

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

**CORNING, NEW YORK**

**REVIEWED FINANCIAL STATEMENTS**

**AND**

**ACCOUNTANTS' REVIEW REPORT**

**AUGUST 31, 2005 AND 2004**

## 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

147 West Gray Street  
Suite 210  
P.O. Box 178  
Elmira, NY 14902  
Phone 607 / 734-4183  
Fax 607 / 733-3815  
www.mengelmetzgerbarr.com



Additional Offices / Ithaca, New York / Rochester, New York

## 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, 2005 and 2004, 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 14, 2005

NEW YORK STATE WEST YOUTH SOCCER ASSOCIATION, INC.

STATEMENTS OF FINANCIAL POSITION

<u>ASSETS</u>	August 31,	
	<u>2005</u>	<u>2004</u>
<u>CURRENT ASSETS</u>		
Cash and cash equivalents:		
Checking	\$ 132,956	\$ 260,943
Money Market and Savings	<u>102,132</u>	<u>150,857</u>
	235,088	411,800
Certificates of deposits	100,000	-
Accounts receivable	20,709	24,748
Prepaid and deferred expenses	<u>5,164</u>	<u>10,019</u>
TOTAL CURRENT ASSETS	360,961	446,567
<u>FIXED ASSETS</u>		
Furniture and equipment	99,309	94,269
Vehicle	<u>24,171</u>	<u>-</u>
	123,480	94,269
Less allowances for depreciation	<u>(87,945)</u>	<u>(72,903)</u>
	<u>35,535</u>	<u>21,366</u>
	<u>\$ 396,496</u>	<u>\$ 467,933</u>
<u>LIABILITIES AND NET ASSETS</u>		
<u>CURRENT LIABILITIES</u>		
Accounts payable and accrued expenses	\$ 16,289	\$ 50,593
Deferred revenues	<u>40,551</u>	<u>40,656</u>
TOTAL CURRENT LIABILITIES	56,840	91,249
<u>UNRESTRICTED NET ASSETS</u>		
Unrestricted	239,656	276,684
Board designated	<u>100,000</u>	<u>100,000</u>
	<u>339,656</u>	<u>376,684</u>
	<u>\$ 396,496</u>	<u>\$ 467,933</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>2005</u>	<u>2004</u>
<u>REVENUES</u>		
Player registrations	\$ 522,339	\$ 531,797
Less:		
Player insurance	(146,094)	(112,657)
National fees	(131,110)	(115,806)
Net registration revenues	<u>245,135</u>	<u>303,334</u>
Olympic development program	269,022	321,500
Player passes	146,662	131,285
Coach passes	33,138	26,221
Sponsorships	4,000	11,270
Coaching and recreation programs	93,294	89,624
Marketing	21,600	7,117
Indoor registrations and events	4,500	9,350
Hosting tournaments	4,300	5,100
Snickers State Cup	33,914	33,424
Player development academy	25,740	18,040
Other revenue	20,866	11,235
TOTAL REVENUES	<u>902,171</u>	<u>967,500</u>
<u>EXPENSES</u>		
Programs:		
Olympic development program	252,095	253,789
Snickers State Cup	39,115	35,559
Player development academy	17,728	14,235
Indoor events	4,124	-
Coaching and recreation programs	189,062	164,500
Striker West newspaper	10,106	20,781
Total program expenses	<u>512,230</u>	<u>488,864</u>
State administration	409,559	426,445
Depreciation	17,410	19,073
TOTAL EXPENSES	<u>939,199</u>	<u>934,382</u>
(DECREASE) INCREASE IN NET ASSETS	(37,028)	33,118
Net assets at beginning of year	<u>376,684</u>	<u>343,566</u>
NET ASSETS AT END OF YEAR	<u>\$ 339,656</u>	<u>\$ 376,684</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>2005</u>	<u>2004</u>
<u>CASH FLOWS - OPERATING ACTIVITIES</u>		
Change in net assets	\$ (37,028)	\$ 33,118
Adjustments to reconcile change in net assets to net cash (used for) provided from operating activities:		
Depreciation	17,410	19,073
Changes in certain assets and liabilities affecting operations:		
Accounts receivable	4,039	(21,629)
Prepaid and deferred expenses	4,855	(286)
Accounts payable and accrued expenses	(34,304)	18,518
Deferred revenues	(105)	6,655
NET CASH (USED FOR) PROVIDED FROM OPERATING ACTIVITIES	<u>(45,133)</u>	<u>55,449</u>
<u>CASH FLOWS - INVESTING ACTIVITIES</u>		
Purchases of fixed assets	(31,579)	(14,255)
Purchase of certificate of deposit	<u>(100,000)</u>	<u>-</u>
NET CASH USED FOR INVESTING ACTIVITIES	<u>(131,579)</u>	<u>(14,255)</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(176,712)	41,194
Cash and cash equivalents at beginning of year	<u>411,800</u>	<u>370,606</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 235,088</u>	<u>\$ 411,800</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, 2005 AND 2004

NOTE A: THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of operations

New York State West Youth Soccer Association, Inc. ("NYSW" or "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 2005 or 2004.

Allocation of certain expenses

The statements of activities and changes in net assets present expenses by program classification.

Cash, cash equivalents and certificates of deposit

The Association considers all highly liquid investments with maturities of three months or less at the time of purchase to be cash equivalents. The Association maintains its cash balances in financial institutions located in Corning, New York. The accounts at the financial institutions are insured by the Federal Deposit Insurance Corporation up to \$100,000. Uninsured balances aggregate to approximately \$165,000 at August 31, 2005. The Association has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk in cash, cash equivalents and certificates of deposit.

NEW YORK STATE WEST YOUTH SOCCER ASSOCIATION, INC.

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

AUGUST 31, 2005 AND 2004

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, 2005 and 2004, no valuation allowance was necessary.

Fixed assets

Furniture, equipment and vehicle are recorded at cost or the fair market value at 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 revenue relates principally to registration and academy fees collected in fiscal years 2005 and 2004, but pertain to fiscal years 2006 and 2005, 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.

NOTE B: FIXED ASSETS

The composition of fixed assets is as follows:

	August 31,	
	2005	2004
Furniture and equipment	\$ 47,273	\$ 45,921
Computer equipment	52,036	48,348
Vehicle	24,171	-
	123,480	94,269
Less allowances for depreciation	(87,945)	(72,903)
	<u>\$ 35,535</u>	<u>\$ 21,366</u>

NEW YORK STATE WEST YOUTH SOCCER ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS, Cont'd

(See Accountants' Review Report)

AUGUST 31, 2005 AND 2004

NOTE C: COMMITMENTS

The Association leased its office at \$2,000 per month until April 2005 at which time the operating lease was renewed with a monthly rental of \$2,236. The lease expires in April 2010. Additionally, the Association leases certain office equipment under leases which expire through November 2009. Future minimum lease commitments under these agreements are as follows:

<u>Year ending August 31,</u>	<u>Amount</u>
2006	\$ 32,575
2007	30,685
2008	28,795
2009	28,795
2010	<u>18,377</u>
	<u>\$ 139,227</u>

Lease expense amounted to \$31,383 and \$30,545 in 2005 and 2004, 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 \$6,646 and \$6,755 for the years ended August 31, 2005 and 2004, respectively.