:			
Expenses:			
Program services	19,586,028	-	19,586,028
Management and general	1,573,163	-	1,573,163
Fundraising	<u>562,920</u>	<u>-</u>	<u>562,920</u>
Total expenses	21,722,111	-	21,722,111
Direct costs:			
Merchandise sales	672,042	-	672,042
Card sale fundraiser	<u>224,829</u>	<u>-</u>	<u>224,829</u>
Total direct costs	<u>896,871</u>	<u>-</u>	<u>896,871</u>
Total expenses and direct costs	<u>22,618,982</u>	<u>-</u>	<u>22,618,982</u>
Changes in net assets	4,842,081	(53,344)	4,788,737
Net assets, beginning of year	<u>8,535,176</u>	<u>53,344</u>	<u>8,588,520</u>
Net assets, end of year	<u>\$ 13,377,257</u>	<u>\$ -</u>	<u>\$ 13,377,257</u>

See accompanying notes.

## USA BASEBALL

### Combined Statement of Activities

Year ended December 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and other support:			
Major League Baseball funding	\$ 1,955,953	\$ 1,763,847	\$ 3,719,800
Bat licensing program royalties	5,957,479	-	5,957,479
Event registration and room rebates	2,591,123	-	2,591,123
Merchandise sales and memorabilia	1,675,576	-	1,675,576
MLB/USAB joint events	4,203,499	-	4,203,499
Prospect Development Pipeline	-	550,000	550,000
Premier12	450,000	-	450,000
Sponsorship, licensing, and donations	1,670,550	209,216	1,879,766
Ticket sales	487,214	-	487,214
MLB Combine	327,614	-	327,614
MLB/USOC professional team	557,836	1,000	558,836
In-kind donations	247,656	-	247,656
Other income	537,846	-	537,846
Loss on disposal of asset	(10,375)	-	(10,375)
Dividends and interest	251,859	-	251,859
Net realized and unrealized gains on investments	155,137	-	155,137
Net assets released from restrictions	<u>2,634,332</u>	<u>(2,634,332)</u>	<u>-</u>
Total revenues and other support	23,693,299	(110,269)	23,583,030
Expenses and direct costs:			
Expenses:			
Program services	20,147,297	-	20,147,297
Management and general	1,310,292	-	1,310,292
Fundraising	<u>377,597</u>	<u>-</u>	<u>377,597</u>
Total expenses	21,835,186	-	21,835,186
Direct costs:			
Merchandise sales	695,373	-	695,373
Card sale fundraiser	<u>96,845</u>	<u>-</u>	<u>96,845</u>
Total direct costs	<u>792,218</u>	<u>-</u>	<u>792,218</u>
Total expenses and direct costs	<u>22,627,404</u>	<u>-</u>	<u>22,627,404</u>
Changes in net assets	1,065,895	(110,269)	955,626
Net assets, beginning of year	<u>7,469,281</u>	<u>163,613</u>	<u>7,632,894</u>
Net assets, end of year	<u>\$ 8,535,176</u>	<u>\$ 53,344</u>	<u>\$ 8,588,520</u>

See accompanying notes.

## USA BASEBALL

### Combined Statement of Functional Expenses

Year ended December 31, 2025

	Program Services	Management and General	Fundraising	Total
Salaries and employee related expenses:				
Salaries	\$ 2,924,870	\$ 786,650	\$ 221,346	\$ 3,932,866
Employee related expenses	<u>805,086</u>	<u>140,747</u>	<u>34,414</u>	<u>980,247</u>
Total salaries and employee related expenses	<b>3,729,956</b>	<b>927,397</b>	<b>255,760</b>	<b>4,913,113</b>
Operating expenses:				
Travel	5,155,450	16,416	16,489	5,188,355
Bat licensing program	3,592,355	-	-	3,592,355
Professional services	1,166,233	259,041	252,231	1,677,505
Honorarium/umpire fees	1,637,723	-	-	1,637,723
Program supplies	1,122,839	63,542	28,886	1,215,267
Lease expense:				
Playing facilities	887,827	-	-	887,827
Office facilities	302,822	67,784	-	370,606
Insurance	593,879	30,612	-	624,491
In-kind donations	284,111	-	120	284,231
BAF/MLB awards	269,500	-	-	269,500
Other	212,614	10,992	668	224,274
Postage and shipping	165,224	4,858	4,898	174,980
Depreciation	82,843	81,346	437	164,626
Bank service charges	124,153	2,017	1,685	127,855
Printing	114,058	13,235	457	127,750
Telephone	42,002	21,403	-	63,405
Promotions/shows	43,293	168	1,253	44,714
SafeSport	36,854	-	-	36,854
Meeting/directors expense	-	35,641	-	35,641
Accounting	-	23,235	-	23,235
MLB/USOC relations	9,669	5,540	-	15,209
International relations (IBAF/COPABE)	5,450	6,258	-	11,708
Office supplies and utilities	4,673	3,678	36	8,387
Medical and safety	<u>2,500</u>	<u>-</u>	<u>-</u>	<u>2,500</u>
Total operating expenses	<b><u>15,856,072</u></b>	<b><u>645,766</u></b>	<b><u>307,160</u></b>	<b><u>16,808,998</u></b>
Total expenses	<b><u>\$ 19,586,028</u></b>	<b><u>\$ 1,573,163</u></b>	<b><u>\$ 562,920</u></b>	<b><u>\$ 21,722,111</u></b>

See accompanying notes.

## USA BASEBALL

### Combined Statement of Functional Expenses

Year ended December 31, 2024

	Program Services	Management and General	Fundraising	Total
Salaries and employee related expenses:				
Salaries	\$ 2,886,308	\$ 581,927	\$ 104,658	\$ 3,572,893
Employee related expenses	<u>783,529</u>	<u>120,748</u>	<u>16,504</u>	<u>920,781</u>
Total salaries and employee related expenses	3,669,837	702,675	121,162	4,493,674
Operating expenses:				
Travel	5,386,697	16,206	5,563	5,408,466
Bat licensing program	3,281,613	-	-	3,281,613
Professional services	1,245,354	231,925	239,961	1,717,240
Honorarium/umpire fees	1,693,765	-	-	1,693,765
Program supplies	1,365,936	62,809	7,498	1,436,243
Premier12	225,000	-	-	225,000
Lease expense:				
Playing facilities	887,931	-	-	887,931
Office facilities	342,710	60,783	-	403,493
Insurance	648,094	42,533	-	690,627
In-kind donations	247,586	-	70	247,656
BAF/MLB awards	269,500	-	-	269,500
Other	189,572	13,801	30	203,403
Postage and shipping	201,267	3,238	1,493	205,998
Depreciation	92,084	44,826	309	137,219
Bank service charges	107,771	1,829	1,003	110,603
Printing	103,350	11,731	149	115,230
Telephone	49,157	18,521	-	67,678
Promotions/shows	63,517	71	350	63,938
SafeSport	35,956	-	-	35,956
Meeting/directors expense	-	58,717	-	58,717
Accounting	-	21,000	-	21,000
MLB/USOC relations	9,348	1,610	-	10,958
International relations (IBAF/COPABE)	6,791	4,046	-	10,837
Office supplies and utilities	22,961	13,971	9	36,941
Medical and safety	<u>1,500</u>	<u>-</u>	<u>-</u>	<u>1,500</u>
Total operating expenses	<u>16,477,460</u>	<u>607,617</u>	<u>256,435</u>	<u>17,341,512</u>
Total expenses	<u>\$ 20,147,297</u>	<u>\$ 1,310,292</u>	<u>\$ 377,597</u>	<u>\$ 21,835,186</u>

See accompanying notes.

## USA BASEBALL

### Combined Statements of Cash Flows

Years ended December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
<b>Cash flows from operating activities:</b>		
Changes in net assets	\$ 4,788,737	\$ 955,626
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:		
Depreciation	164,626	137,219
Loss on disposal of asset	-	10,375
Net realized and unrealized gains on investments	(292,998)	(155,137)
Lease expense - operating leases	456,183	473,180
Credit losses expense	27,491	-
Changes in assets and liabilities:		
Accounts receivable	1,364,048	(1,855,086)
Pledges receivable, net	(3,463,311)	(63,126)
Inventories	(96,952)	173,157
Other current assets	(27,807)	(59,171)
Bat licensing program	77,354	(89,581)
Accounts payable and accrued expenses	(484,604)	1,041,937
Deferred revenue	544,906	(258,910)
Operating lease liabilities	<u>(239,565)</u>	<u>(1,595,828)</u>
Net cash provided by (used in) operating activities	<b>2,818,108</b>	<b>(1,285,345)</b>
<b>Cash flows from investing activities:</b>		
Purchase of property and equipment	(106,417)	(294,270)
Proceeds from sale of investments	719,493	603,067
Purchase of investments	<u>(865,895)</u>	<u>(713,522)</u>
Net cash used in investing activities	<u>(252,819)</u>	<u>(404,725)</u>
Net increase (decrease) in cash and restricted cash	<b>2,565,289</b>	<b>(1,690,070)</b>
Cash and restricted cash, beginning of year	<u>2,221,709</u>	<u>3,911,779</u>
Cash and restricted cash, end of year	<b>\$ <u>4,786,998</u></b>	<b>\$ <u>2,221,709</u></b>
<b>Supplemental disclosure of cash flow information:</b>		
Noncash operating transactions:		
Addition of ROU assets from operating lease liabilities	<u>\$ -</u>	<u>\$ 12,363,201</u>

See accompanying notes.

# USA BASEBALL

## Notes to the Combined Financial Statements

### 1. Description of the Organization

The United States Baseball Federation, Inc. (the Federation) was incorporated in the state of Michigan in 1965 and acts as the national governing body for the sport of baseball in compliance with the Amateur Sports Act of 1978 and the Constitution and Bylaws of the United States Olympic & Paralympic Committee. The Federation is supported primarily through sponsorships, donations, ticket and merchandise sales, event registrations, and Major League Baseball. The USA Baseball Foundation, Inc. (the Foundation) (formerly the Baseball America Foundation, Inc.) was established in 1985 in the state of New Jersey for the purpose of managing and administering the funds given by the Los Angeles Olympic Organizing Committee to the Federation.

The Federation and the Foundation are collectively referred to herein as USA Baseball (USAB).

### 2. Summary of Significant Accounting Policies

The combined financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) which require management to make estimates and assumptions that affect the reported amounts and disclosures in the combined financial statements. Actual results could differ from those estimates. The following is a summary of the significant accounting policies consistently followed by USAB in the preparation of its combined financial statements:

#### Basis of Accounting

The accompanying combined financial statements are prepared on the accrual basis. The accrual method records revenue when earned and expenses when incurred. As a result, receivables are recorded as assets, and obligations due are shown as liabilities.

#### Net Assets

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

*Net Assets Without Donor Restrictions* include the portion of expendable funds that are not subject to donor-imposed stipulations and include the following:

Undesignated: These net assets represent the portion of expendable funds available for the operation of USAB.

Board Designated: These net assets represent funds without donor restrictions designated by the Board to be used as endowments. This designation can only be released or revised, to the extent not externally restricted, as a result of Board approval.

## USA BASEBALL

Notes to the Combined Financial Statements, continued

### 2. Summary of Significant Accounting Policies, continued

#### Net Assets, continued

*Net Assets With Donor Restrictions* include 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. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that 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.

The financial statements include the accounts of the Federation and the Foundation. All significant interagency accounts and transactions have been eliminated in combination.

#### Contributions and Other Revenue

Annual contributions and grants are generally available for unrestricted use in the related year unless specifically restricted by the donor. Unconditional promises to give are recorded as revenues or gains in the period received and as assets, decreases of liabilities or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Contributions received are recorded as support with or without donor restrictions depending on the existence or nature of any donor restrictions. If a restriction is fulfilled in the same time period in which the contribution is received, USAB reports the support as without donor restrictions. Contributions are recognized as revenue in the period the commitment is received.

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contributions. At December 31, 2025 and 2024, unconditional promises to give were \$3,666,555 and \$203,244, respectively.

Grants and other contributions of cash and other assets are reported as support with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor 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 combined statement of activities and changes in net assets as net assets released from restrictions.

## USA BASEBALL

Notes to the Combined Financial Statements, continued

### 2. Summary of Significant Accounting Policies, continued

#### Contributions and Other Revenue, continued

Gifts of land, building, and equipment are presented as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as support with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, USAB reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Contributions of donated services that create or enhance nonfinancial assets, or require specialized skills, are provided by individuals with the necessary expertise. These services, which would typically need to be purchased if not donated, are recorded at their fair value in the period they are received.

Revenue from usage fees and other income are recognized as revenue when the service is provided.

#### Cash and Cash Equivalents

For the purpose of the combined statements of cash flows, USAB considers all highly liquid investments with a maturity of three months or less to be cash equivalents. Restricted cash represents funds that have been designated for a specific purpose and time. All restricted cash is held in escrow for the Youth Baseball Bat Licensing Program (see Note 13).

A reconciliation of cash and restricted cash as shown in the combined statements of cash flows is as follows:

	<u>2025</u>	<u>2024</u>
Current assets:		
Cash	\$ 3,827,351	\$ 1,460,067
Restricted cash	<u>959,647</u>	<u>761,642</u>
	<u>\$ 4,786,998</u>	<u>\$ 2,221,709</u>

#### Investments

Investments in marketable securities with readily determinable fair values are reported at their fair values in the combined statement of financial position. Fair value is based on quoted market prices. Net realized gains and losses and changes in net unrealized market gains and losses are determined by comparing cost to proceeds and fair value, respectively. Realized gains and losses on the sale of investments are determined using the specific identification method.

## USA BASEBALL

Notes to the Combined Financial Statements, continued

### 2. Summary of Significant Accounting Policies, continued

#### Inventories

Inventories are stated at the lower of cost and net realizable value and are accounted for on a first in, first out basis. All donated inventories are recorded at fair market value.

#### Accounts Receivable

Accounts receivable results primarily from the accrual of sponsorships and licensing revenue.

USAB establishes allowances for credit losses on accounts receivable. The allowance for credit losses is USAB's best estimate of the amount of probable credit losses in USAB's existing accounts receivable and is based upon historical loss patterns, the number of days that billings are past due, and an evaluation of the potential risk of loss associated with specific accounts. The measurement of credit losses and subsequent changes in the allowance for credit losses are recorded in the statement of activities as the amounts expected to be collected change.

USAB uses the aging method to estimate its expected credit losses on accounts receivable. In order to estimate expected credit losses, USAB assesses recent historical experience, current economic conditions and any reasonable and supportable forecasts to identify risk characteristics that are shared within the financial asset. These risk characteristics are then used to bifurcate the aging method into risk pools. Historical credit loss for each risk pool is then applied to the current period aging in the identified risk pools to determine the needed reserve allowance. In the absence of current economic conditions and/or forecasts that may affect future credit losses, USAB has determined that recent historical experience provides the best basis for estimating credit losses.

The determination of past due status on accounts receivable is based on the terms indicated on customer contracts and invoices. Accounts are written off against the allowance when deemed uncollectible by management. Recoveries of accounts receivable previously written off are recorded when received. USAB does not charge interest on its past due receivables. The allowance for credit losses at December 31, 2025 and 2024 was \$27,491 and \$0, respectively.

Estimating credit losses based on risk characteristics requires significant judgment by USAB. Significant judgments include but are not limited to assessing current economic conditions and the extent to which they would be relevant to the existing characteristics of USAB's financial assets, the estimated life of financial assets and the level of reliance on historical experience in light of economic conditions. USAB reviews and updates, when necessary, its historical risk characteristics that are meaningful to estimating credit losses, any new risk characteristics that arise in the natural course of business and the estimated life of its financial assets.

## USA BASEBALL

Notes to the Combined Financial Statements, continued

### 2. Summary of Significant Accounting Policies, continued

#### Property and Equipment

Property and equipment is recorded at cost or estimated fair value at the date of donation. Acquisitions of property and equipment in excess of \$1,000 and with a useful life more than one year are capitalized on the combined statement of financial position. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets. The estimated useful lives are as follows:

Equipment	3-10 years
Leasehold improvements	3-10 years

#### Advertising

USAB follows the policy of charging the costs of advertising to expense as incurred. Advertising costs were \$44,714 and \$63,938 for the years ended December 31, 2025 and 2024, respectively, and are recorded as a part of promotions/shows expense.

#### Leases

Lease assets represent USAB's right to use an underlying asset for the lease term and lease liabilities represent USAB's obligation to make lease payments arising from the lease, measured on a discounted basis. USAB determines if an arrangement is, or contains, a lease at inception of the agreement, which is the date on which the terms of the contract are agreed to, and the agreement creates enforceable rights and obligations. A contract is or contains a lease when (i) explicitly or implicitly identified assets have been deployed in the contract and (ii) USAB obtains substantially all of the economic benefits from the use of that underlying asset and directs how and for what purpose the asset is used during the term of the contract. USAB also considers whether its service arrangements include the right to control the use of an asset.

USAB has made an accounting policy election not to recognize right-of-use (ROU) assets and lease liabilities for leases with a term of 12 months or less. Lease expense for such leases is recognized on a straight-line basis over the lease term. All other leases, are classified as either finance or operating leases.

Operating leases are included in operating lease ROU assets, and operating lease liabilities (current and non-current) in the statement of financial position. Operating lease expense is recognized on a straight-line basis over the lease term.

Operating lease ROU assets and liabilities are recognized at the lease commencement date based on the present value of future lease payments over the lease term. The ROU assets also include any initial direct costs incurred and lease payments made at or before the commencement date of the lease, and are reduced by any lease incentives.

## USA BASEBALL

Notes to the Combined Financial Statements, continued

### 2. Summary of Significant Accounting Policies, continued

#### Leases, continued

As most of USAB's leases do not provide an implicit rate, USAB uses an incremental borrowing rate based on the estimated rate of interest for collateralized borrowing over a similar term of the lease payments at the commencement date. For certain leases, USAB has made an accounting policy election to utilize a risk-free borrowing rate, which is aligned with the lease term at the lease commencement date.

Lease terms may include options to extend or terminate the lease. Where management concludes that it is reasonably certain that a renewal or termination option will be exercised, that renewal period or termination option is used to determine the lease term and the related payments that are reflected in the ROU asset and lease liability.

Lease agreements with lease and non-lease components are generally accounted for separately based upon the standalone price of the separate lease and non-lease components at the commencement date of the lease. The non-lease components generally relate to the separate payments made to the lessor based on the lessor's property and casualty insurance costs and the property taxes assessed on the property, as well as a portion of the common area maintenance costs associated with the property. The non-lease components are variable in nature and are recorded in variable lease expense in the period incurred.

#### Functional Expenses

The costs of providing the program and supporting services of USAB are summarized on a functional basis in the accompanying combined statements of functional expenses. Directly identifiable expenses are charged to the applicable program or supporting services. Certain expenses are not directly identifiable with any specific function, but provide for the overall support and direction of USAB, and require allocation between functions on a reasonable basis that is consistently applied. The expenses that are allocated include salaries, payroll related expenses, professional services, building maintenance, depreciation, and other miscellaneous expenses. Salaries are allocated to specific programs based upon the time the respective individual dedicates to program activities, administrative activities, and fundraising activities. Payroll related expenses and other operating expenses are allocated in accordance with the allocation of salaries.

#### Income Taxes

The Federation and the Foundation have been recognized as tax exempt pursuant to Section 501(c)(3) of the Internal Revenue Code. Income from certain activities not directly related to their tax-exempt purpose is subject to taxation as unrelated business income. In addition, USAB qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2) for the Federation and Section 509(a)(1) for the Foundation.

## USA BASEBALL

Notes to the Combined Financial Statements, continued

### 2. Summary of Significant Accounting Policies, continued

#### Income Taxes, continued

It is USAB's policy to evaluate all tax positions to identify those that may be considered uncertain. All identified material tax positions are assessed and measured by a "more-likely-than-not" threshold to determine if the benefit of any certain tax position should be recognized in the period the change occurs. USAB has concluded that as of December 31, 2025 and 2024, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements.

#### Reclassifications

Certain reclassifications have been made to the 2024 financial statements to conform to the 2025 financial statement presentation. Such reclassifications had no effect on its changes in net assets and cash flows as previously reported.

#### Subsequent Events

Management of USAB evaluated subsequent events for accounting and disclosure requirements through April 29, 2026, the date that the financial statements were available to be issued.

### 3. Revenue Recognition

USAB derives revenues from royalties and licensing, sponsorships, event registration and room rebates, merchandise sales, ticket sales, and administration.

The following is a summary of the principal forms of USAB's services and how revenue is recognized for each.

#### Royalties and Licensing

USAB receives royalties and licensing fees for use of the USAB trademark on various products, such as baseball bats and clothing. USAB has agreements with various manufacturers by which USAB receives a percentage of sales as royalties or licensing fees. Revenue related to royalties and licensing is recognized in the period of the sale that generates royalties is made. Deferred revenue related to royalties and licensing was \$500,000 and \$0 at December 31, 2025 and 2024, respectively.

There was no deferred revenue related to royalties and licensing at January 1, 2024.

#### Sponsorships

USAB receives sponsorships of events or to be the official sponsor of a product or service to USAB from various companies. Revenue related to sponsorships is recognized either in the period the sponsored event takes place or over the period that the sponsorship covers.

There was no deferred revenue related to sponsorships at January 1, 2024.

## USA BASEBALL

Notes to the Combined Financial Statements, continued

### 3. Revenue Recognition, continued

#### Event Registration and Room Rebates

USAB receives event registration fees for events throughout the year. Revenue related to event registration is recognized in the period the event takes place. USAB receives rebates from certain hotels for event participants selecting those hotels to stay at during the event. Revenue related to room rebates is recognized in the period the participant stayed at the hotel. Deferred revenue related to event registration was \$321,245 and \$308,460 at December 31, 2025 and 2024, respectively.

Deferred revenue related to event registration was \$380,125 at January 1, 2024.

#### Merchandise Sales

USAB receives revenue from the sale of merchandise. Revenue related to merchandise sales is recognized in the period of the sale.

#### Ticket Sales

USAB receives revenue from the sale of tickets to attend various USAB events. Revenue related to ticket sales is recognized in the period the event takes place.

#### Joint Event Administration

USAB receives revenue from the administration of the MLB Combine and various other joint events with MLB. MLB reimburses USAB for its cost of administering these events. Revenue related to event administration is recognized in the period the event takes place. Deferred revenue related to event administration was \$2,121 and \$0 at December 31, 2025 and 2024, respectively.

Deferred revenue related to event administration was \$247,245 at January 1, 2024.

#### Disaggregation of Revenue

In the following table, revenue recognized is disaggregated by major services line and timing of revenue recognition.

	<u>2025</u>	<u>2024</u>
Major services:		
Royalties and licensing	\$ 8,089,743	\$ 6,732,051
Joint event administration	4,321,764	4,531,113
Event registration and room rebates	2,597,599	2,591,123
Merchandise sales	1,836,692	1,675,576
Ticket sales	458,714	487,214
Sponsorships	<u>793,160</u>	<u>608,187</u>
	<u>\$ 18,097,672</u>	<u>\$ 16,625,264</u>

## USA BASEBALL

Notes to the Combined Financial Statements, continued

### 3. Revenue Recognition, continued

#### Disaggregation of Revenue, continued

	<u>2025</u>	<u>2024</u>
Timing of revenue recognition:		
Services transferred over time	\$ 793,160	\$ 608,187
Services transferred at a point in time	<u>17,304,512</u>	<u>16,017,077</u>
	<u>\$ 18,097,672</u>	<u>\$ 16,625,264</u>

#### Contract Balances

Contract assets are disclosed in the combined statements of financial position as accounts receivable and represent royalties, sponsorships, and event hosting amounts owed by customers. As the contract payments are fixed per the contract agreement, management does not have any unbilled contract assets. Contract liabilities are disclosed in the combined statements of financial position as deferred revenue.

Accounts receivable was \$1,191,417 at January 1, 2024.

### 4. Pledges Receivable

Pledges receivable consist of the following as of December 31:

	<u>2025</u>	<u>2024</u>
Amounts due:		
Within one year	\$ 841,822	\$ 203,244
In one to five years	<u>3,072,000</u>	<u>-</u>
	<u>3,913,822</u>	<u>203,244</u>
Less discount to net present value at rate of 3.50%	<u>(247,267)</u>	<u>-</u>
	<u>\$ 3,666,555</u>	<u>\$ 203,244</u>

Pledges due in more than one year are reflected at the present value of estimated future cash flows using a discount rate of 3.5%. An allowance for uncollectible pledges is not deemed necessary.

### 5. Donated Goods

Donated goods are valued at fair market value which primarily includes baseball supplies. USAB received \$284,231 and \$247,656 of noncash donated goods during the years ended December 31, 2025 and 2024, respectively.

## USA BASEBALL

Notes to the Combined Financial Statements, continued

### 6. Property and Equipment

Property and equipment consist of the following:

	<u>2025</u>	<u>2024</u>
Furniture and equipment	\$ 1,599,104	\$ 1,600,392
Leasehold improvements	<u>312,993</u>	<u>274,598</u>
Total property and equipment	<u>1,912,097</u>	<u>1,874,990</u>
Accumulated depreciation	<u>(1,221,227)</u>	<u>(1,125,911)</u>
Property and equipment, net	<u>\$ 690,870</u>	<u>\$ 749,079</u>

### 7. Line of Credit

USAB has, available for its use, a \$600,000 line of credit collateralized by investments held with the bank. Interest on advances is payable at the one month term Secured Overnight Financing Rate plus 3.739%, and is due and payable monthly. The principal and any accrued unpaid interest are due and payable upon demand. At December 31, 2025 and 2024, there was no amount owed on the line of credit.

### 8. Investments

At December 31, 2025 and 2024, USAB's investments were held at and managed in two brokerage accounts. All investments were measured at fair value and include common stocks, exchange-traded and closed-end funds, corporate bonds, government securities, and mutual funds.

Investments of USAB at December 31, 2025 consisted of the following:

	<u>Historical Cost</u>	<u>Fair Value</u>
Equity securities	\$ 415,436	\$ 603,851
Mutual funds	445,432	637,494
Exchange traded and closed-end funds	715,427	908,282
Fixed income:		
U.S. Treasury notes	755,451	760,234
Federal agencies	304,498	303,836
Corporate bonds	<u>541,475</u>	<u>545,901</u>
	<u>\$ 3,177,719</u>	<u>\$ 3,759,598</u>

## USA BASEBALL

Notes to the Combined Financial Statements, continued

### 8. Investments, continued

Investments of USAB at December 31, 2024 consisted of the following:

	<u>Historical Cost</u>	<u>Fair Value</u>
Equity securities	\$ 388,502	\$ 570,526
Mutual funds	321,927	427,423
Exchange traded and closed-end funds	707,818	830,686
Fixed income:		
U.S. Treasury notes	608,453	591,479
Federal agencies	287,247	278,598
Corporate bonds	627,592	621,486
	<u>\$ 2,941,539</u>	<u>\$ 3,320,198</u>

USAB's investments are exposed to various risks, such as interest rate, credit, and market risks. Interest rate risk is the risk an entity may face should interest rate variances affect fair value of investments. Credit risk is the risk that an issuer or counterparty to an investment will not fulfill its obligations. Market risk is the risk associated with certain investment securities, such that it is at least reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect the amounts report in the combined financial statements.

### 9. Fair Value Measurements

USAB classifies its investments measured at fair value based on a hierarchy consisting of: Level 1 (valued using quoted prices from active markets for identical assets), Level 2 (not traded on an active market but for which observable market inputs are readily available), and Level 3 (valued based on significant unobservable inputs). The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs.

The following methods and assumptions were used by USAB in estimating the fair value of its investments. There were no changes in the methodologies used to measure fair value during the years ended December 31, 2025 and 2024.

*Equity securities and U.S. Treasury notes:* Valued at the closing price reported on the active market on which the individual securities are traded.

*Mutual funds:* Valued at net asset value (NAV) of shares held by USAB at year end. The NAV is based on the value of the underlying investment assets owned by the fund, minus its liabilities, and then divided by the number of shares outstanding. The NAV is a quoted price in an active market.

*Exchange traded funds and closed-ended funds:* Valued at readily available, quoted prices in principal active markets that are considered to be representative of fair value.

## USA BASEBALL

Notes to the Combined Financial Statements, continued

### 9. Fair Value Measurements, continued

*Corporate bonds and federal agencies:* Valued using a discounted cash flow model utilizing observable inputs. The model discounts the expected future cash flows (coupon payments and principal repayment) to the present using the current market interest rates for bonds with similar credit quality and maturity.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while USAB believes its valuation methods are appropriate and consistent with 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 following table sets forth, by level, within the fair value hierarchy, the fair value of USAB's investments at December 31, 2025:

	Level 1	Level 2	Level 3	Total
Equity securities	\$ 603,851	\$ -	\$ -	\$ 603,851
Mutual funds	637,494	-	-	637,494
Exchange traded and closed-end funds	908,282	-	-	908,282
Fixed income:				
US Treasury notes	760,234	-	-	760,234
Federal agencies	-	303,836	-	303,836
Corporate bonds	-	545,901	-	545,901
	<u>\$ 2,909,861</u>	<u>\$ 849,737</u>	<u>\$ -</u>	<u>\$ 3,759,598</u>

The following table sets forth, by level, within the fair value hierarchy, the fair value of USAB's investments at December 31, 2024:

	Level 1	Level 2	Level 3	Total
Equity securities	\$ 570,526	\$ -	\$ -	\$ 570,526
Mutual funds	427,423	-	-	427,423
Exchange traded and closed-end funds	830,686	-	-	830,686
Fixed income:				
US Treasury notes	591,479	-	-	591,479
Federal agencies	-	278,598	-	278,598
Corporate bonds	-	621,486	-	621,486
	<u>\$ 2,420,114</u>	<u>\$ 900,084</u>	<u>\$ -</u>	<u>\$ 3,320,198</u>

## USA BASEBALL

### Notes to the Combined Financial Statements, continued

#### 10. Leases

USAB has operating leases for certain equipment, office space, and a baseball and softball complex that have initial terms ranging from four to 19 years, and extend through 2043. USAB's operating leases generally do not contain any material restrictive covenants or residual value guarantees. In addition, certain leases contain termination options, where the rights to terminate are held by either USAB, the lessor or both parties.

The components of lease expense for the years ending December 31, were as follows:

	<u>2025</u>	<u>2024</u>
Operating lease cost	\$ 911,885	\$ 942,353
Short term lease cost	<u>346,548</u>	<u>349,071</u>
Total lease cost	<u>\$ 1,258,433</u>	<u>\$ 1,291,424</u>

The weighted average remaining lease term as of December 31, 2025 and 2024 was 17.98 years and 18.97 years, respectively.

The weighted average discount rate as of December 31, 2025 and 2024 was 4.20%.

Maturities of lease liabilities as of December 31, 2025 are as follows:

<u>Year ending December 31,</u>	
2026	\$ 709,072
2027	723,153
2028	737,516
2029	748,827
2030	1,312,101
Thereafter	<u>11,205,405</u>
Total lease payments	15,436,074
Less imputed interest	<u>4,847,558</u>
Total	<u>\$ 10,588,516</u>

#### 11. Retirement Plan

USAB maintains a 401(k) plan in which eligible employees are able to enter the deferral portion of the plan immediately upon electing to participate. Employees who have attained the age of 21 are eligible to participate. Under the plan, USAB will make matching contributions equal to 100% of the employee's elective deferral contributions, up to 3% of the employee's compensation, and 50% of the elective deferral contributions over 3% of the employee's compensation, but not to exceed 5% of compensation. USAB made matching contributions of \$150,200 and \$139,680 for the years ended December 31, 2025 and 2024, respectively.

## USA BASEBALL

Notes to the Combined Financial Statements, continued

### 12. Major League Baseball Agreement

USAB granted to Major League Baseball Properties, Inc. and MLB Advanced Media, LLC, the rights to use, license and sublicense, on a worldwide, nonroyalty bearing basis all commercial and editorial rights and interest and other rights to generate revenue annually, beginning January 2016. USAB and MLB agreed to a new multi-year contract in 2023 which was effective starting January 1, 2022 and concluding December 31, 2028.

USAB will receive annual funding for its operations from the Office of the Commissioner of Baseball, with the minimum amounts as follows:

2026	\$	3,509,576
2027	\$	3,649,959
2028	\$	3,795,957

There is also revenue sharing between the entities in this agreement.

### 13. Youth Baseball Bat Licensing Program

In 2017, USAB entered into USA Baseball Youth Bat Performance Standard Trademark License Agreements with bat manufacturers in which the licensees pay USAB a quarterly licensing royalty of 5% of net sales of approved bats bearing the trademark. These agreements expired on December 31, 2022. New agreements, signed in 2023, increase the royalty to 6.50% on non-tee ball bats and are in place until December 31, 2028.

Also during 2017, USAB entered into Youth Bat Licensing Royalty Agreements with five youth baseball organizations in which USAB receives 5% of royalties from the bat manufacturer's agreements. USAB distributes 55% of these royalties on a quarterly basis. The monies are kept in a separate bank account from USAB's general funds and are included in restricted cash on the combined statements of financial position. Payables to youth baseball organizations of \$1,616,795 and \$1,539,441 are included in bat licensing program on the combined statements of financial position at December 31, 2025 and 2024, respectively. These agreements were renewed for years 2023 to 2028.

USAB retains the other 45% of the royalties received from the agreements. For the years ended December 31, 2025 and 2024, USAB earned gross bat licensing program royalties of \$6,522,464 and \$5,957,479, respectively.

### 14. Net Assets Without Donor Restrictions

Net assets without donor restrictions at December 31, 2025 and 2024 are as follows:

	<u>2025</u>	<u>2024</u>
Undesignated	\$ 10,784,514	\$ 6,113,399
Board designated - endowment	<u>2,592,743</u>	<u>2,421,777</u>
	<u>\$ 13,377,257</u>	<u>\$ 8,535,176</u>

## USA BASEBALL

Notes to the Combined Financial Statements, continued

### 15. Net Assets With Donor Restrictions

Net assets with donor restrictions at December 31, 2025 and 2024 are available for the following purposes:

	<u>2025</u>	<u>2024</u>
Prospect Development Pipeline	\$ <u>-</u>	\$ <u>53,344</u>

### 16. Net Assets Released from Restrictions

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of passage of time or other events specified by donors. The net assets released from restrictions for the years ended December 31, 2025 and 2024 were as follows:

	<u>2025</u>	<u>2024</u>
USAB Develops	\$ <b>2,092,867</b>	\$ 1,973,063
Prospect Development Pipeline	<b>603,344</b>	660,269
USOPC Education Grant	<u>-</u>	<u>1,000</u>
	<b>\$ <u>2,696,211</u></b>	<b>\$ <u>2,634,332</u></b>

### 17. Board Designated Endowment Fund

The Foundation's invested funds provide long-term support to the Federation. As required by U.S. GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. A board-designated endowment fund is generally created when a governing board designates or earmarks a portion of its net assets without donor restrictions to be invested for a long, and possibly unspecified, period of time.

The State of North Carolina enacted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) effective March 2009, the provisions of which apply to endowment funds existing on or established after that date. Absent donor stipulations to the contrary, the provisions of this state law do not impose either a permanent or temporary restriction on the income or capital appreciation derived from the original gifts.

## USA BASEBALL

Notes to the Combined Financial Statements, continued

### 17. Board Designated Endowment Fund, continued

Changes in board-designated endowment assets of the years ended December 31, 2025 and 2024 are as follows:

	<u>2025</u>	<u>2024</u>
Endowment net assets, beginning of year	\$ 2,421,777	\$ 2,259,990
Contributions	81,492	60,000
Investment return:		
Investment income, net	44,691	42,480
Net appreciation:		
Realized and unrealized	<u>246,271</u>	<u>119,307</u>
Total investment return	290,962	161,787
Amount appropriated for expenditure	<u>(201,488)</u>	<u>(60,000)</u>
Endowment net assets, end of year	<u>\$ 2,592,743</u>	<u>\$ 2,421,777</u>

#### Investment Return Objectives and Strategies

The Foundation's investment policies include objectives relative to its long-term investments. The overall objective is to maximize the return on invested assets while minimizing risk and expenses. To achieve this objective, the Foundation has employed investment strategies of diversification, credit quality and asset-allocation ranges. In addition, investments within the portfolio should be readily marketable. The invested composition at any given time is dependent upon a number of factors, including the amount available for investment and current market conditions.

#### Spending Policy and How the Investment Objectives Relate to Spending Policy

The Foundation has a policy of distributing amounts over an established corpus amount of \$1,050,000, with approval by the Board of Directors. In establishing this policy, the Foundation considered the long-term expected return on its investments. Accordingly, the Foundation expects the current spending policy to sustain its endowment and investment return objectives.

### 18. Concentrations of Credit Risk

USAB maintains cash balances at various financial institutions. At various times throughout the year, USAB may have cash in financial institutions in excess of insured limits. The Federal Deposit Insurance Corporation (FDIC) insures account balances up to \$250,000 for each business depositor.

USAB also maintains money market accounts as part of their investment portfolio. Money market accounts, other securities, and investments held in brokerage accounts are protected by the Securities Investor Protection Corporation (SIPC) in the event of broker-dealer failure, with up to \$500,000 of protection for each brokerage account with a limit of \$250,000 for claims of uninvested cash balances. The SIPC insurance does not protect against market losses on investments.

## USA BASEBALL

Notes to the Combined Financial Statements, continued

### 19. Liquidity and Availability

USAB manages its liquid assets by investing holdings in interest-bearing deposits, bonds, mutual funds, and similar investments to ensure that there are adequate resources to cover operating and capital needs. Departmental budgets are prepared through extensive meetings and those budgets are converted to cash flow budgets in order to anticipate cash needs.

The following reflects USAB's financial assets (cash and cash equivalents and investments) as of December 31, 2025 expected to be available within one year to meet the cash needs for general expenditures:

Cash	<b>\$ 3,827,351</b>
Restricted cash	<b>959,647</b>
Accounts receivable	<b>1,654,964</b>
Pledges receivable, current	<b>841,822</b>
Investments	<b><u>3,759,598</u></b>
Financial assets, at year end	<b>11,043,382</b>
Less those unavailable for general expenditures within one year, due to:	
Contractual or donor-imposed restrictions:	
Restricted cash (contractual restrictions)	<b>959,647</b>
Amount unavailable to management without Board approval:	
Board designated	<b><u>2,592,743</u></b>
Financial assets available to meet cash needs for general expenditures within one year	<b><u>\$ 7,490,992</u></b>

### 20. Appalachian League

In 2025 and 2024, USAB received \$3,896,428 and \$3,977,129, respectively, in funding designated for the Appalachian League, Inc. (the League), another non-profit. The funding received was based on the budgeted support necessary for the League's operations. USAB helped to administer these operations and spend these funds at the direction of the League. USAB was owed \$10,239 and \$144,830 by the League at December 31, 2025 and 2024, respectively.

**Independent Auditor's Report  
on the Supplementary Information**

Board of Directors  
USA Baseball  
Durham, North Carolina

We have audited the combined financial statements of the United States Baseball Federation, Inc. and the USA Baseball Foundation, Inc. (USA Baseball) as of and for the years ended December 31, 2025 and 2024, and our report thereon dated April 29, 2026, which expressed an unmodified opinion on those combined financial statements, appears earlier in these financial statements. Our audits were conducted for the purpose of forming an opinion on the combined financial statements as a whole. The supplementary information is presented for purposes of additional analysis and is not a required part of the combined 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 combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined 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 combined financial statements as a whole.

*Dean Dorton Allen Ford, PLLC*

Raleigh, North Carolina  
April 29, 2026

## USA BASEBALL

### Combining Statement of Financial Position

December 31, 2025

	United States Baseball Federation, Inc.	USA Baseball Foundation, Inc.	Eliminations	Total
<b>Assets</b>				
Current assets:				
Cash	\$ 3,471,388	\$ 355,963	\$ -	\$ 3,827,351
Restricted cash	959,647	-	-	959,647
Accounts receivable, net	1,806,452	-	(151,488)	1,654,964
Pledges receivable	841,822	-	-	841,822
Inventories	676,097	-	-	676,097
Investments	1,465,577	2,294,021	-	3,759,598
Other current assets	<u>183,102</u>	<u>94,247</u>	<u>-</u>	<u>277,349</u>
Total current assets	9,404,085	2,744,231	(151,488)	11,996,828
Property and equipment, net	690,870	-	-	690,870
Non-current and other assets:				
Pledges receivable, due after one year, net of discount	2,824,733	-	-	2,824,733
Right-of-use assets (ROU) - operating leases	<u>11,492,934</u>	<u>-</u>	<u>-</u>	<u>11,492,934</u>
Total non-current and other assets	<u>14,317,667</u>	<u>-</u>	<u>-</u>	<u>14,317,667</u>
Total assets	<u>\$ 24,412,622</u>	<u>\$ 2,744,231</u>	<u>\$ (151,488)</u>	<u>\$ 27,005,365</u>
<b>Liabilities and Net Assets</b>				
Current liabilities:				
Bat licensing program	\$ 1,616,795	\$ -	\$ -	\$ 1,616,795
Accounts payable and accrued expenses	509,431	151,488	(151,488)	509,431
Deferred revenue	913,366	-	-	913,366
Operating lease liabilities	<u>263,749</u>	<u>-</u>	<u>-</u>	<u>263,749</u>
Total current liabilities	3,303,341	151,488	(151,488)	3,303,341
Non-current liabilities:				
Operating lease liabilities	<u>10,324,767</u>	<u>-</u>	<u>-</u>	<u>10,324,767</u>
Total liabilities	13,628,108	151,488	(151,488)	13,628,108
Net assets:				
Without donor restrictions	<u>10,784,514</u>	<u>2,592,743</u>	<u>-</u>	<u>13,377,257</u>
Total liabilities and net assets	<u>\$ 24,412,622</u>	<u>\$ 2,744,231</u>	<u>\$ (151,488)</u>	<u>\$ 27,005,365</u>

See independent auditor's report on supplementary information.

## USA BASEBALL

### Combining Statement of Financial Position

December 31, 2024

	<u>United States Baseball Federation, Inc.</u>	<u>USA Baseball Foundation, Inc.</u>	<u>Total</u>
<b>Assets</b>			
Current assets:			
Cash	\$ 1,114,990	\$ 345,077	\$ 1,460,067
Restricted cash	761,642	-	761,642
Accounts receivable	3,046,503	-	3,046,503
Pledges receivable	163,244	40,000	203,244
Inventories	579,145	-	579,145
Investments	1,346,848	1,973,350	3,320,198
Other current assets	<u>186,192</u>	<u>63,350</u>	<u>249,542</u>
Total current assets	7,198,564	2,421,777	9,620,341
Property and equipment, net	749,079	-	749,079
Right-of-use assets (ROU) - operating leases	<u>11,949,117</u>	<u>-</u>	<u>11,949,117</u>
Total assets	<u>\$ 19,896,760</u>	<u>\$ 2,421,777</u>	<u>\$ 22,318,537</u>
<b>Liabilities and Net Assets</b>			
Current liabilities:			
Bat licensing program	\$ 1,539,441	\$ -	\$ 1,539,441
Accounts payable and accrued expenses	994,035	-	994,035
Deferred revenue	368,460	-	368,460
Operating lease liabilities	<u>239,563</u>	<u>-</u>	<u>239,563</u>
Total current liabilities	3,141,499		3,141,499
Non current liabilities:			
Operating lease liabilities	<u>10,588,518</u>	<u>-</u>	<u>10,588,518</u>
Total liabilities	13,730,017	-	13,730,017
Net assets:			
Without donor restrictions	6,113,399	2,421,777	8,535,176
With donor restrictions	<u>53,344</u>	<u>-</u>	<u>53,344</u>
Total net assets	<u>6,166,743</u>	<u>2,421,777</u>	<u>8,588,520</u>
Total liabilities and net assets	<u>\$ 19,896,760</u>	<u>\$ 2,421,777</u>	<u>\$ 22,318,537</u>

*See independent auditor's report on supplementary information.*

**USA BASEBALL**

Combining Statement of Activities

Year ended December 31, 2025

	United States Baseball Federation, Inc.			USA Baseball Foundation, Inc.			Eliminations	Total
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total		
Revenues and other support:								
Major League Baseball funding	\$ 2,011,225	\$ 1,838,367	\$ 3,849,592	\$ -	\$ -	\$ -	\$ -	\$ 3,849,592
Bat licensing program royalties	6,522,464	-	6,522,464	-	-	-	-	6,522,464
Event registration and room rebates	2,597,599	-	2,597,599	-	-	-	-	2,597,599
Merchandise sales and memorabilia	1,836,692	-	1,836,692	-	-	-	-	1,836,692
MLB/USAB joint events	4,081,469	-	4,081,469	-	-	-	-	4,081,469
Prospect Development Pipeline	-	550,000	550,000	-	-	-	-	550,000
Sponsorship, licensing, and donations	2,573,987	254,500	2,828,487	81,492	-	81,492	-	2,909,979
Ticket sales	458,714	-	458,714	-	-	-	-	458,714
MLB Combine	240,295	-	240,295	-	-	-	-	240,295
In-kind donations	284,231	-	284,231	-	-	-	-	284,231
Other income	3,714,347	-	3,714,347	-	-	-	(201,488)	3,512,859
Dividends and interest	226,136	-	226,136	44,691	-	44,691	-	270,827
Net realized and unrealized gains on investments	46,727	-	46,727	246,271	-	246,271	-	292,998
Net assets released from restrictions	2,696,211	(2,696,211)	-	-	-	-	-	-
Total revenues and other support	27,290,097	(53,344)	27,236,753	372,454	-	372,454	(201,488)	27,407,719
Expenses and direct costs:								
Expenses:								
Program services	19,586,028	-	19,586,028	-	-	-	-	19,586,028
Management and general	1,573,163	-	1,573,163	201,488	-	201,488	(201,488)	1,573,163
Fundraising	562,920	-	562,920	-	-	-	-	562,920
Total expenses	21,722,111	-	21,722,111	201,488	-	201,488	(201,488)	21,722,111
Direct costs:								
Merchandise sales	672,042	-	672,042	-	-	-	-	672,042
Card sale fundraiser	224,829	-	224,829	-	-	-	-	224,829
Total direct costs	896,871	-	896,871	-	-	-	-	896,871
Total expenses and direct costs	22,618,982	-	22,618,982	201,488	-	201,488	(201,488)	22,618,982
Changes in net assets	4,671,115	(53,344)	4,617,771	170,966	-	170,966	-	4,788,737
Net assets, beginning of year	6,113,399	53,344	6,166,743	2,421,777	-	2,421,777	-	8,588,520
Net assets, end of year	\$ 10,784,514	\$ -	\$ 10,784,514	\$ 2,592,743	\$ -	\$ 2,592,743	\$ -	\$ 13,377,257

See independent auditor's report on supplementary information.

**USA BASEBALL**

Combining Statement of Activities

Year ended December 31, 2024

	United States Baseball Federation, Inc.			USA Baseball Foundation, Inc.			Eliminations	Total
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total		
Revenues and other support:								
Major League Baseball funding	\$ 1,955,953	\$ 1,763,847	\$ 3,719,800	\$ -	\$ -	\$ -	\$ -	\$ 3,719,800
Bat licensing program royalties	5,957,479	-	5,957,479	-	-	-	-	5,957,479
Event registration and room rebates	2,591,123	-	2,591,123	-	-	-	-	2,591,123
Merchandise sales and memorabilia	1,675,576	-	1,675,576	-	-	-	-	1,675,576
MLB/USAB joint events	4,203,499	-	4,203,499	-	-	-	-	4,203,499
Prospect Development Pipeline	-	550,000	550,000	-	-	-	-	550,000
Premier12	450,000	-	450,000	-	-	-	-	450,000
Sponsorship, licensing, and donations	1,610,550	209,216	1,819,766	60,000	-	60,000	-	1,879,766
Ticket sales	487,214	-	487,214	-	-	-	-	487,214
MLB Combine	327,614	-	327,614	-	-	-	-	327,614
MLB/USOC professional team	557,836	1,000	558,836	-	-	-	-	558,836
In-kind donations	247,656	-	247,656	-	-	-	-	247,656
Other income	597,846	-	597,846	-	-	-	(60,000)	537,846
Loss on disposal of asset	(10,375)	-	(10,375)	-	-	-	-	(10,375)
Dividends and interest	209,378	-	209,378	42,481	-	42,481	-	251,859
Net realized and unrealized gains on investments	35,831	-	35,831	119,306	-	119,306	-	155,137
Net assets released from restrictions	<u>2,634,332</u>	<u>(2,634,332)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues and other support	23,531,512	(110,269)	23,421,243	221,787	-	221,787	(60,000)	23,583,030
Expenses and direct costs:								
Expenses:								
Program services	20,147,297	-	20,147,297	-	-	-	-	20,147,297
Management and general	1,310,292	-	1,310,292	60,000	-	60,000	(60,000)	1,310,292
Fundraising	<u>377,597</u>	<u>-</u>	<u>377,597</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>377,597</u>
Total expenses	21,835,186	-	21,835,186	60,000	-	60,000	(60,000)	21,835,186
Direct costs:								
Merchandise sales	695,373	-	695,373	-	-	-	-	695,373
Card sale fundraiser	<u>96,845</u>	<u>-</u>	<u>96,845</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>96,845</u>
Total direct costs	<u>792,218</u>	<u>-</u>	<u>792,218</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>792,218</u>
Total expenses and direct costs	<u>22,627,404</u>	<u>-</u>	<u>22,627,404</u>	<u>60,000</u>	<u>-</u>	<u>60,000</u>	<u>(60,000)</u>	<u>22,627,404</u>
Changes in net assets	904,108	(110,269)	793,839	161,787	-	161,787	-	955,626
Net assets, beginning of year	<u>5,209,291</u>	<u>163,613</u>	<u>5,372,904</u>	<u>2,259,990</u>	<u>-</u>	<u>2,259,990</u>	<u>-</u>	<u>7,632,894</u>
Net assets, end of year	<u>\$ 6,113,399</u>	<u>\$ 53,344</u>	<u>\$ 6,166,743</u>	<u>\$ 2,421,777</u>	<u>\$ -</u>	<u>\$ 2,421,777</u>	<u>\$ -</u>	<u>\$ 8,588,520</u>

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