Combined/Consolidated Financial Statements
April 30, 2019 and 2018

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, 2019 and 2018, 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 entity's 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, 2019 and 2018, 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.

Emphasis of Matter

As discussed in Note 18 to the combined/consolidated financial statements, the Companies have adopted the provisions of Financial Accounting Standards Board Accounting Standards Update No. 2016-14, *Presentation of Financial Statements for Not-for-Profit Entities.* Accordingly, the April 30, 2018 combined/consolidated financial statements have been adjusted to adopt this standard. 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 31 through 35 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 30, 2019

	2019	2018
Assets		
Current Assets		
Cash and cash equivalents (Notes 1 and 13)	$ 1,021,836	$ 2,329,165
Accounts receivable, net (Note 1)	3,409,143	2,413,222
Contributions receivable, net (Notes 1 and 5)	1,493,000	918,000
Inventories	162,370	72,262
Prepaid expenses	774,002	1,037,962
Total current assets	6,860,351	6,770,611
Endowment Investments (Notes 3 and 11)	44,771,164	40,653,699
Other Long-Term Investments (Note 3)	2,184,177	2,248,245
Contributions Receivable, Net (Notes 1 and 5)	1,894,000	624,000
Property and Equipment, Net (Notes 1 and 6)	18,988,972	19,882,166
Interest-Rate Swap (Notes 1, 3, and 8)	55,642	150,756
Other Assets, Net	1,860,849	2,219,725
	$ 76,615,155	$ 72,549,202

	2019	2018
Liabilities and Net Assets		
Current Liabilities		
Checks issued in excess of bank balance	$ 378,733	$ 267,639
Accounts payable	1,643,770	955,529
Accrued liabilities	1,879,530	2,433,223
Current portion of contributions payable (Note 17)	100,000	100,000
Current maturities of long-term debt (Note 8)	601,251	586,921
Deferred revenue	1,328,929	2,366,976
Total current liabilities	5,932,213	6,710,288
Line of Credit (Note 7)	97,546	-
Contributions Payable, Less Current Portion (Note 17)	100,000	200,000
Long-Term Debt, Less Current Maturities (Note 8)	16,005,767	16,601,700
Deferred Revenue	1,911,664	879,236
Total liabilities	24,047,190	24,391,224
Net Assets (Note 1)		
Without donor restrictions		
Undesignated, adjusted	5,582,788	5,148,334
Designated by the Board as quasi endowment	1,788,718	1,760,262
With donor restrictions		
Purpose restrictions	425,295	595,683
Purpose restrictions - endowment earnings	490,423	128,051
Perpetual in nature - endowments, adjusted	44,280,741	40,525,648
Total net assets	52,567,965	48,157,978
	$ 76,615,155	$ 72,549,202

	2019	2018
Changes in Net Assets Without Donor Restrictions		
Revenue and support		
Sponsorship contracts and rights fees		
Revenue	$ 15,786,626	$ 17,723,465
Fulfillment expense	(7,376,154)	(7,508,497)
	8,410,472	10,214,968
Contributions and fundraising activities		
Revenue	13,447,850	11,735,520
Fulfillment expense	(4,424,727)	(3,560,974)
	9,023,123	8,174,546
Self-funded regional programs		
Revenue	577,325	565,809
Fulfillment expense	(577,325)	(565,809)
	-	-
Membership and competition dues and fees	4,753,042	4,629,144
Grants from United States Olympic Committee	5,997,514	6,138,330
Athletic grant from endowment	1,348,839	1,474,797
Other revenue, net	1,098,169	1,445,189
Net assets released from donor restrictions	561,479	543,665
Net revenue and support available for programs and administration	31,192,638	32,620,639
Costs of programs and administration		
Elite team athletic programs	(15,182,716)	(17,596,111)
Domestic athletic programs	(4,830,122)	(4,657,345)
Events	(6,340,288)	(5,754,415)
General and administration	(3,748,465)	(2,656,145)
Grants	(561,479)	(543,665)
	(30,663,070)	(31,207,681)
Change in undesignated net assets from operations	529,568	1,412,958

	2019	2018
Change in endowment		
Grants to scholarship program	$ (170,599)	$ (173,672)
Grants to athletic programs	(1,503,888)	(1,596,933)
Investment earnings	2,299,743	2,521,474
Net assets released from donor restrictions	(625,256)	(750,869)
	-	-
Loss on disposal of property and equipment	-	(432,691)
Change in value of interest-rate swap (Notes 1, 3 and 8)	(95,114)	167,374
Change in undesignated net assets	434,454	1,147,641
Changes in designated net assets (Note 11)		
USSAIF investment earnings	106,356	116,359
USSAIF grant to athletic program	(77,900)	(82,872)
Change in designated net assets	28,456	33,487
Change in net assets without donor restrictions	462,910	1,181,128
Changes in Net Assets With Purpose Restrictions (Note 11)		
Scholarship donations received	155,823	404,806
Net assets released from donor restrictions	(346,482)	(388,753)
Excess of endowment earnings and grants released from donor restrictions	362,372	128,051
Investment earnings	20,271	29,776
Change in net assets with purpose restrictions	191,984	173,880
Changes in Net Assets With Donor Restrictions - Endowment (Note 11)		
Excess of investment earnings and grants on endowment	262,884	622,818
Endowment contributions	3,492,209	2,636,825
Changes in net assets with donor restrictions - endowment	3,755,093	3,259,643
Change in Net Assets	4,409,987	4,614,651
Net Assets, Beginning of Year	48,157,978	43,543,327
Net Assets, End of Year	$ 52,567,965	$ 48,157,978

	2019	2018
Cash Flows from Operating Activities		
Membership and competition dues, fees, and self-funded regional programs	$ 5,330,367	$ 5,194,953
Grants and contributions	19,906,391	19,916,500
Sponsorships and athlete contracts	15,888,874	21,667,341
Programs and administration costs	(41,018,643)	(41,584,868)
Interest received	24,361	6,905
Interest paid	(555,761)	(518,325)
Net Cash from (used for) Operating Activities	(424,411)	4,682,506
Cash Flows from Investing Activities		
Purchases of property and equipment	(393,581)	(803,561)
Net proceeds from maturities of investments	2,764,072	3,090,731
Purchases of investments	(2,573,377)	(3,019,441)
Purchases of investments - endowment	(3,492,209)	(2,636,825)
Proceeds from investments - endowment	1,674,487	1,770,605
Net Cash used for Investing Activities	(2,020,608)	(1,598,491)
Cash Flows from Financing Activities		
Collections of restricted contributions	3,648,032	3,041,631
Endowment program grants	(1,674,487)	(1,770,605)
Grants from net assets released from donor restrictions	(346,482)	(388,753)
Payments on long-term debt	(586,919)	(572,014)
Net change in line of credit	97,546	(2,865,733)
Net Cash from (used for) Financing Activities	1,137,690	(2,555,474)
Net Change in Cash and Cash Equivalents	(1,307,329)	528,541
Cash and Cash Equivalents, Beginning of Year	2,329,165	1,800,624
Cash and Cash Equivalents, End of Year	$ 1,021,836	$ 2,329,165

	2019	2018
Reconciliation of Change in Net Assets to Net Cash from (used for) Operating Activities		
Change in net assets	$ 4,409,987	$ 4,614,651
Adjustments to reconcile change in net assets to net cash from (used for) operating activities		
Depreciation expense	1,286,775	1,393,895
Interest expense attributable to amortization of deferred financing costs	5,316	5,316
Amortization of other assets	165,000	165,000
Loss of disposal of property and equipment	-	432,691
Bad debt expense	180,585	555
Contributions restricted to endowment	(3,492,209)	(2,636,825)
Increase in undesignated endowment net assets	(625,256)	(622,818)
Increase (decrease) in donor restricted net assets	170,388	(173,880)
Net realized/unrealized gain on investments	(106,356)	(116,359)
Change in value of interest-rate swap	95,114	(167,374)
Changes in operating assets and liabilities		
Accounts and contributions receivable	(3,021,506)	3,891,895
Inventories	(90,108)	(45,952)
Prepaid expenses	263,960	14,980
Other assets	193,876	(82,296)
Checks issued in excess of bank balance	111,094	(125,329)
Accounts payable	688,241	(1,014,706)
Accrued liabilities	(553,693)	276,901
Contributions payable	(100,000)	(250,000)
Deferred revenue	(5,619)	(877,839)
Net Cash from (used for) Operating Activities	$ (424,411)	$ 4,682,506

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, 2019 and 2018, the allowance was $115,848 and $102,637, respectively.

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, 2019 and 2018, 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, 2019 and 2018.

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 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.

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, 2019 and 2018 is $3,240,593 and $3,246,212, respectively, which includes $1,530,000 and $900,000, respectively, of expenses accrued for the Olympic Hospitality programs that have not yet been incurred.

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 Organization 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.

Contributions received, as well as collectible unconditional promises to contribute, are recognized in the period received or promised. 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, 2019 and 2018.

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 our 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.

Adoption of FASB Accounting Standards Update 2016-14

As of May 1, 2018, the Companies adopted the provisions of Accounting Standards Update (ASU) 2016-14, *Presentation of Financial Statements for Not-For-Profit Entities.* The provisions of the ASU replace the existing three classes of net assets with two new classes (net assets without donor restrictions and net assets with donor restrictions) and enhance the disclosure requirements for the Companies' donor restricted endowment funds and underwater endowments. The ASU introduces new disclosure requirements to provide information about what is included or excluded from the Companies' intermediate measure of operations as well as disclosures to improve a financial statement user's ability to assess the Companies' liquidity and exposure to risk. The ASU also introduces new reporting requirements to present expenses by both function and natural classification in a single location and to present investment returns on the combined/consolidated statements of activities net of external and direct internal investment expenses.

The amendments are applied on a retrospective basis; however, if presenting comparative financial statements, the ASU allows for the option to omit, for any periods presented before the period of adoption, the analysis of expenses by both natural classification and functional classification (the separate presentation of expenses by functional classification and expenses by natural classification is still required), and the disclosure about liquidity and availability of resources. The Companies have elected not to present comparative information for all these amendments.

The Companies have adopted this standard as management believes the standard improves the usefulness and understandability of the Companies' financial reporting.

Subsequent Events

The Companies have evaluated subsequent events through July 30, 2019, the date which the combined/consolidated financial statements were available to be issued.

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:

	2019	2018
Cash and cash equivalents	$ 992,000	$ 2,208,670
Accounts receivable	3,409,143	2,413,222
Contributions receivable	1,493,000	918,000
Endowment spending-rate distributions and appropriations	1,679,942	1,752,387
	$ 7,574,085	$ 7,292,279

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 $29,836 and $120,495 at April 30, 2019 and 2018, respectively, is due to cash being restricted for purpose and not being available.

A board-designated endowment of $1,788,718 is subject to an annual spending rate of 4% 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% percent 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 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		
	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)	$ 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			

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, 2018:

		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)	$ 2,248,245	$ 2,248,245	$ -	$ -
Endowment investments				
Cash and money market funds (at cost)	2,303,477	2,303,477	-	-
Equities	18,245,698	18,245,698	-	-
Mutual funds	14,156,975	14,156,975	-	-
	34,706,150	34,706,150	-	-
Interest-rate swap	150,756	-	150,756	-
Total investments at fair value	37,105,151	$ 36,954,395	$ 150,756	$ -
Investments at Net Asset Value				
Hedge funds	5,947,549			
	$43,052,700			

Investments in certain entities that calculate NAV per share are as follows at April 30, 2019 and April 30, 2018:

April 30, 2019	Number of Investments	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Hedge funds	12	$ 9,295,026	$ -	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, 2019 and April 30, 2018:

	Number of Investments	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
April 30, 2018					
Hedge funds	9	$ 5,947,549	$ -	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, 2019 and 2018:

	2019	2018
Endowment investments		
Net realized and unrealized gain, dividends and interest	$ 2,299,743	$ 2,521,474
Other long-term investments		
Net realized and unrealized gain, dividends and interest	$ 126,627	$ 146,135

Note 5 - Contributions Receivable

Contributions receivable are estimated to be collected as follows at April 30, 2019 and 2018:

	2019	2018
Within one year	$ 1,493,000	$ 918,000
In one to five years	1,894,000	624,000
	$ 3,387,000	$ 1,542,000

Note 6 - Property and Equipment

Property and equipment consists of the following at April 30, 2019 and 2018:

	2019	2018
Buildings and improvements	$ 23,430,012	$ 23,430,012
Furniture, fixtures, and equipment	9,765,286	9,371,706
Land	2,185,876	2,185,876
	35,381,174	34,987,594
Less accumulated depreciation	(16,392,202)	(15,105,428)
	$ 18,988,972	$ 19,882,166

Note 7 - Line of Credit

USSA has a $7,000,000 line of credit with a bank at April 30, 2019 and 2018. The outstanding balance on the line was $97,546 and $0 at April 30, 2019 and 2018, respectively. The line of credit expires June 1, 2020. The line of credit is guaranteed by USSIF, 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, 2019, interest on borrowings on the line of credit is at the daily one-month LIBOR rate plus 1.75% (4.23%) and a fee equal to one-quarter percent per annum on the daily unused amount of the line of credit. As of April 30, 2018, interest on borrowings on the line of credit was at the daily one-month LIBOR rate plus 1.75% (3.66%). USSA was in compliance with certain financial and non-financial covenants at April 30, 2019 and 2018.

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 3.26% and 2.93% based on current LIBOR at April 30, 2019 and 2018, 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:

	2019	2018
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 3.14% at April 30, 2019) and the other half at the swap plus credit spread of 1.40% plus 81.43% times one-month LIBOR (all-in rate of 3.42% at April 30, 2019)	$ 16,719,115	$ 17,306,034
Deferred financing costs of $112,097 in 2019 and $117,413 in 2018	(112,097)	(117,413)
	16,607,018	17,188,621
Less current maturities	(601,251)	(586,921)
	$ 16,005,767	$ 16,601,700

Scheduled maturities of the bonds as of April 30, 2019 are as follows:

Years Ending April 30,	Amount
2020	$ 601,251
2021	617,691
2022	633,981
2023	650,503
2024	666,638
Thereafter	13,549,051
	$ 16,719,115

During the years ended April 30, 2019 and 2018, the fair value of the asset under the swap increased/(decreased) $(95,114) and $167,374, respectively, which has been reflected in the accompanying combined/consolidated statements of activities. At April 30, 2019 and 2018, the fair value of the swap asset was $55,642 and $150,756, 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, 2019 and 2018:

	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	13,447,850	(4,424,727)	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
	$ 42,432,040	$ (11,800,881)	$ 30,631,159

	Gross Revenue	Related Expenses	Net Revenue
Year Ended April 30, 2018			
Sponsorship contracts and rights fees	$ 17,723,465	$ (7,508,497)	$ 10,214,968
Contributions and fundraising activities	11,735,520	(3,560,974)	8,174,546
Membership and competition dues and fees	4,629,144	-	4,629,144
Grants from the USOC	6,138,330	-	6,138,330
Athletic grant from endowment	1,474,797	-	1,474,797
Other revenue, net	1,445,189	-	1,445,189
	$ 43,146,445	$ (11,069,471)	$ 32,076,974

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, 2019 and 2018:

	Gross Receipts	Related Expenditures	Net
At April 30, 2019			
Self-funded regional programs	$ 577,325	$ (577,325)	$ -
At April 30, 2018			
Self-funded regional programs	$ 565,809	$ (565,809)	$ -

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.

During 2008 and 2009, the LCAE incurred over $7 million in investment losses as a result of the financial market collapse 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 $9,535,459 and $9,756,737 as of April 30, 2019 and 2018, 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, 2019 and 2018:

LCAE	2019	2018
Balance, beginning of year	$ 30,262,087	$ 29,622,217
Contributions	40,000	113,334
Grants to athletic programs	(1,325,397)	(1,474,797)
Investment earnings	1,546,675	2,001,333
Balance, end of year	$ 30,523,365	$ 30,262,087

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. The following summarizes the funds' contributions, grants, and investment earnings for the years ended April 30, 2019 and 2018:

MAE	2019	2018
Balance, beginning of year	$ 7,273,567	$ 4,690,794
Contributions	3,185,694	2,418,492
Grants to athletic programs	(214,997)	(154,912)
Investment earnings	577,368	319,193
Balance, end of year	$ 10,821,632	$ 7,273,567

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 $26,058 and $67,665 as of April 30, 2019 and 2018, 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, 2019 and 2018:

Borgen Swartz Athlete Education Endowment	2019	2018
Balance, beginning of year	$ 3,118,045	$ 2,952,993
Contributions	266,516	105,000
Program grants	(134,093)	(140,896)
Investment earnings	175,699	200,948
Balance, end of year	$ 3,426,167	$ 3,118,045

Purpose restricted net assets at April 30, 2019 and 2018 consist of:

Restricted by Donors	2019	2018
Scholarships	$ 29,836	$ 120,495
Other projects	395,459	475,188
Excess investment earnings on endowment	490,423	128,051
	$ 915,718	$ 723,734

The following summarizes the funds' contributions, grants, and investment earnings for the years ended April 30, 2019 and 2018, a portion of which are earnings and grants associated with endowments:

Donor Restricted Funds	2019	2018
Balance, beginning of year	$ 723,734	$ 549,854
Contributions	155,824	404,806
Excess investment earnings on endowment	577,368	128,051
Net assets released from donor restrictions	(561,479)	(388,753)
Investment earnings	20,271	29,776
Balance, end of year	$ 915,718	$ 723,734

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, 2019 and 2018:

USSAIF/USSF Quasi-Endowment, Designated	2019	2018
Balance, beginning of year	$ 1,760,262	$ 1,726,775
Grant to athletic programs	(77,900)	(82,872)
Investment earnings	106,356	116,359
Balance, end of year	$ 1,788,718	$ 1,760,262

As of April 30, 2019 and 2018, the Companies had the following endowment net asset composition by type of fund:

	April 30, 2019						
	Donor - Restricted Endowments					Board-Designated Endowments	
	Perpetual in Nature - Endowments	Underwater Endowments, Adjusted	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

	April 30, 2018						
	Donor - Restricted Endowments					Board-Designated Endowments	
	Perpetual in Nature - Endowments	Underwater Endowments, Adjusted	Total Perpetual in Nature - Endowments, Net	Purpose Restrictions - Endowment Earnings	Total	Without Donor Restrictions	Total Endowments
Endowment net assets, April 30, 2017	$ 47,713,224	$(10,447,220)	$ 37,266,004	$ -	$ 37,266,004	$ 1,726,775	$ 38,992,779
Contributions	2,636,825	-	2,636,825	-	2,636,825	-	2,636,825
Net investment earnings	-	2,238,512	2,238,512	282,963	2,521,475	116,359	2,637,834
Grants	-	(1,615,693)	(1,615,693)	(154,912)	(1,770,605)	(82,872)	(1,853,477)
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

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, 2019 and 2018:

	2019	2018
Deferred tax assets (liabilities)		
Receivable allowances	$ 23,000	$ 14,000
Property and equipment	(34,022)	(12,831)
Net operating loss	832,100	985,200
Accrued compensation	16,600	22,800
	$ 837,678	$ 1,009,169
Net deferred tax assets before valuation allowance	$ 837,678	$ 1,009,169
Less valuation allowance	(837,678)	(1,009,169)
Net deferred tax assets	$ -	$ -

At April 30, 2019, 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 Wells Fargo Bank (Wells Fargo), a financial institution, 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, 2019 and 2018:

	2019	2018
TWP	$ 46,541,116	$ 42,516,949
Wells Fargo	952,575	2,015,446
Schwab	482,349	697,579
Other financial institutions	1,137	1,135
	$ 47,977,177	$ 45,231,109

Cash and investments are included in the combined/consolidated statements of financial position as of April 30, 2019 and 2018:

	2019	2018
Cash	$ 1,021,836	$ 2,329,165
Long-term investments	2,184,177	2,248,245
Endowment investments	44,771,164	40,653,699
	$ 47,977,177	$ 45,231,109

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 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,	
2020	$ 13,381
2021	13,381
2022	13,381
2023	7,806
	$ 47,949

Rent expense for the operating leases totaled $42,490 and $49,488 for the years ended April 30, 2019 and 2018, respectively.

Note 15 - Functionalized Expenses

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	536,649	7,052,579
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	-	-	-	-	-	-	-	-	1,264,134	1,264,134
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	$ 4,424,727	$ 43,041,276

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, 2019 and 2018, there were $110,575 and $51,428 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 $200,000 and $300,000 in remaining contributions payable at April 30, 2019 and 2018, respectively.

Note 18 - Adjustment Resulting from Change in Accounting Policy

As disclosed in Note 1, the Companies adopted the provisions of ASU 2016-14, *Presentation of Financial Statements for Not-For-Profit Entities* as of April 30, 2019. As a part of the adoption, changes were made to the presentation of the combined/consolidated financial statements and the classification of net assets. Following is a summary of the effects of the change in accounting policy in the Companies' April 30, 2018 net assets.

The effect on the Companies' combined/consolidated statement of financial position as of April 30, 2018 is as follows:

	As Previously Reported	Adoption of ASU 2016-14	As Adjusted
Unrestricted			
Undesignated	$ (4,676,067)	$ 4,676,067	$ -
Nets assets without donor restrictions			
Undesignated	-	5,148,334	5,148,334
Nets assets with donor restrictions			
Perpetual in nature - endowments	50,350,049	(9,824,401)	40,525,648

Supplementary Information
April 30, 2019

United States Ski and Snowboard and Affiliated Entities

	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	$ -	$ -	$ 681,055	$ -	$ 340,781	$ -	$ 1,021,836
Accounts receivable, net	2,589,851	778,869	40,423	-	-	-	3,409,143
Contributions receivable, net	-	-	1,493,000	-	-	-	1,493,000
Related party receivable	12,341,087	72,176	-	-	174,454	(12,587,717)	-
Inventories	-	162,370	-	-	-	-	162,370
Prepaid expenses	569,542	118,473	85,987	-	-	-	774,002
Total current assets	15,500,480	1,131,888	2,300,465	-	515,235	(12,587,717)	6,860,351
Endowment Investments	-	-	-	44,771,164	-	-	44,771,164
Other Long-Term Investments	-	-	-	2,184,177	-	-	2,184,177
Contributions Receivable, Net	-	-	1,894,000	-	-	-	1,894,000
Property and Equipment, Net	586,743	711,025	1,178	-	17,690,026	-	18,988,972
Interest-Rate Swap	-	-	-	-	55,642	-	55,642
Other Assets, Net	1,838,949	22,000	-	-	-	(100)	1,860,849
	$ 17,926,172	$ 1,864,913	$ 4,195,643	$ 46,955,341	$ 18,260,903	$ (12,587,817)	$ 76,615,155

	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	$ 292,423	$ 86,310	$ -	$ -	$ -	$ -	$ 378,733
Accounts payable	807,143	773,324	63,303	-	-	-	1,643,770
Related party payable	174,454	12,340,830	72,433	-	-	(12,587,717)	-
Accrued liabilities	1,178,167	550,973	104,962	-	45,428	-	1,879,530
Current portion of contributions payable	100,000	-	-	-	-	-	100,000
Current maturities of long-term debt	-	-	-	-	601,251	-	601,251
Deferred revenue	440,349	304,707	583,873	-	-	-	1,328,929
Total current liabilities	2,992,536	14,056,144	824,571	-	646,679	(12,587,717)	5,932,213
Line of Credit	97,546	-	-	-	-	-	97,546
Contributions Payable, Less Current Portion	100,000	-	-	-	-	-	100,000
Long-Term Debt, Less Current Maturities	-	-	-	-	16,005,767	-	16,005,767
Deferred Revenue	-	-	1,911,664	-	-	-	1,911,664
Total liabilities	3,190,082	14,056,144	2,736,235	-	16,652,446	(12,587,717)	24,047,190
Net Assets (Note 1)							
Without donor restrictions							
Undesignated, adjusted	14,736,090	(12,191,231)	1,429,572	-	1,608,457	(100)	5,582,788
Designated by the Board as quasi endowment	-	-	-	1,788,718	-	-	1,788,718
With donor restrictions							
Purpose restrictions	-	-	29,836	395,459	-	-	425,295
Purpose restrictions - endowment earnings	-	-	-	490,423	-	-	490,423
Perpetual in nature - endowments, adjusted	-	-	-	44,280,741	-	-	44,280,741
Total net assets	14,736,090	(12,191,231)	1,459,408	46,955,341	1,608,457	(100)	52,567,965
	$ 17,926,172	$ 1,864,913	$ 4,195,643	$ 46,955,341	$ 18,260,903	$ (12,587,817)	$ 76,615,155

	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	$ 10,849,145	$ 4,937,481	$ -	$ -	$ -	$ -	$ 15,786,626
Fulfillment expense	(3,492,213)	(3,883,941)	-	-	-	-	(7,376,154)
	7,356,932	1,053,540	-	-	-	-	8,410,472
Contributions and fundraising activities							
Revenue	-	8,847,107	13,447,850	-	-	(8,847,107)	13,447,850
Fulfillment expense	-	-	(13,271,834)	-	-	8,847,107	(4,424,727)
	-	8,847,107	176,016	-	-	-	9,023,123
Self-funded regional programs							
Revenue	577,325	-	-	-	-	-	577,325
Fulfillment expense	(577,325)	-	-	-	-	-	(577,325)
	-	-	-	-	-	-	-
Membership and competition dues and fees	4,742,202	10,840	-	-	-	-	4,753,042
Grants from United States Olympic Committee	5,997,514	5,940,000	-	-	-	(5,940,000)	5,997,514
Athletic grant from endowment	1,348,839	-	-	-	-	-	1,348,839
Other revenue (expense), net	3,791,745	570,872	15,984	-	(1,288,432)	(1,992,000)	1,098,169
Net assets released from donor restrictions	-	-	246,482	314,997	-	-	561,479
Net revenue and support available for programs and administration	23,237,232	16,422,359	438,482	314,997	(1,288,432)	(7,932,000)	31,192,638

	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	$ (982,239)	$ (12,901,888)	$ -	$ -	$ (1,298,589)	$ -	$ (15,182,716)
Domestic athletic programs	(10,284,413)	(485,709)	-	-	-	5,940,000	(4,830,122)
Events	(5,676,215)	(664,073)	-	-	-	-	(6,340,288)
General and administration	(5,581,627)	(2,151,248)	(192,000)	-	2,184,410	1,992,000	(3,748,465)
Grants	-	-	(246,482)	(314,997)	-	-	(561,479)
	(22,524,494)	(16,202,918)	(438,482)	(314,997)	885,821	7,932,000	(30,663,070)
Change in undesignated net assets from operations	712,738	219,441	-	-	(402,611)	-	529,568
Change in endowment funds							
Grants to scholarship program	-	-	-	(170,599)	-	-	(170,599)
Grants to athletic programs	-	-	-	(1,503,888)	-	-	(1,503,888)
Investment earnings	-	-	-	2,299,743	-	-	2,299,743
Net assets released from donor restrictions	-	-	-	(625,256)	-	-	(625,256)
	-	-	-	-	-	-	-
Loss on disposal of property and equipment	-	-	-	-	-	-	-
Change in value of interest-rate swap	-	-	-	-	(95,114)	-	(95,114)
Change in undesignated net assets	712,738	219,441	-	-	(497,725)	-	434,454
Changes in designated net assets:							
USSAIF investment earnings	-	-	-	106,356	-	-	106,356
USSAIF grant to athletic program	-	-	-	(77,900)	-	-	(77,900)
Change in designated net assets	-	-	-	28,456	-	-	28,456
Change in net assets without donor restrictions	712,738	219,441	-	28,456	(497,725)	-	462,910

	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	$ -	$ -	$ 155,823	$ -	$ -	$ -	$ 155,823
Net assets released from donor restrictions	-	-	(246,482)	(100,000)	-	-	(346,482)
Excess of endowment earnings and grants released from donor restrictions	-	-	-	362,372	-	-	362,372
Investment earnings	-	-	-	20,271	-	-	20,271
Change in net assets with purpose restrictions	-	-	(90,659)	282,643	-	-	191,984
Changes in Net Assets With Donor Restrictions - Endowment							
Excess of investment earnings and grants on endowment	-	-	-	262,884	-	-	262,884
Endowment contributions	-	-	-	3,492,209	-	-	3,492,209
Changes in net assets with donor restrictions - endowment	-	-	-	3,755,093	-	-	3,755,093
Change in Net Assets	712,738	219,441	(90,659)	4,066,192	(497,725)	-	4,409,987
Net Assets (Deficit), Beginning of Year	14,023,352	(12,410,672)	1,550,067	42,889,149	2,106,182	(100)	48,157,978
Net Assets (Deficit), End of Year	$ 14,736,090	$ (12,191,231)	$ 1,459,408	$ 46,955,341	$ 1,608,457	$ (100)	$ 52,567,965