<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Independent Auditor's Report</td>
<td>1</td>
</tr>
<tr>
<td>Consolidating Statement of Financial Position</td>
<td>4</td>
</tr>
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<td>8</td>
</tr>
</tbody>
</table>
INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Ultimate Players Association d/b/a USA Ultimate
USA Ultimate Foundation
Colorado Springs, Colorado

Opinion

We have audited the accompanying consolidating financial statements of USA Ultimate and USA Ultimate Foundation (nonprofit organizations)(the Organizations), which comprise the consolidating statement of financial position as of December 31, 2022, and the related consolidating statements of activities and changes in net assets, consolidated functional expenses, and consolidating cash flows for the year then ended, and the related notes to the consolidating financial statements.

In our opinion, the consolidating financial statements referred to above present fairly, in all material respects, the financial position of USA Ultimate and USA Ultimate Foundation as of December 31, 2022, 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of USA Ultimate and USA Ultimate Foundation and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidating 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 consolidating financial statements that are free from material misstatement, whether due to fraud or error.
In preparing the financial statements, the Organizations are required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about USA Ultimate's and USA Ultimate Foundation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

**Auditor's Responsibility**

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

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the consolidating financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidating financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness USA Ultimate's and USA Ultimate Foundation's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidating financial statements.
Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about USA Ultimate's and USA Ultimate Foundation's ability to continue as a going concern for a reasonable period of time.

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

Report on Summarized Comparative Information

We have previously audited USA Ultimate and USA Ultimate Foundation's financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated July 29, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2022 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Waugh & Goodwin, LLP
Colorado Springs, Colorado
July 14, 2023
## Ultimiate Playgers Association

### USA Ultimate Foundation

Consolidating Statements of Financial Position

December 31, 2022

(With Consolidated Comparative Totals for 2021)

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>USA Ultimate Foundation</th>
<th>Eliminating Entries</th>
<th>Consolidated Totals 2022</th>
<th>Consolidated Totals 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CURRENT ASSETS:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$2,831,242</td>
<td>$218,974</td>
<td>$3,050,216</td>
<td>$2,824,455</td>
</tr>
<tr>
<td>Certificates of deposit</td>
<td>510,263</td>
<td>510,263</td>
<td>506,923</td>
<td></td>
</tr>
<tr>
<td>Accounts receivable, net</td>
<td>31,892</td>
<td>31,892</td>
<td>463,491</td>
<td></td>
</tr>
<tr>
<td>Due from related party</td>
<td>348</td>
<td>(348)</td>
<td>25,379</td>
<td></td>
</tr>
<tr>
<td>Inventory</td>
<td>21,498</td>
<td>21,498</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prepaid expenses and deposits</td>
<td>43,763</td>
<td>43,763</td>
<td>46,092</td>
<td></td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>3,439,006</td>
<td>218,974</td>
<td>3,657,632</td>
<td>3,866,340</td>
</tr>
<tr>
<td><strong>LONG-TERM INVESTMENTS</strong></td>
<td>1,318,223</td>
<td>1,318,223</td>
<td>1,522,397</td>
<td></td>
</tr>
<tr>
<td><strong>RIGHT-OF-USE ASSETS</strong></td>
<td>207,737</td>
<td>207,737</td>
<td>256,888</td>
<td></td>
</tr>
<tr>
<td><strong>PROPERTY AND EQUIPMENT:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IT infrastructure system</td>
<td>789,113</td>
<td>789,113</td>
<td>579,349</td>
<td></td>
</tr>
<tr>
<td>Furniture and equipment</td>
<td>138,558</td>
<td>138,558</td>
<td>126,568</td>
<td></td>
</tr>
<tr>
<td>Other depreciable projects</td>
<td>17,886</td>
<td>17,886</td>
<td>17,886</td>
<td></td>
</tr>
<tr>
<td>Software</td>
<td>4,222</td>
<td>4,222</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>949,779</td>
<td>949,779</td>
<td>728,025</td>
<td></td>
</tr>
<tr>
<td>Less accumulated depreciation</td>
<td>(672,436)</td>
<td>(672,436)</td>
<td>(617,983)</td>
<td></td>
</tr>
<tr>
<td><strong>Property and equipment, net</strong></td>
<td>277,343</td>
<td>277,343</td>
<td>110,042</td>
<td></td>
</tr>
<tr>
<td><strong>OTHER ASSETS</strong></td>
<td>1,300</td>
<td>1,300</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>$5,243,609</td>
<td>$218,974</td>
<td>(348)</td>
<td>$5,462,235</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LIABILITIES AND NET ASSETS</th>
<th>USA Ultimate Foundation</th>
<th>Eliminating Entries</th>
<th>Consolidated Totals 2022</th>
<th>Consolidated Totals 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CURRENT LIABILITIES:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable</td>
<td>$701,198</td>
<td>$348</td>
<td>(348)</td>
<td>$701,198</td>
</tr>
<tr>
<td>Due to related party</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accrued liabilities</td>
<td>118,703</td>
<td>118,703</td>
<td>81,449</td>
<td></td>
</tr>
<tr>
<td>Current portion of deferred revenue</td>
<td>675,362</td>
<td>675,362</td>
<td>708,991</td>
<td></td>
</tr>
<tr>
<td>Current portion operating lease liabilities</td>
<td>64,409</td>
<td>64,409</td>
<td>51,158</td>
<td></td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td>1,559,672</td>
<td>348</td>
<td>(348)</td>
<td>1,559,672</td>
</tr>
<tr>
<td><strong>LONG-TERM LIABILITIES:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deferred revenue - long term</td>
<td>468,937</td>
<td>468,937</td>
<td>651,590</td>
<td></td>
</tr>
<tr>
<td>Long-term operating lease liabilities</td>
<td>165,216</td>
<td>165,216</td>
<td>229,650</td>
<td></td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>2,193,825</td>
<td>348</td>
<td>(348)</td>
<td>2,193,825</td>
</tr>
<tr>
<td><strong>NET ASSETS:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Without donor restrictions</td>
<td>1,286,952</td>
<td>63,673</td>
<td>1,350,625</td>
<td>1,696,277</td>
</tr>
<tr>
<td>Without donor restrictions - Board designated</td>
<td>1,762,832</td>
<td>1,762,832</td>
<td>1,374,899</td>
<td></td>
</tr>
<tr>
<td>With donor restrictions</td>
<td>154,953</td>
<td>154,953</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total net assets</strong></td>
<td>3,049,784</td>
<td>218,626</td>
<td>3,268,410</td>
<td>3,214,965</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES and NET ASSETS</strong></td>
<td>$5,243,609</td>
<td>$218,974</td>
<td>(348)</td>
<td>$5,462,235</td>
</tr>
</tbody>
</table>

See Notes to Consolidating Financial Statements
### Support and Revenue - Without Donor Restrictions

<table>
<thead>
<tr>
<th>Description</th>
<th>USA Ultimate</th>
<th>USA Ultimate Foundation</th>
<th>Eliminating Entries</th>
<th>Consolidated Totals 2022</th>
<th>Consolidated Totals 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Membership dues</td>
<td>2,550,993</td>
<td>$</td>
<td>$</td>
<td>2,550,993</td>
<td>1,742,937</td>
</tr>
<tr>
<td>Competition and athlete programs</td>
<td>1,008,972</td>
<td></td>
<td>1,008,972</td>
<td>816,726</td>
<td></td>
</tr>
<tr>
<td>Sponsorship and licensing</td>
<td>338,858</td>
<td></td>
<td>338,858</td>
<td>313,565</td>
<td></td>
</tr>
<tr>
<td>National teams fees</td>
<td>223,858</td>
<td></td>
<td>223,858</td>
<td>24,213</td>
<td></td>
</tr>
<tr>
<td>In-kind donations</td>
<td>159,580</td>
<td></td>
<td>159,580</td>
<td>92,809</td>
<td></td>
</tr>
<tr>
<td>Sport development and sanctioning</td>
<td>74,145</td>
<td></td>
<td>74,145</td>
<td>58,712</td>
<td></td>
</tr>
<tr>
<td>Education</td>
<td>31,464</td>
<td></td>
<td>31,464</td>
<td>9,546</td>
<td></td>
</tr>
<tr>
<td>Other income</td>
<td>17,963</td>
<td></td>
<td>17,963</td>
<td>39,404</td>
<td></td>
</tr>
<tr>
<td>Contributions</td>
<td>12,545</td>
<td></td>
<td>12,545</td>
<td>15,014</td>
<td></td>
</tr>
<tr>
<td>Sales, net of cost of good sold of $46,919 and $15,886, respectively</td>
<td>1,006</td>
<td>1,006</td>
<td>3,733</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment income</td>
<td>(194,943)</td>
<td>30</td>
<td>(194,913)</td>
<td>287,861</td>
<td></td>
</tr>
<tr>
<td>Grant revenue</td>
<td>29,869</td>
<td></td>
<td>29,869</td>
<td>567,621</td>
<td></td>
</tr>
<tr>
<td>Total support and revenue</td>
<td>4,241,765</td>
<td>42,444</td>
<td>(29,869)</td>
<td>4,254,340</td>
<td></td>
</tr>
</tbody>
</table>

### EXPENSES:

#### Program Services:

<table>
<thead>
<tr>
<th>Description</th>
<th>USA Ultimate</th>
<th>USA Ultimate Foundation</th>
<th>Eliminating Entries</th>
<th>Consolidated Totals 2022</th>
<th>Consolidated Totals 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Events and outreach programs</td>
<td>457,556</td>
<td></td>
<td>457,556</td>
<td>1,285,110</td>
<td></td>
</tr>
<tr>
<td>TCT events and programs</td>
<td>404,137</td>
<td></td>
<td>404,137</td>
<td>273,522</td>
<td></td>
</tr>
<tr>
<td>Youth events and programs</td>
<td>387,523</td>
<td></td>
<td>387,523</td>
<td>422,422</td>
<td></td>
</tr>
<tr>
<td>College events and programs</td>
<td>186,111</td>
<td></td>
<td>186,111</td>
<td>150,426</td>
<td></td>
</tr>
<tr>
<td>Masters events and programs</td>
<td>122,736</td>
<td></td>
<td>122,736</td>
<td>33,097</td>
<td></td>
</tr>
<tr>
<td>Total events and outreach programs</td>
<td>1,558,063</td>
<td></td>
<td>1,558,063</td>
<td>1,285,110</td>
<td></td>
</tr>
<tr>
<td>Marketing and communications</td>
<td>717,869</td>
<td></td>
<td>717,869</td>
<td>664,135</td>
<td></td>
</tr>
<tr>
<td>National teams an international</td>
<td>604,248</td>
<td></td>
<td>604,248</td>
<td>238,745</td>
<td></td>
</tr>
<tr>
<td>Member services and community development</td>
<td>473,965</td>
<td></td>
<td>473,965</td>
<td>595,512</td>
<td></td>
</tr>
<tr>
<td>Online technology</td>
<td>143,381</td>
<td></td>
<td>143,381</td>
<td>93,655</td>
<td></td>
</tr>
<tr>
<td>Education</td>
<td>111,877</td>
<td></td>
<td>111,877</td>
<td>93,655</td>
<td></td>
</tr>
<tr>
<td>Event standards/Spirit of the Game/ rules/disc standards</td>
<td>59,634</td>
<td>59,634</td>
<td>49,871</td>
<td></td>
<td></td>
</tr>
<tr>
<td>USA Ultimate grants</td>
<td>29,869</td>
<td></td>
<td>29,869</td>
<td>2,927,028</td>
<td></td>
</tr>
<tr>
<td>Total program services</td>
<td>3,669,037</td>
<td>29,869</td>
<td>(29,869)</td>
<td>3,669,037</td>
<td></td>
</tr>
</tbody>
</table>
Supporting services:

<table>
<thead>
<tr>
<th>Category</th>
<th>2023</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity, diversity and inclusion</td>
<td>160,030</td>
<td>160,030</td>
<td>206,683</td>
</tr>
<tr>
<td>General and administrative</td>
<td>141,559</td>
<td>143,094</td>
<td>136,420</td>
</tr>
<tr>
<td>Safe Sport/judicial</td>
<td>131,273</td>
<td>131,273</td>
<td>92,535</td>
</tr>
<tr>
<td>Board of Directors</td>
<td>81,680</td>
<td>81,680</td>
<td>74,649</td>
</tr>
<tr>
<td>Fundraising</td>
<td>21,654</td>
<td>5,291</td>
<td>26,945</td>
</tr>
<tr>
<td></td>
<td>536,196</td>
<td>6,826</td>
<td>543,022</td>
</tr>
<tr>
<td></td>
<td>4,205,233</td>
<td>36,695</td>
<td>(29,869)</td>
</tr>
</tbody>
</table>

CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS

<table>
<thead>
<tr>
<th>Category</th>
<th>2023</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>DONOR RESTRICTED SUPPORT and REVENUE</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Play It Forward</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Girls Ultimate</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Delrico Johnson Fund</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other awards</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(29,869)</td>
<td>(29,869)</td>
<td>(29,869)</td>
</tr>
<tr>
<td></td>
<td>11,164</td>
<td>11,164</td>
<td>42,180</td>
</tr>
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</table>

CHANGE IN NET ASSETS WITH DONOR RESTRICTION

<table>
<thead>
<tr>
<th>Category</th>
<th>2023</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>CHANGE IN NET ASSETS</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NET ASSETS, beginning of year</td>
<td>3,013,252</td>
<td>201,713</td>
<td>3,214,965</td>
</tr>
<tr>
<td>NET ASSETS, end of year</td>
<td>$ 3,049,784</td>
<td>$ 218,626</td>
<td>$ 3,268,410</td>
</tr>
<tr>
<td></td>
<td>$ 3,049,784</td>
<td>$ 218,626</td>
<td>$ 3,268,410</td>
</tr>
<tr>
<td></td>
<td>$ 3,268,410</td>
<td>$ 3,214,965</td>
<td>$ 3,268,410</td>
</tr>
</tbody>
</table>
## ULTIMATE PLAYERS ASSOCIATION
d/b/a USA ULTIMATE
USA ULTIMATE FOUNDATION

Consolidated Statements of Functional Expenses
For the Year Ended December 31, 2022
(With Consolidated Comparative Totals for 2021)

<table>
<thead>
<tr>
<th>TOT</th>
<th>Youth</th>
<th>College</th>
<th>Masters</th>
<th>Beach</th>
<th>Marketing &amp; National Teams &amp; Community</th>
<th>Online</th>
<th>Member Services</th>
<th>Total Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Events &amp; Programs</td>
<td>Events &amp; Programs</td>
<td>Events &amp; Programs</td>
<td>Events &amp; Programs</td>
<td>Events &amp; Programs</td>
<td>Communications</td>
<td>International</td>
<td>Technology</td>
<td>Education</td>
</tr>
<tr>
<td>Accounting &amp; legal services</td>
<td>$1,731</td>
<td>$2,079</td>
<td>$2,188</td>
<td>$924</td>
<td>$756</td>
<td>$3,408</td>
<td>$2,629</td>
<td>$2,742</td>
</tr>
<tr>
<td>Awards &amp; gifts</td>
<td>35,941</td>
<td>18,262</td>
<td>9,745</td>
<td>10,822</td>
<td>5,609</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bank fees</td>
<td>4,352</td>
<td>4,618</td>
<td>4,368</td>
<td>4,321</td>
<td>4,315</td>
<td>127</td>
<td>5,357</td>
<td>58,654</td>
</tr>
<tr>
<td>Communication expense</td>
<td>908</td>
<td>972</td>
<td>992</td>
<td>760</td>
<td>729</td>
<td>9,891</td>
<td>483</td>
<td>504</td>
</tr>
<tr>
<td>Community development</td>
<td>204</td>
<td>235</td>
<td>244</td>
<td>133</td>
<td>118</td>
<td>301</td>
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<td>9,472</td>
<td>4,001</td>
<td>3,272</td>
<td>14,757</td>
<td>11,383</td>
<td>11,873</td>
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<tr>
<td>Marketing</td>
<td>7,496</td>
<td>9,005</td>
<td>9,472</td>
<td>4,001</td>
<td>3,272</td>
<td>14,757</td>
<td>11,383</td>
<td>11,873</td>
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<td>9,472</td>
<td>4,001</td>
<td>3,272</td>
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<td>387,523</td>
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<td>122,736</td>
<td>717,869</td>
<td>604,248</td>
<td>520,884</td>
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<td>$404,137</td>
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<td>$186,111</td>
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<td>$717,869</td>
<td>$604,248</td>
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For the Year Ended December 31, 2021
(With Consolidated Comparative Totals for 2021)
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<th>Total Program</th>
<th>Equity, Diversity &amp; Inclusion</th>
<th>General &amp; Administrative</th>
<th>Safe Sport/ Judicial</th>
<th>Board of Directors</th>
<th>Fundraising</th>
<th>Total Supporting Services</th>
<th>Consolidated Totals 2022</th>
<th>Consolidated Totals 2021</th>
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<td>2,208</td>
<td>18,181</td>
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<td>697</td>
<td>970</td>
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<td>273</td>
<td>154</td>
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<td>2,208</td>
<td>18,181</td>
<td>47,060</td>
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<td>2,208</td>
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See Notes to Consolidating Financial Statements
ULTIMATE PLAYERS ASSOCIATION  
d/b/a USA ULTIMATE  
USA ULTIMATE FOUNDATION  
Consolidating Statements of Cash Flows  
For the Year Ended December 31, 2022  
(With Consolidated Comparative Totals for 2021)  

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<th>USA Ultimate</th>
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<td>15,335</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>(216,282)</td>
<td></td>
<td>(216,282)</td>
<td>519,871</td>
<td></td>
</tr>
<tr>
<td>Total adjustments</td>
<td>403,627</td>
<td>16,031</td>
<td>419,658</td>
<td>595,165</td>
<td></td>
</tr>
<tr>
<td>Net cash provided by</td>
<td>440,159</td>
<td>32,944</td>
<td>473,103</td>
<td>1,159,764</td>
<td></td>
</tr>
<tr>
<td>operating activities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Certificate of deposit, net</td>
<td>(3,340)</td>
<td></td>
<td>(1,694)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long-term investments, net</td>
<td>(14,199)</td>
<td></td>
<td>(17,573)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acquisition of property and equipment</td>
<td>(229,803)</td>
<td></td>
<td>(229,803)</td>
<td>(32,731)</td>
<td></td>
</tr>
<tr>
<td>Net cash used by investing activities</td>
<td>(247,342)</td>
<td></td>
<td>(51,998)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>NET INCREASE IN CASH</td>
<td>192,817</td>
<td>32,944</td>
<td>225,761</td>
<td>1,107,766</td>
<td></td>
</tr>
<tr>
<td>CASH AND CASH EQUIVALENTS,</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>beginning of year</td>
<td>2,638,425</td>
<td>186,030</td>
<td>2,824,455</td>
<td>1,716,689</td>
<td></td>
</tr>
<tr>
<td>CASH AND CASH EQUIVALENTS,</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>end of year</td>
<td>$ 2,831,242</td>
<td>$ 218,974</td>
<td>$ 3,050,216</td>
<td>$ 2,824,455</td>
<td></td>
</tr>
</tbody>
</table>

See Notes to Consolidating Financial Statements
A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

USA Ultimate (the Corporation) is the national governing body for the sport of Ultimate and is a member of the World Flying Disc Federation. The Corporation is responsible for the promotion and development of the sport of Ultimate in the United States.

The USA Ultimate Foundation (the Foundation) was incorporated in 2014. The purpose of the Foundation is to raise funds and acquire assets that will enable the Corporation to support and grow the sport of Ultimate in the United States.

Collectively the Corporation and the Foundation are the Organizations.

New Accounting Standards

Leases

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-02, Leases (Topic 842), which supersedes existing guidance for accounting for leases under Topic 840, Leases. The FASB also subsequently issued additional ASUs which amend and clarify Topic 842. The most significant change in the new leasing guidance is the requirement to recognize right-of-use (ROU) assets and lease liabilities for operating leases on the statement of financial position.

The Corporation adopted FASB Topic 842, Leases, using the modified retrospective approach and utilized all of the available practical expedients with January 1, 2022, as the date of initial adoption.

The adoption had a material impact on the Organizations' consolidated statements of financial position but did not have a material impact on the consolidated statements of activities. The most significant impact was the recognition of ROU assets and lease liabilities for operating leases. Adoption of the standard required the Organizations to restate amounts at January 1, 2021. The following table presents the
Notes to Consolidating Financial Statements

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

New Accounting Standards - continued

Leases - continued

line items from the accompanying consolidated financial statements for December 31, 2021, that were affected through applying the new guidance:

<table>
<thead>
<tr>
<th></th>
<th>Amounts Reported Prior to Adoption</th>
<th>Effects of Applying the New Guidance</th>
<th>Reported within the Accompanying Statements</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Consolidated Statements of Financial Position</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assets: Right-of-use assets</td>
<td>$</td>
<td>$ 256,888</td>
<td>$ 256,888</td>
</tr>
<tr>
<td>Liabilities:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accrued expenses</td>
<td>105,369</td>
<td>(23,920)</td>
<td>81,449</td>
</tr>
<tr>
<td>Current portion operating lease liabilities</td>
<td>51,158</td>
<td>51,158</td>
<td></td>
</tr>
<tr>
<td>Long-term operating lease liabilities</td>
<td>229,650</td>
<td>229,650</td>
<td></td>
</tr>
</tbody>
</table>

**Consolidated Statements of Cash Flows**

Decrease (increase) in operating assets:
- Right of use asset: $                                   | $ (256,888) | $ (256,888)

Increase (decrease) in operating liabilities:
- Accrued and lease liabilities: 63,351 | 256,888 | 320,239

**Donated Assets, Property and Equipment, and Services**

In September 2020, FASB issued ASU 2020-7, Not-For-Profit Entities (Topic 958): Presentation and Disclosures by Not-For-Profit Entities for Contributed Nonfinancial Assets.

The most significant change is disclosure of Corporation details related to contributed goods and services. The Corporation adopted this ASU as of January 1, 2022.

The Corporation's policy related to donated assets is to utilize the assets given to carry out the mission of the Corporation. If an asset is provided that does not allow the Corporation to utilize it in its normal course of business, the asset will be sold at its fair market value as determined by appraisal or specialist depending on the type of asset.

Donated services are recognized as contributions if the services: (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organizations.
A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

New Accounting Standards - continued

Donated Assets, Property and Equipment, and Services - continued

A substantial number of volunteers donated time to the Corporation's program services; however, the estimated value was not recorded because they did not meet the criteria for recognition described above.

Basis of Presentation

The financial statements of the Corporation are being presented on a consolidated basis with the Foundation in order to conform to the requirements of FASB ASC Topic 958. This Topic requires consolidation when one nonprofit has a controlling financial interest in another nonprofit entity through sole-corporate membership.

Transactions between the two entities are shown as eliminating entries and removed to properly reflect consolidated totals. Neither the total net assets nor the change in net assets of the Foundation are presented in the Corporation columns of the consolidating financial statements.

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 that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organizations.

- Net assets with donor restrictions: net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature, such as those that will be met by the passage of time or other purposes specified by the donor. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.
Notes to Consolidating Financial Statements

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Basis of Presentation - continued

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

Income Taxes

The Organizations qualify as tax-exempt organizations under Section 501(c)(3) of the Internal Revenue Code and are not subject to federal income tax. Accordingly, no income tax provision has been recorded. However, income from certain activities not directly related to the Organizations' tax-exempt purposes are subject to taxation as unrelated business income.

The Organizations' Forms 990, Return of Organization Exempt from Income Tax, are subject to examination by various taxing authorities, generally for three years after the date they were filed. Management of the Organizations believes that they do not have any uncertain tax positions that are material to the financial statements.

Cash and Cash Equivalents

Cash and cash equivalents consist of amounts in the Organizations' checking and money market accounts. The Organizations maintain their cash and cash equivalents at commercial banks. In the event of a bank failure, the Organizations might only be able to recover the amounts insured.

Revenue from Contracts with Customers

Membership Dues - Revenue from contracts with members for annual dues is reported at the amount that reflects the consideration to which the Corporation expects to be entitled in exchange for providing membership to its members. Membership dues consist of annual, two-year, three-year, five-year, and lifetime registrations. Revenue is recognized as performance obligations are satisfied, which is ratably over the membership term, or 15 years for lifetime memberships. Membership dues are nonrefundable.
A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Revenue from Contracts with Customers - continued

Fees and Sales - The Corporation receives revenue from fees and sales related to programs, services, and merchandise for the sport. These activities include competitions, athlete programs, national teams, sport development, sanctioning, education, merchandise sales, and other similar activities. Revenue is recognized at the time the performance obligations are met, which is when services are provided, or goods are provided or delivered to the customer.

Sponsorship and Licensing - The Corporation recognizes revenue from contracts with both sponsors and suppliers of the Corporation. Performance obligations in such contracts are satisfied as services are rendered, and therefore, the Corporation will recognize revenue over time. The Corporation has concluded that the performance obligations within these contracts are substantially the same in each year and are satisfied ratably over the term of the agreement.

Accounts Receivable

Accounts receivable are stated at the amount the Organizations expect to collect from balances outstanding at year-end. Based on management's assessment of the credit history with customers having outstanding balances and current relationships with them, it has concluded that an allowance for doubtful accounts at December 31, 2022 and 2021 of $1,000, is necessary. Accounts receivable outstanding for more than 60 days are considered delinquent. Delinquent receivables are determined to be uncollectible on a case-by-case basis and are written off to bad debt expense at such point of determination. Accounts receivable from contracts with customers were $93,806 and $31,892 at the beginning and end of the year, respectively.

Inventory

Inventory is stated at the lower of cost (first-in, first-out method) or net realizable value and consists of discs, kits, rulebooks, cones, clipboards, DVDs, manuals, guides, and clothing.
Notes to Consolidating Financial Statements

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Furniture and Equipment

Furniture and equipment are recorded at cost or, in the case of donated property, at their estimated fair value at date of receipt. All acquisitions of furniture and equipment in excess of $750 are capitalized.

Depreciation and amortization are recorded using the straight-line method over estimated useful lives of three to seven years. Depreciation and amortization expense for the years ended December 31, 2022 and 2021, was $62,502 and $78,051, respectively.

Supplemental Cash Flow Disclosures

The Organizations paid no interest or income taxes during the years ended December 31, 2022 and 2021.

Deferred Revenue

Deferred revenue, a liability from contracts with customers, consists primarily of multi-year memberships but also includes amounts related to fees and sponsorships. Deferred revenue was $1,360,581 and $1,144,299 at the beginning and end of the year, respectively.

Functional Allocation of Expenses

Certain costs and expenses are allocated among the various programs and supporting service expenses based on salary expenses. The expenses are allocated based on internal records and estimates made by the Organizations' management. Personnel expenses are allocated on the basis of estimates of time and effort spent by personnel in the various program and supporting services made by the Organizations' management. For the years ended December 31, 2022 and 2021, the Corporation's supporting service expenses amounted to 12.64% and 13.22%, respectively, of total support and revenue.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities, and the reported amounts of revenues and expenses. Actual results could differ from those estimates.
Notes to Consolidating Financial Statements

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Prior Year Comparisons

The financial statements include certain prior year summarized comparative information in total but not sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organizations' financial statements for the year ended December 31, 2021, from which the summarized information was derived.

Advertising

The Organizations expense costs of advertising and promotion as such costs are incurred.

Date of Management's Review

In preparing the financial statements, the Organizations have evaluated events and transactions for potential recognition or disclosure through July 14, 2023, the date that the financial statements were available to be issued.

B. AVAILABLE RESOURCES AND LIQUIDITY

The Organizations maintain liquid financial assets sufficient to cover 180 days of operating expenditures. Financial assets in excess of immediate cash requirements are invested in certificates of deposit, money market funds, savings accounts, and other short-term investments.

The following table reflects the Organizations' financial assets as of December 31, 2022 and 2021, reduced by amounts that are not available to meet operating expenditures within one year of the statement of financial position date because of internal board designations or donor restrictions. Amounts not available include the operating reserve, set by the Board of Directors at 30% of annual budgeted expenses and other amounts for strategic surplus.

In the event the need arises to utilize the board-designated funds for liquidity purposes, the reserves could be drawn upon; however, Management has no intent to do so.
Notes to Consolidating Financial Statements

B. AVAILABLE RESOURCES AND LIQUIDITY - Continued

Financial assets at year-end:

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$3,050,216</td>
<td>$2,824,455</td>
</tr>
<tr>
<td>Certificates of deposit</td>
<td>510,263</td>
<td>506,923</td>
</tr>
<tr>
<td>Accounts receivable, net</td>
<td>31,892</td>
<td>463,491</td>
</tr>
<tr>
<td>Long-term investments</td>
<td>1,318,223</td>
<td>1,522,397</td>
</tr>
<tr>
<td>Total financial assets</td>
<td>4,910,594</td>
<td>5,317,266</td>
</tr>
</tbody>
</table>

Less amounts not available to be used within one year:

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board - designated reserves and strategic surplus</td>
<td>1,762,832</td>
<td>1,374,899</td>
</tr>
<tr>
<td>Donor restrictions</td>
<td>154,953</td>
<td>143,789</td>
</tr>
</tbody>
</table>

Financial assets not available to be used within one year: 1,917,785 $ 1,518,688

Financial assets available within one year: $2,992,809 $3,798,578

C. FAIR VALUE MEASUREMENTS

The Organizations apply Generally Accepted Accounting Principles (GAAP) for fair value measurements of financial assets that are recognized or disclosed at fair value in the financial statements on a recurring basis. GAAP establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements).

The three levels of fair value hierarchy are as follows:

Level 1 Quoted prices in active markets for identical assets or liabilities, accessible to the Corporation and Foundation 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.

Level 3 Unobservable inputs that are not corroborated by market data.
Notes to Consolidating Financial Statements

C. FAIR VALUE MEASUREMENTS - Continued

The level in the fair value hierarchy within which a fair measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety. The following tables present assets that are measured at fair value on a recurring basis at December 31, 2022 and 2021:

<table>
<thead>
<tr>
<th>Assets at Fair Value as of December 31, 2022</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Certificates of deposit</td>
<td>$</td>
<td>$ 510,263</td>
<td>$</td>
<td>$ 510,263</td>
</tr>
<tr>
<td>USOE pooled fund</td>
<td></td>
<td>1,318,223</td>
<td></td>
<td>1,318,223</td>
</tr>
<tr>
<td>Total</td>
<td>$</td>
<td>$ 1,828,486</td>
<td>$</td>
<td>$ 1,828,486</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Assets at Fair Value as of December 31, 2021</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Certificates of deposit</td>
<td>$</td>
<td>$ 506,923</td>
<td>$</td>
<td>$ 506,923</td>
</tr>
<tr>
<td>USOE pooled fund</td>
<td></td>
<td>1,522,397</td>
<td></td>
<td>1,522,397</td>
</tr>
<tr>
<td>Total</td>
<td>$</td>
<td>$ 2,029,320</td>
<td>$</td>
<td>$ 2,029,320</td>
</tr>
</tbody>
</table>

The Corporation has placed a portion of its investments in a pooled investment fund sponsored and managed by the United States Olympic Endowment (USOE). The USOE invests on behalf of the United States Olympic & Paralympic Committee (USOPC) and various national sports organizations recognized by the USOPC.

As of December 31, 2022, the USOE portfolio was invested in the following types of securities:

Alternative investments  34.47%
Domestic equities  24.90%
Domestic bonds  19.72%
International equities  13.40%
Cash and cash equivalents  7.51%

100.00%

The alternative investments include hedge equity funds, private equity funds, real estate funds, and limited partnerships.
C. FAIR VALUE MEASUREMENTS - Continued

Some investments are exposed to various risks that may cause their reported fair values to fluctuate from period to period and could materially affect the recorded amount of investments in the Organizations' financial statements. Investments in equity securities fluctuate in value in response to many factors, such as the activities and financial condition of individual companies, general business and industry market conditions, and the state or perceived direction of the economy. The values of debt securities fluctuate in response to changing interest rates, credit worthiness of issuers, and overall economic policies that impact market conditions. The values of certain investments, such as hedge funds, can fluctuate in response to direct market conditions and other factors that may or may not have a high correlation to overall market direction.

Though the market values of investments are subject to fluctuation, management believes that the investment policy is prudent for the long-term welfare of the Organizations.

Investment income consists of the following at December 31, 2022 and 2021:

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest and dividends</td>
<td>$14,230</td>
<td>$17,626</td>
</tr>
<tr>
<td>Realized gains</td>
<td>25,090</td>
<td>154,366</td>
</tr>
<tr>
<td>Unrealized gains</td>
<td>(243,463)</td>
<td>108,879</td>
</tr>
<tr>
<td></td>
<td>$204,143</td>
<td>$280,871</td>
</tr>
</tbody>
</table>

D. BOARD DESIGNATED NET ASSETS

At December 31, 2022 and 2021, the Corporation had designated net assets without donor restrictions in the amount of $1,762,832 and $1,374,899, respectively, for the following purposes:

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating reserve</td>
<td>$1,302,000</td>
<td>$1,140,732</td>
</tr>
<tr>
<td>Strategic surplus</td>
<td>460,832</td>
<td>234,167</td>
</tr>
<tr>
<td></td>
<td>$1,762,832</td>
<td>$1,374,899</td>
</tr>
</tbody>
</table>
E. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following at December 31, 2022 and 2021:

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Play It Forward</td>
<td>$62,319</td>
<td>$58,212</td>
</tr>
<tr>
<td>Girls Ultimate</td>
<td>50,380</td>
<td>47,210</td>
</tr>
<tr>
<td>Rico's fund</td>
<td>26,756</td>
<td>22,352</td>
</tr>
<tr>
<td>Pufahl/Faricker Spirit Awards</td>
<td>9,953</td>
<td>10,073</td>
</tr>
<tr>
<td>Bakko Spirit Award</td>
<td>5,545</td>
<td>5,942</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$154,953</strong></td>
<td><strong>$143,789</strong></td>
</tr>
</tbody>
</table>

Net assets are released from donor restriction by incurring expenses that satisfy the restricted purpose. During the years ended December 31, 2022 and 2021, net assets were released from restrictions as follows:

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Play It Forward</td>
<td>$12,503</td>
<td>$3,677</td>
</tr>
<tr>
<td>Girls Ultimate</td>
<td>9,221</td>
<td>4,047</td>
</tr>
<tr>
<td>Rico's fund</td>
<td>7,629</td>
<td>5,279</td>
</tr>
<tr>
<td>Bakko Spirit Award</td>
<td>397</td>
<td>5</td>
</tr>
<tr>
<td>Pufahl/Faricker Spirit Awards</td>
<td>119</td>
<td>746</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$29,869</strong></td>
<td><strong>$13,754</strong></td>
</tr>
</tbody>
</table>

F. RETIREMENT PLAN

The Corporation has a SIMPLE retirement plan for its employees. Employees are eligible to make contributions to the plan if they expect to receive at least $5,000 in compensation during the year.

The Corporation matches 100% of the voluntary contributions of its employees up to 3% of the employee's compensation for the calendar year. Employer contribution expense for the years ended December 31, 2022 and 2021 amounted to $34,613 and $35,765, respectively.

G. LEASES

The Corporation assesses whether an arrangement qualifies as a lease at inception and only reassess its determination if the terms and conditions of the arrangement are changed. As the Corporation's leases do not provide an implicit rate, the Corporation uses the risk-free discount rate based on the five-year Treasury bond rate as of the later of the date of
G. LEASES - Continued

adoption of the lease standard or the initial date of lease term in determining the present value of lease payments in determination of the respective right-of-use (ROU) assets and liabilities.

Under 2016-02, the Corporation has made an accounting policy election to apply the short-term lease recognition exemption for all applicable classes of underlying assets. Leases with a term of 12 months or less that do not include an option to purchase the underlying asset, are not recorded on the balance sheet as ROU assets or lease liabilities. The Corporation has selected to expense the cost of the short-term leases on the straight-line basis in the accompanying Statement of Activities.

The Corporation entered into an operating lease for office and storage space in Colorado Springs, Colorado in January 2015. This lease requires monthly payments at an initial base rent of $3,497 starting January 1, 2016 and expired on December 31, 2020. The Corporation entered into a new lease for office space in January 2021. This lease requires monthly payments beginning June 2021, at an initial base rent of $4,968 which increases annually and expires on May 31, 2026.

In August 2022, the lease was amended to include additional office space. Beginning September 2022, this amended lease requires monthly payments of $213, and this amount will increase annually until May 31, 2026, when the lease expires.

The following summarizes the line items in the statement of activities which include the components of lease expense for the years ended December 31, 2022, and 2021:

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating lease rent, included in:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program service expenses</td>
<td>$45,881</td>
<td>$42,621</td>
</tr>
<tr>
<td>Supporting services expenses</td>
<td>13,708</td>
<td>16,072</td>
</tr>
<tr>
<td>Variable payments, included in:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program service expenses</td>
<td>28,484</td>
<td>23,086</td>
</tr>
<tr>
<td>Supporting services expenses</td>
<td>8,511</td>
<td>8,706</td>
</tr>
<tr>
<td>Short-term lease rent, included in</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program service expenses</td>
<td>5,702</td>
<td>5,335</td>
</tr>
<tr>
<td>Total lease cost</td>
<td>$102,286</td>
<td>$95,820</td>
</tr>
</tbody>
</table>
Notes to Consolidating Financial Statements

G. LEASES - Continued

The following summarizes lease term and discount rate for operating leases as of December 31, 2022 and 2021:

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Leases:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Weighted Average Remaining Lease Term</td>
<td>4.39 years</td>
<td>5.0 years</td>
</tr>
<tr>
<td>Weighted Average Discount Rate</td>
<td>0.47%</td>
<td>0.36%</td>
</tr>
</tbody>
</table>

Maturities of operating leases as of the years ended December 31, 2022 and 2021:

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>2022</td>
<td>$</td>
<td>$ 60,769</td>
</tr>
<tr>
<td>2023</td>
<td>65,362</td>
<td>62,756</td>
</tr>
<tr>
<td>2024</td>
<td>67,431</td>
<td>64,743</td>
</tr>
<tr>
<td>2025</td>
<td>69,501</td>
<td>66,730</td>
</tr>
<tr>
<td>2026</td>
<td>29,318</td>
<td>28,149</td>
</tr>
<tr>
<td>Total lease payments</td>
<td>231,612</td>
<td>283,147</td>
</tr>
<tr>
<td>Less: interest</td>
<td>(1,987)</td>
<td>(2,339)</td>
</tr>
</tbody>
</table>

Present value of lease liabilities $229,625 $280,808

Supplemental cash flow information for the years ended December 31, 2022 and 2021:

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating cash flows:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash paid for amounts included in measurement</td>
<td>$ 61,622</td>
<td>$ 34,773</td>
</tr>
<tr>
<td>of lease liabilities for operating leases</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Right-of-use assets obtained in exchange for new operating lease liabilities</td>
<td>$ 9,474</td>
<td>$ 314,580</td>
</tr>
</tbody>
</table>
H. DONATED GOODS AND SERVICES

The fair value of donated goods and services included as contributions in the financial statements and the corresponding expense categories for the years ended December 31, 2022 and 2021, are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discs</td>
<td>$105,646</td>
<td>$92,809</td>
</tr>
<tr>
<td>Uniforms</td>
<td>53,934</td>
<td></td>
</tr>
<tr>
<td>Total in-kind goods</td>
<td>$159,580</td>
<td>$92,809</td>
</tr>
</tbody>
</table>

I. UNCERTAINTIES

The outbreak of a novel strain of corona virus (COVID-19 outbreak) has been recognized as a pandemic by the World Health Organization and has become increasingly widespread in the United States. The COVID-19 outbreak has had a notable impact on general economic conditions, including but not limited to the decline in global financial markets, temporary closures of many businesses, suspension or cancelation of sporting events, "shelter in place" and other governmental regulations, and job losses. The extent to which the COVID-19 outbreak will continue to affect the operations, collections or financial results of the Organizations is uncertain.

With the rising cost of inflation and potential recession, it is uncertain what effect these factors may have on operations of the Organizations in the coming year.