

UNITED STATES SAILING ASSOCIATION, INC. AND SUBSIDIARY

**CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

YEARS ENDED DECEMBER 31, 2016 AND 2015

**UNITED STATES SAILING ASSOCIATION, INC. AND SUBSIDIARY
TABLE OF CONTENTS
YEARS ENDED DECEMBER 31, 2016 AND 2015**

INDEPENDENT AUDITORS' REPORT	1
CONSOLIDATED FINANCIAL STATEMENTS	
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION	3
CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS	5
STATEMENTS OF CASH FLOWS	7
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS	8
INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION	22
SUPPLEMENTARY INFORMATION	
CONSOLIDATING STATEMENTS OF FINANCIAL POSITION	23
CONSOLIDATING STATEMENTS OF ACTIVITIES AND CHANGE IN NET ASSETS	24



CliftonLarsonAllen

CliftonLarsonAllen LLP
CLAconnect.com

INDEPENDENT AUDITORS' REPORT

Board of Directors
United States Sailing Association, Inc. and Subsidiary
Portsmouth, Rhode Island

We have audited the accompanying consolidated financial statements of United States Sailing Association, Inc. and Subsidiary (a nonprofit organization), which comprise the consolidated statements of financial position as of December 31, 2016 and 2015, and the related consolidated statements of activities and changes in net assets, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Board of Directors
United States Sailing Association, Inc. and Subsidiary

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of United States Sailing Association, Inc. and Subsidiary, as of December 31, 2016 and 2015, 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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Boston, Massachusetts
July 14, 2017

UNITED STATES SAILING ASSOCIATION, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
YEARS ENDED DECEMBER 31, 2016 AND 2015

ASSETS	2016	2015
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 178,162	\$ 358,111
Investments Held for Short-Term Purposes	358,146	949,757
Accounts Receivable, Net	106,689	160,522
Pledges and Grants Receivable, Net	635,500	949,833
Inventory, Net	283,041	209,632
Prepaid Expenses	324,477	321,134
Total Current Assets	1,886,015	2,948,989
 PROPERTY AND EQUIPMENT		
	3,436,028	3,076,419
Less: Accumulated Depreciation	2,144,999	1,793,128
Net Property and Equipment	1,291,029	1,283,291
 OTHER ASSETS		
Long-Term Pledges Receivable, Net	3,578,410	1,016,282
Long-Term Investments	3,074,686	2,840,998
Other Assets, Net	147,811	163,656
Total Other Assets	6,800,907	4,020,936
Total Assets	\$ 9,977,951	\$ 8,253,216

See accompanying Notes to Consolidated Financial Statements.

LIABILITIES AND NET ASSETS	2016	2015
CURRENT LIABILITIES		
Current Portion of Capital Lease Obligation	\$ 3,059	\$ 7,396
Accounts Payable	496,804	188,201
Accrued Expenses	322,677	332,894
Deferred Revenue:		
Memberships	1,134,045	1,105,529
Program Sponsorship and Other	240,737	499,764
Total Current Liabilities	2,197,322	2,133,784
Deferred Revenue – Memberships	358,241	298,269
Capital Lease Obligation, Less Current Portion	278	3,337
Total Liabilities	2,555,841	2,435,390
NET ASSETS		
Unrestricted:		
Board Designated for Endowment	1,942,235	2,059,546
Board Designated, Other	186,876	180,607
Other Unrestricted	367,693	467,304
Total Unrestricted Net Assets	2,496,804	2,707,457
Temporarily Restricted	4,645,396	3,006,869
Permanently Restricted	279,910	103,500
Total Net Assets	7,422,110	5,817,826
Total Liabilities and Net Assets	\$ 9,977,951	\$ 8,253,216

UNITED STATES SAILING ASSOCIATION, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2016

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
CHANGE IN OPERATING NET ASSETS				
OPERATING REVENUES AND OTHER SUPPORT				
Membership Dues	\$ 1,989,039	\$ -	\$ -	\$ 1,989,039
Educational and Program Activities	2,429,741	-	-	2,429,741
U.S. Olympic Committee Grants	1,075,400	-	-	1,075,400
Sponsorship Agreements	1,922,310	-	-	1,922,310
Contributions	841,605	3,303,361	-	4,144,966
Other	291,441	-	-	291,441
Net Assets Released from Restrictions Operations	1,769,659	(1,769,659)	-	-
Total Operating Revenues and Other Support	10,319,195	1,533,702	-	11,852,897
PROGRAM ACTIVITIES				
Education and Certification Programs	2,287,857	-	-	2,287,857
Marketing and Communications	465,921	-	-	465,921
Membership Activities	1,087,274	-	-	1,087,274
Competitive Events	1,074,224	-	-	1,074,224
Olympic Activities	4,292,599	-	-	4,292,599
Total Program Activities	9,207,875	-	-	9,207,875
SUPPORTING SERVICES				
Management and General	1,134,813	-	-	1,134,813
Fundraising and Development	337,797	-	-	337,797
Total Supporting Services	1,472,610	-	-	1,472,610
Total Operating Expenses	10,680,485	-	-	10,680,485
CHANGE IN NET ASSETS FROM OPERATIONS	(361,290)	1,533,702	-	1,172,412
NONOPERATING ACTIVITIES				
Contribution Income – Acquisition	69,077	101,256	176,410	346,743
Investment Income, Net	81,560	3,569	-	85,129
CHANGE IN NONOPERATING NET ASSETS	150,637	104,825	176,410	431,872
CHANGE IN TOTAL NET ASSETS	(210,653)	1,638,527	176,410	1,604,284
Net Assets – Beginning of Year	2,707,457	3,006,869	103,500	5,817,826
NET ASSETS – END OF YEAR	<u>\$ 2,496,804</u>	<u>\$ 4,645,396</u>	<u>\$ 279,910</u>	<u>\$ 7,422,110</u>

See accompanying Notes to Consolidated Financial Statements.

UNITED STATES SAILING ASSOCIATION, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2015

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
CHANGE IN OPERATING NET ASSETS				
OPERATING REVENUES AND OTHER SUPPORT				
Membership Dues	\$ 1,938,781	\$ -	\$ -	\$ 1,938,781
Educational and Program Activities	2,298,931	-	-	2,298,931
U.S. Olympic Committee Grants	1,067,981	-	-	1,067,981
Sponsorship Agreements	1,895,185	-	-	1,895,185
Contributions	408,007	2,729,804	-	3,137,811
Other	340,553	-	-	340,553
Net Assets Released from Restrictions Operations	1,799,271	(1,799,271)	-	-
Total Operating Revenues and Other Support	9,748,709	930,533	-	10,679,242
PROGRAM ACTIVITIES				
Education and Certification Programs	2,103,314	-	-	2,103,314
Marketing and Communications	776,492	-	-	776,492
Membership Activities	795,845	-	-	795,845
Competitive Events	1,284,422	-	-	1,284,422
Olympic Activities	4,246,465	-	-	4,246,465
Total Program Activities	9,206,538	-	-	9,206,538
SUPPORTING SERVICES				
Management and General	737,223	-	-	737,223
Fundraising and Development	129,697	-	-	129,697
Total Supporting Services	866,920	-	-	866,920
Total Operating Expenses	10,073,458	-	-	10,073,458
CHANGE IN NET ASSETS FROM OPERATIONS	(324,749)	930,533	-	605,784
NONOPERATING ACTIVITIES				
Investment Income, Net	(100,352)	(9,714)	-	(110,066)
CHANGE IN NONOPERATING NET ASSETS	(100,352)	(9,714)	-	(110,066)
CHANGE IN TOTAL NET ASSETS	(425,101)	920,819	-	495,718
Net Assets – Beginning of Year	3,132,558	2,086,050	103,500	5,322,108
NET ASSETS – END OF YEAR	<u>\$ 2,707,457</u>	<u>\$ 3,006,869</u>	<u>\$ 103,500</u>	<u>\$ 5,817,826</u>

See accompanying Notes to Consolidated Financial Statements.

UNITED STATES SAILING ASSOCIATION, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2016 AND 2015

	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in Total Net Assets	\$ 1,604,284	\$ 495,718
Adjustments to Reconcile Change in Total Net Assets to Net Cash Used by Operating Activities:		
Contribution Income – Acquisition	(346,743)	-
Depreciation and Amortization	417,566	344,013
Net Loss on Disposal of Property and Equipment	14,254	2,877
In-Kind Donation of Property and Equipment	(388,355)	(333,844)
Realized and Unrealized (Gains) Losses on Investments	(41,584)	153,727
Change in Assets and Liabilities:		
Accounts Receivable	53,833	(7,717)
Pledges and Grants Receivable	(2,247,795)	(802,926)
Inventory	(73,409)	79,041
Prepaid Expenses	(3,343)	(193,243)
Other Assets	15,845	(26,704)
Accounts Payable	307,602	43,030
Accrued Expenses	(10,217)	31,759
Deferred Revenue	(170,539)	187,606
Net Cash Used by Operating Activities	(868,601)	(26,663)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisition of Property and Equipment	(51,202)	(332,833)
Cash Proceeds from Acquisition	15,740	-
Proceeds from the Sale of Investments	4,278,631	1,408,020
Purchase of Investments	(3,547,121)	(1,651,868)
Net Cash Provided (Used) by Investing Activities	696,048	(576,681)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Principal Payments on Capital Lease Obligation	(7,396)	(10,830)
Net Cash Used by Financing Activities	(7,396)	(10,830)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(179,949)	(614,174)
Cash and Cash Equivalents – Beginning of Year	358,111	972,285
CASH AND CASH EQUIVALENTS – END OF YEAR	\$ 178,162	\$ 358,111
SUPPLEMENTAL DISCLOSURES		
Interest Paid	\$ 1,698	\$ 3,127

See accompanying Notes to Consolidated Financial Statements.

UNITED STATES SAILING ASSOCIATION, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

NOTE 1 NATURE OF OPERATIONS

United States Sailing Association, Inc. (the Association) was organized under the laws of the state of New York to provide leadership for the sport of sailing in the United States. The Association works to achieve this mission through a wide range of programs and events, geared towards providing an equal level playing field for all sailors.

United States Sailing Foundation (the Foundation) is actively committed to the advancement of the Association through the development of resources, financial and otherwise, for the Association campaigns, programs, initiatives, efforts, and activities. As a Type I supporting organization under Section 509(a)(3) of the Internal Revenue Code (IRC) of 1986, as amended, the Foundation shall provide support, financial and otherwise, to the benefit of the Association.

The Association and Foundation (collectively the Organization) prepare their consolidated financial statements in accordance with accounting principles generally accepted in the United States of America established by the Financial Accounting Standards Board (FASB). References to accounting principles generally accepted in the United States of America in these footnotes are to the FASB Accounting Standards Codification.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of the Organization is presented to assist the reader in understanding the Organization's financial statements. The financial statements and notes are representations of the Organization's management, who is responsible for their integrity and objectivity. 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.

Principles of Consolidation

Upon consolidation, all significant intercompany and interactivity transactions and balances have been eliminated in order to present the combined total assets, liabilities, and net assets as they would appear if the entities were merged into a single multi-fund organization for accounting and financial reporting purposes.

Basis of Presentation

The financial statements have been prepared on the accrual basis of accounting and accordingly, reflect all significant receivables, payables and other liabilities. The Organization's net assets have been broken down into the following three classifications:

Unrestricted Net Assets – consist of those amounts that are available for operations and support in carrying out the mission of the Organization.

UNITED STATES SAILING ASSOCIATION, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

Temporarily Restricted Net Assets – consist of those resources that are restricted by donors for specific program activities. When a donor restriction expires, either by the passage of a stipulated time restriction or by the accomplishment of a specific purpose restriction, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities and changes in net assets as net assets released from restrictions.

Permanently Restricted Net Assets – result from contributions from donors who place restrictions on the use of donated funds mandating that the original principal remain invested in perpetuity.

Performance Indicator

In the accompanying statement of activities and change in net assets, the primary indicator of the Organization's results is "change in net assets from operations." As such, it includes all support and revenue, and operating expenses. Transactions such as net realized and unrealized gains on investments, releases from restrictions not used for operations and contributions related to acquisitions are included as a component of nonoperating activities on the statement of activities and change in net assets.

Cash and Cash Equivalents

For the purpose of the statement of cash flows, cash and cash equivalents include all cash balances and highly liquid investments with an original maturity of three months or less, except those funds which the board has designated for investment.

Accounts, Pledges and Grants Receivable

Accounts and grants receivable are carried at anticipated net realizable value. Pledges receivable are measured based on the present value of their future cash flows. Doubtful accounts are provided for on the basis of anticipated collection losses. The estimated losses are determined from historical collection experience and a review of outstanding receivables. A receivable is considered past due if the Organization has not received payment within stated terms. After all attempts to collect a receivable have failed, the receivable is written off against the allowance. The allowance for doubtful accounts for accounts receivable was \$16,050 and \$18,305 for the years ended December 31, 2016 and 2015, respectively. The allowance for doubtful accounts for pledges and grants receivable was approximately \$40,000 and \$25,000 for the years ended December 31, 2016 and 2015.

The Organization does not accrue interest on receivables.

Inventory

Inventory, consisting primarily of sailing publications and related accessories, are stated at the lower of cost or market on a weighted average basis. Reserves for excess and obsolete inventory are estimated by management based on past usage and anticipated demand. Inventory is recorded net of an allowance for obsolete publications of \$24,000 for each of the years ended December 31, 2016 and 2015.

UNITED STATES SAILING ASSOCIATION, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment

Property and equipment are stated at cost. Expenditures for maintenance and repairs are expensed as incurred. Renewals and betterments that materially extend the life of the assets are capitalized. Depreciation is computed on the straight-line method over the estimated useful lives of the related assets, which range from 3 to 10 years.

Other Assets

The Organization from time to time publishes books related to sailing and sailing rules. The costs incurred related to these books are capitalized and amortized over the estimated life of the book at the time the books are published.

Deferred Revenue

Deferred revenue represents amounts received by the Organization for programs and services not yet provided.

Fair Value Measurements

In accordance with authoritative guidance, each of the Organization's fair value measurements is categorized into one of the following three levels based on the lowest level input that is significant to the fair value measurement in its entirety.

Level 1 – inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities the Organization has the ability to access.

Level 2 – inputs (other than quoted prices included within Level 1) are observable for the asset or liability, either directly or indirectly.

Level 3 – inputs are unobservable for the asset or liability and rely on management's own assumptions about the assumptions that market participants would use in pricing the asset or liability. The unobservable inputs are developed based on the best information available in the circumstances and may include the Organization's own data.

The Organization reports investments at fair value on a recurring basis. These investments are classified as levels 1, 2 and 3 within the fair value hierarchy as follows:

Level 1 – investments, owned by the Organization and listed on a National Securities Exchange, are valued at the last recorded sales price as of the financial statement reporting date, or in the absence of recorded sales, at the last quoted bid price reported as of the financial statement reporting date.

Level 2 – investment values are determined by obtaining nonbinding market prices from the Organization's third party portfolio managers as of the financial statement reporting date. These investments are less actively traded in the market, but quoted market prices exist for similar instruments that are actively traded.

UNITED STATES SAILING ASSOCIATION, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurements (Continued)

Level 3 – investment values are provided by the Organization’s fund managers who develop their valuations using assumptions that market participants would use in pricing the assets and liabilities of the fund. These valuations rely on monthly statements and estimates obtained from the underlying fund managers, which are considered unobservable market inputs in accordance with authoritative guidance.

The Organization reports net investment income at each reporting date in the Organization’s statement of activities and change in net assets as a component of total change in net assets. Dividends and interest are recorded as received. Purchases and sales of securities are recorded on the trade date. In determining gains (losses) realized on the sales of securities, the costs of the securities sold have been determined on a specific identification basis.

Revenue Recognition

The Organization recognizes contributions in the year in which the pledge is made, measured based on the present value of future cash flows. Contributions are recorded as unrestricted, temporarily restricted or permanently restricted depending on the existence and/or nature of any donor imposed restrictions.

The Organization recognizes membership revenue ratably over the term of the membership.

Educational and program revenue is recognized when services have been rendered and/or obligations have been met.

Sponsorship revenue represents support for various sailing events and activities provided by corporate entities. Revenue is recognized as the events and activities occur.

Income Taxes

The Organization is a public charity exempt from federal income taxes in accordance with Section 501(c)(3) of the IRC. Management believes that the Organization operates in a manner consistent with its tax-exempt status at both the state and federal levels.

The Organization annually files Internal Revenue Service (IRS) Form 990, IRS Form 990-T, and various state filings, reporting various information that the IRS and state taxing authorities use to monitor the activities of tax-exempt entities.

Advertising Costs

Advertising costs are expensed as incurred. Advertising costs for the years ended December 31, 2016 and 2015 were \$45,842 and \$89,213, respectively.

UNITED STATES SAILING ASSOCIATION, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Donated Services

The Organization utilizes the services of volunteers in carrying out its programs. In accordance with authoritative guidance, the Organization recognizes the value of these donated services in the financial statements. The services are valued at rates comparable to independent contractors providing similar services.

Allocation of Expenses

The cost of providing the various programs and other activities has been summarized on a functional basis in the statement of activities and change in net assets. Accordingly, management has allocated certain costs among the various programs and supporting services benefited. Personnel and other costs have been allocated based upon actual time spent or usage.

Concentration of Credit Risk

Financial instruments which potentially subject the Organization to concentrations of credit risk consist principally of cash and cash equivalents, receivables and investments. Receivables consist of amounts due from individuals and businesses derived from sales, grants, and contributions. The Organization has not historically experienced significant losses related to receivables.

The Organizations' cash and cash equivalents are with several financial institutions. The balances are insured by the Federal Deposit Insurance Corporation up to specified limits. From time to time, the Organization had bank balances in excess of federally insured limits.

The Organization has a diversified portfolio for all of its investments and retains an investment advisor to attain a prudent level of diversification, and as such, management believes that significant market risks that exist at year-end have been managed to the greatest degree possible.

Use of 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 and disclosures. Accordingly, actual results could differ from those estimates.

Reclassifications

Certain reclassifications of amounts previously reported have been made to the accompanying financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets.

Subsequent Events

Management has evaluated subsequent events through July 14, 2017, which is the date these financial statements were available to be issued.

UNITED STATES SAILING ASSOCIATION, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

NOTE 3 ACQUISITION

On October 14, 2016, the Organization gained sole control over United States Sailing Foundation, a nonprofit organization, which was founded to train and support USA teams competing in international sailing events, and was a direct supporting organization of the United States Sailing Association, Inc. The amalgamation is to better further the mission of both the Association and the Foundation. Control was obtained by a majority vote from the board and no consideration was transferred as part of the transaction. Management has accounted for this transaction as an acquisition. The following table summarizes the assets acquired and liabilities assumed recognized at the acquisition date.

Cash	\$	15,740
Investments		332,003
Other Payables		(1,000)
Total Identifiable Net Assets – Contribution Income	<u>\$</u>	<u>346,743</u>

NOTE 4 INVESTMENTS

Investments are presented in the financial statements at their aggregate fair value and consist of the following:

	2016			
	Level 1	Level 2	Level 3	Total
Certificates of Deposit	\$ -	\$ 54,993	\$ -	\$ 54,993
Exchange Traded Funds	2,988,112	-	-	2,988,112
Total Investments at Fair Value	<u>\$ 2,988,112</u>	<u>\$ 54,993</u>	<u>\$ -</u>	<u>3,043,105</u>
Cash and Money Markets				389,727
Total Investments				<u>\$ 3,432,832</u>

	2015			
	Level 1	Level 2	Level 3	Total
Certificates of Deposit	\$ -	\$ 226,852	\$ -	\$ 226,852
Exchange Traded Funds	2,788,556	-	-	2,788,556
Total Investments at Fair Value	<u>\$ 2,788,556</u>	<u>\$ 226,852</u>	<u>\$ -</u>	<u>3,015,408</u>
Cash and Money Markets				775,347
Total Investments				<u>\$ 3,790,755</u>

Investments Held for Short-Term Purposes

Investment income includes \$157 and \$488 of interest and dividends earned on these accounts for the years ended December 31, 2016 and 2015, respectively, as well as \$466 and \$(13,789) of realized and unrealized gains/(losses) for the years ended December 31, 2016 and 2015, respectively.

UNITED STATES SAILING ASSOCIATION, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

NOTE 4 INVESTMENTS (CONTINUED)

Investments Held for Long-Term Purposes

The Organization maintains separate accounting for operating, board designated, and endowment investments (see tables below).

Board designated investments consist of monies received from the United States Olympic Committee which represent distributions from the surplus generated by the Los Angeles Olympic games which took place in 1984. The intention is to provide for long-term appreciation and stability, and use in perpetuity solely for the support of Olympic sailing, including training and development, organizational overhead and operating expenses. The spending policy in place allows the Olympic Sailing Division (the Division) to request up to 4.5% of the value of the fund determined as of September 30th previous to the budget year in question, to be included in the Division's annual budget.

The Division may make such other requests directly to the board as the Division considers necessary for the good of the Olympic sailing program. The board shall determine if the disbursement is prudent based on considerations of the long-term preservation of the fund, economic conditions, the fund's expected total return, other resources available for the same purpose, the importance of the activity the disbursement will support, and other considerations as deemed appropriate by the board. Approvals of funding requests not taken by the Division by the close of business on December 31st of each budget year shall expire and shall not carry forward to succeeding budget years.

Long-term investment activity for the Organization is broken down into four categories and is reflected for the year ended December 31, 2016 as follows:

	<u>Unrestricted</u>	<u>Board Designated</u>	<u>Temporarily Restricted</u>	<u>Endowment</u>	<u>Total</u>
Investments –					
December 31, 2015	\$ 336,341	\$ 2,238,955	\$ 162,202	\$ 103,500	\$ 2,840,998
Transfers In through					
Acquisition	60,640	-	94,953	176,410	332,003
Investment Returns:					
Dividends and Interest	8,474	52,016	7,919	-	68,409
Net Realized and					
Unrealized (Gains) Losses	3,544	39,722	(1,682)	-	41,584
Investment Mgt Fees	(3,825)	(18,371)	(2,668)	-	(24,864)
Total Investment					
Return	8,193	73,367	3,569	-	85,129
Transfers Out	-	(183,444)	-	-	(183,444)
Investments –					
December 31, 2016	<u>\$ 405,174</u>	<u>\$ 2,128,878</u>	<u>\$ 260,724</u>	<u>\$ 279,910</u>	<u>\$ 3,074,686</u>

UNITED STATES SAILING ASSOCIATION, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

NOTE 4 INVESTMENTS (CONTINUED)

Long-term investment activity for the Organization is reflected for the year ended December 31, 2015 as follows:

	<u>Unrestricted</u>	<u>Board Designated</u>	<u>Temporarily Restricted</u>	<u>Endowment</u>	<u>Total</u>
Investments – December 31, 2014	\$ 368,302	\$ 2,557,736	\$ 173,916	\$ 103,500	\$ 3,203,454
Investment returns:	7,892	54,267	6,021	-	68,180
Dividends and Interest					
Net Realized and Unrealized Losses	(17,867)	(122,125)	(13,735)	-	(153,727)
Investment Mgt Fees	(1,986)	(20,533)	(2,000)	-	(24,519)
Total Investment					
Return	(11,961)	(88,391)	(9,714)	-	(110,066)
Transfers Out	(20,000)	(230,390)	(2,000)	-	(252,390)
Investments – December 31, 2015	<u>\$ 336,341</u>	<u>\$ 2,238,955</u>	<u>\$ 162,202</u>	<u>\$ 103,500</u>	<u>\$ 2,840,998</u>

NOTE 5 PLEDGES AND GRANTS RECEIVABLE

At year-end, the Organizations' contributors have pledged to give \$4,896,500 due through 2024. The present value of pledges receivable has been calculated using the applicable treasury rates ranging from .89% to 2.31%. Promised contributions are due as follows:

Within One Year	\$ 635,500
Due in 2016 and Beyond	4,261,000
Subtotal	<u>4,896,500</u>
Less: Reserve for Allowance	(40,000)
Less: Present Value Component	(642,590)
Present Value of Pledges and Grants Receivable, Net	<u>\$ 4,213,910</u>

NOTE 6 PROPERTY AND EQUIPMENT

Property and equipment consisted of the following:

	<u>2016</u>	<u>2015</u>
Leasehold Improvements	\$ 103,667	\$ 103,667
Furniture and Equipment	400,049	400,049
Computers	387,716	367,429
Boats	1,011,433	1,060,117
Equipment Held Under Capital Leases	39,121	39,121
Software	1,494,042	1,106,036
Total Property and Equipment	<u>\$ 3,436,028</u>	<u>\$ 3,076,419</u>

UNITED STATES SAILING ASSOCIATION, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

NOTE 6 PROPERTY AND EQUIPMENT (CONTINUED)

Depreciation and amortization (on software) for the years ended December 31, 2016 and 2015 was \$242,299 and \$268,678, respectively.

Software in the amount of \$300,000 was recorded during both the year ended December 31, 2016 and 2015 which was the result of an exchange transaction. The Organization agreed to exchange consideration of an equal value, in the form of sponsorship rights, recognition and privileges to the software provider, in exchange for software development services.

NOTE 7 OTHER ASSETS

As of December 31, 2016 and 2015, publications in process were \$139,243 for each year. Completed publications as of December 31, 2016 and 2015 were \$411,086 and \$411,086, respectively. Accumulated amortization on the completed publications was \$402,518 and \$391,327 as of December 31, 2016 and 2015, respectively.

Other assets also include inventory of trophies and soft goods designated for certified race officers totaling \$0- and \$4,654 as of December 31, 2016 and 2015, respectively.

NOTE 8 LINE OF CREDIT

The Organization has an unsecured line of credit with a financial institution providing for maximum borrowings up to \$600,000. Interest is payable at the bank's prime rate (3.50% and 3.25% at December 31, 2016 and 2015, respectively) plus 0.75%. As part of the agreement, the Organization must maintain unrestricted investments of marketable securities including unrestricted cash and liquid investments of no less than \$1,200,000. As of December 31, 2016, management believes the Organization is in compliance with this covenant. There were no borrowings against the line as of December 31, 2016 and 2015.

NOTE 9 CAPITAL LEASES

The Organization leases office equipment under several capital lease agreements, which expire at various dates through August 2018. The related cost and accumulated depreciation of the assets under lease are as follows:

	2016	2015
Cost	\$ 39,121	\$ 39,121
Less: Accumulated Depreciation	(36,645)	(31,816)
Net Book Value	<u>\$ 2,476</u>	<u>\$ 7,305</u>

UNITED STATES SAILING ASSOCIATION, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

NOTE 9 CAPITAL LEASES (CONTINUED)

Future minimum lease payments under these agreements are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2017	\$ 3,389
2018	282
Total Future Minimum Lease Payments	3,671
Less: Amount Representing Interest	(334)
Total Capital Lease Obligation	3,337
Less: Current Portion of Capital Lease Obligation	(3,059)
Capital Lease Obligation, Less Current Portion	<u>\$ 278</u>

NOTE 10 TEMPORARILY RESTRICTED NET ASSETS

Released from Restrictions

Net assets were released from restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors.

Purpose restrictions accomplished are as follows:

	<u>2016</u>	<u>2015</u>
Training	\$ 62,406	\$ 154,048
Inshore	26,976	11,000
Championships	113,404	22,735
Youth Programs	101,879	-
Race Administration	4,733	485
Offshore	12,930	22,759
Olympics	1,426,881	1,535,332
Disabled	20,450	52,912
Total	<u>\$ 1,769,659</u>	<u>\$ 1,799,271</u>

Temporarily Restricted

Temporarily restricted contributions and fundraising revenue were received for the following programs:

	<u>2016</u>	<u>2015</u>
Training	\$ 8,361	\$ 45,981
Inshore	90	407
Championships	-	43
Youth Programs	-	101,879
Offshore	-	12,706
Olympics	3,294,910	2,562,078
Disabled	-	6,710
Foundation	-	-
Total Contributions	<u>\$ 3,303,361</u>	<u>\$ 2,729,804</u>

UNITED STATES SAILING ASSOCIATION, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

NOTE 10 TEMPORARILY RESTRICTED NET ASSETS (CONTINUED)

Temporarily restricted net assets were available for the following programs:

	2016	2015
Training	\$ 20,235	\$ 82,637
Inshore	27,441	46,029
Championships	98,242	209,378
Youth Programs	-	101,879
Race Administration	2,437	7,149
Offshore	5,016	17,689
Olympics	4,331,195	2,457,617
Disabled	64,041	84,491
Foundation	96,789	-
Temporarily Restricted Net Assets	\$ 4,645,396	\$ 3,006,869

NOTE 11 ENDOWMENT

The Organization's endowment consists of funds established to support operating and program activities. The endowment includes board designated and donor-restricted endowment funds. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Board Designated Funds

The Organization's board designated funds consist of Olympic windfall funds. These funds do not have any donor-imposed restrictions so the board may choose to spend them at any time. Notwithstanding the absence of donor restrictions, the board has designated these funds for long-term use and has presented them accordingly.

Donor Restricted Funds

Interpretation of Relevant Law – The Rhode Island Uniform Prudent Management of Institutional Funds Act (RI UPMIFA) requires the preservation of the fair value of the original gift as of the gift date of the donor-imposed endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as permanently restricted (a) the original value of the gift donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified as permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by RI UPMIFA.

In accordance with RI UPMIFA, the Organization considers the duration and preservation of the fund, the purposes of the Organization and the donor-restricted endowment fund, the general economic conditions, the possible effect of inflation and deflation, the expected total return from income and appreciation of investments, other resources of the Organization and the investment policies of the Organization.

UNITED STATES SAILING ASSOCIATION, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

NOTE 11 ENDOWMENT (CONTINUED)

Endowment Funds

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

	2016			Total
	Board Designated	Temporarily Restricted	Permanently Restricted	
Olympic Windfall Funds, Income				
Designated for General Operations	\$ 1,942,235	\$ -	\$ -	\$ 1,942,235
Sportsmanship Program	-	5,240	3,500	8,740
Gamble Endowment, Income				
Available for General Operations	-	103,886	100,000	203,886
Foundation Endowment	-	39,371	176,410	215,781
Total Endowment Funds	<u>\$ 1,942,235</u>	<u>\$ 148,497</u>	<u>\$ 279,910</u>	<u>\$ 2,370,642</u>

	2015			Total
	Board Designated	Temporarily Restricted	Permanently Restricted	
Olympic Windfall Funds, Income				
Designated for General operations	\$ 2,059,546	\$ -	\$ -	\$ 2,059,546
Sportsmanship Program	-	4,983	3,500	8,483
Gamble Endowment, Income				
Available for General Operations	-	95,878	100,000	195,878
Total Endowment Funds	<u>\$ 2,059,546</u>	<u>\$ 100,861</u>	<u>\$ 103,500</u>	<u>\$ 2,263,907</u>

Change in endowment net assets for the years ended December 31 is as follows:

	2016			Total
	Board Designated	Temporarily Restricted	Permanently Restricted	
Endowment Net Assets,				
Beginning of Year	\$ 2,059,546	\$ 100,861	\$ 103,500	\$ 2,263,907
Endowment Assets acquired through Acquisition	-	42,982	176,410	219,392
Withdrawal	(184,409)	-	-	(184,409)
Investment Return	67,098	4,654	-	71,752
Total Funds - End of Year	<u>\$ 1,942,235</u>	<u>\$ 148,497</u>	<u>\$ 279,910</u>	<u>\$ 2,370,642</u>

	2015			Total
	Board Designated	Temporarily Restricted	Permanently Restricted	
Endowment Net Assets,				
Beginning of Year	\$ 2,370,591	\$ 110,575	\$ 103,500	\$ 2,584,666
Withdrawal	(229,193)	-	-	(229,193)
Investment Return	(81,852)	(9,714)	-	(91,566)
Total Funds - End of Year	<u>\$ 2,059,546</u>	<u>\$ 100,861</u>	<u>\$ 103,500</u>	<u>\$ 2,263,907</u>

UNITED STATES SAILING ASSOCIATION, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

NOTE 11 ENDOWMENT (CONTINUED)

Funds with Deficiencies – From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or RI UPMIFA requires the Organization to retain as a fund of perpetual duration. There were no such deficiencies at December 31, 2016 and 2015.

Return Objective and Risk Parameters – The Organization has adopted investment policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Organization must hold in perpetuity or for a donor-specified period(s). Under this policy, as approved by the board of directors, the endowment assets are invested with Charles Schwab. The Organization relies upon the experience and judgment of Windhaven Investment Management, a subsidiary of Charles Schwab to invest the funds under their direction in a manner as to achieve the established goal. Under this policy, as approved by the board of directors, the endowment assets are invested in a manner that is in compliance with Global Investment Performance Standards (GIPS®) index while assuming a moderate level of investment risk. The Organization expects its endowment funds, over time, to provide an average rate of return of approximately 8% annually. Actual results in any given year may vary from this amount.

Strategies Employed for Achieving Objectives – To satisfy its long-term rate of return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Association Spending Rule – Spending from the Associations endowment shall be determined by an expenditure rule that smooths the volatility of spending from year to year using a weighted-average formula which takes into account the 16 quarter trailing average of the overall value of the Organizations endowment (the Trailing Average) and the current market value of endowment. Spending for a fiscal year shall be calculated by adding 70% of the 16 quarter Trailing Average, to 30% of the market value of Associations endowment at the end of the preceding quarter, times the spending rate of 4.5%.

Foundation Spending Rule – Income to the Foundation from fund investments may only be used in furtherance of its exempt purposes retaining the principal within the Foundation as an endowment. Income is defined as the total return derived from capital, including the net of realized and unrealized appreciation and depreciation. All money or other property received as interest or as dividends on corporate shares shall be deemed income. Income not expended in a year may be accumulated and added to principal or held as undistributed income for future distribution, absent donor stipulation to the contrary.

UNITED STATES SAILING ASSOCIATION, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

NOTE 12 PENSION PLAN

The Organization maintains an IRC Section 403(b) retirement plan (the Plan) covering substantially all employees employed for 90 days or more. Employees may elect to defer up to 15% of their compensation by contributing to the Plan. After two years of employment, the Organization matches employee contributions up to 5% of an employee's compensation. The participant is at all times 100% vested in elective deferrals and employer matching contributions. For the years ended December 31, 2016 and 2015, pension plan expense was approximately \$117,743 and \$113,091, respectively.

NOTE 13 COMMITMENTS

The Organization has the following commitments:

Operating Lease Commitments

The Organization leases its office and storage space under an operating lease that expires in September of 2017. The Organization entered into a separate office space lease that is effective up completion of landlord improvements. The initial lease term is for fourteen years with an option to extend for an additional seven years. The Organization also leases storage space on a month to month basis. Total rent expense for each of the years ended December 31, 2016 and 2015 was approximately \$118,900.

Approximate aggregate minimum lease payments under this operating lease are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2017	\$ 128,629
2018	152,972
2019	152,972
2020	152,972
2021	152,972
Thereafter	<u>1,478,730</u>
Total	<u>\$ 2,219,247</u>

NOTE 14 DONATED SERVICES

The Organization recognized contribution revenue in 2016 and 2015 for donated services related to the editing and publishing of various instruction books related to learning to sail, adaptive sailing, the Racing Rules of Sailing (RRS), and safety at sea. Contribution revenue from services was measured based on the fair value of those services, and the amounts recognized were \$111,140 and \$109,491 for the years ended December 31, 2016 and 2015, respectively.



CliftonLarsonAllen

CliftonLarsonAllen LLP
CLAconnect.com

**INDEPENDENT AUDITORS' REPORT
ON SUPPLEMENTARY INFORMATION**

Board of Directors
United States Sailing Association, Inc. and Subsidiary
Waltham, Massachusetts

We have audited the consolidated financial statements of United States Sailing Association, Inc. and Subsidiary as of and for the years ended December 31, 2016 and 2015, and have issued our report thereon dated July 14, 2017, which contained an unmodified opinion on the consolidated financial statements. Our audit was performed for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information is presented for the purpose of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with 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 consolidated financial statements as a whole.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Boston, Massachusetts
July 14, 2017

UNITED STATES SAILING ASSOCIATION, INC. AND SUBSIDIARY
CONSOLIDATING STATEMENTS OF FINANCIAL POSITION
YEAR ENDED DECEMBER 31, 2016
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

	United States Sailing Association, Inc.	United States Sailing Foundation	Eliminations	Total
ASSETS				
CURRENT ASSETS				
Cash and Cash Equivalents	\$ 144,745	\$ 33,417	\$ -	\$ 178,162
Investments Held for Short-Term Purposes	358,146	-	-	358,146
Accounts Receivable, Net	106,689	-	-	106,689
Pledges and Grants Receivable, Net	635,500	-	-	635,500
Inventory, Net	283,041	-	-	283,041
Prepaid Expenses	324,477	-	-	324,477
Total Current Assets	<u>1,852,598</u>	<u>33,417</u>	<u>-</u>	<u>1,886,015</u>
PROPERTY AND EQUIPMENT	3,436,028	-	-	3,436,028
Less: Accumulated Depreciation	2,144,999	-	-	2,144,999
Net Property and Equipment	<u>1,291,029</u>	<u>-</u>	<u>-</u>	<u>1,291,029</u>
OTHER ASSETS				
Long-Term Pledges Receivable, Net	3,578,410	-	-	3,578,410
Long-Term Investments	2,748,148	326,538	-	3,074,686
Other Assets, Net	147,811	-	-	147,811
Total Other Assets	<u>6,474,369</u>	<u>326,538</u>	<u>-</u>	<u>6,800,907</u>
Total Assets	<u>\$ 9,617,996</u>	<u>\$ 359,955</u>	<u>\$ -</u>	<u>\$ 9,977,951</u>
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES				
Current Portion of Capital Lease Obligation	\$ 3,059	\$ -	\$ -	\$ 3,059
Accounts Payable	496,804	-	-	496,804
Accrued Expenses	322,677	-	-	322,677
Deferred Revenue:				
Memberships	1,134,045	-	-	1,134,045
Program Sponsorship and Other	240,737	-	-	240,737
Total Current Liabilities	<u>2,197,322</u>	<u>-</u>	<u>-</u>	<u>2,197,322</u>
Deferred Revenue – Memberships	358,241	-	-	358,241
Capital Lease Obligation, Less Current Portion	278	-	-	278
Total Liabilities	<u>2,555,841</u>	<u>-</u>	<u>-</u>	<u>2,555,841</u>
NET ASSETS				
Unrestricted:				
Board Designated for Endowment	1,942,235	-	-	1,942,235
Board Designated, Other	186,876	-	-	186,876
Other Unrestricted	280,937	86,756	-	367,693
Total Unrestricted Net Assets	<u>2,410,048</u>	<u>86,756</u>	<u>-</u>	<u>2,496,804</u>
Temporarily Restricted	4,548,607	96,789	-	4,645,396
Permanently Restricted	103,500	176,410	-	279,910
Total Net Assets	<u>7,062,155</u>	<u>359,955</u>	<u>-</u>	<u>7,422,110</u>
Total Liabilities and Net Assets	<u>\$ 9,617,996</u>	<u>\$ 359,955</u>	<u>\$ -</u>	<u>\$ 9,977,951</u>

UNITED STATES SAILING ASSOCIATION, INC. AND SUBSIDIARY
CONSOLIDATING STATEMENTS OF ACTIVITIES AND CHANGE IN NET ASSETS
YEAR ENDED DECEMBER 31, 2016
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

	United States Sailing Association, Inc.				United States Sailing Foundation				Elimination Entries	Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total		
CHANGE IN OPERATING NET ASSETS										
OPERATING REVENUES AND OTHER SUPPORT										
Membership Dues	\$ 1,989,039	\$ -	\$ -	\$ 1,989,039	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,989,039
Educational and Program Activities	2,429,741	-	-	2,429,741	-	-	-	-	-	2,429,741
U.S. Olympic Committee Grants	1,075,400	-	-	1,075,400	-	-	-	-	-	1,075,400
Sponsorship Agreements	1,922,310	-	-	1,922,310	-	-	-	-	-	1,922,310
Contributions	821,605	3,303,361	-	4,124,966	20,000	-	-	20,000	-	4,144,966
Other	291,441	-	-	291,441	-	-	-	-	-	291,441
Net Assets Released from Restrictions Operations	1,769,659	(1,769,659)	-	-	-	-	-	-	-	-
Total Operating Revenues and Other Support	10,299,195	1,533,702	-	11,832,897	20,000	-	-	20,000	-	11,852,897
PROGRAM ACTIVITIES										
Education and Certification Programs	2,287,857	-	-	2,287,857	-	-	-	-	-	2,287,857
Marketing and Communications	465,921	-	-	465,921	-	-	-	-	-	465,921
Membership Activities	1,087,274	-	-	1,087,274	-	-	-	-	-	1,087,274
Competitive Events	1,074,224	-	-	1,074,224	-	-	-	-	-	1,074,224
Olympic Activities	4,292,599	-	-	4,292,599	-	-	-	-	-	4,292,599
Total Program Activities	9,207,875	-	-	9,207,875	-	-	-	-	-	9,207,875
SUPPORTING SERVICES										
Management and General	1,133,488	-	-	1,133,488	1,325	-	-	1,325	-	1,134,813
Fundraising and Development	337,797	-	-	337,797	-	-	-	-	-	337,797
Total Supporting Services	1,471,285	-	-	1,471,285	1,325	-	-	1,325	-	1,472,610
Total Operating Expenses	10,679,160	-	-	10,679,160	1,325	-	-	1,325	-	10,680,485
CHANGE IN NET ASSETS FROM OPERATIONS	(379,965)	1,533,702	-	1,153,737	18,675	-	-	18,675	-	1,172,412
NONOPERATING ACTIVITIES										
Contribution Income – Acquisition	-	-	-	-	69,077	101,256	176,410	346,743	-	346,743
Investment Income (Loss), Net	82,556	8,036	-	90,592	(996)	(4,467)	-	(5,463)	-	85,129
CHANGE IN NONOPERATING NET ASSETS	82,556	8,036	-	90,592	68,081	96,789	176,410	341,280	-	431,872
CHANGE IN TOTAL NET ASSETS	(297,409)	1,541,738	-	1,244,329	86,756	96,789	176,410	359,955	-	1,604,284
Net Assets – Beginning of Year	2,707,457	3,006,869	103,500	5,817,826	-	-	-	-	-	5,817,826
NET ASSETS – END OF YEAR	<u>\$ 2,410,048</u>	<u>\$ 4,548,607</u>	<u>\$ 103,500</u>	<u>\$ 7,062,155</u>	<u>\$ 86,756</u>	<u>\$ 96,789</u>	<u>\$ 176,410</u>	<u>\$ 359,955</u>	<u>\$ -</u>	<u>\$ 7,422,110</u>