

UNITED STATES TABLE TENNIS ASSOCIATION AND AFFILIATE

COMBINED FINANCIAL STATEMENTS

**YEAR ENDED DECEMBER 31, 2024
(WITH SUMMARIZED COMPARATIVE INFORMATION FOR THE
YEAR ENDED DECEMBER 31, 2023)**



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YEAR ENDED DECEMBER 31, 2024**

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INDEPENDENT AUDITORS' REPORT

Board of Directors
United States Table Tennis Association and Affiliate
Colorado Springs, Colorado

Report on the Audit of the Combined Financial Statements

Opinion

We have audited the accompanying combined financial statements of United States Table Tennis Association and Affiliate (Organization) which comprise the combined statement of financial position as of December 31, 2024, and the related combined statement of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the combined financial statements.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the combined financial position of the Organization as of December 31, 2024, and the combined changes in activities and net assets, functional expenses, and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Combined Financial Statements section of our report. We are required to be independent of the Organization 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.

Responsibilities of Management for the Combined Financial Statements

Management is responsible for the preparation and fair presentation of the combined financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of combined financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the combined financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the combined financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Combined Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 GAAS 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 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 combined financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the combined 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 combined 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 of the Organization'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 combined financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization'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 the Organization's 2023 combined financial statements, and we expressed an unmodified opinion on those audited combined financial statements in our report dated October 30, 2024. In our opinion, the summarized, comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited combined financial statements from which it was derived.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Livingston, New Jersey
October 29, 2025

UNITED STATES TABLE TENNIS ASSOCIATION AND AFFILIATE
COMBINED STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2024
(WITH COMPARATIVE INFORMATION AS OF DECEMBER 31, 2023)

	2024	2023
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 1,565,294	\$ 1,020,702
Accounts Receivable, Net	19,267	75,560
Investments	1,183,780	1,070,988
Prepaid Expenses	60,302	97,165
Total Current Assets	<u>2,828,643</u>	<u>2,264,415</u>
FURNITURE AND EQUIPMENT		
Office Furniture and Equipment	18,855	18,855
Computer Equipment	5,000	5,000
Less: Accumulated Depreciation	(23,855)	(22,605)
Furniture and Equipment, Net	<u>-</u>	<u>1,250</u>
Total Assets	<u><u>\$ 2,828,643</u></u>	<u><u>\$ 2,265,665</u></u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable	\$ 54,646	\$ 109,211
Due to USOPC	14,899	10,816
Accrued Liabilities	125,578	143,075
Current Portion of Deferred Revenue	116,825	36,645
Current Portion of Long-Term Debt	3,793	3,690
Total Current Liabilities	<u>315,741</u>	<u>303,437</u>
NONCURRENT LIABILITIES		
Deferred Revenue	-	385
Long-Term Debt	139,556	142,528
	<u>139,556</u>	<u>142,913</u>
Total Liabilities	455,297	446,350
NET ASSETS		
Without Donor Restrictions	<u>2,373,346</u>	<u>1,819,315</u>
Total Liabilities and Net Assets	<u><u>\$ 2,828,643</u></u>	<u><u>\$ 2,265,665</u></u>

See accompanying Notes to Combined Financial Statements.

UNITED STATES TABLE TENNIS ASSOCIATION AND AFFILIATE
COMBINED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2024
(WITH COMPARATIVE INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2023)

	Without Donor Restrictions	With Donor Restrictions	2024 Totals	2023 Totals
REVENUE				
Tournaments, Camps, and Programs	\$ 1,411,572	\$ -	\$ 1,411,572	\$ 1,358,938
Membership Registrations, Net	457,551	-	457,551	383,460
Corporate Sponsorships	475,000	-	475,000	400,000
Contributions and Grants	273,339	-	273,339	95,019
Grants From the USOPC	274,581	-	274,581	251,819
USOC Media/Marketing Agreement	75,000	-	75,000	150,000
Employer Retention Credit	-	-	-	56,057
Other Income	52,615	-	52,615	35,192
Equipment Approval, Sanctions, and Fees	53,043	-	53,043	52,985
Total Revenue	3,072,701	-	3,072,701	2,783,470
EXPENSES				
Program Services:				
Athlete Development	719,591	-	719,591	694,923
Tournaments	959,173	-	959,173	949,216
Membership Services	144,758	-	144,758	145,709
Total Program Services	1,823,522	-	1,823,522	1,789,848
Supporting Services:				
National Office	854,949	-	854,949	678,889
Marketing, Media, and Fundraising	18,850	-	18,850	44,677
Board of Directors	3,971	-	3,971	-
USATT Foundation	-	-	-	614
Total Supporting Services	877,770	-	877,770	724,180
Total Expenses	2,701,292	-	2,701,292	2,514,028
CHANGES IN NET ASSETS - OPERATIONS	371,409	-	371,409	269,442
CONTINGENCY GAIN	66,370	-	66,370	-
INVESTMENT INCOME, NET	116,252	-	116,252	148,605
TOTAL CHANGES IN NET ASSETS	554,031	554,031	554,031	418,047
Net Assets - Beginning of Year	1,819,315	-	1,819,315	1,401,268
NET ASSETS - END OF YEAR	<u>\$ 2,373,346</u>	<u>\$ -</u>	<u>\$ 2,373,346</u>	<u>\$ 1,819,315</u>

See accompanying Notes to Combined Financial Statements.

UNITED STATES TABLE TENNIS ASSOCIATION AND AFFILIATE
COMBINED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2024
(WITH COMPARATIVE INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2023)

	Athlete Development	Tournaments	Membership Services	Total Program Services	National Office	Board of Directors	Marketing, Media, and Fundraising	USATT Foundation	Total Supporting Services	2024 Total Expenses	2023 Total Expenses
Accounting, Audit, and Bookkeeping	\$ -	\$ -	\$ -	\$ -	\$ 47,183	\$ -	\$ -	\$ -	\$ 47,183	\$ 47,183	\$ 43,146
Background Screenings	-	-	12,050	12,050	-	-	-	-	-	12,050	11,910
Bank Charges and Credit Card Fees	136	1,613	165	1,914	59,788	-	-	-	59,788	61,702	47,484
Credit Loss Expense	-	-	-	-	15,000	-	-	-	15,000	15,000	25,000
Coaching Fees	40,706	14,394	-	55,100	-	-	-	-	-	55,100	35,448
Contract Labor and Services	86,544	15,664	-	202,208	79,832	-	18,000	-	97,832	300,040	264,712
Depreciation	-	-	-	-	1,250	-	-	-	1,250	1,250	1,667
Direct Athlete Support	17,180	6,000	-	23,180	-	-	-	-	-	23,180	2,705
Dues and Subscriptions	90	18	4,177	4,285	7,431	-	-	-	7,431	11716	8,745
Employee Benefits	-	39	12,340	12,379	38,634	-	72	-	38,706	51,085	25,943
Equipment	21,296	49,368	-	70,664	-	-	-	-	-	70,664	62,998
Equipment Rental	-	-	-	-	986	-	-	-	986	986	1,863
Insurance	-	-	-	-	62,997	-	-	-	62,997	62,997	54,598
Interest Expense	-	-	-	-	5,735	-	-	-	5,735	5,735	3,440
IT Support	-	-	17,600	17,600	14,016	-	-	-	14,016	31,616	28,490
Miscellaneous	5,331	-	-	5,331	4,233	3,971	-	-	8,204	13,535	4,930
Officials and Classifiers	23,424	41,267	-	64,691	200	-	-	-	200	64,891	35,482
Payroll Service	-	-	-	-	878	-	-	-	878	878	77
Payroll Taxes	-	-	4,468	4,468	33,784	-	-	-	33,784	38,252	24,747
Postage and Shipping	16,029	27,261	102	43,392	6,173	-	-	-	6,173	49,565	34,722
Prize Money	15,815	132,709	390	148,914	2,999	-	-	-	2,999	151,913	174,904
Professional Fees	-	-	-	-	27,927	-	-	-	27,927	27,927	35,879
Promotions	9,269	15,152	-	24,421	20,133	-	-	-	20,133	44,554	19,994
Ratings	-	-	42,000	42,000	-	-	-	-	-	42,000	42,000
Rent	-	135	-	135	23,716	-	-	-	23,716	23,851	24,840
Safesport Expense	-	-	-	-	16,848	-	-	-	16,848	16,848	16,848
Salaries	-	-	50,000	50,000	348,615	-	-	-	348,615	398,615	349,346
Supplies	13,772	29,851	-	43,623	20,628	-	-	-	20,628	64,251	83,733
Telephone	-	65	25	90	2,739	-	-	-	2,739	2,829	2,412
Transportation	-	6,880	-	6,880	-	-	-	-	-	6,880	1,022
Travel, Food, and Lodging	469,999	503,857	1,441	975,297	13,224	-	778	-	14,002	989,299	1,026,439
Volunteers/Operation/Committee	-	14,900	-	14,900	-	-	-	-	-	14,900	18,504
Total	\$ 719,591	\$ 959,173	\$ 144,758	\$ 1,823,522	\$ 854,949	\$ 3,971	\$ 18,850	\$ -	\$ 877,770	\$ 2,701,292	\$ 2,514,028

See accompanying Notes to Combined Financial Statements.

UNITED STATES TABLE TENNIS ASSOCIATION AND AFFILIATE
COMBINED STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2024
(WITH COMPARATIVE INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2023)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes In Net Assets	\$ 554,031	\$ 418,047
Adjustments to Reconcile Change in Net Assets to		
Net Cash Provided by Operating Activities:		
Depreciation	1,250	1,667
Net Realized and Unrealized Loss (Gain) on Investment	(82,241)	(118,528)
Credit Loss Expense	15,000	25,000
Contingency Gain	(66,370)	-
Changes in Operating Assets:		
Accounts Receivable, Net	41,293	26,940
Prepaid Expenses	36,863	(90,980)
Changes in Operating Liabilities:		
Accounts Payable	(54,565)	25,579
Due to USOC	4,083	10,104
Accrued Liabilities	48,873	21,786
Deferred Revenue	79,795	25,834
Net Cash Provided by Operating Activities	<u>578,012</u>	<u>345,449</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash Paid for Investments	(30,551)	(140,078)
Proceeds from Sale of Investments	-	203,187
Net Cash Provided (Used) by Investing Activities	<u>(30,551)</u>	<u>63,109</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal Payments On Note Payable	<u>(2,869)</u>	<u>(3,611)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	544,592	404,947
Cash and Cash Equivalents - Beginning of Year	<u>1,020,702</u>	<u>615,755</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 1,565,294</u></u>	<u><u>\$ 1,020,702</u></u>
SUPPLEMENTAL DISCLOSURE OF CASH-FLOW INFORMATION		
Cash Paid During the Year for Interest	<u><u>\$ 5,735</u></u>	<u><u>\$ 3,440</u></u>

See accompanying Notes to Combined Financial Statements.

**UNITED STATES TABLE TENNIS ASSOCIATION AND AFFILIATE
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES

United States Table Tennis Association, Inc. (Association), is the national governing body for the sport of table tennis, making it responsible for the conduct and administration of table tennis in the United States.

United States Table Tennis Foundation, Inc. (Foundation), was founded in 1985 to exclusively benefit, perform the functions of, and to carry out the educational and charitable purposes of the United States Table Tennis Association, Inc.

Basis of Accounting

The combined financial statements are prepared on the accrual basis of accounting.

Principles of Combination

The accompanying combined financial statements include the accounts of United States Table Tennis Association, Inc., and United States Table Tennis Foundation, Inc. (collectively, Organization), which are under common control. All significant intercompany transactions and balances have been eliminated in combination.

The Foundation is organized exclusively for the benefit of the Association and maintains investments on behalf of the Association. The Foundation assets are managed by a Board of Directors that has authority to make distributions to, or for, the use of the Association. The Foundation's Board of Directors approves distributions to the Association on an annual basis based on grant proposals submitted by the Association.

Comparative Financial Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class or functional area. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles in the United States of America. Accordingly, such information should be read in conjunction with the Association's financial statements for the year ended December 31, 2024 from which the summarized information was derived.

Leases

The Organization leases a copier, office space, and storage facilities. The Organization determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use (ROU) assets, other current liabilities, and operating lease liabilities on the combined statement of financial position.

UNITED STATES TABLE TENNIS ASSOCIATION AND AFFILIATE
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (Continued)

ROU assets represent the Organization's right to use an underlying asset for the lease term and lease liabilities represent the Organization's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. As most of leases do not provide an implicit rate, the Organization uses a risk-free rate based on the information available at commencement date in determining the present value of lease payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The Organization has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases are not included as lease liabilities or right of use assets on the combined statement of financial position.

The Organization has elected not to separate nonlease components from lease components and instead accounts for each separate lease component and the nonlease component as a single lease component. The Organization's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

In evaluating contracts to determine if they qualify as a lease, the Organization considers factors such as if the Organization has obtained substantially all of the rights to the underlying asset through exclusivity, if the Organization can direct the use of the asset by making decisions about how and for what purpose the asset will be used and of the lessor has substantive substitution rights. This evaluation may require significant judgement.

The Organization's office equipment leases, storage facility leases, and residential leases were not material to the combined financial statements and were 12 months or less in duration.

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor- or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

UNITED STATES TABLE TENNIS ASSOCIATION AND AFFILIATE
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Assets (Continued)

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

We recognize contributions when cash, securities or other assets, an unconditional promise to give, or a notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

Cash and Cash Equivalents

Cash and cash equivalents consist of the Organization's checking and money market accounts.

Accounts Receivable

Accounts receivables are stated at the amount management expects to collect from outstanding balances. The Organization charges uncollectible receivables to operations when determined to be uncollectible based on a combination of historical loss experience, current economic conditions, and forward-looking information. Management determined no allowance for credit losses was necessary as of December 31, 2024 and 2023.

Receivables from contracts with customers are reported as accounts receivable net in the accompanying combined statement of financial position. Contract liabilities are reported as deferred revenue in the accompanying combined statement of financial position.

Property and Equipment

Property and equipment are recorded at cost as of the date of acquisition or fair value as of the date of receipt in the case of gifts. The Organization's policy is to capitalize property and equipment with a cost of \$1,000 or more.

Depreciation is recorded for office furniture, equipment, computer equipment, and leasehold improvements using the straight-line method over estimated useful lives of 5 to 10 years.

**UNITED STATES TABLE TENNIS ASSOCIATION AND AFFILIATE
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Revenue

Deferred revenue represents revenues received in advance not yet earned.

Revenue Recognition

The Organization's revenue recognition policies are as follows:

Tournaments, Camps, and Programs – National Tournament income contains a specific delivery element and revenue is recognized at a single point in time when ownership, risks, and rewards transfer. Revenue is recognized when events are successfully conducted.

Equipment Approval, Sanctions, and Fees – Equipment approval, sanctions, and fees income contains a specific delivery element and revenue is recognized at a single point in time when ownership, risks, and rewards transfer. Revenue is recognized when equipment approvals and sanctioned events are successfully conducted.

Membership registrations - Membership registration revenue is recognized in an amount that reflects the consideration that the Organization is entitled to in exchange for providing membership services. Registrations are recognized as revenue in the period in which the Organization satisfies its performance obligation to its members. A performance obligation is a promise in a contract to transfer a distinct good or service to a customer, as defined by Accounting Standards Codification 606 (ASC 606). The Organization's performance obligation for membership registration revenue is to provide access to competitions, membership services, and benefits accessible only to members. Annual memberships are recognized as revenue over a 12-month period.

Grant revenue – The Organization receives grants from the United States Olympic and Paralympic Committee (USOPC) and other organizations to support its High-Performance program and other initiatives. The Organization assesses grants to determine if an exchange transaction exists. If so, revenue is recognized upon substantially satisfying the performance obligations under such exchange transactions.

Sponsorship revenue – Sponsorship revenue is recognized in an amount that reflects the consideration that the Organization is entitled to in exchange for substantially fulfilling performance obligations specific to each contract. Sponsorships are recognized as revenue in the period in which the Organization satisfies its performance obligation to its sponsors. The Organization's performance obligations for sponsorship revenue is to provide promotion and advertising opportunities as arranged under each contract. The Organization has determined that performance obligations of existing multi-year contracts do not materially differ from year-to-year; but it continues to evaluate each new contract for proper recognition under ASC 606.

**UNITED STATES TABLE TENNIS ASSOCIATION AND AFFILIATE
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In-Kind Contributions

The Organization received in-kind sponsorships and donations from various supporters, including affiliated organizations. There were no such in-kind contributions for the years ended December 31, 2024 and 2023.

The Organization receives a substantial amount of donated services from volunteers in carrying out its programs. No amounts have been reflected in the combined financial statements for those services since they do not meet the criteria for recognition under generally accepted accounting principles.

Fair Value

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

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

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

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

The fair values of investments are as follows:

Mutual Funds – Valued at the net asset value of shares held by the Organization at year-end.

UNITED STATES TABLE TENNIS ASSOCIATION AND AFFILIATE
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments

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

Income Taxes

The Association and Foundation qualify as tax-exempt organizations under Section 501(c)(3) of the Internal Revenue Code and, accordingly, 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 Association's and Foundation's tax-exempt purposes is subject to taxation as unrelated business income.

The Association's and Foundation's Form 990, *Return of Organization Exempt from Income Tax*, is subject to examination by various taxing authorities, generally for three years after the date filed. Management of the Association and Foundation believes that it does not have any uncertain tax positions that are material to the combined financial statements.

Functional Allocation of Expenses

The costs of providing the various programs and other activities of the Organization have been presented by natural classification and on a functional basis in the combined statement of functional expenses. Accordingly, all costs have been charged directly to programs and supporting services.

Estimates

The preparation of combined 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.

Financial Instruments and Credit Risk

We manage deposit concentration risk by placing cash and money market accounts with financial institutions believed by us to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. Insured accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per depositor, per insured bank, for each account ownership category. As of December 31, 2024 and 2023, the Organization had approximately \$1,200,000 and \$700,000, respectively, in excess of FDIC insurance limits. To date, we have not experienced losses in any of these accounts.

Subsequent Events

In preparing the combined financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through October 29, 2025, the date that the combined financial statements were available to be issued.

UNITED STATES TABLE TENNIS ASSOCIATION AND AFFILIATE
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 2 AVAILABLE RESOURCES AND LIQUIDITY

The Organization regularly monitors liquidity required to meet its operating needs and other commitments, while also striving to effectively invest their available funds. The Organization has various sources of liquidity at its disposal, including cash and cash equivalents, accounts receivable, and amounts due from USOPC. In the event of an unanticipated liquidity need, with the board of directors' approval, the Organization can draw down on Foundation investments.

In addition to financial assets available to meet general expenditures over the next 12 months, the Organization strives to produce a conservative budget and anticipates collecting revenue and support to adequately cover operating expenses.

The following table reflects the Organization's financial assets. The Organization does not have any board-designated net assets as of year-end.

	2024	2023
Financial Assets at Year-End:		
Cash and Cash Equivalents	\$ 1,565,294	\$ 1,020,702
Accounts Receivable, Net	19,267	75,560
Investments	1,183,780	1,070,988
Total Financial Assets	<u>2,768,341</u>	<u>2,167,250</u>
Less Amounts Not Available to be Used		
Within One Year:		
Foundation investments, Including Cash	(1,205,390)	(1,127,138)
Estimated Foundation Distributions	50,000	50,000
Subtotal	<u>(1,155,390)</u>	<u>(1,077,138)</u>
Financial Assets Available Within One Year	<u>\$ 1,612,951</u>	<u>\$ 1,090,112</u>

NOTE 3 RELATED-PARTY TRANSACTIONS

During the years ended December 31, 2024 and 2023, the United States Olympic & Paralympic Committee provided grants to the Organization as follows:

	2024	2023
High Performance	\$ 150,000	\$ 130,000
Other Grants (Including Matching)	124,581	121,819
Total	<u>\$ 274,581</u>	<u>\$ 251,819</u>

In July 2012, the Association entered into a digital media agreement with the USOPC. The term of the agreement was January 1, 2013 through December 31, 2016. Under the terms of the digital media agreement, the previous content license agreement was terminated. During the year ended December 31, 2023, the agreement was extended with a decreased amount through December 31, 2024. The Association recognized \$75,000 and \$150,000 during the years ended December 31, 2024 and 2023, under the agreement, respectively.

UNITED STATES TABLE TENNIS ASSOCIATION AND AFFILIATE
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 3 RELATED-PARTY TRANSACTIONS (CONTINUED)

At December 31, 2024 and 2023, the USOPC did not owe any funds to the Association. At December 31, 2024 and 2023, the Association owed the USOPC \$14,899 and \$10,816, respectively, for miscellaneous expenses.

The Foundation provided the Association with grants and contributions of \$50,000 for the years ended December 31, 2024 and 2023. These balances were eliminated during the combination of the combined financial statements.

The Association receives economic benefits in the form of grants from the USOPC and the Foundation in order to enhance its programs at current levels.

Table Tennis clubs (Clubs) hold United States Table Tennis sanctioned events throughout the year and collect membership fees, which are remitted to the Association. The Clubs also pay a sanction fee to the Association based on the total number of participants at events; and the Clubs occasionally contract with the Association for payments associated with hosting United States Table Tennis ranking tournaments and training camps. Occasionally, these Clubs are directly affiliated with members of the board of directors of the Association (board members).

Board members and persons related to board members also receive reimbursements for expenses incurred on behalf of the Organization; and board members and persons related to board members may also receive remuneration for support provided to the Organization at events.

NOTE 4 ACCOUNTS RECEIVABLE, NET

Accounts receivable, net consists of the following:

	2024	2023	2022
Tournaments, Camps, and Programs	\$ -	\$ -	\$ 30,000
Corporate Sponsorships	10,000	60,000	97,500
Contributions	-	10,000	-
Other	9,267	5,560	-
Allowance for Doubtful Accounts	-	-	-
Total	<u>\$ 19,267</u>	<u>\$ 75,560</u>	<u>\$ 127,500</u>

UNITED STATES TABLE TENNIS ASSOCIATION AND AFFILIATE
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 5 INVESTMENTS

Investments are valued as follows:

Fair Value Measurements December 31, 2024				
	Level 1	Level 2	Level 3	Total
Mutual Funds	<u>\$ 1,183,780</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,183,780</u>

Fair Value Measurements December 31, 2023				
	Level 1	Level 2	Level 3	Total
Mutual Funds	<u>\$ 1,070,988</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,070,988</u>

Income from these investments is summarized as follows:

	2024	2023
Dividend Income	\$ 34,011	\$ 30,077
Unrealized Gain on Investments	82,241	98,788
Realized Gain	-	19,740
Total Investment Income	<u>\$ 116,252</u>	<u>\$ 148,605</u>

NOTE 6 DEFERRED REVENUE

Deferred revenue consists of the following:

	2024	2023	2022
Membership Dues	\$ -	\$ 2,075	\$ 9,596
Tournament Sanction Fees	-	-	1,600
Events	116,825	34,955	-
Total	<u>\$ 116,825</u>	<u>\$ 37,030</u>	<u>\$ 11,196</u>

UNITED STATES TABLE TENNIS ASSOCIATION AND AFFILIATE
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 7 LOAN PAYABLE

Loan payable consists of the following:

<u>Description</u>	<u>2024</u>	<u>2023</u>
On November 2, 2020, the Organization secured an emergency injury disaster loan from the Small Business Administration, which is to be used for working capital purposes. The loan is payable over 30 years, beginning 12 months after the loan proceeds have been disbursed. Interest accrues at a rate of 2.75%. Installment payments, including interest and principal, are due monthly beginning November 2, 2021, in the amount of \$641. Each payment will be applied first to interest accrued to the date of receipt of each payment, and the balance, if any, will be applied to principal. The loan is collateralized with all of the Organization's tangible assets.	\$ 143,349	\$ 146,218
Less: Current Portion of Long-Term Debt	<u>(3,793)</u>	<u>(3,690)</u>
Long-Term Debt, Net of Current Portion	<u>\$ 139,556</u>	<u>\$ 142,528</u>

Maturity of loan for each of the next five years and thereafter is as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2025	\$ 3,793
2026	3,899
2027	4,007
2028	4,119
2029	4,234
Thereafter	123,297
Total	<u>\$ 143,349</u>

NOTE 8 LEASES – ASC 842

The Organization leases a copier, office space, and storage facilities with terms of one year or less. The office space leases expire on various dates in 2025. The copier and storage facilities are leased on a month-to-month basis. In the normal course of business, it is expected that these leases will be renewed or replaced by similar leases.

For the years ended December 31, 2024 and 2023, the Organization's short-term lease expense was \$23,851 and \$24,841, which is reported as rent on the combined statement of functional expenses.

**UNITED STATES TABLE TENNIS ASSOCIATION AND AFFILIATE
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023**

NOTE 8 LEASES – ASC 842 (CONTINUED)

As of December 31, 2024, the Organization has renewed the office space operating lease in Colorado on a month-to-month basis.

As of November 14, 2024, the Organization entered into an office space operating lease in North Carolina for term of one year. Monthly lease payments are \$2,554.

NOTE 9 TABLE TENNIS USA, INC.

In February 2017, the Organization formed Table Tennis USA, Inc., a for-profit corporation, and a subsidiary of the Organization. The entity did not have any activity during the years ended December 31, 2024 and 2023.

NOTE 10 CONTINGENT GAIN

Management asserts that a certain charge from a vendor is not owed due to a verbal agreement with the vendor to waive the remaining amount as recompense for a food poisoning issue at certain events, primarily occurring during the U.S. Para Open and the U.S. Nationals events. For the year ended December 31, 2024, management received confirmation that the vendor had adjusted its records to reflect this agreement. The contingency gain has been recorded in the accompanying combined statement of activities and changes in net assets for the year ended December 31, 2024.

NOTE 11 EMPLOYER RETENTION CREDIT

Under the CARES Act. Employee Retention Credits are refundable, federal payroll tax credits available to eligible employers whose business has been financially impacted by COVID-19. The Organization accounts for the funds as Employee Retention Credits in the accompanying combined statement of activities and changes in net assets. During the year ended December 31, 2023, the Organization applied for and recognized revenue relating to Employee Retention Credits totaling \$56,057. For the year ended December 31, 2024, there was no such revenue recognized.

