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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors
World Golf Foundation, Inc.

Report on the financial statements**Opinion**

We have audited the financial statements of World Golf Foundation, Inc. (the "Foundation"), which comprise the statements of financial position as of December 31, 2022 and 2021, and the related statements of activities and changes in net assets and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as of December 31, 2022 and 2021, 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 of the financial statements in accordance with auditing standards generally accepted in the United States of America (US GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). 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 the Foundation 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 the Foundation's ability to continue as a going concern for one year after the date 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 US GAAS and *Government 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 US GAAS and *Government 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 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.

Supplementary information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Expenditures of Federal Awards and State of Florida Financial Assistance for the year ended December 31, 2022 as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the Florida Single Audit Act, *Audits of Non-Profit and For-Profit Organizations*, Chapter 10.656(3)(d)1, Rules of the Auditor General, are presented for purposes of additional analysis and are not a required part of the financial statements. Such supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures. These

additional procedures included comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with US GAAS. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other reporting required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 9, 2023 on our consideration of the Foundation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Foundation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Foundation's internal control over financial reporting and compliance.

Grant Thornton LLP

Arlington, Virginia
May 9, 2023

World Golf Foundation, Inc.
STATEMENTS OF FINANCIAL POSITION

As of December 31,

	2022	2021
ASSETS		
Cash and cash equivalents	\$ 7,496,011	\$ 5,590,742
Investments	1,210,454	1,433,209
Accounts receivable	69,568	218,903
Property and equipment, net	9,833,845	10,389,312
Other assets	125,950	135,684
Total assets	\$ 18,735,828	\$ 17,767,850
 LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	\$ 847,921	\$ 868,759
Operating lease obligations	24,765	-
Due to related party	15,865	14,344
Interest payable	11,069	24,921
Deferred revenue	10,823	1,089,286
Debt	1,338,996	3,014,648
Total liabilities	2,249,439	5,011,958
 Net assets		
Without donor restrictions	13,551,035	10,123,871
With donor restrictions	2,935,354	2,632,021
Total net assets	16,486,389	12,755,892
Total liabilities and net assets	\$ 18,735,828	\$ 17,767,850

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

World Golf Foundation, Inc.

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

Years ended December 31,

	<u>2022</u>	<u>2021</u>
Changes in net assets without donor restrictions		
Operating revenues, gains and other support		
Contributions	\$ 3,727,965	\$ 2,077,795
Contributed nonfinancial assets	3,381,252	4,259,006
Net assets released from restrictions	2,256,570	3,405,564
Royalty, license, grants and other fees	3,729,708	2,777,302
Admissions and special functions	2,753,076	1,230,241
Investment return (loss), net	(206,003)	56,770
Other revenues	462,370	388,352
	<u>16,104,938</u>	<u>14,195,030</u>
Operating expenses		
Program and supporting services		
Hall of Fame & Museum	7,067,195	5,945,051
American Golf Industry Coalition	2,138,616	2,035,461
Marketing and promotions:		
Hall of Fame & Museum	3,354,009	4,069,527
American Golf Industry Coalition	117,954	695,338
	<u>12,677,774</u>	<u>12,745,377</u>
Total change in net assets without donor restrictions from operations	<u>3,427,164</u>	<u>1,449,653</u>
Other changes		
Gain on the sale of exhibit collections	-	7,687
Total other changes	-	7,687
Change in net assets without donor restrictions	<u>3,427,164</u>	<u>1,457,340</u>
Changes in net assets with donor restrictions		
Contributions	2,559,903	5,648,400
Net assets released from restrictions	<u>(2,256,570)</u>	<u>(3,405,564)</u>
Change in net assets with donor restrictions	<u>303,333</u>	<u>2,242,836</u>
CHANGE IN NET ASSETS	3,730,497	3,700,176
Net assets, beginning of year	<u>12,755,892</u>	<u>9,055,716</u>
Net assets, end of year	<u>\$ 16,486,389</u>	<u>\$ 12,755,892</u>

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

World Golf Foundation, Inc.
STATEMENTS OF CASH FLOWS
Years ended December 31,

	2022	2021
Cash flows from operating activities		
Changes in net assets	\$ 3,730,497	\$ 3,700,176
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation	741,086	769,356
Gain on the sale of exhibit collections	-	(7,687)
Loss on disposal of fixed assets	-	68,002
Net realized/unrealized losses (gains) on investments	252,485	(13,740)
Change in certain operating assets and liabilities:		
Accounts receivable	149,335	(151,134)
Other assets	9,734	29,566
Accounts payable and accrued expenses	(20,838)	(628,509)
Due to related party	1,521	(454,328)
Interest payable	(13,852)	(13,502)
Deferred revenue	(1,078,463)	1,034,872
Net cash provided by operating activities	<u>3,771,505</u>	<u>4,333,072</u>
Cash flows from investing activities		
Purchases of property and equipment	(160,854)	(156,740)
Purchases of investments	(68,677)	(949,085)
Proceeds on the sale of investments	38,947	940,262
Proceeds on the sale of exhibit collections	-	7,687
Net cash used in investing activities	<u>(190,584)</u>	<u>(157,876)</u>
Cash flows from financing activities		
Payments on long-term debt	(1,675,652)	(1,633,259)
Net cash used in financing activities	<u>(1,675,652)</u>	<u>(1,633,259)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,905,269	2,541,937
Cash and cash equivalents, beginning of year	<u>5,590,742</u>	<u>3,048,805</u>
Cash and cash equivalents, end of year	<u>\$ 7,496,011</u>	<u>\$ 5,590,742</u>
Supplemental disclosure of cash flow information		
Cash paid for interest	<u>\$ 64,500</u>	<u>\$ 105,279</u>

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

World Golf Foundation, Inc.
NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021

NOTE 1 - THE ORGANIZATION AND ITS OPERATIONS

World Golf Foundation, Inc. (the "Foundation") was established in 1989 as a non-profit corporation with the purpose of constructing and operating the World Golf Hall of Fame® ("Hall of Fame & Museum") and World Golf Hall of Fame IMAX Theater® in northeast Florida.

The Hall of Fame & Museum, which opened in May 1998, honors the history of golf and the achievements of its greatest players through educational and entertaining exhibits designed for the enjoyment of the general public and is the centerpiece of a resort called World Golf Village (the "Resort").

The American Golf Industry Coalition division's mission is to unite and activate the golf industry around key strategic initiatives that increase participation and retention of participants, inspire involvement and interest in the game, and promote sustainable best practices for golf facilities. The American Golf Industry Coalition also administers Make Golf Your Thing, which is a collaborative effort across the golf industry to ensure the future of golf is open to everyone. This multi-faceted, multi-year campaign will work to invite more people to the sport from all backgrounds to enjoy the game of a lifetime - their way.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements of the Foundation have been prepared on the accrual basis of accounting in accordance with Accounting Standards Codification ("ASC") No. 958, *Not-for-Profit Entities* ("ASC 958"). ASC 958 requires not-for-profit organizations to distinguish between contributions received that increase net assets without donor restrictions and net assets with donor restrictions. Contributions received are required to be recognized as revenue in the period an unconditional promise to give is received. ASC 958 also requires recognition of the expiration of donor-imposed restrictions in the period in which the restrictions expire. In addition, ASC 958 requires presentation of the financial statements based on the concept of net assets. Net assets are identified as without donor restrictions and with donor restrictions.

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

Net Assets Without Donor Restrictions

Represent net assets which are not subject to donor-imposed stipulations and are fully available to be utilized in any of the Foundation's programs or supporting services.

Net Assets With Donor Restrictions

Represent net assets which are subject to donor-imposed stipulations whose use is restricted by time and/or purpose.

Measure of Operations

The Foundation reports as part of operations all activities, except for items that are unusual or nonrecurring in nature.

Cash and Cash Equivalents

Cash and cash equivalents include cash and highly liquid investments with original maturities of three months or less when purchased.

World Golf Foundation, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2022 and 2021

Investments

The Foundation invests in money market funds, bond mutual funds and equity mutual funds. Investments are carried at fair value, based generally on quoted market prices or net asset value ("NAV") as of the reporting date. Changes in the fair value of investments are reported within investment return in the statement of activities. The cost of securities sold is based on the specific identification method. Dividends are accrued based on the ex-dividend date. Interest is recognized as earned.

Property and Equipment, Net

Property and equipment are stated at cost, less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets, which ranged from three to 40 years.

Other Assets

Other assets consist of prepaid insurance and other expenses as well as inventories. Inventories, which consist primarily of gift shop merchandise, are stated at the lower of cost (first-in, first-out) or net realizable value. The Foundation did not record an inventory valuation allowance at December 31, 2022 and 2021.

Adoption of New Accounting Pronouncements

In February 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-02, *Leases (Topic 842)*. This guidance is intended to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the statement of financial position and disclosing key information about leasing arrangements. ASU 2016-02 requires lessees to report a right-of-use asset along with a lease liability.

The Foundation adopted ASU 2016-02 effective January 1, 2022 and, as a result, the accompanying statement of financial position as of December 31, 2022 includes the right-of-use assets and lease liabilities, which are not reflected in the accompanying statement of financial position as of December 31, 2021 (see Note 7). The Foundation elected to apply practical expedients allowing it to: 1) not reassess whether any expired or existing contracts previously assessed as not containing leases are, or contain, leases; 2) not reassess the lease classification for any expired or existing leases; and 3) not reassess initial direct costs for any existing leases. The Foundation also made the policy election not to record short-term leases.

In September 2020, the FASB issued Accounting Standards Update ("ASU") No. 2020-07, *Presentation and Disclosure by Not-for-Profit Entities for Contributed Nonfinancial Assets* to increase the transparency of contributed nonfinancial assets through enhancement to presentation and disclosure. The new guidance requires contributed nonfinancial assets to be presented as a separate line item on the statement of activities, apart from cash and other financial asset contributions. This guidance also requires disclosure of the types of contributed nonfinancial assets and, for each category, information about whether the assets were monetized or utilized, a description of the policies to monetize or utilize such assets, a description of donor-imposed restrictions associated with the contributions, and a description of the valuation techniques and principal market used to arrive at a fair value measure at initial recognition. In fiscal year 2022, the Foundation retrospectively adopted the provisions of ASU No. 2020-07.

Royalty and License Fees

The Foundation receives royalty and license fees for trademarks incorporating the Foundation logo and other services marks. For agreements which include fixed fee consideration, revenue is recognized ratably over the term of the agreement. For agreements which include variable consideration that are sales-based

World Golf Foundation, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2022 and 2021

or usage-based, revenue is recognized when the underlying sale or usage occurs. Accounts receivable related to contracts with customers for royalty fees totaled \$38,628 and \$50,752 at December 31, 2022 and 2021, respectively.

Admissions Revenue

Hall of Fame & Museum and World Golf Hall of Fame IMAX Theater® revenues are recognized at the point in time when goods and services are transferred to customers. In particular, revenue is recognized upon admission into the Hall of Fame & Museum, when a film is exhibited to a customer, or when a customer takes possession of food and beverage offerings. Accounts receivable related to contracts with customers for admissions totaled \$1,814 and \$5,520 at December 31, 2022 and 2021, respectively.

Deferred Revenue

The Foundation collects certain royalty and license fees in advance of the periods to which they relate. Such amounts are included as deferred revenue and are recognized into income over the term of the respective agreements. Deferred revenues related to contracts with customers totaled \$10,823 and \$1,089,286 at December 31, 2022 and 2021, respectively.

Contributions

The Foundation recognizes contributions received, including unconditional promises to give, as assets and revenue in the period the contribution or unconditional promise is received, at fair value. All contributions are considered to be available for use without donor restrictions, unless specifically restricted by the donor as to purpose or time. Gifts of cash and other assets are reported as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. The Foundation reports gifts of land, buildings and equipment at fair value as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. In addition to the amounts recorded within deferred revenue, the Foundation has received conditional promises to give of \$5,335,024 and \$5,422,571 as of December 31, 2022 and 2021, respectively, that have not been recognized as assets or revenue in the accompanying financial statements. Future receipts of such amounts are conditioned upon numerous significant factors, including annual reviews by the donating organization and annual approval by each of their executive committees. For restricted contributions that were initially classified as conditional, the Foundation has elected to recognize the revenue in net assets without donor restrictions if the restriction is met in the same period that the revenue is recognized.

Collections

The Foundation has received certain loaned and donated artifact collections from other golf organizations and individuals for exhibition in the Hall of Fame & Museum. The Foundation's policy on collections is to not capitalize the value of these collections as they are held for public exhibition, education, or research and not for financial gain. These items are protected and preserved. Ancillary costs of collection items purchased by the Foundation totaled \$91,513 and \$81,544 in 2022 and 2021, respectively, and are included in program and supporting services, Hall of Fame, in the accompanying statements of activities and changes in net assets. The proceeds from the deaccessioning of the artifacts will be used to acquire new acquisitions, the conservation of the current collection and ongoing curatorial support. The Foundation received \$0 in 2022 and \$7,687 in 2021 net of fees from the sale of exhibit collections.

World Golf Foundation, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2022 and 2021

Contributed Nonfinancial Assets

The Foundation receives various types of contributed nonfinancial assets on an annual basis. Contributed nonfinancial assets are recognized at fair value in the accompanying statement of activities and changes in net assets as revenue and a corresponding expense in the period received.

Income Taxes

The Foundation follows guidance that clarifies the accounting for uncertainty in tax positions taken or expected to be taken in a tax return, including issues relating to financial statement recognition and measurement. This guidance provides that the tax effects from an uncertain tax position can only be recognized in the financial statements if the position is "more-likely-than-not" to be sustained if the position were to be challenged by a taxing authority. The assessment of the tax position is based solely on the technical merits of the position, without regard to the likelihood that the tax position may be challenged.

The Foundation is exempt from federal income tax under Internal Revenue Code ("IRC") Section 501(c)(3), though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the IRC. The Foundation has processes presently in place to ensure the maintenance of its tax-exempt status, to identify and report unrelated business income, to determine its filing and tax obligations in jurisdictions for which it has nexus, and to identify and evaluate other matters that may be considered tax positions. The Foundation has determined that there are no material uncertain tax positions that require recognition or disclosure in its financial statements. In addition, the Foundation has not recorded a provision for income taxes, as it has no material tax liability from unrelated business income activities.

Financial Instruments

The Foundation's financial instruments that are exposed to concentrations of credit risk consist primarily of its cash equivalents, investments, and accounts receivable. The Foundation's cash equivalents and investments are primarily invested in high-quality securities placed with institutions with high credit ratings. Contribution and accounts receivable reflect the Foundation's diversified sources of funding and are dispersed among a broad base. The Foundation routinely assesses the financial strength of its donors and customers. These policies limit the Foundation's exposure to concentrations of credit risk. The Foundation places its temporary cash investments in what management believes to be high quality financial institutions. At times, such amounts may be in excess of the Federal Deposit Insurance Corporation insurance limit.

NOTE 3 - FINANCIAL ASSETS AND LIQUIDITY RESOURCES

As of December 31, financial assets and liquidity resources available within one year for general expenditure, such as operating expenses, follow:

	<u>2022</u>	<u>2021</u>
Financial assets:		
Cash and cash equivalents	\$ 7,496,011	\$ 5,590,742
Accounts receivable (due within one year)	69,568	218,903
Investments	<u>1,210,454</u>	<u>1,433,209</u>
Total financial assets available within one year	8,776,033	7,242,854
Less: restricted by donors as to purpose	<u>(2,935,354)</u>	<u>(2,632,021)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 5,840,679</u>	<u>\$ 4,610,833</u>

World Golf Foundation, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2022 and 2021

The Foundation maintains cash balances at a level designed to ensure short-term liquidity. In addition, a suitable proportion of the Foundation's investment balances are held in instruments that can readily be converted to cash, if needed. The Foundation prepares and monitors a 12-month rolling cash flow forecast in order to identify and address any threats to short-term liquidity.

NOTE 4 - CONTRIBUTED NONFINANCIAL ASSETS AND SERVICES

For the years ended December 31, 2022 and 2021, contributed nonfinancial assets and services recognized within the statements of activities consist of the following:

<u>Description</u>	<u>2022</u>	<u>2021</u>	<u>Utilization in Programs/Services</u>	<u>Donor Restrictions</u>	<u>Valuation Techniques and Inputs</u>
Advertising/media space and time	\$ 3,099,903	\$ 3,843,991	Recorded as part of the program or supporting service benefited	No associated donor restrictions	Based on current rates for similar media space and time
Professional services	251,431	373,895	Recorded as part of the program or supporting service benefited	No associated donor restrictions	Based on current rates for similar services
Program equipment	29,918	41,120	Distributed and/or utilized in program or supporting services	No associated donor restrictions	Based on fair market values
Total	<u>\$ 3,381,252</u>	<u>\$ 4,259,006</u>			

NOTE 5 - FAIR VALUE MEASUREMENTS

Fair value is defined as an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. As a basis for considering assumptions, the guidance establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

- Level 1 - Observable inputs such as quoted prices in active markets;
- Level 2 - Inputs, other than the quoted prices in active markets, that are observable either directly or indirectly; and
- Level 3 - Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

World Golf Foundation, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2022 and 2021

Assets and liabilities measured at fair value are based on one or more of three valuation techniques noted in the guidance. The three valuation techniques are as follows:

Market approach - Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities;

Cost approach - Amount that would be required to replace the service capacity of an asset (i.e., replacement cost); and

Income approach - Techniques to convert future amounts to a single present amount based on market expectations (including present value techniques, option-pricing models, and lattice models).

Financial assets measured at fair value on a recurring basis as of December 31, 2022 are as follows:

	<u>Total</u>	Quoted Prices in Active Markets for Identical Assets Level 1	Valuation Technique ⁽¹⁾
Investments			
Bond mutual funds	\$ 589,201	\$ 589,201	M
Equity mutual funds	<u>621,253</u>	<u>621,253</u>	M
Total investments	<u>\$ 1,210,454</u>	<u>\$ 1,210,454</u>	

Financial assets measured at fair value on a recurring basis as of December 31, 2021 are as follows:

	<u>Total</u>	Quoted Prices in Active Markets for Identical Assets Level 1	Valuation Technique ⁽¹⁾
Investments			
Bond mutual funds	\$ 699,207	\$ 699,207	M
Equity mutual funds	<u>734,002</u>	<u>734,002</u>	M
Total investments	<u>\$ 1,433,209</u>	<u>\$ 1,433,209</u>	

⁽¹⁾ As discussed above, the guidance identifies three valuation techniques: market approach (M), cost approach (C), and income approach (I).

World Golf Foundation, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2022 and 2021

NOTE 6 - PROPERTY AND EQUIPMENT, NET

As of December 31, property and equipment, net, consists of the following:

	2022	2021
Land	\$ 33,701	\$ 33,701
Building and improvements	35,091,620	35,091,620
Operating right-of-use asset	24,765	-
Exhibits, furniture and equipment	14,978,556	14,834,880
	50,128,642	49,960,201
Less:		
Accumulated depreciation	(40,294,797)	(39,570,889)
	\$ 9,833,845	\$ 10,389,312

Depreciation expense totaled \$741,086 and \$769,356 during 2022 and 2021, respectively.

NOTE 7 - LEASES

The Foundation assesses contracts at inception to determine whether an arrangement includes a lease, which conveys the Foundation's right to control the use of an identified asset for a period of time in exchange for consideration. The Foundation measures its lease assets and liabilities using a risk-free rate of return selected based on the term of the lease. The Foundation considers the likelihood of exercising renewal or termination terms in measuring its right-of-use assets and lease liabilities. The Foundation's leases do not contain residual value guarantees and are based solely on fixed payment arrangements. The Foundation recognized a right of use asset and a lease liability, initially measured at the present value of the lease payment for operating leases not classified as short-term leases. For operating leases, a single lease cost is calculated and allocated over the lease term on a straight-line basis.

The right-of-use operating lease assets are reported in the statement of financial position as a component of property and equipment, net, and are disclosed in Note 6.

Cash paid for amounts included in the measurement of the lease liabilities-operating cash flows	\$ 50,025
Weighted-average remaining lease term (months)	6
Weighted-average discount rate	4.72%

The maturity of the lease liability under the Foundation's operating lease as of December 31, 2022 is as follows (in thousands):

Total 2023 operating lease obligations	\$ 25,107
Less: effects of discounting	(342)
Total operating lease obligations, net	\$ 24,765

Including the above lease, the Foundation recorded a total lease expense of \$68,383 and \$73,993 during 2022 and 2021, respectively.

World Golf Foundation, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2022 and 2021

NOTE 8 - DEBT

As of December 31, debt consists of the following:

	2022	2021
Bonds payable - PNC	\$ 1,338,996	\$ 3,014,648

Industrial Revenue Bonds 2012A and 2012B

In connection with the redemption of the 1997A and 2001 Bonds, St. Johns County Industrial Authority (the "Authority") as Issuer, entered into a financing agreement dated October 24, 2012 with the World Golf Foundation, Inc. as borrower and PNC Bank ("PNC") as lender. The Authority issued revenue bonds, Series 2012A in the amount of \$8,536,086 and Series 2012B in the amount of \$16,068,385, to PNC Bank for the purpose of obtaining funds to loan to the Foundation pursuant to the financing agreement to finance in part the costs of refunding related to the 1997A and 2001 Bonds. The Series 2012A Bonds were redeemed in their entirety on March 1, 2017.

The Series 2012B Bonds are issued to PNC and are payable from and secured by the Foundation as stated in the financing agreement. The Foundation is required to pay annual debt service directly to PNC for the account of the Authority, on or before the dates required under the Bonds and under the financing agreement.

Principal and interest, at a rate of 2.48%, on the outstanding Series 2012B Bonds are payable to PNC annually commencing on March 1, 2013 through September 1, 2023.

This bond is a general obligation of the Foundation and is collateralized by a first lien on mortgaged property, the Foundation's rights and interest to certain payments due to be received pursuant to the Official Designation and Royalty Agreement and the Services Agreement dated as of January 1, 1997 between the Foundation and Shell Oil Company, as amended by an instrument dated November 13, 1997 and the Foundation's rights and interest to certain payments from the State of Florida.

The financing agreement requires compliance with various restrictive covenants, such as minimum debt service coverage ratios. The Foundation was in compliance with the various restrictive covenants at December 31, 2022 and 2021.

Annual aggregate remaining principal repayments of the industrial revenue bonds as of December 31, 2023 totals \$1,338,996.

Lines of Credit

On January 1, 2021, the Foundation established a revolving line of credit with the PGA TOUR, Inc. ("TOUR") in the principal amount of \$4 million. The line of credit bears interest at the LIBOR Daily Floating Rate and is secured by the Foundation's assets. There were no drawings on this line of credit in 2022 or 2021.

World Golf Foundation, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2022 and 2021

NOTE 9 - EMPLOYEE SAVINGS PLAN

Employee Savings Plan

The Foundation has a 401(k) savings plan for those eligible employees who elect to participate. Each participant may contribute up to a maximum of 15% of compensation, not to exceed the maximum allowable amount as required under the Economic Growth and Tax Relief Reconciliation Act of 2001. The Foundation contributes a sum equal to 50% of the contributions made to the plan by participants, up to a maximum of 1.5% of each eligible employee's compensation. Employees vest in the Foundation's contributions after three years of continuous employment. The Foundation provides an employer safe harbor contribution to the savings plan in the amount equal to 3% of each eligible employee's compensation. The employee is immediately vested in this contribution, regardless of whether the employee makes an employee salary deferral contribution to the plan. The Foundation's contributions charged to expense in 2022 and 2021 totaled \$54,964 and \$43,573, respectively.

NOTE 10 - NET ASSETS WITH DONOR RESTRICTIONS

The nature of net assets with donor restrictions at December 31 are as follows:

	<u>2022</u>	<u>2021</u>
American Golf Industry Coalition	\$ 2,935,354	\$ 2,632,021

Net assets were released from donor-imposed restrictions by incurring expenses satisfying the restricted purposes specified by the donors during the years ended December 31 as follows:

	<u>2022</u>	<u>2021</u>
Hall of Fame & Museum	\$ -	\$ 674,765
American Golf Industry Coalition	<u>2,256,570</u>	<u>2,730,799</u>
Total	<u>\$ 2,256,570</u>	<u>\$ 3,405,564</u>

NOTE 11 - ROYALTIES AND LICENSING FEES

The developers of the various component parts of the Resort have entered into various royalty and license agreements with the Foundation pursuant to which each component will have the right to use the Foundation's name and logo and, in certain cases, the secondary marks in connection with the promotion and operation of the various components in return for certain royalty and license fee payments. The fixed portion royalty and license fees have been deferred and are being recognized over the term of the respective agreement. The agreements contain annual variable fees which range from 0.5% to 5% of the developers' gross revenues. The agreements have terms up to 25 years and renewal options beyond the initial terms.

Royalties, licensing, grants and other fees recognized during 2022 and 2021 totaled \$3,729,708 and \$2,777,302, respectively, and include approximately \$2 million of financial assistance from the State of Florida for each year.

World Golf Foundation, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2022 and 2021

NOTE 12 - CLASSIFICATION OF EXPENSES

Expenses attributable to more than one program or supporting service are allocated using various cost allocation techniques such as headcount, square footage or time.

Expenses by natural and functional classification for the years ended December 31 consist of the following:

	2022			
	Program	Supporting Services	Fundraising	Total
Compensation and benefits	\$ 1,960,198	\$ 315,189	\$ 202,215	\$ 2,477,602
Professional services and research	376,436	296,786	26,638	699,860
Advertising and marketing	3,471,963	-	-	3,471,963
Induction ceremony	1,120,397	-	-	1,120,397
Operational and technology	478,871	17,440	3,195	499,506
Occupancy and office expenses	1,159,547	117,963	716	1,278,226
Depreciation	592,869	148,217	-	741,086
Assessments and fees	78,912	404,126	10,140	493,178
Other	1,714,166	57,464	124,326	1,895,956
	<u>\$ 10,953,359</u>	<u>\$ 1,357,185</u>	<u>\$ 367,230</u>	<u>\$ 12,677,774</u>
	2021			
	Program	Supporting Services	Fundraising	Total
Compensation and benefits	\$ 1,947,561	\$ 352,905	\$ 32,540	\$ 2,333,006
Professional services and research	1,114,147	395,024	35,800	1,544,971
Advertising and marketing	4,993,984	-	-	4,993,984
Induction ceremony	129,462	-	-	129,462
Operational and technology	289,112	15,322	967	305,401
Occupancy and office expenses	1,180,772	122,662	318	1,303,752
Depreciation	615,485	153,871	-	769,356
Assessments and fees	56,919	444,794	4,613	506,326
Other	792,108	57,024	9,987	859,119
	<u>\$ 11,119,550</u>	<u>\$ 1,541,602</u>	<u>\$ 84,225</u>	<u>\$ 12,745,377</u>

NOTE 13 - RELATED-PARTY TRANSACTIONS

Due to prominence within the game of golf, the Commissioner of the TOUR serves on the Executive Committee of the Foundation's Board of Directors. Although the TOUR does not control the eight member Board since influence of the Foundation by the Commissioner of the TOUR is limited to that of any other Board member, certain activities between the TOUR and the Foundation are reflected herein as related-party transactions.

The Foundation and the TOUR entered into an agreement dated July 24, 1996 which requires the TOUR to provide, at no cost to the Foundation, on an annual basis, a minimum of \$2 million in national and international media promotion for the Hall of Fame & Museum, the State of Florida and Florida tourism commencing on the date the Hall of Fame & Museum was opened to the public and continuing for 25 years.

World Golf Foundation, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2022 and 2021

The amount of advertising specific to the Hall of Fame & Museum is determined by the TOUR on an annual basis. The agreement provides for an increase in the amount to \$2.5 million if Hall of Fame & Museum attendance levels or sales tax revenues are not meeting projections required at the time of original state certification. For the years ended December 31, 2022 and 2021, the minimum national and international media promotion requirement was \$2.5 million.

Beginning in 2019, the TOUR began providing professional services to the Foundation through a management services agreement. Such services totaled \$384,804 and \$373,596 for the years ended December 31, 2022 and 2021, respectively. The TOUR has also contributed the time and services of certain of its management and professional employees related to the Foundation totaling \$245,677 and \$346,134 during 2022 and 2021, respectively, and contributed advertising to the Foundation totaling at \$3,099,903 and \$3,843,991 during 2022 and 2021, respectively.

Effective January 1, 1997, the Foundation leased a parcel of property to the TOUR. The term of the lease is 30 years and the TOUR has two successive options to renew the lease for 30-year periods. Rental income for the years ended December 31, 2022 and 2021 totaled \$84,184 and \$76,531, respectively, and are included within other revenues in the accompanying statements of activities and changes in net assets.

The remaining payments on the lease with the TOUR are as follows:

2023	\$	84,184
2024		84,184
2025		84,184
2026		84,184
		<hr/>
	\$	336,736

Certain golf organizations have loaned golf artifacts for exhibition in the Hall of Fame & Museum at no charge. The Foundation is responsible for paying all insurance and storage costs while these artifacts are in its possession and must catalog all artifacts provided by the loaning organizations.

The Foundation and PGA TOUR First Tee Foundation, Inc. maintain common management, as the Chief Executive officer serves both organizations. The Foundation and PGA TOUR First Tee Foundation, Inc. entered into a services agreement dated January 1, 2020, which requires reimbursement of mutually agreed to administrative and special services incurred for the benefit of each organization. Such services totaled \$50,000 and \$195,000 for the years ended December 31, 2022 and 2021, respectively.

NOTE 14 - SUBSEQUENT EVENTS

The Foundation evaluated its December 31, 2022 financial statements for subsequent events through May 9, 2023, the date the financial statements were available to be issued. The Foundation is not aware of any subsequent events which would require recognition or disclosure in the accompanying financial statements.

SUPPLEMENTARY INFORMATION

World Golf Foundation, Inc.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE OF FLORIDA FINANCIAL ASSISTANCE

Year ended December 31, 2022

<u>Federal Grantor</u>	<u>Program Name</u>	<u>Federal Assistance Listing Number</u>	<u>Expenditures</u>	<u>Passed Through to Subrecipients</u>
<i>Federal Awards</i>				
U.S. Small Business Administration	Shuttered Venue Operators Grant	59.075	\$ 893,903	\$ -
Total Federal Awards			<u>\$ 893,903</u>	<u>\$ -</u>
<u>State Agency</u>	<u>Project Name</u>	<u>Catalogue of State Financial Assistance Number</u>	<u>Expenditures</u>	<u>Passed Through to Subrecipients</u>
<i>State Projects</i>				
Department of Economic Opportunity	Economic Development Partnerships	40.040	\$ 2,000,004	\$ -
Total State of Florida Financial Assistance			<u>\$ 2,000,004</u>	<u>\$ -</u>

See accompanying notes to schedule of expenditures of federal awards and State of Florida financial assistance.

World Golf Foundation, Inc.

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE OF FLORIDA FINANCIAL ASSISTANCE**

December 31, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards and State of Florida Financial Assistance (the "Schedule") summarizes the federal and State of Florida award expenditures of World Golf Foundation, Inc. (the "Foundation") for the year ended December 31, 2022 and is presented using the accrual basis of accounting. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") and Chapter 96I-5, Rules of the Florida Department of Financial Services, Florida Administrative Code, Schedule of Expenditures of State Financial Assistance. Federal awards of \$893,903 and state financial assistance of \$2,000,004 is included in royalty, license, grants and other fees of \$3,729,708 on the statement of activities and changes in net assets for the year ended December 31, 2022. Because the Schedule presents only a select portion of the operations of the Foundation, it is not intended to and does not present the financial position, changes in net assets and cash flows of the Foundation.

NOTE 2 - INDIRECT COSTS

The Foundation has not elected to utilize the 10% de minimis indirect cost rate described in 2 CFR 200.414, *Indirect (F&A) Costs of the Uniform Guidance*.

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**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS ON
INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT
AUDITING STANDARDS**

To the Board of Directors
World Golf Foundation, Inc.

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of World Golf Foundation, Inc. (the "Foundation") as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Foundation's financial statements, and have issued our report thereon dated May 9, 2023.

Report on internal control over financial reporting

In planning and performing our audit of the financial statements, we considered the Foundation's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Foundation's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Foundation's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on compliance and other matters

As part of obtaining reasonable assurance about whether the Foundation's financial statements are free from material misstatement, we performed tests of its compliance

with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Foundation's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Foundation's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

Grant Thornton LLP

Arlington, Virginia
May 9, 2023

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**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS
ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE
PROJECT AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED
BY THE UNIFORM GUIDANCE AND CHAPTER 10.650, RULES OF THE
AUDITOR GENERAL**

To the Board of Directors
World Golf Foundation, Inc.

**Report on compliance for each major federal program and state
project**

Opinion on each major federal program and state project

We have audited the compliance of World Golf Foundation, Inc. (the "Foundation") with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget's *OMB Compliance Supplement* and in the State of Florida Department of Financial Services' *State Projects Compliance Supplement*, respectively, that could have a direct and material effect on the Foundation's major federal program and major state project for the year ended December 31, 2022. The Foundation's major federal program and major state project are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Foundation complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program and major state project for the year ended December 31, 2022.

Basis for opinion on each major federal program and state project

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (US GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); the Florida Single Audit Act, *Audits of Non-Profit and For-Profit Organizations*; and the audit requirements of Chapter 10.650, Rules of the Auditor General. Our responsibilities under those standards the Uniform Guidance, the Florida Single Audit Act, and Chapter 10.650, Rules of the Auditor General, are further described in the Auditor's Responsibilities for the Audit of Compliance 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 opinion on compliance for the major federal

program and major state project. Our audit does not provide a legal determination of the Foundation's compliance with the compliance requirements referred to above.

Responsibilities of management for compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Foundation's federal programs and state projects.

Auditor's responsibilities for the audit of compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Foundation's compliance based on our audit. 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, *Government Auditing Standards*, the Uniform Guidance, the Florida Single Audit Act, and Chapter 10.650, Rules of the Auditor General, will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Foundation's compliance with the requirements of the major federal program and the major state project as a whole.

In performing an audit in accordance with US GAAS, *Government Auditing Standards*, the Uniform Guidance, the Florida Single Audit Act, and Chapter 10.650, Rules of the Auditor General, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Foundation's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, Florida Single Audit Act, and Chapter 10.650, Rules of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on internal control over compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program or state project will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in the Foundation's internal control over compliance that we consider to be material weaknesses or significant deficiencies. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this Report on Internal Control Over Compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance, Florida Single Audit Act, and Chapter 10.650, Rules of the auditor General. Accordingly, this report is not suitable for any other purpose.

Grant Thornton LLP

Arlington, Virginia
May 9, 2023

World Golf Foundation, Inc.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year ended December 31, 2022

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued		Unmodified
Internal control over financial reporting		
Material weaknesses identified	<u> </u> yes	<u> X </u> no
Significant deficiency identified not considered to be material weaknesses	<u> </u> yes	<u> X </u> none reported
Noncompliance material to financial statements noted?	<u> </u> yes	<u> X </u> no

Federal Awards and State of Florida Financial Assistance

Internal control over major federal program and State of Florida major project:		
Material weaknesses identified?	<u> </u> yes	<u> X </u> no
Significant deficiency identified not considered to be material weaknesses?	<u> </u> yes	<u> X </u> none reported
Type of auditors' report issued on compliance for the major federal program and major State of Florida project:		Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 500.516(a) of the Uniform Guidance or Chapter 10.650 Rules of the Auditor General of the State of Florida?	<u> </u> yes	<u> X </u> no

World Golf Foundation, Inc.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED

Year ended December 31, 2022

Identification of major federal program and state projects

Federal Assistance Listing Number

59.075

Federal Grantor/Program Title

U.S. Small Business Administration:
Shuttered Venue Operators Grant

Catalogue of State Financial Assistance Number

40.040

State Agency/Project Title

Florida Department of Economic Opportunity:
Economic Development Partnerships

Dollar threshold used to distinguish between type A and B programs:

Federal	\$750,000
State of Florida	\$600,001

Auditee qualified as a low-risk auditee

 yes X no

SECTION II - FINANCIAL STATEMENT FINDINGS

None noted.

SECTION III - FEDERAL AWARD AND STATE OF FLORIDA FINANCIAL ASSISTANCE FINDINGS AND QUESTIONED COSTS

None noted.

World Golf Foundation, Inc.

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Year ended December 31, 2022

<u>Finding #</u>	<u>Page #</u>	<u>Program or Project Name</u>	<u>Summary of Findings</u>	<u>Status</u>
2021-01	31	N/A	The Foundation recorded a donation as deferred revenue. However, the donor did not impose any conditions on the contribution, and therefore, it should have been recognized as revenue with donor restrictions.	Corrected