Combined/Consolidated Financial Statements
April 30, 2020 and 2019

United States Ski and Snowboard and Affiliated Entities

Independent Auditor's Report

The Boards of Directors and Trustees
United States Ski and Snowboard
United States Ski Team Foundation
Park City, Utah

Report on the Combined/Consolidated Financial Statements

We have audited the accompanying combined/consolidated financial statements of United States Ski and Snowboard and affiliated entities (the Companies), which comprise the combined/consolidated statements of financial position as of April 30, 2020 and 2019, and the related combined/consolidated statements of activities and cash flows for the years then ended, and the related notes to the combined/consolidated financial statements.

Management's Responsibility for the Combined/Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these combined/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 combined/consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these combined/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 combined/consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined/consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined/consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the companies' preparation and fair presentation of the combined/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 combined/consolidated financial statements.

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

Opinion
In our opinion, the combined/consolidated financial statements referred to above present fairly, in all material respects, the combined/consolidated financial position of the Companies as of April 30, 2020 and 2019, 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.

Adjustment
As discussed in Note 18 to the combined/consolidated financial statements, a correction resulting in amounts previously reported for revenue and contributions and fulfillment expense, was made by management of the Companies during the current year. Accordingly, an adjustment for amounts previously reported for revenue and contributions and fulfillment expense have been made in the 2019 combined/consolidated financial statements now presented. The adjustment had no effect on net assets or the change in net assets for the Companies. Our opinion is not modified with respect to this matter.

Report on Supplementary Information
Our audit was conducted for the purpose of forming an opinion on the combined/consolidated financial statements as a whole. The supplementary information on pages 34 through 38 is presented for the purposes of additional analysis and is not a required part of the combined/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 combined/consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined/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 combined/consolidated financial statements or to the combined/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 combined/consolidated financial statements as a whole.

Eide Bailly LLP

Ogden, Utah
July 29, 2020

	2020	2019
Assets		
Current Assets		
Cash and cash equivalents (Notes 1 and 13)	$ 3,399,821	$ 1,021,836
Accounts receivable, net (Note 1)	3,828,144	3,409,143
Contributions receivable, net (Notes 1 and 5)	1,534,667	1,493,000
Inventories	194,417	162,370
Prepaid expenses	1,004,659	774,002
Total current assets	9,961,708	6,860,351
Endowment Investments (Notes 3 and 11)	45,891,364	44,771,164
Other Long-Term Investments (Note 3)	1,981,530	2,184,177
Contributions Receivable, Net (Notes 1 and 5)	1,048,000	1,894,000
Property and Equipment, Net (Notes 1 and 6)	18,081,885	18,988,972
Interest-Rate Swap (Notes 1, 3, and 8)	-	55,642
Other Assets	1,775,323	1,860,849
	$ 78,739,810	$ 76,615,155

	2020	2019
Liabilities and Net Assets		
Current Liabilities		
Checks issued in excess of bank balance	$ 47,756	$ 378,733
Accounts payable	1,019,126	1,643,770
Accrued liabilities	895,272	1,879,530
Current maturities of contributions payable (Note 17)	100,000	100,000
Current maturities of long-term debt (Note 8)	1,443,876	601,251
Deferred revenue	1,989,327	1,328,929
Total current liabilities	5,495,357	5,932,213
Line of Credit (Note 7)	1,190,232	97,546
Contributions Payable, Less Current Maturities (Note 17)	-	100,000
Long-Term Debt, Less Current Maturities (Note 8)	17,083,607	16,005,767
Deferred Revenue	1,491,449	1,911,664
Interest-Rate Swap (Notes 1, 3, and 8)	12,361	-
Total liabilities	25,273,006	24,047,190
Net Assets (Note 1)		
Without donor restrictions		
Undesignated	5,578,694	5,582,788
Designated by the Board as quasi endowment	1,627,673	1,788,718
With donor restrictions		
Purpose restrictions	369,073	425,295
Purpose restrictions - endowment earnings	-	490,423
Perpetual in nature - endowments	45,891,364	44,280,741
Total net assets	53,466,804	52,567,965
	$ 78,739,810	$ 76,615,155

	2020	Adjusted 2019
Changes in Net Assets Without Donor Restrictions		
Revenue and support		
Sponsorship contracts and rights fees		
Revenue	$ 14,841,720	$ 15,786,626
Fulfillment expense	(7,156,130)	(7,376,154)
	7,685,590	8,410,472
Contributions and fundraising activities		
Revenue	12,807,898	12,837,850
Fulfillment expense	(3,443,451)	(3,814,727)
	9,364,447	9,023,123
Self-funded regional programs		
Revenue	460,066	577,325
Fulfillment expense	(460,066)	(577,325)
	-	-
Membership and competition dues and fees	5,471,815	4,753,042
Grants from United States Olympic Committee	6,875,883	5,997,514
Athletic grant from endowment	1,634,001	1,348,839
Other revenue, net	1,020,867	1,098,169
Net assets released from donor restrictions	670,719	561,479
Net revenue and support available for programs and administration	32,723,322	31,192,638
Costs of programs and administration		
Elite team athletic programs	(15,885,900)	(15,182,716)
Domestic athletic programs	(5,157,851)	(4,830,122)
Events	(6,457,661)	(6,340,288)
General and administration	(4,487,282)	(3,748,465)
Grants	(670,719)	(561,479)
	(32,659,413)	(30,663,070)
Change in undesignated net assets from operations	63,909	529,568

	2020	Adjusted 2019
Change in endowment funds		
Grants to scholarship program	$ (126,095)	$ (170,599)
Grants to athletic programs	(1,634,001)	(1,503,888)
Net assets released from restriction pursuant to endowment spending-rate distribution formula	1,760,096	1,674,487
	-	-
Change in value of interest-rate swap (Notes 1, 3 and 8)	(68,003)	(95,114)
Change in undesignated net assets	(4,094)	434,454
Changes in designated net assets (Note 11)		
USSAIF net investment return (loss)	(82,081)	106,356
USSAIF grant to athletic program	(78,964)	(77,900)
Change in designated net assets	(161,045)	28,456
Change in net assets without donor restrictions	(165,139)	462,910
Changes in Net Assets With Purpose Restrictions (Note 11)		
Scholarship donations received	297,494	155,823
Net assets released from donor restrictions	(670,719)	(346,482)
Excess of endowment earnings and grants released from donor restrictions	-	362,372
Net investment return (loss)	(173,420)	20,271
Change in net assets with purpose restrictions	(546,645)	191,984
Changes in Net Assets With Donor Restrictions - Endowment (Note 11)		
Net assets released from restriction pursuant to endowment spending-rate distribution formula	(1,426,491)	(1,459,490)
Net investment return (loss)	(2,216,438)	1,722,374
Endowment contributions	5,253,552	3,492,209
Changes in net assets with donor restrictions - endowment	1,610,623	3,755,093
Change in Net Assets	898,839	4,409,987
Net Assets, Beginning of Year	52,567,965	48,157,978
Net Assets, End of Year	$ 53,466,804	$ 52,567,965

	2020	2019
Cash Flows from Operating Activities		
Membership and competition dues, fees, and self-funded regional programs	$ 5,931,881	$ 5,330,367
Grants and contributions	22,569,973	19,906,391
Sponsorships and athlete contracts	15,443,586	15,888,874
Programs and administration costs	(43,231,362)	(41,018,643)
Interest received	17,561	24,361
Interest paid	(554,645)	(555,761)
Net Cash from (used for) Operating Activities	176,994	(424,411)
Cash Flows from Investing Activities		
Purchases of property and equipment	(364,162)	(393,581)
Net proceeds from maturities of investments	1,646,747	2,764,072
Purchases of investments	(1,716,203)	(2,573,377)
Purchases of investments - endowment	(5,253,552)	(3,492,209)
Proceeds from investments - endowment	1,760,096	1,674,487
Net Cash used for Investing Activities	(3,927,074)	(2,020,608)
Cash Flows from Financing Activities		
Collections of restricted contributions	5,551,046	3,648,032
Endowment program grants	(1,760,096)	(1,674,487)
Grants from net assets released from donor restrictions	(670,719)	(346,482)
Payments on long-term debt	(601,252)	(586,919)
Proceeds from issuance of long-term debt	2,516,400	-
Net change in line of credit	1,092,686	97,546
Net Cash from Financing Activities	6,128,065	1,137,690
Net Change in Cash and Cash Equivalents	2,377,985	(1,307,329)
Cash and Cash Equivalents, Beginning of Year	1,021,836	2,329,165
Cash and Cash Equivalents, End of Year	$ 3,399,821	$ 1,021,836

	2020	2019
Reconciliation of Change in Net Assets to Net Cash from (used for) Operating Activities		
Change in net assets	$ 898,839	$ 4,409,987
Adjustments to reconcile change in net assets to net cash from (used for) operating activities		
Depreciation expense	1,271,249	1,286,775
Interest expense attributable to amortization of deferred financing costs	5,317	5,316
Amortization of other assets	165,000	165,000
Bad debt expense	166,339	180,585
Contributions restricted to endowment	(5,253,552)	(3,492,209)
Net assets released from restriction pursuant to endowment spending-rate distribution formula	1,760,096	1,674,487
Endowment net investment (return) loss	2,373,256	(2,299,743)
Decrease in donor restricted net assets	546,645	170,388
Net realized/unrealized (gain) loss on investments	98,683	(106,356)
Change in value of interest-rate swap	68,003	95,114
Changes in operating assets and liabilities		
Accounts and contributions receivable	218,993	(3,021,506)
Inventories	(32,047)	(90,108)
Prepaid expenses	(230,657)	263,960
Other assets	(79,474)	193,876
Checks issued in excess of bank balance	(330,977)	111,094
Accounts payable	(624,644)	688,241
Accrued liabilities	(984,258)	(553,693)
Contributions payable	(100,000)	(100,000)
Deferred revenue	240,183	(5,619)
Net Cash from (used for) Operating Activities	$ 176,994	$ (424,411)

Note 1 - Principal Activity and Significant Accounting Policies

Organization

United States Ski and Snowboard and affiliated entities (the Companies) combined/consolidated financial statements consist of the financial statements of the United States Ski and Snowboard (USSA), a nonprofit corporation, and its wholly-owned subsidiary, the United States Ski Team, Inc. (USST); and three not-for-profit organizations supporting the activities of these entities, the United States Ski Team Foundation (the Foundation), the USSA Investment Fund (USSAIF), and the Center of Excellence Properties Fund (COEPF).

USSA is the national governing body overseeing the sports of Olympic skiing and snowboarding in the United States, and is engaged in nonprofit membership, competition, training, development, and educational activities related to skiers and snowboarders who are, or aspire to become, members of the United States Ski and Snowboard Teams. USST manages and finances the United States Ski and Snowboard Teams.

The three not-for-profit organizations supporting the activities of USSA and USST are: 1) the Foundation, which is the fundraising entity formed to promote educational and charitable activities for the sports of skiing and snowboarding; 2) USSAIF, which was formed to manage the investment of endowment gifts made for the benefit of supporting the development, training and competition of elite national team and development athletes in skiing and snowboarding; additionally, it distributes a portion of the earnings of the investments to charitable organizations that support the development, training and competition of such athletes; and 3) COEPF, which was formed to support the development, training and competition of elite national team and development athletes in skiing and snowboarding, and further is the sole member of Center of Excellence Properties, LLC (COE, LLC). COE, LLC constructed and owns a training center and office building designed to support the training and development of such athletes. USSA has entered into a long-term lease to utilize the facility for its purposes.

Principles of Consolidation

The combined/consolidated financial statements of the Companies include the accounts of USSA, USST, USSAIF, COEPF, and the Foundation. USST is wholly owned by USSA. USSAIF, COEPF, and the Foundation are combined for accounting presentation purposes only due to certain common members of governing boards. All significant intercompany amounts and transactions have been eliminated during consolidation and combination.

Cash and Cash Equivalents

Cash and highly liquid financial instruments with original maturities of three months or less, and which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents. Cash and highly liquid financial instruments restricted to building projects, endowments that are perpetual in nature, or other long-term purposes are excluded from this definition.

Accounts Receivables and Credit Policies

Accounts receivable consist primarily of noninterest-bearing amounts due for sponsorship contracts and other amounts due to the Companies. Management determines the allowance for uncollectible accounts receivable based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Accounts receivable are written off when deemed uncollectible. At April 30, 2020 and 2019, the allowance was $263,435 and $115,848, respectively. The accounts receivable balance at May 1, 2018 was $2,413,222. Contract liabilities are reported as deferred revenue in the accompanying combined/consolidated statements of financial position.

Contributions Receivable

Contributions receivable are recorded at net realizable value. Management determines the allowance for contributions receivable based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Contributions receivable are written off when deemed uncollectible. At April 30, 2020 and 2019, the allowance was $0.

Inventories

Inventories are stated at the lower of cost, determined on a first-in, first-out basis, or net realizable value.

Property and Equipment

Property and equipment additions over $500 are recorded at cost or, if donated, at fair value on the date of donation. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets ranging from 3 to 30 years, or in the case of capitalized leased assets or leasehold improvements, the lesser of the useful life of the asset or the lease term. When assets are sold or otherwise disposed of, the cost and related depreciation or amortization are removed from the accounts, and any resulting gain or loss is included in the combined/consolidated statements of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

The carrying values of property and equipment are reviewed for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment during the years ended April 30, 2020 and 2019.

Investments

Investment purchases are recorded at cost or, if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the combined/consolidated statements of financial position. Net investment return/(loss) is reported in the statements of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses.

Interest-Rate Swap

The Companies use an interest-rate swap to mitigate interest-rate risk on one-half of the outstanding balance on the bonds payable (Note 8). The related asset or liability is reported at fair value in the combined/consolidated statements of financial position, and unrealized losses or gains are included in the combined/consolidated statements of activities.

Deferred Financing Costs

Deferred financing costs relating to the bonds payable are amortized using the straight-line method over the term of the related debt (which approximates the effective interest method). Deferred financing costs are included within long-term debt on the combined/consolidated statements of financial position. Amortization of deferred financing costs is included in general and administration in the accompanying combined/consolidated financial statements.

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-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 (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for a board-designated quasi endowment. The Board has determined that the funds received from the surplus of the 1984 Los Angeles Olympics will be invested and an annual grant made to support the athletic program.

Net Assets With Donor Restrictions – Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. The Companies reports contributions restricted by donors as increases in net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the combined/consolidated statements of activities as net assets released from restrictions.

Revenue and Revenue Recognition

USSA and USST have entered into certain commercial contracts which typically grant endorsement rights to companies to advertise their products and services, other than ski equipment, used by members of the United States Ski and Snowboard Teams. The contracts also cover television broadcasting rights. Most of these contracts are multiyear contracts.

The Companies recognize contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are not recognized until the conditions on which they depend have been met. Donated assets are recorded at their market value at the date of donation. Contributions with donor-imposed restrictions are reported as net assets with donor restrictions. Net assets with donor restrictions are reclassified to net assets without donor restrictions when the donor restrictions are satisfied.

Membership and competition dues and fees, sponsorship contracts, and rights fees are recognized as revenue in the period earned. Grant revenues are generated primarily by grants from the United States Olympic Committee (USOC). Grants are recorded as revenue in the year designated by the grantor.

Contributions of services are recognized only if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. In some instances, contributions from supporting committees are received net of fundraising expenses incurred and are recognized on a net basis. Restricted support received the same year that restrictions are fulfilled is reported as net assets without donor restrictions. No significant contributions of such goods or services were received during the years ended April 30, 2020 and 2019.

For the years ended April 30, 2020 and 2019, $4,359,718 and $4,219,046, respectively, of revenue was recognized at a point in time and $17,206,464 and $17,495,856, respectively, of revenue was recognized over time.

Deferred Revenue

Deferred revenue represents payments received on contracts to be applied to a future year, prepayments for programs to be held in a future year, and contributions for which qualifying expenses have not been incurred. Deferred revenue at April 30, 2020 and 2019, is $3,480,776 and $3,240,593, respectively, of contribution revenue deferred for the hospitality programs that have not yet been earned. The following table provides information about significant changes in deferred revenue for the years ended April 30, 2020 and 2019:

	2020	2019
Deferred revenue, May 1	$ 3,240,593	$ 3,246,212
Revenue recognized that was included in deferred revenue at the beginning of period	(1,328,929)	(2,366,976)
Increase in deferred revenue due to consideration received during the period	1,569,112	2,361,357
Deferred revenue, April 30	$ 3,480,776	$ 3,240,593

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the combined/consolidated statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The combined/consolidated financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied.

The expenses that are allocated include occupancy, depreciation, information technology, insurance, legal fees, advertising and promotion, salaries, wages and benefits, payroll taxes and professional services. The expenses are allocated based on historical experience and reviewed as circumstances require. Note 15 presents the natural classification detail of expenses by function.

Income Taxes

USSA, USSAIF, COEPF, and the Foundation are exempt under Internal Revenue Code Section 501(c)(3) from income taxes on earnings from related activities. Accordingly, income taxes are only provided on revenues from nonexempt activities and are included in administrative expenses. USST is a taxable corporation and is responsible for filing separate income tax returns.

USST accounts for income taxes using the asset and liability method. Income taxes are provided for the tax effects of transactions reporting in the combined/consolidated financial statements and consist of taxes currently due plus deferred taxes related primarily to differences between the basis of receivables, inventory, property and equipment, intangible assets, and accrued expenses for financial and income tax reporting. The deferred tax assets and liabilities represent the future tax return consequences of those differences, which will either be taxable or deductible when the assets and liabilities are recovered or settled. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized.

Management believes that each entity has appropriate support for any tax positions taken affecting its annual filing requirements and, as such, does not have any uncertain tax positions that are material to the combined/consolidated financial statements. Management would recognize future accrued interest and penalties related to unrecognized tax benefits and liabilities in income tax expense if such interest and penalties are incurred.

Estimates

The preparation of combined/consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the combined/consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and those differences could be material.

Financial Instruments and Credit Risk

The Companies manage deposit concentration risk by placing cash, money market accounts, and certificates of deposit with financial institutions believed by the Companies to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. To date, the Companies have not experienced losses in any of these accounts. Credit risk associated with accounts receivable and promises to give is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from Board members, governmental agencies, and foundations supportive of their mission.

Investments are made by diversified investment managers whose performance is monitored by the Companies and the Investment Committee of the Board of Directors. Although the fair values of investments are subject to fluctuation on a year-to-year basis, the Companies and the Investment Committee believe that the investment policies and guidelines are prudent for the long-term welfare of the Companies.

Reclassifications

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

Recently Adopted Accounting Pronouncements

FASB Accounting Standards Codification Topic 606, *Revenue from Contracts with Customers*, as amended, supersedes or replaces nearly all GAAP revenue recognition guidance. These standards establish a new contract and control-based revenue recognition model, change the basis for deciding when revenue is recognized over time or at a point in time, and expand disclosures about revenue. The Companies have implemented Topic 606 and has adjusted the presentation in these combined/consolidated financial statements accordingly. The amendment has been applied retrospectively to all periods presented, with no effect on net assets.

The Companies have implemented ASU 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*, to clarify and improve the scope and the accounting guidance for contributions received and contributions made. This standard assists the entity in evaluating whether transactions should be accounted for as contributions or exchange transactions and determining whether a contribution is conditional. The Companies have implemented the provisions of ASU 2018-08 applicable to contributions received in the accompanying combined/consolidated financial statements under a modified prospective basis. Accordingly, there is no effect on net assets in connection with the implementation of ASU 2018-08.

The Companies adopted the provisions of Accounting Standards Update (ASU) 2016-01, *Financial Instruments—Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities*. This update affects current U.S. GAAP primarily as it relates to the accounting for equity investments, financial liabilities under the fair value option, and the presentation and disclosure requirements for financial instruments. ASU 2016-01 eliminates the classification categories of equity investments and their differing treatments (trading, available-for-sale, or held to maturity securities) and eliminates the concept of cost method investments. Under the ASU, all equity investments, other than those measured using the equity method or those requiring consolidating of the investee, are required to be reflected at fair value on the combined/consolidated statement of financial position with changes in fair value recognized in the change in net assets.

Note 2 - Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the combined/consolidated statements of financial position date, comprise the following:

	2020	2019
Cash and cash equivalents	$ 3,384,605	$ 992,000
Accounts receivable	3,828,144	3,409,143
Contributions receivable	1,534,667	1,493,000
Endowment spending-rate distributions and appropriations	1,961,162	1,679,942
	$ 10,708,578	$ 7,574,085

Endowment funds consist of donor-restricted endowments and funds designated by the board as endowments. Income from donor-restricted endowments is restricted for specific purposes, with the exception of the amounts available for general use. Donor-restricted endowment funds are not available for general expenditure.

The difference between cash and cash equivalents in this footnote and the balance reported in the combined/consolidated statements of financial position of $15,216 and $29,836 at April 30, 2020 and 2019, respectively, is due to cash being donor-restricted for purpose and not being available.

A board-designated endowment of $1,788,718 is subject to an annual spending rate between 3% and 5% as described in Note 11. Although the Companies do not intend to spend from this board-designated endowment (other than amounts appropriated for general expenditure as part of the Board's annual budget approval and appropriation), these amounts could be made available if necessary.

The Legacy Campaign Athletic Endowment is also subject to an annual spending rate between 3% and 5% as described in Note 11.

Note 3 - Fair Value Measurements and Disclosures

Certain assets are reported at fair value in the combined/consolidated financial statements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Companies can access at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.

Level 3 – Unobservable inputs for the asset or liability. In these situations, the Companies develop inputs using the best information available in the circumstances.

In some cases, the inputs used to measure the fair value of an asset or a liability might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to entire measurement requires judgment, taking into account factors specific to the asset or liability. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to the Companies assessment of the quality, risk or liquidity profile of the asset or liability.

A significant portion of the Companies investment assets are classified within Level 1 because they are comprised of open-end mutual funds, money market funds and equities with readily determinable fair values based on daily redemption values.

The Companies uses net asset value (NAV) per share, or its equivalent, such as member units or an ownership interest in partners' capital, as a practical expedient to estimate the fair values of certain hedge funds, private equity funds, funds of funds, and limited partnerships which do not have readily determinable fair values. Investments that are measured at fair value using NAV per share as a practical expedient are not classified in the fair value hierarchy.

The interest rate swap agreement is valued using a third party's proprietary discounted cash flow model, which considers past, present, and future assumptions regarding interest rates and market conditions to estimate the fair value of the agreement. This is classified within Level 2.

The following table presents assets and liabilities measured at fair value on a recurring basis, except those measured at cost or by using NAV per share as a practical expedient as identified in the following, at April 30, 2020:

		Fair Value Measurements at Report Date Using		
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Long-term investments				
Cash and money market funds (at cost)	$ 1,981,530	$ 1,981,530	$ -	$ -
Endowment investments				
Cash and money market funds (at cost)	3,227,693	3,227,693	-	-
Equities	17,035,979	17,035,979	-	-
Mutual funds	15,681,947	15,681,947	-	-
	35,945,619	35,945,619	-	-
Total investments at fair value	37,927,149	$ 37,927,149	$ -	$ -
Investments at net asset value				
Hedge funds	9,945,745			
	$ 47,872,894			
Liabilities				
Interest-rate swap	$ 12,361	$ -	$ 12,361	$ -

The following table presents assets measured at fair value on a recurring basis, except those measured at cost or by using NAV per share as a practical expedient as identified in the following, at April 30, 2019:

		Fair Value Measurements at Report Date Using		
Assets	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Long-term investments				
Cash and money market funds (at cost)	$ 2,184,177	$ 2,184,177	$ -	$ -
Endowment investments				
Cash and money market funds (at cost)	940,248	940,248	-	-
Equities	19,323,450	19,323,450	-	-
Mutual funds	15,212,440	15,212,440	-	-
	35,476,138	35,476,138	-	-
Interest-rate swap	55,642	-	55,642	-
Total investments at fair value	37,715,957	$ 37,660,315	$ 55,642	$ -
Investments at net asset value				
Hedge funds	9,295,026			
	$47,010,983			

Investments in certain entities that calculate NAV per share are as follows at April 30, 2020 and April 30, 2019:

April 30, 2020	Number of Investments	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Hedge funds	13	$ 9,945,745	$ -	Monthly, Quarterly, One Plus Years	None, 30 days, 65 days, 90 days

Investments in certain entities that calculate NAV per share are as follows at April 30, 2020 and April 30, 2019:

	Number of Investments	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
April 30, 2019					
Hedge funds	12	$ 9,295,026	$ -	Monthly, Quarterly, One Plus Years	None, 30 days, 65 days, 90 days

Hedge Funds – Funds that can invest long and short, primarily in common stocks. Fund managers may invest in value, growth, or event-driven equity opportunities and typically are not restricted by market capitalization, industry sector, or geography. Leverage may be utilized, which can magnify changes in the values of the underlying securities.

Note 4 - Net Investment Return

Net investment return consists of the following for the years ended April 30, 2020 and 2019:

	2020	2019
Endowment investments		
Net realized and unrealized gain (loss), dividends and interest	$ (2,373,256)	$ 2,299,743
Other long-term investments		
Net realized and unrealized gain (loss), dividends and interest	$ (98,683)	$ 126,627

Note 5 - Contributions Receivable

Contributions receivable are estimated to be collected as follows at April 30, 2020 and 2019:

	2020	2019
Within one year	$ 1,534,667	$ 1,493,000
In one to five years	1,048,000	1,894,000
	$ 2,582,667	$ 3,387,000

Note 6 - Property and Equipment

Property and equipment consists of the following at April 30, 2020 and 2019:

	2020	2019
Buildings and improvements	$ 23,430,012	$ 23,430,012
Furniture, fixtures, and equipment	10,129,448	9,765,286
Land	2,185,876	2,185,876
	35,745,336	35,381,174
Less accumulated depreciation	(17,663,451)	(16,392,202)
	$ 18,081,885	$ 18,988,972

Note 7 - Line of Credit

USSA has a $7,000,000 line of credit with a bank at April 30, 2020 and 2019. The outstanding balance on the line was $1,190,232 and $97,546 at April 30, 2020 and 2019, respectively. The line of credit was amended during the year ended April 30, 2020 and now expires November 30, 2024. The line of credit is guaranteed by USSIF, the Foundation, USST, COEPF, LLC, and any other person or entity who, or which, in any manner, is or becomes obligated under any guaranty now or hereafter executed in connection with respect to the line of credit. As of April 30, 2020, interest on borrowings on the line of credit is at the daily one-month LIBOR rate plus 1.25% (1.55%) and a fee equal to 0.05% per annum on the daily unused amount of the line of credit. As of April 30, 2019, interest on borrowings on the line of credit was at the daily one-month LIBOR rate plus 1.75% (4.23%). USSA was in compliance with certain financial and non-financial covenants at April 30, 2020 and 2019. As of July 29, 2020, the balance on the line of credit was $0.

Note 8 - Long-Term Debt

COE, LLC, the sole member of which is COEPF, issued $18,885,000 in tax-exempt bonds to refinance the Center of Excellence, a multi-use training facility and office building. Wells Fargo purchased the bonds through the refinance that closed in May 2016. USSA, the Foundation, USSAIF, and USST are guarantors on the long-term debt from Wells Fargo. The refinance extended the amortization period to 2040 and changed the interest rate on the new bonds bearing interest at a blended rate (half swapped, half floating) of 2.94% and 3.26% based on current LIBOR at April 30, 2020 and 2019, respectively. The swap agreement expires in 2022, with an option to terminate the swap in 2020 without penalty.

On June 5, 2018, the Companies amended the bond agreement to modify the interest rate. The interest rate prior to June 5, 2018, had a component based on the corporate tax rate, which decreased from 35% to 21% on January 1, 2018, which adversely affected the Companies' interest rate on its bonds. The amended bond rate was changed to 2.84% that would have otherwise been 3.01%.

Borrowings consist of the following at April 30:

	2020	2019
One-half of bonds bearing interest at 1.38% swap rate plus a 1.40% spread plus 14.43% times one-month LIBOR (all-in rate of 2.83% and 3.14% at April 30, 2020 and 2019, respectively) and the other half at the swap plus credit spread of 1.40% plus 81.43% times one-month LIBOR (all-in rate of 3.05% and 3.42% at April 30, 2020 and 2019, respectively).	$ 16,117,863	$ 16,719,115
1.00% note payable, due in monthly installments of $141,615, including interest, beginning November 2020 to April 2022. The note payable was issued under the Small Business Administration Payment Paycheck Protection Program (PPP). The Companies may apply for loan forgiveness of the amount due on the loan in an amount equal to the sum of the covered costs under the PPP.	2,516,400	-
Deferred financing costs of $106,780 in 2020 and $112,097 in 2019.	(106,780)	(112,097)
	18,527,483	16,607,018
Less current maturities	(1,443,876)	(601,251)
	$ 17,083,607	$ 16,005,767

Scheduled maturities of the long-term debt as of April 30, 2020, are as follows:

Years Ending April 30,	Bonds	Note Payable	Total
2021	$ 617,691	$ 826,185	$ 1,443,876
2022	633,981	1,690,215	2,324,196
2023	650,503	-	650,503
2024	666,638	-	666,638
2025	684,665	-	684,665
Thereafter	12,864,385	-	12,864,385
Deferred financing costs	(106,780)	-	(106,780)
	$ 16,011,083	$ 2,516,400	$ 18,527,483

During the years ended April 30, 2020 and 2019, the fair value of the asset under the swap decreased $68,003 and $95,114, respectively, which has been reflected in the accompanying combined/consolidated statements of activities. At April 30, 2020 and 2019, the fair value of the swap asset (liability) was $(12,361) and $55,642, respectively.

Note 9 - Related Party Transactions

Related parties considered herein include USSA Investment Fund (USSAIF), Center of Excellence Properties Fund (COEPF), United States Ski Team Foundation (the Foundation), and United States Ski Team (USST), and the officers or trustees of these entities.

The Companies maintain material cash and investment balances at Wells Fargo Bank (Wells Fargo), a financial institution, and Thomas Weisel Partners (TWP), an investment banking firm. A former executive officer of Wells Fargo, and the co-chairman of the parent company of TWP are members of the board of trustees of the Foundation.

Note 10 - Gross Revenue and Expenses

USSA conducts a variety of revenue and support programs. Activities such as sponsorships or fundraising programs require certain fulfillment costs. Sponsorship may require the purchase of media support for the sponsor or other hospitality functions, while fundraising programs may include the cost of a dinner event or reception.

The following summarizes the gross revenue and related expenses to conduct these programs for the years ended April 30, 2020 and 2019:

	Gross Revenue	Related Expenses	Net Revenue
Year Ended April 30, 2020			
Sponsorship contracts and rights fees	$ 14,841,720	$ (7,156,130)	$ 7,685,590
Contributions and fundraising activities	12,807,898	(3,443,451)	9,364,447
Membership and competition dues and fees	5,471,815	-	5,471,815
Grants from the USOC	6,875,883	-	6,875,883
Athletic grant from endowment	1,634,001	-	1,634,001
Other revenue, net	1,020,867	-	1,020,867
	$ 42,652,184	$ (10,599,581)	$ 32,052,603

	Gross Revenue	Related Expenses	Net Revenue
Year Ended April 30, 2019			
Sponsorship contracts and rights fees	$ 15,786,626	$ (7,376,154)	$ 8,410,472
Contributions and fundraising activities	12,837,850	(3,814,727)	9,023,123
Membership and competition dues and fees	4,753,042	-	4,753,042
Grants from the USOC	5,997,514	-	5,997,514
Athletic grant from endowment	1,348,839	-	1,348,839
Other revenue, net	1,098,169	-	1,098,169
	$ 41,822,040	$ (11,190,881)	$ 30,631,159

USSA acts as the custodian of funds for projects conducted by regional programs. USSA receives funds from a particular region and then applies the funds to the conduct of a camp or project as advised by the region.

The following summarizes the gross receipts and related expenditures from these programs for the years ended April 30, 2020 and 2019:

	Gross Receipts	Related Expenditures	Net
At April 30, 2020			
Self-funded regional programs	$ 460,066	$ (460,066)	$ -
At April 30, 2019			
Self-funded regional programs	$ 577,325	$ (577,325)	$ -

Note 11 - Endowments and Net Assets with Donor Restrictions

The Companies' endowments include three endowment funds and a board designated quasi-endowment fund. These funds provide for annual grants from earnings to support athletic and scholarship programs. As required by generally accepted accounting principles and in accordance with the Utah Uniform Prudent Management of Institutional Funds Act (UPFIMA), net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. Accordingly, contributions to net assets with donor restricted endowments, net earnings and grants from such earnings are classified as net assets with donor restrictions.

The USSA Investment Fund (a separate 501(c)(3) organization) was formed to hold and oversee the investment management of various funds that donors have contributed to support the organization's ongoing operations. Management and the boards have conducted fundraising campaigns over the years to support various activities of the organization. The most significant campaigns include the Legacy Campaign Athletic Endowment (LCAE), the Marolt Athlete Endowment (MAE) and the Borgen Swartz Athlete Education Endowment.

During 2000, the management and key board members initiated a campaign to raise funds to provide additional annual support for athletic activities which was named the Legacy Campaign Athletic Endowment. The board adopted an Investment Policy for the LCAE with an overall financial objective of providing financial support for operations at a level consistent with maintaining or increasing the fund's purchasing power over the long term. Under this policy, endowment assets are invested in a manner intended to maintain or increase the dollar value of the portfolio after annual distribution expenses and fees in order to provide the benefit intended by the donors. To satisfy its long-term rate-of-return objectives, the Companies rely 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 Companies target a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints. The policy provides for an annual grant over the long term that will be 3% to 5% of the three-prior year-ending portfolio market values (a rolling average calculation). This 3% to 5% rolling average grant is expected to be maintained over time; however, the board can adjust this grant level from year to year to account for variations in portfolio market values and endowment contributions. The LCAE and other similar athletic funds have been classified as net assets with donor restrictions for financial statement purposes.

Due to the great recession in 2008 and 2009 and the COVID-19 pandemic in 2020, the LCAE incurred over $8.3 million in combined investment losses which erased substantially all of the previous earnings. In 2009, the board determined to continue the annual 5% grant as it would be critical to sustaining athletic programs during the upcoming Olympic year and beyond resulting in the endowment funds fair values to be less than the amount of the original gifts (the donor restricted portion of the funds). During 2016, the board authorized the use of $4,218,000 of endowment funds to pay early termination fees to retire the prior swap agreement. Deficiencies of $12,216,842 and $9,535,459 as of April 30, 2020 and 2019, respectively, have been reported as part of the underwater endowments within net assets with donor restrictions. The Companies have not suspended distributions from these funds until such time as the deficiencies are recovered via market returns, and there is no legal obligation for the Companies to fund these deficiencies.

Purpose restricted funds have been contributed to support the early season on snow speed training center, and additional scholarship contributions. These funds are classified as net assets with donor restrictions for financial statement purposes and have been granted to those programs in accordance with the stipulation of the donors.

The following summarizes the contributions, grants, and investment earnings for the years ended April 30, 2020 and 2019:

LCAE	2020	2019
Balance, beginning of year	$ 30,523,365	$ 30,262,087
Contributions	40,000	40,000
Grants to athletic programs	(1,342,261)	(1,325,397)
Investment earnings (losses)	(1,339,122)	1,546,675
Balance, end of year	$ 27,881,982	$ 30,523,365

The MAE is a fundraising campaign to assist with athletic priorities of coaching and travel costs and intends to further education activities and athlete career skills. Deficiencies of $657,061 and $0 as of April 30, 2020 and 2019, respectively, have been reported as part of the underwater endowments within net assets with donor restrictions. The following summarizes the funds' contributions, grants, and investment earnings for the years ended April 30, 2020 and 2019:

MAE	2020	2019
Balance, beginning of year	$ 10,821,632	$ 7,273,567
Contributions	4,199,868	3,185,694
Grants to athletic programs	(333,605)	(214,997)
Investment earnings (losses)	(813,879)	577,368
Balance, end of year	$ 13,874,016	$ 10,821,632

The Borgen Swartz Athlete Education Endowment consists of donor restricted gifts to be utilized for providing academic scholarship funds to elite team athletes. This fund has been classified as net assets with donor restrictions for financial statement reporting. Deficiencies of $330,543 and $26,058 as of April 30, 2020 and 2019, respectively, have been reported as part of the underwater endowments within net assets with donor restrictions. The following summarizes the funds' contributions, grants, and investment earnings for the years ended April 30, 2020 and 2019:

Borgen Swartz Athlete Education Endowment	2020	2019
Balance, beginning of year	$ 3,426,167	$ 3,118,045
Contributions	1,013,684	266,516
Program grants	(84,230)	(134,093)
Investment earnings (losses)	(220,255)	175,699
Balance, end of year	$ 4,135,366	$ 3,426,167

Purpose restricted net assets at April 30, 2020 and 2019, consist of:

Restricted by Donors	2020	2019
Scholarships	$ 15,217	$ 29,836
Other projects	353,856	395,459
Excess investment earnings on endowment	-	490,423
	$ 369,073	$ 915,718

The following summarizes the funds' contributions, grants, and investment earnings for the years ended April 30, 2020 and 2019, a portion of which are earnings and grants associated with endowments:

Donor Restricted Funds	2020	2019
Balance, beginning of year	$ 915,718	$ 723,734
Contributions	297,495	155,824
Excess investment earnings on endowment	-	577,368
Net assets released from donor restrictions	(670,719)	(561,479)
Investment earnings (losses)	(173,421)	20,271
Balance, end of year	$ 369,073	$ 915,718

The board determined that the funds received from the surplus of the 1984 Los Angeles Olympics be invested with the USSAIF investments and an annual grant be made from these funds to support the athletic programs. The board has been granting funds on a three-year rolling average as is done with the LCAE. These funds have been classified as net assets without donor restrictions, designated by the board as quasi-endowment on the combined/consolidated financial statements.

The following summarizes the funds' grants, and investment earnings for the years ended April 30, 2020 and 2019:

USSAIF/USSF Quasi-Endowment, Designated	2020	2019
Balance, beginning of year	$ 1,788,718	$ 1,760,262
Grant to athletic programs	(78,964)	(77,900)
Investment earnings (losses)	(82,081)	106,356
Balance, end of year	$ 1,627,673	$ 1,788,718

As of April 30, 2020 and 2019, the Companies had the following endowment net asset composition by type of fund:

	April 30, 2020						
	Donor - Restricted Endowments					Board-Designated Endowments	
	Perpetual in Nature - Endowments	Underwater Endowments	Total Perpetual in Nature - Endowments, Net	Purpose Restrictions - Endowment Earnings	Total	Without Donor Restrictions	Total Endowments
Endowment net assets, April 30, 2019	$ 53,842,258	$ (9,561,517)	$ 44,280,741	$ 490,423	$ 44,771,164	$ 1,788,718	$ 46,559,882
Contributions	5,253,552	-	5,253,552	-	5,253,552	-	5,253,552
Net investment losses	-	(2,216,438)	(2,216,438)	(156,818)	(2,373,256)	(82,081)	(2,455,337)
Grants	-	(1,426,491)	(1,426,491)	(333,605)	(1,760,096)	(78,964)	(1,839,060)
Endowment net assets, April 30, 2020	$ 59,095,810	$(13,204,446)	$ 45,891,364	$ -	$ 45,891,364	$ 1,627,673	$ 47,519,037

	April 30, 2019						
	Donor - Restricted Endowments					Board-Designated Endowments	
	Perpetual in Nature - Endowments	Underwater Endowments	Total Perpetual in Nature - Endowments, Net	Purpose Restrictions - Endowment Earnings	Total	Without Donor Restrictions	Total Endowments
Endowment net assets, April 30, 2018	$ 50,350,049	$ (9,824,401)	$ 40,525,648	$ 128,051	$ 40,653,699	$ 1,760,262	$ 42,413,961
Contributions	3,492,209	-	3,492,209	-	3,492,209	-	3,492,209
Net investment earnings	-	1,722,374	1,722,374	577,369	2,299,743	106,356	2,406,099
Grants	-	(1,459,490)	(1,459,490)	(214,997)	(1,674,487)	(77,900)	(1,752,387)
Endowment net assets, April 30, 2019	$ 53,842,258	$ (9,561,517)	$ 44,280,741	$ 490,423	$ 44,771,164	$ 1,788,718	$ 46,559,882

Note 12 - Income Taxes

The taxable entity of the Companies is USST. Deferred tax assets and liabilities consist of the following components as of April 30, 2020 and 2019:

	2020	2019
Deferred tax assets (liabilities)		
Receivable allowances	$ 26,400	$ 23,000
Property and equipment	(32,911)	(34,022)
Net operating loss	639,000	832,100
Accrued compensation	-	16,600
	$ 632,489	$ 837,678
Net deferred tax assets before valuation allowance	$ 632,489	$ 837,678
Less valuation allowance	(632,489)	(837,678)
Net deferred tax assets	$ -	$ -

At April 30, 2020, the Company has available unused net operating loss carryforwards that may be applied against future taxable income of $3,962,608 which is related to USST.

Note 13 - Concentration of Credit Risk

The Companies primarily maintain cash and investment balances at the financial institutions of Wells Fargo Bank (Wells Fargo) and Zions Bank; Thomas Weisel Partners (TWP), an investment banking firm; and Charles Schwab & Co. (Schwab), a discount brokerage firm. The following balances summarize total cash and investments of the Companies as of April 30, 2020 and 2019:

	2020	2019
TWP	$ 47,059,888	$ 46,541,116
Zions Bank	2,052,897	30
Wells Fargo	1,118,298	952,575
Schwab	1,040,527	482,349
Other financial institutions	1,105	1,107
	$ 51,272,715	$ 47,977,177

Cash and investments are included in the combined/consolidated statements of financial position as of April 30, 2020 and 2019:

	2020	2019
Cash	$ 3,399,821	$ 1,021,836
Long-term investments	1,981,530	2,184,177
Endowment investments	45,891,364	44,771,164
	$ 51,272,715	$ 47,977,177

The Companies' cash and investments held with TWP and Schwab are fully insured (as to security positions owned, but not as to fluctuations in market value). The Companies maintain its cash and investment accounts in various deposit accounts, the balances of which are periodically in excess of federally insured limits.

Note 14 - Leases

USSA leases certain office equipment under noncancelable operating lease agreements that expire at November 2022. Future minimum lease payments for leases with initial or remaining lease terms in excess of one year are as follows:

Years Ending April 30,	
2021	$ 13,381
2022	13,381
2023	7,806
	$ 34,568

Rent expense for the operating leases totaled $21,435 and $21,335 for the years ended April 30, 2020 and 2019, respectively.

Note 15 - Functionalized Expenses

The following schedule presents the natural classification of expense by function for the year ended April 30, 2020:

	Program Services									
	Sponsorship Contracts and Rights Fees Fulfillment	Self-Funded Regional Programs Fulfillment	Elite Team Athletics	Domestic Athletics	Events	Grants	Total	General and Administration	Contribution and Fundrasing Activities Fulfillment	Total
Salaries, wages and benefits	$ 726,923	$ -	$ 5,587,471	$ 1,904,778	$ 617,538	$ -	$ 8,836,710	$ 1,822,378	$ 937,497	$ 11,596,585
Payroll taxes	145,385	-	1,121,494	399,642	123,508	-	1,790,029	114,920	187,500	2,092,449
Professional services	975,051	19,000	930,107	263,004	10,500	-	2,197,662	389,078	36,457	2,623,197
Legal fees	85,000	-	42,559	70,000	10,000	-	207,559	53,166	-	260,725
Communication and promotion	400,000	-	237,000	64,000	81,000	-	782,000	34,000	20,136	836,136
Office expenses	30,628	18,692	421,379	326,917	14,854	-	812,470	252,349	212,992	1,277,811
Information technology	62,000	-	105,000	242,200	30,400	-	439,600	-	-	439,600
Occupancy	35,000	-	184,150	66,000	33,000	-	318,150	139,972	-	458,122
Travel	139,118	422,374	5,458,711	400,525	452,674	-	6,873,402	229,480	152,579	7,255,461
Conferences and meetings	61,832	-	-	-	-	-	61,832	1,457	177,335	240,624
Interest	-	-	480,656	-	-	-	480,656	60,816	-	541,472
Insurance	50,000	-	160,286	726,897	156,800	-	1,093,983	1,116,826	-	2,210,809
Fulfillment	-	-	82,500	641,603	-	-	724,103	-	253,376	977,479
Cost of sales	2,417,603	-	-	-	-	-	2,417,603	-	453,959	2,871,562
Event production	-	-	-	-	4,908,587	-	4,908,587	-	-	4,908,587
TV production	2,009,590	-	-	-	-	-	2,009,590	-	-	2,009,590
Cost of direct benefits to donors	-	-	-	-	-	-	-	-	634,977	634,977
Depreciation	18,000	-	1,074,587	52,285	18,800	-	1,163,672	106,501	1,076	1,271,249
Bad debt expense	-	-	-	-	-	-	-	166,339	-	166,339
Grants and other assistance	-	-	-	-	-	670,719	670,719	-	375,567	1,046,286
	$ 7,156,130	$ 460,066	$ 15,885,900	$ 5,157,851	$ 6,457,661	$ 670,719	$ 35,788,327	$ 4,487,282	$ 3,443,451	$ 43,719,060

The following schedule presents the natural classification of expense by function for the year ended April 30, 2019:

	Program Services									
	Sponsorship Contracts and Rights Fees Fulfillment	Self-Funded Regional Programs Fulfillment	Elite Team Athletics	Domestic Athletics	Events	Grants	Total	General and Administration	Contribution and Fundrasing Activities Fulfillment	Total
Salaries, wages and benefits	$ 757,713	$ -	$ 5,544,811	$ 1,735,550	$ 787,389	$ -	$ 8,825,463	$ 1,696,978	$ 824,627	$ 11,347,068
Payroll taxes	144,243	-	1,073,752	374,411	152,448	-	1,744,854	265,909	150,724	2,161,487
Professional services	178,552	12,950	1,042,319	101,147	25,350	-	1,360,318	283,217	31,170	1,674,705
Legal fees	85,000	-	49,854	70,000	10,000	-	214,854	68,388	-	283,242
Communication and promotion	400,000	-	237,000	64,000	84,718	-	785,718	34,000	3,657	823,375
Office expenses	35,070	11,893	456,728	286,404	18,434	-	808,529	68,618	143,969	1,021,116
Information technology	112,000	-	105,000	312,200	30,400	-	559,600	-	-	559,600
Occupancy	35,000	-	137,739	66,000	33,000	-	271,739	95,637	-	367,376
Travel	210,535	552,482	4,671,542	249,046	578,090	-	6,261,695	254,235	427,992	6,943,922
Conferences and meetings	61,217	-	-	-	-	-	61,217	19,937	157,074	238,228
Interest	-	-	518,684	-	-	-	518,684	40,793	-	559,477
Insurance	50,000	-	188,200	974,050	156,800	-	1,369,050	763,772	-	2,132,822
Fulfillment	-	-	82,500	529,939	-	-	612,439	-	169,918	782,357
Cost of sales	2,114,240	-	-	-	-	-	2,114,240	-	-	2,114,240
Event production	-	-	-	-	4,444,859	-	4,444,859	-	414,289	4,859,148
TV production	3,174,584	-	-	-	-	-	3,174,584	-	-	3,174,584
Cost of direct benefits to donors	-	-	-	-	-	-	-	-	762,791	762,791
Depreciation	18,000	-	1,074,587	67,375	18,800	-	1,178,762	106,396	1,617	1,286,775
Bad debt expense	-	-	-	-	-	-	-	50,585	130,000	180,585
Grants and other assistance	-	-	-	-	-	561,479	561,479	-	596,899	1,158,378
	$ 7,376,154	$ 577,325	$ 15,182,716	$ 4,830,122	$ 6,340,288	$ 561,479	$ 34,868,084	$ 3,748,465	$ 3,814,727	$ 42,431,276

Note 16 - Retirement Plan

USSA has a defined contribution plan covering substantially all employees under section 401(k) of the Internal Revenue Code. The plan provides that employees who have attained the age 21 and completed one month of service can voluntarily contribute up to the maximum contribution allowed by the IRS. The Companies can, at its discretion, make a contribution to the plan. Effective September 1, 2017, the plan includes an auto-enrollment provision whereby all newly eligible employees are automatically enrolled in the plan unless they affirmatively elect not to participate in the plan and the Companies made 1% matching contributions to the plan. Automatically enrolled participants have their deferral rate set at 1% of eligible compensation and their contributions invested in a designated age-based fund until changed by the participant. For the years ended April 30, 2020 and 2019, there were $192,593 and $110,575 of employer contributions to the plan, respectively.

Note 17 - Legal Claims and Commitments

The Companies are involved in various claims and legal actions arising in the ordinary course of business. In the opinion of management, the ultimate liability, if any, will not have a material effect on the Companies' combined/consolidated financial position or results of activity. During the year ended April 30, 2017, the Companies incurred a settlement fee, with $100,000 and $200,000 in remaining contributions payable at April 30, 2020 and 2019, respectively.

Note 18 - Adjustment

During the year ended April 30, 2020, the Companies identified a required adjustment within the 2019 combined/consolidated financial statements related to revenue and contributions and the corresponding fulfillment expense. The effect of the adjustment on the 2019 statement of activities was a reduction of revenue of $610,000 and a corresponding reduction in fulfillment expense of $610,000. The Companies adjusted their previously issued combined/consolidated financial statements to appropriately reflect the amounts for the year ended April 30, 2019. The adjustment had no effect on net assets or the change in net assets for the Companies.

The following is a summary of the effects of the adjustment in the Companies' April 30, 2019, combined/ consolidated statement of activities:

	As Previously Reported	Adjustment	As Adjusted
Contributions and fundraising activities			
Revenue	$ 13,447,850	$ (610,000)	$ 12,837,850
Fulfillment expense	(4,424,727)	610,000	(3,814,727)
Net	9,023,123	-	9,023,123

Note 19 - Subsequent Events

General Operations

Subsequent to year-end, the continuation of the outbreak of the novel Coronavirus pandemic, or COVID-19, has significantly increased risk and uncertainties in the global economy including the activities in which the Companies operate. The Companies are closely monitoring their operations, liquidity, and capital resources and are actively working to minimize the current and future impact of this unprecedented situation. As of the date of issuance of these combined/consolidated financial statements, the full impact to the Companies' financial position is not known.

Investments

Subsequent to year-end, the United States and global markets experienced significant volatility resulting from uncertainty caused by the world-wide coronavirus pandemic. The Companies are closely monitoring their investment portfolio and their liquidity and are actively working to minimize the impact of any declines. The Companies' combined/consolidated financial statements do not include adjustments to fair value that have resulted from any declines.

Subsequent events have been evaluated through July 29, 2020, which is the date the combined/consolidated financial statements were available to be issued.

Supplementary Information
April 30, 2020

United States Ski and Snowboard and Affiliated Entities

United States Ski and Snowboard and Affiliated Entities

Combining/Consolidating Statement of Financial Position

April 30, 2020

	United States Ski and Snowboard Association	United States Ski Team, Inc.	United States Ski Team Foundation	USSA Investment Fund	Center of Excellence Properties Fund	Eliminations	Combined/ Consolidated Balance
Assets							
Current Assets							
Cash and cash equivalents	$ 2,070,667	$ -	$ 1,181,302	$ -	$ 147,852	$ -	$ 3,399,821
Accounts receivable, net	3,084,161	679,521	64,462	-	-	-	3,828,144
Contributions receivable, net	-	-	1,534,667	-	-	-	1,534,667
Related party receivable	11,459,505	-	522,410	-	172,775	(12,154,690)	-
Inventories	-	194,417	-	-	-	-	194,417
Prepaid expenses	549,490	181,677	273,492	-	-	-	1,004,659
Total current assets	17,163,823	1,055,615	3,576,333	-	320,627	(12,154,690)	9,961,708
Endowment Investments	-	-	-	45,891,364	-	-	45,891,364
Other Long-Term Investments	-	-	-	1,981,530	-	-	1,981,530
Contributions Receivable, Net	-	-	1,048,000	-	-	-	1,048,000
Property and Equipment, Net	638,228	526,998	1,219	-	16,915,440	-	18,081,885
Other Assets	1,737,228	11,000	27,195	-	-	(100)	1,775,323
	$ 19,539,279	$ 1,593,613	$ 4,652,747	$ 47,872,894	$ 17,236,067	$ (12,154,790)	$ 78,739,810

	United States Ski and Snowboard Association	United States Ski Team, Inc.	United States Ski Team Foundation	USSA Investment Fund	Center of Excellence Properties Fund	Eliminations	Combined/ Consolidated Balance
Liabilities and Net Assets							
Current Liabilities							
Checks issued in excess of bank balance	$ -	$ 47,756	$ -	$ -	$ -	$ -	$ 47,756
Accounts payable	394,284	618,869	5,973	-	-	-	1,019,126
Related party payable	172,775	11,981,873	42	-	-	(12,154,690)	-
Accrued liabilities	605,634	226,250	31,133	-	32,255	-	895,272
Current maturities of contributions payable	100,000	-	-	-	-	-	100,000
Current maturities of long-term debt	826,185	-	-	-	617,691	-	1,443,876
Deferred revenue	69,389	240,576	1,679,362	-	-	-	1,989,327
Total current liabilities	2,168,267	13,115,324	1,716,510	-	649,946	(12,154,690)	5,495,357
Line of Credit	1,190,232	-	-	-	-	-	1,190,232
Long-Term Debt, Less Current Maturities	1,690,215	-	-	-	15,393,392	-	17,083,607
Deferred Revenue	-	-	1,491,449	-	-	-	1,491,449
Interest-Rate Swap	-	-	-	-	12,361	-	12,361
Total liabilities	5,048,714	13,115,324	3,207,959	-	16,055,699	(12,154,690)	25,273,006
Net Assets (Note 1)							
Without donor restrictions							
Undesignated	14,490,565	(11,521,711)	1,429,572	-	1,180,368	(100)	5,578,694
Designated by the board as quasi endowment	-	-	-	1,627,673	-	-	1,627,673
With donor restrictions							
Purpose restrictions	-	-	15,216	353,857	-	-	369,073
Perpetual in nature - endowments	-	-	-	45,891,364	-	-	45,891,364
Total net assets	14,490,565	(11,521,711)	1,444,788	47,872,894	1,180,368	(100)	53,466,804
	$ 19,539,279	$ 1,593,613	$ 4,652,747	$ 47,872,894	$ 17,236,067	$ (12,154,790)	$ 78,739,810

	United States Ski and Snowboard Association	United States Ski Team, Inc.	United States Ski Team Foundation	USSA Investment Fund	Center of Excellence Properties Fund	Eliminations	Combined/ Consolidated Balance
Changes in Net Assets Without Donor Restrictions							
Revenue and support							
Sponsorship contracts and rights fees							
Revenue	$ 10,888,507	$ 3,953,213	$ -	$ -	$ -	$ -	$ 14,841,720
Fulfillment expense	(4,587,909)	(2,568,221)	-	-	-	-	(7,156,130)
	6,300,598	1,384,992	-	-	-	-	7,685,590
Contributions and fundraising activities							
Revenue	-	9,177,590	12,807,898	-	-	(9,177,590)	12,807,898
Fulfillment expense	-	-	(12,621,041)	-	-	9,177,590	(3,443,451)
	-	9,177,590	186,857	-	-	-	9,364,447
Self-funded regional programs							
Revenue	460,066	-	-	-	-	-	460,066
Fulfillment expense	(460,066)	-	-	-	-	-	(460,066)
	-	-	-	-	-	-	-
Membership and competition dues and fees	5,465,828	5,987	-	-	-	-	5,471,815
Grants from United States Olympic Committee	6,900,883	6,665,000	-	-	-	(6,690,000)	6,875,883
Athletic grant from endowment	1,634,001	-	-	-	-	-	1,634,001
Other revenue (expense), net	3,946,303	351,768	5,143	-	(1,290,347)	(1,992,000)	1,020,867
Net assets released from donor restrictions	-	-	312,114	358,605	-	-	670,719
Net revenue and support available for programs and administration	24,247,613	17,585,337	504,114	358,605	(1,290,347)	(8,682,000)	32,723,322

	United States Ski and Snowboard Association	United States Ski Team, Inc.	United States Ski Team Foundation	USSA Investment Fund	Center of Excellence Properties Fund	Eliminations	Combined/ Consolidated Balance
Costs of programs and administration							
Elite team athletic programs	$ (1,028,649)	$ (13,596,691)	$ -	$ -	$ (1,260,560)	$ -	$ (15,885,900)
Domestic athletic programs	(11,218,280)	(629,571)	-	-	-	6,690,000	(5,157,851)
Events	(5,817,853)	(639,808)	-	-	-	-	(6,457,661)
General and administration	(6,428,356)	(2,049,747)	(192,000)	-	2,190,821	1,992,000	(4,487,282)
Grants	-	-	(312,114)	(358,605)	-	-	(670,719)
	(24,493,138)	(16,915,817)	(504,114)	(358,605)	930,261	8,682,000	(32,659,413)
Change in undesignated net assets from operations	(245,525)	669,520	-	-	(360,086)	-	63,909
Change in endowment funds							
Grants to scholarship program	-	-	-	(126,095)	-	-	(126,095)
Grants to athletic programs	-	-	-	(1,634,001)	-	-	(1,634,001)
Net assets released from restriction pursuant to endowment spending-rate distribution formula	-	-	-	1,760,096	-	-	1,760,096
	-	-	-	-	-	-	-
Change in value of interest-rate swap	-	-	-	-	(68,003)	-	(68,003)
Change in undesignated net assets	(245,525)	669,520	-	-	(428,089)	-	(4,094)
Changes in designated net assets							
USSAIF net investment loss	-	-	-	(82,081)	-	-	(82,081)
USSAIF grant to athletic program	-	-	-	(78,964)	-	-	(78,964)
Change in designated net assets	-	-	-	(161,045)	-	-	(161,045)
Change in net assets without donor restrictions	(245,525)	669,520	-	(161,045)	(428,089)	-	(165,139)

United States Ski and Snowboard and Affiliated Entities

Combining/Consolidating Statement of Activities

Year Ended April 30, 2020

	United States Ski and Snowboard Association	United States Ski Team, Inc.	United States Ski Team Foundation	USSA Investment Fund	Center of Excellence Properties Fund	Eliminations	Combined/ Consolidated Balance
Changes in Net Assets With Purpose Restrictions							
Scholarship donations received	$ -	$ -	$ 297,494	$ -	$ -	$ -	$ 297,494
Net assets released from donor restrictions	-	-	(312,114)	(358,605)	-	-	(670,719)
Net investment loss	-	-	-	(173,420)	-	-	(173,420)
Change in net assets with purpose restrictions	-	-	(14,620)	(532,025)	-	-	(546,645)
Changes in Net Assets With Donor Restrictions - Endowment							
Net assets released from restriction pursuant to endowment spending-rate distribution formula	-	-	-	(1,426,491)	-	-	(1,426,491)
Net investment loss	-	-	-	(2,216,438)	-	-	(2,216,438)
Endowment contributions	-	-	-	5,253,552	-	-	5,253,552
Changes in net assets with donor restrictions - endowment	-	-	-	1,610,623	-	-	1,610,623
Change in Net Assets	(245,525)	669,520	(14,620)	917,553	(428,089)	-	898,839
Net Assets (Deficit), Beginning of Year	14,736,090	(12,191,231)	1,459,408	46,955,341	1,608,457	(100)	52,567,965
Net Assets (Deficit), End of Year	$ 14,490,565	$ (11,521,711)	$ 1,444,788	$ 47,872,894	$ 1,180,368	$ (100)	$ 53,466,804