

NEW YORK STATE WEST YOUTH  
SOCCER ASSOCIATION, INC.

CORNING, NEW YORK

REVIEWED FINANCIAL STATEMENTS

AND

ACCOUNTANTS' REVIEW REPORT

AUGUST 31, 2008 AND 2007

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## ACCOUNTANTS' REVIEW REPORT

Board of Directors  
New York State West Youth Soccer Association, Inc.  
Corning, New York

We have reviewed the accompanying statements of financial position of New York State West Youth Soccer Association, Inc. (a not-for-profit organization) as of August 31, 2008 and 2007, and the related statements of activities and changes in net assets, and cash flows for the years then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the Association's management.

A review consists principally of inquiries of Association personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with auditing standards generally accepted in the United States of America, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our reviews, we are not aware of any material modifications that should be made to financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

*Mengel, Metzger, Barr & Co. LLP*

Elmira, New York  
October 15, 2008

NEW YORK STATE WEST YOUTH SOCCER ASSOCIATION, INC.

STATEMENTS OF FINANCIAL POSITION

<u>ASSETS</u>	<u>August 31,</u>	
	<u>2008</u>	<u>2007</u>
<u>CURRENT ASSETS</u>		
Cash and cash equivalents	\$ 238,754	\$ 182,215
Investments	199,219	208,306
Accounts receivable	50,726	33,828
Prepaid and deferred expenses	18,790	13,810
TOTAL CURRENT ASSETS	<u>507,489</u>	<u>438,159</u>
 <u>FIXED ASSETS</u>		
Furniture and equipment	48,322	48,322
Computer equipment	54,683	54,683
Vehicle	-	24,171
	<u>103,005</u>	<u>127,176</u>
Less allowances for depreciation	102,184	119,934
	<u>821</u>	<u>7,242</u>
	<u>\$ 508,310</u>	<u>\$ 445,401</u>
 <u>LIABILITIES AND NET ASSETS</u>		
<u>CURRENT LIABILITIES</u>		
Accounts payable and accrued expenses	\$ 21,551	\$ 20,249
Deferred revenues	50,434	46,064
TOTAL CURRENT LIABILITIES	<u>71,985</u>	<u>66,313</u>
 <u>UNRESTRICTED NET ASSETS</u>		
Unrestricted	336,325	279,088
Board designated	100,000	100,000
	<u>436,325</u>	<u>379,088</u>
	<u>\$ 508,310</u>	<u>\$ 445,401</u>

See accountants' review report and accompanying notes which are an integral part of the financial statements.

NEW YORK STATE WEST YOUTH SOCCER ASSOCIATION, INC.

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

	<u>Year ended August 31,</u>	
	<u>2008</u>	<u>2007</u>
<u>REVENUES</u>		
Player registrations	\$ 549,390	\$ 551,887
Less:		
Player insurance	(121,100)	(129,189)
National fees	<u>(146,502)</u>	<u>(148,786)</u>
Net registration revenues	281,788	273,912
Olympic development program	301,768	357,951
Player passes	151,350	149,328
Coach passes	31,524	29,557
Sponsorships	-	27,049
Coaching and recreation programs	99,643	50,557
Marketing	21,606	30,538
Hosting tournaments	3,650	4,700
State Cup tournament	49,278	40,301
Player development academy	15,330	-
Center of Excellence	10,950	-
Investment (loss) income	(7,455)	7,731
Other revenue	<u>16,861</u>	<u>10,819</u>
TOTAL REVENUES	976,293	982,443
<u>EXPENSES</u>		
Programs:		
Olympic development program	274,880	334,399
State Cup tournament	52,085	49,050
Player development academy	7,270	-
Indoor events	799	1,987
Center of Excellence	3,277	-
Coaching and recreation programs	215,312	187,703
Coaches handbook and newspaper	<u>40,739</u>	<u>38,380</u>
Total program expenses	594,362	611,519
State administration	318,273	328,543
Depreciation	<u>6,421</u>	<u>14,126</u>
TOTAL EXPENSES	<u>919,056</u>	<u>954,188</u>
INCREASE IN NET ASSETS	57,237	28,255
Net assets at beginning of year	<u>379,088</u>	<u>350,833</u>
NET ASSETS AT END OF YEAR	<u>\$ 436,325</u>	<u>\$ 379,088</u>

See accountants' review report and accompanying notes which are an integral part of the financial statements.

NEW YORK STATE WEST YOUTH SOCCER ASSOCIATION, INC.

STATEMENTS OF CASH FLOWS

	<u>Year ended August 31,</u>	
	<u>2008</u>	<u>2007</u>
<u>CASH FLOWS - OPERATING ACTIVITIES</u>		
Change in net assets	\$ 57,237	\$ 28,255
Adjustments to reconcile change in net assets to net cash provided from operating activities:		
Depreciation	6,421	14,126
Gain on sale of vehicle	(6,000)	-
Loss on investments	16,391	-
Reinvested investment income	(7,304)	(6,438)
Changes in certain assets and liabilities affecting operations:		
Accounts receivable	(16,898)	31,585
Prepaid and deferred expenses	(4,980)	(4,863)
Accounts payable and accrued expenses	1,302	(38,134)
Deferred revenues	4,370	37,038
NET CASH PROVIDED FROM OPERATING ACTIVITIES	<u>50,539</u>	<u>61,569</u>
<u>CASH FLOWS - INVESTING ACTIVITIES</u>		
Purchases of fixed assets	-	(1,049)
Proceeds from sale of vehicle	6,000	-
Purchase of investments	-	(50,000)
NET CASH PROVIDED FROM (USED FOR) INVESTING ACTIVITIES	<u>6,000</u>	<u>(51,049)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	56,539	10,520
Cash and cash equivalents at beginning of year	<u>182,215</u>	<u>171,695</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 238,754</u>	<u>\$ 182,215</u>

See accountants' review report and accompanying notes which are an integral part of the financial statements.

NEW YORK STATE WEST YOUTH SOCCER ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS  
(See Accountants' Review Report)

AUGUST 31, 2008 AND 2007

NOTE A: THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of operations

New York State West Youth Soccer Association, Inc. (the "Association") was founded in 1982 and is a non-profit service organization dedicated to the promotion and development of good sportsmanship and fair play through the game of soccer. The purposes of the Association are (1) to promote and to organize the teaching of soccer, and (2) to foster amateur sports competition by promoting, developing and governing youth soccer activities through affiliation with the United States Youth Soccer Association (USYSA), the United States Soccer Federation (USSF), and the Federation de International Football Association (FIFA). Revenues are recorded when earned.

Basis of presentation

The accompanying financial statements have been prepared on the accrual basis of accounting.

Net asset classification

The accompanying financial statements present information regarding the Association's financial position and activities according to two classes of net assets - unrestricted and temporarily restricted. The classes are differentiated by the presence or absence of donor restrictions.

*Unrestricted net assets* - may be designated for specific purposes by action(s) of the Board of Directors or may be limited by contractual agreements with outside parties. Unrestricted net assets include unrestricted operating assets as well as funds internally designated for specific programs and facilities. In August 2003, the Board designated \$100,000 for future projects.

*Temporarily restricted net assets* - are subject to donor-imposed stipulations that expire by the passage of time or can be fulfilled or removed by actions pursuant to the stipulations. There were no temporarily restricted net assets in 2008 or 2007.

Cash and cash equivalents

For purposes of presentation in the balance sheets and the statements of cash flows, the Association considers highly liquid investments with a maturity of three months or less which are available for operations to be cash equivalents. Cash and other investments with maturities of three months or less held in the Association's investment portfolio or held in short term investments until suitable long-term investments are identified are excluded from cash equivalents for purposes of statement of financial position and the statement of cash flows presentation. The Association maintains its cash balances in a financial institution located in Corning, New York. The accounts at the financial institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$100,000 at August 31, 2008. Accounts in excess of FDIC insurance aggregate to approximately \$169,000 at August 31, 2008. The Association has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk in cash and cash equivalents.

NEW YORK STATE WEST YOUTH SOCCER ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS, Cont'd  
(See Accountants' Review Report)

AUGUST 31, 2008 AND 2007

NOTE A: THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Cont'd

Accounts receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. At August 31, 2007 a valuation allowance of \$10,000 had been recorded. There is no valuation allowance at August 31, 2008.

Fixed assets

Furniture, equipment and vehicle are recorded at cost or the fair market value at the date of donation. Depreciation is computed on a straight-line basis over the estimated useful lives of the furniture, equipment and vehicle which range from three to five years. Expenditures for repairs and maintenance are charged to activities as incurred, while major improvements are capitalized.

Deferred revenues

Deferred revenues relate principally to registration and academy fees collected in fiscal years 2008 and 2007, but pertain to fiscal years 2009 and 2008, respectively.

Tax status

The Association is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

Estimates

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

Reclassification

Certain 2007 amounts have been reclassified to conform with the 2008 presentation.



NEW YORK STATE WEST YOUTH SOCCER ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS, Cont'd  
(See Accountants' Review Report)

AUGUST 31, 2008 AND 2007

NOTE B: INVESTMENTS

Investments are recorded at fair value. Realized and unrealized gains and losses are reflected in the statements of activities and changes in net assets.

Fair value, cost and unrealized depreciation of the Association's investments are as follows:

	<u>Fair value</u>	<u>Cost</u>	<u>Unrealized depreciation</u>
August 31, 2008:			
Cash equivalents	\$ 18,458	\$ 18,458	\$ -
Certificates of deposit	89,831	90,000	(169)
Mutual funds	90,930	99,017	(8,087)
	<u>\$ 199,219</u>	<u>\$ 207,475</u>	<u>\$ (8,256)</u>
August 31, 2007:			
Cash equivalents	<u>\$ 208,306</u>	<u>\$ 208,306</u>	<u>\$ -</u>

Investments with unrealized depreciation have been in an unrealized loss position for less than twelve months. The Association has the ability to hold the investment for the foreseeable future, so no declines are considered to be other-than-temporary.

NOTE C: COMMITMENTS

The Association leases its office at \$2,236 per month under terms of an operating lease that expires in April 2010. Additionally, the Association leases certain office equipment under leases which expire through March 2011. Future minimum lease commitments under these agreements are as follows:

<u>Year ending August 31,</u>	<u>Amount</u>
2009	\$ 31,867
2010	21,449
2011	<u>1,792</u>
	<u>\$ 55,108</u>

Lease expense, including usage charges, amounted to \$32,313 and \$32,508 in 2008 and 2007, respectively.

NOTE D: RETIREMENT PLAN

The Association has a savings incentive match plan for employees covering substantially all employees. The Plan is subject to a maximum employer match of 3% of compensation, based on Internal Revenue Code limitations. Contributions to the Plan amounted to \$4,615 and \$5,963 for the years ended August 31, 2008 and 2007, respectively.