The United States Soccer Federation

Financial Statements for the Years Ended March 31, 2007 and 2006

The United States Soccer Federation

Financial Statements

Years Ended March 31, 2007 and 2006

Contents

Blackman Kallick

Blackman Kallick Bartelstein LLP
10 South Riverside Plaza
9th Floor
Chicago, IL 60606

Phone 312/207-1040
Fax 312/207-1066

Report of Independent Auditors

The National Board of Directors
The United States Soccer Federation

We have audited the accompanying statement of financial position of **The United States Soccer Federation** (the Federation) as of March 31, 2007, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Federation's management. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements of The Federation as of March 31, 2006 were audited by other auditors whose report dated May 12, 2006 expressed an unqualified opinion on those financial statements.

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 also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and 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 **The United States Soccer Federation** as of March 31, 2007, 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.

Blackman Kallick Bartelstein, LLP

August 8, 2007

The United States Soccer Federation

Statements of Financial Position

	March 31 2007	March 31 2006
Assets		
Current assets:		
Cash	$ 873,785	$ 1,901,458
Cash held in escrow	1,226,727	1,143,289
Accounts receivable, net of allowances for doubtful accounts of $30,000 in 2006 and 2005	3,041,066	3,103,138
Temporarily restricted contributions receivable	3,269,761	5,500,000
Prepaid expenses and advances	851,547	1,531,935
Short-term investments	18,623,397	20,635,394
Total current assets	27,886,283	33,815,214
Temporarily restricted contribution receivable	2,122,205	-
Long-term prepaid expenses	2,305,044	-
Investments:		
Undesignated	35,973,280	13,544,412
Designated	1,207,158	1,076,826
Property and equipment, net of accumulated depreciation	4,552,037	4,816,948
Total non-current assets	46,159,724	19,438,186
Total assets	$ 74,046,007	$ 53,253,400
Liabilities and net assets		
Current liabilities:		
Accounts payable and accrued expenses	$ 7,548,970	$ 6,473,352
Deferred revenue:		
Sponsorship	2,875,000	1,875,000
Other	1,067,498	1,534,125
Total current liabilities	11,491,468	9,882,477
Deferred revenue - Sponsorship	5,062,500	-
Deferred compensation	1,207,158	1,055,521
Contribution payable - Hall of Fame	153,289	200,000
Total non-current liabilities	6,422,947	1,255,521
Total liabilities	17,914,415	11,137,998
Net assets:		
Unrestricted:		
Undesignated	43,465,345	29,341,124
Designated - Player development	7,274,278	7,274,278
	50,739,623	36,615,402
Temporarily restricted assets	5,391,969	5,500,000
Total net assets	56,131,592	42,115,402
Total liabilities and net assets	$ 74,046,007	$ 53,253,400

See accompanying notes.

The United States Soccer Federation

Statements of Activities

	Years Ended March 31 2007	2006
Changes in unrestricted net assets		
Revenues:		
Registration and affiliation fees:		
Youth	$ 4,011,647	$ 3,907,220
Adult	535,650	509,020
Professional	705,810	689,910
Referee	1,902,998	2,056,955
Coaches	176,276	214,192
	7,332,381	7,377,297
Annual general meeting	34,010	47,610
Sponsorship, television, licensing, and royalties	13,549,234	14,720,385
International game revenues	1,665,872	2,007,479
Olympic Committee funding	1,106,250	1,091,750
Coaching school courses	878,353	849,250
Investment revenues (including net unrealized gains of $979,933 and $393,391 in 2007 and 2006, respectively)	3,227,641	1,777,381
National Teams' game revenues	9,269,989	10,553,078
Women's World Cup 2003	6,090,495	-
World Cup	6,345,549	-
Open Cup	236,402	188,004
Other	827,479	884,033
	50,563,655	39,496,267
Expenses:		
Management expenses	5,958,477	6,204,100
National Board of Directors' and committees' expenses	335,520	342,765
Annual general meeting expenses	222,353	254,700
Coaching program	1,818,474	1,672,362
Referee program	1,940,071	1,834,022
National Teams	22,380,133	22,503,869
World Cup	3,344,602	1,832,376
Open Cup	439,801	402,911
	36,439,431	35,047,105
Increase in unrestricted net assets	14,124,224	4,449,162
Changes in temporarily restricted net assets		
(Decrease) increase in temporarily restricted net assets - Change in discount of temporarily restricted contribution receivable	(108,034)	179,565
Increase in net assets	14,016,190	4,628,727
Net assets at beginning of year	42,115,402	37,486,675
Net assets at end of year	$ 56,131,592	$ 42,115,402

See accompanying notes.

The United States Soccer Federation

Statements of Cash Flows

	Years Ended March 31	
	2007	2006
Operating activities		
Increase in net assets	$ 14,016,190	$ 4,628,727
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	344,627	364,930
Unrealized gains on investments	(979,933)	(393,391)
Change in operating assets and liabilities:		
Cash held in escrow	(83,438)	(119,785)
Accounts receivable	62,072	(749,128)
Temporarily restricted contribution receivable	108,034	(179,565)
Prepaid expenses and advances	(1,624,653)	(801,846)
Accounts payable and accrued expenses	1,028,902	1,925,021
Deferred compensation	151,637	224,282
Deferred revenue	5,595,873	403,475
Net cash provided by operating activities	18,619,311	5,302,720
Investing activities		
Purchases of investments	(43,167,270)	(16,875,966)
Proceeds from sales of investments	23,600,000	13,000,150
Purchases of property and equipment	(79,714)	(88,917)
Net cash used in investing activities	(19,646,984)	(3,964,733)
Net (decrease) increase in cash	(1,027,673)	1,337,987
Cash at beginning of year	1,901,458	563,471
Cash at end of year	$ 873,785	$ 1,901,458

See accompanying notes.

1. Summary of Significant Accounting Policies

Organization

The United States Soccer Federation (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 Federation 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.

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 and temporarily restricted net assets. Unrestricted net assets include all resources that are not subject to donor-imposed restrictions. Donor restricted contributions are classified as unrestricted support in the reporting period they are utilized. Unrestricted net assets also include board-designated funds. Temporarily restricted net assets are subject to donor-imposed stipulations that are satisfied by actions of the Federation or the passage of time. The temporarily restricted assets reported on these financial statements relate to one grant from the U.S. Soccer Foundation restricted for player development.

Cash and Cash Equivalents

Cash and cash equivalents include deposits in financial institutions and short-term investments with original maturities of 90 days or less. The Federation maintains its cash in bank deposit accounts, 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 and cash equivalents.

1. Summary of Significant Accounting Policies

Cash and Cash Equivalents (continued)

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 stated at fair market value based on quoted market prices, and unrealized gains and losses are reflected in investment revenue.

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. The Federation places its cash, cash equivalents and investments with high quality institutions and, accordingly, limits its credit exposure.

Property and Equipment

Property and equipment, including leasehold improvements, are recorded at cost net of accumulated depreciation. Depreciation is provided on a straight-line basis over estimated useful lives of three to five years for furniture, equipment and vehicles, 20 years for building and building improvements and the shorter of the useful life or the lease term for leasehold improvements.

1. Summary of Significant Accounting Policies (continued)

Revenue Recognition

Registration and affiliation fees
All member organizations of the Federation who 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 (USOC) 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 in the period in which the grants are received.

National and international games
National team and international games revenue is recognized in the period in which the games are played.

Sponsorship, television, licensing and royalties
The Federation has two sponsorship agreements: a marketing representation agreement with Soccer United Marketing (SUM) and a sponsorship and license agreement with Nike. Revenue from these agreements is recognized as earned, according to the terms of the agreements. (See Note 2.)

2. Sponsorship Agreements

Soccer United Marketing
In January 2004, the Federation entered into a marketing representation agreement with SUM with a term ending in December 2010. In accordance with this agreement, the Federation receives annual compensation in the form of cash that is recognized evenly over the calendar year to which the compensation relates. Most sponsorship, television, licensing and royalty revenues (excluding Nike) are paid to SUM. After certain revenue limits are reached, additional funding above the annual guarantee can be realized based on a revenue sharing arrangement with SUM. To date, no additional revenue has been realized. Revenue under the agreement totaled $3,625,000 and $3,312,500 for the years ended March 31, 2007 and 2006, respectively.

2. Sponsorship Agreements (continued)

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 2004 with a revised termination date of December 31, 2014. In accordance with the agreement, the Federation receives annual compensation in the form of cash that is recognized evenly over the calendar year to which the compensation relates, and performance bonus payments that are recognized when earned. The agreement also calls for Nike to provide the Federation with equipment annually, which is recognized as revenue and an offsetting expense when the equipment is received and put into use by the Federation. In addition, the agreement calls for the Federation to receive a commitment bonus that is designated for specific programs. The commitment bonus is due to the Federation in specified amounts during the term of the agreement. In fiscal year 2007 (January 2007), a commitment bonus of $6,000,000 was received and is being recognized evenly over term of the agreement. Revenue under the agreement totaled $9,537,316 for the year ended March 31, 2007, which includes $187,500 of commitment bonus and $1,599,816 of equipment. For the year ended March 31, 2006, revenue under the agreement totaled $10,969,000, which includes $2,000,000 of commitment bonus and $1,469,000 of equipment.

3. Investments

Investments, at market value, are comprised of the following:

	March 31 2007	March 31 2006
Bonds (Bear Stearns)	$ 22,389,425	$ 6,994,724
Equities (Bear Stearns)	9,682,449	3,390,658
Commercial paper (Merrill Lynch)	18,623,397	20,275,557
United States Olympic Foundation portfolio	3,901,406	3,518,867
American Funds	1,207,158	1,076,826
	$ 55,803,835	$ 35,256,632

Investment revenues consist of the following:

	March 31 2007	March 31 2006
Investment income, dividends and interest	$ 1,838,763	$ 1,157,964
Net realized gains	408,945	226,026
Net change in unrealized appreciation of long-term investments	979,933	393,391
	$ 3,227,641	$ 1,777,381

3. Investments (continued)

The Federation's investment in the United States Olympic Foundation (the Foundation) portfolio represents the Federation's proportionate share of the Foundation's pooled investment portfolio, which consists of a wide variety of investment instruments. The Federation's investments in the Foundation include unrealized appreciation of $1,719,437 and $738,504 as of March 31, 2007 and 2006, respectively.

4. Property and Equipment

A summary of property and equipment follows:

	March 31 2007	March 31 2006
Building	$ 417,759	$ 417,759
Building improvements	48,311	48,311
Furniture and equipment	1,597,572	1,541,621
Vehicles	44,000	44,000
Leasehold improvements *(Note 6)*	4,861,864	4,838,100
	6,969,506	6,889,791
Less accumulated depreciation	2,417,469	2,072,843
	$ 4,552,037	$ 4,816,948

5. 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, 2007.

6. 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 other than amounts that have been accrued for as of March 31, 2007.

6. Commitments and Contingencies (continued)

Employment Agreements

On December 14, 2006, the Federation entered into a new employment agreement with the Men's National Team's interim Head Coach. This agreement was amended on May 17, 2007, making him the Head Coach of the Men's National Team. The term of this agreement is December 15, 2006 through December 31, 2010. This agreement provides for base compensation of $29,167 per month through December 31, 2007; $33,333 per month from January 1, 2008 through December 31, 2008; $37,500 per month from January 1, 2009 through December 31, 2009; and $41,667 per month from January 1, 2010 through December 31, 2010. The agreement further provides for various incentive compensation based on the performance of the National Team. No incentive compensation was earned during fiscal year 2007. In the case of termination, base compensation is guaranteed through the end of the term. The Federation shall also pay the Head Coach a marketing guarantee of $100,000 per each year of the term.

On January 3, 2007, the Federation entered into a new employment agreement with the assistant coach of the United States Olympic Team as well as the interim first assistant coach to the Men's National Team. On May 17, 2007, the Federation exercised its option naming the employee as first assistant coach to the Men's National Team. The term of this agreement is January 1, 2007 through December 31, 2009. Should the Men's National Team qualify for the 2010 FIFA World Cup, the agreement will automatically extend through December 31, 2010. This agreement provides for base compensation of $13,000 per month through December 31, 2008 and $13,333 per month through the remainder of the term. The agreement further provides for various incentive compensation based on the performance of the Olympic Team and Men's National Team. No incentive compensation was earned during fiscal year 2007. In the case of termination without cause, base compensation is guaranteed through the end of the term. If the Men's National Team does not qualify for the 2010 World Cup, the Federation may terminate this agreement effective December 31, 2009.

On April 6, 2005, the Federation entered into an employment agreement with the Women's National Team Head Coach. The term of this agreement is April 6, 2005 through December 31, 2007. This agreement provides for base compensation of $15,833 per month through December 31, 2007. The agreement further provides for various incentive compensation based on the performance of the Women's National Team in the Olympics and the FIFA Women's World Cup. In case of termination without cause, the Federation is obligated to pay the lesser of base compensation due for the next 365 days or the base compensation for the unexpired portion of the term.

On June 15, 2001, an employment agreement was entered into by the CEO/Secretary General, effective July 1, 2001 through June 30, 2005. This agreement was renewed in March 2004, extending the term through June 30, 2011. The agreement provides for base compensation of $27,750 per month through June 30, 2007; $30,000 per month from July 1, 2007 through June 30, 2008; $31,250 per month from July 1, 2008 through June 30, 2009; $32,500 per month from July 1, 2009 through June 30, 2010; and $33,750 per month from July 1, 2010 through June 30, 2011. The agreement also provides for annual incentive bonuses if certain benchmarks are met as determined by the Federation's President and Board of Directors, and guarantees full payment of base compensation through the end of the contract, in total, in case of termination by the Federation. In addition, the contract provides that an additional quarterly payment of 22.5% of base salary be paid in place of making contributions to a deferred compensation plan.

6. Commitments and Contingencies

Employment Agreements (continued)

The Federation established the U.S. Soccer Federation Option Plan (the Plan), effective January 1, 1999, which covers the CEO/Secretary General as designated by the Executive Committee. The Plan is designed to accumulate retirement funds for the Executive Director/Secretary General. The Plan allows the participant to defer up to 100% of his deferred compensation for the right to buy a variety of mutual funds at a discount 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 $1,207,158 and $1,055,521 as of March 31, 2007 and 2006, respectively. Effective May 8, 2002, the Internal Revenue Service issued regulations that allowed options granted May 8, 2002 and prior to be afforded tax treatment under Section 83. Options granted after this date would not be afforded tax treatment under Section 83. Consequently, a Mega Option was awarded on May 8, 2002 to be vested over the remaining term of the CEO/Secretary General's original employment agreement. This Mega Option was fully vested as of June 30, 2006. Until such time as the IRS regulations are amended or changed, no further options of this type will be granted.

Sponsorship

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. The agreement consists of a building lease with an annual lodging guarantee. It became effective February 20, 2002, and will continue for 25 years from that date. Improvements to be paid for by the Federation total $6 million and will be paid in five equal installments, less capital improvements from other sources secured by the Federation. As of March 31, 2007, the lodging component of the agreement is not in place. As of March 31, 2004, the Federation had made payments totaling approximately $4.8 million. These amounts have all been capitalized as leasehold improvements, which will be amortized over the shorter of the useful life of the improvement or the life of the lease. The due date of the final payment was June 2005. Since the dorms have not been completed and the completion of the final field was delayed, the final payment has not yet been made.

6. Commitments and Contingencies (continued)

Frisco Stadium, LP

The Federation has 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. It became effective October 16, 2006 and shall continue through December 31, 2025. The Federation will be making four payments to FSLP to offset construction costs totaling $5,000,000. The first payment of $2,500,000 was made on October 31, 2006. Payments of $1,000,000 each are due on October 31, 2007 and 2008, with the final payment of $500,000 due on October 31, 2009. This agreement is being treated as an exchange transaction with the payments being expensed over the term.

Leases

Future minimum lease payments under leases with terms in excess of one year are as follows as of March 31, 2007:

2008	$ 301,782
2009	265,707
2010	256,080
2011	253,584
2012 and thereafter	3,979,294
	$ 5,056,447

Rental expense was $331,535 and $257,788 for the years ended March 31, 2007 and 2006, respectively.

7. 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 designed 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 seven board members.

The Women's World Cup 2003 Organizing Committee, Inc. was organized on May 27, 2003, to stage and execute the 2003 Women's World Cup (WWC) on behalf of FIFA (the owner of the event) due to the event being canceled in China as a result of the SARS virus. The Federation and the WWC shared three board members. One WWC board member was a Federation employee. The Board of Directors of the Women's World Cup 2003 Organizing Committee approved a plan of liquidation on May 19, 2006 with the final statement of financial position in liquidation being issued as of November 30, 2006. Included in this plan was approval to transfer the Women's World Cup 2003 Organizing Committee's surplus of $6,090,495 to the Federation. This is included in revenue on the statements of activities.

7. Related Parties (continued)

The National Soccer Hall of Fame at Oneonta, New York, Inc. (the Hall of Fame) operates the national soccer museum, maintains the historical archives of American soccer, promotes soccer through educational programs and newsletters and provides facilities for soccer events. 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 five board members.

In June 2005, the Federation entered into an agreement with the Hall of Fame for the Federation to provide administrative and operational support as well as to provide operating funds in the event of losses and capital funds for investment in the Hall of Fame. This agreement had a term of three years commencing June 1, 2005 through May 31, 2008. The Federation had the option to renew this agreement for an additional two-year period. The Federation provided operating funds in the amount of $70,560 and $32,120 for the Hall of Fame's fiscal years ended April 30, 2007 and 2006, respectively, for the Hall of Fame to break even. In fiscal year 2006, the Federation recorded its remaining capital funds commitment of $200,000 as a contribution payable. During fiscal year 2007, the Federation reimbursed the Hall of Fame $46,711, leaving $153,289 on the books as a contribution payable. Due to the hiring of a new CEO at the Hall of Fame and a restructuring of the operation, the Federation's Board of Directors, at its May 19, 2007 meeting, voted to prepay the balance of the Federation's commitment to help with the Hall of Fame's planning for the future. The charge that the Federation will record in fiscal year 2007 is $530,849. The Federation has no further commitment to the Hall of Fame.

8. Contributions Receivable

On October 14, 2000, the Soccer Foundation's board of directors approved a grant of $6 million, restricted for the purpose of player development. To date, the Federation has received $500,000. The remainder is recorded as a receivable from the Foundation and as temporarily restricted assets.

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows.

8. Contributions Receivable (continued)

Included in contributions receivable is the following unconditional promise to give:

	March 31 2007	March 31 2006
Unconditional promises to give before unamortized discount	$ 5,500,000	$ 5,500,000
Less unamortized discount (discount rate of 4.5%)	108,034	-
Net unconditional promises to give	$ 5,391,966	$ 5,500,000
Amounts due in:		
Less than one year	$ 3,269,761	$ -
One to five years	2,122,205	5,500,000
	$ 5,391,966	$ 5,500,000

9. National Teams

National Teams' expenses are as follows:

	March 31 2007	March 31 2006
Management	$ 685,865	$ 573,256
Coaching	1,732,522	1,687,455
Youth	6,408,146	5,893,939
Women's National Team	4,766,439	3,181,485
Men's National Team	6,480,970	9,254,244
Olympic Team/Under 23	88,773	-
Futsal	39,543	-
Beach Soccer	52,868	10,060
Paralympic National Team	70,637	-
National Training Center	454,554	433,990
Equipment and supplies	1,599,816	1,469,440
	22,380,133	22,503,869
World Cup	3,344,602	1,832,376
	$ 25,724,735	$ 24,336,245

10. Defined-Contribution Plan

The Federation has a 401(k) defined-contribution plan that is available to all full-time employees 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 2% of eligible compensation. The matching contribution has not been provided in the past seven years. In addition, the Federation makes a Safe Harbor contribution of 3% of eligible compensation. Contributions by the Federation were $157,454 and $140,483 for the years ended March 31, 2007 and 2006, respectively.