

**NEUQUA VALLEY HIGH SCHOOL  
ATHLETIC BOOSTER CLUB**

**Audited Financial Statements**

**June 30, 2011**

**NEUQUA VALLEY HIGH SCHOOL  
ATHLETIC BOOSTER CLUB**

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## **INDEPENDENT AUDITOR'S REPORT**

Board of Directors  
Neuqua Valley High School Athletic Booster Club  
Naperville , Illinois

We have audited the accompanying statement of assets, liabilities and net assets – modified cash basis of Neuqua Valley High School Athletic Booster Club (Club) as of June 30, 2011, and the related statement of revenues and expenses -modified cash basis for the year then ended. These financial statements are the responsibility of the Club's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 2, these financial statements were prepared on the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities and net assets of the Neuqua Valley High School Athletic Booster Club as of June 30, 2011 and its revenues and expenses for the year then ended on the basis of accounting described in Note 2.

Klein, Hall & Associates, LLC  
Aurora, Illinois  
July 28, 2011

**NEUQUA VALLEY HIGH SCHOOL ATHLETIC BOOSTER CLUB**  
**STATEMENT OF ASSETS, LIABILITIES AND NET ASSETS - MODIFIED CASH BASIS**  
June 30, 2011

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**Assets:**

|                              |                              |
|------------------------------|------------------------------|
| Cash and cash equivalent     | \$ 88,760                    |
| Due from Pepsi               | 211                          |
| Security Deposits            | 250                          |
| Inventory                    | 19,177                       |
| Property and equipment (net) | <u>1,976</u>                 |
| <br>Total Assets             | <br><u><u>\$ 110,374</u></u> |

**Net Assets:**

|                |                              |
|----------------|------------------------------|
| Unrestricted   | <u>\$ 110,374</u>            |
| <br>Net Assets | <br><u><u>\$ 110,374</u></u> |

See accompanying notes to basic financial statements

**NEUQUA VALLEY HIGH SCHOOL ATHLETIC BOOSTER CLUB**  
**STATEMENT OF REVENUES AND EXPENSES - MODIFIED CASH BASIS**  
**FOR THE YEAR ENDED JUNE 30, 2011**

|  | Unrestricted   |
|--|----------------|
| <b>REVENUES</b>                          |                |
| Wildcat Wear                             | \$ 101,217     |
| Concessions                              | 41,132         |
| Membership                               | 45,170         |
| Fundraising Event Income                 | 4,689          |
| NVHS Baseball                            | 3,145          |
| Scholarships                             | 6,812          |
| Interest Income                          | 112            |
|  | 202,277        |
| <br><b>COST OF GOODS SOLD</b>            |                |
| Wildcat Wear                             | 67,477         |
| Concessions                              | 24,281         |
| Membership payable                       | 28,400         |
| NVHS Baseball                            | 3,145          |
| Scholarships                             | 516            |
| Fundraising Events                       | 1,940          |
|  | 125,759        |
| Total cost of goods sold                 | 125,759        |
| Gross profit (loss)                      | \$ 76,518      |
| <br><b>EXPENSES</b>                      |                |
| <b>Program services:</b>                 |                |
| Neuqua "Wish List"                       | \$ 62,323      |
| Scholarships                             | 6,000          |
| Promotional Activities                   | 3,243          |
| Moneris Credit Card Service Charge       | 1,888          |
| Website Development                      | 2,685          |
| <b>Supporting services:</b>              |                |
| Insurance                                | 2,031          |
| Club Membership                          | 70             |
| Supplies                                 | 616            |
| Legal and Professional Fees              | 3,354          |
| Repairs and Maintenance                  | 261            |
| Depreciation                             | 659            |
|  | 83,130         |
| Total expenses                           | 83,130         |
| <b>Increase (decrease) in net assets</b> | <b>(6,612)</b> |
| Net assets, beginning of year            | 116,986        |
| Net assets, end of year                  | \$ 110,374     |

See accompanying notes to financial statements

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**NOTE 1 - ORGANIZATION**

The Neuqua Valley High School Athletic Booster Club (Club) was established to support, encourage, and enhance the athletic activities of the students 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 a not-for-profit corporation organized under the laws of the State of Illinois and governed by a voluntary Board of Directors. The Athletic Booster Club and Neuqua Valley High School are independent of each other.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*Basis of Accounting* - The accompanying financial statements have been prepared using the modified cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. In addition to the reporting of cash receipts and disbursements, fixed assets have been reflected in the accompanying financial statements.

The modified cash basis financial statements omit the recognition of receivables, payables and other accrued items that do not arise from previous cash transactions.

*Cash and Cash Equivalents* – The Club considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

*Investments* – The Club's investments are composed of certificates of deposit and are carried at cost.

*Revenue Recognition* – Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. As of June 30, 2011 there were no permanently restricted net assets.

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.

*Basis of Presentation* – Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-for-Profit Organizations. Under SFAS No. 117, the Club is required to report information regarding its financial position and activities according to three classes

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of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

*Property and Equipment* – Acquisitions of property and equipment in excess of \$50 are capitalized. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using primarily the straight-line method.

*Subsequent Events* – Subsequent events were evaluated through July 28, 2011 which is the date the financial statements were available to be issued.

**NOTE 3. PROPERTY AND EQUIPMENT**

Property and equipment at June 30, 2011 consisted of the following:

|                               |                        |
|-------------------------------|------------------------|
| Furniture and Equipment       | <u>\$4,612</u>         |
| Less Accumulated Depreciation | <u>(2,636)</u>         |
|                               | <b><u>\$ 1,976</u></b> |

Depreciation expense was \$659 for the year ended June 30, 2011.

**NOTE 4 – INCOME TAXES**

The Internal Revenue Service determined that the Club is exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code. The federal income tax returns of the Athletic Booster Club are subject to examination by the Internal Revenue Service, generally for three years after they were filed.

**NOTE 5. RISK MANAGEMENT**

The Club is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets, errors and omissions; injuries to employees; illnesses of employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three fiscal years.