

**COLORADO ASSOCIATION OF  
USA TRACK & FIELD**

**FINANCIAL STATEMENTS**

**December 31, 2011**

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# Sotiros & Sotiros, LLC

*Certified Public Accountants*

## Independent Auditors' Report

Board of Directors  
Colorado Association of USA Track & Field  
Colorado Springs, Colorado 80920

We have audited the accompanying statement of financial position of Colorado Association of USA Track & Field as of December 31, 2011, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Colorado Association of USA Track & Field's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Colorado Association of USA Track & Field as of December 31, 2011 and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

  
Sotiros & Sotiros, LLC

August 31, 2012

COLORADO ASSOCIATION OF USA TRACK & FIELD  
STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2011

<u>ASSETS</u>	
CURRENT ASSETS	
Cash and cash equivalents	\$ 140,409
Accounts receivable, net	254
TOTAL CURRENT ASSETS	<u>140,663</u>
PROPERTY AND EQUIPMENT	5,255
Less accumulated depreciation	<u>(1,278)</u>
	3,977
TOTAL ASSETS	<u><u>\$ 144,640</u></u>
<u>LIABILITIES AND NET ASSETS</u>	
LIABILITIES (ALL CURRENT)	
Deferred revenue	12,746
TOTAL LIABILITIES	<u>12,746</u>
NET ASSETS (UNRESTRICTED)	<u>131,894</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 144,640</u></u>

COLORADO ASSOCIATION OF USA TRACK & FIELD  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2011

**UNRESTRICTED NET ASSETS**

REVENUES

Events and athlete programs	\$ 47,171
Member-based programs	35,257
Merchandise sales	1,256
Other revenue	171
Total revenue	83,855

EXPENSES

Program expenses	
Events and athlete competitions	42,833
Member-based programs	10,723
Cost of goods sold	340
Total program expenses	53,896
Administration and governance	8,591
Total expenses	62,487

Change in unrestricted net assets	21,368
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Net assets at beginning of year	110,526
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Net assets at end of year	\$ 131,894
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COLORADO ASSOCIATION OF USA TRACK & FIELD  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2011

CASH FLOWS FROM OPERATING ACTIVITIES:	
Change in net assets	\$ 21,368
Adjustments to reconcile changes in net assets to net cash provided by operating activities:	
Depreciation	751
(Increase) decrease in:	
Accounts receivable	(254)
Deferred revenue	3,197
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>25,062</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	<u>-</u>
NET INCREASE (DECREASE) IN CASH	25,062
CASH AT BEGINNING OF YEAR	<u>115,347</u>
CASH AT END OF YEAR	<u>\$ 140,409</u>

COLORADO ASSOCIATION OF USA TRACK & FIELD  
NOTE TO FINANCIAL STATEMENTS  
DECEMBER 31, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Colorado Association of USA Track & Field (the Organization) was originally organized May 8, 1981 as the Colorado Association of the Athletic Congress, a Colorado non-profit corporation. The Organization is the governing body for track and field, long-distance running, race walking and cross-country running for the region of Colorado. The Organization's purpose is to develop interest and participation in athletics, promote and conduct competitions and other events, and generate public awareness, appreciation, and support for athletics, the USATF, and the Organization.

The Organization is autonomous in its governance of athletics in Colorado in accordance with their bylaws and other regulations, and in accordance with the national USATF bylaws and operating regulations.

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly, reflect all significant receivables, payables, and other liabilities.

Basis of Presentation

Revenue and expenses are reported as an increase or decrease, respectively, in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions.

Revenue Recognition

Membership revenue is recognized ratably over the membership period. Gate receipts and other event revenues are recognized upon completion of the event.

Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses.

COLORADO ASSOCIATION OF USA TRACK & FIELD  
NOTE TO FINANCIAL STATEMENTS  
DECEMBER 31, 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Donated Services

No amounts have been reflected in the financial statements for donated services. The Organization generally pays for services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Organization with events, competitions, and various committee assignments.

Income Taxes

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2).

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Accounts Receivable

Accounts receivable is recorded net of an allowance for expected losses. The allowance is estimated from historical performance and projections of trends. The allowance for doubtful accounts was \$0 at December 31, 2011.

Property and Equipment

Property and equipment are stated at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets. The estimated useful lives of depreciable assets are:

	<u>Years</u>
Equipment	7

Deferred Revenue

Deferred revenue represents unearned membership fees.