

# **SUGAR BOWL**

Audits of Financial Statements

June 30, 2025 and 2024



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## **Independent Auditor's Report**

To the Executive Committee  
Sugar Bowl

### **Report on the Audit of the Financial Statements**

#### **Opinions**

We have audited the accompanying financial statements of Sugar Bowl (the Organization), which comprise the statements of financial position as of June 30, 2025 and 2024, the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements, which collectively comprise the Organization's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

#### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Organization 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 opinions.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP, 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 Organization's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### **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 opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 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 Organization'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 Organization's ability to continue as a going concern for a reasonable period of time.

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

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements as a whole. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic 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 September 9, 2025 on our consideration of the Organization'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 Organization'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 Organization's internal control over financial reporting and compliance.



A Professional Accounting Corporation

Metairie, LA  
September 4, 2025

**SUGAR BOWL**  
**Statements of Financial Position**  
**June 30, 2025 and 2024**

	2025	2024
<b>Assets</b>		
Cash and Cash Equivalents	\$ 3,779,485	\$ 6,123,728
Accounts Receivable	224,496	189,934
Prepaid Expenses	471,629	727,667
Investments	84,232,077	78,502,859
Property and Equipment, Net	195,043	95,949
<b>Total Assets</b>	<b>\$ 88,902,730</b>	<b>\$ 85,640,137</b>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Accounts Payable and Accrued Expenses	\$ 151,845	\$ 3,318,972
Deferred Revenue	2,062,824	2,548,387
Other Accrued Expenses	200,000	300,000
<b>Total Liabilities</b>	<b>2,414,669</b>	<b>6,167,359</b>
<b>Net Assets</b>		
With Donor Restrictions	204,180	250,000
Without Donor Restrictions - Undesignated	86,283,881	79,222,778
<b>Total Net Assets</b>	<b>86,488,061</b>	<b>79,472,778</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 88,902,730</b>	<b>\$ 85,640,137</b>

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

**SUGAR BOWL**  
**Statements of Activities**  
**For the Years Ended June 30, 2025 and 2024**

	2025	2024
<b>Change in Net Assets Without Donor Restrictions</b>		
<b>Revenue, Gains, and Other Support</b>		
Revenue Under Contracts	\$ 21,801,399	\$ 23,624,014
Net Investment Return	8,808,983	10,006,123
Contribution of Nonfinancial Assets	98,587	98,587
Insurance Proceeds	523,418	-
Other Revenue	139,969	73,577
Net Assets Released from Restrictions	60,000	-
<b>Total Revenue, Gains, and Other Support</b>	<b>31,432,356</b>	<b>33,802,301</b>
<b>Expenses</b>		
Program Expenses	22,602,396	18,706,074
Supporting Expenses - General and Administrative	1,768,857	1,989,745
<b>Total Expenses</b>	<b>24,371,253</b>	<b>20,695,819</b>
<b>Change in Net Assets Without Donor Restrictions</b>	<b>7,061,103</b>	<b>13,106,482</b>
<b>Change in Net Assets With Donor Restrictions</b>		
Contributions	-	250,000
Net Investment Return	14,180	-
Net Assets Released from Restrictions	(60,000)	-
<b>Change in Net Assets With Donor Restrictions</b>	<b>(45,820)</b>	<b>250,000</b>
<b>Change in Net Assets</b>	<b>7,015,283</b>	<b>13,356,482</b>
<b>Net Assets, Beginning of Year</b>	<b>79,472,778</b>	<b>66,116,296</b>
<b>Net Assets, End of Year</b>	<b>\$ 86,488,061</b>	<b>\$ 79,472,778</b>

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

**SUGAR BOWL**  
**Statement of Functional Expenses**  
**For the Year Ended June 30, 2025**

	<b>Program Expenses</b>	<b>Supporting Expenses - General and Administrative</b>	<b>Total</b>
Conference Payout - Sugar Bowl	\$ 11,500,000	\$ -	\$ 11,500,000
Sugar Bowl Annual Game	6,115,970	-	6,115,970
Salaries and Wages	2,377,921	594,480	2,972,401
Donations and Ancillary Amateur Sports	1,631,693	-	1,631,693
Employee Benefits	542,497	135,624	678,121
Advertising and Promotion	313,619	-	313,619
Office Expenses	-	206,995	206,995
Insurance	-	162,696	162,696
Payroll Taxes	120,696	30,174	150,870
Legal Fees	-	140,614	140,614
Occupancy	-	98,587	98,587
Accounting Fees	-	91,275	91,275
Other Expenses	-	87,960	87,960
Conferences, Conventions, and Meetings	-	83,999	83,999
Travel	-	57,317	57,317
Uniforms	-	39,873	39,873
Depreciation	-	39,263	39,263
<b>Total</b>	<b>\$ 22,602,396</b>	<b>\$ 1,768,857</b>	<b>\$ 24,371,253</b>

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



**SUGAR BOWL**  
**Statement of Functional Expenses**  
**For the Year Ended June 30, 2024**

		<b>Supporting Expenses -</b>	
	<b>Program</b>	<b>General and</b>	<b>Total</b>
	<b>Expenses</b>	<b>Administrative</b>	
CFP Payout - Sugar Bowl	\$ 6,294,974	\$ -	\$ 6,294,974
Sugar Bowl Annual Game	5,777,497	-	5,777,497
Salaries and Wages	2,267,819	566,955	2,834,774
Concert Expenses	2,279,587	-	2,279,587
Donations and Ancillary Amateur Sports	850,248	-	850,248
Employee Benefits	504,904	126,226	631,130
Advertising and Promotion	609,626	-	609,626
Other Expenses	-	251,229	251,229
Office Expenses	-	234,045	234,045
Legal Fees	-	208,057	208,057
Insurance	-	166,321	166,321
Payroll Taxes	121,419	30,355	151,774
Occupancy	-	98,587	98,587
Accounting Fees	-	91,003	91,003
Conferences, Conventions, and Meetings	-	78,506	78,506
Travel	-	66,925	66,925
Uniforms	-	51,151	51,151
Depreciation	-	20,385	20,385
<b>Total</b>	<b>\$ 18,706,074</b>	<b>\$ 1,989,745</b>	<b>\$ 20,695,819</b>

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

**SUGAR BOWL**  
**Statements of Cash Flows**  
**For the Years Ended June 30, 2025 and 2024**

	2025	2024
<b>Cash Flows from Operating Activities</b>		
Change in Net Assets	\$ 7,015,283	\$ 13,356,482
Adjustments to Reconcile Change in Net Assets to Net Cash (Used in) Provided by Operating Activities		
Depreciation	39,263	20,385
Net Unrealized and Realized Gains on Investments	(6,711,670)	(7,819,764)
Increase in Accounts Receivable	(34,562)	(67,135)
Decrease (Increase) in Prepaid Expenses	256,038	(379,577)
(Decrease) Increase in Accounts Payable and Accrued Expenses	(3,267,127)	2,911,220
Decrease in Deferred Revenue	(485,563)	(138,065)
<b>Net Cash (Used in) Provided by Operating Activities</b>	<b>(3,188,338)</b>	<b>7,883,546</b>
<b>Cash Flows from Investing Activities</b>		
Purchases of Property and Equipment	(138,357)	(32,007)
Purchases of Investments	(2,017,548)	(12,001,931)
Proceeds from the Sale/Redemption of Investments	3,000,000	7,679,416
<b>Net Cash Provided by (Used in) Investing Activities</b>	<b>844,095</b>	<b>(4,354,522)</b>
<b>Net (Decrease) Increase in Cash and Cash Equivalents</b>	<b>(2,344,243)</b>	<b>3,529,024</b>
<b>Cash and Cash Equivalents, Beginning of Year</b>	<b>6,123,728</b>	<b>2,594,704</b>
<b>Cash and Cash Equivalents, End of Year</b>	<b>\$ 3,779,485</b>	<b>\$ 6,123,728</b>

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

# SUGAR BOWL

## Notes to Financial Statements

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### Note 1. Nature of Activities

Sugar Bowl (the Organization) is a not-for-profit organization whose program is to seek out, promote, finance, sponsor, schedule, conduct, and operate an annual calendar of national and international amateur and collegiate sporting events, along with other entertainment and recognition events, in the Greater New Orleans area and the State of Louisiana.

In addition to sponsoring these events around the Greater New Orleans Metropolitan area, the Organization hosts the Allstate Sugar Bowl, an annual collegiate football post-season bowl game.

### Note 2. Summary of Significant Accounting Policies

#### **Basis of Presentation**

The financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958-205 *Not-for-Profit Entities - Presentation of Financial Statements*.

#### **Use of Estimates**

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

#### **Cash and Cash Equivalents**

For purposes of the statements of cash flows, cash equivalents include time deposits and all highly liquid debt instruments with original maturities of three months or less.

#### **Concentrations of Credit and Market Risk**

The Organization maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents. The Organization utilizes a sweep account and a repurchase agreement to minimize its risk.

## SUGAR BOWL

### Notes to Financial Statements

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#### Note 2. Summary of Significant Accounting Policies (Continued)

##### **Contributions**

The Organization accounts for contributions in accordance with the recommendations of the FASB ASC 958-605 *Not-for-Profit Entities - Revenue Recognition*. In accordance with ASC 958-605, all donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Contributions are recognized when cash, securities, capital assets, unconditional promises to give, or notification of a beneficial interest are received. Contributions which are conditional are recognized as revenue when the conditions are substantially met.

##### **Revenue from Contracts with the Customers**

The Organization accounts for a contract with a customer when it has written approval, the contract is committed, the rights of the parties, including payment terms, are identified, the contract has commercial substance and consideration is probable of collection. Revenue is recognized when, or as, control of a promised service transfers to a customer, in an amount that reflects the consideration to which the Organization expects to be entitled in exchange for transferring those services.

The Organization earns revenues from customers for exchange transactions such as sponsorships, fundraisers, and sales related to and at its events.

The Organization is utilizing the portfolio approach practical expedient in Accounting Standards Update (ASU) 2014-09 for contracts related to operating revenue. The Organization accounts for the contracts within each portfolio as a collective group, rather than individual contracts. Each portfolio consists of homogeneous contracts pertaining to a particular revenue stream, which are based on the type of service provided and generally consistent with classifications shown within donations and grants on the statements of activities. Based on the historical collection trends and other analysis, the Organization has concluded that revenue for a given portfolio would not be materially different from accounting for revenue on a contract-by-contract basis.

Contracts typically require the completion of a defined service and billing for completed services are based on actual amounts. The Organization satisfies the performance obligation and recognizes revenue at a point in time. Revenues obtained through such arrangements are typically billed and recognized, after the service has been delivered. This results in revenue recognition that corresponds with the value to the client of the services transferred to date. The Organization historically collects revenues before or at the time when the sales transaction is entered into. Advanced ticket sales for events and related sponsorships are deferred and recognized as revenue as events occur.

**Note 2. Summary of Significant Accounting Policies (Continued)**

**Accounts Receivable**

The Organization carries its accounts receivable net of an allowance for credit losses. Management determines the allowance using an estimate of expected credit losses, applied to revenue streams grouped by similar risk characteristics, based on historical experience, current economic conditions and certain forward-looking information. Account balances are written off against the established allowance when management determines it is probable the receivable will not be collected. There was no allowance for credit losses at June 30, 2025 and 2024. The Organization does not believe it has any off-balance sheet credit exposure related to its customers. The opening balance of accounts receivable at July 1, 2023 totaled \$122,799.

**Property and Equipment**

Donated equipment is recorded at fair market value at the date of donation. Purchased equipment is recorded at cost. Acquisitions of property and equipment in excess of \$500 are capitalized. Depreciation on property and equipment is calculated on the straight-line method over the estimated useful lives of the assets. Leasehold improvements are amortized straight-line over the shorter of the lease term or estimated useful life of the asset. Repair and maintenance costs are expensed as incurred.

**Deferred Revenue**

Funds received in a year prior to that year for which the event is associated are deferred and recognized as revenues when the event occurs, and the revenues are earned.

**Investments and Investment Valuation**

Under FASB ASC 958-320 *Not-for-Profit Entities - Investments in Debt and Equity Securities*, investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statements of financial position. Net investment return includes unrealized gains or losses, realized gains and losses, interest and dividends, net of investment fees.

The Organization's investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for discussion of fair value measurements.

# SUGAR BOWL

## Notes to Financial Statements

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### Note 2. Summary of Significant Accounting Policies (Continued)

#### **Functional Allocation of Expenses**

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses are allocated on a reasonable basis that is consistently applied. When possible, expenses are first allocated by direct identification. Expenses that are allocated include salaries and wages, employee benefits, and payroll taxes which are allocated on the basis of estimates of time and effort.

#### **Net Assets**

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

*Net Assets Without Donor Restrictions* - Net assets available for use in general operations and not subject to donor restrictions.

*Net Assets With Donor Restrictions* - Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or that can be fulfilled or removed by actions of the Organization pursuant to those stipulations. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. As restrictions are met or until released in accordance with the Organization's spending policy, assets are reclassified to net assets without donor restrictions.

#### **Direct Advertising**

Direct advertising costs are expensed as incurred as part of the Organization's program expense. Direct advertising expense amounted to \$286,301 and \$265,472 for the years ended June 30, 2025 and 2024, respectively, and are included in advertising and promotion in the statements of functional expenses.

#### **Income Tax**

The Organization is qualified as a nonprofit organization and is exempt from federal and state income taxes under Section 501(c)(3) of the United States Internal Revenue Code.

Accounting principles generally accepted in the United States of America provide accounting and disclosure guidance about positions taken by an entity in its tax returns that might be uncertain. The Organization believes it has appropriate support for any tax positions taken, and management has determined that there are no uncertain tax positions that are material to the financial statements.

Penalties and interest assessed by income taxing authorities, if any, would be included in income tax expense.

## SUGAR BOWL

### Notes to Financial Statements

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#### Note 2. Summary of Significant Accounting Policies (Continued)

##### Contributed Nonfinancial Assets

Under FASB ASC 958-605 *Not-for-Profit Entities - Revenue Recognition*, organizations are required to recognize donations of goods and services as revenue and related expense for services received if the Organization would typically need to purchase these services. Since July 2017, the Organization was allowed to occupy an office space rent free for an unspecified period of time. The Organization estimates the market value of the space using publicly available commercial real estate rental listings in the same geographic area.

During the years ended June 30, 2025 and 2024, the Organization recognized \$98,587 of contribution revenue for each year. See Note 8.

#### Note 3. Property and Equipment

Major classifications of property and equipment at June 30<sup>th</sup> consisted of the following:

	Useful Lives	2025	2024
Leasehold Improvements	10 - 15 Years	\$ 1,244,049	\$ 1,123,049
Furniture and Fixtures	5 - 10 Years	335,969	334,819
Computer Equipment	3 - 5 Years	256,626	240,419
		<u>1,836,644</u>	<u>1,698,287</u>
Less: Accumulated Depreciation and Amortization		<u>1,641,601</u>	<u>1,602,338</u>
<b>Property and Equipment, Net</b>		<u><b>\$ 195,043</b></u>	<u><b>\$ 95,949</b></u>

Depreciation expense for the years ended June 30, 2025 and 2024 totaled \$39,263 and \$20,385, respectively.

#### Note 4. Investments and Fair Value Measurements

The Organization's investments are comprised of the following as of June 30<sup>th</sup>:

	2025	2024
Cash Held for Investment	\$ -	\$ 250,000
Mutual Funds	<u>84,232,077</u>	<u>78,252,859</u>
<b>Total</b>	<u><b>\$ 84,232,077</b></u>	<u><b>\$ 78,502,859</b></u>

## SUGAR BOWL

### Notes to Financial Statements

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#### Note 4. Investments and Fair Value Measurements (Continued)

The schedule below summarizes the investment results for the years ended June 30<sup>th</sup> for both the investments shown above:

	2025	2024
Interest Income, Net of Investment Expenses	\$ 93,945	\$ 113,844
Dividend Income	2,017,548	2,072,515
Realized and Unrealized Gains	6,711,670	7,819,764
<b>Total</b>	<b>\$ 8,823,163</b>	<b>\$ 10,006,123</b>

FASB ASC 820 (*Fair Value Measurement*) establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access and have the highest priority, Level 2 inputs consist of observable inputs other than quoted prices for identical assets, and Level 3 inputs consist of a valuation methodology that is unobservable and significant to the fair value measurement and have the lowest priority. The Organization uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments.

When available, the Organization measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs are only used in the instance Level 1 or Level 2 are not available.

The following is a description of the valuation methodologies used for assets measured at fair value.

- Level 1 The fair values of any U.S. Government Securities, mutual funds, equity securities, certificates of deposit, and cash held for investment are based on quoted net asset values of the shares held by the Organization at year-end. Most mutual funds held by the Organization are deemed to be actively traded.

The method described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.



## SUGAR BOWL

### Notes to Financial Statements

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#### Note 4. Investments and Fair Value Measurements (Continued)

The valuation of the Organization's assets measured at fair value on a recurring basis at June 30, 2025 and 2024 was as follows:

2025	Level 1	Level 2	Level 3	Total
<b>Mutual Funds</b>				
Short-Term Federal Fund	\$ 7,971,881	\$ -	\$ -	\$ 7,971,881
Stock Market Index Fund	47,424,134	-	-	47,424,134
Short-Term Treasury Fund	23,572,271	-	-	23,572,271
Russell 1000 Index Fund	5,263,791	-	-	5,263,791
<b>Total</b>	<b>\$ 84,232,077</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 84,232,077</b>
2024	Level 1	Level 2	Level 3	Total
Money Market Funds	\$ 250,000	\$ -	\$ -	\$ 250,000
<b>Mutual Funds</b>				
Short-Term Federal Fund	7,489,354	-	-	7,489,354
Stock Market Index Fund	42,428,654	-	-	42,428,654
Short-Term Treasury Fund	24,891,674	-	-	24,891,674
International Stock Index Fund	3,443,177	-	-	3,443,177
<b>Total</b>	<b>\$ 78,502,859</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 78,502,859</b>

#### Note 5. Net Assets With Donor Restrictions

Net assets with donor restrictions consist of a contribution restricted by the donor for funding scholarships for five years through the Sugar Bowl Chapter of the National Football Foundation. During the year ended June 30, 2025, the Organization earned investment return of \$14,180 on the restricted funds, released \$60,000 from restriction, and was used to fund scholarships in accordance with donor stipulations.

Net assets with donor restrictions totaled \$204,180 and \$250,000 as of June 30, 2025 and 2024, respectively.

#### Note 6. Accounts Payable and Accrued Expenses

As of June 30, 2025 and 2024, accounts payable and accrued expenses totaled \$151,845 and \$3,318,972, respectively. There were no significant components within the balance outstanding as of June 30, 2025. As of June 30, 2024, the balance primarily consisted of two significant obligations: (a) the payout due to the College Football Playoff for the annual game held in January 2024 and (b) a settlement with artists related to the cancellation of a concert originally scheduled for September 2024.

## **SUGAR BOWL**

### **Notes to Financial Statements**

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#### **Note 7. Deferred Revenue**

Deferred revenues totaled \$2,062,824 and \$2,548,387 as of June 30, 2025 and 2024, respectively, and consist of proceeds received from the sale of tickets and sponsorships relating to events that will take place in the year ending June 30, 2026. The opening balance of deferred revenue was \$2,686,452 as of July 1, 2023.

#### **Note 8. Lease Commitments**

The Organization is committed to leasing the Caesars Superdome (the Superdome) for its annual football game pursuant to an operating lease that renews every ten years, with renewal set for 2026.

Under the current lease terms, the Organization is committed to a maximum rent of \$200,000 for games considered a College Football Playoff (CFP) Semifinal or as a CFP Final. For games considered as being played under the contract that the Organization has with either the Southeastern Conference (SEC) and Big 12 Conference (Big 12), as detailed in Note 9, or as a CFP Quarterfinal, the maximum rent is \$100,000.

For the years ended June 30, 2025 and 2024, the Organization's rental expense was \$100,000 and \$200,000, for its CFP Quarterfinal and Semifinal games, respectively.

The Organization's office space is contributed to it by the Superdome on a year-to-year basis. As detailed in Note 2, the Organization recognized an in-kind contribution of its rental expense in the amount of \$98,587 for both of the years ended June 30, 2025 and 2024.

#### **Note 9. Commitments and Contingencies**

The Organization has an employment agreement with its Chief Executive Officer which extends through June 30, 2027. Associated with the employment contract is an obligation to contribute 15% of compensation to a simplified employee pension plan.

The Organization entered into a contract with the SEC and the Big 12 (the two together referred to as the Conferences) to include a team from each Conference for playing in the annual Sugar Bowl post season football game during the period from 2015 through 2026 (i.e., following the 2014 through 2025 college football regular seasons). For the two Conference teams playing in the game, the Organization was committed to paying a rights fee. The contract was amended, whereby the 2025 and 2026 SEC vs. Big 12 games were replaced with CFP Quarterfinal games; however, the financial commitment of the Organization was not modified.

## SUGAR BOWL

### Notes to Financial Statements

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#### Note 9. Commitments and Contingencies (Continued)

Under this contract, the Organization is committed to paying a rights fee as follows:

<b>Year Ending June 30,</b>	<b>Amount</b>
2026	<u>\$ 11,500,000</u>
<b>Total</b>	<u><u>\$ 11,500,000</u></u>

The rights fee for the year ended June 30, 2025 was \$11,500,000.

In January 2024, the Organization hosted a CFP Semifinal game. Under the agreement to host the CFP Semifinal game, the Organization was committed to paying a rights fee equal to 85% of its net income from the CFP Semifinal game as defined in the contract. That fee totaled \$6,294,974.

The Organization has entered into several agreements to serve as a title sponsor of other events. The Organization is committed to paying the following over the course of the contracts:

<b>Year Ending June 30,</b>	<b>Amount</b>
2026	\$ 488,500
2027	100,000
2028	<u>100,000</u>
<b>Total Commitment</b>	<u><u>\$ 688,500</u></u>

#### Note 10. Simplified Employee Pension Plan

As mentioned in Note 9, the Organization is committed to a simplified employee pension plan for all full-time, non-contractual employees of the Organization with a minimum of one year of service. The annual contribution shall be equal to 15% of each eligible employee's annual wages. The contributions for the years ended June 30, 2025 and 2024 were \$236,401 and \$227,805, respectively.

## SUGAR BOWL

### Notes to Financial Statements

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#### Note 11. Related-Party Transactions

Members of the Organization are involved with companies supplying goods and services to the Organization. In such instances where "related parties" conduct business with the Organization, due care is taken and documented to assure that the services and/or goods are purchased at normal competitive rates. The total dollar amounts of the transactions are immaterial to the financial statements taken as a whole.

#### Note 12. Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

	2025	2024
Cash and Cash Equivalents	\$ 3,779,485	\$ 6,123,728
Accounts Receivable	224,496	189,934
Investments	84,232,077	78,502,859
Less Investments With Donor Restrictions	(204,180)	(250,000)
<b>Total</b>	<b>\$ 88,031,878</b>	<b>\$ 84,566,521</b>

As part of its liquidity management, Sugar Bowl invests cash in excess of daily requirements in an interest-bearing sweep account.

#### Note 13. Insurance Proceeds Related to Game Postponement

The CFP Quarterfinal at the Allstate Sugar Bowl was scheduled to be played on January 1, 2025. However, an early morning terrorist attack occurred in New Orleans on January 1, 2025, resulting in the postponement of the game to January 2, 2025. Consequently, the Organization incurred additional expenses directly attributable to the postponement. These expenses were reimbursed via College Football Playoff insurance coverage. During the year ended June 30, 2025, the Organization received insurance proceeds of \$523,418, which are included in the accompanying statement of activities.

#### Note 14. Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, September 4, 2025 and determined that no events occurred that require disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

**SUGAR BOWL**  
**Selected Components of Revenue, Gains, and Other Support**  
**For the Years Ended June 30, 2025 and 2024**

**Schedule I**

	<b>2025</b>	<b>2024</b>
<b>Revenue Under Contracts</b>		
Ticket Sales - Football	<b>\$ 15,895,878</b>	\$ 15,038,586
Ticket Sales - Concert	-	993,785
Secondary Sponsorships - Football	<b>2,352,715</b>	4,509,526
Secondary Sponsorships - Concert	-	1,464,139
State Funding	<b>2,000,000</b>	1,000,000
Concessions	<b>336,813</b>	453,515
Program Revenue	<b>135,000</b>	127,500
Merchandise Royalties - Football	<b>1,080,993</b>	12,401
Merchandise Royalties - Concert	-	24,562
<b>Total Revenue Under Contracts</b>	<b>\$ 21,801,399</b>	<b>\$ 23,624,014</b>
<b>Other Revenue</b>		
Miscellaneous	<b>\$ 132,469</b>	\$ 63,596
Contributions	<b>7,500</b>	9,981
<b>Total Other Revenue</b>	<b>\$ 139,969</b>	<b>\$ 73,577</b>

See independent auditor's report.

**SUGAR BOWL**  
**Schedule of Compensation, Benefits, and Other Payments**  
**to Agency Head**  
**For the Year Ended June 30, 2025**

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**Schedule II**

Louisiana Revised Statute (R.S.) 24:513(A)(3) as amended by Act 706 of the 2014 Regular Legislative Session requires that the total compensation, reimbursements, and benefits of an agency head or political subdivision head or chief executive officer related to the position, including but not limited to travel, housing, unvouchered expense, per diem, and registration fees to be reported as a supplemental report within the financial statement of local government and quasi-public auditees. In 2015, Act 462 of the 2015 Regular Session of the Louisiana Legislature further amended R.S. 24:513(A)(3) to clarify that nongovernmental entities or not-for-profit entities that received public funds shall report only the use of public funds for the expenditures itemized in the supplemental report.

**Agency Head Name:** Jeff Hundley, Chief Executive Officer of Sugar Bowl

<b>Purpose</b>	<b>Amount</b>
Salary	\$0
Benefits-Insurance	\$0
Benefits-Retirement	\$0
Car Allowance	\$0
Cell Phone	\$0
Dues and Registration Fees	\$0
Reimbursements	\$0
Travel - Conference	\$0
Special Meals	\$0
Other	\$0

See independent auditor's report.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN  
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH GOVERNMENT AUDITING STANDARDS**

To the Executive Committee  
Sugar Bowl

We have audited, in accordance with the 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 Sugar Bowl (the Organization) which comprise the statement of financial position as of June 30, 2025 and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 4, 2025.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Organization'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 Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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 entity'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 may exist that have not been identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Organization'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 Organization'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 Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

A handwritten signature in cursive script, appearing to read "LaForte".

A Professional Accounting Corporation

Metairie, LA  
September 4, 2025



**SUGAR BOWL**  
**Schedule of Findings and Responses**  
**For the Year Ended June 30, 2025**

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**Part I - Summary of Auditor's Results**

**Financial Statements**

Type of Auditor's Report Issued on Whether the Financial Statements Audited were Prepared in Accordance with GAAP:	Unmodified
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Internal Control Over Financial Reporting:

- |   |               |
|---|---------------|
| • Material Weakness(es) Identified?       | No            |
| • Significant Deficiency(ies) Identified? | None Reported |

Noncompliance Material to Financial Statements Noted?	No
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**Federal Awards**

Not applicable

**Part II - Findings Related to the Financial Statements**

None.

**SUGAR BOWL**  
**Summary Schedule of Prior Audit Findings**  
**For the Year Ended June 30, 2025**

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The prior year audit disclosed no significant findings, and no significant uncorrected or unresolved findings exist from prior audit.