

**PACIFIC COAST CUTTING
HORSE ASSOCIATION,
CALIFORNIA**

**FINANCIAL STATEMENTS
TOGETHER WITH
INDEPENDENT ACCOUNTANT'S COMPILATION REPORT
FOR THE YEAR ENDED
DECEMBER 31, 2014**

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PACIFIC COAST CUTTING HORSE ASSOCIATION
(A Non Profit Organization)
Year Ended December 31, 2014

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INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

To the Board of Directors
Pacific Coast Cutting Horse Association
Lockeford, California

We have compiled the accompanying statement of financial position of Pacific Coast Cutting Horse Association (a nonprofit organization) as of December 31, 2014, and the related statements of activities, and cash flows for the year then ended. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America. The prior year summarized comparative information has been derived from the Association's 2013 financial statements, and, in our report dated May 13, 2014, we stated that we have not audited or reviewed the 2013 financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

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 designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements. During our compilation, we did become aware of a departure from accounting principles generally accepted in the United States of America that is described in the following paragraph.

Management has elected to depart from generally accepted accounting principles and omit the liability for compensated absences, the effect of which has not been determined.

The supplementary information as listed in the table of contents is presented for additional analysis and is not a required part of the basic financial statements. The supplementary information has been compiled from information that is the representation of management. We have not audited or reviewed the supplementary information and, accordingly, do not express an opinion or provide any assurance on such supplementary information.


Smith & Newell, CPAs
Yuba City, California
May 5, 2015

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Financial Statements

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PACIFIC COAST CUTTING HORSE ASSOCIATION
(A Non Profit Organization)
Statement of Financial Position
December 31, 2014
(With comparative totals for December 31, 2013)

	<u>2014</u>	<u>2013</u>
ASSETS		
Current Assets		
Cash	\$ 904,300	\$ 1,007,122
Accounts receivable	37,516	20,533
Undeposited funds	1,339	-
Due from PCCHA Youth	-	2,473
Prepaid costs	5,070	5,903
Workers' compensation deposit	1,692	1,692
Total Current Assets	949,917	1,037,723
Non-Current Assets		
Property and equipment, net	20,225	429,934
Total Assets	<u>\$ 970,142</u>	<u>\$ 1,467,657</u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable	\$ 68,890	\$ 73,875
Salaries and benefits payable	5,786	6,248
Sales tax payable	209	314
Cutters caring/sharing payable	2,195	-
Accrued liabilities	1,051	1,072
Due to PCCHA Youth fund	425	5,000
Unearned revenue - other	77,086	46,111
Unearned revenue - future events	246,231	207,122
Copier buyout	-	3,335
Note payable	20,450	6,593
Total Current Liabilities	422,323	349,670
Non-Current Liabilities		
Note payable, net of current portion	31,169	306,683
Total Liabilities	453,492	656,353
Net Assets		
Unrestricted:		
Reserved by Board	300,000	300,000
Unreserved by Board	216,650	511,304
Total Net Assets	516,650	811,304
Total Liabilities and Net Assets	<u>\$ 970,142</u>	<u>\$ 1,467,657</u>

See accompanying notes and accountant's compilation report.

PACIFIC COAST CUTTING HORSE ASSOCIATION
(A Non Profit Organization)
Statement of Activities
Year Ended December 31, 2014
(With comparative totals for December 31, 2013)

	<u>2014</u>	<u>2013</u>
OPERATING REVENUES AND SUPPORT		
Administration income	\$ 24,561	\$ 32,317
Arena Signage	6,800	3,900
Banquet income	8,195	7,285
Bedding income	17,306	15,965
Calcutta income	10,550	50,300
Cattle fees	2,754	-
Vendor income	12,010	13,600
Membership dues	47,335	51,898
Entry fees	1,863,068	2,072,162
Other fees	578,375	662,968
Merchandise sales	4,984	9,037
Miscellaneous income	34,793	24,023
Practice income	218,900	246,900
RV space rental income	21,230	20,480
Special mailings	26,177	32,470
Sponsor income	272,496	233,334
Total Operating Revenues and Support	<u>3,149,534</u>	<u>3,476,639</u>
OPERATING EXPENSES		
Program services		
Derby, classic/challenge	998,077	813,883
Futurity	1,369,506	1,594,887
Roundup	400,578	380,584
Total Program Services	<u>2,768,161</u>	<u>2,789,354</u>
Support services		
Administration	513,186	503,200
Depreciation	6,733	12,943
Total Support Services	<u>519,919</u>	<u>516,143</u>
Total Operating Expenses	<u>3,288,080</u>	<u>3,305,497</u>
Operating Income (Loss)	(138,546)	171,142
NON OPERATING REVENUES (EXPENSES)		
Interest income	1,382	999
Other income	1,856	34
Rental income	5,817	19,966
Other expense	-	(1,839)
Loss on sale of assets	(165,163)	-
Change in Net Assets	(294,654)	190,302
Net Assets - Beginning	811,304	621,002
Net Assets - Ending	<u>\$ 516,650</u>	<u>\$ 811,304</u>

See accompanying notes and accountant's compilation report.

PACIFIC COAST CUTTING HORSE ASSOCIATION
(A Non Profit Organization)
Statement of Cash Flows
Year Ended December 31, 2014
(With comparative totals for December 31, 2013)

	<u>2014</u>	<u>2013</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from operations	\$ 3,201,296	\$ 3,507,843
Payments for operations	(3,036,245)	(3,066,108)
Payments to employees	(250,982)	(225,159)
Net Cash Provided (Used) by Operating Activities	<u>(85,931)</u>	<u>216,576</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Rental income	5,817	19,966
Other income (expense)	1,856	(2,268)
Due from PCCHA Youth Fund	2,473	(2,135)
Due to PCCHA Youth Fund	(4,575)	(720)
Net Cash Provided (Used) for Noncapital Financing Activities	<u>5,571</u>	<u>14,843</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Disposal of assets	237,813	-
Loan proceeds	62,310	-
Repayment of note payable	(323,967)	(5,758)
Net Cash Provided (Used) for Capital and Related Financing Activities	<u>(23,844)</u>	<u>(5,758)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest	1,382	999
Net Cash Provided (Used) for Investing Activities	<u>1,382</u>	<u>999</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(102,822)	226,660
Balances - Beginning	<u>1,007,122</u>	<u>780,462</u>
Balances - Ending	<u><u>\$ 904,300</u></u>	<u><u>\$ 1,007,122</u></u>

See accompanying notes and accountant's compilation report.

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PACIFIC COAST CUTTING HORSE ASSOCIATION
(A Non Profit Organization)
Statement of Cash Flows
Year Ended December 31, 2014
(With comparative totals for December 31, 2013)

	<u>2014</u>	<u>2013</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating income (loss)	\$ (138,546)	\$ 171,142
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	6,733	12,943
(Increase) decrease in:		
Accounts receivable	(16,983)	14,906
Undeposited funds	(1,339)	-
Prepaid costs	833	1,256
Workers' compensation deposit	-	627
Increase (decrease) in:		
Accounts payable	(4,985)	(9,466)
Salaries and benefits payable	(462)	6,248
Sales tax payable	(105)	55
Cutters caring/sharing payable	2,195	-
Accrued liabilities	(21)	(768)
Unearned revenue	70,084	16,298
Copier buyout	(3,335)	3,335
	<u>\$ (85,931)</u>	<u>\$ 216,576</u>
Net Cash Provided (Used) by Operating Activities		

See accompanying notes and accountant's compilation report.

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Notes to Financial Statements

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PACIFIC COAST CUTTING HORSE ASSOCIATION
(A Non Profit Organization)
Notes to Financial Statements
December 31, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Pacific Coast Cutting Horse Association (Association) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to nonprofit entities. The more significant of the Association's accounting policies are described below.

A. Organization and Nature of Activities

The Pacific Coast Cutting Horse Association (the Association) is the official cutting horse Association for nine western states within the Association's territory and is dedicated to maintaining the standards of cutting and attracting new participants to the sport. The Association's support comes primarily from individual sponsor contributions, association dues, and competition entry fees.

B. Income Tax

The Association is exempt from federal and state income taxes under Section 501(c)(7) of the Internal Revenue Code and therefore, no provision for income taxes has been made in these financial statements.

Merchandise sales income and rental income is considered unrelated business income and is reported as such for tax-reporting purposes. During 2014, net taxable unrelated business income was not significant and therefore, no provision for federal or state income taxes was recorded in these financial statements.

FASB ASC Topic No. 740, Income Taxes, prescribes a comprehensive model for the financial statement recognition, measurement, presentation and disclosure of uncertain tax positions taken or expected to be taken in income tax returns. Management of the Association believes that it has not taken a tax position that, if challenged, would have a material effect on the financial statements. The Association files Forms 990 and 990-T in the federal jurisdiction within the United States and Form 199 for the State of California. At December 31, 2014, the Association's tax returns related to the years ended December 31, 2011, through December 31, 2013 remain open to possible examination by tax authorities. No tax returns are currently under examination by any tax authorities. The Association has not incurred any penalties or interest under FASB ASC Topic No. 740.

C. Basis of Accounting

The basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements.

The financial statements of the Association have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

D. Basis of Presentation

The Association presents its financial statements in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic No. 958-205, Not-For-Profit Entities: Presentation of Financial Statements. Under FASB ASC Topic No. 958-205, the Association is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

PACIFIC COAST CUTTING HORSE ASSOCIATION
(A Non Profit Organization)
Notes to Financial Statements
December 31, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Basis of Presentation (Continued)

Unrestricted net assets - Net assets that are not subject to donor imposed stipulations. The amount of \$300,000 in unrestricted net assets has been designated by the Board of Directors as a reserve.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that will be met by actions of the Association and/or the passage of time. The Association does not have any temporarily restricted net assets.

Permanently restricted net assets - Net assets subject to donor-imposed stipulations that the principal be maintained permanently by the Association. The Association does not have any permanently restricted net assets.

E. Donated Services

Donated services are recognized as contributions if the services, (a) create or enhance non-financial assets, or (b) require specialized skills, and are performed by people with those skills, and would otherwise be purchased by the Association. The Association pays for most services requiring specialized skills. However, a number of individuals volunteer their time and perform a variety of tasks that assist the Association with specific program functions and various other activities that are not recognized as contributions in the financial statements, because the recognition criteria under accounting principles generally accepted in the United States of America were not met.

F. Contributions

The Association accounts for contributions in accordance with FASB ASC Topic No. 958-605, Not-For-Profit Entities: Revenue Recognition. In accordance with FASB ASC Topic No. 958-605, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions.

G. Cash and Cash Equivalents

The Association maintains deposits in two financial institutions which are secured by the Federal Deposit Insurance Corporation (FDIC). The balance in these banks may at times exceed amounts covered by the FDIC. The Association has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash deposits. At December 31, 2014, \$403,833 was held in excess of FDIC limits.

The Association considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

H. Accounts Receivable

Accounts receivable consist primarily of amounts due from members. Normal accounts receivable are due 30 days after the issuance of the invoice. Receivables past due more than 90 days are considered delinquent. Delinquent receivables are reviewed based on an individual credit evaluation and specific circumstances of the customer. At December 31, 2014, an allowance for doubtful accounts was not considered necessary.

PACIFIC COAST CUTTING HORSE ASSOCIATION
(A Non Profit Organization)
Notes to Financial Statements
December 31, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Inventory and Prepaid Costs

Inventory items are recorded as an expense at the time individual items are purchased. Records are not maintained of inventory and supplies on hand, however, these amounts are not considered material.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid costs.

J. Property and Equipment

It is the Association's policy to capitalize property and equipment that has an estimated useful life of five years or greater. Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions.

Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

<u>Depreciable Asset</u>	<u>Estimated Lives</u>
Structures and Improvements	39 years
Equipment	5-10 years

K. Unearned Revenues

Unearned revenue for membership dues and future events represents money received in advance for future periods of activity. The Association recognizes the unearned revenue for membership dues when the payment is due and for events upon completion of the respective show or in accordance with the terms of the sponsorship agreement.

L. Compensated Absences

The Association has not determined the liability for compensated absences and has elected to omit this liability.

M. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from these estimates.

PACIFIC COAST CUTTING HORSE ASSOCIATION
(A Non Profit Organization)
Notes to Financial Statements
December 31, 2014

NOTE 2: CASH

As of December 31, 2014, the Association's cash consisted of the following:

Cash in Bank - Checking	\$ 200,788
Cash in Bank - Money Market	703,045
Imprest Cash	<u>467</u>
Total Cash	<u><u>\$ 904,300</u></u>

NOTE 3: PROPERTY AND EQUIPMENT

The following is a summary of property and equipment as of December 31, 2014:

Equipment	\$ 81,907
Less Accumulated Depreciation	<u>(61,682)</u>
Property and Equipment, Net of Accumulated Depreciation	<u><u>\$ 20,225</u></u>

Depreciation expense of \$6,733 was charged to support services operations.

NOTE 4: UNEARNED REVENUE

Unearned revenue is recorded for assets received in connection with a transaction before the earnings process is complete, those assets are offset by a corresponding liability for unearned revenue.

PACIFIC COAST CUTTING HORSE ASSOCIATION
(A Non Profit Organization)
Notes to Financial Statements
December 31, 2014

NOTE 4: UNEARNED REVENUE (CONTINUED)

At December 31, 2014, components of unearned revenues were as follows:

Membership dues	\$ 18,895
Cutter checkoffs	1,050
Trainers income	21,840
Classified Ads	360
Sponsorship	16,183
Futurity intermediate purse	<u>18,758</u>
Unearned Revenue - Other	<u>77,086</u>
Stallion Service Auction	74,204
2015 Cutting Stakes	69,925
2015 Gelding Stakes	3,900
2015 Gelding Stakes Flat Fee	4,500
2016 Cutting Stakes	18,600
2016 Gelding Stakes	3,788
2017 Cutting Stakes	18,363
2017 Gelding Stakes	2,788
2018 Cutting Stakes	13,863
2018 Gelding Stakes	1,650
2019 Cutting Stakes	9,350
2019 Gelding Stakes	225
2020 Cutting Stakes	1,275
Foals of 2012 - 14/15 Payout	12,200
Foals of 2013 - 16/17 Payout	9,200
Foals of 2014	<u>2,400</u>
Unearned Revenue - Future Events	<u>246,231</u>
Total Unearned Revenue	<u><u>\$ 323,317</u></u>

NOTE 5: NOTE PAYABLE

Debt consists of one note payable to American River Bank, with interest of 6.50% at December 31, 2014, due in monthly payments of \$1,934, and a maturity on May 29, 2017.

Note Payable - American River Bank	\$ 51,619
Less current maturities	(<u>20,450</u>)
Long Term Portion	<u><u>\$ 31,169</u></u>

The following is a summary of principal maturities of the American River Bank note payable during the next three years based on the interest rate at December 31, 2014:

	<u>Total</u>
2015	\$ 20,450
2016	21,820
2017	<u>9,349</u>
Total	<u><u>\$ 51,619</u></u>

PACIFIC COAST CUTTING HORSE ASSOCIATION
(A Non Profit Organization)
Notes to Financial Statements
December 31, 2014

NOTE 6: RENTAL INCOME

The Association signed a lease with Grupe Real Estate for \$1,815 per month to lease a portion of the Association's business office building. Rental income for the year ended December 31, 2014 was as follows:

Rental Income	<u>\$ 5,817</u>
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NOTE 7: RELATED PARTY TRANSACTIONS

The Pacific Coast Cutting Horse Association Youth Fund (Youth Fund) is the official youth cutting horse association for the nine western states within the Association territory and is dedicated to maintaining the standards of cutting and attracting new youth participants to the sport. The Pacific Coast Cutting Horse Association and the Youth Fund have a close working relationship. The Youth Fund is a separate entity from that of the Association, but it is also dependent in that the Association provides various assistance. At December 31, 2014, the Association owed the Youth Fund \$425.

NOTE 8: SUBSEQUENT EVENTS

Management has evaluated events subsequent to December 31, 2014 through May 5, 2015, the date on which the financial statements were available for issuance. Management has determined no subsequent events requiring disclosure have occurred.

Supplementary Information

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PACIFIC COAST CUTTING HORSE ASSOCIATION
(A Non Profit Organization)
Schedule of Functional Revenues and Expenses
Year Ended December 31, 2014
(With comparative totals for December 31, 2013)

	Program Services			Support Services		
	Derby, Classic/ Challenge	Futurity	Roundup	Administration	Total 2014	Total 2013
OPERATING REVENUES						
Administration income	\$ -	\$ -	\$ -	\$ 24,561	\$ 24,561	\$ 32,317
Arena Signage	2,000	2,500	2,300	-	6,800	3,900
Banquet income	-	-	-	8,195	8,195	7,285
Bedding income	17,306	-	-	-	17,306	15,965
Calcutta income	-	10,550	-	-	10,550	50,300
Cattle fees	-	-	2,754	-	2,754	-
Vendor income	3,410	6,800	1,800	-	12,010	13,600
Dues	-	-	-	47,335	47,335	51,898
Entry fees	714,370	876,438	272,260	-	1,863,068	2,072,162
Other fees	113,682	287,470	63,572	113,651	578,375	662,968
Merchandise sales	-	-	-	4,984	4,984	9,037
Miscellaneous income	474	1,320	594	32,405	34,793	24,023
Practice income	68,100	117,000	33,800	-	218,900	246,900
RV space rental income	-	13,560	7,670	-	21,230	20,480
Special mailings	-	-	-	26,177	26,177	32,470
Sponsor income	113,017	99,567	42,817	17,095	272,496	233,334
Total Operating Revenues	1,032,359	1,415,205	427,567	274,403	3,149,534	3,476,639
OPERATING EXPENSES						
Advertising	4,834	6,769	675	3,058	15,336	16,584
Arena sand	-	8,000	4,986	-	12,986	21,008
Arena signage	1,251	179	710	-	2,140	2,549
Awards expense	18,754	48,503	11,215	68,581	147,053	142,865
Bad debt	-	-	-	1,220	1,220	264
Bank charges	-	-	-	12,935	12,935	19,037
Banquet	-	-	-	7,287	7,287	6,147
Bedding	19,240	-	-	-	19,240	20,590
Business licenses	-	-	-	101	101	60
Calcutta expense	-	7,110	-	2,000	9,110	50,300
Cattle costs	223,838	206,249	124,421	-	554,508	489,118
Cattle hay expense	17,960	25,209	9,475	-	52,644	48,380
Contract labor	382	420	-	519	1,321	1,658
Cutter subscription	-	-	-	45,401	45,401	52,430
Depreciation	-	-	-	6,733	6,733	12,943
Drug assessments	-	2,935	1,710	-	4,645	6,205
Dues and subscriptions	-	-	-	2,852	2,852	2,377
Equipment rent	-	5,287	4,220	3,856	13,363	21,569
Escrow fees	-	-	-	2,187	2,187	-
Facility rent/setup	7,644	72,368	39,400	-	119,412	138,994
Insurance	-	-	-	12,612	12,612	14,000
Interest expense	-	-	-	13,598	13,598	22,296
Judges/escort fees	31,690	54,621	18,759	-	105,070	99,029
Meeting expense	-	-	-	3,755	3,755	5,567
Merchandise	-	-	-	3,306	3,306	8,418
Subtotal	325,593	437,650	215,571	190,001	1,168,815	1,202,388

See accompanying accountant's compilation report.

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PACIFIC COAST CUTTING HORSE ASSOCIATION
(A Non Profit Organization)
Schedule of Functional Revenues and Expenses
Year Ended December 31, 2014
(With comparative totals for December 31, 2013)

	Program Services			Support Services		
	Derby, Classic/ Challenge	Futurity	Roundup	Administration	Total 2014	Total 2013
OPERATING EXPENSES						
(CONTINUED)						
NCHA fees	13,715	14,840	6,338	-	34,893	33,722
Office expense	2,023	4,316	3,808	12,102	22,249	23,764
Postage and shipping	-	-	-	4,953	4,953	6,888
Professional fees	-	-	-	19,046	19,046	17,425
Promotions	-	200	113	89	402	3,298
Property taxes	-	-	-	1,421	1,421	1,509
Purses	576,983	842,673	151,396	-	1,571,052	1,585,115
Rent	-	-	-	11,177	11,177	1,000
Repairs and maintenance	-	-	-	10,430	10,430	2,039
Salaries and benefits	-	-	-	250,520	250,520	231,407
Security	-	2,862	1,134	210	4,206	4,120
Show staff	30,583	37,554	15,350	122	83,609	77,617
Sponsorship costs	3,924	6,727	150	4,350	15,151	13,891
Stall rent	37,709	15,865	300	-	53,874	63,415
Telephone	-	-	-	7,063	7,063	7,222
Utilities	-	-	-	2,066	2,066	4,775
Video expense	5,337	6,819	5,468	-	17,624	19,004
Website	2,210	-	950	6,369	9,529	6,898
Total Operating Expenses	998,077	1,369,506	400,578	519,919	3,288,080	3,305,497
Operating Income (Loss)	34,282	45,699	26,989	(245,516)	(138,546)	171,142
NON OPERATING REVENUES						
(EXPENSES)						
Interest income	-	-	-	1,382	1,382	999
Other income	-	-	-	1,856	1,856	34
Rental income	-	-	-	5,817	5,817	19,966
Other expense	-	-	-	-	-	(1,839)
Loss on sale of assets	-	-	-	(165,163)	(165,163)	-
Change in Net Assets	\$ 34,282	\$ 45,699	\$ 26,989	\$ (401,624)	\$ (294,654)	\$ 190,302

See accompanying accountant's compilation report.

Continued (Page 2 of 2)

PACIFIC COAST CUTTING HORSE ASSOCIATION
(A Non Profit Organization)
Note to Schedule of Functional Revenues and Expenses
For the Year Ended December 31, 2014

SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES

In the Schedule of Functional Revenues and Expenses of Pacific Coast Cutting Horse Association, revenues and expenses are reported on a functional basis. Costs are divided between program services and support services. All revenue and expenses not directly related to a program service are reflected in support services.

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