

**NEUQUA VALLEY HIGH SCHOOL  
ATHLETIC BOOSTER CLUB**

**Financial Statements and  
Independent Auditor's Report  
For the Years Ending  
June 30, 2015 and June 30, 2014**

# NEUQUA VALLEY HIGH SCHOOL ATHLETIC BOOSTER CLUB

## TABLE OF CONTENTS

	<u>Page (s)</u>
Independent Auditor's Report	3
Statement of Financial Position	4
Statement of Activities and Changes in Net Assets	5
Statement of Functional Expenses	6
Statement of Cash Flows	7
Notes to Financial Statements	8 - 10



**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, 2015 and June 30, 2014 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, 2015 and June 30, 2014 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.  
January 31, 2016

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

	<b>Assets</b>	
	<u>2015</u>	<u>2014</u>
<b>Current Assets</b>		
Cash and equivalents	\$ 89,209	\$ 67,866
Concessions inventory	282	1,929
WCW inventory	31,461	37,457
<b>Total Current Assets</b>	<b>120,952</b>	<b>107,252</b>
<b>Property and Equipment</b>		
Furniture and equipment	25,779	19,817
Less :Accumulated depreciation	(14,219)	(11,084)
<b>Net Property and Equipment</b>	<b>11,560</b>	<b>8,733</b>
<b>Other Assets</b>		
Security deposits	250	250
Prepaid expenses	1,328	1,521
<b>Total Other Assets</b>	<b>1,578</b>	<b>1,771</b>
<b>Total Assets</b>	<b>\$ 134,090</b>	<b>\$ 117,756</b>
<b>Liabilities and Net Assets</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 82	\$ 1,460
Accrued scholarships payable	14,000	13,000
Accrued sales taxes	186	834
Accrued expenses		2,200
Accrued wish list items		1,712
Deferred revenue	26,869	-
<b>Total Current Liabilities</b>	<b>41,137</b>	<b>19,206</b>
<b>Total Liabilities</b>	<b>41,137</b>	<b>19,206</b>
<b>Net Assets</b>		
Unrestricted	92,953	98,550
<b>Total Net Assets</b>	<b>92,953</b>	<b>98,550</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 134,090</b>	<b>\$ 117,756</b>

*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, 2015**  
*(With summarized financial information for the year ended June 30, 2014)*

		<b>2015</b>		<b>2014</b>
		<b>TOTAL</b>		<b>TOTAL</b>
<b>Revenue</b>				
Wildcat wear sales	\$	125,746		
Less: Cost of goods sold		<u>(82,918)</u>		
Gross profit		\$ 42,828	\$	36,809
Concession sales		45,163		
Less: Cost of goods sold		<u>(27,544)</u>		
Gross profit		17,619		31,762
Contributions		4,933		920
Membership dues		19,075		59,630
Other sales				1,306
Other income		395		97
Interest income		48		43
<b>Total revenue</b>		<b>84,898</b>		<b>130,567</b>
<b>Expenses</b>				
Program services		81,678		114,256
Management and general		<u>8,817</u>		<u>11,845</u>
<b>Total expenses</b>		<b>90,495</b>		<b>126,101</b>
<b>Change in net assets</b>		<b>(5,597)</b>		<b>4,466</b>
Net assets at beginning of year		<u>98,550</u>		<u>94,084</u>
<b>Net assets at end of year</b>	<b>\$</b>	<b>92,953</b>	<b>\$</b>	<b>98,550</b>

*See accompanying notes to financial statements.*

**NEUQUA VALLEY HIGH SCHOOL ATHLETIC BOOSTER CLUB**  
**Statement of Functional Expenses**  
**For the Year Ended June 30, 2015**  
*(With summarized information for the year ending June 30, 2014)*

	<u>Program</u>	<u>Management &amp; General</u>	<u>2015 TOTAL</u>	<u>2014 TOTAL</u>
<b>Expenses</b>				
Accounting fees	\$	\$ 4,200	\$ 4,200	\$ 4,200
Advertising		521	521	1,000
Licenses and Fees				375
Cash awards, scholarships	58,681		58,681	15,250
CC, PayPal, and bank charges	2,253		2,253	1,767
Conferences, meetings	40		40	168
Depreciation	3,876		3,876	3,508
Equipment rental and maintenance	571		571	2,093
Freight expense				111
Gifts and donations	1,111		1,111	220
Insurance, liability and D & O		2,761	2,761	2,329
Inventory damage and give away				282
Membership expenses				42,000
Membership and dues	1,750		1,750	-
Miscellaneous	2,551		2,551	5,069
Postage, mailing service		286	286	140
Printing and copying	1,552		1,552	959
Supplies	4,560		4,560	3,165
Team assistance				923
Telephone & telecommunications		720	720	660
Taxes				(229)
Training/Education	4,733		4,733	3,230
Website		329	329	476
Wish list items				38,405
<b>Total expenses</b>	<b>\$ 81,678</b>	<b>\$ 8,817</b>	<b>\$ 90,495</b>	<b>\$ 126,101</b>

*See accompanying notes to financial statements*

**NEUQUA VALLEY HIGH SCHOOL ATHLETIC BOOSTER CLUB**  
**Statement of Cash Flows**

**For the Year Ending June 30,**

	<u>2015</u>	<u>2014</u>
<b>Cash Flows from Operating Activities</b>		
Change in net assets	\$ (5,597)	\$ 4,466
Adjustments to reconcile change in net assets to net assets used in operating activities		
Depreciation	3,876	3,508
Loss on sale of equipment	(741)	
Changes in assets and liabilities:		
(Increase) Decrease in concession inventory	1,647	(948)
(Increase) Decrease in WCW inventory	5,996	(594)
(Increase) Decrease in prepaid expenses	193	(754)
Increase (Decrease) in accounts payable	(1,378)	(16,166)
Increase (Decrease) in accrued scholarships payable	1,000	-
Increase (Decrease) in accrued expenses	(2,200)	2,200
Increase (Decrease) in accrued wish list	(1,712)	(3,288)
Increase (Decrease) in deferred revenue	26,869	(5,245)
Increase (Decrease) in accrued sales taxes	(648)	661
	<hr/>	<hr/>
<b>Net Cash Provided by Operating Activities</b>	<b>27,305</b>	<b>(16,160)</b>
<b>Cash Flows from Investing Activities</b>		
Purchase of equipment	(5,962)	(787)
	<hr/>	<hr/>
<b>Net Cash (Used) in Investing Activities</b>	<b>(5,962)</b>	<b>(787)</b>
<b>NET (DECREASE) IN CASH</b>	<b>21,343</b>	<b>(16,947)</b>
<b>Cash – beginning of year</b>	<b>67,866</b>	<b>84,813</b>
	<hr/>	<hr/>
<b>Cash – end of year</b>	<b>\$ 89,209</b>	<b>\$ 67,866</b>
	<hr/>	<hr/>

*See accompanying notes to financial statements*

**NEUQUA VALLEY HIGH SCHOOL ATHLETIC BOOSTER CLUB**  
**Notes to Financial Statements**  
**June 30, 2015**

**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, 2015.

*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, 2015.



**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, 2015 and June 30, 2014 was \$3,876 and \$3,508 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, 2015 consists of the following:

Description	Beginning Balance	Additions	Ending Balance
Furniture and equipment	\$19,817	\$5,962	\$25,779
Less: Accumulated Depreciation	(11,084)	(3,135)	(14,219)
<b>Net Property and Equipment</b>	<b>\$8,733</b>	<b>\$(2,827)</b>	<b>\$11,560</b>

Property and equipment on June 30, 2014 consisted 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)
<b>Net Property and Equipment</b>	<b>\$11,454</b>	<b>\$(2,721)</b>	<b>\$8,733</b>

## NOTE 5 – SUBSEQUENT EVENTS

The Organization evaluated subsequent events through January 31, 2016 which was the date the financial statements were available to be issued and concluded that no additional disclosures were required.