

**NEUQUA VALLEY HIGH SCHOOL
ATHLETIC BOOSTER CLUB**

**Financial Statements and
Independent Auditor's Report
For the Years Ending
June 30, 2014 and June 30, 2013**

NEUQUA VALLEY HIGH SCHOOL ATHLETIC BOOSTER CLUB

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INDEPENDENT AUDITOR'S REPORT

Executive Board
Neuqua Valley High School
Athletic Booster Club

We have audited the accompanying financial statements of Neuqua Valley High School Athletic Booster Club which comprise the statements of financial position as of June 30, 2014 and June 30, 2013 and the related statements of activities and changes in net assets, functional expenses and cash flows for the years then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Neuqua Valley High School Athletic Booster Club as of June 30, 2014 and June 30, 2013 and the changes in its net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Susan S. Lewis, Ltd.
February 13, 2015

NEUQUA VALLEY HIGH SCHOOL ATHLETIC BOOSTER CLUB
Statement of Financial Position
June 30,

Assets		<u>2014</u>	<u>2013</u>
Current Assets			
Cash and equivalents	\$	67,866	\$ 84,813
Concessions inventory		1,929	981
WCW inventory		<u>37,457</u>	<u>36,863</u>
Total Current Assets		107,252	122,657
Property and Equipment			
Furniture and equipment		19,817	19,030
Less :Accumulated depreciation		<u>(11,084)</u>	<u>(7,576)</u>
Net Property and Equipment		8,733	11,454
Other Assets			
Security deposits		250	250
Prepaid expenses		<u>1,521</u>	<u>767</u>
Total Other Assets		1,771	1,017
Total Assets	\$	<u>117,756</u>	\$ <u>135,128</u>
Liabilities and Net Assets			
Current Liabilities			
Accounts payable	\$	1,460	\$ 17,626
Accrued scholarships payable		13,000	13,000
Accrued sales taxes		834	173
Accrued expenses		2,200	
Accrued wish list items		1,712	5,000
Deferred revenue		<u>-</u>	<u>5,245</u>
Total Current Liabilities		19,206	41,044
Total Liabilities		19,206	41,044
Net Assets			
Unrestricted		<u>98,550</u>	<u>94,084</u>
Total Net Assets		<u>98,550</u>	<u>94,084</u>
Total Liabilities and Net Assets	\$	<u>117,756</u>	\$ <u>135,128</u>

See accompanying notes to financial statements.

NEUQUA VALLEY HIGH SCHOOL ATHLETIC BOOSTER CLUB
Statement of Activities and Change in Net Assets
For the Year Ended June 30, 2014
(With summarized financial information for the year ended June 30, 2013)

		2014		2013
		TOTAL		TOTAL
Revenue				
Wildcat wear sales	\$	117,083		
Less: Cost of goods sold		<u>(80,274)</u>		
Gross profit		\$ 36,809	\$	33,619
Concession sales		72,301		
Less: Cost of goods sold		<u>(40,539)</u>		
Gross profit		31,762		29,209
Contributions		920		75
Membership dues		59,630		49,675
Other sales		1,306		2,463
Other income		97		214
Interest income		43		47
Total revenue		130,567		115,302
Expenses				
Program services		114,256		109,739
Management and general		<u>11,845</u>		<u>12,427</u>
Total expenses		126,101		122,166
Change in net assets		4,466		(6,864)
Net assets at beginning of year		<u>94,084</u>		<u>100,948</u>
Net assets at end of year	\$	98,550	\$	94,084

See accompanying notes to financial statements.

NEUQUA VALLEY HIGH SCHOOL ATHLETIC BOOSTER CLUB
Statement of Functional Expenses
For the Year Ended June 30, 2014

(With summarized information for the year ending June 30, 2013)

	<u>Program</u>	<u>Management & General</u>	<u>2014 TOTAL</u>	<u>2013 TOTAL</u>
Expenses				
Accounting fees	\$	\$ 4,200	\$ 4,200	\$ 4,200
Advertising		1,000	1,000	592
Business registration fees		375	375	390
Cash awards, scholarships	15,250		15,250	15,750
CC, PayPal, and bank charges		1,767	1,767	3,083
Conferences, meetings		168	168	
Depreciation	3,508		3,508	3,161
Equipment rental and maintenance	2,093		2,093	1,086
Freight expense	111		111	1,054
Gifts and donations	220		220	1,431
Insurance, liability and D & O		2,329	2,329	2,202
Inventory damage and give away	282		282	133
Membership expenses	42,000		42,000	30,245
Membership and dues			-	35
Other costs	5,069		5,069	1,757
Postage, mailing service		140	140	232
Printing and copying		959	959	40
Supplies	3,165		3,165	4,281
Team assistance	923		923	571
Telephone & telecommunications		660	660	240
Taxes		(229)	(229)	
Training programs	3,230		3,230	3,220
Website		476	476	1,413
Wish list items	38,405		38,405	47,050
Total expenses	\$ 114,256	\$ 11,845	\$ 126,101	\$ 122,166

See accompanying notes to financial statements

NEUQUA VALLEY HIGH SCHOOL ATHLETIC BOOSTER CLUB
Statement of Cash Flows
For the Year Ending June 30,

	<u>2014</u>	<u>2013</u>
Cash Flows from Operating Activities		
Change in net assets	\$ 4,466	\$ (6,864)
Adjustments to reconcile change in net assets to net assets used in operating activities		
Depreciation	3,508	3,161
Changes in assets and liabilities:		
(Increase) Decrease in concession inventory	(948)	656
(Increase) Decrease in WCW inventory	(594)	(1,937)
(Increase) Decrease in prepaid expenses	(754)	2,450
Increase (Decrease) in accounts payable	(16,166)	17,626
Increase (Decrease) in accrued scholarships payable	-	11,000
Increase (Decrease) in accrued expenses	2,200	-
Increase (Decrease) in accrued wish list	(3,288)	5,000
Increase (Decrease) in deferred revenue	(5,245)	5,245
Increase (Decrease) in accrued sales taxes	661	138
	<hr/>	<hr/>
Net Cash Provided by Operating Activities	(16,160)	36,475
Cash Flows from Investing Activities		
Purchase of equipment	(787)	(3,208)
	<hr/>	<hr/>
Net Cash (Used) in Investing Activities	(787)	(3,208)
NET (DECREASE) IN CASH	(16,947)	33,267
Cash – beginning of year	84,813	51,546
	<hr/>	<hr/>
Cash – end of year	\$ 67,866	\$ 84,813
	<hr/>	<hr/>

See accompanying notes to financial statements

NEUQUA VALLEY HIGH SCHOOL ATHLETIC BOOSTER CLUB
Notes to Financial Statements
June 30, 2013

NOTE 1 - ORGANIZATION AND NATURE OF ACTIVITIES

Neuqua Valley High School Athletic Booster Club, (“The Club”), is a nonprofit organization established in 2008 to support, encourage and aid the activities of high school athletics at Neuqua Valley High School.

Through the use of private funds, “the Club” strives to provide support to Neuqua Valley High School towards the creation of programs, projects and activities for staff and students that will enhance the educational system.

The Neuqua Valley High School Athletic Booster Club is governed by a voluntary Board of Directors. Neuqua Valley High School and “the Club” are independent of each other.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting

The Organization prepares its financial statements on the accrual basis of accounting. The Organization adheres to accounting principles generally accepted in the United States of America (GAAP).

B. Basis of Presentation

The Organization classifies its support as unrestricted, temporarily restricted or permanently restricted depending upon the absence or existence of donor-imposed restrictions or stipulations.

Unrestricted is support which can be used for any legal purpose.

Temporarily Restricted is a donor-imposed restriction that specifies the use of the support and is satisfied either through the passage of time or by the Organization’s actions, and permits the Organization to use or expend part of the support. When a donor-imposed restriction expires (that is when a stipulated time restriction ends or a purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. There were no temporarily restricted net assets at June 30, 2014.

Permanently Restricted is a donor-imposed restriction, which requires the Organization to maintain the contributed assets permanently, but permits the Organization to use or expend part of the income from the contributed assets. There were no permanently restricted net assets at June 30, 2014.

C. Cash and Cash Equivalents

Cash and cash equivalents consist of checking accounts, savings accounts and petty cash.

D. Inventory

“The Club” maintains inventories of Wildcat Wear clothing and concessions that are available for sale at athletic events. All inventories are stated at cost.

E. Property and Equipment

Acquisitions of property and equipment in excess of \$ 500 are capitalized. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation.

Depreciation is calculated using the straight line method over the useful lives of assets as follows:

Furniture	5 years
Equipment	7 years

Depreciation expense for the years ending June 30, 2014 and June 30, 2013 was \$3,508 and \$3,161 respectively.

F. Prepaid Expenses

“The Club” pays certain expenses, including insurance, on a basis other than the fiscal year. Consequently, certain amounts are considered prepaid at the end of the year because they relate to the following fiscal period.

G. Revenue Recognition

Contributions received are recorded as unrestricted, temporarily restricted or permanently restricted support, depending on the existence and/or nature of donor restrictions.

All donor-restricted contributions are reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the accompanying statements as net assets released from restrictions.

H. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 3 – INCOME TAXES

“The Club” is exempt from federal income taxes under Section 501 (c)(3) of the Internal Revenue Code (IRC). The Organization has been classified as a publicly supported organization that is not a private foundation under Section 509(a) of the code. Donors are eligible to receive the maximum charitable tax deduction available for public charities under the IRC.

The Organization files information tax returns in the U.S. and various states. With few exceptions, the Organization is no longer subject to federal and state income tax examinations for years before 2011.

NOTE 4 –PROPERTY AND EQUIPMENT

Property and equipment on June 30, 2014 consists of the following:

Description	Beginning Balance	Additions	Ending Balance
Furniture and equipment	\$19,030	\$787	\$19,817
Less: Accumulated Depreciation	(7,576)	(3,508)	(11,084)
Net Property and Equipment	\$11,454	\$(2,721)	\$8,733

Property and equipment on June 30, 2013 consisted of the following:

Description	Beginning Balance	Additions	Ending Balance
Furniture and equipment	\$15,822	\$3,208	\$19,030
Less: Accumulated Depreciation	(4,415)	(3,161)	(7,576)
Net Property and Equipment	\$11,407	\$47	\$11,454

NOTE 5 – SUBSEQUENT EVENTS

The Organization evaluated subsequent events through February 13, 2015 which was the date the financial statements were available to be issued and concluded that no additional disclosures were required.