

**USA WEIGHTLIFTING, INC.  
THE U.S. AMATEUR WEIGHTLIFTING FOUNDATION**

**Consolidating Financial Statements**

**For the Year Ended December 31, 2023**

## TABLE OF CONTENTS

Independent Auditor's Report . . . . .	1
Consolidating Statement of Financial Position . . . . .	4
Consolidating Statement of Activities and Changes in Net Assets . . . . .	5
Consolidated Statement of Functional Expenses . . . . .	6
Consolidating Statement of Cash Flows . . . . .	7
Notes to Consolidating Financial Statements . . . . .	8

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
USA Weightlifting, Inc.  
The U.S. Amateur Weightlifting Foundation  
Colorado Springs, Colorado

**Opinion**

We have audited the accompanying consolidating financial statements of USA Weightlifting, Inc. and The U.S. Amateur Weightlifting Foundation (nonprofit organizations), which comprise the consolidating statement of financial position as of December 31, 2023, and the related consolidating statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the consolidating financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidating financial position of USA Weightlifting, Inc. and The U.S. Amateur Weightlifting Foundation as of December 31, 2023, and the changes in net assets and its 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of USA Weightlifting, Inc. and The U.S. Amateur Weightlifting Foundation and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Responsibilities of Management for the Financial Statements**

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about USA Weightlifting, Inc.'s and The U.S. Amateur Weightlifting Foundation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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 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 USA Weightlifting, Inc.'s and The U.S. Amateur Weightlifting Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about USA Weightlifting, Inc.'s and The U.S. Amateur Weightlifting Foundation's ability to continue as a going concern for a reasonable period of time.

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

#### **Report on Summarized Comparative Information**

We have previously audited USA Weightlifting, Inc.'s and The U.S. Amateur Weightlifting Foundation's 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated August 31, 2023.

In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Waugh & Goodwin, LLP*

Colorado Springs, Colorado  
August 29, 2024

USA WEIGHTLIFTING, INC.  
THE U.S. AMATEUR WEIGHTLIFTING FOUNDATION  
Consolidating Statement of Financial Position  
December 31, 2023  
(With Comparative Totals for December 31, 2022)

ASSETS

	USA Weightlifting, Inc.	The U.S. Amateur Weightlifting Foundation	Eliminating Entries	2023 Consolidated Totals	2022 Consolidated Totals
<b>CURRENT ASSETS:</b>					
Cash and cash equivalents	\$ 571,841	\$ 39,978	\$	\$ 611,819	\$ 548,825
Short-term investments	959,742			959,742	930,606
Accounts receivable, net of allowance for credit losses of \$18,557 and \$29,327	150,530			150,530	136,961
Pledges receivable		43,000		43,000	40,000
Prepaid expenses	<u>157,563</u>	<u>77,701</u>		<u>235,264</u>	<u>23,648</u>
Total current assets	1,839,676	160,679		2,000,355	1,680,040
DESIGNATED CASH	9,912			9,912	19,836
LONG-TERM INVESTMENTS	1,922,935	1,605,800		3,528,735	3,326,525
LONG-TERM PLEDGES RECEIVABLE		36,000		36,000	45,000
RIGHT-OF-USE ASSETS	12,837			12,837	13,010
<b>PROPERTY AND EQUIPMENT, at cost:</b>					
Training equipment	130,319			130,319	188,808
Office furniture	50,577			50,577	50,577
Website & membership database	114,436			114,436	114,436
Less accumulated depreciation	<u>(194,573)</u>			<u>(194,573)</u>	<u>(175,807)</u>
Property and equipment, net	<u>100,759</u>			<u>100,759</u>	<u>178,014</u>
<b>TOTAL ASSETS</b>	<u>\$ 3,886,119</u>	<u>\$ 1,802,479</u>	<u>\$</u>	<u>\$ 5,688,598</u>	<u>\$ 5,262,425</u>

LIABILITIES AND NET ASSETS

<b>CURRENT LIABILITIES:</b>					
Accounts payable	\$ 317,124	\$ 6,959	\$	\$ 324,083	\$ 294,727
Accrued liabilities	153,918			153,918	54,557
Lease liability	10,218			10,218	10,387
Deferred revenue	1,245,656			1,245,656	1,137,287
Note payable	15,900			15,900	
Refundable advance	<u>140,500</u>			<u>140,500</u>	<u>75,500</u>
Total current liabilities	1,883,316	6,959		1,890,275	1,572,458
LONG-TERM LEASE LIABILITY	<u>2,619</u>			<u>2,619</u>	<u>2,623</u>
Total liabilities	1,885,935	6,959		1,892,894	1,575,081
<b>NET ASSETS:</b>					
Without donor restrictions	1,789,762	1,716,520		3,506,282	3,395,354
Without donor restrictions - Board designated	<u>9,912</u>			<u>9,912</u>	<u>19,836</u>
Total without donor restrictions	1,799,674	1,716,520		3,516,194	3,415,190
With donor restrictions	<u>200,510</u>	<u>79,000</u>		<u>279,510</u>	<u>272,154</u>
Total net assets	<u>2,000,184</u>	<u>1,795,520</u>		<u>3,795,704</u>	<u>3,687,344</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 3,886,119</u>	<u>\$ 1,802,479</u>	<u>\$</u>	<u>\$ 5,688,598</u>	<u>\$ 5,262,425</u>

See Notes to Consolidating Financial Statements

USA WEIGHTLIFTING, INC.  
THE U.S. AMATEUR WEIGHTLIFTING FOUNDATION  
Consolidating Statement of Activities and Changes in Net Assets  
For the Year Ended December 31, 2023  
(With Comparative Totals for the Year Ended December 31, 2022)

	USA Weightlifting, Inc.		The U.S. Amateur Weightlifting Foundation		Eliminating Entries	2023 Consolidated Totals	2022 Consolidated Totals
	Without donor restrictions	With donor restrictions	Without donor restrictions	With donor restrictions			
<b>REVENUE AND SUPPORT:</b>							
Membership	\$ 2,507,469	\$	\$	\$	\$	\$ 2,507,469	\$ 2,385,719
Event revenue	1,407,454					1,407,454	1,408,371
National coaching clinics	1,403,826					1,403,826	1,621,561
USOPC revenue:							
Grants	395,500					395,500	405,869
Digital media agreement	150,000					150,000	150,000
Investment income (loss), net of fees of \$9,184 and \$8,466	291,011	(1,644)	172,794			462,161	(681,055)
Contributions	157,549	15,000	227,034			399,583	267,661
Sponsorships	304,535					304,535	285,065
VIK sponsorship	240,173					240,173	291,513
The U.S. Amateur Weightlifting Foundation grant	175,000				(175,000)		
WSO income	125,317					125,317	125,417
Miscellaneous income	7,817					7,817	26,794
Royalties	5,120					5,120	4,020
Merchandise sales, net of costs of \$0 and \$307							8,307
Camp revenue							2,993
Loss on disposal of assets	(40,227)					(40,227)	
Satisfied program restrictions			6,000	(6,000)			
Total revenue and support	7,130,544	13,356	405,828	(6,000)	(175,000)	7,368,728	6,302,235
<b>EXPENSES:</b>							
Program services:							
Development and athlete programs	3,109,063		175,000		(175,000)	3,109,063	2,899,373
Events	1,219,470					1,219,470	1,407,738
Membership services	1,034,514					1,034,514	1,021,141
Coaching education	844,286					844,286	855,690
Communications and Marketing	176,402					176,402	100,714
Total program services	6,383,735		175,000		(175,000)	6,383,735	6,284,656
Supporting services:							
National headquarters	517,323					517,323	379,593
Governance	179,669					179,669	159,839
The U.S. Amateur Weightlifting Foundation			179,641			179,641	172,111
Total supporting services	696,992		179,641			876,633	711,543
Total expenses	7,080,727		354,641		(175,000)	7,260,368	6,996,199
CHANGE IN NET ASSETS	49,817	13,356	51,187	(6,000)		108,360	(693,964)
NET ASSETS, beginning of year	1,749,857	187,154	1,665,333	85,000	3,602,344	3,687,344	4,381,308
NET ASSETS, end of year	\$ 1,799,674	\$ 200,510	\$ 1,716,520	\$ 79,000	\$ 3,602,344	\$ 3,795,704	\$ 3,687,344

See Notes to Consolidating Financial Statements

USA WEIGHTLIFTING, INC.  
THE U.S. AMATEUR WEIGHTLIFTING FOUNDATION  
Consolidated Statement of Functional Expenses  
For the Year Ended December 31, 2023  
(With Comparative Totals for the Year Ended December 31, 2022)

	Development and Athlete Programs	Events	Membership Services	Coaching Education	Communications and Marketing	Total Consolidated Program Services
Advertising & promotion	\$	\$	\$	\$	\$ 34,701	\$ 34,701
Airfare & accommodations	505,631	38,026	786	6,254	1,597	552,294
Apparel & outfitting	105,974	973	264		276	107,487
Athlete incentives	915,927					915,927
Background screening			59,715			59,715
Contract personnel & honorariums	181,725	502,242	2,279	374,468	24,688	1,085,402
Contributions & grants					10,000	10,000
Cost of merchandise sales						
Credit loss expense	66,500					66,500
Database & transaction fees	7,844	16,931	32,040	22,196		79,011
Depreciation		7,652	27,561			35,213
Dues & fees	7,568	471	135,667	11,735	30,064	185,505
Education				22		22
Event expense		580				580
Facilities & equipment rental	2,960	107,842				110,802
Gifts & awards	641	23,387			726	24,754
Ground transportation	15,381	12,845	22	1,464	86	29,798
Insurance	18,813		110,703			129,516
Internet expense	4,916	13,818			2	18,736
Legal & professional fees	159,735	22,136	71,731	37,478		291,080
Lodging & meals	500,652	169,765	59	3,384	145	674,005
Media services	65	357			72,455	72,877
Other expense			35			35
Personnel expenses:						
Employee benefits	81,197	24,347	35,377	37,060		177,981
Payroll taxes	37,110	9,702	20,133	16,199		83,144
Salaries & wages	470,250	125,457	246,051	214,005		1,055,763
Postage & shipping	8,896	96,664		62		105,622
Printing & publications		34,231				34,231
Rebates				119,080		119,080
Royalty payment				50		50
Small equipment		5,954	223		802	6,979
Supplies & materials	14,550	3,704	4,248	222	860	23,584
Telephone	2,728	746	2,581	607		6,662
Weightlifting State Organization & Masters expenses		1,640	285,039			286,679
Total expenses by function	3,109,063	1,219,470	1,034,514	844,286	176,402	6,383,735
Less expenses shown net of revenue in the statement of activities						
Total expenses reported in the statement of activities	<u>\$ 3,109,063</u>	<u>\$ 1,219,470</u>	<u>\$ 1,034,514</u>	<u>\$ 844,286</u>	<u>\$ 176,402</u>	<u>\$ 6,383,735</u>



	National Headquarters	Governance	The U.S. Amateur Weightlifting Foundation	Total Consolidated Supporting Services	2023 Consolidated Totals	2022 Consolidated Totals
Advertising & promotion	\$	\$	\$ 2,900	\$ 2,900	\$ 37,601	\$ 17,838
Airfare & accommodations	17,824	25,027	4,437	47,288	599,582	848,526
Apparel & outfitting	3,955	2,171		6,126	113,613	63,595
Athlete incentives					915,927	813,773
Background screening					59,715	75,361
Contract personnel & honorariums	120,584	60,520	88,441	269,545	1,354,947	1,275,015
Contributions & grants	14,216			14,216	24,216	32,063
Cost of merchandise sales						307
Credit loss expense			6,000	6,000	72,500	
Database & transaction fees	9			9	79,020	57,722
Depreciation	1,815			1,815	37,028	43,809
Dues & fees	61,336	20	7,180	68,536	254,041	244,734
Education					22	147
Event expense					580	261
Facilities & equipment rental	13,524		6,500	20,024	130,826	155,284
Gifts & awards		1,325		1,325	26,079	36,177
Ground transportation	7,406	1,723	413	9,542	39,340	46,462
Insurance	28,003	2,575	1,691	32,269	161,785	169,526
Internet expense	12,750			12,750	31,486	28,150
Legal & professional fees	22,254		16,607	38,861	329,941	381,407
Lodging & meals	30,542	36,671	39,599	106,812	780,817	476,771
Media services					72,877	53,363
Other expense	3,796			3,796	3,831	262
Personnel expenses:						
Employee benefits	14,627	4,960		19,587	197,568	198,432
Payroll taxes	12,754			12,754	95,898	83,806
Salaries & wages	139,020	43,781		182,801	1,238,564	1,117,260
Postage & shipping	3,374	27		3,401	109,023	156,399
Printing & publications	35			35	34,266	57,995
Rebates					119,080	261,190
Royalty payment					50	850
Small equipment	61			61	7,040	4,650
Supplies & materials	8,664	610	5,873	15,147	38,731	46,103
Telephone	774	259		1,033	7,695	8,463
Weightlifting State Organization & Masters expenses					<u>286,679</u>	<u>240,805</u>
Total expenses by function	517,323	179,669	179,641	876,633	7,260,368	6,996,506
Less expenses shown net of revenue in the statement of activities						<u>(307)</u>
Total expenses reported in the statement of activities	<u>\$ 517,323</u>	<u>\$ 179,669</u>	<u>\$ 179,641</u>	<u>\$ 876,633</u>	<u>\$ 7,260,368</u>	<u>\$ 6,996,199</u>

See Notes to Consolidating Financial Statements

USA WEIGHTLIFTING, INC.  
THE U.S. AMATEUR WEIGHTLIFTING FOUNDATION  
Consolidating Statement of Cash Flows  
For the Year Ended December 31, 2023  
(With Comparative Totals for the Year Ended December 31, 2022)

	USA Weightlifting, Inc.	The U.S. Amateur Weightlifting Foundation	Eliminating Entries	2023 Consolidated Totals	2022 Consolidated Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>					
Change in net assets	\$ 63,173	\$ 45,187	\$	\$ 108,360	\$ (693,964)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:					
Depreciation	37,028			37,028	43,809
Net realized and unrealized (gains) and losses on investments	(247,401)	(154,703)		(402,104)	732,038
Loss on disposal of assets	40,227			40,227	
Decrease (increase) in assets:					
Accounts receivable, net	(13,569)			(13,569)	(30,429)
Pledges receivable		6,000		6,000	37,500
Prepaid expenses	(67,747)	(76,617)		(144,364)	19,156
Right-of-use assets	173			173	175
Increase (decrease) in liabilities:					
Accounts payable	22,615	6,741		29,356	(117,004)
Accrued liabilities	99,361			99,361	(33,156)
Deferred revenue	108,369			108,369	189,502
Refundable advance	65,000			65,000	20,000
Lease liabilities	(173)			(173)	(175)
Net cash provided (used) by operating activities	107,056	(173,392)		(66,336)	167,452
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>					
Purchase of equipment					(13,942)
Change in investments, net	108,845	61,913		170,758	149,017
Net cash provided by investing activities	108,845	61,913		170,758	135,075
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>					
Payments on note payable	(51,352)			(51,352)	
Net cash provided by financing activities	(51,352)			(51,352)	
NET INCREASE (DECREASE) IN CASH	164,549	(111,479)		53,070	302,527
CASH AND CASH EQUIVALENTS, beginning of year	417,204	151,457		568,661	266,134
CASH AND CASH EQUIVALENTS, end of year	\$ 581,753	\$ 39,978	\$	\$ 621,731	\$ 568,661

See Notes to Consolidating Financial Statements

USA WEIGHTLIFTING, INC.  
THE U.S. AMATEUR WEIGHTLIFTING FOUNDATION  
Notes to Consolidating Financial Statements  
For the Year Ended December 31, 2023

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

USA Weightlifting, Inc. (the Association) is the national governing body for weightlifting, making it responsible for the conduct and administration of weightlifting in the United States. The Association's major objective is to identify, train, and field a team of outstanding athletes to compete in the worldwide Olympic Games.

The U.S. Amateur Weightlifting Foundation (the Foundation) was incorporated in 1985. The purpose of the Foundation is to raise funds and acquire assets that will enable the Association to encourage, improve, and promote weightlifting in the United States. The Foundation is not a private foundation.

Prior-Year Comparisons

The financial statements include certain prior year summarized comparative information in total but not by net asset class or functional expense classification. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America (GAAP). Accordingly, such information should be read in conjunction with the Association and the Foundation's financial statements for the year ended December 31, 2022, from which the summarized information was derived.

Basis of Presentation

The financial statements of the Association are presented on a consolidated basis with the Foundation (collectively the Organization) in order to conform to the requirements of Financial Accounting Standards Board ASC 958. Transactions between the entities are shown as eliminating entries and removed in order to properly reflect consolidated totals.

## Notes to Consolidating Financial Statements

### A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### Cash and Cash Equivalents

Cash and cash equivalents consist of cash in the Association's and the Foundation's checking, savings, and money market accounts.

The Organization considers all liquid investments with original maturities of three months or less, and which are not held for long-term investment purposes, to be cash equivalents. Cash and highly liquid financial instruments held for long-term investment purposes, regardless of original length to maturity, are reported as investments and excluded from this definition. In the unlikely event of a bank or brokerage firm failure, the Organization might only be able to recover the amounts insured.

#### Supplemental Cash Flow Information

During the year ended December 31, 2023 the Association paid \$3,780 of interest related to \$67,252 of financed insurance policies. The note has an outstanding balance of \$15,900 as of December 31, 2023, and is recognized as a current note payable in the accompanying statement of financial position. The Foundation did not pay any interest during the year ended December 31, 2023. The Organization did not pay any interest during the year ended December 31, 2022. The Organization did not pay any income taxes during the years ended December 31, 2023 and 2022.

#### Accounts Receivable

During the year ended December 31, 2023, the Organization implemented Accounting Standards Update (ASU) 2016-13, *Financial Instruments - Credit losses (Topic 326): Measurement of Credit Losses on Financial Instruments*. This ASU was issued in June 2016 by the Financial Accounting Standards Board (FASB) and revises the accounting requirements related to the measurement of credit losses and requires organizations to measure all expected credit losses for financial assets based on historical experience, current conditions, and reasonable and supportable forecasts about collectability. On January 1, 2023, the Organization adopted the new accounting standard and the related amendments. There was no impact of adoption of ASU 2016-13 on the accompanying financial statements. The Organization does not expect ASU 2016-13 to have a significant impact on its financial condition or results of operations on an ongoing basis.

## Notes to Consolidating Financial Statements

### A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### Accounts Receivable - continued

Accounts receivable recognized by the Association include amounts from contracts with customers, contributions postmarked before the end of the year, and other miscellaneous amounts. They are stated at the amount management expects to collect from balances outstanding at year-end.

Accounts receivable are presented net of an allowance for credit losses, which is an estimate of amounts that may not be collectible. Management provides for probable uncollectible amounts through an allowance so that the net amount reflects the amount that management expects to collect. In developing that allowance, management determines statistics for the probability of loss. These statistics are based on the Organization's historical collection experience, adjusted for management's expectations about current and future economic conditions.

Based on management's assessment of the credit history with customers having outstanding balances and current relationships with them, the Association has concluded that an allowance for credit losses in the amount of \$18,557 and \$29,327 is necessary for the years ending December 31, 2023 and 2022, respectively. The Foundation did not have an allowance for credit losses as of December 31, 2023 and 2022.

Gross receivables from contracts with customers at the beginning and end of the period were \$66,076 and \$113,859, respectively for the Association. The Foundation did not have any gross receivables from contracts with customers at the beginning and end of the period.

#### Pledges Receivable

Pledges receivable consist of unconditional promises to give that are expected to be collected in current and future periods by the Foundation. Pledges expected to be collected within one year are recorded at their estimated net realizable values. Material pledges receivable expected to be collected in more than one year are recorded at the present value of their estimated future cash flows, computed using risk-adjusted interest rates.

Amortization of any discount is included in contribution revenue.

## Notes to Consolidating Financial Statements

### A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### Pledges Receivable - continued

Pledges receivable are reported as support with donor restrictions unless the donor stipulations or circumstances surrounding the pledge make clear the donor intended it to be used to support activities in the current period.

Pledges receivable are considered by management to be fully collectible and, accordingly, no allowance for credit losses is considered necessary. The delinquency and collectability of pledges receivable is determined on a case-by-case basis and pledges receivable are charged to uncollectible pledges when determined to be credit losses.

#### Contributions

Gifts of cash and other assets are reported as restricted support if they are received with donor stipulations that limit the use of donated assets. When a restriction expires, 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 statement of activities as satisfied program restrictions. Contributions and grants with donor restrictions are reported as support and revenue without donor restrictions if the restriction is met in the same year that the gift is received.

Contributions include United States Olympic & Paralympic Committee (USOPC), and grants received from other Organizations.

#### Revenue from Contracts with Customers

Membership - Revenue from contracts with members for annual dues is reported at the amount that reflects the consideration to which the Association expects to be entitled in exchange for providing membership benefits to its members.

The Association currently has memberships in the following categories with various fees and services provided: youth athlete, junior athlete, senior athlete, master athlete, coach, coach and athlete, and club. Members have the option of paying dues either on a monthly or annual basis.

## Notes to Consolidating Financial Statements

### A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### Revenue from Contracts with Customers - continued

##### Membership - continued

Memberships purchased on a monthly basis are valid for one month from the date of purchase, and will be renewed automatically each month, subject to the Association's terms and conditions.

Membership registrations are recognized by the Association as revenue ratably over the membership period as performance obligations are completed.

In the event of membership cancellation, the Association does not refund membership fees.

National Coaching Clinics - The Association provides Level 1 and Level 2 coaching certification courses to weightlifting coaches, strength and conditioning coaches, personal trainers, sport performance coaches, college and university students, functional fitness coaches, and anyone in general that is interested in improving weightlifting technique. All course participants must be current Association members. Revenue for these courses is recognized by the Association as the courses are completed and the performance obligations of the Association are fulfilled. Registration costs are non-refundable by the Association in most circumstances.

Event revenue - The Association receives revenue from sales related to various events and challenges held for members. Each event has a specified registration fee, varying by type of participant. The revenue is recognized at the time of the event, which recognizes the completion of the Association's performance obligations.

Merchandise sales - At times, the Association sells USA Weightlifting, Inc. flags, notebooks, referee scarves, referee ties, and various sizes of club banners to members and nonmembers through their website and at national events. Revenue is recognized as products are sold and provided to customers.

Sponsorships - The Association recognizes revenue from contracts with both sponsors, the USOPC digital media agreement, and suppliers of the Association.

## Notes to Consolidating Financial Statements

### A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### Revenue from Contracts with Customers - continued

##### Sponsorships - continued

Performance obligations in such contracts are satisfied as services are rendered, and therefore, the Association will recognize revenue over time. The Association has concluded that the performance obligations within these contracts are substantially the same in each year and are satisfied ratably over the term of the agreement.

Camp revenue - The Association offers skills camps to the Association members. The Association recognizes revenue from these camps as the camps are completed and the performance obligations of the Association are fulfilled. The Association reviews cancellations on a case-by-case basis and determines if a refund will be issued. An administration fee is often charged upon cancellation.

#### Functional Allocation of Expenses

The financial statements report certain categories of expenses that are attributable to one or more programs or supporting services of the Association. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Certain costs and expenses are allocated among the various programs and supporting service expenses based on salary, time and effort spent, and dedicated resources.

#### Income Taxes

The Association and the 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.

The Association and the Foundation's Forms 990, Return of Organization Exempt from Income Tax, are subject to examination by various taxing authorities, generally for three years after the date they were filed.

Management of the Organization believe that they do not have any uncertain tax positions that are material to the financial statements.



## Notes to Consolidating Financial Statements

### A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### Depreciation

Depreciation is recorded for office furniture and equipment, website and membership database, and training equipment using the straight-line method over estimated useful lives of three to 10 years.

Depreciation expense for the years ended December 31, 2023 and 2022 was \$37,028 and \$43,809, respectively.

#### Compensated Absences

In prior years, employees of the Association earned a vested right to compensation for unused vacation. Accordingly, an accrual has been made for vacation compensation that employees have earned but not yet taken.

Effective January 1, 2021, the Association's policy was changed to allow for an unrestricted amount of time off as long as employee's assigned duties have been completed. Due to this change, further amounts are not being accrued. Any amounts accrued but still unused as of December 31, 2023 will be paid as compensation to the respective employees subsequent to December 31, 2023.

#### Value-in-kind

During the year ended December 31, 2022, the Association adopted Accounting Standards Update (ASU) 2020-07, *Not-For-Profit Entities (Topic 958): Presentation and Disclosures by Not-For-Profit Entities for Contributed Nonfinancial Assets*.

The Association receives various types of value-in-kind (VIK) contributions that support the Association's program and supporting services.

The Association recognizes VIK sponsorship revenue and a corresponding VIK expense in an amount approximating the respective fair value at the time of the donation. Information on the fair value of value-in-kind contributions is often provided by the respective sponsor. VIK expense has been allocated to the respective program and supporting services based upon usage in the accompanying statements of functional expenses.

## Notes to Consolidating Financial Statements

### A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### Value-in-kind - continued

The Association recognizes donated services that create or enhance non-financial assets or that require specialized skills and would typically need to be purchased if not provided by donation.

The Association received the following gifts-in-kind during the years ended December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Event & equipment services	\$ 130,500	\$ 209,200
Apparel & outfitting	80,461	58,336
Athlete travel & lodging	23,768	6,091
Occupancy related services	5,444	5,444
Athletic supplies & materials		<u>12,442</u>
Total	<u>\$ 240,173</u>	<u>\$ 291,513</u>

The Association's policy related to gifts-in-kind is to utilize the assets given to carry out the mission of the Association. If an asset is provided that does not allow the Association to utilize it in its normal course of business, the asset will be sold at its fair market value as determined by appraisal or specialist depending on the type of asset. The Association did not sell any gifts-in-kind received during the years ending December 31, 2023 and 2022.

Athlete travel & lodging is used in the programs for development and athletes and events. Contract services are used by the National Office. Event & equipment services are used in the programs by events. The Association occupies office space in the USOPC Sport Building at a discounted rental rate. Provided services and common area maintenance are provided in-kind by the USOPC. Occupancy-related services include utilities, garbage, janitorial services, and plumbing services. Office space is used by the National Office.

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

The Foundation did not receive any value-in-kind donations during the years ending December 31, 2023 and 2022.

## Notes to Consolidating Financial Statements

### A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. This will affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

#### Date of Management's Review

In preparing the financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through August 29, 2024, the date that the financial statements were available to be issued.

### B. AVAILABLE RESOURCES AND LIQUIDITY

The Association and the Foundation regularly monitor liquidity required to meet their operating needs and other commitments, while also striving to effectively invest funds by protecting and strengthening the financial position of the Organization. The Association and the Foundation have various sources of liquidity at their disposal, including cash and cash equivalents, accounts receivable, and investments.

The Association and the Foundation currently do not have an investment policy that governs the management of the respective portfolios; however, management and the Board of Directors oversee all investment decisions. 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 from conducting its program services to adequately cover operating expenses.

The following table reflects the Organization's financial assets as of December 31, 2023 and 2022. Additionally, the Association has funds designated by the Board of Directors for the benefit of the Regional Weightlifting State Organizations, as well as the USA Masters Weightlifting Committee (Note F), and the Organization has funds restricted by donors for the benefit of various program and supporting services (Note G).

## Notes to Consolidating Financial Statements

### B. AVAILABLE RESOURCES AND LIQUIDITY - Continued

	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 621,731	\$ 568,661
Accounts receivable, net	150,530	136,961
Pledges receivable - current	43,000	40,000
Investments	<u>4,488,477</u>	<u>4,257,131</u>
Total financial assets	5,303,738	5,002,753
Less amounts with Board designations	(9,912)	(19,836)
Less amounts with donor restrictions	<u>(200,510)</u>	<u>(187,154)</u>
Financial assets available within one year	<u>\$ 5,093,316</u>	<u>\$ 4,795,763</u>

### C. FAIR VALUE MEASUREMENTS

The Organization applies Generally Accepted Accounting Principles (GAAP) for fair value measurements of financial assets that are recognized or disclosed at fair value in the financial statements on a recurring basis.

GAAP establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements).

The three levels of fair value hierarchy are as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization has the ability to access at the measurement date.
- Level 2 inputs are 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 inputs are unobservable inputs for the asset or liability. In these situations, inputs are developed using the best information available in the circumstances.

## Notes to Consolidating Financial Statements

### C. FAIR VALUE MEASUREMENTS - Continued

The level in the fair value hierarchy within which a fair measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

The following tables present assets that are measured at fair value on a recurring basis at December 31, 2023 and 2022:

<u>Assets at Fair Value as of December 31, 2023</u>				
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Debt securities:				
Fixed income securities	\$	\$ 618,978	\$	\$ 618,978
Equity securities:				
Common stock & ETFs	311,128			311,128
Money market	29,636			29,636
USOPE pooled fund		3,528,735		3,528,735
	<u>\$ 340,764</u>	<u>\$ 4,147,713</u>	<u>\$</u>	<u>\$ 4,488,477</u>

<u>Assets at Fair Value as of December 31, 2022</u>				
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Debt securities:				
Fixed income securities	\$	\$ 600,069	\$	\$ 600,069
Equity securities:				
Common stock & ETFs	272,183			272,183
Money market	32,785			32,785
USOPE pooled fund		3,326,525		3,326,525
	<u>\$ 304,968</u>	<u>\$ 3,926,594</u>	<u>\$</u>	<u>4,231,562</u>
Investments measured at net asset value				<u>25,569</u>
Total investments				<u>\$ 4,257,131</u>

Investment income in the accompanying consolidating statement of activities consists of the following for the years ended December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Realized gains	\$ 63,220	\$ 63,813
Unrealized gains (losses)	338,884	(795,851)
Interest and dividends	69,241	59,449
Investment fees	(9,184)	(8,466)
	<u>\$ 462,161</u>	<u>\$ (681,055)</u>

## Notes to Consolidating Financial Statements

### C. FAIR VALUE MEASUREMENTS - Continued

The United States Olympic & Paralympic Endowment (USOPE) investment consists of units in a pooled portfolio managed by the USOPE. At December 31, 2023, the USOPE portfolio consisted of the following types of securities:

Alternative investments	39.20 %
Domestic equities	35.10
Domestic bonds	6.90
International equities	17.20
Cash and equivalents	<u>1.60</u>
	<u>100.00 %</u>

Investments in equity securities fluctuate in value in response to many factors, such as the activities and financial condition of individual companies, general business and industry market conditions, and the state or perceived direction of the economy.

The values of debt securities fluctuate in response to changing interest rates, credit worthiness of issuers, and overall economic policies that impact market conditions.

The values of certain investments, such as hedge funds, can fluctuate in response to direct market conditions and other factors that may or may not have a high correlation to overall market direction.

The following summarizes liquidity considerations for investments measured at fair value that calculate net asset value as a practical expedient at December 31, 2022:

Vanguard Real Estate ETF invests in stocks issued by real estate investment trusts (REITS), companies that purchase office buildings, hotels, and other real property. The investment strategy is to closely track the return of the MSCI US Investable Market Real Estate 25/50 Index and to offer a high potential for investment income and some growth.

Though the market values of investments are subject to fluctuation, management, and the investment committee, believe that the investment policy is prudent for the long-term welfare of the portfolio.

The Organization did not have any investments measured at net asset value as of December 31, 2023.

## Notes to Consolidating Financial Statements

### D. PLEDGES RECEIVABLE

As of December 31, 2023 and 2022, the Foundation had pledges receivable of \$79,000 and \$85,000, respectively, representing unconditional promises to give made during the year. The current pledges are expected to be received by the Foundation through December 31, 2025. The Foundation has analyzed the potential discount for long-term pledges receivable using the risk-free interest rate ranging from 0.11% to 4.79% for the year in which they were received. The Foundation has considered the discount for long-term pledges immaterial as of December 31, 2023 and 2022.

### E. DEFERRED REVENUE

Deferred revenue, a contract with customers liability, consists of the following at December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Memberships	\$ 880,447	\$ 882,259
Coaching courses and events	357,709	255,028
Sponsorships	<u>7,500</u>	<u>          </u>
	<u>\$ 1,245,656</u>	<u>\$ 1,137,287</u>

### F. NET ASSETS WITHOUT DONOR RESTRICTIONS - BOARD DESIGNATED

A portion of the net assets without donor restrictions has been designated by the Board of Directors to be used for the support of Regional Weightlifting State Organizations, as well as the USA Masters Weightlifting Committee. Designations have been made to segregate net assets for the support of the committees that are affiliated with the Association.

### G. NET ASSETS WITH DONOR RESTRICTIONS - TEMPORARY

Net assets with temporary donor restrictions at December 31, 2023 and 2022, are available for the following purposes:

	<u>2023</u>	<u>2022</u>
Purpose restrictions:		
Jennifer Roy medal fund	\$ 188,622	\$ 173,622
Glen Middleton award	6,705	8,349
Jack Hughes award	<u>5,183</u>	<u>5,183</u>
Total purpose restrictions	200,510	187,154
Time restrictions:		
Weightlifting Foundation pledges	<u>79,000</u>	<u>85,000</u>
	<u>\$ 279,510</u>	<u>\$ 272,154</u>

## Notes to Consolidating Financial Statements

### G. NET ASSETS WITH DONOR RESTRICTIONS - TEMPORARY - Continued

Net assets are released from donor restrictions by incurring expenses that satisfy the restricted purpose. During the years ended December 31, 2023 and 2022, net assets with donor restrictions were released for the following programs:

	<u>2023</u>	<u>2022</u>
Time restrictions	\$ <u>6,000</u>	\$ <u>39,500</u>

### H. RELATED PARTY TRANSACTIONS

During the years ended December 31, 2023 and 2022, the USOPC provided revenue under the following categories:

	<u>2023</u>	<u>2022</u>
High performance support	\$ 353,000	\$ 303,005
VIK athlete travel & lodging	23,768	6,091
International relations grant	22,500	30,000
Special grants	20,000	69,350
VIK rent	5,444	5,444
Other grants	<u>          </u>	<u>3,514</u>
	\$ <u>424,712</u>	\$ <u>417,404</u>

At December 31, 2023 and 2022, the USOPC owed the Association \$4,500 and \$6,000, respectively. The Association did not owe the USOPC any amounts as of December 31, 2023 and 2022.

In 2013 the Association entered into a digital media agreement with the USOPC. The term of the agreement was January 1, 2013, through December 31, 2016. The Association signed an amended agreement with the USOPC that extended the term of the agreement through December 31, 2023. The Association received \$150,000 under this agreement in both of the years ended December 31, 2023 and 2022.

The USOPC provides the Association with a portion of its current office facilities at no cost, which have been valued at \$5,444 for both of the years ended December 31, 2023 and 2022.

Excluding value-in-kind, rent paid to the USOPC for the years ended December 31, 2023 and 2022 amounted to \$10,560 each year. The USOPC provided funding in the form of Airbnb value-in-kind, in the amount of \$23,768 and \$6,091 during the years ended December 31, 2023 and 2022, respectively.



## Notes to Consolidating Financial Statements

### H. RELATED PARTY TRANSACTIONS - Continued

In addition, the Association paid \$16,471 and \$19,776, respectively, to the USOPC for IT Services during the years ended December 31, 2023 and 2022.

The Association may, from time to time, compensate Board Members for services provided for Association events pursuant to normal compensation practices for the services provided. No Board Members receive compensation for their service on the Board of Directors.

During the year ended December 31, 2023, the Foundation granted the Association \$175,000 to be used for High Performance costs and costs related to the 2024 Olympics.

There were no other transactions between the Association and the Foundation during the years ended December 31, 2023 and 2022.

### I. LEASES

During the year ended December 31, 2022, the Association adopted Accounting Standards Update (ASU) 2016-02, *Leases (Topic 842)*. The Association has an operating lease for office space. The Association assesses whether an arrangement qualifies as a lease at inception and only reassess its determination if the terms and conditions of the arrangement are changed. As the Association's leases do not provide an implicit rate, the Association has elected to use the risk-free discount rate based on the two-year Treasury note rate as of the later of the initial date of the lease term in determination of the respective right-of-use (ROU) assets and liabilities.

As discussed in Note H, the Association has leased its office space from the USOPC under an operating lease through December 31, 2021, with automatic annual renewals. This lease requires payments of \$880 per month. This lease includes monthly variable lease payments for printing and copy services used on a monthly basis.

The lease includes an option to terminate for both the Association and the lessor. The Association has determined that they are not reasonably certain to terminate the lease and therefore have recorded respective right-of-use assets and lease liabilities through April 1, 2025.

## Notes to Consolidating Financial Statements

### I. LEASES - Continued

The option allows the Association to terminate the lease without penalty prior to the expiration date, if the Association notifies the lessor no less than 60 days from any potential vacate date.

The following table represents lease expense for the years ended December 31, 2023 and 2022. Variable costs include those specifically mentioned as part of lease arrangements outlined above.

	<u>2023</u>	<u>2022</u>
Weighted Average Remaining Lease Term	1.25 years	1.25 years
Weighted Average Discount Rate	4.80%	0.17%
	<u>2023</u>	<u>2022</u>
Operating lease rent, included in program service expenses	\$ 2,960	\$ 9,117
Operating lease rent, included in supporting service expenses	7,920	1,443
Variable payments, included in program service expenses	356	
Variable payments, included in supporting service expenses	3,992	9,703
Total lease cost	<u>\$ 15,228</u>	<u>\$ 20,263</u>

Maturities of lease liabilities, and the Weighted Averages for the leases recorded on the Statement of Financial Position are as follows as of December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
2023	\$	\$ 10,560
2024	10,560	2,640
2025	<u>2,640</u>	<u></u>
Total lease payments	13,200	13,200
Less: interest	<u>(363)</u>	<u>(190)</u>
Present value of lease liabilities	<u>\$ 12,837</u>	<u>\$ 13,010</u>

## Notes to Consolidating Financial Statements

### I. LEASES - Continued

Supplemental cash flow information for the years ended December 31, 2023:

	<u>2023</u>	<u>2022</u>
Cash paid for amounts included in measurement of lease liabilities for operating leases	\$ <u>10,560</u>	\$ <u>10,560</u>
Right-of-use assets obtained in exchange for new operating lease liabilities	\$ <u>10,206</u>	\$ <u>10,371</u>

### J. RETIREMENT PLAN

The Association has established a qualified 401(k) retirement plan in which the employer contributes a percentage of eligible compensation. Employees are eligible to participate in the plan after completing 90 days of service. Employer contributions for the years ended December 31, 2023 and 2022, were \$96,677 and \$90,437, respectively.

### K. EMPLOYEE RETENTION CREDITS

The 2021 Coronavirus Aid, Relief, and Economic Security (CARES) act included a provision that created the employee retention credit, a refundable tax credit against certain employment taxes of up to \$5,000 per employee for eligible wages paid to employees during a quarter, capped at \$10,000 of qualified wages per employees through December 31, 2020. Additional relief provisions were passed by the United States Government which extended the credit through September 30, 2021, and expanded the credit to allow it to be equal to 70% of qualified wages paid to employees during a quarter, and the limit on qualified wages per employee was \$10,000 of qualified wages per quarter.

Subsequent to December 31, 2023, the Association submitted a request for credits in the amount of \$335,665. No amount has been recorded in the accompanying financial statements for these credits.

## Notes to Consolidating Financial Statements

### M. CONTINGENCIES

Occasionally, in the normal conduct of business, the Association may be named defendant in a lawsuit or other form of legal action. In the opinion of management, any pending or threatened claims against the Association, as of December 31, 2023, are either without merit or will not exceed insurance limits.

### N. UNCERTAINTIES

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