



Pacific Swimming
(a non-profit corporation)

Financial Statements
and
Independent Accountants'
Review Report

For the Years Ended
August 31, 2018 and August 31, 2017

Pacific Swimming

For the Years Ended August 31, 2018 and 2017

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Directors
Pacific Swimming
Concord, California

We have reviewed the accompanying financial statements of Pacific Swimming (the Organization), which comprise the statement of financial position as of August 31, 2018, and the related statements of activities and changes in net assets, functional expenses and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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.

Accountants' Responsibility

Our responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountants' Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Supplementary Information

The 2018 supplementary information included in the accompanying Schedules I and II is presented for purposes of additional analysis and is not a required part of the basic 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 supplementary information has been subjected to the review procedures applied in our review of the basic financial statements. We are not aware of any material modifications that should be made to the supplementary information. We have not audited the supplementary information and do not express an opinion on such information.

Report on 2017 Financial Statements and Supplementary Information

The 2017 financial statements were audited by us, and we expressed an unmodified opinion on them in our report dated February 13, 2018. In addition, the 2017 supplementary information contained in Schedules I and II was 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. Our report stated that the information was fairly stated in all material respects in relation to the financial statements as a whole. We have not performed any auditing procedures on either the financial statements or on the supplementary information since February 13, 2018.

A handwritten signature in blue ink, appearing to read "Wheeler", is positioned above the printed name and location.

San Jose, California

January 16, 2019

Pacific Swimming
Statements of Financial Position
As of August 31, 2018 and 2017

	<u>2018</u> (Unaudited)	<u>2017</u> (Audited)
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 1,128,606	\$ 1,053,973
Accounts receivable	14,744	5,049
Prepaid expenses	30,883	13,062
Inventory	12,991	8,346
Investments	<u>2,925,828</u>	<u>2,703,458</u>
Total Current Assets	<u>4,113,052</u>	<u>3,783,888</u>
Fixed Assets:		
Property and equipment, net	<u>2,770</u>	<u>5,411</u>
Total Assets	<u><u>\$ 4,115,822</u></u>	<u><u>\$ 3,789,299</u></u>
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable	\$ 52,581	\$ 70,655
Accrued expenses	<u>77,551</u>	<u>4,755</u>
Total Current Liabilities	<u>130,132</u>	<u>75,410</u>
Net Assets:		
Unrestricted	<u>3,985,690</u>	<u>3,713,889</u>
Total Net Assets	<u>3,985,690</u>	<u>3,713,889</u>
Total Liabilities and Net Assets	<u><u>\$ 4,115,822</u></u>	<u><u>\$ 3,789,299</u></u>

See Independent Accountants' Review Report and notes to financial statements.

Pacific Swimming
Statements of Activities and Changes in Net Assets
For the Years Ended August 31, 2018 and 2017

	2018 <u>(Unaudited)</u>	2017 <u>(Audited)</u>
Support and Revenue:		
Member dues	\$ 320,089	\$ 365,666
Meet revenue	788,050	644,194
Age group revenue	70,909	53,476
Camps and other programs	8,250	7,945
Marketing revenue	850	1,732
Merchandise sales	9,193	8,617
Miscellaneous revenue	<u>29,826</u>	<u>15,144</u>
Total Support and Revenue	<u>1,227,167</u>	<u>1,096,774</u>
Expenses:		
Program	1,081,288	899,437
Management and general	<u>206,303</u>	<u>185,933</u>
Total Expenses	<u>1,287,591</u>	<u>1,085,370</u>
Other Revenue/Expenses		
Interest	626	1,903
Dividends	85,874	70,793
Unrealized capital gains (losses)	119,737	152,808
Realized capital gains (losses)	121,667	127,205
Credit card incentive	<u>4,321</u>	<u>3,000</u>
Total Other Revenue/Expenses	<u>332,225</u>	<u>355,709</u>
Changes in Net Assets	271,801	367,113
Net Assets at Beginning of Year	<u>3,713,889</u>	<u>3,346,776</u>
Net Assets at End of Year	<u><u>\$ 3,985,690</u></u>	<u><u>\$ 3,713,889</u></u>

See Independent Accountants' Review Report and notes to financial statements.

Pacific Swimming
Statements of Functional Expenses
For the Years Ended August 31, 2018 and 2017

Expenses	2018 (Unaudited)			2017 (Audited)		
	<u>Program Expenses</u>	<u>Management & General</u>	<u>Total</u>	<u>Program Expenses</u>	<u>Management & General</u>	<u>Total</u>
Age Group	\$ 168,275	\$ -	\$ 168,275	\$ 167,193	\$ -	\$ 167,193
National Program	202,686	-	202,686	177,963	-	177,963
Payroll	173,647	93,502	267,149	164,111	88,368	252,479
Treasurer	-	45,433	45,433	-	35,598	35,598
Officials Expenses	68,549	-	68,549	67,204	-	67,204
Meet Expenses	77,439	-	77,439	50,986	-	50,986
Camp Expenses	24,105	-	24,105	26,885	-	26,885
Grant Awards	41,879	-	41,879	67,521	-	67,521
Volunteer Expenses	45,239	-	45,239	43,317	-	43,317
Events	206,975	-	206,975	56,895	-	56,895
Diversity	30,495	-	30,495	30,731	-	30,731
Office Expenses	-	34,327	34,327	-	32,772	32,772
Investment Expenses	-	30,040	30,040	-	26,444	26,444
Equipment	18,265	-	18,265	16,158	-	16,158
Cost of Merchandise	9,872	-	9,872	10,404	-	10,404
Contractors	7,200	-	7,200	7,200	-	7,200
Marketing	-	2,108	2,108	-	1,750	1,750
Chair Expenses	4,021	-	4,021	9,615	-	9,615
Depreciation Expense	2,641	-	2,641	3,254	-	3,254
Foreign Tax Withholding	-	893	893	-	1,001	1,001
Total Expenses	<u>\$ 1,081,288</u>	<u>\$ 206,303</u>	<u>\$ 1,287,591</u>	<u>\$ 899,437</u>	<u>\$ 185,933</u>	<u>\$ 1,085,370</u>

See Independent Accountants' Review Report and notes to financial statements.

Pacific Swimming
Statements of Cash Flows
For the Years Ended August 31, 2018 and 2017

	<u>2018</u> (Unaudited)	<u>2017</u> (Audited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	\$ 271,801	\$ 367,113
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation expense	2,641	3,254
Unrealized capital gain	(119,737)	(152,808)
(Increase) decrease in accounts receivable	(9,695)	12,556
(Increase) decrease in prepaids	(17,821)	7,107
(Increase) in inventory	(4,645)	6,664
Increase (decrease) in accounts payable	(18,074)	(3,692)
Increase (decrease) in accrued expenses	<u>72,796</u>	<u>1,086</u>
Total Adjustments	<u>(94,535)</u>	<u>(125,833)</u>
Net Cash Provided by (Used in) Operating Activities	<u>177,266</u>	<u>241,280</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from the sale of investments	789,604	665,621
Purchases of investments	<u>(892,237)</u>	<u>(710,710)</u>
Net Cash Provided by (Used in) Investing Activities	<u>(102,633)</u>	<u>(45,089)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>74,633</u>	<u>196,191</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>1,053,973</u>	<u>857,782</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u><u>\$ 1,128,606</u></u>	<u><u>\$ 1,053,973</u></u>

See Independent Accountants' Review Report and notes to financial statements.

Pacific Swimming
Notes to Financial Statements
For the Years Ended August 31, 2018 (Unaudited) and 2017 (Audited)

A. NATURE OF ACTIVITIES

Pacific Swimming, (the Organization), was incorporated in California in 1980. The Organization is the third largest of USA Swimming's 59 regional associations, known as Local Swim Committees (LSC). The Organization is made up of 120 swim clubs and more than 16,000 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.

Fiscal Year

The Organization's fiscal year runs from September 1 to August 31.

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 an allowance for doubtful accounts.

Prepaid Expenses

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

See independent accountants' review report.

Pacific Swimming
Notes to Financial Statements
For the Years Ended August 31, 2018 (Unaudited) and 2017 (Audited)

B. SIGNIFICANT ACCOUNTING POLICIES (continued)

Inventory

The Organization's inventory consists of swim apparel and is valued at lower of cost or market on a first-in, first-out basis. Management believes all inventory is salable and no allowance is required.

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:

Equipment	5 years
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Classes of Net Assets

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

- 1) Unrestricted net assets are those amounts 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 net assets are those amounts 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, 2018 and 2017, the Organization did not have any temporarily or permanently restricted net assets.

Accrued Expenses

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

Pacific Swimming
Notes to Financial Statements
For the Years Ended August 31, 2018 (Unaudited) and 2017 (Audited)

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.

USA Swimming Membership Dues

The Organization collects membership dues on behalf of USA Swimming and remits to USA Swimming. The Organization records collections as a payable and remittance as an elimination of the payable. The only revenue that is recognized for membership dues is the amount that the Organization collects in excess of the amount due to USA Swimming.

Functional Allocation of Expenses

Functional classification allocates expenses according to the purpose for which the costs are incurred. Examples of functional classifications are program services (expenses directly related to the purpose for which the organization exists) and supporting activities (those indirectly related to the purposes for which the organization exists but necessary for its operations, i.e., management and general, and fundraising).

Advertising Expenses

Advertising costs, when they occur, are charged to operations in the year in which the advertisement is placed. Advertising expenses were \$2,108 and \$1,750 for the years ended August 31, 2018 and 2017, respectively.

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.

Pacific Swimming
Notes to Financial Statements
For the Years Ended August 31, 2018 (Unaudited) and 2017 (Audited)

B. SIGNIFICANT ACCOUNTING POLICIES (continued)

Changing Standards

Presentation of Financial Statements of Not-for-Profit Organizations

In August 2016, the FASB issued ASU No. 2016-14, Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities ("ASU 2016-14"), which significantly amends the standards for the presentation and accompanying disclosures of the financial statements of nonprofit organizations. This issuance of ASU 2016-14 is the first phase of a FASB project with the broad objective of re-examining the standards for financial statement presentation by nonprofit organizations. Some of the more significant changes are (a) only two classes of net assets are reported in the statement of financial position, (b) accumulated losses of donor-restricted endowment funds are no longer classified in unrestricted net assets and additional disclosures about endowment funds are required, (c) all nonprofit organizations are required to present an analysis of expenses by both nature and function either on the face of the statement of activities, as a separate statement, or in the notes to the financial statements, (d) nonprofit organizations are required to describe the methods used to allocate costs among the program and support functions, (e) while nonprofit organizations continue to be permitted to report cash flows from operating activities using either the direct or indirect method, a reconciliation to the indirect method is no longer required when the direct method is used, (f) investment return is reported net of external and direct internal investment expenses, (g) the release of restrictions on donor-restricted capital gifts is recognized when the assets are placed in service, (i) nonprofit organizations are required to provide qualitative and quantitative information about the organization's liquidity and the availability of its resources to fund general expenditures, and (j) enhanced disclosures about net assets with donor restrictions and designations of net assets made by the governing board are required. The guidance in ASU 2016-14 is effective for annual financial statements issued for fiscal years beginning after December 15, 2017, and interim periods within fiscal years beginning after December 15, 2018. Early adoption is permitted. ASU 2016-14 is to be applied to the financial statements using a retrospective application. The nature of any reclassifications or restatements and their effects, if any, on the changes in net asset classes for each period that is presented is required to be disclosed.

C. CONCENTRATION OF RISK

The Federal Deposit Insurance Corporation insures a maximum of \$250,000 in cash deposits per financial institution for all account holders. At August 31, 2018 and 2017, 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.

Pacific Swimming
Notes to Financial Statements
For the Years Ended August 31, 2018 (Unaudited) and 2017 (Audited)

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, quoted prices in active markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities, and Level 3 inputs consist of significant other unobservable inputs that are supported by little to no market activity 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.

Assets measured at fair value are summarized as follows at August 31, 2018 and 2017:

		2018			
			Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant other unobservable inputs (Level 3)
	Total				
Stocks and options	\$ 2,369,781	\$ 2,369,781	\$ -	\$ -	
Mutual funds	310,976	310,976	-	-	
Preferred stocks	245,071	245,071	-	-	
	<u>\$ 2,925,828</u>	<u>\$ 2,925,828</u>	<u>\$ -</u>	<u>\$ -</u>	
		2017			
Stocks and options	\$ 2,315,626	\$ 2,315,626	\$ -	\$ -	
Mutual funds	146,582	146,582	-	-	
Preferred stocks	241,248	241,248	-	-	
	<u>\$ 2,703,456</u>	<u>\$ 2,703,456</u>	<u>\$ -</u>	<u>\$ -</u>	

See independent accountants' review report.

Pacific Swimming
Notes to Financial Statements
For the Years Ended August 31, 2018 (Unaudited) and 2017 (Audited)

D. INVESTMENTS (continued)

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.

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 years ended August 31, 2018 and 2017 is as follows:

	<u>2018</u>	<u>2017</u>
Equipment	\$ 34,068	\$ 34,068
Accumulated depreciation	<u>(31,298)</u>	<u>(28,657)</u>
Net property and equipment	<u>\$ 2,770</u>	<u>\$ 5,411</u>

For the years ended August 31, 2018 and 2017, depreciation expense was \$2,641 and \$3,254, respectively.

See independent accountants' review report.

Pacific Swimming
Notes to Financial Statements
For the Years Ended August 31, 2018 (Unaudited) and 2017 (Audited)

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 years ended August 31, 2018 and 2017, there were no interest or penalties recorded or included in the financial statements.

There was no unrelated business income for the years ended August 31, 2018 and 2017. 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 years that remain subject to potential examination for the U.S. federal jurisdiction are August 31, 2015 and forward. The State of California tax jurisdiction returns subject to potential examination for tax years are December 31, 2014 and forward.

G. 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 January 16, 2019, 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, 2018.

Supplemental Schedules

Pacific Swimming
Schedule I
Consolidating Statement of Financial Position
As of August 31, 2018
(Unaudited)

		Zones						
	Local Swim Committee	1-North	1-South	2	3	4	Eliminations	Total
ASSETS								
Current Assets:								
Cash and cash equivalents	\$ 921,048	\$ 54,732	\$ 40,011	\$ 24,956	\$ 69,830	\$ 18,029	\$ -	\$ 1,128,606
Accounts receivable	14,744	-	-	-	-	-	-	14,744
Prepaid expenses	30,883	-	-	-	-	-	-	30,883
Inventory	12,991	-	-	-	-	-	-	12,991
Investments	2,827,964	-	34,362	63,502	-	-	-	2,925,828
Intercompany	(15,395)	4,194	989	12,393	(1,925)	(256)	-	-
Investment in Zones	323,587	-	-	-	-	-	(323,587)	-
Total Current Assets	4,115,822	58,926	75,362	100,851	67,905	17,773	(323,587)	4,113,052
Property and equipment, net	-	-	1,853	-	917	-	-	2,770
Total Assets	<u>\$ 4,115,822</u>	<u>\$ 58,926</u>	<u>\$ 77,215</u>	<u>\$ 100,851</u>	<u>\$ 68,822</u>	<u>\$ 17,773</u>	<u>\$ (323,587)</u>	<u>\$ 4,115,822</u>
LIABILITIES AND NET ASSETS								
Current Liabilities:								
Accounts payable	\$ 52,581	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 52,581
Accrued expenses	77,551	-	-	-	-	-	-	77,551
Total Current Liabilities	130,132	-	-	-	-	-	-	130,132
Net Assets:								
Unrestricted	3,985,690	58,926	77,215	100,851	68,822	17,773	(323,587)	3,985,690
Total Net Assets	3,985,690	58,926	77,215	100,851	68,822	17,773	(323,587)	3,985,690
Total Liabilities and Net Assets	<u>\$ 4,115,822</u>	<u>\$ 58,926</u>	<u>\$ 77,215</u>	<u>\$ 100,851</u>	<u>\$ 68,822</u>	<u>\$ 17,773</u>	<u>\$ (323,587)</u>	<u>\$ 4,115,822</u>

See Independent Accountants' Review Report and notes to financial statements.

Pacific Swimming
Schedule I
Consolidating Statement of Financial Position
As of August 31, 2017
(Audited)

		Zones						
	Local Swim Committee	1-North	1-South	2	3	4	Eliminations	Total
ASSETS								
Current Assets:								
Cash and cash equivalents	\$ 854,628	\$ 48,274	\$ 36,769	\$ 30,422	\$ 68,250	\$ 15,630	\$ -	\$ 1,053,973
Accounts receivable	5,049	-	-	-	-	-	-	5,049
Prepaid expenses	13,062	-	-	-	-	-	-	13,062
Inventory	8,346	-	-	-	-	-	-	8,346
Investments	2,605,594	-	34,362	63,502	-	-	-	2,703,458
Intercompany	(11,036)	3,319	602	10,468	(1,993)	(1,360)	-	-
Investment in Zones	313,656	-	-	-	-	-	(313,656)	-
Total Current Assets	3,789,299	51,593	71,733	104,392	66,257	14,270	(313,656)	3,783,888
Property and equipment, net	-	-	2,963	-	2,448	-	-	5,411
Total Assets	<u>\$ 3,789,299</u>	<u>\$ 51,593</u>	<u>\$ 74,696</u>	<u>\$ 104,392</u>	<u>\$ 68,705</u>	<u>\$ 14,270</u>	<u>\$ (313,656)</u>	<u>\$ 3,789,299</u>
LIABILITIES AND NET ASSETS								
Current Liabilities:								
Accounts payable	\$ 70,655	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	70,655
Accrued expenses	4,755	-	-	-	-	-	-	4,755
Total Current Liabilities	75,410	-	-	-	-	-	-	75,410
Net Assets:								
Unrestricted	3,713,889	51,593	74,696	104,392	68,705	14,270	(313,656)	3,713,889
Total Net Assets	3,713,889	51,593	74,696	104,392	68,705	14,270	(313,656)	3,713,889
Total Liabilities and Net Assets	<u>\$ 3,789,299</u>	<u>\$ 51,593</u>	<u>\$ 74,696</u>	<u>\$ 104,392</u>	<u>\$ 68,705</u>	<u>\$ 14,270</u>	<u>\$ (313,656)</u>	<u>\$ 3,789,299</u>

See Independent Accountants' Review Report and notes to financial statements.

Pacific Swimming
Schedule II
Consolidating Statement of Activities and Changes in Net Assets
For the Year Ended August 31, 2018
(Unaudited)

	Local Swim Committee	Zones					Eliminations	Total
		1-North	1-South	2	3	4		
Support and Revenue:								
Member Dues	\$ 319,289	\$ -	\$ -	\$ -	\$ -	\$ 800	\$ -	\$ 320,089
Meet Revenue	671,080	22,997	52,767	27,952	8,465	4,789	-	788,050
Age Group Revenue	69,065	-	-	-	1,155	689	-	70,909
Camps and Other Programs	8,250	-	-	-	-	-	-	8,250
Marketing Revenue	850	-	-	-	-	-	-	850
Merchandise Sales	9,193	-	-	-	-	-	-	9,193
Miscellaneous Revenue	19,571	70	160	9,030	995	-	-	29,826
Total Support and Revenue	1,097,298	23,067	52,927	36,982	10,615	6,278	-	1,227,167
Expenses								
Age Group	150,607	1,964	10,851	1,234	1,142	2,477	-	168,275
National Program	202,686	-	-	-	-	-	-	202,686
Payroll	267,149	-	-	-	-	-	-	267,149
Treasurer	45,126	-	238	31	38	-	-	45,433
Officials Expenses	62,413	-	898	4,080	860	298	-	68,549
Meet Expenses	-	12,705	36,742	24,141	3,851	-	-	77,439
Camp Expenses	24,105	-	-	-	-	-	-	24,105
Grant Awards	41,879	-	-	-	-	-	-	41,879
Volunteer Expenses	37,859	1,065	450	5,713	152	-	-	45,239
Events	206,975	-	-	-	-	-	-	206,975
Diversity	30,495	-	-	-	-	-	-	30,495
Office Expenses	33,639	-	105	393	190	-	-	34,327
Investment Expenses	30,040	-	-	-	-	-	-	30,040
Equipment	-	-	3,796	11,721	2,748	-	-	18,265
Cost of Merchandise	9,872	-	-	-	-	-	-	9,872
Contractors	7,200	-	-	-	-	-	-	7,200
Marketing	2,108	-	-	-	-	-	-	2,108
Chair Expenses	3,841	-	-	180	-	-	-	4,021
Depreciation Expense	-	-	1,111	-	1,530	-	-	2,641
Foreign Tax Withholding	893	-	-	-	-	-	-	893
Total Expenses	1,156,887	15,734	54,191	47,493	10,511	2,775	-	1,287,591

See Independent Accountants' Review and notes to financial statements.

Pacific Swimming
Schedule II
Consolidating Statement of Activities and Changes in Net Assets
For the Year Ended August 31, 2018
(Unaudited)

		Zones						
	Local Swim Committee	1-North	1-South	2	3	4	Eliminations	Total
Other Revenue/Expenses								
Interest	602	-	11	-	13	-	-	626
Dividends	85,874	-	-	-	-	-	-	85,874
Unrealized Capital Gains (Losses)	119,737	-	-	-	-	-	-	119,737
Realized Capital Gains (Losses)	110,925	-	3,772	6,970	-	-	-	121,667
Credit card incentive	4,321	-	-	-	-	-	-	4,321
Total Other Revenue/Expenses	<u>321,459</u>	<u>-</u>	<u>3,783</u>	<u>6,970</u>	<u>13</u>	<u>-</u>	<u>-</u>	<u>332,225</u>
Changes in Net Assets	261,870	7,333	2,519	(3,541)	117	3,503	-	271,801
Transfer of net assets (to) from zones	9,931	-	-	-	-	-	(9,931)	-
Net Assets at Beginning of Year	<u>3,713,889</u>	<u>51,593</u>	<u>74,696</u>	<u>104,392</u>	<u>68,705</u>	<u>14,270</u>	<u>(313,656)</u>	<u>3,713,889</u>
Net Assets at End of Year	<u><u>\$ 3,985,690</u></u>	<u><u>\$ 58,926</u></u>	<u><u>\$ 77,215</u></u>	<u><u>\$ 100,851</u></u>	<u><u>\$ 68,822</u></u>	<u><u>\$ 17,773</u></u>	<u><u>\$ (323,587)</u></u>	<u><u>\$ 3,985,690</u></u>

See Independent Accountants' Review and notes to financial statements.

Pacific Swimming
Schedule II
Consolidating Statement of Activities and Changes in Net Assets
For the Year Ended August 31, 2017
(Audited)

		Zones						
	Local Swim Committee	1-North	1-South	2	3	4	Eliminations	Total
Support and Revenue:								
Member Dues	\$ 364,961	\$ 5	\$ -	\$ -	\$ -	\$ 700	\$ -	\$ 365,666
Meet Revenue	537,344	23,594	26,728	24,693	27,614	4,221	-	644,194
Age Group Revenue	52,286	420	-	-	770	-	-	53,476
Camps and Other Programs	7,945	-	-	-	-	-	-	7,945
Marketing Revenue	1,732	-	-	-	-	-	-	1,732
Merchandise Sales	8,617	-	-	-	-	-	-	8,617
Miscellaneous Revenue	2,802	50	80	9,167	3,045	-	-	15,144
Total Support and Revenue	975,687	24,069	26,808	33,860	31,429	4,921	-	1,096,774
Expenses								
Age Group	143,802	2,628	15,292	2,775	866	1,830	-	167,193
National Program	177,963	-	-	-	-	-	-	177,963
Payroll	252,479	-	-	-	-	-	-	252,479
Treasurer	35,571	-	-	27	-	-	-	35,598
Officials Expenses	59,627	-	1,237	4,348	1,601	391	-	67,204
Meet Expenses	-	13,188	16,766	11,856	9,176	-	-	50,986
Camp Expenses	26,885	-	-	-	-	-	-	26,885
Grant Awards	67,521	-	-	-	-	-	-	67,521
Volunteer Expenses	37,185	967	71	4,731	211	152	-	43,317
Events	56,895	-	-	-	-	-	-	56,895
Diversity	30,731	-	-	-	-	-	-	30,731
Office Expenses	30,925	500	185	550	612	-	-	32,772
Investment Expenses	26,444	-	-	-	-	-	-	26,444
Equipment	-	-	4,879	9,239	2,040	-	-	16,158
Cost of Merchandise	10,404	-	-	-	-	-	-	10,404
Contractors	7,200	-	-	-	-	-	-	7,200
Marketing	1,750	-	-	-	-	-	-	1,750
Chair Expenses	9,615	-	-	-	-	-	-	9,615
Depreciation Expense	-	-	1,112	-	2,142	-	-	3,254
Foreign Tax Withholding	1,001	-	-	-	-	-	-	1,001
Total Expenses	975,998	17,283	39,542	33,526	16,648	2,373	-	1,085,370

See Independent Accountants' Review Report and notes to financial statements.

Pacific Swimming
Schedule II
Consolidating Statement of Activities and Changes in Net Assets
For the Year Ended August 31, 2017
(Audited)

	Local Swim Committee	Zones					Eliminations	Total
		1-North	1-South	2	3	4		
Other Revenue/Expenses								
Interest	1,876	-	14	-	13	-	-	1,903
Dividends	70,793	-	-	-	-	-	-	70,793
Unrealized Capital Gains (Losses)	152,808	-	-	-	-	-	-	152,808
Realized Capital Gains (Losses)	115,439	-	4,131	7,635	-	-	-	127,205
Credit card incentive	3,000	-	-	-	-	-	-	3,000
Total Other Revenue/Expenses	<u>343,916</u>	<u>-</u>	<u>4,145</u>	<u>7,635</u>	<u>13</u>	<u>-</u>	<u>-</u>	<u>355,709</u>
Changes in Net Assets	343,605	6,786	(8,589)	7,969	14,794	2,548	-	367,113
Transfer of net assets (to) from zones	23,508	-	-	-	-	-	(23,508)	-
Net Assets at Beginning of Year	<u>3,346,776</u>	<u>44,807</u>	<u>83,285</u>	<u>96,423</u>	<u>53,911</u>	<u>11,722</u>	<u>(290,148)</u>	<u>3,346,776</u>
Net Assets at End of Year	<u>\$ 3,713,889</u>	<u>\$ 51,593</u>	<u>\$ 74,696</u>	<u>\$ 104,392</u>	<u>\$ 68,705</u>	<u>\$ 14,270</u>	<u>\$ (313,656)</u>	<u>\$ 3,713,889</u>

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