

PGA Foundation, Inc.

Financial Statements

March 31, 2025 and 2024

PGA Foundation, Inc.
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March 31, 2025 and 2024

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Report of Independent Auditors

To the Board of Directors of PGA Foundation, Inc.

Opinion

We have audited the accompanying financial statements of PGA Foundation, Inc. (the "Foundation"), which comprise the statements of financial position as of March 31, 2025 and 2024, and the related statements of activities, of changes in net assets and of cash flows for the years then ended, including the related notes (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as of March 31, 2025 and 2024, and its changes in 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 audit in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Foundation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS 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 US GAAS, 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 the Foundation'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 the Foundation'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.

A handwritten signature in black ink that reads "PricewaterhouseCoopers LLP". The signature is written in a cursive, flowing style.

Miami, Florida
October 1, 2025

PGA Foundation, Inc.
Statements of Financial Position
Years Ended March 31, 2025 and 2024

	2025	2024
Assets		
Current assets		
Cash and cash equivalents	\$ -	\$ 630,744
Accounts receivable, net	113,337	2,767,600
Due from PGA of America	1,561,892	-
Prepaid expenses and other current assets	58,412	237,204
Total current assets	1,733,641	3,635,548
Investments	4,263,986	4,015,509
Long-term prepaid expenses	2,136	1,713
Other assets	970	970
Total assets	<u>\$ 6,000,733</u>	<u>\$ 7,653,740</u>
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	\$ 577,390	\$ 101,571
Current portion of deferred revenue	722,135	448,005
Due to PGA of America	-	3,389,842
Total liabilities	1,299,525	3,939,418
Net assets		
Net assets without donor restrictions	-	(652,441)
Total net assets without donor restrictions	-	(652,441)
Net assets with donor restrictions	4,701,208	4,366,763
Total net assets with donor restrictions	4,701,208	4,366,763
Total net assets	4,701,208	3,714,322
Total liabilities and net assets with and without donor restrictions	<u>\$ 6,000,733</u>	<u>\$ 7,653,740</u>

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

PGA Foundation, Inc.
Statements of Activities
Years Ended March 31, 2025 and 2024

	Without Donor Restrictions	With Donor Restrictions	2025 Total	2024 Total
Revenues and support				
Contributions received	\$ 5,768,454	\$ 665,000	\$ 6,433,454	\$ 13,830,533
Fundraiser event entry fees	160,201	-	160,201	10,000
Sponsorship and other revenue	2,142,406	-	2,142,406	324,206
Investment income	349	169,629	169,978	671
Merchandise sales	13,042	-	13,042	450
Total revenues and support	8,084,452	834,629	8,919,081	14,165,860
Net assets released from restrictions	396,325	(396,325)	-	-
Total operating revenues, support, gains and net assets released from restriction	8,480,777	438,304	8,919,081	14,165,860
Expenses				
Administrative expenses	762,640	-	762,640	581,482
Fundraising expenses	1,582,155	-	1,582,155	1,399,721
Junior league golf expenses	1,367,056	-	1,367,056	1,129,514
Opportunity league golf expenses	13,273	-	13,273	-
Hope program expenses	1,667,721	-	1,667,721	1,615,230
Works program expenses	3,131,112	-	3,131,112	2,644,190
Fundraiser event expenses	284,413	-	284,413	1,175,225
Contributions made	6,576,727	-	6,576,727	5,620,498
Total expenses	15,385,097	-	15,385,097	14,165,860
Net operating activities	(6,904,320)	438,304	(6,466,016)	-
Nonoperating activity				
Contribution from sole corporate member	7,556,761	-	7,556,761	-
Endowment gifts	-	82,173	82,173	4,351,450
Investment return	-	1,146	1,146	15,313
Appropriation of endowment distribution	-	(75,000)	(75,000)	-
Realized and unrealized losses on investments	-	(112,178)	(112,178)	-
Net nonoperating activities	7,556,761	(103,859)	7,452,902	4,366,763
Change in net assets	\$ 652,441	\$ 334,445	\$ 986,886	\$ 4,366,763

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

PGA Foundation, Inc.
Statements of Changes in Net Assets
Years Ended March 31, 2025 and 2024

	2025 Net Assets Without Donor Restrictions	2024 Net Assets Without Donor Restrictions
Net assets without donor restrictions - beginning of year	\$ (652,441)	\$ (652,441)
Changes in net assets without donor restrictions	<u>652,441</u>	<u>-</u>
Net assets without donor restrictions - end of year	<u>\$ -</u>	<u>\$ (652,441)</u>
	Net Assets With Donor Restrictions	Net Assets With Donor Restrictions
Net assets with donor restrictions - beginning of year	\$ 4,366,763	\$ -
Changes in net assets with donor restrictions	<u>334,445</u>	<u>4,366,763</u>
Net assets with donor restrictions - end of year	<u>\$ 4,701,208</u>	<u>\$ 4,366,763</u>
Total net assets	<u>\$ 4,701,208</u>	<u>\$ 3,714,322</u>
Total changes in net assets	<u>\$ 986,886</u>	<u>\$ 4,366,763</u>

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

PGA Foundation, Inc.
Statements of Cash Flows
Years Ended March 31, 2025 and 2024

	2025	2024
Cash flows from operating activities		
Changes in net assets	\$ 986,886	\$ 4,366,763
Adjustments to reconcile changes in net assets to cash used in operating activities		
Endowment contributions and interest and other transfers	(83,319)	(4,366,763)
Contribution from sole corporate member	(7,556,761)	-
Net realized and unrealized investment losses	112,178	-
Noncash in-kind contributions	(196,495)	-
Proceeds from sale of donated goods	196,495	-
Changes in operating assets and liabilities		
Accounts receivable	2,654,263	(2,278,461)
Prepaid expenses and other assets	178,792	(113,864)
Due to (from) PGA of America - allocated expenses	(2,999,507)	2,284,408
Long-term prepaid expenses	(423)	1,714
Accounts payable and accrued expenses	475,819	(607,703)
Deferred revenue	274,130	(27,156)
Net cash used in operating activities	<u>(5,957,942)</u>	<u>(741,061)</u>
Cash flows from investing activities		
Purchase of investments	(529,335)	(4,015,509)
Proceeds from sale of investments	169,826	-
Net cash used in investing activities	<u>(359,509)</u>	<u>(4,015,509)</u>
Cash flows from financing activities		
Contribution to donor restricted endowment fund	82,173	4,366,763
Contribution from sole corporate member	7,556,761	-
Due to (from) PGA of America, net	(1,952,227)	390,335
Net cash provided by financing activities	<u>5,686,707</u>	<u>4,757,098</u>
Net (decrease) increase in cash and cash equivalents	<u>(630,744)</u>	<u>527</u>
Cash and cash equivalents		
Beginning of year	<u>630,744</u>	<u>630,217</u>
End of year	<u>\$ -</u>	<u>\$ 630,744</u>

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

PGA Foundation, Inc.

Notes to the Financial Statements

Years Ended March 31, 2025 and 2024

1. Organization and Nature of Operations

The PGA Foundation, Inc. (the "Foundation") is involved in various charitable activities and grant programs to promote the game of golf. The Foundation does business as PGA REACH.

2. Significant Accounting Policies

Basis of Accounting

The financial statements of the Foundation have been prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP"). Significant accounting policies are described below.

Use of Estimates

The preparation of financial statements in accordance 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 disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Revenue Recognition

ASC 606 eliminates industry-specific guidance and provides a single revenue recognition model for recognizing revenue from contracts with customers. The core principle of ASC 606 is that a reporting entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the reporting entity expects to be entitled in exchange for those goods or services.

For contributions, the entity records in accordance with the guidance in Subtopic 958-605, whereas for exchange transactions, an entity should follow other guidance (for example, ASC 606).

Contributions, including unconditional promises to give, are recognized in the period received, or unconditionally given, following ASC 958-605. Revenue from sponsorships as well as programmatic and fundraising tournaments and events is recognized in the period the event takes place, following the guidance of ASC 606. Revenue from all other activities is recognized at the time the goods or services are provided, and the Foundation's performance obligations have been satisfied.

Current accounting standards require that companies disaggregate revenue from contracts with customers into categories that depict how the nature, amount, timing, and uncertainty of revenue and cash flows are affected by economic factors. The Foundation has included its revenues and support disaggregated in its statements of activities to satisfy this requirement.

All revenue amounts are recorded net of applicable sales tax, if applicable.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and on deposit. The Foundation deposits cash and cash equivalents with financial institutions which management believes are of high credit quality.

PGA Foundation, Inc.
Notes to the Financial Statements
Years Ended March 31, 2025 and 2024

Accounts Receivable and Allowance for Credit Losses

The Foundation adopted ASU 2016-13, Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments (“ASU 2016-13”), effective January 1, 2023. The standard introduces a new model for recognizing credit losses on financial instruments based on an estimate of current expected credit losses and will apply to trade receivables. The adoption of ASU 2016-13 did not have a material impact on the Company’s financial statements and no additional reserve was deemed necessary.

The Foundation records receivables for event sponsorships, event entry fees, and team registrations in the year in which the events are held. Accounts receivable are carried at the original invoice amount less allowance for credit losses based upon the Foundation’s assessment of various factors, including historical experience and other factors that may affect customers’ ability to pay. As of March 31, 2025 and 2024, the company recorded \$0 as an allowance for credit losses. Accounts receivable are written off when deemed uncollectible and recoveries of accounts receivable previously written off are recorded when received. As of March 31, 2025 and 2024, the reserve for bad debt was \$0 as write-offs have historically been insignificant.

Prepaid Expenses and Other Current Assets

Prepaid expenses include deposits and other expenses paid in advance. As of March 31, 2025 and 2024, the amount of prepaid expenses was \$58,412 and \$237,204, respectively.

Impairment of Long-Lived Assets

Long-lived assets, such as intangible assets with determinable lives, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset or asset group may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to the estimated undiscounted future cash flows expected to be generated by the asset in conjunction with other assets at the lowest level of separately identifiable cash flows. If the undiscounted cash flow test for recoverability identifies a possible impairment, management will perform a fair value analysis. If the carrying amount of an asset or asset group exceeds its fair value, an impairment charge is recognized in the amount by which the carrying amount of the asset or asset group exceeds its fair value. As of March 31, 2025 and 2024, there have been no impairment indicators.

Deferred Revenue

Revenue received in advance is deferred until such time as the event takes place or services are rendered. Revenue received for events that are scheduled to occur more than 12 months after the fiscal year ends are classified as noncurrent. Additionally, Deferred Revenue only relates to revenue received under ASC 606. Contributions received under ASC 958 are recorded as income in the current year, and classified as either contribution revenue with or without donor restrictions / designations.

Endowments

The Foundation classified endowments as net assets with donor restrictions on the statements of financial position. The use of these endowments is restricted to the purpose designated by the donor. If The Foundation wishes to use the funds for other needs, the Foundation must receive written confirmation from the donor beforehand.

PGA Foundation, Inc.
Notes to the Financial Statements
Years Ended March 31, 2025 and 2024

The Foundation's endowment income distribution policies are designed to preserve the value of the endowment in real terms and to generate a predictable stream of spendable income. The overall, long-term investment goal of the Funds is to achieve an annualized return (net of fees and expenses), through appreciation and income, greater than the rate of inflation (as measured by CPI) plus any distributions. This approach is consistent with the applicable standard of conduct set forth in the Uniform Prudent Management of Institutional Funds Act (UPMIFA) adopted by the state of Florida in 2011 and the state of Texas in 2007.

On an annual basis, the Board of Directors of the Foundation (the "Board") approves a distribution from the Funds. The Distribution shall be calculated as up to 4.5% of a five-year rolling average of the entire Fund balance ending December 31st of each year. The Fund balance will include principal, appreciation, dividends and interest. However, the Distribution cannot dip into principal. If there are fewer than five years of history, the distribution calculation will use the maximum number of years available.

The usage of the Opportunity League Fund is to support our opportunity league program nationwide, whereas the Dan Baker Opportunity League Fund is to support the youth from underrepresented backgrounds specific to The Park in West Palm Beach. The PGA HOPE Fund is to support our HOPE programming nationwide. The HBCU Fund is to support our WORKS programming nationwide.

During the fiscal year ending March 31, 2025, a new endowment was created titled the "Dan Baker Opportunity League Fund".

As of March 31, 2025 and 2024, the balance of the endowment investments are as follows:

	2025	2024
Endowment investment, beginning of year	\$ 4,366,763	\$ -
Contributions and bequests	82,173	4,351,450
Interest and dividends	171,857	15,313
Net realized and unrealized gains	(112,178)	-
Appropriation of endowment net assets pursuant to spending policy	(244,629)	-
Endowment investment, end of year	<u>\$ 4,263,986</u>	<u>\$ 4,366,763</u>

PGA Foundation, Inc.
Notes to the Financial Statements
Years Ended March 31, 2025 and 2024

Net Assets

The Foundation classifies contributions received with temporary or permanent donor restrictions as net assets with donor restrictions. All other contributions are classified as net assets without donor restrictions. Donor restricted contributions that are satisfied within the same period as received are classified as net assets without donor restrictions on the accompanying statements of financial position. Below is a breakout of the net assets with donor restrictions which show the balance by fund.

	2025			2024
	Designated	Undesignated	Total	Total
HOPE	\$ 50,000	\$ -	\$ 50,000	\$ -
WORKS	170,703	-	170,703	-
Opportunity league	60,000	157,601	217,601	-
Endowed funds	4,262,904	-	4,262,904	4,366,763
Total restricted net assets	<u>\$ 4,543,607</u>	<u>\$ 157,601</u>	<u>\$ 4,701,208</u>	<u>\$ 4,366,763</u>

The designated use of the HOPE \$50,000 is to be used to support PGA HOPE programs in Palm Beach County, particularly at The Park in West Palm Beach. The designated use of the Opportunity League \$60,000 is restricted to usage for opportunity league programming in Atlanta and Tampa. The undesignated use of the \$157,601 in Opportunity League is the remainder of the endowment distribution from FY24 which can either be reinvested or used to cover any related opportunity league expenses. The \$170,703 designated to WORKS is to be used for Scholarship expenses related to WORKS fellows. The usage of the endowed funds is described in the prior subsection.

Income Taxes

The Foundation is a public charity exempt from federal and state income tax under Section 501(c)(3) of the Internal Revenue Code. Provision for unrelated business income tax, when applicable, is made for activities unrelated to the stated tax-exempt purposes of the Foundation.

3. Revision to the 2024 Financial Statements

During the year ended March 31, 2025, the Foundation identified a misstatement in its previously reported March 31, 2024 financial statements related to cash received to fund operations that was repayable to The Professional Golfers' Association of America (the "PGA of America") which was reported as an operating activity instead of a financing activity within the statement of cash flows. The Foundation assessed the materiality of the misstatement, both individually and in aggregate, and concluded that it was not material. However, for comparative purposes, the Foundation has revised its March 31, 2024 financial statements. The statement of cash flows for the year ended March 31, 2024 has been corrected by increasing the previously reported net cash used in operating activities by \$390,335 and increasing the net cash provided by financing activities by the same amount.

PGA Foundation, Inc.
Notes to the Financial Statements
Years Ended March 31, 2025 and 2024

4. Functional Allocation of Expenses

For the year ended March 31, 2025, the Foundation's functional allocation of expenses is represented as follows:

	2025							
	PGA REACH Operations	PGA REACH Development	PGA REACH Works	PGA REACH Hope	PGA REACH Junior League	PGA REACH Opportunities League	PGA REACH Places to Play	Total
Grants, scholarships and charitable contributions	\$ 32,723	\$ 5,035	\$ 1,342,389	\$ 4,751,191	\$ 1,176,836	\$ 11,366	\$ 508,317	\$ 7,827,857
Professional fees	278,820	809,899	1,533,525	690,560	800	-	300	3,313,904
Salaries, payroll taxes and benefits	400,769	655,021	243,502	349,564	118,039	-	67,253	1,834,148
Travel and related costs	55,648	186,149	367,116	189,727	-	1,245	2,412	802,297
Event food and beverage	4,049	24,134	315,983	212,083	-	-	-	556,249
Gifts and memorabilia	741	88,342	303,659	84,199	-	-	-	476,941
Site fees	7,168	67,514	281,681	38,001	-	-	-	394,364
Marketing and communications	4,501	24,347	76,581	43,907	-	631	328	150,295
Miscellaneous	3,221	8,626	3	16,072	1,089	31	-	29,042
Grand total	\$ 787,640	\$ 1,869,067	\$ 4,464,439	\$ 6,375,304	\$ 1,296,764	\$ 13,273	\$ 578,610	\$ 15,385,097

All management and general expenses that were directly attributable to a specific program were allocated to that program. Allocated expenses include certain costs allocated to the Foundation by the PGA of America based on an analysis of time spent performing Foundation functions. For the year ended March 31, 2025, total allocations were \$2,140,079. Significant items allocated were salaries and wages, payroll taxes and benefits of \$1,834,148 for employees who spend 100% of their time on PGA Foundation functions.

5. Fair Value of Financial Instruments

The Foundation records certain assets and liabilities at fair value in accordance with ASC 820, *Fair Value Measurements and Disclosures*. Fair value is defined as the exchange price that would be received for an asset in the principal or most advantageous market for the asset in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. A hierarchical framework has been established that classifies assets, based on the market observability of the inputs used to determine fair value, into the following three categories:

- Level 1 Quoted prices for identical instruments in active markets to which the Foundation has access at the date of measurement.
- Level 2 Quoted prices for similar instruments in active markets; quoted prices for identical or similar assets in markets that are not active; and model-derived valuations in which all significant inputs are directly or indirectly observable.
- Level 3 Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the instrument. Level 3 valuations are typically performed using pricing models, discounted cash flow methodologies, or similar techniques, which incorporate management's own estimates of assumptions that market participants would use in pricing the instrument or valuations that require significant management judgment or estimation.

Inputs are used in applying the various valuation techniques for determining fair value and may include price information, market transaction data, investment liquidity and other factors. An investment's level within the fair value hierarchy is based on the lowest level input that is significant to the fair value. Transfers between levels are recognized on the date they occur.

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Years Ended March 31, 2025 and 2024

Fair values for marketable securities are based on quoted market prices from an active exchange. The Foundation's holdings of individual marketable securities where the value may be determined by referring to quoted prices from an active exchange are classified in Level 1.

		2025			
		Assets at Fair Value			
		Level 1	Level 2	Level 3	Total
Investments, at fair value					
Cash and money					
market funds	\$	303,230	\$ -	\$ -	\$ 303,230
Fixed income		1,178,463	-	-	1,178,463
Mutual funds		456,247	-	-	456,247
Exchange traded funds		2,326,046	-	-	2,326,046
Total investments, at fair value	\$	4,263,986	\$ -	\$ -	\$ 4,263,986

All investments are carried at fair value in the accompanying statements of financial position.

6. Commitments and Contingencies

Litigation

The Foundation is subject to various legal claims arising in the normal course of business out of the conduct of its current operations. Based on information currently available, it is the opinion of management that the ultimate resolution of pending litigation and threatened proceedings will not have a material adverse effect on the Foundation's financial position or results of activities or cash flows, beyond its current estimates.

7. Risks and Uncertainties

Credit Risk

Financial instruments which potentially expose the Foundation to concentration of credit risk consist primarily of cash and accounts receivable. The Foundation places its cash and cash equivalents with high quality financial institutions. Deposits held in noninterest-bearing transaction accounts are aggregated with any interest-bearing deposits, in the same ownership category, and the combined total insured is \$250,000. As of March 31, 2025 and 2024, interest and noninterest-bearing accounts exceeded the FDIC limit by approximately \$0 and \$380,744, respectively.

Concentration of Contributions

The Foundation received 23% of its contributions from one donor for the years ended March 31, 2025 and 2024, respectively.

8. Related Party Transactions

The Foundation has historically been affiliated with the PGA of America through common board representation, common management, and other integrated activities. The Foundation's cash receipts and disbursements are processed through the PGA of America's centralized cash

PGA Foundation, Inc.
Notes to the Financial Statements
Years Ended March 31, 2025 and 2024

disbursement system, with the net financial impact recorded as Due from/to PGA of America in the accompanying statements of financial position.

During the year ended March 31, 2025, the Foundation underwent an organizational restructuring, which included amended and restated Articles of Incorporation and By-Laws. These changes revised the Board's composition and designated the PGA of America as the Foundation's sole corporate member, formally altering its governance structure.

The restructuring impacted the accounting treatment of certain transactions with the PGA of America, including contributions received, which were previously reported as contribution revenue but are now classified as equity transfers. Accordingly, for the years ended March 31, 2025 and 2024, the Foundation recognized \$7,556,761 and \$3,188,756 received from the PGA of America as an equity transfer and contribution revenue, respectively, within the accompanying statements of activities.

As discussed in Note 4, allocated expenses include certain costs incurred by the PGA of America and charged to the Foundation, totaling \$2,140,079 and \$2,184,408 for the years ended March 31, 2025 and 2024, respectively, within the accompanying statements of activities.

Additionally, amounts funded or swept by the PGA of America through the centralized treasury function, in excess of equity transfers, contributions, and allocated expenses, are reported as financing activities in the statements of cash flows.

9. Liquidity and Availability

The following reflects Foundation's financial assets as of the financial position date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the financial position date.

Financial assets, at year-end	\$ 1,675,229
Less those unavailable for general expenditures within one year, due to	
Contractual or donor-imposed restrictions	
Restricted by donor with time or purpose restrictions	(1,160,439)
Restricted by contractual payables	<u>(514,790)</u>
Financial assets available to meet cash needs for general	
expenditures within one year	<u>\$ -</u>

The Foundation receives donor restricted contributions that are required to be used for specific purposes or in a future period. The Foundation must maintain sufficient liquidity to meet those restrictions. Therefore, certain financial assets may not be available for general expenditure within 12 months. However, the Foundation receives contributions from third-party donors and PGA of America throughout the fiscal year.

To help manage unanticipated liquidity needs the Foundation maintains a financing arrangement with PGA of America, that can be drawn upon as needed.

The Foundation monitors its liquidity to ensure that it has sufficient cash and available financial assets to meet its operating needs and other contractual obligations as they become due.

PGA Foundation, Inc.
Notes to the Financial Statements
Years Ended March 31, 2025 and 2024

10. Subsequent Events

The Foundation evaluated subsequent events and transactions for potential recognition or disclosure in the financial statements through October 1, 2025, the date the financial statements were available for issuance, and determined that no additional items required disclosure.