

**NEUQUA VALLEY HIGH SCHOOL
ATHLETIC BOOSTER CLUB**

**FINANCIAL STATEMENTS
For the Years Ending
June 30, 2017 and June 30, 2016**

NEUQUA VALLEY HIGH SCHOOL ATHLETIC BOOSTER CLUB

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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, 2017 and June 30, 2016 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, 2017 and June 30, 2016 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.
Naperville, Illinois
January 31, 2018

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

ASSETS

	<u>2017</u>	<u>2016</u>
CURRENT ASSETS		
Cash and equivalents	\$ 69,937	\$ 87,844
Concessions inventory	500	151
WCW inventory	36,439	42,188
Prepaid expenses	1,923	1,012
TOTAL CURRENT ASSETS	<u>108,799</u>	<u>131,195</u>
FIXED ASSETS		
Furniture and equipment	26,530	26,530
Less :Accumulated depreciation	(22,086)	(18,777)
NET FIXED ASSETS	<u>4,444</u>	<u>7,753</u>
OTHER ASSETS		
Security deposits	-	250
TOTAL OTHER ASSETS	<u>-</u>	<u>250</u>
TOTAL ASSETS	<u>\$ 113,243</u>	<u>\$ 139,198</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accrued scholarships payable	11,000	10,000
Accrued sales taxes	-	81
Deferred revenue	-	28,810
TOTAL CURRENT LIABILITIES	<u>11,000</u>	<u>38,891</u>
TOTAL LIABILITIES	11,000	38,891

NET ASSETS

Unrestricted	102,243	100,307
TOTAL NET ASSETS	<u>102,243</u>	<u>100,307</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 113,243</u>	<u>\$ 139,198</u>

See accompanying notes and independent auditor's report.

NEUQUA VALLEY HIGH SCHOOL ATHLETIC BOOSTER CLUB
Statement of Activities and Change in Net Assets
For the Year Ended June 30, 2017
(With summarized financial information for the year ended June 30, 2016)

		2017 TOTAL	2016 TOTAL
UNRESTRICTED REVENUE, GAINS AND OTHER SUPPORT			
Wildcat wear sales	\$ 95,176		
Less: Cost of goods sold	<u>72,776</u>		
Gross profit		\$ 22,400	\$ 34,933
Concession sales	48,936		
Less: Cost of goods sold	<u>22,750</u>		
Gross profit		26,186	26,130
Contributions		11,569	10,580
District 204 passes		25,070	25,900
Membership dues		15,925	17,200
Special events		5,450	5,410
Other income		626	162
Interest income		<u>38</u>	<u>35</u>
TOTAL UNRESTRICTED REVENUE, GAINS AND OTHER SUPPORT		107,264	120,350
EXPENSES			
Program services		92,767	103,329
Fundraising		3,095	1,095
Management and general		<u>9,466</u>	<u>8,572</u>
TOTAL EXPENSES		105,328	112,996
Change in net assets		1,936	(7,354)
NET ASSETS-BEGINNING OF YEAR		<u>100,307</u>	<u>92,953</u>
NET ASSETS-END OF YEAR		<u>\$ 102,243</u>	<u>\$ 100,307</u>

See accompanying notes and independent auditor's report.

NEUQUA VALLEY HIGH SCHOOL ATHLETIC BOOSTER CLUB
Statement of Functional Expenses
For the Year Ended June 30, 2017
(With summarized information for the year ending June 30, 2016)

	<u>Program</u>	<u>Fund-raising</u>	<u>Management & General</u>	<u>2017 TOTAL</u>	<u>2016 TOTAL</u>
EXPENSES					
Accounting fees	\$	\$	\$ 4,200	\$ 4,200	4,200
Advertising			200	200	-
Books, subscriptions, reference			1,000	1,000	-
Cash awards, scholarships	15,750			15,750	12,530
CC, PayPal, and bank charges	1,920			1,920	2,159
Conferences, meetings			245	245	-
Depreciation	3,309			3,309	4,558
District 204 passes	25,070			25,070	25,900
Equipment rental and maintenance				-	287
Fines, penalties			49	49	-
Gifts and donations	3,918			3,918	2,436
Insurance			2,784	2,784	2,776
Inventory damage and give away	4,328			4,328	532
License and fees			735	735	485
Membership expenses			100	100	257
Miscellaneous			346	346	140
Postage, mailing service	31			31	49
Printing and copying	1,217			1,217	1,233
Special events cost	3,095			3,095	1,095
Staff development	1,600			1,600	-
Supplies	2,663			2,663	3,777
Team assistance				-	4,000
Telephone & telecommunications			360	360	502
Taxes			(553)	(553)	(196)
Training/Education	3,195			3,195	6,264
Website	499			499	359
Wish list items	29,267			29,267	39,653
TOTAL EXPENSES	\$ 92,767	\$ 3,095	\$ 9,466	\$ 105,328	112,996

See accompanying notes and independent auditor's report.

NEUQUA VALLEY HIGH SCHOOL ATHLETIC BOOSTER CLUB
Statement of Cash Flows
For the Year Ending June 30,

	<u>2017</u>	<u>2016</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 1,936	\$ 7,354
Adjustments to reconcile change in net assets to net assets used in operating activities		
Depreciation	3,309	4,558
Changes in assets and liabilities:		
(Increase) Decrease in concession inventory	(349)	131
(Increase) Decrease in WCW inventory	5,749	(10,727)
(Increase) Decrease in prepaid expenses	(911)	316
Increase (Decrease) in security deposits	250	-
Increase (Decrease) in accounts payable	-	(82)
Increase (Decrease) in accrued scholarships payable	1,000	(4,000)
Increase (Decrease) in deferred revenue	(28,810)	1,941
Increase (Decrease) in accrued sales taxes	(81)	(105)
	<hr/>	<hr/>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(17,907)	(614)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of equipment	-	(751)
	<hr/>	<hr/>
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	-	(751)
	<hr/>	<hr/>
NET INCREASE (DECREASE) IN CASH	(17,907)	(1,365)
CASH-BEGINNING OF YEAR	87,844	89,209
	<hr/>	<hr/>
CASH-END OF YEAR	\$ <u>69,937</u>	\$ <u>87,844</u>

See accompanying notes and independent auditor's report.

NEUQUA VALLEY HIGH SCHOOL ATHLETIC BOOSTER CLUB
Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. 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.

Revenue is generated from concession and “Wildcat Wear” sales at sporting events, membership dues, sale of athletic passes and special events.

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.

B. Basis of Accounting

The financial statements of Neuqua Valley High School Booster club have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

C. Basis of Presentation

The Organization reports information regarding its financial position and activities according to three classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors; unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Unrestricted net assets are resources available to support operations. The only limits on the use of unrestricted net assets are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Temporarily restricted net assets are resources that are restricted by a donor for use for a particular purpose or in a particular future period. The Organization’s unspent contributions are reported in this class if the donor limited their use, as are promised contributions that are not yet due.

Contributions of property and equipment or cash restricted to acquisition of property and equipment are reported as temporarily restricted net assets if the donor has restricted the use of the property or equipment to a particular program. If donors specify a length of time over which the property or equipment must be used, the restrictions expire evenly over the required period. Absent that type of restriction for use, the Organization considers the restriction met when the assets are placed in service.

When a donor’s restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from temporarily restricted to unrestricted net assets.

Permanently restricted net assets are resources whose use is limited by donor-imposed restrictions that neither expires by being used in accordance with a donor restriction nor by the passage of time.

D. Cash and Cash Equivalents

Cash and cash equivalents consist of checking and savings accounts and petty cash.

E. Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. On an ongoing basis, management evaluates the estimates and assumptions based on new information. Management believes that the estimates and assumptions are reasonable in the circumstances; however, actual results could differ from those estimates.

F. Inventory

Inventories are stated at cost or net realizable value. Cost is determined by the first-in first-out method. When evidence exists that the net realizable value of inventory is lower than its cost, the difference is recognized as a loss in the statement of activities in the period in which it occurs.

G. Property and Equipment

Property and equipment are stated at cost or fair value at date of donation. Depreciation is provided using the straight-line method over the estimated useful lives of the assets as follows:

Furniture	5 years
Equipment	7 years

Additions of \$500 or more are capitalized, while maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently. Depreciation expense for the year ending 6/30/17 totaled \$3,309.

H. Revenue Recognition

Contributions received are recorded as unrestricted, temporarily restricted or permanently restricted net assets, depending on the existence and/or nature of donor restrictions.

Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restriction expires, (that is when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. Contributions of property and equipment are reported as temporarily restricted net assets if the donor restricted the use of the property or equipment to a particular program as are contributions of cash restricted to the purchase of property and equipment. If donors specify a length of time over which the property and equipment must be used, the restrictions expire evenly over the required period; otherwise, the restriction expires when the assets are placed in service. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and are reported in the Statement of Activities as net assets released from restriction.

NOTE 2 – ADVERTISING

The Organization uses advertising to promote its programs. The costs of advertising are expensed as incurred. During the year ending June 30, 2017 advertising costs totaled \$ 200.

NOTE 3 -INCOME TAXES

The Organization is a not-for-profit organization that is exempt from federal income taxes under Section 501 (c) 3 of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation

NOTE 4 – SUBSEQUENT EVENTS

The Organization evaluated subsequent events through January 31, 2018 which was the date the financial statements were available to be issued and concluded that no additional disclosures were required.