



ARTHUR W. PAGE SOCIETY

THE ARTHUR PAGE SOCIETY

*REPORT ON AUDIT OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025*



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THE ARTHUR PAGE SOCIETY

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INDEPENDENT AUDITORS' REPORT



To the Board of Trustees of
The Arthur Page Society
New York, New York

Opinion

We have audited the accompanying financial statements of The Arthur Page Society (a not-for-profit organization, the "Organization"), which comprise the statement of financial position as of December 31, 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.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of December 31, 2025, and the changes in its net assets 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 ("GAAS"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization 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 the 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 one year after the date that the financial statements are issued.

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

Corin & Associates LLP

Bohemia, New York
May 6, 2026

THE ARTHUR PAGE SOCIETY

STATEMENT OF FINANCIAL POSITION DECEMBER 31, 2025

ASSETS

Current Assets:

Cash and cash equivalents.....	\$	380,315
Investments.....		2,863,112
Accounts receivable, net of allowance for doubtful accounts.....		129,336
Prepaid expenses and other current assets.....		257,323

TOTAL CURRENT ASSETS 3,630,086

Intangible assets, net of accumulated amortization.....		94,592
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TOTAL ASSETS \$ 3,724,678

LIABILITIES AND NET ASSETS

Current Liabilities:

Accounts payable and accrued expenses.....	\$	120,892
Deferred revenue.....		2,032,258
Other current liabilities.....		49,299

TOTAL LIABILITIES 2,202,449

Net Assets:

Without donor restrictions:

Board operating reserve.....		1,522,229
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TOTAL NET ASSETS 1,522,229

TOTAL LIABILITIES AND NET ASSETS \$ 3,724,678

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

THE ARTHUR PAGE SOCIETY

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2025

SUPPORT AND REVENUE:

Member dues.....	\$	3,401,703
Contributions.....		439,958
In-kind contributions.....		320,413
Event income.....		2,108,007
Investment income.....		356,407
Employee Retention Tax Credit income.....		257,250
Other income.....		44,374

TOTAL SUPPORT AND REVENUE 6,928,112

EXPENSES:

Program services.....	5,018,150
Management and general.....	1,521,554
Fundraising.....	75,637

TOTAL EXPENSES 6,615,341

CHANGE IN NET ASSETS 312,771

Net assets, beginning of the year..... 1,209,458

Net assets, end of the year..... \$ 1,522,229

THE ARTHUR PAGE SOCIETY

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2025**

	Program Services	Management and General	Fundraising	Total
Salaries and wages.....	\$ 1,796,908	\$ 853,686	\$ 28,120	\$ 2,678,714
Payroll taxes and employee benefits.....	352,830	155,780	5,776	514,386
Event expenses.....	1,741,450	-	-	1,741,450
Professional fees.....	680,303	176,254	41,460	898,017
Occupancy.....	-	45,486	-	45,486
Travel and entertainment.....	132,144	7,003	-	139,147
Office expenses.....	8,147	3,806	-	11,953
Computer expenses.....	83,703	68,485	-	152,188
Website expenses.....	15,441	-	-	15,441
Marketing.....	12,984	-	-	12,984
Dues and subscriptions.....	10,618	8,010	-	18,628
Charitable contributions.....	156,438	-	-	156,438
Staff training.....	157	15,570	-	15,727
Insurance.....	-	5,492	-	5,492
Other expenses.....	2,299	173,507	-	175,806
Amortization.....	24,728	3,091	281	28,100
Bad debt.....	-	5,384	-	5,384
TOTAL EXPENSES	\$ 5,018,150	\$ 1,521,554	\$ 75,637	\$ 6,615,341

THE ARTHUR PAGE SOCIETY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2025

CASH FLOWS FROM OPERATING ACTIVITIES:

Change in net assets.....	\$	312,771
<u>Adjustments to reconcile change in net assets to</u> <u>net cash provided by operating activities:</u>		
Amortization of intangible assets.....		28,100
Realized and unrealized gains on investments.....		(314,805)
Bad debt.....		5,384
<u>Changes in operating assets and liabilities:</u>		
Accounts receivable.....		(91,591)
Prepaid expenses and other current assets.....		109,214
Accounts payable and accrued expenses.....		41,530
Deferred revenue.....		85,154
Other current liabilities.....		3,874

NET CASH PROVIDED BY OPERATING ACTIVITIES 179,631

CASH FLOWS FROM INVESTING ACTIVITIES:

Purchases of investments.....	(989,917)
Sales of investments.....	547,338

NET CASH USED IN INVESTING ACTIVITIES (442,579)

NET CHANGE IN CASH AND CASH EQUIVALENTS (262,948)

Cash and cash equivalents, beginning of year.....	643,263
Cash and cash equivalents, end of year.....	\$ 380,315

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

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of The Arthur Page Society (the "Organization") is presented to assist in understanding the Organization's financial statements. The financial statements and notes are representations of the Organization's management, who is responsible for the integrity and objectivity of the financial statements. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Nature of Operations

The Organization is a not-for-profit organization committed to the belief that public relations, as a function of executive management, is central to the success of the corporation. Its mission is to strengthen the impact of chief communication officers and their teams and to lead the profession into the future. Programs include educational forums and awards for outstanding achievements.

Income Tax Status

The Organization is exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code. Donors may deduct contributions made to the Organization within the requirements of the Internal Revenue Code.

The Organization evaluated its activities for uncertain tax positions and has determined that there were no uncertain tax positions for 2025.

The Organization files an IRS Form 990 and respective state and local tax returns. These tax returns are subject to review and examination by federal, state, and local taxing authorities. The Organization has determined that it has registered in all states where it is required to be registered.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Revenue is recorded when earned and expenses are recorded when incurred.

Basis of Presentation

The Organization is required to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions – Net assets that are not subject to donor-imposed stipulations and may be expended for any purpose in performing the primary objectives of the Organization.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Basis of Presentation (continued)

Net assets with donor restrictions – Net assets subject to donor-imposed stipulations or other stipulations that may or will be met, either by action of the Organization and/or the passage of time. When a restriction expires, these net assets are reclassified annually to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Other donor restrictions may be perpetual in nature, whereby donors may stipulate that the funds be maintained in perpetuity. As of December 31, 2025, there were no net assets with donor restrictions.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and 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 could differ from those estimates.

Cash and Cash Equivalents

The Organization considers all highly liquid financial instruments with original maturities of three months or less from the dates of purchase to be cash equivalents.

The Organization maintains cash in several bank accounts that are insured by the Federal Deposit Insurance Corporation (“FDIC”). From time to time, the Organization may have cash on deposit with financial institutions that are in excess of FDIC limits.

Investments

Investments are reflected at fair value, which is defined as 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 2).

Accounts Receivable

Accounts receivable are stated at the amounts management expects to collect from outstanding balances. The Organization considers receivables past due or delinquent when payments have not been received in a timely manner. Management's estimate of the allowance for doubtful accounts is based on historical collection patterns and a review of the current status of accounts receivable. As of December 31, 2025, the allowance for doubtful accounts was \$38,637.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Intangible Assets

The Organization capitalizes costs to develop internal-use website software during the application and graphics development stages. Costs of planning, content development, and operations are expensed as incurred. Recognized intangible assets are recorded at cost when acquired and are amortized over their estimated useful lives. Intangible assets with indefinite useful lives are not amortized.

Member Dues Revenue

Member dues represent a single performance obligation consisting of the Organization's promise to stand ready to provide members with access to the Organization's programs, events, resources, and other membership benefits over the applicable membership period. The performance obligation is satisfied over time, as members simultaneously receive and consume the benefits of membership as the Organization fulfills its stand-ready obligation. Accordingly, member dues revenue is recognized ratably over the membership period to which the dues relate. Amounts billed or received in advance for future membership periods are recorded as deferred revenue in the accompanying statement of financial position.

Contributions

Contributions are recognized when donors make promises to give that are, in substance, unconditional. Contributions that are restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire in the year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When restrictions expire, net assets with donor restrictions are reclassified to net assets without donor restrictions. Conditional contributions are accounted for as liabilities or are not recognized as contributions initially, until the barriers to entitlement are overcome, at which point contributions are recognized as unconditional and classified as either net assets with donor restrictions or net assets without donor restrictions.

In-Kind Contributions

In-kind contributions related to donated services are recognized at their estimated fair value if they create or enhance nonfinancial assets or require specialized skills that would need to be purchased if they were not donated. During the year ended December 31, 2025, the Organization received professional services valued at \$320,413, which are reported as in-kind contributions on the statement of activities and professional fees within program services in the statement of functional expenses. The fair value of the donated services is based on prices charged for such services had they not been donated. There were no donor-imposed restrictions on in-kind contributions during the year ended December 31, 2025.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

In-Kind Contributions *(continued)*

Although the Organization benefits from other volunteer services, no amounts have been recognized in the financial statements for contributed services other than those specifically outlined above, as any additional services do not meet the criteria for revenue recognition in the financial statements under generally accepted accounting principles in the United States of America, nor do they create or enhance nonfinancial assets.

Event Income

The Organization recognizes revenue from events at points in time when events are held.

Disaggregation of Revenue

The following table disaggregates all of the Organization’s revenue subject to Accounting Standards Codification (“ASC”) 606, *Revenue from Contracts with Customers*, and all subsequent amendments to the Accounting Standard Update (“ASU”) (collectively, ASC 606), based on the timing of satisfaction of performance obligations for the year ended December 31, 2025:

Satisfied at points in time	\$	2,108,007
Satisfied over time		3,401,703
Total	\$	<u>5,509,710</u>

The table above excludes contributions, investment income, in-kind contributions, and Employee Retention Tax Credit income, which are not subject to ASC 606.

Advertising

All costs associated with publicity and advertising for the Organization are expensed as incurred. Total costs incurred were \$12,984 for the year ended December 31, 2025 and are included in marketing in the statement of functional expenses.

Functional Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities and functional expenses. The direct costs of providing the programs have all been allocated to program services. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization. Those costs that cannot be directly assigned are allocated based upon reasonable allocation methodologies, the most significant of which are:

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Functional Expenses (continued)

- Salaries and wages – Time and effort
- Payroll taxes and employee benefits – Salary allocations
- Professional fees – Respective use of services

Events Occurring After the Report Date

The Organization has evaluated events and transactions that occurred between January 1, 2026 and May 6, 2026, which is the date the financial statements were available to be issued, for possible disclosure and recognition in the financial statements.

NOTE 2 - INVESTMENTS

The Organization presents investments in the statement of financial position at fair value. A fair value hierarchy has been established based on the observability of inputs to the evaluation of an asset or liability as of the measurement date. The three-level valuation techniques are based upon observable and unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect market assumptions. These two types of inputs create the following fair value levels (Level 1, 2, and 3).

- Level 1 investments are valued using observable inputs that reflect quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access at the measurement date.
- Level 2 investments are valued using observable inputs, other than quoted prices included in Level 1, for the asset or liability or prices for similar assets and liabilities.
- Level 3 investments are valued using valuations that are derived from techniques in which one or more of the significant inputs are unobservable (including assumptions about risk). Because Level 3 fair values, by their nature, contain unobservable market inputs as there is no observable market for these assets and liabilities, considerable judgment is used to determine the Level 3 fair values. Level 3 fair values represent the Organization's best estimate of an amount that could be realized in a current market exchange absent actual market exchanges.

An asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

All investments are considered Level 1 investments at December 31, 2025.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025

NOTE 2 - INVESTMENTS (continued)

The fair values of the Organization's investments by major security type are as follows at December 31, 2025:

Fixed income and preferred stock	\$ 726,668
Cash.....	558,619
Equities	1,480,960
Alternatives.....	96,865
Total investments at fair value	<u>\$ 2,863,112</u>

Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the value of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the accompanying statement of financial position.

NOTE 3 - INTANGIBLE ASSETS

Intangible assets consisted of the following at December 31, 2025:

Domain.....	\$ 22,000
Website.....	140,500
Intangible assets, at cost	162,500
Accumulated amortization	(67,908)
Net intangible assets	<u>\$ 94,592</u>

The Organization purchased a domain name in 2018 for \$22,000. The recorded value is not subject to amortization since the domain name will be useful for an indefinite number of years.

NOTE 4 - RETIREMENT PLAN

The Organization offers a defined contribution retirement plan to all employees. The plan operates under section 401(k) of the Internal Revenue Code. The Organization contributes 3% of an eligible employee's payroll. Employer contributions are fully vested when made. The Organization contributed \$71,249 to the retirement plan in 2025, which is included in payroll taxes and employee benefits in the accompanying statement of functional expenses.

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

NOTE 5 - NET ASSETS - BOARD OPERATING RESERVE

The Board of Trustees of the Organization designates a portion of its net assets without donor restrictions as an operating reserve. The amount designated is computed as 25% of the Board-adopted operating budget for the year. As of December 31, 2025, 25% of the Board-adopted operating budget for the year exceeded net assets without donor restrictions. As such, total net assets without donor restrictions of \$1,522,229 are reported as designated by the Board of Trustees for the operating reserve in the accompanying statement of financial position.

NOTE 6 - OPERATING LEASE

Effective October 1, 2024, the Organization entered into a lease for office space in New York City. The lease called for monthly payments of \$4,586 through the termination of the lease on September 30, 2025. The Organization renewed the lease agreement for an additional twelve-month period through September 30, 2026. The renewed lease provides virtual office space and requires monthly payments of \$317 per month. Rent expense related to the leases totaled \$45,486 for the year ended December 31, 2025 and is included as occupancy expense on the accompanying statement of functional expenses. The Organization has elected the short-term lease practical expedient under ASC 842 and therefore does not recognize right-of-use assets or lease liabilities for leases with terms of twelve months or less.

NOTE 7 - COMMITMENTS

The Organization regularly enters into contracts for the use of facilities for its meetings and events. These contracts have provisions for minimum payments in the event of cancellation. In addition, the Organization may, from time to time, enter into contracts for the provision of services where significant portions of the services will be performed and paid for in subsequent years. Future minimum commitments under these contracts at December 31, 2025 were approximately \$781,000, to be expensed as incurred in future years.

NOTE 8 - DE-CONSOLIDATION OF DIVERSITY ACTION ALLIANCE, INC.

Effective March 31, 2025, the Organization de-consolidated Diversity Action Alliance, Inc. ("DAA"). Prior to this date, DAA operated as a program of the Organization. On March 31, 2025, the Organization and DAA executed an Asset Transfer Agreement pursuant to which DAA became a separate, standalone not-for-profit corporation.

Under the agreement, the Organization transferred to DAA all assets related to the Diversity Action Alliance program. DAA assumed all liabilities associated with the Diversity Action Alliance program, whether known or unknown, accrued or contingent, as of the transfer date. Assets and liabilities were transferred on an "as-is, where-is" basis. Certain Organization assets unrelated to the Diversity Action Alliance program were explicitly retained by the Organization.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025

NOTE 8 - DE-CONSOLIDATION OF DIVERSITY ACTION ALLIANCE, INC. (continued)

In connection with the de-consolidation, the Organization terminated employees associated with the Diversity Action Alliance program, and DAA rehired those employees and assumed full responsibility for payroll, employee benefits, and related obligations subsequent to March 31, 2025. Following the transfer, DAA began operating independently, including maintaining its own bank accounts and conducting its own operating activities.

In addition, the Asset Transfer Agreement provided for transitional funding support from the Organization to DAA of up to \$95,128 to reimburse eligible start-up and transition costs, consisting of reimbursement of documented expenses incurred through the transfer date totaling \$20,128, and an additional payment of \$75,000, subject to substantiation of eligible expenses. These costs related primarily to legal, accounting, payroll setup, insurance, systems, and specified program and operating expenses.

During the year ended December 31, 2025, the Organization paid DAA a total of \$95,128. Amounts paid in excess of the transitional funding described above were recorded as charitable contributions in the accompanying statement of functional expenses. These payments did not represent operating expenses paid on behalf of DAA and did not convey ongoing control.

Management evaluated the transaction under the guidance in ASC 810, *Consolidation*, and concluded that, as of March 31, 2025, the Organization no longer had a controlling financial interest in DAA. The Organization does not have the power to direct the activities that most significantly impact DAA's economic performance and does not retain rights to DAA's assets or obligations for its liabilities. Accordingly, DAA has not been consolidated in the Organization's financial statements subsequent to March 31, 2025. No gain or loss was recognized upon de-consolidation.

NOTE 9 - AVAILABILITY AND LIQUIDITY

The following represents the Organization's financial assets at December 31, 2025:

Cash and cash equivalents.....	\$	380,315
Investments.....		2,863,112
Accounts receivable, net		<u>129,336</u>
Financial assets available to meet general expenditures over the next twelve months.....	\$	<u><u>3,372,763</u></u>

The Organization's goal is generally to maintain financial assets to meet ninety days of operating expenses (approximately \$1,565,000).

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

NOTE 10 – EMPLOYEE RETENTION TAX CREDIT

During the year ended December 31, 2023, the Organization applied for Employee Retention Tax Credits (“ERTC”). The ERTC is a payroll tax credit (not an income tax credit) and is ultimately to be reported on IRS Form 941. Eligible employers can claim the ERTC by computing the ERTC amount for a pay period and decreasing the required payroll deposit by that amount. To be eligible, organizations must meet one of the following criteria: (1) the organization’s operations were either fully or partially suspended due to a COVID-19 government order; or (2) the organization suffered a significant reduction in gross receipts as compared with the same calendar quarter in the previous year. The Organization was eligible to apply for the ERTC for 2021. As a result, it was determined that the Organization was eligible for \$257,250 of ERTC. The funds were received during 2025, along with accrued interest of \$39,269 which is recorded as other income on the accompanying statement of activities for the year ended December 31, 2025.