



United States Soccer Federation, Inc.

Financial Statements

Years Ended March 31, 2015 and 2014

United States Soccer Federation, Inc.

Financial Statements
Years Ended March 31, 2015 and 2014

United States Soccer Federation, Inc.

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Independent Auditor's Report

The National Board of Directors
United States Soccer Federation, Inc.
Chicago, Illinois

We have audited the accompanying financial statements of United States Soccer Federation, Inc. (the "Federation"), which comprise the statements of financial position as of March 31, 2015 and 2014, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of United States Soccer Federation, Inc. as of March 31, 2015 and 2014, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

BDO USA, LLP
Chicago, Illinois
September 24, 2015

Financial Statements

United States Soccer Federation, Inc.

Statements of Financial Position

<i>March 31,</i>	2015	2014
Assets		
Current Assets		
Cash	\$ 13,192,602	\$ 7,771,167
Cash held in escrow	2,203,146	772,111
Short-term investments - cash equivalents	-	6,278,349
Accounts receivable, net of allowances for doubtful accounts of \$100,000 in 2015 and 2014	16,219,931	8,229,181
Prepaid expenses and advances	2,305,143	4,202,543
Total Current Assets	33,920,822	27,253,351
Long-term receivable	500,000	-
Long-term prepaid expenses	2,677,944	2,952,605
Investments		
Undesignated	61,446,648	60,884,549
Designated - option plan	1,824,704	1,731,463
Software development costs, net of accumulated amortization	234,606	355,618
Property and equipment, net of accumulated depreciation and amortization	3,520,011	3,730,480
Total Noncurrent Assets	70,203,913	69,654,715
Total Assets	\$ 104,124,735	\$ 96,908,066

United States Soccer Federation, Inc.

Statements of Financial Position

<i>March 31,</i>	2015	2014
Liabilities and Net Assets		
Current Liabilities		
Accounts payable and accrued expenses	\$ 9,699,832	\$ 11,433,408
Deferred revenue		
Sponsorship	4,000,000	3,687,477
Games	2,883,578	3,653,136
Referee registration	1,594,786	1,634,743
Coaching	472,325	642,897
Other	566,746	505,816
Total Current Liabilities	19,217,267	21,557,477
Deferred compensation - option plan	1,824,704	1,731,463
Total Noncurrent Liabilities	1,824,704	1,731,463
Total Liabilities	21,041,971	23,288,940
Net Assets		
Unrestricted:		
Undesignated	59,344,918	48,643,816
Designated - player development	22,697,846	22,697,846
Total Unrestricted	82,042,764	71,341,662
Temporarily Restricted	1,040,000	2,277,464
Total Net Assets	83,082,764	73,619,126
Total Liabilities and Net Assets	\$ 104,124,735	\$ 96,908,066

See accompanying notes to financial statements.

United States Soccer Federation, Inc.

Statements of Activities

Year ended March 31,	2015			2014		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Revenues						
Registration and affiliation fees:						
Youth	\$ 4,133,910	\$ -	\$ 4,133,910	\$ 4,057,588	\$ -	\$ 4,057,588
Referee	2,933,217	-	2,933,217	2,902,803	-	2,902,803
Professional	1,254,972	-	1,254,972	1,238,944	-	1,238,944
Amateur	519,184	-	519,184	529,928	-	529,928
Coaches	280,535	-	280,535	209,856	-	209,856
	9,121,818	-	9,121,818	8,939,119	-	8,939,119
Sponsorship, television, licensing, and royalties	37,058,657	500,000	37,558,657	28,696,884	-	28,696,884
National Teams' game revenues	34,009,091	-	34,009,091	22,555,136	2,137,464	24,692,600
International game revenues	8,024,177	-	8,024,177	5,225,021	-	5,225,021
Player development revenue	5,936,183	400,000	6,336,183	3,841,327	140,000	3,981,327
Coaching school courses	1,897,399	-	1,897,399	1,780,723	-	1,780,723
Open Cup	1,080,298	-	1,080,298	1,193,912	-	1,193,912
Olympic Committee funding	761,617	-	761,617	745,452	-	745,452
USA Bid Committee	-	-	-	456,295	-	456,295
Annual general meeting	22,251	-	22,251	53,350	-	53,350
Fundraising	1,313,862	-	1,313,862	33,900	-	33,900
Other	418,509	-	418,509	766,909	-	766,909
Net assets released from restrictions	2,137,464	(2,137,464)	-	-	-	-
	101,781,326	(1,237,464)	100,543,862	74,288,028	2,277,464	76,565,492
Expenses						
National Teams	69,718,886	-	69,718,886	50,823,920	-	50,823,920
Management expenses	15,269,512	-	15,269,512	10,928,303	-	10,928,303
Referee program	3,536,783	-	3,536,783	2,788,204	-	2,788,204
Coaching program	2,761,294	-	2,761,294	2,437,392	-	2,437,392
National Board of Directors' and committees' expenses	444,773	-	444,773	1,256,142	-	1,256,142
Open Cup	1,002,711	-	1,002,711	959,038	-	959,038
Annual general meeting expenses	502,200	-	502,200	837,473	-	837,473
	93,236,159	-	93,236,159	70,030,472	-	70,030,472
Change in net assets before investment income	8,545,167	(1,237,464)	7,307,703	4,257,556	2,277,464	6,535,020
Investment income (including net unrealized appreciation of \$867,706 and \$2,532,574 in 2015 and 2014, respectively)	2,155,935	-	2,155,935	2,989,200	-	2,989,200
Increase in Net Assets	10,701,102	(1,237,464)	9,463,638	7,246,756	2,277,464	9,524,220
Net Assets, at beginning of year	71,341,662	2,277,464	73,619,126	64,094,906	-	64,094,906
Net Assets, at end of year	\$ 82,042,764	\$ 1,040,000	\$ 83,082,764	\$ 71,341,662	\$ 2,277,464	\$ 73,619,126

See accompanying notes to financial statements.

United States Soccer Federation, Inc.

Statements of Cash Flows

<i>Year ended March 31,</i>	2015	2014
Cash Flows From Operating Activities		
Increase in net assets	\$ 9,463,638	\$ 9,524,220
Adjustments to reconcile increase in net assets to net cash (used in) provided by operating activities:		
Depreciation and amortization	408,001	397,778
Amortization of software development costs	191,567	152,500
Investment income	(2,115,589)	(2,989,200)
Changes in operating assets and liabilities		
Cash held in escrow	(1,431,035)	390,286
Accounts receivable	(8,490,750)	2,766,185
Prepaid expenses and advances	2,172,061	(2,551,295)
Accounts payable and accrued expenses	(1,733,576)	3,149,944
Deferred revenue	(606,634)	(1,792,763)
Deferred compensation - option plan	93,241	249,402
Net cash (used in) provided by operating activities	(2,049,076)	9,297,057
Cash Flows From Investing Activities		
Purchases of investments	-	(8,000,000)
Proceeds from sales of investments	7,738,598	-
Capitalization of software development costs	(70,555)	(163,816)
Purchases of property and equipment	(197,532)	(59,470)
Net cash provided by (used in) investing activities	7,470,511	(8,223,286)
Net Increase in Cash	5,421,435	1,073,771
Cash, at beginning of year	7,771,167	6,697,396
Cash, at end of year	\$ 13,192,602	\$ 7,771,167

United States Soccer Federation, Inc.

Notes to Financial Statements

1. Nature of Operations

The United States Soccer Federation, Inc. (the "Federation") was incorporated in New York on June 29, 1914, as a nonprofit corporation. The purpose of the Federation is to promote and govern the game of soccer in the United States of America.

The Federation is affiliated with the Fédération Internationale de Football Association ("FIFA"), which is the world-governing body of soccer and is comprised of the various national soccer associations. FIFA is responsible for promoting and organizing the game of soccer throughout the world.

The Federation is recognized as the National Governing Body of Soccer in the United States of America by FIFA and the United States Olympic Committee ("USOC"), as provided by the Ted Stevens Olympic and Amateur Sports Act.

2. Summary of Significant Accounting Policies

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 that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

Basis of Presentation

These financial statements report amounts separately by class of net assets. The separate classes of assets are defined as unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. Unrestricted net assets include all resources that are not subject to contributor-imposed restrictions. Unrestricted net assets also include board-designated funds. Temporarily restricted net assets include resources that are subject to contributor stipulations that limit the use of the contributed assets. When a contributor restriction expires, that is when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions (see Note 6).

The Federation currently has no permanently restricted net assets.

Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted net assets depending on the existence or nature of any contributor restrictions. All contributions are considered to be available for unrestricted use unless specifically restricted by the contributor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. The Federation presents restricted contributions whose restrictions are met in the same reporting period as unrestricted contributions.

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Cash

The Federation considers all unrestricted highly liquid financial instruments with an original maturity of three months or less to be cash. The Federation maintains its cash in bank deposit accounts at JPMorgan Chase Bank, which at times may exceed federally insured limits. The Federation has not experienced any losses in such accounts and does not believe it is exposed to any significant credit risk on cash.

Cash Held in Escrow

The Federation receives cash deposits ("escrow funds") from the organizers of impending international games. After the international games to which the deposits relate are played and game reports filed, the Federation distributes the deposits, plus other fees received, to the appropriate recipients. These funds are distributed based on a predetermined percentage of the total ticket sales for each respective international game. One of the principal recipients of such distributions is the Federation.

Accounts Receivable

Accounts receivable are comprised primarily of Men's and Women's National Teams game revenue, player registration fees, and contractual marketing revenue. The Federation closely reviews all outstanding accounts receivable and follows up on all delinquent amounts in a timely manner. Delinquency status is determined based on the recent payment history of the customer. Amounts are considered uncollectible only when the customer is unable to provide collateral for the amount outstanding or commit to a payment plan.

Investments

Investments are carried at estimated fair value according to the guidance in the Fair Value Measurements and Disclosures Topic of the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC 820-10"). Under this guidance, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the "exit price") in an orderly transaction between market participants at the measurement date. The fair value of the Federation's investments is generally based on year-end published quotations. The Federation is permitted to measure the fair value of an investment that does not have a readily determinable fair value based on the net asset value per share ("NAV") of the investment as a practical expedient, without further adjustment, unless it is probable that the investment will be sold at a value significantly different from the NAV. If the practical expedient NAV is not as of the reporting entity's measurement date, then the NAV is adjusted to reflect any significant events that may change the valuation. These prices are only used for financial statement reporting purposes and do not necessarily represent the ultimate realizable values of such securities.

Cash, securities transactions receivable, and obligations are carried at cost, which approximates fair value because of the short maturity of these instruments.

Marketable securities, including cash equivalents and U.S. and non-U.S. equities, are reflected at market values based on quoted prices. Fixed income securities, including U.S. government and corporate obligations, traded in active markets on national and international securities exchanges are valued at closing prices on the last business day of each period presented. Securities traded in markets that are not considered active are valued based on quoted market prices, broker or

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dealer quotations, or alternative pricing sources with reasonable levels of transparency. Securities that trade infrequently and therefore have little or no price transparency are valued using the Federation's investment managers' best estimates. In general, corporate bonds are valued based on yields currently available on comparable securities of issuers with similar credit ratings. Investments in U.S. government bonds are estimated using best available trade data.

The Federation has two limited liquidity investments which are stated at estimated fair value. Limited liquidity investments are made under agreements to participate in private companies and commingled funds and are generally subject to certain withdrawal restrictions. These interests are valued on the basis of the Federation's equity in the net assets of such investments or equivalent measure of pooled investments. Values for these investments, which may include investments in both nonmarketable and market-traded securities, are provided by the administrator of the investment and may be based on appraisals, market values discounted for concentrations of ownership, or other estimates. Because of the inherent uncertainty of valuing the investments in private companies and certain of the underlying investments held in commingled funds, the Federation's estimate of fair value may differ significantly from the values that would have been used had a ready market for the investments existed. The financial statements of the Federation's limited liquidity investments are audited annually by independent public accounting firms. Given the inherent risks associated with these types of investments, there can be no guarantee that there will not be widely varying gains or losses on these investments in future periods.

Investment sales and purchases are recorded on a trade-date basis, which results in both investment receivables and payables on unsettled investment trades. Dividend income is recorded based upon the ex-dividend date, and interest income is recorded as earned on an accrual basis. Realized and unrealized gains and losses from changes in market values are reflected in the statements of activities. Investment income is reported net of related expenses, including custodial fees and investment advisory fees of \$269,742 and \$253,723 during the years ended March 31, 2015 and 2014, respectively.

The Federation's investments are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to these risk factors, it is possible that changes in the value of investments could occur in the near term that could materially affect the amounts reported in the financial statements.

Property and Equipment

Property and equipment, including leasehold improvements, are recorded at cost net of accumulated depreciation and amortization. Significant property and equipment purchases are capitalized; expenditures for repairs and maintenance are charged to expense as incurred. Depreciation and amortization are provided on a straight-line basis over estimated useful lives of five years for furniture, equipment and vehicles, three years for computer equipment and software, 20 years for building and building improvements and the shorter of the useful life or the lease term for leasehold improvements.

Software Development Costs

Software development costs, including website development costs, associated with the research phase to create new computer software for internal use are expensed as incurred. Certain costs incurred during the development phase, including software design and configuration, coding, installation, and testing are capitalized. Amortization of capitalized software development costs

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begins when the computer software is ready for its intended use, and is recorded on the straight-line basis over the estimated useful life of the software of three years. The Federation capitalized \$70,555 and \$163,816 during the years ended March 31, 2015 and 2014, respectively.

Revenue Recognition

Registration and Affiliation Fees

All member organizations of the Federation that register players are required to pay a player registration fee, which is determined by whether a player is registered as a youth or adult player. Fees paid to the Federation are \$1.00 for each youth player registered and \$2.00 for each adult player registered. The revenue for these fees is recognized when collected. Referee registration fees are recognized over the applicable term, which is the calendar year. Professional teams' fees are recognized over the seasons to which the fees relate.

Coaching School Courses

Coaching school fees are recognized in the period in which the school session is held.

Olympic Committee Funding

The United States Olympic Committee provides grants to the Federation to support its mission as the National Governing Body of Soccer in the United States. Funding from the USOC is recognized as temporarily restricted revenue when received and reclassified as net assets released from restrictions in the statement of activities when the amounts are expended.

National Teams' Games and International Games

National Teams' games and international games revenue is recognized in the period (fiscal year) in which the games are played. The Federation recognizes revenue earned from international games net of amounts remitted to third parties.

Sponsorship, Television, Licensing and Royalties

The Federation has two major agreements relating to its marketing rights: a marketing representation agreement with Soccer United Marketing ("SUM") and a sponsorship and license agreement with Nike, Inc. ("Nike"). Revenue from these agreements is recognized as earned, according to the terms of the agreements (See Note 3).

Open Cup

Dating back to 1914, the U.S. Open Cup is the oldest cup competition in United States soccer and is among the oldest in the world. Open to all affiliated amateur and professional teams in the United States, the annual U.S. Open Cup is a single-elimination tournament organized and run by the Federation. The 2014 tournament, which was held from May 2014 through September 2014, had 80 teams participate. Revenue from the tournament is recognized from team entry and hosting fees received.

United States Soccer Federation, Inc.

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Player Development

Player development revenue is recognized from the amortization of a multi-year Player Development Grant from Nike, an annual grant from FIFA, and Development Academy Club registrations.

USA Bid Committee

Funds were received in the form of a donation from the final dissolution of the USA Bid Committee, which was organized to promote the sport of soccer within the United States and organize a bid to host a future Fédération Internationale de Football Association Men's World Cup within the United States.

Development and Fundraising

In support of its non-profit mission, the Federation actively seeks philanthropic contributions from individuals and family foundations. The process to cultivate these donations includes many different opportunities that already have a revenue component, including VIP experiences for MNT and WNT events, the World Cup Patrons Program, fundraisers, and networking events held throughout the United States.

Professional Referee Organization LLC ("PRO")

The Federation has a 25% participation in PRO that is recorded using the equity method of accounting. The loss from the investment is included in referee program expense in the statements of activities (See Note 9). At March 31, 2015 and 2014, there was no amount recorded as an investment in PRO.

Reclassifications

For comparability purposes, the 2014 financial statements reflect reclassifications where appropriate to conform to the financial statement presentation used in 2015.

Subsequent Events

The Federation has evaluated subsequent events through September 24, 2015, the date the financial statements were available to be issued. No material subsequent events have occurred through September 24, 2015 that required recognition or disclosure in these financial statements, other than as disclosed.

3. Sponsorship Agreements

Soccer United Marketing

In January 2004, the Federation entered into a marketing representation agreement with Soccer United Marketing with a term ending in December 2010. In October 2007, the term of this agreement was extended through December 31, 2014. Since January 1, 2015, the Federation is operating under a memorandum of understanding with SUM while a new agreement is formalized. In accordance with this agreement, the Federation receives annual cash compensation that is recognized evenly over the calendar year to which the compensation relates. After certain

United States Soccer Federation, Inc.

Notes to Financial Statements

revenue limits are reached, additional funding above the annual guarantee can be realized based on revenue sharing provisions within the agreement. The Federation recognizes revenue earned under this agreement net based on amounts received from SUM. Most sponsorship, television, licensing and royalty revenues (excluding Nike) are paid to SUM. Revenue under the agreement totaled \$18,305,172 and \$15,433,754 for the years ended March 31, 2015 and 2014, respectively. This includes \$5,462,068 and \$6,683,750 of revenue sharing for the respective fiscal years.

Nike

In October 1997, the Federation entered into a sponsorship and license agreement with Nike with a term of 10 years. This agreement was amended effective January 1, 2004 with a revised termination date of December 31, 2014. In accordance with the agreement, the Federation received annual base compensation that was recognized evenly over the calendar year to which the compensation related, and performance bonus payments and merchandise royalties that were recognized as earned. The agreement also called for Nike to provide the Federation with an equipment allotment annually, which was recognized as revenue at estimated wholesale prices (fair value) and an offsetting expense when the equipment was received by the Federation. In addition, the agreement called for the Federation to receive a commitment bonus that was designated for specific programs. The commitment bonus was due to the Federation in specified amounts during the term of the agreement, which was recognized evenly over the remaining term from the point received.

On November 8, 2013, the Federation entered into a new sponsorship and license agreement with Nike, which is effective from January 1, 2015 through December 31, 2022. Over the term Nike will pay the Federation cash compensation including annual base compensation, minimum royalty guarantee payments, and discretionary funds. The agreement also provides for annual product supply allowances for the national teams' players, coaches, and staff members. Additionally, the agreement provides for performance bonuses based on the MNT and WNT performance at various competitions.

For the year ended March 31, 2015, revenue under the agreement totaled \$20,355,628, which includes \$10,000,000 of base compensation, \$1,687,500 of commitment bonus, \$3,862,043 of equipment, \$4,056,085 of merchandise royalties, \$500,000 of discretionary fund contributions, and \$250,000 of bonuses related to the Men's National Team's performance at the 2014 FIFA World Cup. For the year ended March 31, 2014, revenue under the agreement totaled \$15,056,470, which includes \$8,750,000 of base compensation, \$2,250,000 of commitment bonus, \$3,467,657 of equipment, and \$588,813 of merchandise royalties.

United States Soccer Federation, Inc.

Notes to Financial Statements

4. Investments and Fair Value Measurements

Under the Federation's investment policy, the Board of Directors has responsibility for approval of risk tolerance level, appropriate asset allocation, and investment consultants utilized. The finance department, with oversight from the Chief Executive Officer, has been delegated the responsibilities of reviewing and tracking the Federation's investments, working and communicating on a day-to-day basis with the investment consultants, managers, and other professionals, and reporting results at a minimum of once per year to the Board of Directors. There were no changes in fiscal years 2015 and 2014 to the investment policy.

Investment income consists of the following:

<i>Year ended March 31,</i>	2015	2014
Investment dividends and interest	\$ 290,164	\$ 162,968
Fees	(269,742)	(253,723)
Net realized gains	1,267,807	547,381
Net change in unrealized appreciation of investments	867,706	2,532,574
	<u>\$ 2,155,935</u>	<u>\$ 2,989,200</u>

The Federation follows ASC 820-10, "*Fair Value Measurements*," which defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles and expands disclosures about fair value measurements.

Fair value measurement is based on a hierarchy of observable or unobservable inputs. The standard describes three levels of inputs that may be used to measure fair value.

Level 1 - Inputs to the valuation methodology are quoted prices available in active markets for identical investments as of the reporting date;

Level 2 - Inputs to the valuation methodology other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and the fair value can be determined through the use of models or other valuation methodologies; and

Level 3 - Inputs to valuation methodology are unobservable inputs in situations where there is little or no market activity of the asset and liability and the reporting entity makes estimates and assumptions relating to the pricing of the asset or liability including assumptions regarding risk. The Federation had no investments categorized as Level 3 at March 31, 2015 and 2014.

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United States Soccer Federation, Inc.

Notes to Financial Statements

The following tables set forth, by level within the fair value hierarchy, the Federation's financial assets that were accounted for at fair value on a recurring basis as of March 31, 2015 and 2014. As required by ASC 820-10, assets and liabilities are classified in their entirety based on the lowest level input that is significant to the fair value measurement. The Federation's assessment of the significance of a particular input to the fair value measurement requires judgment and may affect its placement within the fair value hierarchy levels.

Description	Recurring Fair Value Measurements At Reporting Date Using:			
	Fair Value as of March 31, 2015	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments:				
Common stocks				
Large cap	\$ 4,866,895	\$ 4,866,895	\$ -	\$ -
Mid cap	1,450,110	1,450,110	-	-
Small cap	1,167,061	1,167,061	-	-
International	5,318,293	5,318,293	-	-
REITs	2,198,237	2,198,237	-	-
Corporate bonds	11,738,208	-	11,738,208	-
U.S. treasuries	7,713,699	-	7,713,699	-
Municipal bonds	184,480	-	184,480	-
Bank loan fund	3,386,354	-	3,386,354	-
Mortgage-backed securities	8,009,830	-	8,009,830	-
USOE Investment	5,812,964	-	5,812,964	-
Corporate Credit Investment Fund	8,023,227	-	8,023,227	-
Equity mutual funds	1,824,704	1,824,704	-	-
	\$ 61,694,062	\$ 16,825,300	\$ 44,868,762	\$ -

Description	Recurring Fair Value Measurements At Reporting Date Using:			
	Fair Value as of March 31, 2014	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments:				
Money market funds	\$ 6,278,349	\$ 6,278,349	\$ -	\$ -
Common stocks				
Large cap	4,393,416	4,393,416	-	-
Mid cap	1,279,676	1,279,676	-	-
Small cap	1,112,000	1,112,000	-	-
International	5,420,085	5,420,085	-	-
REITs	1,800,167	1,800,167	-	-
Corporate bonds	11,202,423	-	11,202,423	-
U.S. treasuries	7,848,369	-	7,848,369	-
Municipal bonds	210,991	-	210,991	-
Bank loan fund	3,311,970	-	3,311,970	-
Mortgage-backed securities	7,266,926	-	7,266,926	-
Commodity ETF's	1,781,153	-	1,781,153	-
USOE Investment	5,554,307	-	5,554,307	-
Corporate Credit Investment Fund	8,145,495	-	8,145,495	-
Equity mutual funds	1,731,463	1,731,463	-	-
	\$ 67,336,790	\$ 22,015,156	\$ 45,321,634	\$ -

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Notes to Financial Statements

Not included in the above tables is \$1,577,290 and \$1,557,571 in cash and cash equivalents held on deposit by investment custodian JPMorgan Chase Bank as of March 31, 2015 and 2014, respectively. The Federation's policy is to evaluate the classification of Level 1, 2 and 3 assets at the end of each reporting period. The Federation's policy is to record transfers in or out of the levels at the fair value of the investment on the date of the transfer.

The following tables provide information as to investments with redemption restrictions.

<i>March 31, 2015</i>	Fair Value	Unfunded Commitments	Redemption Frequency (If currently eligible)	Redemption Notice Period
Corporate Credit Investment Fund (a)	\$ 8,023,227	\$ -	Monthly	30 days
U.S. Olympic Endowment Investment (b)	5,812,964	-	Continuous	90 days
Total	\$ 13,836,191	\$ -		

<i>March 31, 2014</i>	Fair Value	Unfunded Commitments	Redemption Frequency (If currently eligible)	Redemption Notice Period
Corporate Credit Investment Fund (a)	\$ 8,145,495	\$ -	Monthly	30 days
U.S. Olympic Endowment Investment (b)	5,554,307	-	Continuous	90 days
Total	\$ 13,699,802	\$ -		

(a) Corporate Credit Investment Fund

This includes the Federation's investment in Class A shares of a fund under the umbrella of an open-ended investment company based in Ireland. The investment objective of the fund is to achieve attractive total returns through both capital appreciation and current income through the portfolio of investments in publicly traded and privately held securities, loans, derivatives, and other investments. The fair value of this investment has been estimated using the net asset value per share of the investment as reported by the investment fund. Redemptions can be made monthly at net asset value, upon 30 days notice. Redemptions are paid within 45 days of the date the redemption is transacted, however payment of redemptions may be further delayed due to redemption restrictions of certain underlying investments. Partial redemptions are required to be at a minimum of \$250,000 and cannot cause the total investment holding to be less than \$500,000. The Federation does not have any open commitments to make additional investments to the fund at March 31, 2015.

(b) U.S. Olympic Endowment Investment

This represents the Federation's investment in the United States Olympic Endowment's (f/k/a United States Olympic Foundation; "USOE") investment portfolio in a pooled investment account. The underlying securities of the pooled investment account are comprised of cash, common stocks, corporate bonds, mutual funds, U.S. Treasury notes, convertible securities, hedge equity funds, limited partnerships, real estate funds, private equity funds, bond fund trusts and fund of funds. The fair value of this investment has been estimated using the net asset value per share of the investment as reported by the investment fund. Redemptions can be made at any time at net asset value, upon 90 days notice. The Federation does not have any open commitments to make additional investments to the fund at March 31, 2015.

United States Soccer Federation, Inc.

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5. Property and Equipment

A summary of property and equipment is as follows:

<i>March 31,</i>	2015	2014
Building	\$ 417,759	\$ 417,759
Building improvements	152,611	152,611
Furniture and equipment	2,486,265	2,288,733
Vehicles	82,037	82,037
Leasehold improvements (Note 8)	5,922,145	5,922,145
	9,060,817	8,863,285
Less accumulated depreciation and amortization	(5,540,806)	(5,132,805)
	\$ 3,520,011	\$ 3,730,480

6. Restrictions of Net Assets

Temporarily restricted net assets are available as follows:

<i>March 31,</i>	2015	2014
For MNT 2014 FIFA World Cup	\$ -	\$ 2,137,464
For initiatives in the Federation's discretion	500,000	-
For Grassroots Program	200,000	100,000
For MNT 2018 FIFA World Cup	300,000	-
For youth player development	40,000	40,000
	\$ 1,040,000	\$ 2,277,464

The above contributions were received during fiscal years 2015 and 2014 for the purposes or programs as noted. Funds from fiscal 2014 contributions were spent toward the restricted purposes during fiscal 2015, except for the \$100,000 received for the Grassroots Program and the \$40,000 received for youth player development. Funds from fiscal 2015 contributions are expected to be spent toward the restricted purpose during fiscal 2016, except for the \$500,000 received from Nike in discretionary funds and the \$300,000 received from FIFA for the 2018 FIFA World Cup. The Nike funds are expected to be received in equal amounts in January 2017 and 2018, at which time they will be released from restriction.

7. Income Taxes

The Federation qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, accordingly, is only subject to federal or state income taxes on specific types of income from activities that are unrelated to its exempt purpose. The Federation had no income from unrelated activities and has no income taxes due as of March 31, 2015 and 2014.

The Federation's application of ASC 740 regarding uncertain tax positions had no effect on its financial position as management believes the Federation has no material unrecognized income tax benefits, including any potential risk of loss of its not-for-profit tax status. The Federation would account for any potential interest or penalties related to possible future liabilities for unrecognized income tax benefits as income tax expense. The Federation is no longer subject to examination by federal, state or local tax authorities for periods before 2011.

United States Soccer Federation, Inc.

Notes to Financial Statements

8. Commitments and Contingencies

From time to time, the Federation is involved in litigation that arises in the ordinary conduct of its business. The Federation believes that any such litigation will not have a material adverse impact on the financial position or the results of operations as of March 31, 2015 and 2014, or for the fiscal years then ended.

The Federation provides benefits under The U.S. Soccer Federation Option Plan (the "Plan"), effective January 1, 1999, which is designed to accumulate retirement funds for the CEO/Secretary General. The Plan allows the participant to defer up to 100% of his compensation for the right to buy a variety of mutual funds equal to the deferred compensation he would have otherwise received. The Plan is administered by the Federation. The fair value of the underlying securities purchased to cover the options was \$1,824,704 and \$1,731,463 as of March 31, 2015 and 2014, respectively. The balance is reflected as an investment and a liability within the statement of financial position, and changes in fair value are recorded as investment income and expense. Until such time as the IRS regulations are amended or changed, no further options of this type will be granted.

Sponsorships

The Federation has negotiated sponsorship contracts and training facility agreements with various entities pursuant to which such entities provide cash, equipment and/or practice facilities for national teams and other activities over agreed-upon periods. The Federation is required to fulfill various obligations for the benefit of its sponsors and other entities under the sponsorship contracts. These obligations are recognized in the Federation's financial statements as they are incurred.

Anschutz Southern California Sports Complex

The Federation has entered into a long-term agreement with Anschutz Southern California Sports Complex for the building of the National Training Center, which became effective February 20, 2002 and will continue for 25 years from that date. The agreement consists of a building lease with an annual lodging guarantee. The agreement provides for the Federation to pay an annual fee over the entire term of the lease, amounting to \$250,000 per year over the first three years of the lease, after which the fee is subject to annual Consumer Price Index increases. In conjunction with the agreement, the Federation was originally required to make capital improvements to the facility totaling at least \$6,000,000, but the total was reduced due to construction changes. As of March 31, 2015, the Federation has capitalized leasehold improvements totaling \$5,922,145, which are being amortized over the shorter of the useful life of the improvement or the life of the lease.

Frisco Stadium, LP

The Federation entered into a long-term agreement with Frisco Stadium, LP ("FSLP") for the use of Pizza Hut Park's training and educational facilities for the benefit of Federation national teams and other organizational members. The agreement became effective October 16, 2006 and continues through December 31, 2025. The Federation made four payments to FSLP to offset construction costs totaling \$5,000,000. This agreement is being treated as an exchange transaction with the payments being amortized to expense over the term of the agreement. The unamortized balance recorded as prepaid expense amounted to \$2,952,632 and \$3,227,288 at March 31, 2015 and 2014, respectively.

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Leases

The Federation's leases are comprised of the Anschutz Southern California Sports Complex lease, as well as certain vehicle and equipment leases. The estimated future minimum lease payments under leases with terms in excess of one year are as follows.

Year ending March 31,

2016	\$	408,432
2017		381,925
2018		347,412
2019		332,513
2020		338,499
2021 and thereafter		2,546,375
	\$	4,355,156

Rental expense was \$419,890 and \$304,111 for the years ended March 31, 2015 and 2014, respectively.

9. Related Parties

The U.S. Soccer Foundation (the "Soccer Foundation") was organized on June 10, 1991 as a 501(c)(3) organization to assume the net assets of World Cup USA 1994. The Soccer Foundation's purpose is to manage the surplus funds from World Cup USA 1994 in order to create a permanent legacy for soccer in the United States through the funding of projects designated for long-term growth of the game in support of the Federation's vision to make soccer a preeminent sport recognized for excellence in participation, spectator appeal, international competition and gender equity. The Federation and the Soccer Foundation share three board members.

The National Soccer Hall of Fame (the "Hall of Fame"), with cooperation from the Federation, maintains the historical archives of American soccer and promotes soccer through educational programs and newsletters. The Hall of Fame is an organization exempt from income taxes pursuant to Section 501(c)(3) of the Internal Revenue Code. The Federation and the Hall of Fame share three board members.

The USA Bid Committee, Inc., organized on January 7, 2009 to promote the sport of soccer within the United States and explore the possibility of organizing a bid to host a future Fédération Internationale de Football Association Men's World Cup within the United States, ceased daily operations as of December 31, 2010 and was dissolved as an entity on December 31, 2013.

The CA2016 Local Organizing Committee LLC, a single-member LLC owned by the Federation and formed on October 29, 2014, was established in conjunction with the Federation's agreement with The Confederation of North, Central America and Caribbean Association Football ("CONCACAF"), for the purpose of organizing and promoting the Copa America Centenario 2016 tournament to be held in the United States in June 2016. Under the agreement, the Federation was established as the official and exclusive local organizing committee to host and stage the tournament. In consideration for the services provided by the Federation under the agreement, the Federation is entitled to receive a share of the ticketing and stadium revenues generated by the tournament games. On March 13, 2015, the Federation loaned \$500,000 to COPA 2016, LLC as a startup loan, which will be reimbursed by COPA 2016, LLC.

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National Women's Soccer League, LLC ("NWSL") was formed on December 12, 2012 and functions as a professional women's soccer league. The Federation was appointed as Manager of NWSL, which provides that the Federation will perform all management, governance, operational, administrative, and advisory services for NWSL. The management agreement is currently effective through December 31, 2015. In addition, the Federation's headquarters in Chicago is functioning as the principal office of the NWSL. The Federation does not receive any management fees or rent from NWSL as part of the arrangement. The Federation is not a Member to the LLC agreement, but rather the NWSL is equally owned by its nine member teams. The Federation and NWSL do not share any board members.

Professional Referee Organization LLC was formed on April 27, 2012 and commenced operations in November 2012. PRO was formed for the purpose of administering a professional soccer referee program in the United States, and to improve the quality of professional refereeing in North America through training administered by the program. The Federation is a member to the LLC agreement along with Major League Soccer, LLC ("MLS"). The agreement provides that the Federation is obligated to make an annual contribution as determined based on a percentage of defined Shared Expenses, as well as 100% of certain non-shared expenses, over the term of PRO, which is initially five years with an option of the members to mutually extend the term for an additional five years. The contribution requirement is determined on PRO's calendar-year basis. For calendar 2013, the Federation was required to make a minimum capital contribution for shared expenses of \$1,100,000, with a maximum capital contribution of \$1,400,000. For all calendar years during the term of the agreement the minimum and maximum capital contribution amounts increase by 3% over the prior year. The Federation incurred approximately \$1,307,000 and \$1,078,000 of expenses related to PRO during fiscal 2015 and 2014, respectively.

10. National Teams

National Teams' expenses were as follows:

<i>Year ended March 31,</i>	2015	2014
Youth National Teams and Player Development	\$ 14,394,385	\$ 12,518,368
Men's National Team	31,116,527	18,725,425
Women's National Team	10,307,142	8,267,453
National Team Coaching	6,422,583	5,413,708
Equipment and Supplies	3,862,043	3,467,657
Event Management	740,631	706,408
National Training Center	487,214	388,913
Paralympic National Team	507,643	380,335
National Women's Soccer League	1,431,892	670,678
Futsal National Team	195,795	70,595
Beach Soccer National Team	253,031	214,380
	\$ 69,718,886	\$ 50,823,920

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11. Defined-Contribution Plan

The Federation has a 401(k) defined-contribution plan that is available to most full-time employees, excluding employees covered by collective bargaining agreements, who have met certain length-of-service requirements. The Plan provides for deferred salary contributions by the Plan participants and discretionary matching contributions by the Federation up to a maximum of 6% of eligible compensation. There were no discretionary matching contributions for fiscal years 2015 and 2014. In addition, the Federation makes a non-elective Safe Harbor contribution of 3% of eligible compensation. Contributions by the Federation were \$245,116 and \$203,640 for the years ended March 31, 2015 and 2014, respectively.

12. Labor Agreements

The players on the Men's and Women's National Teams are covered by collective bargaining agreements ("CBA"). The Men's National Team CBA expires on December 31, 2018. The Women's National Team CBA expired on December 31, 2012. There is currently a signed Memo of Understanding in place while the full details of the new Women's National Team CBA are being negotiated.