

**EVANS SCHOLARS FOUNDATION
AND WESTERN GOLF ASSOCIATION**

**CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2025



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**EVANS SCHOLARS FOUNDATION AND WESTERN GOLF ASSOCIATION
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YEAR ENDED DECEMBER 31, 2025**

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INDEPENDENT AUDITORS' REPORT

Trustees and Board of Directors
Evans Scholars Foundation and
Western Golf Association
Glenview, Illinois

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Evans Scholars Foundation (ESF) and Western Golf Association (WGA), which comprise the consolidated statement of financial position as of December 31, 2025, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of ESF and WGA as of December 31, 2025, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of ESF and WGA 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.

Emphasis of Matter Regarding Prior Period Restatement

The consolidated financial statements include a restatement of beginning of year net asset classifications as well as the inclusion of the disclosure related to the board designated endowment fund. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 ESF's and WGA'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about ESF's and WGA's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating statement of financial position, consolidating statement of activities, schedule of tournament revenue and expenses, and schedule of property, buildings, and equipment are presented for purposes of additional analysis and are not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Oak Brook, Illinois
May 21, 2026

EVANS SCHOLARS FOUNDATION AND WESTERN GOLF ASSOCIATION
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2025

ASSETS

Cash and Cash Equivalents	\$ 78,180,411
Accounts and Pledges Receivable, Net	44,814,789
Prepaid Expenses and Deposits	3,949,926
Investments	294,517,887
Property, Buildings, and Equipment, Net	78,242,099
Right-of-Use Lease Asset	228,069
Funds Held for Deferred Compensation	<u>1,703,345</u>
Total Assets	<u><u>\$ 501,636,526</u></u>

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts Payable and Accrued Expenses	\$ 4,746,089
Deferred Revenue	12,461,347
Deferred Compensation	1,703,345
Lease Liability	<u>237,181</u>
Total Liabilities	19,147,962

NET ASSETS

Without Donor Restrictions	418,669,024
With Donor Restrictions	<u>63,819,540</u>
Total Net Assets	<u><u>482,488,564</u></u>
Total Liabilities and Net Assets	<u><u>\$ 501,636,526</u></u>

See accompanying Notes to Consolidated Financial Statements.

EVANS SCHOLARS FOUNDATION AND WESTERN GOLF ASSOCIATION
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES AND OTHER SUPPORT			
Contributions	\$ 69,556,927	\$ 19,034,221	\$ 88,591,148
Tournament Revenue	33,993,339	-	33,993,339
Membership Dues	14,440	-	14,440
Other Income, Net	585,371	-	585,371
Net Assets Released from Restrictions	18,978,979	(18,978,979)	-
Total Revenues and Other Support	123,129,056	55,242	123,184,298
EXPENSES			
Program Expenses:			
Scholars' Expenses:			
Tuition, Housing, and Other Direct			
Scholars' Expenses	28,300,452	-	28,300,452
Related Administrative Expenses	5,103,152	-	5,103,152
House Depreciation	3,622,186	-	3,622,186
Tournament Expenses	31,104,498	-	31,104,498
Caddie Academy and Caddie Services	3,544,443	-	3,544,443
Supporting Services:			
Fundraising	9,183,376	-	9,183,376
General and Administrative	6,555,123	-	6,555,123
Headquarters Depreciation	588,860	-	588,860
Total Expenses	88,002,090	-	88,002,090
EXCESS REVENUE OVER EXPENSES	35,126,966	55,242	35,182,208
NONOPERATING REVENUES			
Contributions - Capital Projects	3,670,087	10,544,710	14,214,797
Investment Income, Net	11,367,816	93,692	11,461,508
Realized Gain on Sale of Investments, Net	523,388	-	523,388
Unrealized Gain on Investments, Net	25,654,794	252,687	25,907,481
Net Assets Released from Restrictions	1,641,459	(1,641,459)	-
CHANGE IN NET ASSETS	77,984,510	9,304,872	87,289,382
Net Assets - Beginning of Year, As Restated	340,684,514	54,514,668	395,199,182
NET ASSETS - END OF YEAR	<u>\$ 418,669,024</u>	<u>\$ 63,819,540</u>	<u>\$ 482,488,564</u>

See accompanying Notes to Consolidated Financial Statements.

EVANS SCHOLARS FOUNDATION AND WESTERN GOLF ASSOCIATION
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2025

	Program Expenses					Supporting Expenses		
	Scholars' Direct Expenses	Scholars' Administrative Expenses	Tournament	Caddie Academy and Caddie Services	Total Program	Fundraising	General and Administrative	Total Expenses
Tuition	\$ 20,481,661	\$ -	\$ -	\$ -	\$ 20,481,661	\$ -	\$ -	\$ 20,481,661
Lodging	2,084,779	-	-	-	2,084,779	-	-	2,084,779
Meal Plans	719,496	-	-	-	719,496	-	-	719,496
Scholar Advisers	202,494	160,068	-	-	362,562	-	-	362,562
Help Desk	275,755	-	-	-	275,755	-	-	275,755
Maintenance	2,132,260	-	-	-	2,132,260	-	312,042	2,444,302
Insurance	744,325	-	-	-	744,325	23,448	69,268	837,041
Scholars' Activities	177,980	-	-	-	177,980	-	-	177,980
Other	367,342	22,961	-	1,585,050	1,975,353	101,082	310,976	2,387,411
Selection Meetings	-	125,262	-	-	125,262	-	-	125,262
Postage	-	8,520	-	299	8,819	115,624	11,084	135,527
Payroll and Related Expenses	-	4,114,799	4,365,501	1,737,590	10,217,890	5,438,420	3,056,342	18,712,652
Par Club Premiums	-	-	-	-	-	826,608	-	826,608
Utilities	1,114,360	9,115	-	-	1,123,475	19,148	14,262	1,156,885
Travel	-	354,044	-	221,336	575,380	758,411	134,761	1,468,552
Printing and Stationery	-	1,455	-	168	1,623	257,628	165	259,416
Supplies	-	3,642	-	-	3,642	-	49,735	53,377
Bag Tag	-	-	-	-	-	285,500	-	285,500
Computer	-	-	-	-	-	141,491	699,085	840,576
Professional Services	-	28,768	-	-	28,768	302,745	600,179	931,692
Endowment Expenses	-	-	-	-	-	913,271	-	913,271
Alumni Association	-	274,518	-	-	274,518	-	-	274,518
Scholarship House Depreciation	3,622,186	-	-	-	3,622,186	-	-	3,622,186
Headquarters Depreciation	-	-	-	-	-	-	588,860	588,860
Bad Debt Expense	-	-	-	-	-	-	1,297,224	1,297,224
Tournament	-	-	26,738,997	-	26,738,997	-	-	26,738,997
Total Expenses by Function	\$ 31,922,638	\$ 5,103,152	\$ 31,104,498	\$ 3,544,443	\$ 71,674,731	\$ 9,183,376	\$ 7,143,983	\$ 88,002,090
PERCENT OF TOTAL EXPENSES					82%	10%	8%	100%

See accompanying Notes to Consolidated Financial Statements.

EVANS SCHOLARS FOUNDATION AND WESTERN GOLF ASSOCIATION
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2025

CASH FLOWS FROM OPERATING ACTIVITIES

Change in Net Assets	\$ 87,289,382
Adjustments to Reconcile Change in Net Assets to Net	
Cash Provided by Operating Activities:	
Depreciation	4,211,046
Noncash Lease Activity	(532)
Provision for Uncollectible Pledges, Net	1,297,224
Change in Discount on Pledges Receivable	444,576
Realized Gain on Sale of Investments, Net	(523,388)
Unrealized Gain on Investments, Net	(25,907,481)
Change in Cash Surrender Value of Donor Life Insurance	117,116
Effects of Changes in Operating Assets and Liabilities:	
Accounts and Pledges Receivable	3,803,635
Prepaid Expenses and Deposits	(671,737)
Accounts Payable and Accrued Expenses	(319,047)
Deferred Revenue	3,336,598
Net Cash Provided by Operating Activities	<u>73,077,392</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Proceeds from Sales and Maturities of Investments	69,754,550
Purchases of Investments	(109,037,030)
Purchases of Property, Buildings, and Equipment	(9,600,991)
Net Cash Used by Investing Activities	<u>(48,883,471)</u>

NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

24,193,921

Cash and Cash Equivalents - Beginning of Year

53,986,490

CASH AND CASH EQUIVALENTS - END OF YEAR

\$ 78,180,411

See accompanying Notes to Consolidated Financial Statements.

EVANS SCHOLARS FOUNDATION AND WESTERN GOLF ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Evans Scholars Foundation – Trust (ESFT) is a charitable trust created to receive and use the net income and principal of the trust estate in order to provide scholarships and other educational opportunities for caddies. ESF II, Inc. (ESFC) is a nonprofit corporation established to hold the excess cash and investments of ESFT. Both ESFT and ESFC are collectively referred to as Evans Scholars Foundation (ESF). Western Golf Association (WGA) was formed to promote and supervise any and all matters and activities pertaining to or for the benefit of caddies, to promote and provide means and facilities for the education of caddies, and to generally promote the interests of golf. WGA annually sponsors the BMW Championship. WGA is affiliated with ESF by a management agreement and in practice, acts as the administrator of ESF, and has the power to appoint the trustees of ESF.

ESF is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC) and is also exempt from state income taxes. In addition, ESF qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(1). WGA is exempt from federal income taxes under Section 501(c)(4) of the IRC, and is also exempt from state income taxes.

The federal and state tax returns of ESF and WGA for 2025 are subject to examination by the Internal Revenue Service and state taxing authorities, generally for three years after they were filed. ESF and WGA have determined that it is not necessary to record a liability for uncertain tax positions as of December 31, 2025.

ESF's and WGA's fiscal year ends on December 31. Significant accounting policies followed by ESF and WGA (hereinafter referred to as the Organization) are presented below.

Use of Estimates in Preparing Consolidated Financial Statements

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Consolidated Financial Statement Presentation

The accompanying consolidated financial statements include the accounts of ESF and WGA. All significant transactions between ESF and WGA have been eliminated in consolidation. Consolidated financial statement presentation follows accounting principles generally accepted in the United States of America.

EVANS SCHOLARS FOUNDATION AND WESTERN GOLF ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting

The consolidated financial statements have been prepared using the accrual basis of accounting.

These consolidated financial statements have been prepared to focus on the Organization as a whole and to present balances and transactions classified according to the existence or absence of donor-imposed restrictions. This has been accomplished by classifying transactions into two classes of net assets – net assets without donor restrictions and net assets with donor restrictions.

Net Assets Without Donor Restrictions – Net assets available for support of the Organization's operations that are not subject to donor-imposed restrictions. Net assets without donor restrictions include all resources over which the trustees and board of directors has control for use in carrying out the Organization's activities or for such other purposes as the trustees or board of directors may direct.

Net Assets With Donor Restrictions – Net assets with donor restrictions include both those that are available for support, with donor-imposed restrictions, that may, or will, be met either by actions of the Organization or the passage of time, as well as those for which the principal must remain intact per donor restriction and the earnings can be used for specified purposes or general operations to the extent of its investment income. When donor restrictions are met or have expired, net assets with donor restrictions are reclassified to net assets without donor restrictions. These reclassifications are reported in the consolidated statement of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as support without donor restrictions.

Public Support and Revenue

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions other than cash are recorded at estimated fair value.

Public support and revenue are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Gains and losses on investments are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or law.

Public support and revenue principally consist of the following:

Contributions

Contributions are considered to be available for use unless specifically restricted by the donor. Other contributions consist of bag tag, event revenues, endowment contributions, nonrecurring bequests, legacies, and other contributions from donors.

EVANS SCHOLARS FOUNDATION AND WESTERN GOLF ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Public Support and Revenue (Continued)

Tournament Revenue

Income and expenses associated with tournaments are recognized during the year in which the tournament is held. Income received and expenses incurred for future tournaments are deferred until the year that tournament takes place.

Donated Services and In-Kind Contributions

The trustees of ESF and the officers and directors of WGA have donated significant amounts of their time and related out-of-pocket expenses on behalf of ESF. The consolidated financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by accounting principles generally accepted in the United States of America.

Functional Allocation of Costs

The consolidated statements of functional expenses report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and benefits, which are allocated based on the estimated time spent on various activities, depreciation, and occupancy costs.

Cash and Cash Equivalents

The Organization considers all liquid investments with a maturity of three months or less when purchased to be cash equivalents. Such instruments purchased with endowment funds are classified as "Investments" in the consolidated statements of financial position.

The Organization maintains its cash accounts primarily with banks located in Chicago, Illinois. Balances in all accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per depositor per bank. The Organization's cash deposits were approximately \$26,704,000 above the federally insured limit as of \$250,000. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

Accounts and Pledges Receivable

Accounts and pledges receivable primarily consist of Par Club contributions or special event proceeds collected by country clubs or associations on the Organization's behalf and not yet remitted to the Organization as of December 31, and unconditional promises to give from individuals. Unconditional promises to give are recognized as revenue or other support in the period that the promise is made. Conditional promises to give, which primarily consist of bequests, are not recorded until the related estate clears probate. Known bequests totaled approximately \$146,893,000 at December 31, 2025. These amounts have not cleared probate court; as such they are not recorded in the consolidated financial statements.

EVANS SCHOLARS FOUNDATION AND WESTERN GOLF ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounts and Pledges Receivable (Continued)

Charitable remainder trusts are contributions from which the Organization will receive a percentage of the remaining assets upon the death of the initial beneficiaries. A receivable has been recorded for the present value of the expected future cash flows using published life expectancy tables and a discount rate of 5.0% at December 31, 2025, and is included with accounts and pledges receivable, net on the accompanying consolidated statements of financial position. The fair value of the receivable is updated annually and the change in value and amortization of the present value discounts are included in contribution revenue.

The carrying amount of unconditional promises to give is reduced by a valuation allowance that reflects management's best estimate of amounts that will not be collected. The allowance for uncollectible amounts is based on management's assessment of the collectability of specific promises to give. If actual defaults are higher than the historical experience, management's estimates of the recoverability of amount due the Organization could be adversely affected.

Investments

The Organization carries investments in marketable securities with readily determinable fair values and investments in debt securities and alternatives at their fair values in the consolidated statements of financial position. Realized and unrealized gains and losses are included in the change in net assets in the accompanying consolidated statements of activities.

Donated securities are recorded at market value on the date received, or at a nominal value determined by management when the market value is not readily determinable. Donated securities are sold as soon as practical after donation.

Property, Buildings, and Equipment

Property, buildings, and equipment are presented in the consolidated statements of financial position at cost less accumulated depreciation. Equipment purchases in excess of \$25,000 per item are capitalized. Building and equipment are depreciated using the straight-line method over the estimated useful lives of the assets.

The following estimated useful lives have been assigned to capitalized assets:

Automobiles	3 Years
Furniture, Fixtures, and Equipment	5 Years
Building and Leasehold Improvements	10 to 15 Years
Buildings	20 to 40 Years

EVANS SCHOLARS FOUNDATION AND WESTERN GOLF ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of Long-Lived Assets

The Organization reviews long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset 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 future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of carrying amount or the fair value less costs to sell. Management has determined that there has been no significant impairment of long-lived assets.

Advertising

The Organization incurs advertising expense in conjunction with hosting the annual BMW Championship. Advertising expenses incurred for each tournament are recognized during the year in which the tournament is held.

Liquidity

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. To help manage unanticipated liquidity needs, the Organization has a committed line of credit of \$10,000,000 upon which it could draw.

Cash and Cash Equivalents	\$ 78,180,411
Marketable Investments	294,517,887
Accounts and Pledges Receivable	44,814,789
Total Financial Assets Available	
Within One Year	417,513,087
Less: Amounts Unavailable for General	
Expenditures Within One Year Due to:	
Board Designated Endowment	253,592,725
Restricted by Donors With Proper Restrictions	63,819,540
Total Financial Assets Available to Meet	
Cash Needs for General Expenditures	
Within One Year	<u>\$ 100,100,822</u>

Subsequent Events

Management evaluated subsequent events through May 21, 2026, the date the consolidated financial statements were available to be issued. Events or transactions occurring after December 31, 2025, but prior to May 21, 2026, that provided additional evidence about conditions that existed at December 31, 2025, have been recognized in the consolidated financial statements for the year ended December 31, 2025. Events or transactions that provided evidence about conditions that did not exist at December 31, 2025, but arose before the consolidated financial statements were available to be issued have not been recognized in the consolidated financial statements for the year ended December 31, 2025.

EVANS SCHOLARS FOUNDATION AND WESTERN GOLF ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 2 FAIR VALUE OF FINANCIAL INSTRUMENTS

In determining fair value, the Organization uses various valuation approaches within the fair value measurement framework. Fair value measurements are determined based on the assumptions that market participants would use in pricing an asset or liability.

A hierarchy has been established for inputs used in measuring fair value that maximizes the use of observable inputs and minimizing the use of unobservable inputs by requiring that the most observable inputs be used when available. Levels within the hierarchy are based on the reliability of inputs as follows:

- *Level 1* – Valuations based on adjusted quoted prices for identical assets or liabilities in active markets;
- *Level 2* – Valuations based on quoted prices for similar assets or liabilities or identical assets or liabilities in less active markets, such as dealer or broker markets; and
- *Level 3* – Valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable, such as pricing models, discounted cash flow models, and similar techniques not based on market, exchange, dealer, or broker-traded transactions.

Fair values of assets and liabilities measured on a recurring basis at December 31 are as follows:

	Fair Value	Level 1	Level 2	Level 3	Assets Not Held at Fair Value
Investments:					
Fixed Income Bonds	\$ 14,735,092	\$ -	\$ 14,735,092	\$ -	\$ -
Alternatives	50,596,742	-	-	50,596,742	-
Equities	167,234,769	167,234,769	-	-	-
Fixed Income Funds	50,494,769	50,494,769	-	-	-
Money Market Funds	11,456,515	-	-	-	11,456,515
Investments Total	294,517,887	217,729,538	14,735,092	50,596,742	11,456,515
Mutual Funds Held for					
Deferred Compensation	1,404,928	1,404,928	-	-	-
Charitable Remainder Trust	2,162,777	-	-	2,162,777	-
Total Assets	<u>\$ 298,085,592</u>	<u>\$ 219,134,466</u>	<u>\$ 14,735,092</u>	<u>\$ 52,759,519</u>	<u>\$ 11,456,515</u>

Fair value for Level 1 investments is determined by reference to quoted market transactions. Fair value of Level 2 investments are determined by reference to quoted market transactions in a less active market for assets similar to those held to support the underlying assets. Fair value of Level 3 charitable remainder trust is determined by calculating the present value of the future payments to be received, using published life expectancy tables. Fair value of Level 3 alternative investments is determined by the funds' custodians based on the net asset value of ESFC's ownership interest, as quoted market prices are not available.

EVANS SCHOLARS FOUNDATION AND WESTERN GOLF ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 2 FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

ESFC invested \$8,083,332 during 2021 in Partners Group Private Equity II (TEI) – Class A, LLC (PGPE), of which \$750,000 has been redeemed. The market value of this investment was \$10,155,385 as of December 31, 2025. There is a one-year notice period to redeem the investment. There are no unfunded commitments.

ESFC invested \$9,088,758 during 2021 in Prime Property Fund, LLC (PPF), of which \$2,474,894 has been redeemed. The market value of this investment was \$6,241,500 as of December 31, 2025. Currently, ESFC is eligible to redeem its investment on a quarterly basis with a 90-day notice. There are no unfunded commitments.

ESFC invested \$2,500,000 during 2022 and an additional \$2,250,000 during 2025 in the Infrastructure Investments Fund (IIF). The market value of this investment was \$5,551,382 as of December 31, 2025. ESFC is eligible to redeem its investment on a semi-annual basis (March 31 and September 30) with a 90-day notice after a four-year soft lock period (4% penalty). Settlement of redemption proceeds occur 75 days after quarter-end. There are no unfunded commitments.

ESFC invested \$4,135,920 during 2022 and an additional \$1,500,000 during 2025 in TA Realty Core Property Fund, L.P. (TA), of which \$1,000,000 has been redeemed. The market value of this investment, net of withdrawals, was \$4,226,146 as of December 31, 2025. ESFC is eligible to redeem its investment on a quarterly basis with a 45-day notice. There are no unfunded commitments.

ESFC invested \$5,000,000 during 2023 in IFM Global Infrastructure (Offshore), L.P., of which \$500,000 has been redeemed. The market value of this investment was \$5,726,358 as of December 31, 2025. ESFC is eligible to redeem its investment on a semi-annual basis (March 31 and September 30) with a 90-day notice. There are no unfunded commitments.

ESFC invested \$2,300,000 during 2023 and an additional \$5,600,000 in 2024 and an additional \$1,000,000 in 2025 in the TPG Angelo Gordon Twin Brook Capital Income Fund. The market value of this investment was \$10,182,143 as of December 31, 2025. The fund offers quarterly repurchase of investment at NAV as of each quarter-end. Quarterly repurchases are limited to 5.0% of aggregate shares outstanding (either by number of shares or aggregate NAV) as of the close of the previous calendar quarter. There are no unfunded commitments.

ESFC invested \$588,708 during 2023, \$803,950 in 2024, and an additional \$907,342 in 2025 in Carlyle Offshore Fund (Levered) Feeder, L.P. The market value of this investment was \$2,566,892 as of December 31, 2025. ESFC is eligible to redeem its investment subject to a 90-day notice period after two-year lock-up period expires or participate in a run-off sleeve with 180-day advance notice. There are no unfunded commitments.

ESFC invested \$5,500,000 during 2025 in AMG Pantheon Fund Class 2. The market value of this investment was \$5,946,936 as of December 31, 2025. ESFC is eligible to redeem its investment quarterly subject to a 90-day notice period. There are no unfunded commitments.

EVANS SCHOLARS FOUNDATION AND WESTERN GOLF ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 2 FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

The following is a reconciliation of the beginning and ending balances of assets and liabilities measured at fair value on a recurring basis using significant unobservable inputs (Level 3 inputs) during the year ended December 31:

Charitable Remainder Trust:	
Balance as of December 31, 2024	\$ 1,975,417
Change in Present Value	<u>187,360</u>
Balance as of December 31, 2025	<u><u>\$ 2,162,777</u></u>

NOTE 3 INVESTMENTS

Investments at December 31 are comprised of the following:

	Cost	Fair Value	Unrealized Gain (Loss)
Fixed Income Bonds	\$ 16,621,562	\$ 14,735,092	\$ (1,886,470)
Alternatives	45,286,076	50,596,742	5,310,666
Equities	128,641,680	167,234,769	38,593,089
Fixed Income Funds	50,252,199	50,494,769	242,570
Money Market Funds	11,456,515	11,456,515	-
Total Investments	<u><u>\$ 252,258,032</u></u>	<u><u>\$ 294,517,887</u></u>	<u><u>\$ 42,259,855</u></u>

Total investment income for the year ended December 31 is as follows:

Investment Income	\$ 12,125,150
Investment Fees	<u>(663,642)</u>
Total Investment Income, Net	<u><u>\$ 11,461,508</u></u>

EVANS SCHOLARS FOUNDATION AND WESTERN GOLF ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 4 ACCOUNTS AND PLEDGES RECEIVABLE

Accounts and pledges receivable at December 31 are comprised of the following:

Receivable in Less than One Year:	
Accounts Receivable (Including Accrued Interest)	\$ 4,111,249
Pledges Receivable	921,959
Total	<u>5,033,208</u>
Receivable in One to Five Years:	
Pledges Receivable	37,898,581
Receivable in Future Years:	
Pledges Receivable in More than Five Years	3,861,771
Charitable Remainder Trust	2,162,777
Cash Surrender Value of Donor Life Insurance Policies	1,323,010
Total Accounts and Pledges Receivable	<u>50,279,347</u>
Less: Allowance for Uncollectible Pledges	(2,518,053)
Less: Unamortized Discount	(2,946,505)
Net Accounts and Pledges Receivable	<u><u>\$ 44,814,789</u></u>
Current Portion	\$ 5,033,208
Long-Term Portion	39,781,581
Net Accounts and Pledges Receivable	<u><u>\$ 44,814,789</u></u>

Long-term pledges receivable are discounted based upon payment terms using a 5% discount factor at December 31, 2025.

NOTE 5 PROPERTY, BUILDINGS, AND EQUIPMENT

Property, buildings, and equipment at December 31 are comprised of the following:

	Cost	Accumulated Depreciation	Net
Scholarship Houses	\$ 107,452,893	\$ 42,464,499	\$ 64,988,394
Headquarters - Glenview, Illinois:			
Land	2,340,232	-	2,340,232
Building	12,929,195	2,641,907	10,287,288
Furniture and Furnishings	972,149	615,632	356,517
Computer Equipment	641,520	641,520	-
Other:			
Automobiles	334,681	300,034	34,647
Tournament Equipment	52,115	52,115	-
Trophies	235,021	-	235,021
Total Property, Buildings, and Equipment	<u><u>\$ 124,957,806</u></u>	<u><u>\$ 46,715,707</u></u>	<u><u>\$ 78,242,099</u></u>

The scholarship houses cost of \$107,452,893 as of December 31, 2025 and includes approximately \$2,500,000 of land that is nondepreciable.

EVANS SCHOLARS FOUNDATION AND WESTERN GOLF ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 6 LINE OF CREDIT

The Organization has a revolving line of credit for \$10,000,000, subject to a limit of 75% of the then current market value of certain of the Organization's investments, which have been pledged as collateral. The note bears interest at the prime rate (6.75% at December 31, 2025) plus 0.50%. The revolving line of credit has an expiration date of July 31, 2026. The line of credit was not utilized in 2025.

NOTE 7 DEFERRED COMPENSATION PLAN

The Organization maintains a tax deferred 457 retirement plan for six employees. Total contributions to the plan were \$93,000 for the year ended December 31, 2025, respectively.

Investments held related to the deferred compensation plan at December 31 are comprised of the following:

Cash and Cash Equivalents	\$ 298,417
Mutual Funds	1,404,928
Total Deferred Compensation Investments	<u>\$ 1,703,345</u>

NOTE 8 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes and periods as of December 31:

Subject to Expenditure for Specific Purpose:	
Caddie Academy	\$ 2,684,872
Delaware Scholarship House	9,711,776
Arizona Scholarship House	1,458,141
Iowa Scholarship House	2,051,317
South Carolina Scholar Housing	1,093,560
Rutgers Scholarship House	691,437
John Carroll Scholarship House	1,000
Keiser Scholarships	4,971,674
South Carolina Caddie Development	871,120
Headquarters Building	7,500,000
Total	<u>31,034,897</u>
Subject to Passage of Time:	
Time Restricted Pledge Contributions	29,084,643
Not Subject to Appropriation or Expenditure:	
McGuigan Endowment Fund - Named Scholarships	1,500,000
Kummer Endowment Fund	200,000
McCausland Endowment Fund	2,000,000
Total	<u>3,700,000</u>
Total Net Assets With Donor Restrictions	<u>\$ 63,819,540</u>

EVANS SCHOLARS FOUNDATION AND WESTERN GOLF ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 9 NET ASSETS RELEASED FROM RESTRICTIONS

Net assets with donor restrictions were released from restrictions for the following purposes:

Time Restricted Pledge Contributions	\$ 17,201,965
Investment Income - Endowed Named Scholars	346,379
Caddie Academy	774,065
South Carolina Caddie Development	128,880
Keiser Scholarships	501,250
Illinois Scholarship House	1,641,459
South Carolina Scholar Housing	26,440
Total	<u><u>\$ 20,620,438</u></u>

NOTE 10 ENDOWMENTS

The Organization's endowment funds consist of the McGuigan Unrestricted Endowment Fund and permanently restricted endowment funds (McGuigan, Kummer, and McCausland), which are established to provide scholarships and other educational opportunities for deserving caddies. The Organization's unrestricted endowment funds are designated by the trustees to function as an endowment. The Organization's permanently restricted endowment funds are restricted to adhere to the donor's intentions. As required by U.S. GAAP, net assets associated with endowment funds, including funds designated by the board of directors to function as endowments, are classified and reported on based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The Organization has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization retains in perpetuity (a) the original value of gifts, (b) the original value of subsequent gifts, and (c) any accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Organization considers the following factors in deciding to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the Organization and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the organization
- The investment policy of the organization

EVANS SCHOLARS FOUNDATION AND WESTERN GOLF ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 10 RESTRICTED ENDOWMENTS (CONTINUED)

Interpretation of Relevant Law (Continued)

From time to time, certain donor-restricted endowment funds may have fair values less than the amount required to be maintained by donors or by law (underwater endowments). We have interpreted UPMIFA to permit spending from underwater endowments in accordance with prudent measures required under law. There are no underwater endowments at December 31, 2025.

Return Objectives and Risk Parameters

The Trustees of the Organization have the power and authority to prudently invest the funds contributed to the Organization under the terms of the donor gift agreements in such manner as they deem proper. The Organization has adopted an Investment Policy which strives for long term growth and a reasonable current rate of return for programs supported by the endowment. To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The minimum acceptable rate of return over a full market cycle (approximately 10 years) is that which equals or exceeds the assumed spending rate plus the rate of inflation. Donor funds received for endowment are invested in a pool of investments managed by an independent outside investment firm overseen by the Organization's Investment Committee.

Spending Policy

The Trustees of the Organization have established a spending policy, currently up to 5% of the beginning of the year principal balance of the board designated fund. The use of these funds are supervised by the Organization's Scholarship Committee. The permanent endowment fund's income is expended as it becomes available to fund scholarships. In the event that the original purpose of the gift as directed by the donor can no longer be fulfilled, the Organization, in consultation with the donor, shall modify the gift agreement to the extent necessary to enable the gift to be used in a manner which coincides with the donor's original intent as closely as possible.

The endowment net asset composition by type of fund as of December 31 is as follows:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Donor-Restricted Endowment Funds	\$ -	\$ 2,100,000	\$ 2,100,000
Board-Designated Endowment Funds	<u>253,592,725</u>	<u>-</u>	<u>253,592,725</u>
Total	<u>\$ 253,592,725</u>	<u>\$ 2,100,000</u>	<u>\$ 255,692,725</u>

EVANS SCHOLARS FOUNDATION AND WESTERN GOLF ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 10 RESTRICTED ENDOWMENTS (CONTINUED)

Spending Policy (Continued)

The Organization had the following endowment-related activities during the year ended December 31, 2025:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment Net Assets - Beginning of Year	\$ 195,447,374	\$ 1,700,000	\$ 197,147,374
Investment Gains, Net	37,759,842	346,379	38,106,221
Contributions	30,958,427	400,000	31,358,427
Appropriation of Endowment Assets for Expenditures	<u>(10,572,918)</u>	<u>(346,379)</u>	<u>(10,919,297)</u>
Endowment Net Assets - End of Year	<u>\$ 253,592,725</u>	<u>\$ 2,100,000</u>	<u>\$ 255,692,725</u>

NOTE 11 EMPLOYEE RETIREMENT PLAN

The Organization offers its eligible employees a contributory 403(b) retirement plan. The Organization made annual contributions to the plan equal to 10% of a participant's salary for the year ended December 31, 2025. The Organization contributed approximately \$1,242,000 to the plan for the year ended December 31, 2025.

NOTE 12 REVENUE AND DEFERRED REVENUE

The following table shows the Organization's revenue disaggregated according to the timing of transfer of goods or services:

Revenue Recognized at a Point in Time:	
Tournament Revenue	\$ 28,656,846
Other Income, Net	<u>700,359</u>
Total	29,357,205
Revenue Recognized over Time:	
Membership Dues	14,440
Revenue Subject to Grants and Contributions Guidance:	
Tournament Revenue	5,336,493
Par Club	25,781,558
Leadership Gifts	21,505,445
Bag Tag, Events, and Other	41,304,145
Contributions - Scholarship Houses	<u>14,214,797</u>
Total	<u>108,142,438</u>
Total Revenues and Other Support	<u>\$ 137,514,083</u>

EVANS SCHOLARS FOUNDATION AND WESTERN GOLF ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 12 REVENUE AND DEFERRED REVENUE (CONTINUED)

As of December 31, deferred revenue consisted of the following amounts:

	<u>2025</u>	<u>2024</u>
Tournament Revenue	\$ 12,220,344	\$ 8,985,198
Events	50,000	-
Other	191,003	139,551
Total	<u>\$ 12,461,347</u>	<u>\$ 9,124,749</u>

NOTE 13 BMW CHAMPIONSHIP

The BMW Championship is operated by staff and volunteers for the primary purpose of promoting the game of golf with all of the excess revenues over expenses distributed to the ESF. The BMW Championship is promoted and operated by the WGA as an authorized Professional Golf Association (PGA) Tour tournament event under an agreement with the PGA Tour and BMW Professional Golf of North America, LLC (BMW). The contract with the PGA Tour is to operate the tournament through 2027. The annual tournament will be held at various golf facilities throughout the term of the agreement.

Advertising expenses related to the BMW Championship for the year ended December 31, 2025 totaled approximately \$630,000.

NOTE 14 SCHOLARSHIP PROGRAM

The Organization annually grants over 345 renewable scholarships to eligible candidates. The scholarships are renewable on an annual basis for up to four years contingent upon the students maintaining certain academic standards. The Organization maintains an average enrollment in the scholarship program of approximately 1,250 students per year depending on continuing candidate eligibility and attrition rates. During 2025, the Organization incurred approximately \$41,867,000 for direct scholar expenses, of which approximately \$20,482,000 related to tuition.

Estimated future direct scholar expenses to be incurred under this program over the next five years are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2026	\$ 43,502,528
2027	47,029,961
2028	50,343,247
2029	53,977,320
2030	57,229,074
Total	<u>\$ 252,082,130</u>

EVANS SCHOLARS FOUNDATION AND WESTERN GOLF ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 15 LEASES

The Organization leases certain apartments for the housing of scholars at Michigan State University under a lease that is less than 12 months in duration. The lease expired July 31, 2025, and annual rent was \$169,260 payable in three installments during the lease term. The lease was renewed in 2025 with a new expiration date of July 31, 2026. The renewed lease calls for annual rent of \$177,300 payable in three installments during the lease term.

The Organization leases one scholarship house at Penn State University under long-term lease agreement with an expiration date of May 31, 2028. The lease calls for monthly rent payments ranging from \$7,225 to \$8,465.

The following table provides quantitative information concerning ESF's leases for the year ended December 31:

Lease Costs:	
Operating Lease Costs	<u>\$ 96,301</u>
Other Information:	
Operating Cash Flows	\$ 96,834
Weighted-Average Remaining Lease Term	2.4 Years
Weighted-Average Discount Rate	1.55%

A maturity analysis of annual undiscounted cash flows for lease liabilities as of December 31, 2025, is as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2026	\$ 98,770
2027	100,745
2028	<u>42,323</u>
Undiscounted Cash Flows	241,838
Less: Imputed Interest	<u>4,657</u>
Total Present Value	<u>\$ 237,181</u>
Short-Term Lease Liabilities	\$ 95,769
Long-Term Lease Liabilities	<u>141,412</u>
Total	<u>\$ 237,181</u>

NOTE 16 CASH FLOW DISCLOSURES

There was no cash paid for interest for the year ended December 31, 2025.

At December 31, 2025, there was approximately \$800,000 of property, buildings, and equipment included within accounts payable and accrued expenses.

There were no noncash financing transactions during the year ended December 31, 2025.

EVANS SCHOLARS FOUNDATION AND WESTERN GOLF ASSOCIATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025

NOTE 17 PRIOR PERIOD ADJUSTMENT

The Organization's previously issued 2024 consolidated statement of activities has been restated to correct errors in the presentation of net assets with donor restrictions. The restatement had no impact on the change in net assets or total net assets. Also, the board designated endowment was not presented with the required disclosures which has been added to the endowment footnote, see Note 10. The effect of the correction of previously issued consolidated financial statements is summarized below:

	December 31, 2024		
	As Previously Reported	Adjustment	As Restated
Consolidated Statement of Financial Position:			
Net Assets Without Donor Restrictions	\$ 346,186,802	\$ (5,502,288)	\$ 340,684,514
Net Assets With Donor Restrictions	49,012,380	5,502,288	54,514,668
Consolidated Footnotes:			
Endowment Net Assets - Beginning of Year -			
Without Donor Restrictions	-	195,447,374	195,447,374

EVANS SCHOLARS FOUNDATION AND WESTERN GOLF ASSOCIATION
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Evans Scholars Foundation	ESF II, Inc.	Western Golf Association	Eliminations	Total
ASSETS					
Cash and Cash Equivalents	\$ 73,055,893	\$ 102,133	\$ 5,022,385	\$ -	\$ 78,180,411
Accounts and Pledges Receivable, Net	44,747,473	-	67,316	-	44,814,789
Due from Related Entities	48,853	-	-	(48,853)	-
Prepaid Expenses and Deposits	2,237,673	-	1,712,253	-	3,949,926
Investments	-	294,517,887	-	-	294,517,887
Property, Buildings, and Equipment, Net	78,082,024	-	160,075	-	78,242,099
Right-of-Use Lease Asset	228,069	-	-	-	228,069
Funds Held for Deferred Compensation	1,703,345	-	-	-	1,703,345
Total Assets	<u>\$ 200,103,330</u>	<u>\$ 294,620,020</u>	<u>\$ 6,962,029</u>	<u>\$ (48,853)</u>	<u>\$ 501,636,526</u>
LIABILITIES AND NET ASSETS					
LIABILITIES					
Accounts Payable and Accrued Expenses	\$ 4,576,371	\$ -	\$ 169,718	\$ -	\$ 4,746,089
Deferred Revenue	3,207,667	-	9,253,680	-	12,461,347
Deferred Compensation	1,703,345	-	-	-	1,703,345
Lease Liability	237,181	-	-	-	237,181
Due to Related Entities	-	-	48,853	(48,853)	-
Total Liabilities	<u>9,724,564</u>	<u>-</u>	<u>9,472,251</u>	<u>(48,853)</u>	<u>19,147,962</u>
NET ASSETS					
Without Donor Restrictions	128,659,226	292,520,020	(2,510,222)	-	418,669,024
With Donor Restrictions	61,719,540	2,100,000	-	-	63,819,540
Total Net Assets	<u>190,378,766</u>	<u>294,620,020</u>	<u>(2,510,222)</u>	<u>-</u>	<u>482,488,564</u>
Total Liabilities and Net Assets	<u>\$ 200,103,330</u>	<u>\$ 294,620,020</u>	<u>\$ 6,962,029</u>	<u>\$ (48,853)</u>	<u>\$ 501,636,526</u>

EVANS SCHOLARS FOUNDATION AND WESTERN GOLF ASSOCIATION
CONSOLIDATING STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Evans Scholars Foundation	ESF II, Inc.	Western Golf Association	Eliminations	Total
REVENUES AND OTHER SUPPORT					
Contributions	\$ 88,591,148	\$ -	\$ -	\$ -	\$ 88,591,148
Tournament Revenue	6,160,696	-	27,832,643	-	33,993,339
Membership Dues	-	-	14,440	-	14,440
Contribution from Western Golf Association to Evans Scholars Foundation	8,000,000	-	(8,000,000)	-	-
Other Income, Net	585,371	-	-	-	585,371
Total Revenues and Other Support	103,337,215	-	19,847,083	-	123,184,298
EXPENSES					
Program Expenses:					
Scholars' Expenses:					
Tuition, Housing and Other Direct Scholars' Expenses	28,300,452	-	-	-	28,300,452
Related Administrative Expenses	5,103,152	-	-	-	5,103,152
House Depreciation	3,622,186	-	-	-	3,622,186
Tournament Expenses	639,452	-	30,465,046	-	31,104,498
Caddie Academy and Caddie Services	3,544,443	-	-	-	3,544,443
Supporting Services:					
Fundraising	9,183,376	-	-	-	9,183,376
General and Administrative	6,354,098	-	201,025	-	6,555,123
Headquarters Depreciation	588,860	-	-	-	588,860
Total Expenses	57,336,019	-	30,666,071	-	88,002,090
EXCESS OF REVENUE OVER EXPENSES	46,001,196	-	(10,818,988)	-	35,182,208
NONOPERATING REVENUES					
Contributions - Capital Projects	14,214,797	-	-	-	14,214,797
Investment Income, Net	-	11,461,508	-	-	11,461,508
Realized Gain on Sale of Investments, Net	-	523,388	-	-	523,388
Unrealized Gain on Investments, Net	-	25,907,481	-	-	25,907,481
Net Assets Transferred (to) from Related Entities	(27,757,604)	27,757,604	-	-	-
CHANGE IN NET ASSETS	32,458,389	65,649,981	(10,818,988)	-	87,289,382
Net Assets - Beginning of Year	157,920,377	228,970,039	8,308,766	-	395,199,182
NET ASSETS - END OF YEAR	<u>\$ 190,378,766</u>	<u>\$ 294,620,020</u>	<u>\$ (2,510,222)</u>	<u>\$ -</u>	<u>\$ 482,488,564</u>

EVANS SCHOLARS FOUNDATION AND WESTERN GOLF ASSOCIATION
SCHEDULE OF TOURNAMENT REVENUE AND EXPENSES
YEAR ENDED DECEMBER 31, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

	Revenue	Direct Expenses	Excess (Deficiency) of Revenue over Direct Expenses
BMW Championship	\$ 30,371,473	\$ 25,744,216	\$ 4,627,257
Pro-Amateur Tournaments	1,235,000	470,056	764,944
Total BMW Championship	<u>31,606,473</u>	<u>26,214,272</u>	<u>5,392,201</u>
NV5 Invitational	1,256,538	1,311,248	(54,710)
Other Tournaments:			
Western Amateur	648,778	640,000	8,778
Western Junior	66,600	163,674	(97,074)
Women's Western Amateur and Junior	414,950	322,823	92,127
Total Other Tournaments	<u>1,130,328</u>	<u>1,126,497</u>	<u>3,831</u>
Total	<u>\$ 33,993,339</u>	<u>\$ 28,652,017</u>	<u>\$ 5,341,322</u>

Note: In the preparation of the Organization's tax returns, general and administrative expenses totaling \$2,452,481 are allocated to tournament expenses.

EVANS SCHOLARS FOUNDATION AND WESTERN GOLF ASSOCIATION
SCHEDULE OF PROPERTY, BUILDINGS, AND EQUIPMENT
YEAR ENDED DECEMBER 31, 2025
(SEE INDEPENDENT AUDITORS' REPORT)

Description	Cost	Accumulated Depreciation	Net
Scholarship Houses:			
Marquette University	\$ 3,030,530	\$ 2,302,654	\$ 727,876
Northwestern University	6,875,452	3,398,409	3,477,043
Pennsylvania State University	487,014	338,912	148,102
University of Illinois	17,199,550	6,228,930	10,970,620
University of Wisconsin	8,985,072	2,677,019	6,308,053
University of Colorado	7,123,135	2,895,707	4,227,428
University of Maryland	10,794,392	543,015	10,251,377
Michigan State University	4,157,695	2,705,073	1,452,622
University of Michigan	6,573,096	3,746,380	2,826,716
University of Minnesota	5,013,137	3,726,669	1,286,468
University of Missouri	2,326,850	2,035,128	291,722
Purdue University	1,833,018	1,344,850	488,168
Indiana University	2,949,703	2,136,989	812,714
Ohio State University	9,052,305	4,356,290	4,696,015
Miami University	5,884,150	1,927,807	3,956,343
University of Oregon	2,862,058	885,101	1,976,957
University of Washington	3,038,329	873,801	2,164,528
University of Kansas	5,946,426	291,765	5,654,661
University of Delaware	490,786	-	490,786
Rutgers University	169,824	-	169,824
University of Iowa	1,660,371	-	1,660,371
University of South Carolina	1,000,000	50,000	950,000
Total Scholarship Houses	107,452,893	42,464,499	64,988,394
Headquarters - Glenview, Illinois:			
Land	2,340,232	-	2,340,232
Building	12,929,195	2,641,907	10,287,288
Furniture and Furnishings	972,149	615,632	356,517
Computer Equipment	641,520	641,520	-
Other:			
Automobiles	334,681	300,034	34,647
Tournament Equipment	52,115	52,115	-
Trophies	235,021	-	235,021
Total Property, Buildings, and Equipment	<u>\$ 124,957,806</u>	<u>\$ 46,715,707</u>	<u>\$ 78,242,099</u>



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