Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2012

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report;
- [ ] the final return/report;
- [ ] an amended return/report;
- [ ] a short plan year return/report (less than 12 months).

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
LEISURE SPORTS, INC. 401(K) PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 01/01/1992

2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan)

LEISURE SPORTS, INC.

7077 KOLL CENTER PARKWAY, SUITE 110
PLEASANTON, CA 94566-3152

2b Employer Identification Number (EIN)
94-2852632

2c Sponsor's telephone number
925-600-1966

2d Business code (see instructions)
713900

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/01/2013	MALCOLM PITT
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional)

Preparer's telephone number (optional)

3a Plan administrator's name and address [X] Same as Plan Sponsor Name [ ] Same as Plan Sponsor Address

3b Administrator's EIN

3c Administrator's telephone number

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:

a Sponsor's name

4b EIN

4c PN

5	Total number of participants at the beginning of the plan year	**5**	1578
6	Number of participants as of the end of the plan year (welfare plans complete only lines **6a, 6b, 6c,** and **6d**).		
a	Active participants	**6a**	1265
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	244
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	1509
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	0
f	Total. Add lines **6d** and **6e**	**6f**	1509
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	536
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	5
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:
2E 2F 2G 2J 2K 3D 3H

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

9a Plan funding arrangement (check all that apply)

- **(1)** [ ] Insurance
- **(2)** [ ] Code section 412(e)(3) insurance contracts
- **(3)** [X] Trust
- **(4)** [ ] General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

- **(1)** [ ] Insurance
- **(2)** [ ] Code section 412(e)(3) insurance contracts
- **(3)** [X] Trust
- **(4)** [ ] General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- **(1)** [X] **R** (Retirement Plan Information)
- **(2)** [ ] **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- **(3)** [ ] **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- **(1)** [X] **H** (Financial Information)
- **(2)** [ ] **I** (Financial Information – Small Plan)
- **(3)** [ ] 0 **A** (Insurance Information)
- **(4)** [X] **C** (Service Provider Information)
- **(5)** [ ] **D** (DFE/Participating Plan Information)
- **(6)** [ ] **G** (Financial Transaction Schedules)

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2012** **This Form is Open to Public Inspection.**

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan	**B** Three-digit plan number (PN) ▶
LEISURE SPORTS, INC. 401(K) PLAN	001

C Plan sponsor's name as shown on line 2a of Form 5500	**D** Employer Identification Number (EIN)
LEISURE SPORTS, INC.	94-2852632

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . ☐ Yes ☒ No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

CAMBRIDGE INVESTMENT ADVISORS INC

CAMBRIDGE INVESTMENT RESEARCH INC.
1776 PLEASANT PLAIN RD
FAIRFIELD, IA 52556

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
26 27	INVESTMENT ADVISOR	88363	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

VERISIGHT, INC.

2001 N. MAIN STREET
SUITE 500
WALNUT CREEK, CA 94596

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
64 37 65	RECORD KEEPER	23255	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

FIDELITY BROKERAGE SERVICES LLC

200 SEAPORT BOULEVARD
BOSTON, MA 02210

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
19	ASSET CUSTODIAN	5700	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

SENTINEL BENEFITS GROUP LLC

55 WALKER BROOK DRIVE
SUITE 100
READING, MA 01867

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
13 17	3RD PARTY ADMINISTRATOR	2187	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes [ ] No [ ]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes [ ] No [ ]	Yes [ ] No [ ]		Yes [ ] No [ ]

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

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Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2012

This Form is Open to Public Inspection

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan
LEISURE SPORTS, INC. 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
LEISURE SPORTS, INC.

D Employer Identification Number (EIN)
94-2852632

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	5612	-2
(2) Participant contributions	1b(2)	30397	700
(3) Other	1b(3)	1246	528
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	372698	364401
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	10059166	11774233
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)		
	(2) Employer real property	1d(2)		
e	Buildings and other property used in plan operation	1e		
f	Total assets (add all amounts in lines 1a through 1e)	1f	10469119	12139860
	Liabilities			
g	Benefit claims payable	1g		
h	Operating payables	1h		
i	Acquisition indebtedness	1i		
j	Other liabilities	1j		
k	Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	10469119	12139860

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

	Income		(a) Amount	(b) Total
a	**Contributions:**			
	(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	152431	
	(B) Participants	2a(1)(B)	862916	
	(C) Others (including rollovers)	2a(1)(C)	13480	
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		1028827
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
	(B) U.S. Government securities	2b(1)(B)		
	(C) Corporate debt instruments	2b(1)(C)		
	(D) Loans (other than to participants)	2b(1)(D)		
	(E) Participant loans	2b(1)(E)	18103	
	(F) Other	2b(1)(F)		
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		18103
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
	(B) Common stock	2b(2)(B)		
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	1364925	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		1364925
	(3) Rents	2b(3)		
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0
	(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)		
	(B) Other	2b(5)(B)		
	(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		2411855
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	620425	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		620425
f Corrective distributions (see instructions)	2f		25186
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)	31142	
(3) Investment advisory and management fees	2i(3)	88363	
(4) Other	2i(4)	-24002	
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		95503
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		741114
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		1670741
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) [ ] Unqualified **(2)** [ ] Qualified **(3)** [X] Disclaimer **(4)** [ ] Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [X] Yes [ ] No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: VAVRINEK, TRINE, DAY & COMPANY, LLP **(2)** EIN: 95-2648289

d The opinion of an independent qualified public accountant is **not attached** because:

(1) [ ] This form is filed for a CCT, PSA, or MTIA. **(2)** [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

		Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a	X		742748
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	

			Yes	No	Amount
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		500000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
If "Yes," enter the amount of any plan assets that reverted to the employer this year ☐ **Yes** ☒ **No** **Amount:**

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

Part V Trust Information (optional)

6a Name of trust	**6b** Trust's EIN

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2012

This Form is Open to Public Inspection.

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan
LEISURE SPORTS, INC. 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
LEISURE SPORTS, INC.

D Employer Identification Number (EIN)
94-2852632

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1** 0

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 58-1428634 27-2037969

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year. **3**

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 **a** Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☐ **No**

Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

11 **a** Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14 Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a	The current year	**14a**	
b	The plan year immediately preceding the current plan year	**14b**	
c	The second preceding plan year	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a	The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b	The corresponding number for the second preceding plan year	**15b**	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a	Enter the number of employers who withdrew during the preceding plan year	**16a**	
b	If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

19 If the total number of participants is 1,000 or more, complete lines (a) through (c)

a Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

LEISURE SPORTS, INC.
401(k) PLAN

FINANCIAL STATEMENTS AND
SUPPLEMENTAL INFORMATION

DECEMBER 31, 2012 AND 2011

WITH

INDEPENDENT AUDITORS' REPORT

LEISURE SPORTS, INC. 401(k) PLAN

DECEMBER 31, 2012 AND 2011

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INDEPENDENT AUDITORS' REPORT

To The Board of Trustees
Leisure Sports, Inc. 401(k) Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Leisure Sports, Inc. 401(k) Plan, which comprise the statements of net assets available for benefits as of December 31, 2012, and the related statements of changes in net assets available for benefits for the year then ended December 31, 2012, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Plan 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 2012 financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the 2012 financial statements.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 4, which was certified by Verisight Trust Company, the custodian of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedules. We have been informed by the plan administrator that the custodian holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the custodian as of and for the years ended December 31, 2012, that the information provided to the plan administrator by the custodian is complete and accurate.

Disclaimer of Opinion on the 2012 Financial Statements

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient, appropriate audit evidence to provide a basis for an audit opinion on the 2012 financial statements. Accordingly, we do not express an opinion on the 2012 financial statements.

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FRESNO • LAGUNA HILLS • PALO ALTO • PLEASANTON • RANCHO CUCAMONGA • RIVERSIDE • SACRAMENTO

Other Matters- Report on Supplementary Information and Report on 2011 Financial Statements

The supplemental schedules; Schedule of Delinquent Participants Contributions and Schedule of Assets (Held at Year End) as of December 31, 2012 are required by the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion on the 2012 Financial Statements paragraph, we do not express an opinion on the supplemental schedules.

We have audited the accompanying financial statements of Leisure Sports, Inc. 401(k) Plan, which comprise the statement of the net assets available for benefits as of December 31, 2011, and in our report dated October 12, 2012, we expressed our opinion that such financial statement presents fairly, in all material respects, net assets available for benefits of the Plan as of December 31, 2011, and the changes in net assets available for benefits for the year ended December 31, 2011, in accordance with accounting principles generally accepted in the United States of America.

Report on Form and Content in Compliance With DOL Rules and Regulations for 2012 Financial Statements

The form and content of the information included in the 2012 financial statements and supplemental schedule, other than that derived from the information certified by the custodian, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Vavrinek, Trine, Day & Co., LLP

Pleasanton, California
September 23, 2013

LEISURE SPORTS, INC. 401(k) PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
AS OF DECEMBER 31, 2012 AND 2011

	2012	2011
ASSETS		
Investments at fair vlaue	$ 11,774,233	$ 10,059,166
Total investments	11,774,233	10,059,166
Receivables		
Participants' contribution	698	30,397
Employer's contribution	-	5,612
Note receivable from participants	364,401	372,698
Dividend receivable	528	1,246
Total receivables	365,627	409,953
Total assets	12,139,860	10,469,119
LIABILITIES		
Excess contributions payable	69,335	25,099
Total liabilities	69,335	25,099
Net assets available for benefits	$ 12,070,525	$ 10,444,020

The accompanying notes are an integral part of these financial statements.

LEISURE SPORTS, INC. 401(k) PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS FOR THE YEAR ENDED DECEMBER 31, 2012

ADDITIONS TO NET ASSETS ATTRIBUTED TO:		
Contributions		
Employer	$	130,004
Participants		816,008
Participants' Rollover		13,480
Total contributions		959,492
Investments		
Investment income		18,103
Realized gains		1,364,925
Total investment earnings		1,383,028
Total additions		2,342,520
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:		
Benefits paid to participants		620,425
Administrative expenses		95,503
Deemed distributions		87
Total deductions		716,015
Net change in Net Assets Available for Benefits		1,626,505
NET ASSETS AVAILABLE FOR BENEFITS:		
Beginning of year		10,444,020
End of year	$	12,070,525

The accompanying notes are an integral part of these financial statements.

NOTE #1 – DESCRIPTION OF PLAN

The following information of the Leisure Sports, Inc. 401(k) Plan (the Plan) provides only general information. Participants should refer to the plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution, deferred compensation and 401(k) plan under Section 401(k) of the Internal Revenue Code and was adopted effective January 1, 1992, by Leisure Sports, Inc. (the Company) to provide retirement for all eligible employees (Participants). All employees who have reached the age of 21 and who have completed six-months of service with the Company are eligible for participation in the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Contributions

All Participants may make tax-deferred cash contributions of up to the maximum allowed by law, not to exceed the Internal Revenue Service's maximum salary deferral limit. In order to comply with Economic Growth and Tax Relief Reconciliation of 2001 (EGTRRA) "Catch-up Contributions" for participants who are aged 50 and older, these participants can make additional tax-deferred cash contributions of $5,500 and the vesting percentage is increased to 100 percent. The Company will contribute a matching contribution equal to 25 percent of each Participant's deferred compensation, up to a maximum Company contribution of 1.5 percent.

Participant's Accounts

Each Participant's account is credited with the Participant's contribution and an allocation of (1) the Company's contribution and (2) plan earnings. Earnings are allocated based on each Participant's proportionate ownership interest in the Plan. The benefit to which a plan participant is entitled is the benefit that can be provided from the participant's vested accrual.

Investment Options

Verisight Trust Company, the Asset Custodian and recordkeeper, maintains the Plan's investments in various mutual funds, and Capital Planning Partners is the investment advisor. Funds allocated to the Asset Custodian are invested as directed by the Participant in a combination of equity and fixed income investments and money market funds. The Plan currently allows Participants twenty four investment options: (1) Alger Health & Science Fund, (2) Alger Capital Appreciation Retirement Institutional, (3) Dodge & Cox Income Fund, (4) Dodge & Cox International Stock Fund, (5) Fairholme Fund, (6) Fidelity Leveraged Company Stock, (7) FPA Crescent Institutional, (8) Invesco European Growth (9) Matthews China - International Funds, (10) MFS International New Discovery Fund, (11) MFS Utilities, (12) New Alternatives Fund, (13) Parnassus Equity Income Portfolio, (14) Pioneer Fund, (15) Pioneer Oak Ridge Small Cap Growth Fund, (16) Primecap Odyssey Aggressive Growth Fund (17) Prudential Jennison Natural Resources Z, (18) RS Investment Trust: Partners Fund, (19) Vanguard 500 Index, (20) Vanguard Global Equity, (21) Vanguard Short Term Bond, (22) Vanguard Short Term Treasury, and (23) Vanguard Total International Stock. A money market fund and cash reserve are used to facilitate plan transactions.

Notes Receivable from Participants

Participants may borrow from the Plan up to 50 percent of their vested account balances. In no event can a Participant borrow more than $50,000. Loans bear interest at a rate determined by the Trustee at the time of the loan, which will provide the Plan with a return that is no less than the return from comparable investments that are available to the plan.

Repayment by current employees is made by payroll deductions in equal installments over a period of not more than five years unless the loan is to be used for the construction or purchase of the principal residence of the Participant, for which repayment will be made within a reasonable period of time as determined by the plan administrator. Repayment by terminated employees may be made through monthly or semimonthly payments as arranged with the company at their termination.

Loans receivable from participants are measured at their unpaid principal balance, plus any accrued but unpaid interest. Delinquent participant loans are reclassified as distributions based upon the terms of the plan document.

Operating Expenses

All expenses of maintaining the plan are paid by the Plan.

Vesting

Voluntary contributions to the Plan by Participants, as well as all earnings on those contributions, are fully vested when made. Company contributions vest according to the following schedule:

Years of Service	Vesting Percentage
1	20%
2	40%
3	60%
4	80%
5	100%

Forfeitures

Forfeitures generally are first used to restore the amounts forfeited by former Participants who have returned to the Plan and who are entitled to a restoration of their account balance. After restoration of accounts, forfeitures are used to reduce employer matching contributions or to pay Plan administrative expenses. At December 31, 2012, forfeited nonvested accounts totaled $5,767. These amounts may be used to reduce future employer contributions.

Retirements and Terminations

In the case of normal retirement, retirement due to permanent disability, or termination of employment, Participants may elect to receive the value of their accumulated accounts, in accordance with the provisions of the Plan or in a lump-sum distribution. In the event that a Participant dies before retirement, the beneficiary will receive the value of the Participant's accounts in a lump-sum distribution.

Plan Termination

The Company has established the Plan with the intention and expectation that the Plan will continue indefinitely. However, the Company reserves the right at any time to terminate the Plan subject to the provisions of ERISA. In the event of termination of the Plan, Participants will become fully vested in their accounts and distributions will be made as described in the Plan Agreement.

Party in Interest

Certain investments are shares of mutual funds and money market funds maintained by Verisight Trust Company. Verisight Trust Company is the custodian as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions.

At December 31, 2012, the Company paid $88,363, $16,888, $5,450 and $13,400, for investment advisory services, recordkeeping services, asset custodian services and auditing services respectively.

Excess Contributions Payable

Excess contributions payable represents amount owed to participants who made excess contributions based on the compliance testing performed by the Plan's record keeper. The excess contributions payable balance as of December 31, 2012 was returned by the Plan to the participants during March 2013.

Nonexempt Party-In-Interest Transactions

As reported on Form 5500, Schedule H, Line 4a – Schedule of Delinquent Participant Contributions, certain participant contributions were not remitted to the Plan within the time frame specified by the Department of Labor's Regulation 29 CFR 2510.3-102, thus constituting nonexempt transactions between the Plan and the Company during the 2012 Plan year. Late remittances amounted to $599,560. The Company is in the process of making the appropriate filings in accordance with the DOL's Voluntary Fiduciary Corrective Program.

A party-in-interest engaging in a nonexempt transaction is subject to an excise tax of 15 percent. The tax is imposed even if the transaction was inadvertent or benefits the Plan. Further, additional taxes may be imposed if the transaction is not corrected in a specified period of time.

Nonexempt party-in-interest transactions are disclosed in the accompanying supplemental schedule of delinquent participant contributions.

Allocated to Withdrawn Participants

Net assets available for benefits at December 31, 2012 include zero amounts allocated to the accounts of persons who as of or prior to that date had withdrawn from participating in the earnings and operations of the Plan.

Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risks associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

Subsequent Events

The Company has evaluated subsequent events for recognition and disclosure through September 23, 2013, which is the date the financial statements were available to be issued. Management has determined that there were no subsequent events or transactions that would have a material impact on the current year financial statements.

NOTE #2 – SIGNIFICANT ACCOUNTING POLICIES

Accounting Method

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

Investment Valuation

Investments in mutual funds are valued at fair value based on the last reported net asset value on the last business day of the calendar year. Fair value is the price that would be received to sell the asset in an orderly transaction between market participation of the measurement date. See Note 7 for discussion on fair value measurements.

Purchases and sales of securities are reflected on a trade date basis. Income is recorded as earned on an accrual basis. Investment earnings consist of realized and unrealized appreciation (depreciation) on investments and interest/dividend received.

Benefits

Benefits are recognized when paid.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires the plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

NOTE #3 – TAX STATUS

The Internal Revenue Service has determined and informed the Company by letter dated September 20, 1994, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (the IRC). The Plan has been amended since receiving an updated determination letter as of March 31, 2008. The Plan administrator believes that the Plan is currently designed and being operated in compliance with the applicable provisions of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service or the Department of Labor. The Plan is subject to routine audits by taxing jurisdiction, however, there are currently no audits for any tax periods in progress. The Plan Administrator believes it is no longer subject to income tax examinations for years prior to 2009.

NOTE #4 – CERTIFICATION BY THE CUSTODIAN

The Plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, the custodian of the Plan has certified that the following information included in the accompanying financial statements and supplemental schedules is complete and accurate:

- Investments, as reflected in the Statements of the Net Assets Available for Benefits as of December 31, 2012.
- Investment activity, as reflected in the Statement of Changes in Net Assets Available for Benefits for the year ended December 31, 2012.
- Investment information disclosed in Note 5 in the financial statements.
- Investments, as reflected in Schedule H, Line 4i - Schedule of Assets (Held at End of Year) as of December 31, 2012.

The Plan administrator instructed the Plan's independent auditors not to perform any auditing procedures with respect to this certified information except for comparing such information with the related information included in the financial statements and supplemental schedules.

NOTE #5 – INVESTMENTS

The fair value of individual investments at December 31, 2012 and 2011 are as follows:

	2012	2011
Alger Health & Science Fund	$ 6,506	$ 4,630
Alger Capital Appreciation Retirement Institutional *	733,471	606,834
Calamos Growth Class A Fund	-	368,169
Dodge & Cox Income Fund *	975,009	861,332
Dodge & Cox International Stock Fund	381,728	303,839
Fairholme Fund	451,057	307,980
Fidelity Leveraged Company Stock*	615,074	480,233
Fidelity Short Term Bond	-	773,698
FPA Crescent Institutional	316,188	222,744
Invesco European Growth	128,888	97,805
Matthews China - International Funds	95,932	63,633
MFS International New Discovery Fund *	781,377	605,004
MFS Utilities	96,221	74,837
New Alternatives Fund	9,491	8,261
Parnassus Equity Income Portfolio *	751,080	637,829
Pioneer Fund *	810,390	729,888
Pioneer Oak Ridge Small Cap Growth Fund	551,394	505,694
Primecap Odyssey Aggressive Growth Fund	464,284	-
Prudential Jennison Natural Resources Z	16,019	30,823
RS Investment Trust: Partners Fund*	605,904	494,235
Vanguard 500 index *	787,920	580,011
Vanguard Global Equity	405,541	317,380
Vanguard Short Term Bond *	1,433,614	556,007
Vanguard Short Term Treasury Fund	562	-
Vanguard Total International Stock Index	324,652	245,176
Subtotal investments	$ 10,742,302	$ 8,876,042
Fidelity Money Market	1,027,614	1,183,124
TD Bank USA	4,317	-
Total investments	$ 11,774,233	$ 10,059,166

* Investments that represent 5 percent or more of the Plan's net assets.

During 2012, the Plan's investments (including gains and losses on investments bought and sold as well as held during the year) appreciated in value as follows:

	2012
Mutual funds	$ 1,364,925

NOTE #6 – RECONCILIATION OF FINANCIAL STATEMENTS TO SCHEDULE H OF FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements at December 31, 2012 and 2011 to Schedule H of the Form 5500:

	2012	2011
Net assets available for benefits per Form 5500	$ 12,139,860	$ 10,469,119
Refund from excess contributions	(69,335)	(25,099)
Net assets available for benefits per the financial statements	$ 12,070,525	$ 10,444,020

Contributions received from participants in 2012 and 2011, are net of payments of $69,335 and $25,099, respectively, made to certain active participants to return to them excess deferral contributions as required to satisfy the relevant nondiscrimination provisions of the Plan. These amounts are also included in the plan's statement of net assets available for benefits as excess contributions payable at December 31, 2012 and 2011.

NOTE #7 - FAIR VALUE OF FINANCIAL INSTRUMENTS

The Plan determines the fair market values of certain financial instruments based on the fair value hierarchy established in Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value.

FASB ASC 820, (formerly FASB Statement No. 157), provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are described below:

Level 1 - Quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 1 assets and liabilities may include debt and equity securities that are traded in an active exchange market and that are highly liquid and are actively traded in over-the-counter markets.

Level 2 - Inputs to the valuation methodology include: quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, inputs other than quoted prices that are observable for the asset or liability, inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. The Plan did not have any Level 3 assets.

The Plan used the market approach to estimate fair value for all investment assets.

A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. The Plan categorizes mutual funds as level 1 because the inputs to the valuation methodology used to measure the fair value of the investments include quoted prices in active markets for identical investments.

Fair Value on a Recurring Basis

The following table presents for each hierarchy level the financial assets that are measured at fair value on a recurring basis on the Statement of Net Assets Available for Benefits as of December 31, 2012 and 2011. The Plan did not have any liabilities measured at fair value on a recurring basis as of December 31, 2012 and 2011.

	As of December 31, 2012			
Fair Value Hierarchy	Total	Level 1	Level 2	Level 3
Mutual Funds	$ 11,774,233	$ 11,774,233	$ -	$ -
Total investments at fair value	$ 11,774,233	$ 11,774,233	$ -	$ -

	As of December 31, 2011			
	Total	Level 1	Level 2	Level 3
Mutual Funds	$ 10,059,166	$ 10,059,166	$ -	$ -
Total investments at fair value	$ 10,059,166	$ 10,059,166	$ -	$ -

Changes in the observability of the valuation attributes may result in a reclassification of certain financial assets or liabilities. Such reclassifications are reported as transfers in or out at fair value in the year in which the changes occurs if any.

The Plan did not have any assets or liabilities recorded at fair value on a non-recurring basis.

SUPPLEMENTARY INFORMATION

LEISURE SPORTS, INC. 401(k) PLAN
EMPLOYER IDENTIFICATION NUMBER 94-2852632
PLAN NUMBER: 001

SCHEDULE H, LINE 4a – SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS
DECEMBER 31, 2012

December 31, 2012	Total that Constitutes Non-exempt Prohibited Transactions			
Participant Contributions Transferred Late to Plan	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	Total Fully Corrected Under VFCP and PTE 2002-51
Check Here if Late Participant Loan Repayments are included: ☐				
$ -	$ -	$ -	$ 599,560	$ -

LEISURE SPORTS, INC. 401(k) PLAN
EMPLOYER IDENTIFICATION NUMBER 94-2852632
PLAN NUMBER: 001

SCHEDULE H, LINE 4i – SCHEDULE OF ASSETS (HELD AT YEAR END)
DECEMBER 31, 2012

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of Investment, including maturity date, rate of interest, collateral, par, or maturity date	(d) Cost	(e) Current Value
	Alger Health & Science Fund	Mutual fund	**	$ 6,506
	Alger Capital Appreciation Retirement Institutional	Mutual fund	**	733,471
	Dodge & Cox Income Fund	Mutual fund	**	975,009
	Dodge & Cox International Stock Fund	Mutual fund	**	381,728
	Fairholme Fund	Mutual fund	**	451,057
	Fidelity Leveraged Company Stock	Mutual fund	**	615,074
	FPA Crescent Institutional	Mutual fund	**	316,188
	Invesco European Growth	Mutual fund	**	128,888
	Matthews China - International Funds	Mutual fund	**	95,932
	MFS International New Discovery Fund	Mutual fund	**	781,377
	MFS Utilities	Mutual fund	**	96,221
	New Alternatives Fund	Mutual fund	**	9,491
	Parnassus Equity Income Portfolio	Mutual fund	**	751,080
	Pioneer Fund	Mutual fund	**	810,390
	Pioneer Oak Ridge Small Cap Growth Fund	Mutual fund	**	551,394
	Primecap Odyssey Aggressive Growth Fund	Mutual fund	**	464,284
	Prudential Jennison Natural Resources Z	Mutual fund	**	16,019
	RS Investment Trust: Partners Fund	Mutual fund	**	605,904
	Vanguard 500 index	Mutual fund	**	787,920
	Vanguard Global Equity	Mutual fund	**	405,541
	Vanguard Short Term Bond	Mutual fund	**	1,433,614
	Vanguard Short Term Treasury Fund	Mutual fund	**	562
	Vanguard Total International Stock Index	Mutual fund	**	324,652
*	Fidelity Money Market Trust Retirement	Money Market	**	1,027,614
*	TD Bank USA	Money Market	**	4,317
*	Notes receivable from participants	***	**	364,401
			Total:	$ 12,138,634

* Party-in-interest to the Plan

** Cost information not required as per Special Rule for certain participant directed transactions.

*** Notes receivable from participants with interest rates ranging from 4.25% to 9.25%, collateralized by participants' account balances and maturing through 2021

Attachment to 2012 Form 5500
Schedule H, line 4a - Schedule of Delinquent Participant Contributions

Plan Name Leisure Sports, Inc. 401(k) Plan
EIN: 94-2852632
Plan Sponsor's Name Leisure Sports, Inc.
PN: 001

	Total that Constitute Nonexempt Prohibitied Transactions			
Participant Contributions Transferred Late to Plan	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	Total Fully Corrected Under VFCP and PTE 2002-51
Check here if Late Participant Loan Repayments are included [X]	0	742,748	0	0

(Lost Earnings related to 2011 late employee deposits were corrected in 2012 and lost earnings related to 2012 late employee deposits were corrected in 2013).

LEISURE SPORTS, INC.
401(k) PLAN

FINANCIAL STATEMENTS AND
SUPPLEMENTAL INFORMATION

DECEMBER 31, 2012 AND 2011

WITH

INDEPENDENT AUDITORS' REPORT

LEISURE SPORTS, INC. 401(k) PLAN

DECEMBER 31, 2012 AND 2011

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INDEPENDENT AUDITORS' REPORT

To The Board of Trustees
Leisure Sports, Inc. 401(k) Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Leisure Sports, Inc. 401(k) Plan, which comprise the statements of net assets available for benefits as of December 31, 2012, and the related statements of changes in net assets available for benefits for the year then ended December 31, 2012, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Plan 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 2012 financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the 2012 financial statements.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 4, which was certified by Verisight Trust Company, the custodian of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedules. We have been informed by the plan administrator that the custodian holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the custodian as of and for the years ended December 31, 2012, that the information provided to the plan administrator by the custodian is complete and accurate.

Disclaimer of Opinion on the 2012 Financial Statements

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient, appropriate audit evidence to provide a basis for an audit opinion on the 2012 financial statements. Accordingly, we do not express an opinion on the 2012 financial statements.

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Other Matters- Report on Supplementary Information and Report on 2011 Financial Statements

The supplemental schedules; Schedule of Delinquent Participants Contributions and Schedule of Assets (Held at Year End) as of December 31, 2012 are required by the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion on the 2012 Financial Statements paragraph, we do not express an opinion on the supplemental schedules.

We have audited the accompanying financial statements of Leisure Sports, Inc. 401(k) Plan, which comprise the statement of the net assets available for benefits as of December 31, 2011, and in our report dated October 12, 2012, we expressed our opinion that such financial statement presents fairly, in all material respects, net assets available for benefits of the Plan as of December 31, 2011, and the changes in net assets available for benefits for the year ended December 31, 2011, in accordance with accounting principles generally accepted in the United States of America.

Report on Form and Content in Compliance With DOL Rules and Regulations for 2012 Financial Statements

The form and content of the information included in the 2012 financial statements and supplemental schedule, other than that derived from the information certified by the custodian, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Vavrinek, Trine, Day & Co., LLP

Pleasanton, California
September 23, 2013

LEISURE SPORTS, INC. 401(k) PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
AS OF DECEMBER 31, 2012 AND 2011

	2012	2011
ASSETS		
Investments at fair vlaue	$ 11,774,233	$ 10,059,166
Total investments	11,774,233	10,059,166
Receivables		
Participants' contribution	698	30,397
Employer's contribution	-	5,612
Note receivable from participants	364,401	372,698
Dividend receivable	528	1,246
Total receivables	365,627	409,953
Total assets	12,139,860	10,469,119
LIABILITIES		
Excess contributions payable	69,335	25,099
Total liabilities	69,335	25,099
Net assets available for benefits	$ 12,070,525	$ 10,444,020

The accompanying notes are an integral part of these financial statements.

LEISURE SPORTS, INC. 401(k) PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS FOR THE YEAR ENDED DECEMBER 31, 2012

ADDITIONS TO NET ASSETS ATTRIBUTED TO:		
Contributions		
Employer	$	130,004
Participants		816,008
Participants' Rollover		13,480
Total contributions		959,492
Investments		
Investment income		18,103
Realized gains		1,364,925
Total investment earnings		1,383,028
Total additions		2,342,520
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:		
Benefits paid to participants		620,425
Administrative expenses		95,503
Deemed distributions		87
Total deductions		716,015
Net change in Net Assets Available for Benefits		1,626,505
NET ASSETS AVAILABLE FOR BENEFITS:		
Beginning of year		10,444,020
End of year	$	12,070,525

The accompanying notes are an integral part of these financial statements.

NOTE #1 – DESCRIPTION OF PLAN

The following information of the Leisure Sports, Inc. 401(k) Plan (the Plan) provides only general information. Participants should refer to the plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution, deferred compensation and 401(k) plan under Section 401(k) of the Internal Revenue Code and was adopted effective January 1, 1992, by Leisure Sports, Inc. (the Company) to provide retirement for all eligible employees (Participants). All employees who have reached the age of 21 and who have completed six-months of service with the Company are eligible for participation in the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Contributions

All Participants may make tax-deferred cash contributions of up to the maximum allowed by law, not to exceed the Internal Revenue Service's maximum salary deferral limit. In order to comply with Economic Growth and Tax Relief Reconciliation of 2001 (EGTRRA) "Catch-up Contributions" for participants who are aged 50 and older, these participants can make additional tax-deferred cash contributions of $5,500 and the vesting percentage is increased to 100 percent. The Company will contribute a matching contribution equal to 25 percent of each Participant's deferred compensation, up to a maximum Company contribution of 1.5 percent.

Participant's Accounts

Each Participant's account is credited with the Participant's contribution and an allocation of (1) the Company's contribution and (2) plan earnings. Earnings are allocated based on each Participant's proportionate ownership interest in the Plan. The benefit to which a plan participant is entitled is the benefit that can be provided from the participant's vested accrual.

Investment Options

Verisight Trust Company, the Asset Custodian and recordkeeper, maintains the Plan's investments in various mutual funds, and Capital Planning Partners is the investment advisor. Funds allocated to the Asset Custodian are invested as directed by the Participant in a combination of equity and fixed income investments and money market funds. The Plan currently allows Participants twenty four investment options: (1) Alger Health & Science Fund, (2) Alger Capital Appreciation Retirement Institutional, (3) Dodge & Cox Income Fund, (4) Dodge & Cox International Stock Fund, (5) Fairholme Fund, (6) Fidelity Leveraged Company Stock, (7) FPA Crescent Institutional, (8) Invesco European Growth (9) Matthews China - International Funds, (10) MFS International New Discovery Fund, (11) MFS Utilities, (12) New Alternatives Fund, (13) Parnassus Equity Income Portfolio, (14) Pioneer Fund, (15) Pioneer Oak Ridge Small Cap Growth Fund, (16) Primecap Odyssey Aggressive Growth Fund (17) Prudential Jennison Natural Resources Z, (18) RS Investment Trust: Partners Fund, (19) Vanguard 500 Index, (20) Vanguard Global Equity, (21) Vanguard Short Term Bond, (22) Vanguard Short Term Treasury, and (23) Vanguard Total International Stock. A money market fund and cash reserve are used to facilitate plan transactions.

Notes Receivable from Participants

Participants may borrow from the Plan up to 50 percent of their vested account balances. In no event can a Participant borrow more than $50,000. Loans bear interest at a rate determined by the Trustee at the time of the loan, which will provide the Plan with a return that is no less than the return from comparable investments that are available to the plan.

Repayment by current employees is made by payroll deductions in equal installments over a period of not more than five years unless the loan is to be used for the construction or purchase of the principal residence of the Participant, for which repayment will be made within a reasonable period of time as determined by the plan administrator. Repayment by terminated employees may be made through monthly or semimonthly payments as arranged with the company at their termination.

Loans receivable from participants are measured at their unpaid principal balance, plus any accrued but unpaid interest. Delinquent participant loans are reclassified as distributions based upon the terms of the plan document.

Operating Expenses

All expenses of maintaining the plan are paid by the Plan.

Vesting

Voluntary contributions to the Plan by Participants, as well as all earnings on those contributions, are fully vested when made. Company contributions vest according to the following schedule:

Years of Service	Vesting Percentage
1	20%
2	40%
3	60%
4	80%
5	100%

Forfeitures

Forfeitures generally are first used to restore the amounts forfeited by former Participants who have returned to the Plan and who are entitled to a restoration of their account balance. After restoration of accounts, forfeitures are used to reduce employer matching contributions or to pay Plan administrative expenses. At December 31, 2012, forfeited nonvested accounts totaled $5,767. These amounts may be used to reduce future employer contributions.

Retirements and Terminations

In the case of normal retirement, retirement due to permanent disability, or termination of employment, Participants may elect to receive the value of their accumulated accounts, in accordance with the provisions of the Plan or in a lump-sum distribution. In the event that a Participant dies before retirement, the beneficiary will receive the value of the Participant's accounts in a lump-sum distribution.

Plan Termination

The Company has established the Plan with the intention and expectation that the Plan will continue indefinitely. However, the Company reserves the right at any time to terminate the Plan subject to the provisions of ERISA. In the event of termination of the Plan, Participants will become fully vested in their accounts and distributions will be made as described in the Plan Agreement.

Party in Interest

Certain investments are shares of mutual funds and money market funds maintained by Verisight Trust Company. Verisight Trust Company is the custodian as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions.

At December 31, 2012, the Company paid $88,363, $16,888, $5,450 and $13,400, for investment advisory services, recordkeeping services, asset custodian services and auditing services respectively.

Excess Contributions Payable

Excess contributions payable represents amount owed to participants who made excess contributions based on the compliance testing performed by the Plan's record keeper. The excess contributions payable balance as of December 31, 2012 was returned by the Plan to the participants during March 2013.

Nonexempt Party-In-Interest Transactions

As reported on Form 5500, Schedule H, Line 4a – Schedule of Delinquent Participant Contributions, certain participant contributions were not remitted to the Plan within the time frame specified by the Department of Labor's Regulation 29 CFR 2510.3-102, thus constituting nonexempt transactions between the Plan and the Company during the 2012 Plan year. Late remittances amounted to $599,560. The Company is in the process of making the appropriate filings in accordance with the DOL's Voluntary Fiduciary Corrective Program.

A party-in-interest engaging in a nonexempt transaction is subject to an excise tax of 15 percent. The tax is imposed even if the transaction was inadvertent or benefits the Plan. Further, additional taxes may be imposed if the transaction is not corrected in a specified period of time.

Nonexempt party-in-interest transactions are disclosed in the accompanying supplemental schedule of delinquent participant contributions.

Allocated to Withdrawn Participants

Net assets available for benefits at December 31, 2012 include zero amounts allocated to the accounts of persons who as of or prior to that date had withdrawn from participating in the earnings and operations of the Plan.

Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risks associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

Subsequent Events

The Company has evaluated subsequent events for recognition and disclosure through September 23, 2013, which is the date the financial statements were available to be issued. Management has determined that there were no subsequent events or transactions that would have a material impact on the current year financial statements.

NOTE #2 – SIGNIFICANT ACCOUNTING POLICIES

Accounting Method

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

Investment Valuation

Investments in mutual funds are valued at fair value based on the last reported net asset value on the last business day of the calendar year. Fair value is the price that would be received to sell the asset in an orderly transaction between market participation of the measurement date. See Note 7 for discussion on fair value measurements.

Purchases and sales of securities are reflected on a trade date basis. Income is recorded as earned on an accrual basis. Investment earnings consist of realized and unrealized appreciation (depreciation) on investments and interest/dividend received.

Benefits

Benefits are recognized when paid.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires the plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

NOTE #3 – TAX STATUS

The Internal Revenue Service has determined and informed the Company by letter dated September 20, 1994, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (the IRC). The Plan has been amended since receiving an updated determination letter as of March 31, 2008. The Plan administrator believes that the Plan is currently designed and being operated in compliance with the applicable provisions of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service or the Department of Labor. The Plan is subject to routine audits by taxing jurisdiction, however, there are currently no audits for any tax periods in progress. The Plan Administrator believes it is no longer subject to income tax examinations for years prior to 2009.

NOTE #4 – CERTIFICATION BY THE CUSTODIAN

The Plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, the custodian of the Plan has certified that the following information included in the accompanying financial statements and supplemental schedules is complete and accurate:

- Investments, as reflected in the Statements of the Net Assets Available for Benefits as of December 31, 2012.
- Investment activity, as reflected in the Statement of Changes in Net Assets Available for Benefits for the year ended December 31, 2012.
- Investment information disclosed in Note 5 in the financial statements.
- Investments, as reflected in Schedule H, Line 4i - Schedule of Assets (Held at End of Year) as of December 31, 2012.

The Plan administrator instructed the Plan's independent auditors not to perform any auditing procedures with respect to this certified information except for comparing such information with the related information included in the financial statements and supplemental schedules.

NOTE #5 – INVESTMENTS

The fair value of individual investments at December 31, 2012 and 2011 are as follows:

	2012	2011
Alger Health & Science Fund	$ 6,506	$ 4,630
Alger Capital Appreciation Retirement Institutional *	733,471	606,834
Calamos Growth Class A Fund	-	368,169
Dodge & Cox Income Fund *	975,009	861,332
Dodge & Cox International Stock Fund	381,728	303,839
Fairholme Fund	451,057	307,980
Fidelity Leveraged Company Stock*	615,074	480,233
Fidelity Short Term Bond	-	773,698
FPA Crescent Institutional	316,188	222,744
Invesco European Growth	128,888	97,805
Matthews China - International Funds	95,932	63,633
MFS International New Discovery Fund *	781,377	605,004
MFS Utilities	96,221	74,837
New Alternatives Fund	9,491	8,261
Parnassus Equity Income Portfolio *	751,080	637,829
Pioneer Fund *	810,390	729,888
Pioneer Oak Ridge Small Cap Growth Fund	551,394	505,694
Primecap Odyssey Aggressive Growth Fund	464,284	-
Prudential Jennison Natural Resources Z	16,019	30,823
RS Investment Trust: Partners Fund*	605,904	494,235
Vanguard 500 index *	787,920	580,011
Vanguard Global Equity	405,541	317,380
Vanguard Short Term Bond *	1,433,614	556,007
Vanguard Short Term Treasury Fund	562	-
Vanguard Total International Stock Index	324,652	245,176
Subtotal investments	$ 10,742,302	$ 8,876,042
Fidelity Money Market	1,027,614	1,183,124
TD Bank USA	4,317	-
Total investments	$ 11,774,233	$ 10,059,166

* Investments that represent 5 percent or more of the Plan's net assets.

During 2012, the Plan's investments (including gains and losses on investments bought and sold as well as held during the year) appreciated in value as follows:

	2012
Mutual funds	$ 1,364,925

NOTE #6 – RECONCILIATION OF FINANCIAL STATEMENTS TO SCHEDULE H OF FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements at December 31, 2012 and 2011 to Schedule H of the Form 5500:

	2012	2011
Net assets available for benefits per Form 5500	$ 12,139,860	$ 10,469,119
Refund from excess contributions	(69,335)	(25,099)
Net assets available for benefits per the financial statements	$ 12,070,525	$ 10,444,020

Contributions received from participants in 2012 and 2011, are net of payments of $69,335 and $25,099, respectively, made to certain active participants to return to them excess deferral contributions as required to satisfy the relevant nondiscrimination provisions of the Plan. These amounts are also included in the plan's statement of net assets available for benefits as excess contributions payable at December 31, 2012 and 2011.

NOTE #7 - FAIR VALUE OF FINANCIAL INSTRUMENTS

The Plan determines the fair market values of certain financial instruments based on the fair value hierarchy established in Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value.

FASB ASC 820, (formerly FASB Statement No. 157), provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are described below:

Level 1 - Quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 1 assets and liabilities may include debt and equity securities that are traded in an active exchange market and that are highly liquid and are actively traded in over-the-counter markets.

Level 2 - Inputs to the valuation methodology include: quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, inputs other than quoted prices that are observable for the asset or liability, inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. The Plan did not have any Level 3 assets.

The Plan used the market approach to estimate fair value for all investment assets.

A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. The Plan categorizes mutual funds as level 1 because the inputs to the valuation methodology used to measure the fair value of the investments include quoted prices in active markets for identical investments.

Fair Value on a Recurring Basis

The following table presents for each hierarchy level the financial assets that are measured at fair value on a recurring basis on the Statement of Net Assets Available for Benefits as of December 31, 2012 and 2011. The Plan did not have any liabilities measured at fair value on a recurring basis as of December 31, 2012 and 2011.

	As of December 31, 2012			
Fair Value Hierarchy	Total	Level 1	Level 2	Level 3
Mutual Funds	$ 11,774,233	$ 11,774,233	$ -	$ -
Total investments at fair value	$ 11,774,233	$ 11,774,233	$ -	$ -

	As of December 31, 2011			
	Total	Level 1	Level 2	Level 3
Mutual Funds	$ 10,059,166	$ 10,059,166	$ -	$ -
Total investments at fair value	$ 10,059,166	$ 10,059,166	$ -	$ -

Changes in the observability of the valuation attributes may result in a reclassification of certain financial assets or liabilities. Such reclassifications are reported as transfers in or out at fair value in the year in which the changes occurs if any.

The Plan did not have any assets or liabilities recorded at fair value on a non-recurring basis.

SUPPLEMENTARY INFORMATION

LEISURE SPORTS, INC. 401(k) PLAN
EMPLOYER IDENTIFICATION NUMBER 94-2852632
PLAN NUMBER: 001

SCHEDULE H, LINE 4a – SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS
DECEMBER 31, 2012

December 31, 2012	Total that Constitutes Non-exempt Prohibited Transactions			
Participant Contributions Transferred Late to Plan	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	Total Fully Corrected Under VFCP and PTE 2002-51
Check Here if Late Participant Loan Repayments are included: ☐				
$ -	$ -	$ -	$ 599,560	$ -

LEISURE SPORTS, INC. 401(k) PLAN
EMPLOYER IDENTIFICATION NUMBER 94-2852632
PLAN NUMBER: 001

SCHEDULE H, LINE 4i – SCHEDULE OF ASSETS (HELD AT YEAR END)
DECEMBER 31, 2012

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of Investment, including maturity date, rate of interest, collateral, par, or maturity date	(d) Cost	(e) Current Value
	Alger Health & Science Fund	Mutual fund	**	$ 6,506
	Alger Capital Appreciation Retirement Institutional	Mutual fund	**	733,471
	Dodge & Cox Income Fund	Mutual fund	**	975,009
	Dodge & Cox International Stock Fund	Mutual fund	**	381,728
	Fairholme Fund	Mutual fund	**	451,057
	Fidelity Leveraged Company Stock	Mutual fund	**	615,074
	FPA Crescent Institutional	Mutual fund	**	316,188
	Invesco European Growth	Mutual fund	**	128,888
	Matthews China - International Funds	Mutual fund	**	95,932
	MFS International New Discovery Fund	Mutual fund	**	781,377
	MFS Utilities	Mutual fund	**	96,221
	New Alternatives Fund	Mutual fund	**	9,491
	Parnassus Equity Income Portfolio	Mutual fund	**	751,080
	Pioneer Fund	Mutual fund	**	810,390
	Pioneer Oak Ridge Small Cap Growth Fund	Mutual fund	**	551,394
	Primecap Odyssey Aggressive Growth Fund	Mutual fund	**	464,284
	Prudential Jennison Natural Resources Z	Mutual fund	**	16,019
	RS Investment Trust: Partners Fund	Mutual fund	**	605,904
	Vanguard 500 index	Mutual fund	**	787,920
	Vanguard Global Equity	Mutual fund	**	405,541
	Vanguard Short Term Bond	Mutual fund	**	1,433,614
	Vanguard Short Term Treasury Fund	Mutual fund	**	562
	Vanguard Total International Stock Index	Mutual fund	**	324,652
*	Fidelity Money Market Trust Retirement	Money Market	**	1,027,614
*	TD Bank USA	Money Market	**	4,317
*	Notes receivable from participants	***	**	364,401
			Total:	$ 12,138,634

* Party-in-interest to the Plan

** Cost information not required as per Special Rule for certain participant directed transactions.

*** Notes receivable from participants with interest rates ranging from 4.25% to 9.25%, collateralized by participants' account balances and maturing through 2021