



**Pacific Swimming**  
(a non-profit corporation)

Financial Statements  
and  
Independent Auditors' Report

For the Periods Ended  
August 31, 2014 and December 31, 2013

# Pacific Swimming

For the Periods Ended August 31, 2014 and December 31, 2013

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## Independent Auditors' Report

Board of Directors  
Pacific Swimming  
Concord, California

We have audited the accompanying financial statements of Pacific Swimming (a non-profit organization), which comprise the statements of financial position as of August 31, 2014 and December 31, 2013, and the related statements of activities and changes in net assets, and cash flows for the periods then ended, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

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

### **Auditors' Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 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 financial statements referred to above present fairly, in all material respects, the financial position of Pacific Swimming as of August 31, 2014 and December 31, 2013, and the changes in its net assets, and its cash flows for the periods then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Matters**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information contained in Schedules I and II is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

[Date Open]

**Pacific Swimming**  
**Statements of Financial Position**  
**As of August 31, 2014 and December 31, 2013**

	<u>2014</u>	<u>2013</u>
<b>ASSETS</b>		
Current Assets:		
Cash and cash equivalents	\$ 444,496	\$ 781,882
Accounts receivable	13,670	58,554
Prepaid expenses	14,894	18,173
Inventory	10,210	19,793
Investments	<u>2,334,732</u>	<u>2,153,487</u>
Total Current Assets	<u>2,818,002</u>	<u>3,031,889</u>
Fixed Assets:		
Property and equipment, net	<u>7,447</u>	<u>8,875</u>
Total Assets	<u><u>\$ 2,825,449</u></u>	<u><u>\$ 3,040,764</u></u>
<b>LIABILITIES AND NET ASSETS</b>		
Current Liabilities:		
Accounts payable	\$ 26,420	\$ 333,976
Accrued expenses	23,681	42,654
Deferred revenue	<u>2,700</u>	<u>18,395</u>
Total Current Liabilities	<u>52,801</u>	<u>395,025</u>
Net Assets:		
Unrestricted	<u>2,772,648</u>	<u>2,645,739</u>
Total Net Assets	<u>2,772,648</u>	<u>2,645,739</u>
Total Liabilities and Net Assets	<u><u>\$ 2,825,449</u></u>	<u><u>\$ 3,040,764</u></u>

See accompanying notes to the financial statements.

**Pacific Swimming**  
**Statements of Activities and Changes in Net Assets**  
**For the Periods Ended August 31, 2014 and December 31, 2013**

	<u>2014</u>	<u>2013</u>
Support and Revenue:		
Member Dues	\$ 100,790	\$ 333,085
Meet Revenue	356,977	467,542
Age Group Revenue	108,235	66,790
Camps and Other Programs	8,910	7,490
Marketing Revenue	200	-
Miscellaneous Revenue	<u>16,549</u>	<u>33,804</u>
Total Support and Revenue	<u>591,661</u>	<u>908,711</u>
Expenses:		
Program	589,095	698,287
Management and General	<u>115,103</u>	<u>186,359</u>
Total Expenses	<u>704,198</u>	<u>884,646</u>
Other Revenue/Expenses		
Interest	834	1,515
Dividends	45,929	65,911
Unrealized Capital Gains	117,413	181,456
Realized Capital Gains	<u>75,270</u>	<u>35,844</u>
Total Other Revenue/Expenses	<u>239,446</u>	<u>284,726</u>
Changes in Net Assets	126,909	308,791
Net Assets at Beginning of Year	<u>2,645,739</u>	<u>2,336,948</u>
Net Assets at End of Year	<u><u>\$ 2,772,648</u></u>	<u><u>\$ 2,645,739</u></u>

See accompanying notes to the financial statements.

**Pacific Swimming**  
 Statements of Functional Expenses  
 For the Periods Ended August 31, 2014 and December 31, 2013

Expenses	2014			2013		
	<u>Program Expenses</u>	<u>Management &amp; General</u>	<u>Total</u>	<u>Program Expenses</u>	<u>Management &amp; General</u>	<u>Total</u>
Age Group	\$ 257,458	\$ -	\$ 257,458	\$ 190,073	\$ -	\$ 190,073
National Program	100,243	-	100,243	157,054	-	157,054
Payroll	48,345	28,775	77,120	72,069	43,457	115,526
Meet Expenses	51,642	-	51,642	50,092	-	50,092
Office Expenses	-	14,858	14,858	-	27,887	27,887
Treasurer	-	30,405	30,405	-	39,675	39,675
Camp Expenses	25,667	-	25,667	22,510	-	22,510
Grant Awards	25,000	-	25,000	52,500	-	52,500
Diversity	18,062	-	18,062	35,942	-	35,942
Investment Expenses	-	16,578	16,578	-	20,305	20,305
Volunteer Expenses	16,231	-	16,231	18,379	21,576	39,955
Website Upgrades	-	13,294	13,294	-	26,790	26,790
Officials Expenses	28,002	-	28,002	50,918	-	50,918
Equipment	11,539	-	11,539	11,948	-	11,948
Miscellaneous	-	9,190	9,190	-	3,823	3,823
Contract	4,200	-	4,200	4,800	-	4,800
Depreciation Expense	1,428	-	1,428	1,225	-	1,225
Foreign Tax Withholding	-	1,318	1,318	-	1,198	1,198
Chair Expenses	1,196	-	1,196	4,434	-	4,434
Marketing	-	685	685	-	1,648	1,648
Events	82	-	82	26,343	-	26,343
Total Expenses	<u>\$ 589,095</u>	<u>\$ 115,103</u>	<u>\$ 704,198</u>	<u>\$ 698,287</u>	<u>\$ 186,359</u>	<u>\$ 884,646</u>

See accompanying notes to the financial statements.

**Pacific Swimming**  
**Statements of Cash Flows**  
For the Periods Ended August 31, 2014 and December 31, 2013

	<u>2014</u>	<u>2013</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Changes in net assets	\$ 126,909	\$ 308,791
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation expense	\$ 1,428	\$ 1,225
Noncash investment income	(117,413)	(217,300)
(Increase) decrease in accounts receivable	44,884	(58,554)
(Increase) in advances	-	1,998
(Increase) decrease in due from other funds	-	17,840
(Increase) decrease in prepaids	3,279	(35,535)
(Increase) in inventories	9,583	(12,544)
Increase (decrease) in accounts payable	(307,556)	(5,334)
(Decrease) in deferred revenue	(15,695)	12,635
Increase in accrued expenses	(18,973)	17,229
Total Adjustments	<u>(400,463)</u>	<u>(278,340)</u>
Net Cash Provided by (Used in) Operating Activities	<u>(273,554)</u>	<u>30,451</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from the sale of investments	\$ 328,553	\$ 277,541
Purchases of investments	(392,385)	(275,502)
Purchases of equipment	-	(4,588)
Net Cash Provided by (Used in) Investing Activities	<u>(63,832)</u>	<u>(2,549)</u>
NET INCREASE (DECREASE) IN CASH	<u>(337,386)</u>	<u>27,902</u>
CASH AT BEGINNING OF PERIOD	<u>781,882</u>	<u>753,980</u>
CASH AT END OF PERIOD	<u><u>\$ 444,496</u></u>	<u><u>\$ 781,882</u></u>

See accompanying notes to the financial statements.



**Pacific Swimming**  
Notes to Financial Statements  
For the Periods Ended August 31, 2014 and December 31, 2013

**A. NATURE OF ACTIVITIES**

Pacific Swimming, (the Organization), was incorporated in California in 1980. The Organization is the second largest of USA Swimming's 59 regional associations, known as Local Swim Committees (LSC). The Organization is made up of 135 swim clubs and more than 17,200 swimmers. The membership is centered in California's San Francisco Bay Area.

The LSC's territory is broken into five regional zones from the northern California area as well as parts of Nevada. Zone 1-North includes the area of San Mateo County and portions of Santa Clara County from Palo Alto to Sunnyvale and Cupertino. Zone 1-South includes Santa Clara County, from San Jose and Saratoga to the south and eastern parts of the county as well as Santa Cruz, San Benito and Monterey counties. Zone 2 includes Alameda County, Contra Costa County as well as the greater Stockton and Modesto areas. Zone 3 is made up of the city and county of San Francisco as well as Marin, Sonoma, Napa, Mendocino, Lake, Humboldt and Del Norte counties and the cities of Vallejo and Benicia. Zone 4 includes the area of Reno, Carson City and Lake Tahoe as well as the cities of Mammoth Lakes and Bishop.

The annual meet schedule includes more than 130 meets, from interclub dual meets to major regional, national, and international competitions.

**B. SIGNIFICANT ACCOUNTING POLICIES**

Basis of Presentation

The Organization presents its financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP). The financials have been prepared using the accrual basis of accounting which recognizes revenues and support when earned and expenses when incurred.

Change in Fiscal Year

On May 3, 2014, the Board of Directors of the Organization approved a change in the Organization's fiscal year end from December 31 to August 31 of each year. This change to the fiscal year reporting cycle began January 1, 2014. As a result of the change, the Organization will have an 8-month transition period from January 2014 to August 2014.

Change in Accounting Policy

The Organization changed its policy of presenting collection and remittance of USA Swimming membership dues, based on the legal opinion obtained by USA Swimming. Instead of presenting USA Swimming membership dues as revenue and expense, the Organization records collections as a payable and remittance as an elimination of the payable. The only revenue that is recognized for member dues is the amount that the Organization collects in excess of the amount due to USA Swimming. This change is reflected on the financial statement for the periods ending August 31, 2014 and December 31, 2013. There was no effect on net assets.

Cash and Cash Equivalents

The Organization considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

Accounts Receivable

Accounts Receivable consists of revenues billed at year end to be received from local swim clubs. Management believes that all of the accounts receivable will be collected and therefore has not estimated and allowance for doubtful accounts.

**Pacific Swimming**  
Notes to Financial Statements  
For the Periods Ended August 31, 2014 and December 31, 2013

**B. SIGNIFICANT ACCOUNTING POLICIES (continued)**

Accounts Receivable

Accounts Receivable consists of revenues billed at year end to be received from local swim clubs. Management believes that all of the accounts receivable will be collected and therefore has not estimated an allowance for doubtful accounts.

Prepaid Expenses

Expenses that were paid during the current year for events occurring during the next calendar year are recorded as prepaid expenses. These expenses will be recognized as the events occur.

Property and Equipment

Property and Equipment with a total value of \$4,000 or more is recorded at cost if purchased or fair value if contributed and depreciated using the straight-line method over their estimated useful lives as follows:

Furniture and fixtures	7 periods
Computer equipment	5 periods
Software	3 periods

Classes of Net Assets

In accordance with GAAP, where applicable, the financial statements report amounts separately by classes of net assets:

- 1) Unrestricted amounts are those currently available at the discretion of the Board for use in the Organization's programs, and those resources invested in land, buildings and equipment.
- 2) Temporarily restricted amounts are those that are restricted by donors for specific operating purposes or for the acquisition of land, buildings and equipment. If available, temporarily restricted monies are always utilized for a project before designated and general fund monies are expended.
- 3) Permanently restricted net assets are those amounts in which the donor has stipulated that the principal remain intact in perpetuity. Income from the principal is considered unrestricted unless further restricted by the donor.

At August 31, 2014 and December 31, 2013, the Organization did not have any temporarily or permanently restricted net assets.

Accrued Expenses

Liabilities related to payroll expenses, credit card liabilities as well as other current liabilities are reported as accrued expenses.

Deferred Revenue

Deferred revenue consists of prepayments for entry fees and other meet related expenses. All deferred revenue will be recognized as revenue within one year.

**Pacific Swimming**  
Notes to Financial Statements  
For the Periods Ended August 31, 2014 and December 31, 2013

**B. SIGNIFICANT ACCOUNTING POLICIES (continued)**

Revenues and Support

Revenues are recognized when earned. Resources restricted by the donor, grantor, or other outside party for particular purposes are deemed to be earned when the Organization has complied with the specific restrictions.

Contributed Services

Many individuals volunteer their time and perform a variety of tasks that assist the Organization, but these services do not meet the criteria for recognition as contributed services.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Tax Exemption Status

The Organization is exempt from federal and state income taxes under Sections 501(c)(3) of the Internal Revenue Code and 23701d of the California Revenue and Taxation Code, respectively. The Organization is not classified as a private foundation.

**C. CASH AND CASH EQUIVALENTS**

The Federal Deposit Insurance Corporation insures a maximum of \$250,000 in cash deposits per financial institution for all account holders. At August 31, 2014 and December 31, 2013, the total amount of uninsured cash held by the Organization had exceeded the insured limit. It is the opinion of management that the solvency of the financial institutions is not of particular concern at this time.

**D. INVESTMENTS**

GAAP establish a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels; Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of observable inputs other than quoted prices for identical assets, and Level 3 inputs consist of significant other unobservable inputs and have the lowest priority. The Organization uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Organization measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs would only be used when Level 1 or Level 2 inputs are not available.

An investment's classification within level in the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The Organization's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the investment. The categorization of the investment within the hierarchy is based upon the pricing transparency of the investment and does not necessarily correspond to the Organization's perceived risk of that investment.

**Pacific Swimming**  
Notes to Financial Statements  
For the Periods Ended August 31, 2014 and December 31, 2013

**D. INVESTMENTS (continued)**

Assets measured at fair value are summarized as follows at August 31, 2014 and December 31, 2013:

2014				
	Total	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant other unobservable inputs (Level 3)
Cash and sweep balances	\$ 133,111	\$ 133,111	\$ -	\$ -
Stocks and options	1,896,928	1,896,928	-	-
Mutual funds	62,032	62,032	-	-
Preferred stocks	242,661	242,661	-	-
	<u>\$2,334,732</u>	<u>\$ 2,334,732</u>	<u>\$ -</u>	<u>\$ -</u>
2013				
Cash and sweep balances	\$ 62,979	\$ 62,979	\$ -	\$ -
Stocks and options	1,815,032	1,815,032	-	-
Mutual funds	57,671	57,671	-	-
Preferred stocks	217,805	217,805	-	-
	<u>\$2,153,487</u>	<u>\$ 2,153,487</u>	<u>\$ -</u>	<u>\$ -</u>

Return Objectives and Risk Parameters

The Organization has adopted investment and spending policies for investments that attempt to provide a predictable stream of funding to programs while seeking to maintain the purchasing power of the portfolio.

Under this policy, the portfolio assets are invested in a manner that is intended to produce results that exceed the price and yield results of various market benchmarks appropriate to the investment classes utilized while assuming a moderate level of risk. The Organization expects its investment portfolio, over time, to provide an average rate of return of approximately 7% annually. Actual returns in any given year may vary from this amount.

Strategies Employed for Achieving Objectives

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

**Pacific Swimming**  
Notes to Financial Statements  
For the Periods Ended August 31, 2014 and December 31, 2013

**D. INVESTMENTS (continued)**

Spending Policy

The Organization has a policy of appropriating for distribution each year 4% of its unrestricted net assets at the end of the preceding year. In establishing this policy, the Organization considered the long-term expected return on its investments. Accordingly, over the long term, the Organization expects the current spending policy to allow its investment portfolio to grow at an average of 3% annually. This is consistent with the Organization's objective to maintain the purchasing power of the portfolio, as well as to provide real growth through investment return.

**E. PROPERTY AND EQUIPMENT**

A summary of property and equipment, for the periods ended August 31, 2014 and December 31, 2013 is as follows:

	<u>2014</u>	<u>2013</u>
Property and equipment	\$ 28,512	\$ 28,512
Accumulated depreciation	<u>(21,065)</u>	<u>(19,637)</u>
Net property and equipment	<u>\$ 7,447</u>	<u>\$ 8,875</u>

For the periods ended August 31, 2014 and December 31, 2013, depreciation expense was \$1,428 and \$1,225, respectively.

**F. INCOME TAXES**

Per GAAP, an organization must recognize the tax benefit associated with a tax position taken for tax return purposes when it is more likely than not that the position will be sustained. The Organization does not believe there are any material uncertain tax positions and accordingly, they will not recognize any liability for unrecognized tax. No interest or penalties were accrued as of adoption of the standard.

For the periods ended August 31, 2014 and December 31, 2013, there were no interest or penalties recorded or included in the financial statements.

There was no unrelated business income for the periods ended August 31, 2014 and December 31, 2013. Accordingly, no provision for income taxes is made in these financial statements.

The Organization is subject to potential examination by taxing authorities for income tax returns filed in the U.S. federal jurisdiction and the State of California. The tax periods that remain subject to potential examination for the U.S. federal jurisdiction are December 31, 2010 and forward. The State of California tax jurisdiction returns subject to potential examination for tax periods are December 31, 2009 and forward.

**G. RECLASSIFICATION**

Certain financial information for the year ending December 31, 2013 has been reclassified to conform to the presentation for the period ending August 31, 2014. The reclassifications have no impact on the previously reported change in net assets.

**Pacific Swimming**  
Notes to Financial Statements  
For the Periods Ended August 31, 2014 and December 31, 2013

**H. SUBSEQUENT EVENTS**

Subsequent events are events or transactions that occur after the balance sheet date but before financial statements are issued. The Organization recognizes in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the balance sheet, including the estimates inherent in the process of preparing the financial statements. The Organization's financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the balance sheet, but arose after the balance sheet date and before financial statements are available to be issued.

Subsequent events have been evaluated through the date the financial statements were available to be issued and determined that no material subsequent events require an estimate or to be recorded or disclosed as of August 31, 2014.

## Supplemental Schedules

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**Pacific Swimming**  
Schedule I  
Consolidating Statement of Financial Position  
As of August 31, 2014

ASSETS	Local Swim Committee	Zones					Eliminations	Total
		1-North	1-South	2	3	4		
Current Assets:								
Cash and cash equivalents	\$ 282,991	\$ 25,257	\$ 68,852	\$ 9,412	\$ 49,185	\$ 8,799	\$ -	\$ 444,496
Accounts receivable	13,670	-	-	-	-	-	-	13,670
Prepaid expenses	14,894	-	-	-	-	-	-	14,894
Inventory	10,210	-	-	-	-	-	-	10,210
Investments	2,279,603	-	-	55,129	-	-	-	2,334,732
Intercompany	(20,385)	2,835	7,598	8,843	(658)	(469)	2,236	-
Investments in Zones	242,230	-	-	-	-	-	(242,230)	-
Total Current Assets	<u>2,823,213</u>	<u>28,092</u>	<u>76,450</u>	<u>73,384</u>	<u>48,527</u>	<u>8,330</u>	<u>(239,994)</u>	<u>2,818,002</u>
Property and equipment, net	-	-	-	-	7,447	-	-	7,447
Total Assets	<u>\$ 2,823,213</u>	<u>\$ 28,092</u>	<u>\$ 76,450</u>	<u>\$ 73,384</u>	<u>\$ 55,974</u>	<u>\$ 8,330</u>	<u>\$ (239,994)</u>	<u>\$ 2,825,449</u>
LIABILITIES AND NET ASSETS								
Current Liabilities:								
Accounts payable	26,420	-	-	-	-	-	-	26,420
Accrued expenses	23,681	-	-	-	-	-	-	23,681
Deferred revenue	2,700	-	-	-	-	-	-	2,700
Total Current Liabilities	<u>52,801</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>52,801</u>
Net Assets:								
Unrestricted	<u>2,770,412</u>	<u>28,092</u>	<u>76,450</u>	<u>73,384</u>	<u>55,974</u>	<u>8,330</u>	<u>(239,994)</u>	<u>2,772,648</u>
Total Net Assets	<u>2,770,412</u>	<u>28,092</u>	<u>76,450</u>	<u>73,384</u>	<u>55,974</u>	<u>8,330</u>	<u>(239,994)</u>	<u>2,772,648</u>
Total Liabilities and Net Assets	<u>\$ 2,823,213</u>	<u>\$ 28,092</u>	<u>\$ 76,450</u>	<u>\$ 73,384</u>	<u>\$ 55,974</u>	<u>\$ 8,330</u>	<u>\$ (239,994)</u>	<u>\$ 2,825,449</u>

See accompanying notes to the financial statements.



**Pacific Swimming**  
Schedule I  
Consolidating Statement of Financial Position  
As of December 31, 2013

ASSETS	Local Swim Committee	Zones					Eliminations	Total
		1-North	1-South	2	3	4		
Current Assets:								
Cash and cash equivalents	\$ 634,706	\$ 21,029	\$ 64,846	\$ 6,872	\$ 46,478	\$ 7,951	\$ -	\$ 781,882
Accounts receivable	58,554	-	-	-	-	-	-	58,554
Prepaid expenses	18,173	-	-	-	-	-	-	18,173
Inventory	19,793	-	-	-	-	-	-	19,793
Investments	2,102,637	-	-	50,850	-	-	-	2,153,487
Intercompany	(14,744)	2,903	7,598	8,843	(4,730)	130	-	-
Investment in Zones	221,645	-	-	-	-	-	(221,645)	-
Total Current Assets	3,040,764	23,932	72,444	66,565	41,748	8,081	(221,645)	3,031,889
Property and equipment, net	-	-	-	-	8,875	-	-	8,875
Total Assets	<u>\$ 3,040,764</u>	<u>\$ 23,932</u>	<u>\$ 72,444</u>	<u>\$ 66,565</u>	<u>\$ 50,623</u>	<u>\$ 8,081</u>	<u>\$ (221,645)</u>	<u>\$ 3,040,764</u>
LIABILITIES AND NET ASSETS								
Current Liabilities:								
Accounts payable	\$ 333,976	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 333,976
Accrued expenses	42,654	-	-	-	-	-	-	42,654
Deferred revenue	18,395	-	-	-	-	-	-	18,395
Total Current Liabilities	395,025	-	-	-	-	-	-	395,025
Net Assets:								
Unrestricted	2,645,739	23,932	72,444	66,565	50,623	8,081	(221,645)	2,645,739
Total Net Assets	2,645,739	23,932	72,444	66,565	50,623	8,081	(221,645)	2,645,739
Total Liabilities and Net Assets	<u>\$ 3,040,764</u>	<u>\$ 23,932</u>	<u>\$ 72,444</u>	<u>\$ 66,565</u>	<u>\$ 50,623</u>	<u>\$ 8,081</u>	<u>\$ (221,645)</u>	<u>\$ 3,040,764</u>

See accompanying notes to the financial statements.

**Pacific Swimming**  
Schedule II  
Consolidating Statement of Activities and Changes in Net Assets  
For the Period Ended August 31, 2014

	<b>Local Swim Committee</b>	<b>Zones</b>					<b>Eliminations</b>	<b>Total</b>
		<b>1-North</b>	<b>1-South</b>	<b>2</b>	<b>3</b>	<b>4</b>		
Support and Revenue:								
Member Dues	\$ 100,790	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,790
Meet Revenue	272,202	15,174	25,827	20,592	20,665	2,517	-	356,977
Age Group Revenue	109,795	725	(1,200)	(2,745)	1,475	185	-	108,235
Camps and Other Programs	8,910	-	-	-	-	-	-	8,910
Marketing Revenue	200	-	-	-	-	-	-	200
Miscellaneous Revenue	3,250	115	2,028	8,840	2,216	100	-	16,549
<b>Total Support and Revenue</b>	<b>495,147</b>	<b>16,014</b>	<b>26,655</b>	<b>26,687</b>	<b>24,356</b>	<b>2,802</b>	<b>-</b>	<b>591,661</b>
Expenses								
Age Group	249,048	1,008	4,021	1,083	550	1,748	-	257,458
National Program	100,243	-	-	-	-	-	-	100,243
Payroll	77,120	-	-	-	-	-	-	77,120
Meet Expenses	359	9,914	17,563	12,906	10,900	-	-	51,642
Office Expenses	29,714	50	40	245	514	-	-	30,563
Treasurer	29,532	60	-	-	813	-	-	30,405
Camp Expenses	25,667	-	-	-	-	-	-	25,667
Grant Awards	25,000	-	-	-	-	-	-	25,000
Diversity	18,062	-	-	-	-	-	-	18,062
Investment Expenses	16,578	-	-	-	-	-	-	16,578
Volunteer Expenses	12,869	825	341	2,127	30	39	-	16,231
Website Upgrades	13,294	-	-	-	-	-	-	13,294
Officials Expenses	10,338	-	132	361	700	766	-	12,297
Equipment	-	-	594	7,426	3,519	-	-	11,539
Miscellaneous	9,190	-	-	-	-	-	-	9,190
Contract	4,200	-	-	-	-	-	-	4,200
Depreciation Expense	1,428	-	-	-	-	-	-	1,428
Foreign Tax Withholding	1,318	-	-	-	-	-	-	1,318
Chair Expenses	1,196	-	-	-	-	-	-	1,196
Marketing	685	-	-	-	-	-	-	685
Events	(1,918)	-	-	-	2,000	-	-	82
<b>Total Expenses</b>	<b>623,923</b>	<b>11,857</b>	<b>22,691</b>	<b>24,148</b>	<b>19,026</b>	<b>2,553</b>	<b>-</b>	<b>704,198</b>

See accompanying notes to the financial statements.

**Pacific Swimming**  
Schedule II  
Consolidating Statement of Activities and Changes in Net Assets  
For the Period Ended August 31, 2014

	<b>Local Swim Committee</b>	<b>Zones</b>					<b>Eliminations</b>	<b>Total</b>
		<b>1-North</b>	<b>1-South</b>	<b>2</b>	<b>3</b>	<b>4</b>		
Other Revenue/Expenses								
Interest	768	3	42	-	21	-	-	834
Dividends	45,929	-	-	-	-	-	-	45,929
Unrealized Capital Gains (Losses)	117,413	-	-	-	-	-	-	117,413
Realized Capital Gains (Losses)	70,990	-	-	4,280	-	-	-	75,270
Total Other Revenue/Expenses	<u>235,100</u>	<u>3</u>	<u>42</u>	<u>4,280</u>	<u>21</u>	<u>-</u>	<u>-</u>	<u>239,446</u>
Changes in Net Assets	106,324	4,160	4,006	6,819	5,351	249	-	126,909
Transfer of net assets (to) from zones	18,349	-	-	-	-	-	(18,349)	-
Net Assets at Beginning of Year	<u>2,645,739</u>	<u>23,932</u>	<u>72,444</u>	<u>66,565</u>	<u>50,623</u>	<u>8,081</u>	<u>(221,645)</u>	<u>2,645,739</u>
Net Assets at End of Year	<u>\$ 2,770,412</u>	<u>\$ 28,092</u>	<u>\$ 76,450</u>	<u>\$ 73,384</u>	<u>\$ 55,974</u>	<u>\$ 8,330</u>	<u>\$ (239,994)</u>	<u>\$ 2,772,648</u>

See accompanying notes to the financial statements.

**Pacific Swimming**  
Schedule II  
Consolidating Statement of Activities and Changes in Net Assets  
For the Year Ended December 31, 2013

	<b>Local Swim Committee</b>	<b>Zones</b>					<b>Eliminations</b>	<b>Total</b>
		<b>1-North</b>	<b>1-South</b>	<b>2</b>	<b>3</b>	<b>4</b>		
Support and Revenue:								
Member Dues	\$ 333,085	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 333,085
Meet Revenue	401,030	16,595	14,833	19,987	11,716	3,381	-	467,542
Age Group Revenue	67,660	40	(200)	(440)	-	(270)	-	66,790
Camps and Other Programs	7,490	-	-	-	-	-	-	7,490
Miscellaneous Revenue	14,182	-	6,378	9,761	3,065	418	-	33,804
<b>Total Support and Revenue</b>	<b>1,873,836</b>	<b>16,730</b>	<b>21,011</b>	<b>29,308</b>	<b>19,781</b>	<b>3,639</b>	<b>-</b>	<b>908,711</b>
Expenses								
Age Group	181,965	767	3,659	1,550	1,225	907	-	190,073
National Program	157,054	-	-	-	-	-	-	157,054
Payroll	115,526	-	-	-	-	-	-	115,526
Grant Awards	52,500	-	-	-	-	-	-	52,500
Officials Expenses	46,379	40	989	1,438	1,778	294	-	50,918
Meet Expenses	-	16,221	12,771	11,626	9,474	-	-	50,092
Volunteer Expenses	36,388	1,556	176	1,837	19	(20)	-	39,956
Treasurer	38,603	-	36	27	970	39	-	39,675
Diversity	35,942	-	-	-	-	-	-	35,942
Office Expenses	27,065	19	-	104	699	-	-	27,887
Website Expenses	26,790	-	-	-	-	-	-	26,790
Events	24,084	-	-	-	2,259	-	-	26,343
Camp Expenses	22,510	-	-	-	-	-	-	22,510
Investment Expenses	20,305	-	-	-	-	-	-	20,305
Equipment	-	-	1,670	9,252	1,026	-	-	11,948
Contract	4,800	-	-	-	-	-	-	4,800
Chair Expenses	4,434	-	-	-	-	-	-	4,434
Miscellaneous	3,823	-	-	-	-	-	-	3,823
Marketing	1,647	-	-	-	-	-	-	1,647
Depreciation Expense	-	-	-	-	1,225	-	-	1,225
Foreign Tax Withholding	1,198	-	-	-	-	-	-	1,198
<b>Total Expenses</b>	<b>1,852,527</b>	<b>24,907</b>	<b>17,481</b>	<b>25,834</b>	<b>18,066</b>	<b>1,425</b>	<b>-</b>	<b>884,646</b>

See accompanying notes to the financial statements.

**Pacific Swimming**  
Schedule II  
Consolidating Statement of Activities and Changes in Net Assets  
For the Year Ended December 31, 2013

	<b>Local Swim Committee</b>	<b>Zones</b>					<b>Eliminations</b>	<b>Total</b>
		<b>1-North</b>	<b>1-South</b>	<b>2</b>	<b>3</b>	<b>4</b>		
Other Revenue/Expenses								
Interest	1,386	11	83	-	35	-	-	1,515
Dividends	65,911	-	-	-	-	-	-	65,911
Unrealized Capital Gains (Losses)	181,456	-	-	-	-	-	-	181,456
Realized Capital Gains (Losses)	31,720	-	-	4,124	-	-	-	35,844
Total Other Revenue/Expenses	<u>280,473</u>	<u>11</u>	<u>83</u>	<u>4,124</u>	<u>35</u>	<u>-</u>	<u>-</u>	<u>284,726</u>
Changes in Net Assets	301,782	(8,166)	3,613	7,598	1,750	2,214	-	308,791
Transfer of net assets (to) from zones	28,271	-	-	-	-	-	(28,271)	-
Net Assets at Beginning of Year	<u>2,336,948</u>	<u>25,794</u>	<u>70,711</u>	<u>58,967</u>	<u>54,482</u>	<u>5,997</u>	<u>(215,951)</u>	<u>2,336,948</u>
Net Assets at End of Year	<u>\$ 2,667,001</u>	<u>\$ 17,628</u>	<u>\$ 74,324</u>	<u>\$ 66,565</u>	<u>\$ 56,232</u>	<u>\$ 8,211</u>	<u>\$ (244,222)</u>	<u>\$ 2,645,739</u>

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