

**NEW YORK STATE WEST YOUTH  
SOCCER ASSOCIATION, INC.**

**CORNING, NEW YORK**

**REVIEWED FINANCIAL STATEMENTS**

**AND**

**ACCOUNTANTS' REVIEW REPORT**

**AUGUST 31, 2009 AND 2008**

## CONTENTS

| <u>REVIEWED FINANCIAL STATEMENTS</u>               | <u>PAGE</u> |
|--|-------------|
| Accountants' Review Report                         | 3           |
| Statements of Financial Position                   | 4           |
| Statements of Activities and Changes in Net Assets | 5           |
| Statements of Cash Flows                           | 6           |
| Notes to Financial Statements                      | 7           |



# MENGEL METZGER BARR & CO. LLP

Certified Public Accountants

## 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, 2009 and 2008, 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 9, 2009

NEW YORK STATE WEST YOUTH SOCCER ASSOCIATION, INC.

STATEMENTS OF FINANCIAL POSITION

| <u>ASSETS</u>                         | August 31,        |                   |
|---------------------------------------|-------------------|-------------------|
|                                       | <u>2009</u>       | <u>2008</u>       |
| <u>CURRENT ASSETS</u>                 |                   |                   |
| Cash and cash equivalents             | \$ 222,599        | \$ 238,754        |
| Investments                           | 348,080           | 199,219           |
| Accounts receivable                   | 50,262            | 50,726            |
| Prepaid and deferred expenses         | <u>20,312</u>     | <u>18,790</u>     |
| TOTAL CURRENT ASSETS                  | 641,253           | 507,489           |
| <br><u>EQUIPMENT</u>                  |                   |                   |
| Furniture and equipment               | 48,322            | 48,322            |
| Computer equipment                    | <u>58,086</u>     | <u>54,683</u>     |
|                                       | 106,408           | 103,005           |
| Less allowances for depreciation      | <u>103,675</u>    | <u>102,184</u>    |
|                                       | <u>2,733</u>      | <u>821</u>        |
|                                       | <u>\$ 643,986</u> | <u>\$ 508,310</u> |
| <br><u>LIABILITIES AND NET ASSETS</u> |                   |                   |
| <u>CURRENT LIABILITIES</u>            |                   |                   |
| Accounts payable and accrued expenses | \$ 56,427         | \$ 21,551         |
| Deferred revenues                     | <u>58,600</u>     | <u>50,434</u>     |
| TOTAL CURRENT LIABILITIES             | 115,027           | 71,985            |
| <br><u>UNRESTRICTED NET ASSETS</u>    |                   |                   |
| Unrestricted                          | 428,959           | 336,325           |
| Board designated                      | <u>100,000</u>    | <u>100,000</u>    |
|                                       | <u>528,959</u>    | <u>436,325</u>    |
|                                       | <u>\$ 643,986</u> | <u>\$ 508,310</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>2009</u>                  | <u>2008</u>       |
| <u>REVENUES</u>                  |                              |                   |
| Player registrations             | \$ 525,330                   | \$ 549,390        |
| Less:                            |                              |                   |
| Player insurance                 | (110,550)                    | (121,100)         |
| National fees                    | (140,088)                    | (146,502)         |
| Net registration revenues        | 274,692                      | 281,788           |
| <br>                             |                              |                   |
| Olympic development program      | 324,709                      | 301,768           |
| Player passes                    | 154,369                      | 151,350           |
| Coach passes                     | 48,049                       | 31,524            |
| Coaching and recreation programs | 86,491                       | 99,643            |
| Marketing                        | 22,696                       | 21,606            |
| Hosting tournaments              | 3,200                        | 3,650             |
| State Cup tournament             | 55,490                       | 49,278            |
| President's Cup tournament       | 1,600                        | -                 |
| Player development academy       | 32,805                       | 15,330            |
| Center of Excellence             | 1,800                        | 10,950            |
| Investment loss                  | (4,677)                      | (7,455)           |
| Other revenue                    | 3,662                        | 16,861            |
| TOTAL REVENUES                   | 1,004,886                    | 976,293           |
| <br>                             |                              |                   |
| <u>EXPENSES</u>                  |                              |                   |
| Programs:                        |                              |                   |
| Olympic development program      | 312,817                      | 274,880           |
| State Cup tournament             | 58,407                       | 52,085            |
| President's Cup tournament       | 4,875                        | -                 |
| Player development academy       | 15,665                       | 7,270             |
| Indoor events                    | -                            | 799               |
| Center of Excellence             | -                            | 3,277             |
| Coaching and recreation programs | 189,766                      | 215,312           |
| Coaches handbook and newspaper   | 37,298                       | 40,739            |
| Total program expenses           | 618,828                      | 594,362           |
| <br>                             |                              |                   |
| State administration             | 291,933                      | 318,273           |
| Depreciation                     | 1,491                        | 6,421             |
| TOTAL EXPENSES                   | 912,252                      | 919,056           |
| <br>                             |                              |                   |
| INCREASE IN NET ASSETS           | 92,634                       | 57,237            |
| Net assets at beginning of year  | 436,325                      | 379,088           |
| NET ASSETS AT END OF YEAR        | <u>\$ 528,959</u>            | <u>\$ 436,325</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>2009</u>                  | <u>2008</u>       |
| <u>CASH FLOWS - OPERATING ACTIVITIES</u>  |                              |                   |
| Change in net assets  | \$ 92,634                    | \$ 57,237         |
| Adjustments to reconcile change in net assets to net cash provided from operating activities: |                              |                   |
| Depreciation  | 1,491                        | 6,421             |
| Gain on sale of vehicle   | -                            | (6,000)           |
| Loss on investments   | 9,218                        | 16,391            |
| Reinvested investment income  | (3,079)                      | (7,304)           |
| Changes in certain assets and liabilities affecting operations:                               |                              |                   |
| Accounts receivable   | 464                          | (16,898)          |
| Prepaid and deferred expenses   | (1,522)                      | (4,980)           |
| Accounts payable and accrued expenses   | 34,876                       | 1,302             |
| Deferred revenues   | 8,166                        | 4,370             |
| NET CASH PROVIDED FROM OPERATING ACTIVITIES   | 142,248                      | 50,539            |
| <u>CASH FLOWS - INVESTING ACTIVITIES</u>  |                              |                   |
| Purchases of fixed assets   | (3,403)                      | -                 |
| Proceeds from sale of vehicle   | -                            | 6,000             |
| Purchase of investments   | (155,000)                    | -                 |
| NET CASH (USED FOR) PROVIDED FROM INVESTING ACTIVITIES  | (158,403)                    | 6,000             |
| NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS  | (16,155)                     | 56,539            |
| Cash and cash equivalents at beginning of year  | 238,754                      | 182,215           |
| CASH AND CASH EQUIVALENTS AT END OF YEAR  | <u>\$ 222,599</u>            | <u>\$ 238,754</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, 2009 AND 2008

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 2009 or 2008.

Cash and cash equivalents

For purposes of presentation in the statements of financial position 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. Cash balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 at the institution. In addition, in accordance with the FDIC's Temporary Liquidity Program, certain non-interest bearing transaction accounts at the financial institution are 100% insured. There were no uninsured balances at August 31, 2009.

NEW YORK STATE WEST YOUTH SOCCER ASSOCIATION, INC.

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

AUGUST 31, 2009 AND 2008

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. There is no valuation allowance at August 31, 2009 or 2008.

Equipment

Furniture and equipment 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 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 2009 and 2008, but pertain to fiscal years 2010 and 2009, 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.

Subsequent events

The Association has conducted an evaluation of potential subsequent events occurring after the statements of financial position date through October 9, 2009, which is the date the financial statements are available to be issued. No subsequent events requiring disclosure were noted.

NEW YORK STATE WEST YOUTH SOCCER ASSOCIATION, INC.

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

AUGUST 31, 2009 AND 2008

NOTE B: INVESTMENTS

Investments are recorded at fair value. The fair value at the reporting date was determined by quoted market prices in active markets for identical assets (Level 1). Realized and unrealized gains and losses are reflected in the statements of activities and changes in net assets.

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

|                         | <u>Fair<br/>value</u> | <u>Cost</u>       | <u>Unrealized<br/>appreciation<br/>(depreciation)</u> |
|-------------------------|-----------------------|-------------------|---|
| August 31, 2009:        |                       |                   |   |
| Cash equivalents        | \$ 1,159              | \$ 1,159          | \$ -  |
| Certificates of deposit | 238,043               | 238,000           | 43  |
| Mutual funds            | <u>108,878</u>        | <u>126,395</u>    | <u>(17,517)</u>                                       |
|                         | <u>\$ 348,080</u>     | <u>\$ 365,554</u> | <u>\$ (17,474)</u>                                    |
| August 31, 2008:        |                       |                   |   |
| Cash equivalents        | \$ 18,458             | \$ 18,458         | \$ -  |
| Certificates of deposit | 89,831                | 90,000            | (169)   |
| Mutual funds            | <u>90,930</u>         | <u>99,017</u>     | <u>(8,087)</u>  |
|                         | <u>\$ 199,219</u>     | <u>\$ 207,475</u> | <u>\$ (8,256)</u>                                     |

Information pertaining to securities with gross unrealized losses at June 30, 2009 and 2008, aggregated by investment category and length of time that individual securities have been in a continuous loss position, are as follows:

|                         | <u>Less than 12 months</u> |  | <u>12 months or greater</u> |  | <u>Total</u>          |  |
|-------------------------|----------------------------|--|-----------------------------|--|-----------------------|--|
|                         | <u>Fair<br/>value</u>      | <u>Gross<br/>unrealized<br/>losses</u> | <u>Fair<br/>value</u>       | <u>Gross<br/>unrealized<br/>losses</u> | <u>Fair<br/>value</u> | <u>Gross<br/>unrealized<br/>losses</u> |
| August 31, 2009:        |                            |  |                             |  |                       |  |
| Mutual funds            | <u>\$ 14,401</u>           | <u>\$ 1,526</u>                        | <u>\$ 94,477</u>            | <u>\$ 15,991</u>                       | <u>\$ 108,878</u>     | <u>\$ 17,517</u>                       |
| August 31, 2008:        |                            |  |                             |  |                       |  |
| Certificates of deposit | \$ 89,831                  | \$ 169                                 | \$ -                        | \$ -                                   | \$ 89,831             | \$ 169                                 |
| Mutual funds            | <u>87,883</u>              | <u>8,119</u>                           | <u>-</u>                    | <u>-</u>                               | <u>87,883</u>         | <u>8,119</u>                           |
|                         | <u>\$ 177,714</u>          | <u>\$ 8,288</u>                        | <u>\$ -</u>                 | <u>\$ -</u>                            | <u>\$ 177,714</u>     | <u>\$ 8,288</u>                        |

NEW YORK STATE WEST YOUTH SOCCER ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS, Cont'd

(See Accountants' Review Report)

AUGUST 31, 2009 AND 2008

NOTE B: INVESTMENTS, Cont'd

Management evaluates securities for other-than-temporary impairments on a regular basis, and more frequently when economic or market concerns warrant such evaluation. Consideration is given to (1) the length of time and the extent to which the fair value has been less than cost, (2) the financial condition and near-term prospects of the issuer, and (3) the intent and ability of the Association to retain its investment in the issuer for a period of time sufficient to allow for any anticipated recovery in fair value.

At August 31, 2009, the securities with unrealized losses have depreciated 14% from the Association's basis. As the Association has the ability to hold the securities for the foreseeable future, no declines are deemed to be other-than-temporary.

Investment securities are exposed to various risks, such as interest rate, market and credit risk. Due to the risk associated with investment securities and the uncertainties related to changes in the fair value of investment securities, it is at least reasonably possible that changes in risks could materially affect the Association's financial statements.

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>    |
|-------------------------------|------------------|
| 2010                          | \$ 21,449        |
| 2011                          | <u>1,792</u>     |
|                               | <u>\$ 23,241</u> |

Lease expense, including usage charges, amounted to \$38,157 and \$32,313 in 2009 and 2008, 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 4% of compensation, based on Internal Revenue Code limitations. Contributions to the Plan amounted to \$4,474 and \$4,615 for the years ended August 31, 2009 and 2008, respectively.