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March 31, 2026

To the Board of Directors and Management  
The Sawgrass Players Club Association, Inc.  
Ponte Vedra Beach, Florida

Enclosed, you will find the following items for your review:

- Draft audit report
- Communication with those charged with governance
- Proposed adjusted trial balance
- Proposed adjusting journal entries
- Management representation letter (separate attachment)
- Final invoice (separate attachment)

Once you have completed your review, please sign and date the management representation letter. The letter should be signed by either the President or Treasurer of the Association or the management agent representative. This letter needs to be returned to our office before the audit can be finalized. **Please return the signed representation letter to our office as soon as possible, but no later than 14 days from the date of this letter.** This letter can be mailed, faxed, or emailed to our office.

If we do not receive the above information within 14 days from the date of this letter, we may need to perform additional audit procedures to satisfy ourselves that no material events have occurred from the date that we completed our audit fieldwork through the date that we receive the signed representation letter. We will bill the Association for these additional audit procedures at our hourly rates.

Please do not hesitate to contact us if there are any questions regarding the draft audit.

Sincerely,

*LBW CPAs and Associates, Inc.*

LBW CPAs and Associates, Inc.

**THE SAWGRASS PLAYERS CLUB  
ASSOCIATION, INC.**

**Financial Statements  
Supplementary Information  
and  
Independent Auditors' Report  
For the Year Ended December 31, 2025**

Preliminary Draft

**THE SAWGRASS PLAYERS CLUB ASSOCIATION, INC.**  
December 31, 2025

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
The Sawgrass Players Club Association, Inc.  
Ponte Vedra Beach, Florida

### ***Opinion***

We have audited the accompanying financial statements of The Sawgrass Players Club Association, Inc., which comprise the balance sheet as of December 31, 2025, and the related statements of revenues, expenses, and changes in fund balances, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Sawgrass Players Club Association, Inc. as of December 31, 2025, and the results of its operations and its 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. 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 Sawgrass Players Club Association, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Responsibilities of Management for the Financial Statements***

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

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

**THE SAWGRASS PLAYERS CLUB ASSOCIATION, INC.**  
December 31, 2025

**INDEPENDENT AUDITORS' REPORT**

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***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of The Sawgrass Players Club Association, Inc.'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 Sawgrass Players Club Association, Inc.'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.

**THE SAWGRASS PLAYERS CLUB ASSOCIATION, INC.**  
December 31, 2025

**INDEPENDENT AUDITORS' REPORT**

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***Report on Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The "Comparison of Operating Fund Revenues and Expenses to Budget" on pages 14-16 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of the Association's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information, except for that portion marked "unaudited," has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including 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 auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The information marked "unaudited" has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

***Disclaimer of Opinion on Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the "Supplementary Information on Future Major Repairs and Replacements" on page 17 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

St. Augustine, Florida  
[Date to be inserted upon finalization]

**THE SAWGRASS PLAYERS CLUB ASSOCIATION, INC.**  
At December 31, 2025

*Balance Sheet*

	Operating Fund	Capital Contributions Fund	Replacement Fund	Total
<b>Assets</b>				
Current assets:				
Cash and cash equivalents:				
Unrestricted	\$21,050			\$21,050
Restricted	70,300			70,300
Designated	419,692	\$361,362	\$595,820	1,376,874
Total cash and cash equivalents	511,042	361,362	595,820	1,468,224
Investments, short-term	754,231		1,455,000	2,209,231
Assessments and other receivables, less allowance for credit losses of \$6,060	50,130			50,130
Interfund receivable/(payable)	(150,000)		150,000	
Prepaid expenses	8,668			8,668
Prepaid insurance	87,390			87,390
Total current assets	1,261,461	361,362	2,200,820	3,823,643
Utility deposits	3,415			3,415
Total assets	<u>\$1,264,876</u>	<u>\$361,362</u>	<u>\$2,200,820</u>	<u>\$3,827,058</u>
<b>Liabilities and Fund Balances</b>				
Current liabilities:				
Accounts payable and accrued expenses	\$135,799	\$11,628	\$5,447	\$152,874
Prepaid fees and assessments	394,209			394,209
Refundable deposits	70,300			70,300
Total current liabilities	600,308	11,628	5,447	617,383
Contract liabilities (unspent reserve assessments)			2,181,307	2,181,307
Emergency contingency fund	419,692			419,692
Total liabilities	1,020,000	11,628	2,186,754	3,218,382
Fund balances	244,876	349,734	14,066	608,676
Total liabilities and fund balances	<u>\$1,264,876</u>	<u>\$361,362</u>	<u>\$2,200,820</u>	<u>\$3,827,058</u>

**THE SAWGRASS PLAYERS CLUB ASSOCIATION, INC.**  
For the Year Ended December 31, 2025

*Statement of Revenues, Expenses, and Changes in Fund Balances*

	Operating Fund	Capital Contributions Fund	Replacement Fund	Total
<b>Revenues</b>				
Regular assessments (billed)	\$3,319,669		\$776,800	\$4,096,469
Reimbursements and contributions			59,254	59,254
Less: emergency contingency fund transfer	(175,400)			(175,400)
Less: reserve assessment deferral			(715,474)	(715,474)
Net assessments and reimbursements recognized	3,144,269		120,580	3,264,849
Finance charges	7,004			7,004
Other income and reimbursements	83,759			83,759
Interest income	43,744		65,510	109,254
Total revenues	<u>3,278,776</u>		<u>186,090</u>	<u>3,464,866</u>
<b>Expenses</b>				
General and administrative	802,365			802,365
Landscape	598,601			598,601
General maintenance	421,477			421,477
Controlled access	996,334			996,334
Utilities	48,265			48,265
Waterways	254,042			254,042
Capital contribution projects		\$149,364		149,364
Major repairs and replacements			106,353	106,353
Stormwater pump stations			215,671	215,671
Total expenses	<u>3,121,084</u>	<u>149,364</u>	<u>322,024</u>	<u>3,592,472</u>
<b>Surplus/(deficit) of revenues over expenses</b>	157,692	(149,364)	(135,934)	(127,606)
Fund balances, beginning of year	237,184	308,378		545,562
Capital contributions		190,720		190,720
Interfund transfers	(150,000)		150,000	
<b>Fund balances, end of year</b>	<u>\$244,876</u>	<u>\$349,734</u>	<u>\$14,066</u>	<u>\$608,676</u>

**THE SAWGRASS PLAYERS CLUB ASSOCIATION, INC.**  
For the Year Ended December 31, 2025

*Statement of Cash Flows*

	Operating Fund	Capital Contributions Fund	Replacement Fund	Total
<b>Cash flows from operating activities:</b>				
Assessments and contributions	\$3,437,943		\$776,800	\$4,214,743
Interest, reimbursements, and other cash receipts	103,480		124,764	228,244
Transfer to emergency contingency fund	(95,400)			(95,400)
Cash paid for goods and services	(3,097,589)	(\$149,364)	(316,832)	(3,563,785)
Net cash provided by/(used in) operating activities	<u>348,434</u>	<u>(149,364)</u>	<u>584,732</u>	<u>783,802</u>
<b>Cash flows from investing activities:</b>				
Purchase of investments	(735,000)		(1,455,000)	(2,190,000)
Proceeds from sale of investments	834,000		1,250,183	2,084,183
Net cash provided by/(used in) investing activities	<u>99,000</u>		<u>(204,817)</u>	<u>(105,817)</u>
<b>Cash flows from financing activities:</b>				
Transfer to emergency contingency fund	95,400			95,400
Capital contributions received		236,655		236,655
Capital contributions paid to sub-associations		(40,428)		(40,428)
Net cash provided by financing activities	<u>95,400</u>	<u>196,227</u>		<u>291,627</u>
<b>Increase in cash</b>	<u>542,834</u>	<u>46,863</u>	<u>379,915</u>	<u>969,612</u>
<b>Cash and cash equivalents,</b>				
Beginning of year	(31,792)	314,499	215,905	498,612
<b>End of year</b>	<u>\$511,042</u>	<u>\$361,362</u>	<u>\$595,820</u>	<u>\$1,468,224</u>
<b>Adjustments to reconcile surplus/(deficit) of revenues over expenses to net cash provided by/(used in) operating activities:</b>				
Surplus/(deficit) of revenues over expenses	\$157,692	(\$149,364)	(\$135,934)	(\$127,606)
Add back transfer due to emergency contingency	80,000			80,000
Change in accrued interest	(3,419)			(3,419)
<i>(Increase)/decrease in:</i>				
Assessments and other receivables	(21,651)			(21,651)
Prepaid expenses	(468)			(468)
Prepaid insurance	18,905			18,905
<i>Increase/(decrease) in:</i>				
Accounts payable and accrued expenses	5,058		5,192	10,250
Prepaid fees and assessments	121,117			121,117
Refundable deposits	(8,800)			(8,800)
Contract liabilities (unspent reserve assessments)			715,474	715,474
Net cash provided by/(used in) operating activities	<u>\$348,434</u>	<u>(\$149,364)</u>	<u>\$584,732</u>	<u>\$783,802</u>
<b>Supplemental disclosures of cash flow information:</b>				
Cash paid for interest				None
Cash paid for taxes (federal)				<u>\$11,076</u>

**THE SAWGRASS PLAYERS CLUB ASSOCIATION, INC.**  
For the Year Ended December 31, 2025

*Notes to the Financial Statements*

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**NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*Organization*

The Sawgrass Players Club Association, Inc. (the “Association”), a nonprofit, non-stock corporation (a homeowners association), was formed on June 24, 1981 under the laws of the State of Florida. It was developed by Arvida/JMB Partners, formerly Arvida Corporation (the “Developer”). The Association, also known as the Master Association, controls and levies fees for the repair and maintenance of the Association’s common property, roads, and drainage system within the community. At December 31, 2025, the Association consisted of 1,850 residential units and 32 commercial entities on a site of approximately 1,257 acres. There are 17 sub-associations within the community.

*Basis of Presentation*

The accompanying financial statements have been prepared using the accrual basis of accounting and in accordance with Florida Statutes and with the “Real Estate - Common Interest Realty Associations” topic of the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”). The accrual basis of accounting means that revenues are recorded when they are earned and expenses are recorded when they are incurred.

*Fund Accounting*

The Association’s governing documents provide certain guidelines for governing its financial activities. To ensure observance of limitations and restrictions on the use of financial resources, the Association maintains its accounts using fund accounting, which requires that funds such as operating funds and funds designated for future major repairs and replacements be classified separately for accounting and reporting purposes. The assets, liabilities, and fund balances of the Association are reported in three self-balancing fund groups.

The operating fund reflects the operating assessments paid by owners to meet the regular, recurring costs of operation. Expenditures from this fund are limited to those connected with the day-to-day operations. The operating fund also includes a contingency fund for emergencies or mandated unbudgeted events as designated by the Board.

The capital contributions fund reflects the activity related to capital contributions charged to owners upon the conveyance of a residential unit or lot (see Note 6).

The replacement fund, which consists of a general replacement component and a stormwater drainage component, was established for major or extraordinary capital expenditures and renovations. Florida Statutes require that once established, the replacement fund accounts shall be funded or maintained or shall have their funding waived in the manner provided in the Statutes. Interest earned on the replacement fund is retained in the fund.

*Donated Services*

The Association’s Board of Directors and its officers serve without compensation. The value of these services is not recorded in the financial statements.

**THE SAWGRASS PLAYERS CLUB ASSOCIATION, INC.**  
For the Year Ended December 31, 2025

*Notes to the Financial Statements*

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**NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*Use of Estimates*

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and related disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from the estimates.

*Cash and Cash Equivalents*

The Association maintains accounts with five banking and investment institutions. These accounts are both non-interest and interest-bearing, which are available for use by all funds. Each fund's share of the cash balances of these accounts is reported as "cash and cash equivalents" in the accompanying balance sheet and statement of cash flows.

*Investments*

Certificates of deposit held for investment that are not debt securities are included in "investments." Those with original maturities greater than three months and remaining maturities less than one year are classified as "short-term investments," are carried at cost plus accrued interest, and are not required to be classified in one of the levels prescribed by the fair value hierarchy. Write-ups or write-downs to fair value to recognize unrealized gains or losses are not recorded. The Association's certificates of deposit mature in 2026 and carry interest rates ranging from 3.60% to 4.25%.

*Recognition of Assets and Depreciation Policy*

Tangible personal property acquired by using the Association's funds, if any, is recorded at cost. The property is depreciated over its estimated useful life using the straight-line method of depreciation. Real property conveyed to the Association by the Developer is not recognized on the Association's financial statements because its disposition by the Association's Board is restricted. Replacements and improvements to common property are not generally recognized as assets because their disposition is restricted. However, if the Board has the discretion to dispose of the real property improvements, and the property is used to generate cash flows from the members on the basis of usage, the property is recorded as an asset.

*Owners' Assessments and Allowance for Credit Losses*

Association members are subject to biannual assessments to provide funds for the Association's operating expenses and major repairs and replacements. Assessment revenue is recognized as the related performance obligations are satisfied at transaction amounts expected to be collected. The Association's performance obligation related to its operating assessments is satisfied over time on a daily pro-rata basis using the input method. The performance obligations related to the replacement fund assessments are satisfied when these funds are expended for their designated purpose. Assessments receivable at the balance sheet date are stated at the amounts expected to be collected from outstanding assessments from owners. Prepaid assessments at the balance sheet date represent fees paid in advance by owners.

**THE SAWGRASS PLAYERS CLUB ASSOCIATION, INC.**  
For the Year Ended December 31, 2025

*Notes to the Financial Statements*

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**NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*Owners' Assessments and Allowance for Credit Losses (Continued)*

The Association's policy is to retain legal counsel and place liens on the properties of owners whose assessments become past due. The Association retains excess operating funds at the end of the fiscal year, if any, for use in future periods. The balances of residential and commercial assessments receivable as of the beginning and end of the year are \$21,088 and \$23,931, respectively.

The Association treats uncollectible assessments as credit losses. Methods, inputs, and assumptions used to evaluate when assessments are considered uncollectible include closely monitoring of outstanding assessment balances by management, member payment history of outstanding assessment balances, and susceptibility to factors outside the Association's control.

*Prepaid Assessments*

Prepaid assessments consist of amounts received which are applicable to future assessments. The balances of prepaid assessments as of the beginning and end of the year are \$273,092 and \$394,209, respectively.

*Contract Liabilities (Unspent Reserve Assessments)*

The Association recognizes revenue from members as the related performance obligations are satisfied. A contract liability (unspent reserve assessments) is recorded when the Association has received but not yet spent reserve assessments for their intended purpose. The balances of contract liabilities as of the beginning and end of the year are \$1,465,833 and \$2,181,307, respectively.

*Concentration of Credit Risk*

The Association's primary source of income is assessments paid by owners.

*Fair Value of Financial Instruments*

Unless otherwise indicated, the fair values of all reported assets and liabilities that represent financial instruments (none of which are held for trading purposes) approximate the value of such assets and liabilities.

*Interest Income*

Interest income earned by the replacement fund is allocated to that fund. Other interest income earned by the other funds is credited to those respective fund accounts. The Association's policy is to account for fund expenditures using fund interest income before fund assessment income.

**NOTE 2 - DATE OF MANAGEMENT'S REVIEW AND SUBSEQUENT EVENTS**

The Association has evaluated events and transactions for potential recognition or disclosure through [date to be inserted upon finalization], the date that the financial statements were available to be issued. Based upon this evaluation, the Association has determined that no subsequent events have occurred that require adjustment to or disclosure in the financial statements except the interfund transfer approved by the Board of Directors on March 26, 2026 (see Note 9).

**THE SAWGRASS PLAYERS CLUB ASSOCIATION, INC.**  
For the Year Ended December 31, 2025

*Notes to the Financial Statements*

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**NOTE 3 - OWNERS' ASSESSMENTS AND OTHER RECEIVABLES**

Association members are subject to biannual assessments to provide funds for the Association's operating expenses, future capital acquisitions, and major repairs and replacements. As determined by the Board, biannual assessments during 2025 were \$969 for developed lots and \$485 for undeveloped lots.

Assessments receivable at the balance sheet date, which represent past due fees from homeowners, totaled \$7,874. Commercial assessments due at year end totaled \$6,320. Drainage assessments due at year end totaled \$9,737. As of December 31, 2025, an allowance for credit losses in the amount of \$6,060 has been recorded since, in the opinion of management, collection of certain delinquent assessments is doubtful.

On November 9, 1987, the PGA Tour, Inc. entered into a contract with Arvida/JMB Partners ("Arvida") governing the lands developed by Arvida, including the Tournament Players Club Championship golf course. As a part of this contract, the PGA Tour, Inc. agreed to pay fifty percent (50%) of the cost and maintenance expense of the drainage system to be incurred by Arvida or the Association. The amount of \$32,259, included in assessments and other receivables in the accompanying balance sheet represents amounts due from the PGA Tour, Inc. for their unpaid portion of shared expenses for the year.

**NOTE 4 - INCOME TAXES**

Homeowners associations may elect to be taxed as a regular corporation or as a homeowners association. The Association elected to be taxed as a homeowners association for the year ended December 31, 2025. Under Internal Revenue Service Code Section 528, the Association excludes from taxation exempt function income, which generally consists of revenue from uniform assessments to owners. The Association's investment income and other nonexempt income were subject to tax at a flat federal rate of 30%. The Association's interest and investment income exceeded the allowable deductions. Taxable income totaled \$17,707 for 2025. Federal income tax expense in the amount of \$5,312 has been recorded. The Association made estimated tax payments totaling \$5,400. The overpaid estimate tax in the amount of \$88 is included in prepaid expenses at year end. There was no Florida state income tax liability.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Association and recognize a tax liability if the Association has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. Management has analyzed the tax positions taken by the Association and has concluded that as of December 31, 2025, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements.

The Association is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Association's management believes it is no longer subject to income tax examinations for years prior to 2022.

**THE SAWGRASS PLAYERS CLUB ASSOCIATION, INC.**  
For the Year Ended December 31, 2025

*Notes to the Financial Statements*

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**NOTE 5 - ARCHITECTURAL REVIEW DEPOSITS**

The Association has established an architectural review committee that requires homeowners to submit plans prior to construction or improvement affecting the exterior of a property. To ensure compliance with the guidelines, the Association requires homeowners to post a refundable deposit. The Association also charges a non-refundable review fee to offset the costs of administration. The balance of refundable deposits at year end was \$70,300, and this amount is included in restricted cash.

**NOTE 6 - CAPITAL CONTRIBUTIONS**

During 2022, the Association approved an Amendment to the Declaration of Covenants for the Association which provides for capital contributions to be charged upon the conveyance of a residential unit or lot. Effective April 1, 2022, the buying party is required to make a one-time capital contribution to the Association in an amount equal to one and one-half times the annual regular assessment amount as set by the Board. These capital contributions may be used for any purpose reasonably contemplated by the Declaration or the Association's Articles of Incorporation, as determined in the reasonable discretion of the Association's Board of Directors. Twenty percent of the total capital contributions collected by the Association from sales within the subdivisions and condominiums located within the property for each fiscal year are made available to the existing associations solely for the purpose of supplementing the reserve accounts maintained by the sub-associations. During 2025, a total of \$190,720 was collected for capital contributions (net of the 20% liability). Capital expenditures paid from capital contributions totaled \$149,364 and included the following:

Fire suppression system	\$53,220
Traffic cameras installation	31,327
Aeration in multiple ponds	30,164
Engineering and mapping	29,702
Others	4,951
	<u>\$149,364</u>

**NOTE 7 - CONCENTRATION OF CREDIT RISK**

Financial instruments which potentially subject the Association to concentrations of credit risk, as defined by accounting principles generally accepted in the United States of America, consist primarily of bank accounts with balances, at times, in excess of amounts insured by the Federal Deposit Insurance Corporation and assessments receivable. At December 31, 2025, the excess amount was \$601,229. However, no losses have been incurred to date. Management of the Association evaluates the financial stability of its depositories and considers the risk of loss to be remote. The Association's assessments receivable are related to billed assessments. The Association monitors the collectability of these assessments receivable and pursues collection. Management routinely assesses the collectability of the Association's assessments receivable and provides for allowances for credit losses based on this assessment.

**THE SAWGRASS PLAYERS CLUB ASSOCIATION, INC.**  
For the Year Ended December 31, 2025

*Notes to the Financial Statements*

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**NOTE 8 - COMMITMENTS AND CONTINGENCIES**

The Association may be periodically involved in legal actions and claims that arise as a result of events that occur in the normal course of operations. Management reviews the validity of such actions and acts accordingly. Management does not believe the outcome of any current actions will result in material loss to the Association. These financial statements do not include any adjustments for such actions.

The Association also has entered into various contracts for services, including security, landscape, waterways, and others. The Association has contracted with Marsh Landing Management Company to provide property management services including accounting, collections, closings, administration, employment of personnel, and maintenance of common elements. Fees paid for management services during 2025 totaled \$272,239. In addition, the Association reimburses the management company for labor costs, office supplies, and out-of-pocket expenses for services and costs incurred on the Association's behalf.

**NOTE 9 - FUTURE MAJOR REPAIRS AND REPLACEMENTS**

The Association's governing documents require that funds be accumulated for future major repairs and replacements. Accumulated funds, which total \$2,195,373 and are presented on the accompanying balance sheet as a contract liability (unspent reserve assessments) in the amount of \$2,181,307 and fund balance of \$14,066 at December 31, 2025, consist of cash and certificates of deposit in three interest-bearing accounts generally not available for operating purposes and the amount of \$150,000 due from the operating fund, reduced by accounts payable of \$5,447. During 2025, budgeted contributions to the replacement fund included \$566,300 to the general replacement fund and \$210,500 to the stormwater drainage system replacement fund. Other additions included reimbursements for shared expenses in the amount of \$59,254 from the PGA Tour, an interfund transfer from the operating fund in the amount of \$150,000 (approved subsequent to year end), and interest income of \$65,510. Expenditures from the general replacement fund included sidewalk repairs, gate arm replacements, and other major repairs. Expenditures from the stormwater drainage system replacement fund included pump and motor repairs, replacements, and inspections.

The total replacement fund balance of \$2,195,373 is allocated on the balance sheet between contract liabilities and fund balance. The contract liability represents unspent assessments that will be recognized as revenues when the funds are expended for their intended purposes. For the year ended December 31, 2025, the Association added \$715,474 of unspent reserve assessments to the beginning balance of \$1,465,833, for total contract liabilities of \$2,181,307. These funds will remain in contract liabilities until expended for their intended purpose. The fund balance includes the unspent portion of the interfund transfer.

The Association is funding major repairs and replacements based upon an updated study provided by an independent analyst during 2025. The method of calculating the annual reserve contribution is based on a thirty-year cash flow analysis.

**THE SAWGRASS PLAYERS CLUB ASSOCIATION, INC.**  
For the Year Ended December 31, 2025

*Notes to the Financial Statements*

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**NOTE 9 - FUTURE MAJOR REPAIRS AND REPLACEMENTS (CONTINUED)**

This funding plan takes the total beginning year reserve balance in year one along with the projected annual reserve expenditures over a thirty-year period, and through pooling of all of the reserve funds and creating one general reserve fund, arrives at an annual contribution amount which provides a positive cash flow and adequate reserve account balance over the next thirty years. The study recommended funding for 2026 in the amount of \$848,300. The Board of Directors took guidance from the reserve study and included the amount of \$825,300 for reserve funding in the 2026 budget.

The table included in the unaudited “Supplementary Information on Future Major Repairs and Replacements” provides an analysis of the replacement fund as of December 31, 2025. Funds are being accumulated in the replacement fund based on estimates of future needs for repairs and replacements of common property components. Actual expenditures, however, may vary from the estimated amounts and the variations may be material. Amounts accumulated in the replacement fund may not be adequate to meet all future needs. If additional funds are needed, the Association has the right, subject to membership approval, to increase regular assessments, levy special assessments, or delay major repairs and replacements until funds are available.

**NOTE 10 - LINE OF CREDIT**

During 2025, the Association renewed its revolving line of credit with Ameris Bank in the amount of \$400,000 which is available for unbudgeted expenses. The line of credit has a variable rate of interest equal to the prime rate and matures on July 12, 2026. It is secured by current and future assessments and accounts of the Association. No advances were drawn against this line of credit during 2025, and no interest was accrued or paid. A renewal fee of \$400 was paid. At December 31, 2025, there was no balance outstanding on the note.

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**THE SAWGRASS PLAYERS CLUB ASSOCIATION, INC.**  
For the Year Ended December 31, 2025

*Comparison of Operating Fund Revenues and Expenses to Budget*

	Actual	Unaudited Budget	Favorable (Unfavorable) Variance
<b>REVENUES</b>			
Regular assessments:			
Residential assessments	\$3,067,854	\$3,067,854	
Commercial assessments	940,992	940,992	
Drainage assessments	87,623	87,623	
Emergency contingency fund transfer	(175,400)	(95,400)	(\$80,000)
General replacement reserve transfer	(566,300)	(566,300)	
Storm water drainage system transfer	(210,500)	(210,500)	
<i>Total regular assessments</i>	<u>3,144,269</u>	<u>3,224,269</u>	<u>(80,000)</u>
Finance charges	<u>7,004</u>	<u>4,700</u>	<u>2,304</u>
Other income and reimbursements:			
ACC fees	22,150	25,200	(3,050)
Barcode fees	50,535	50,100	435
Covenant enforcement fees	100	5,500	(5,400)
Miscellaneous income	415		415
Players park recreation field	559	486	73
TPC assessment contribution	10,000	10,000	
<i>Total other income and reimbursements</i>	<u>83,759</u>	<u>91,286</u>	<u>(7,527)</u>
Interest income	<u>43,744</u>	<u>32,500</u>	<u>11,244</u>
<b>Total revenues</b>	<u>3,278,776</u>	<u>3,352,755</u>	<u>(73,979)</u>
<b>EXPENSES</b>			
General and administrative:			
ACC expenses	74,600	79,380	4,780
Administration	8,103		(8,103)
Audit and tax preparation	8,000	6,900	(1,100)
Bank charges	591	773	182
Civic liaison committee expense	300	300	
Communications committee expense	14,156	20,976	6,820
Covenant enforcement expense	560	3,024	2,464
Credit losses		10,000	10,000
Federal income taxes	5,312	6,061	749
Insurance	342,101	457,082	114,981
Legal	37,596	48,000	10,404
Management contract	272,239	272,239	
Meetings and functions	3,494	738	(2,756)
Office supplies	11,693	12,102	409
Postage	8,884	8,660	(224)
Printing	10,939	10,750	(189)
Taxes and filing fees	61		(61)
Vehicle damage by gates	3,736	3,000	(736)
<i>Total general and administrative</i>	<u>802,365</u>	<u>939,985</u>	<u>137,620</u>

**THE SAWGRASS PLAYERS CLUB ASSOCIATION, INC.**  
For the Year Ended December 31, 2025

*Comparison of Operating Fund Revenues and Expenses to Budget (Continued)*

<b>EXPENSES (Continued)</b>	<u>Actual</u>	<u>Unaudited Budget</u>	<u>Favorable (Unfavorable) Variance</u>
<b>Landscape:</b>			
Flowers	\$49,450	\$48,966	(\$484)
Irrigation maintenance	40,349	38,712	(1,637)
Landscape contract	350,286	350,282	(4)
Landscape improvements and remediation	32,483	35,850	3,367
Landscape, sod replacement	12,583	8,300	(4,283)
Mulch	49,380	54,054	4,674
Palm tree trimming	24,720	24,720	
Tree care	8,400	15,000	6,600
Tree removal	30,950	36,000	5,050
<i>Total landscape</i>	<u>598,601</u>	<u>611,884</u>	<u>13,283</u>
<b>General maintenance:</b>			
Directional signage	7,273	3,625	(3,648)
Drainage repairs	47,216	50,000	2,784
Entry signage	1,500	1,650	150
Fence and bulkhead	203	1,000	797
General maintenance supplies	13,372	12,108	(1,264)
Hurricane/storm preparation		3,840	3,840
Lighting fixtures	2,230	1,800	(430)
On-site maintenance expense	174,546	216,320	41,774
Playground and recreation field	34,941	42,200	7,259
Pool operations	26,512	32,100	5,588
Project management	81,632	49,800	(31,832)
Roads	1,228	3,515	2,287
Sidewalks	16,716	12,000	(4,716)
TPC preparation	536	9,600	9,064
Waste dumpster	13,572	15,800	2,228
<i>Total general maintenance</i>	<u>421,477</u>	<u>455,358</u>	<u>33,881</u>
<b>Controlled access:</b>			
Controlled access contract	797,003	784,755	(12,248)
Controlled access, special events	2,763	3,350	587
Gate arm maintenance	2,916	5,450	2,534
Gate entry system	8,175	11,790	3,615
Gatehouse equipment and supplies	9,373	12,000	2,627
Gatehouse phone/internet	15,683	15,360	(323)
Gatehouse repairs and maintenance	10,645	9,000	(1,645)
RFID administration	54,508	54,508	
RFID/gate passes	22,685	42,000	19,315
St. Johns Sheriffs Office patrol	37,128	51,480	14,352
Vacation pass through	16,357	13,266	(3,091)
Vehicle expense	15,461	17,536	2,075
Vehicle fuel expense	3,637	8,580	4,943
<i>Total controlled access</i>	<u>996,334</u>	<u>1,029,075</u>	<u>32,741</u>

**THE SAWGRASS PLAYERS CLUB ASSOCIATION, INC.**  
For the Year Ended December 31, 2025

*Comparison of Operating Fund Revenues and Expenses to Budget (Continued)*

<b>EXPENSES (Continued)</b>	<u>Actual</u>	<u>Unaudited Budget</u>	<u>Favorable (Unfavorable) Variance</u>
Utilities:			
Electric - street lights	\$28,426	\$18,929	(\$9,497)
Electricity	18,206	23,520	5,314
Gatehouse water and sewer	1,633	1,440	(193)
<i>Total utilities</i>	<u>48,265</u>	<u>43,889</u>	<u>(4,376)</u>
Waterways:			
Aquatic maintenance	118,800	118,800	
Aquatic maintenance - aeration system	11,844	8,000	(3,844)
Aquatic maintenance - eel grass	8,275	11,000	2,725
Aquatic maintenance - miscellaneous	13,648	18,373	4,725
Pumphouse/engine repairs and maintenance	116,734	123,900	7,166
Pumphouses, electric and fuel	63,246	76,800	13,554
Pumphouses, telephone	10,600	8,045	(2,555)
Waterway maintenance and improvements	12,370	24,036	11,666
Less: PGA reimbursements	(101,475)	(116,390)	(14,915)
<i>Total waterways</i>	<u>254,042</u>	<u>272,564</u>	<u>18,522</u>
<b>Total expenses</b>	<u>3,121,084</u>	<u>3,352,755</u>	<u>231,671</u>
<b>Surplus of revenues over expenses</b>	<u>\$157,692</u>	<u>\$0</u>	<u>\$157,692</u>

**THE SAWGRASS PLAYERS CLUB ASSOCIATION, INC.**  
For the Year Ended December 31, 2025

*Supplementary Information on Future Major Repairs and Replacements*

An independent engineer conducted an updated study in 2025 to estimate the remaining useful lives and the replacement costs of the components of common property. Replacement costs were based on the estimated costs to repair or replace the common property components at the date of the study. Estimated current replacement costs have not been revised since that date and do not take into account the effects of inflation between the date of the study and the date that the components will require repair or replacement. The following information is based on the study and presents significant information about the components of common property.

	Estimated Remaining Useful Life	Estimated Current Replacement Costs	Balance 12/31/2024	Assessments and Reimbursements	Other Additions	Expenditures	Reclass	Balance 12/31/2025	2026 Approved Funding
<b>Contract liabilities:</b>									
<i>General Replacement Fund:</i>									
Asphalt pavement, concrete flatwork, and pavers	1-20 years	\$3,918,525							
General property site elements	1-25 years	1,657,470							
Recreation area	1-23 years	1,078,935							
Players pool	1-29 years	690,800							
Common building elements	1-28 years	204,900							
Access control elements	1-6 years	212,800							
Reserve study update	2 years	9,200							
Total general replacement fund		<u>7,772,630</u>	\$963,164	\$566,300		(\$106,353)	\$106,353	\$1,529,464	\$571,300
<i>Stormwater Drainage System Replacement Fund:</i>									
Pipes, culverts, control structures	1-20 years	897,750							
Engines, controls, tanks	1-27 years	475,550							
Motors and pumps	1-8 years	295,450							
Trash racks	20 years	197,500							
Pump station elements	1-30 years	100,650							
Permits and certifications	2 years	3,750							
Total stormwater drainage system replacement fund		<u>1,970,650</u>	502,669	269,754		(215,671)	95,091	651,843	254,000
Total contract liabilities		<u>9,743,280</u>	<u>1,465,833</u>	<u>836,054</u>		<u>(322,024)</u>	<u>201,444</u>	<u>2,181,307</u>	<u>825,300</u>
<b>Fund balance:</b>									
<i>General Replacement Fund:</i>									
Interest income					\$45,419		(45,419)	0	
Interfund transfer					75,000		(60,934)	14,066	
Total general replacement fund					<u>120,419</u>		<u>(106,353)</u>	<u>14,066</u>	
<i>Stormwater Drainage System Replacement Fund:</i>									
Interest income					20,091		(20,091)	0	
Interfund transfer					75,000		(75,000)	0	
Total stormwater drainage system replacement fund					<u>95,091</u>		<u>(95,091)</u>	<u>0</u>	
Total fund balance					<u>215,510</u>		<u>(201,444)</u>	<u>14,066</u>	
<b>TOTALS</b>		<u>\$9,743,280</u>	<u>\$1,465,833</u>	<u>\$836,054</u>	<u>\$215,510</u>	<u>(\$322,024)</u>	<u>\$0</u>	<u>\$2,195,373</u>	<u>\$825,300</u>

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## COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

[Date to be inserted upon finalization]

To the Board of Directors  
The Sawgrass Players Club Association, Inc.  
Ponte Vedra Beach, Florida

We have audited the financial statements of The Sawgrass Players Club Association, Inc. (the “Association”) for the year ended December 31, 2025, and our report thereon is available for issuance. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. This information was communicated to you in our engagement letter dated August 12, 2025. Professional standards also require that we communicate to you the following information related to our audit.

### Significant Audit Matters

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Association are described in Note 1 to the financial statements.

We noted no transactions entered into by the Association during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements include the estimated replacement costs and estimated remaining useful lives of the components of the replacement fund, as well as the allowance for credit losses.

We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole. During 2025, the Association engaged a reserve analyst to provide an updated reserve study. Therefore, the estimated replacement costs and estimated remaining useful lives of the components of the replacement fund that are included in the supplementary information are taken directly from that study. We also reviewed the assessments receivable balances and the allowance for credit losses and agree with management that the amount of allowance recorded of \$6,060 should be sufficient to cover the potential loss from delinquencies.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was the disclosure regarding the reserve for major repairs and maintenance (the replacement fund). Please see Note 9 to the Financial Statements.

*Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with the property manager, the representative of the Board of Directors, or the accountant in performing and completing our audit.

*Corrected Misstatements*

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Please see the attached report of adjusting journal entries. These entries include adjustments to correct and record the income tax-related accounts, to reduce investments to cost basis, to record the interfund transfer approved by the Board of Directors on March 26, 2026, and to record late accruals as requested by management.

*Reclassification Entries*

Certain reclassification entries have also been recommended and include reclassifying the unspent portion of the replacement fund to a liability account (“contract liabilities”) in accordance with guidance established by the Financial Accounting Standards Board and reclassifying the activity in the capital contributions fund for financial presentation purposes.

*Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor’s report. We are pleased to report that no such disagreements arose during the course of our audit.

*Management Representations*

We have requested certain representations from management that are included in the management representation letter.

*Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the Association’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

*Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Association’s auditors. However, these discussions (if any) would have occurred in the normal course of our professional relationship and our responses would not have been a condition to our retention.

*Financial Analysis*

Associations budget their income evenly over a twelve-month period. When assessments become delinquent, cash flow problems develop, and the Association may have problems paying its monthly expenses. Assessments receivable at a level of 3% or less of annual assessments indicates good collection procedures and has a positive impact on cash flow, whereas a balance of more than 3% of annual assessments suggests the Association may have future cash flow problems. As of December 31, 2025, the Association's assessments receivable balance of \$23,931 was equal to less than 2% of annual assessments. We commend the Association for maintaining a low assessments receivable balance.

*Refundable Deposits*

If an association collects a deposit from a member for any reason, including to pay for expenses that may be incurred as a result of construction on a member's parcel, such funds must be maintained separately and may not be commingled with any other association funds. Upon completion of the member's construction project or other reason for which the deposit was collected, the member may request an accounting from the association of his or her funds that were deposited, and the association must provide such accounting to the member within seven days after receiving the member's request. An association must remit payment of any unused funds to the member within 30 days after receiving notice that the member's construction project, or other reason for which the deposit was collected, is complete.

*Income Taxes for Associations*

During the past year, we have found that many associations owe federal income taxes due to higher interest rates resulting in increased investment income. To take advantage of lower tax rates many associations filed Form 1120 for the first time.

Each year, an Association may elect to file its tax return using Form 1120 or Form 1120-H. If the Association elects to file its tax return using Form 1120-H, it must allocate its income and expenses between its exempt function activities (assessments from owners) and its nonexempt function activities (revenue from external sources, such as interest and investment income). It is not taxed on its exempt function activities but is taxed at the rate of 30% on net nonexempt function income. This is a relatively simple form to prepare but has certain qualification requirements and a higher tax rate.

If the Association elects to file its tax return using Form 1120, it must allocate its income and expenses between membership and non-membership activities. Both membership and non-membership net income is subject to tax at regular corporate rates (21%), but excess membership income can be removed from taxable income by making an annual election to exempt or defer that income and applying the excess to the following year's assessments. By making this tax election under Revenue Ruling 70-604, only the net non-membership income is taxed. Form 1120 is complex. While it will normally result in a lower tax rate than Form 1120-H, its complexity and the lack of specific rulings in several areas create a much higher tax exposure risk when using that form. Additionally, a Florida return is required when Form 1120 is filed.

Due to the high tax exposure risk when using Form 1120, we generally recommend that Form 1120-H be filed. However, if the tax savings is significant, we will prepare Form 1120 for your Association. This requires that the Association elect Revenue Ruling 70-604. This election should be made by the members prior to the tax return being filed. Therefore, we are

recommending that the Association include in its annual meeting each year a resolution to apply excess income to the following year's assessment. The last page of this communication includes an example of such a resolution.

### **Industry Standard Comments**

**The comments below are industry standard recommendations that we believe provide important guidance to all associations, especially since the volunteers serving on the Association's Board of Directors change periodically. The comments listed below do not imply that the Association is not in compliance with these industry standard recommendations, but rather serve as reminders.**

**Insurance** - We recommend the Association meet with its insurance agent at least annually to discuss insurance coverage. The Association should make sure the insurance policies provide the necessary and appropriate protection. In addition to all of the standard coverage that is usually recommended, the Association should maintain appropriate crime and directors and officers (D&O) coverage. At a minimum, the Association should maintain crime coverage that equals or exceeds the total of its funds or as required by state law. It should be structured to include a defalcation or misappropriation committed by a Board member, an employee of the Association, or employees of the management company, including principals.

**Investment Policy** - The Association should have a conservative investment policy, which is structured around three elements, in order of importance: 1) safety, 2) liquidity, and 3) yield. Because safety and liquidity are of prime importance to any association, we recommend investments be limited to instruments of the federal government, which are backed by its full faith and credit, and money market accounts or certificates of deposit at insured institutions.

Periodically, the Association should monitor its accounts for FDIC and SIPC coverage. The FDIC insurance limit is \$250,000 per financial institution. Cash and securities held at a SIPC member brokerage firm are insured by the SIPC for up to \$500,000, which includes the \$250,000 limit for cash. The Association should also periodically check the ratings for all financial institutions used by the Association. At December 31, 2025, the Association's cash balances at Enterprise Bank totaled \$851,229, of which \$601,229 was in excess of the insured limit. There have been no losses on these accounts to date.

**Common Personal Property and Capitalization Policy** - Generally accepted accounting principles require that personal property be capitalized, whether acquired by purchase or through transfer from the developer. Certain types of associations have material common personal property, such as furnishings, recreational and maintenance equipment. When an association holds title to personal property and the association's Board of Directors is able to sell personal property at its discretion and retain the proceeds for the association, the property qualifies for asset recognition. We recommend that the Association establish a written policy stating a minimum useful life and a minimum dollar amount that is required to be spent before an expenditure is capitalized.

**Monitoring Activities** - The Board of Directors is an integral part of the Association's internal controls. Each month the individual board members should be performing monitoring activities.

When performed routinely, these monitoring activities strengthen the Association's internal controls and are essential to ensuring the financial security of the Association's resources.

The Board of Directors should obtain and read the monthly financial statements as prepared and presented by management. At a minimum, the financial statements should include a balance sheet, income statement with budget to actual comparisons, a check register, a general ledger, and bank statements with reconciliations. Variances and unusual transactions should be discussed with management and resolved in a timely manner.

The Board of Directors should consider periodically reviewing randomly selected copies of paid invoices to ensure that the appropriate level of approval has occurred, and that the approval is appropriately documented. The Board of Directors should also consider selecting invoices from vendors not recognized or not used on a regular basis.

*Supplementary Information Accompanying the Audited Financial Statements*

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with U.S. generally accepted accounting principles, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

*Required Supplementary Information*

With respect to the supplementary information required by the Financial Accounting Standards Board, we applied certain limited procedures to the information, including inquiring of management about their methods of preparing the information; comparing the information for consistency with management's responses to the foregoing inquiries, the basic financial statements, and other knowledge obtained during the audit of the basic financial statements; and obtaining certain representations from management, including about whether the required supplementary information is measured and presented in accordance with prescribed guidelines.

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This information is intended solely for the information and use of the Board of Directors, management, and others within the Association and is not intended to be, and should not be, used by anyone other than those specified parties.

Sincerely,

LBW CPAs and Associates, Inc.

RESOLUTION OF THE SAWGRASS PLAYERS CLUB ASSOCIATION, INC.  
EXCESS INCOME APPLIED TO THE FOLLOWING YEAR'S ASSESSMENT  
REVENUE RULING 70-604

WHEREAS, THE SAWGRASS PLAYERS CLUB ASSOCIATION, INC. IS A FLORIDA CORPORATION DULY ORGANIZED AND EXISTING UNDER THE LAWS OF THE STATE OF FLORIDA; AND  
WHEREAS, THE MEMBERS DESIRE THAT THE CORPORATION SHALL ACT IN FULL ACCORDANCE WITH THE RULINGS AND REGULATIONS OF THE INTERNAL REVENUE SERVICES:  
NOW, THEREFORE, THE MEMBERS HEREBY ADOPT THE FOLLOWING RESOLUTION BY AND ON BEHALF OF THE SAWGRASS PLAYERS CLUB ASSOCIATION, INC.:

RESOLVED, THAT ANY EXCESS OF MEMBERSHIP INCOME OVER MEMBERSHIP EXPENSES (FOR TAX PURPOSES) FOR THE YEAR ENDED DECEMBER 31, \_\_\_\_\_ SHALL BE APPLIED AGAINST THE SUBSEQUENT TAX YEAR MEMBER ASSESSMENTS AS PROVIDED BY IRS REVENUE RULING 70-604.

THIS RESOLUTION IS ADOPTED AND MADE PART OF THE MINUTES OF THE MEMBERS MEETING OF THE SAWGRASS PLAYERS CLUB ASSOCIATION, INC.

Preliminary Draft

**The Sawgrass Players Club Association, Inc.**  
**Year End: December 31, 2025**  
**Trial Balance**

Prepared by	Prepared by	Reviewed by
	<b>JAB</b> 3/31/2026	<b>RG</b> 3/27/2026

TB

Account	Prelim	Adj's	Reclass	RepAnnotation	Rep 12/24 %Chg	Map No
020 OF Enterprise Bank Checking	90,325.00	0.00	0.00	90,325.00 <u>A.</u>	0.00	0 111.001
025 OF Enterprise Bank MM	330,307.00	0.00	0.00	330,307.00 <u>A.</u>	0.00	0 111.001
050 OF PNC Checking	0.00	0.00	0.00	0.00	13,037.00	(100) 111.001
051 OF PNC MM	0.00	0.00	0.00	0.00	24,260.00	(100) 111.001
055 OF Truist Lock Box (BB&T)	341,441.00	0.00	0.00	341,441.00 <u>A.</u>	152,136.00	124 111.001
080 OF Rayond James - MM	31,705.00	0.00	0.00	31,705.00 <u>A.</u>	14,172.00	124 111.001
072.2 OF Ameris Bank MM	8,326.00	0.00	0.00	8,326.00 <u>A.</u>	0.00	0 111.001
Operating Fund	<b>802,104.00</b>	<b>0.00</b>	<b>0.00</b>	<b>802,104.00</b>	<b>203,605.00</b>	<b>294</b>
050.2 OF PNC Checking (ACC)	0.00	0.00	0.00	0.00	1,911.00	(100) 111.002
072.1 OF Ameris Bank MM (ACC)	70,300.00	0.00	0.00	70,300.00 <u>A.</u>	77,189.00	(9) 111.002
Operating Fund	<b>70,300.00</b>	<b>0.00</b>	<b>0.00</b>	<b>70,300.00</b>	<b>79,100.00</b>	<b>(11)</b>
025 RF Enterprise Bank MM	444,412.00	0.00	0.00	444,412.00 <u>A.</u>	0.00	0 111.003
055 RF Truist Lock Box	0.00	0.00	0.00	0.00	31,555.00	(100) 111.003
085 RF Edward Jones - MM	151,408.00	0.00	0.00	151,408.00 <u>A.</u>	184,351.00	(18) 111.003
Replacement Fund	<b>595,820.00</b>	<b>0.00</b>	<b>0.00</b>	<b>595,820.00</b>	<b>215,906.00</b>	<b>176</b>
081 OF Raymond James - CD	735,000.00	0.00	0.00	735,000.00 <u>B.</u>	834,000.00	(12) 112
082 OF Raymond James - Unrealize	382.00	(382.00)	0.00	0.00	(1,459.00)	(100) 112
083 OF Accrued Interest	20,032.00	(801.00)	0.00	19,231.00 <u>B.</u>	17,271.00	11 112
Operating Fund	<b>755,414.00</b>	<b>(1,183.00)</b>	<b>0.00</b>	<b>754,231.00</b>	<b>849,812.00</b>	<b>(11)</b>
081 RF Raymond James - CD & Tbil	300,000.00	0.00	0.00	300,000.00 <u>B.</u>	180,000.00	67 112
086 RF Edward Jones - CD's	1,155,000.00	0.00	0.00	1,155,000.00 <u>B.</u>	1,070,000.00	8 112
087 RF Edward Jones - Unrealized E	1,341.00	(1,341.00)	0.00	0.00	183.00	(100) 112
Replacement Fund	<b>1,456,341.00</b>	<b>(1,341.00)</b>	<b>0.00</b>	<b>1,455,000.00</b>	<b>1,250,183.00</b>	<b>16</b>
200 OF A/R - Residential	7,874.00	0.00	0.00	7,874.00 <u>C.</u>	14,236.00	(45) 113
205 OF A/R - Commercial	6,320.00	0.00	0.00	6,320.00 <u>C.</u>	125.00	4956 113
206 OF A/R - Drainage Assessment	9,737.00	0.00	0.00	9,737.00 <u>C.</u>	6,727.00	45 113
Operating Fund	<b>23,931.00</b>	<b>0.00</b>	<b>0.00</b>	<b>23,931.00</b>	<b>21,088.00</b>	<b>13</b>
210 OF Allowance for Credit Losses	(6,060.00)	0.00	0.00	(6,060.00) <u>C.</u>	(6,060.00)	0 114
Operating Fund	<b>(6,060.00)</b>	<b>0.00</b>	<b>0.00</b>	<b>(6,060.00)</b>	<b>(6,060.00)</b>	<b>0</b>
212 OF A/R - PGA Tour Oper	32,259.00	0.00	0.00	32,259.00 <u>D.</u>	12,261.00	163 120
215 OF A/R Other	0.00	0.00	0.00	0.00	1,190.00	(100) 120
Operating Fund	<b>32,259.00</b>	<b>0.00</b>	<b>0.00</b>	<b>32,259.00</b>	<b>13,451.00</b>	<b>140</b>
216 OF Interfund Receivable/(Payab	0.00	(150,000.00)	0.00	(150,000.00) <u>H.</u>	0.00	0 125
Operating Fund	<b>0.00</b>	<b>(150,000.00)</b>	<b>0.00</b>	<b>(150,000.00)</b>	<b>0.00</b>	<b>0</b>
402 RF Interfund Receivable/(Payab	0.00	150,000.00	0.00	150,000.00 <u>H.</u>	0.00	0 125
Replacement Fund	<b>0.00</b>	<b>150,000.00</b>	<b>0.00</b>	<b>150,000.00</b>	<b>0.00</b>	<b>0</b>
218 OF Prepaid RFIDs	0.00	0.00	0.00	0.00	5,451.00	(100) 126
222 OF Prepaid Income Tax	4,968.00	(4,880.00)	0.00	88.00 <u>I.</u>	0.00	0 126
229 OF Prepaid Other	8,580.00	0.00	0.00	8,580.00 <u>I.</u>	2,749.00	212 126
Operating Fund	<b>13,548.00</b>	<b>(4,880.00)</b>	<b>0.00</b>	<b>8,668.00</b>	<b>8,200.00</b>	<b>6</b>
220 OF Prepaid Insurance	87,390.00	0.00	0.00	87,390.00 <u>I.</u>	106,295.00	(18) 128

**The Sawgrass Players Club Association, Inc.**  
**Year End: December 31, 2025**  
**Trial Balance**

Prepared by	Prepared by	Reviewed by
	<b>JAB</b> 3/31/2026	<b>RG</b> 3/27/2026

TB-1

Account	Prelim	Adj's	Reclass	RepAnnotation	Rep 12/24 %Chg	Map No
Operating Fund	<b>87,390.00</b>	<b>0.00</b>	<b>0.00</b>	<b>87,390.00</b>	<b>106,295.00 (18)</b>	
230 OF Deposits	3,415.00	0.00	0.00	3,415.00 <u>Y</u>	3,415.00 <b>0</b>	145
Operating Fund	<b>3,415.00</b>	<b>0.00</b>	<b>0.00</b>	<b>3,415.00</b>	<b>3,415.00 0</b>	
400 OF Accounts Payable	(121,215.00)	0.00	0.00	(121,215.00) <u>AA</u>	(120,191.00) <b>1</b>	211
401 OF Accrued Expenses	(10,236.00)	0.00	0.00	(10,236.00) <u>AA</u>	(4,250.00) <b>141</b>	211
402 OF Late Accruals	0.00	(4,348.00)	0.00	(4,348.00) <u>AA</u>	(624.00) <b>597</b>	211
403 OF Capital Contributions Due to	0.00	0.00	(11,628.00)	(11,628.00) <u>AA</u>	0.00 <b>0</b>	211
404 OF Federal Income Taxes Payal	0.00	0.00	0.00	0.00	(6,108.00) <b>(100)</b>	211
431 OF Capital Contributions Due to	0.00	0.00	0.00	0.00	(6,120.00) <b>(100)</b>	211
Operating Fund	<b>(131,451.00)</b>	<b>(4,348.00)</b>	<b>(11,628.00)</b>	<b>(147,427.00)</b>	<b>(137,293.00) 7</b>	
400 RF Accounts Payable	(5,447.00)	0.00	0.00	(5,447.00) <u>AA</u>	(255.00) <b>2036</b>	211
Replacement Fund	<b>(5,447.00)</b>	<b>0.00</b>	<b>0.00</b>	<b>(5,447.00)</b>	<b>(255.00) 2036</b>	
410 OF Prepaid Assessments	(387,499.00)	0.00	0.00	(387,499.00) <u>BB</u>	(265,865.00) <b>46</b>	212
420 OF Unearned Revenue	0.00	0.00	0.00	0.00	(1,115.00) <b>(100)</b>	212
4101 OF Prepaid Assessments - Cor	(5,595.00)	0.00	0.00	(5,595.00) <u>BB</u>	(6,112.00) <b>(8)</b>	212
4102 OF Prepaid Assessmens - Dra	(1,115.00)	0.00	0.00	(1,115.00) <u>BB</u>	0.00 <b>0</b>	212
Operating Fund	<b>(394,209.00)</b>	<b>0.00</b>	<b>0.00</b>	<b>(394,209.00)</b>	<b>(273,092.00) 44</b>	
425 OF ACC Deposits	(70,300.00)	0.00	0.00	(70,300.00) <u>HH</u>	(79,100.00) <b>(11)</b>	215
Operating Fund	<b>(70,300.00)</b>	<b>0.00</b>	<b>0.00</b>	<b>(70,300.00)</b>	<b>(79,100.00) (11)</b>	
500 RF Contract Liabilities	0.00	0.00	(2,181,307.00)	(2,181,307.00) <u>RR</u>	(1,465,833.00) <b>49</b>	263
Replacement Fund	<b>0.00</b>	<b>0.00</b>	<b>(2,181,307.00)</b>	<b>(2,181,307.00)</b>	<b>(1,465,833.00) 49</b>	
430 OF Capital Contributions	(361,362.00)	0.00	361,362.00	0.00	0.00 <b>0</b>	275
432 OF CC Balance at Beginning of	0.00	0.00	(308,378.00)	(308,378.00) <u>UU</u>	(228,850.00) <b>35</b>	275
433 OF CC Current Year Additions	0.00	0.00	(190,720.00)	(190,720.00) <u>UU</u>	(158,882.00) <b>20</b>	275
434 OF CC Expenses Paid	0.00	0.00	149,364.00	149,364.00 <u>UU</u>	29,355.00 <b>409</b>	275
435 OF CC Interfund Transfer to Res	0.00	0.00	0.00	0.00	50,000.00 <b>(100)</b>	275
Operating Fund	<b>(361,362.00)</b>	<b>0.00</b>	<b>11,628.00</b>	<b>(349,734.00)</b>	<b>(308,377.00) 13</b>	
600 OF Prior Years Surplus/Deficit	(236,752.00)	0.00	0.00	(236,752.00) <u>UU</u>	(303,832.00) <b>(22)</b>	280
605 OF Emergency Contingency	(339,692.00)	(80,000.00)	0.00	(419,692.00) <u>UU</u>	(244,292.00) <b>72</b>	280
Operating Fund	<b>(576,444.00)</b>	<b>(80,000.00)</b>	<b>0.00</b>	<b>(656,444.00)</b>	<b>(548,124.00) 20</b>	
601 OF Prior Period Adjustment	0.00	(432.00)	0.00	(432.00) <u>UU</u>	0.00 <b>0</b>	280.001
Operating Fund	<b>0.00</b>	<b>(432.00)</b>	<b>0.00</b>	<b>(432.00)</b>	<b>0.00 0</b>	
610 RF Reserves - General	(1,469,871.00)	(73,659.00)	0.00	(1,543,530.00) <u>UU</u>	0.00 <b>0</b>	281
615 RF Reserves - SDS	(576,843.00)	(75,000.00)	0.00	(651,843.00) <u>UU</u>	0.00 <b>0</b>	281
620 RF Reclass to Contract Liabilit	0.00	0.00	2,181,307.00	2,181,307.00 <u>UU</u>	0.00 <b>0</b>	281
Replacement Fund	<b>(2,046,714.00)</b>	<b>(148,659.00)</b>	<b>2,181,307.00</b>	<b>(14,066.00)</b>	<b>0.00 0</b>	
616 OF Interfund transfer	0.00	150,000.00	0.00	150,000.00 <u>UU</u>	0.00 <b>0</b>	283
Operating Fund	<b>0.00</b>	<b>150,000.00</b>	<b>0.00</b>	<b>150,000.00</b>	<b>0.00 0</b>	
715 OF Assessments	(3,067,854.00)	0.00	0.00	(3,067,854.00)	(3,146,700.00) <b>(3)</b>	311
717 OF Commercial Assessments	(940,992.00)	0.00	0.00	(940,992.00)	(358,700.00) <b>162</b>	311

**The Sawgrass Players Club Association, Inc.**  
**Year End: December 31, 2025**  
**Trial Balance**

Prepared by	Prepared by	Reviewed by
	<b>JAB</b> 3/31/2026	<b>RG</b> 3/27/2026

TB-2

Account	Prelim	Adj's	Reclass	RepAnnotation	Rep 12/24	%Chg	Map No
719 OF Drainage Assessments	(87,623.00)	0.00	0.00	(87,623.00)	(115,922.00)	(24)	311
721 OF The Yard Assessments	0.00	0.00	0.00	0.00	(18,300.00)	(100)	311
800 OF Reserve Fund Transfer	566,300.00	0.00	0.00	566,300.00	543,868.00	4	311
801 OF Emergency reserve	95,400.00	0.00	0.00	95,400.00	0.00	0	311
802 OF Storm water drainage sys.	210,500.00	0.00	0.00	210,500.00	356,900.00	(41)	311
803 OF Transfer to emergency conti	0.00	80,000.00	0.00	80,000.00	0.00	0	311
Operating Fund	<b>(3,224,269.00)</b>	<b>80,000.00</b>	<b>0.00</b>	<b>(3,144,269.00)</b>	<b>(2,738,854.00)</b>	<b>15</b>	
736 OF Interest on Past Due AR	(7,004.00)	0.00	0.00	(7,004.00)	(4,563.00)	53	314
Operating Fund	<b>(7,004.00)</b>	<b>0.00</b>	<b>0.00</b>	<b>(7,004.00)</b>	<b>(4,563.00)</b>	<b>53</b>	
734 OF Covenant Enforcement Fees	(100.00)	0.00	0.00	(100.00)	(4,985.00)	(98)	360
738 OF Misc Income	(415.00)	0.00	0.00	(415.00)	(224.00)	85	360
739 OF Players Park Rec. Field	(559.00)	0.00	0.00	(559.00)	0.00	0	360
740 OF TPC Contribution	(10,000.00)	0.00	0.00	(10,000.00)	(9,999.00)	0	360
811 OF ACC Fees	(22,150.00)	0.00	0.00	(22,150.00)	(24,250.00)	(9)	360
921 OF RFID Income	(50,535.00)	0.00	0.00	(50,535.00)	(54,075.00)	(7)	360
Operating Fund	<b>(83,759.00)</b>	<b>0.00</b>	<b>0.00</b>	<b>(83,759.00)</b>	<b>(93,533.00)</b>	<b>(10)</b>	
750 OF Interest Income, Oper	(44,927.00)	1,183.00	0.00	(43,744.00)	(52,091.00)	(16)	370
752 OF Reserve Interest	(66,851.00)	1,341.00	0.00	(65,510.00)	(36,620.00)	79	370
753 OF Interest to Reserves	66,851.00	(1,341.00)	0.00	65,510.00	36,620.00	79	370
Operating Fund	<b>(44,927.00)</b>	<b>1,183.00</b>	<b>0.00</b>	<b>(43,744.00)</b>	<b>(52,091.00)</b>	<b>(16)</b>	
810 OF ACC Expense	74,600.00	0.00	0.00	74,600.00	70,352.00	6	501
812 OF Audit and Tax Preparation	8,000.00	0.00	0.00	8,000.00	6,900.00	16	501
814 OF Credit Losses Expense	0.00	0.00	0.00	0.00	5,000.00	(100)	501
816 OF Bank Charges	591.00	0.00	0.00	591.00	771.00	(23)	501
818 OF Civic Liaison Comm Exp	300.00	0.00	0.00	300.00	0.00	0	501
820 OF Communication Committee	14,156.00	0.00	0.00	14,156.00	13,652.00	4	501
822 OF Covenant Enforcement Expe	560.00	0.00	0.00	560.00	2,590.00	(78)	501
824 OF Insurance	342,101.00	0.00	0.00	342,101.00	322,432.00	6	501
826 OF Legal Expense	33,548.00	4,048.00	0.00	37,596.00	39,764.00	(5)	501
830 OF Management Contract	272,239.00	0.00	0.00	272,239.00	261,765.00	4	501
833 OF Meetings & Functions	3,494.00	0.00	0.00	3,494.00	2,547.00	37	501
834 OF General & Admin - Misc.	8,103.00	0.00	0.00	8,103.00	7,700.00	5	501
836 OF Office Supplies	11,693.00	0.00	0.00	11,693.00	10,569.00	11	501
838 OF Postage	8,884.00	0.00	0.00	8,884.00	7,839.00	13	501
840 OF Printing	10,939.00	0.00	0.00	10,939.00	9,944.00	10	501
842 OF Taxes and Filing Fees	61.00	0.00	0.00	61.00	61.00	0	501
843 OF Federal income tax	0.00	5,312.00	0.00	5,312.00	6,108.00	(13)	501
844 OF Vehicle Damage by Gates	3,736.00	0.00	0.00	3,736.00	0.00	0	501
Operating Fund	<b>793,005.00</b>	<b>9,360.00</b>	<b>0.00</b>	<b>802,365.00</b>	<b>767,994.00</b>	<b>4</b>	
850 OF Irrigation Maintenance	40,349.00	0.00	0.00	40,349.00	35,891.00	12	505
852 OF Landscape Contract	350,286.00	0.00	0.00	350,286.00	340,084.00	3	505
853 OF Landscape Improvements	32,183.00	300.00	0.00	32,483.00	21,182.00	53	505
854 OF Landscape - Sod replaceme	12,583.00	0.00	0.00	12,583.00	8,225.00	53	505
857 OF Tree care	8,400.00	0.00	0.00	8,400.00	6,900.00	22	505
858 OF Tree Removal/Maint	30,950.00	0.00	0.00	30,950.00	44,441.00	(30)	505
852-1 OF Landscaping - Flowers	49,450.00	0.00	0.00	49,450.00	46,510.00	6	505
852-2 OF Landscaping - Mulch	49,380.00	0.00	0.00	49,380.00	48,725.00	1	505

**The Sawgrass Players Club Association, Inc.**  
**Year End: December 31, 2025**  
**Trial Balance**

Prepared by	Prepared by	Reviewed by
	JAB 3/31/2026	RG 3/27/2026

TB-3

Account	Prelim	Adj's	Reclass	RepAnnotation	Rep 12/24	%Chg	Map No
852-3 OF Landscaping - Palm Tree	24,720.00	0.00	0.00	24,720.00	24,000.00	3	505
Operating Fund	<b>598,301.00</b>	<b>300.00</b>	<b>0.00</b>	<b>598,601.00</b>	<b>575,958.00</b>	<b>4</b>	
860 OF Directional Signage	7,273.00	0.00	0.00	7,273.00	3,277.00	122	510
862 OF Drainage Repairs	47,216.00	0.00	0.00	47,216.00	80,295.00	(41)	510
864 OF Entry Signage	1,500.00	0.00	0.00	1,500.00	1,635.00	(8)	510
866 OF Fence/Bulkhead	203.00	0.00	0.00	203.00	3,885.00	(95)	510
868 OF General Maint. Supplies	13,372.00	0.00	0.00	13,372.00	11,210.00	19	510
872 OF Lighting Fixtures	2,230.00	0.00	0.00	2,230.00	1,746.00	28	510
876 OF On-site Labor/Vehicle	174,546.00	0.00	0.00	174,546.00	164,849.00	6	510
878 OF Pool Maint/Chemicals	26,512.00	0.00	0.00	26,512.00	20,224.00	31	510
880 OF Project Management/Engine	81,632.00	0.00	0.00	81,632.00	58,193.00	40	510
882 OF Playground & Rec Field	34,941.00	0.00	0.00	34,941.00	32,258.00	8	510
884 OF Roads R&M	1,228.00	0.00	0.00	1,228.00	1,850.00	(34)	510
886 OF Sidewalks	16,716.00	0.00	0.00	16,716.00	5,755.00	190	510
888 OF TPC Preparation	536.00	0.00	0.00	536.00	5,446.00	(90)	510
892 OF Waste/Dumpster	13,572.00	0.00	0.00	13,572.00	8,743.00	55	510
Operating Fund	<b>421,477.00</b>	<b>0.00</b>	<b>0.00</b>	<b>421,477.00</b>	<b>399,366.00</b>	<b>6</b>	
900 OF Controlled Access Contr.	797,003.00	0.00	0.00	797,003.00	753,212.00	6	515
902 OF Controlled Access - Spec. E	2,763.00	0.00	0.00	2,763.00	2,650.00	4	515
903 OF SJSO	37,128.00	0.00	0.00	37,128.00	0.00	0	515
906 OF RFID Admin	54,508.00	0.00	0.00	54,508.00	50,400.00	8	515
908 OF Gate Arm Maintenance	2,916.00	0.00	0.00	2,916.00	5,305.00	(45)	515
910 OF Gate Entry System (Auto)	8,175.00	0.00	0.00	8,175.00	15,232.00	(46)	515
912 OF Gatehouse Equipment/Supp	9,373.00	0.00	0.00	9,373.00	10,276.00	(9)	515
914 OF Gatehouse R&M/Improveme	10,645.00	0.00	0.00	10,645.00	9,030.00	18	515
916 OF Gatehouse Telephone	15,683.00	0.00	0.00	15,683.00	14,027.00	12	515
920 OF RFID/Gate Passes	22,685.00	0.00	0.00	22,685.00	22,431.00	1	515
922 OF Vehicle Expenses	15,461.00	0.00	0.00	15,461.00	15,628.00	(1)	515
924 OF Vehicle Fuel Expense	3,637.00	0.00	0.00	3,637.00	4,182.00	(13)	515
926 OF Vacation Pass Thru	16,357.00	0.00	0.00	16,357.00	12,680.00	29	515
Operating Fund	<b>996,334.00</b>	<b>0.00</b>	<b>0.00</b>	<b>996,334.00</b>	<b>915,053.00</b>	<b>9</b>	
940 OF Electric - Common Areas	18,206.00	0.00	0.00	18,206.00	20,246.00	(10)	520
942 OF Electric - Street Lights	28,426.00	0.00	0.00	28,426.00	16,619.00	71	520
944 OF Gatehouse Water/Sewer	1,633.00	0.00	0.00	1,633.00	789.00	107	520
Operating Fund	<b>48,265.00</b>	<b>0.00</b>	<b>0.00</b>	<b>48,265.00</b>	<b>37,654.00</b>	<b>28</b>	
950 OF Aquatic Maintenance	118,800.00	0.00	0.00	118,800.00	118,800.00	0	525
951 OF Aquatic Maintenance - Misc.	13,648.00	0.00	0.00	13,648.00	10,072.00	36	525
952 OF Aquatic Maintenance - Eel G	8,275.00	0.00	0.00	8,275.00	8,593.00	(4)	525
953 OF Aquatic Maintenance - Aeratic	11,844.00	0.00	0.00	11,844.00	2,521.00	370	525
954 OF Pumphouse/Engine R&M	116,734.00	0.00	0.00	116,734.00	104,202.00	12	525
956 OF Pumphouses - Electric/Fuel	63,246.00	0.00	0.00	63,246.00	67,802.00	(7)	525
958 OF Pumphouses - Internet	10,600.00	0.00	0.00	10,600.00	7,194.00	47	525
960 OF Waterway Maint./Improveme	12,370.00	0.00	0.00	12,370.00	19,790.00	(37)	525
962 OF Less-PGA Reimbursement	(101,475.00)	0.00	0.00	(101,475.00)	(99,494.00)	2	525
Operating Fund	<b>254,042.00</b>	<b>0.00</b>	<b>0.00</b>	<b>254,042.00</b>	<b>239,480.00</b>	<b>6</b>	
975 OF Capital Expenditure	0.00	0.00	0.00	0.00	20,615.00	(100)	530
Operating Fund	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>20,615.00</b>	<b>(100)</b>	

The Sawgrass Players Club Association, Inc.  
 Year End: December 31, 2025  
 Trial Balance

Prepared by	Prepared by	Reviewed by
	JAB 3/31/2026	RG 3/27/2026

TB-4

Account	Prelim	Adj's	Reclass	RepAnnotation	Rep 12/24 %Chg	Map No
	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0</u>
Net Income (Loss)	248,535.00			157,692.00	(67,079.00)	(335)

Preliminary Draft

**The Sawgrass Players Club Association, Inc.**  
**Year End: December 31, 2025**  
**Adjusting Journal Entries**  
**Date: 1/1/2025 To 12/31/2025**

Prepared by	Prepared by	Reviewed by
	JAB 3/18/2026	RG 3/27/2026

AJE

Number	Date	Name	Account No	Reference	Annotation	Debit	Credit	Recurrence	Misstatement
1	12/31/2025	Late Accruals	402 OF				4,348.00		
1	12/31/2025	Legal Expense	826 OF			4,048.00			
1	12/31/2025	Landscape Improvements	853 OF			300.00			
To record adjustments posted to operating fund balance by management during 2026.									
2	12/31/2025	Prepaid Income Tax	222 OF			432.00			
2	12/31/2025	Prior Period Adjustment	601 OF				432.00		
To correct prior year's income tax liability.									
3	12/31/2025	Raymond James - Unrealized Earnings	082 OF				382.00		
3	12/31/2025	Accrued Interest	083 OF				801.00		
3	12/31/2025	Edward Jones - Unrealized Earnings	087 RF				1,341.00		
3	12/31/2025	Reserves - General	610 RF			1,341.00			
3	12/31/2025	Interest Income, Oper	750 OF				1,183.00		
3	12/31/2025	Reserve Interest	752 OF			1,341.00			
3	12/31/2025	Interest to Reserves	753 OF				1,341.00		
To reduce investments to cost basis.									
7	12/31/2025	Prepaid Income Tax	222 OF				5,312.00		
7	12/31/2025	Federal income tax	843 OF			5,312.00			
To record federal income tax expense.									
8	12/31/2025	Emergency Contingency	605 OF				80,000.00		
8	12/31/2025	Transfer to emergency contingency	803 OF			80,000.00			
To record additional unbudgeted transfer to emergency contingency, from 2025 operating surplus.									
9	12/31/2025	Interfund Receivable/(Payable)	216 OF				150,000.00		
9	12/31/2025	Interfund Receivable/(Payable)	402 RF			150,000.00			
9	12/31/2025	Reserves - General	610 RF				75,000.00		
9	12/31/2025	Reserves - SDS	615 RF				75,000.00		
9	12/31/2025	Interfund transfer	616 OF			150,000.00			
To record interfund transfer from operating surplus to reserve funds, per Board approval on March 26, 2026.									
						<b>393,957.00</b>	<b>393,957.00</b>		
<b>Net Income (Loss)</b>			<b>157,692.00</b>						

**The Sawgrass Players Club Association, Inc.**  
**Year End: December 31, 2025**  
**Reclassifying Journal Entries**  
**Date: 1/1/2025 To 12/31/2025**

Prepared by	Prepared by	Reviewed by
	JAB 3/18/2026	RG 3/27/2026

RJE

Number	Date	Name	Account No	Reference	Annotation	Debit	Credit	Recurrence	Misstatement
5	12/31/2025	Contract Liabilities	500 RF				2,181,307.00		
5	12/31/2025	Reclass to Contract Liabilities	620 RF			2,181,307.00			
To reclass unspent reserve assessments to contract liabilities, per ASC 606.									
6	12/31/2025	Capital Contributions Due to Sub-Associations	403 OF				11,628.00		
6	12/31/2025	Capital Contributions	430 OF			361,362.00			
6	12/31/2025	CC Balance at Beginning of Year	432 OF				308,378.00		
6	12/31/2025	CC Current Year Additions	433 OF				190,720.00		
6	12/31/2025	CC Expenses Paid	434 OF			149,364.00			
To reclass for financial presentation purposes.									
						<b>2,692,033.00</b>	<b>2,692,033.00</b>		
<b>Net Income (Loss)</b>			<b>157,692.00</b>						

Preliminary Draft