



May 7, 2020

Executive Board
Neuqua Valley High School
Booster Club

We have audited the financial statements of Neuqua Valley High School Booster Club for the year ended June 30, 2019, and we will issue our report thereon dated May 7, 2020. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated September 5, 2019. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Neuqua Valley High School Booster Club are described in Note 1 to the financial statements. As described in Note 1, the Organization changed accounting policies related to *Presentation of Statements for Not-for-Profit Entities* by adopting FASB Accounting Standards Update ASU 2016-14 for the year ended June 30, 2019. We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a disagreement on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated May 7, 2020.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the Executive Board of Neuqua Valley High School Booster Club and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in black ink that reads "Susan S. Lewis Ltd." The signature is written in a cursive style and is centered below the text "Very truly yours,".

Susan S. Lewis Ltd.

**NEUQUA VALLEY HIGH SCHOOL
BOOSTER CLUB**

**FINANCIAL STATEMENTS
For the Year Ended
June 30, 2019**

NEUQUA VALLEY HIGH SCHOOL BOOSTER CLUB

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INDEPENDENT AUDITOR'S REPORT

Executive Board
Neuqua Valley High School
Booster Club

We have audited the accompanying financial statements of Neuqua Valley High School Booster Club (a nonprofit organization) which comprise the statement of financial position as of June 30, 2019, and the related statements of activities and cash flows for the year 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. We conducted 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 from 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 Booster Club as of June 30, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.



Susan S. Lewis, Ltd.
Naperville, Illinois
May 7, 2020

NEUQUA VALLEY HIGH SCHOOL BOOSTER CLUB
Statement of Financial Position
June 30, 2019

ASSETS

CURRENT ASSETS

Cash and equivalents	\$ 81,234
Concessions inventory	350
WCW inventory	36,347
Prepaid expenses	<u>1,353</u>
TOTAL CURRENT ASSETS	119,284

FIXED ASSETS

Furniture and equipment	32,439
Less: Accumulated depreciation	<u>(26,147)</u>
NET FIXED ASSETS	6,292

TOTAL ASSETS	\$ <u>125,576</u>
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable	\$ 4,351
Accrued scholarships payable	10,000
Accrued sales taxes	120
Accrued expenses	4,500
Deferred revenue	<u>1,085</u>
TOTAL CURRENT LIABILITIES	20,056

TOTAL LIABILITIES	20,056
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NET ASSETS

Without donor restrictions	<u>105,520</u>
TOTAL NET ASSETS	<u>105,520</u>

TOTAL LIABILITIES AND NET ASSETS	\$ <u>125,576</u>
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See accompanying notes to the financial statements.

NEUQUA VALLEY HIGH SCHOOL BOOSTER CLUB
Statement of Activities and Change in Net Assets
For the Year Ended June 30, 2019

UNRESTRICTED REVENUE, GAINS
AND OTHER SUPPORT

Wildcat wear sales	\$ 66,329	
Less: Cost of goods sold	<u>54,074</u>	
Gross profit		\$ 12,255
Concession sales	34,719	
Less: Cost of goods sold	<u>17,480</u>	
Gross profit		17,239
Contributions		2,298
District 204 passes		21,130
Membership dues		14,560
Golf outing		6,875
Raffle tickets		9,150
Interest income		<u>42</u>
TOTAL UNRESTRICTED REVENUE, GAINS AND OTHER SUPPORT		83,549

EXPENSES

Program services		65,322
Fundraising		3,467
Management and general		<u>10,823</u>
TOTAL EXPENSES		79,612

Change in net assets		3,937
NET ASSETS-BEGINNING OF YEAR		<u>101,583</u>
NET ASSETS-END OF YEAR	\$	<u><u>105,520</u></u>

See accompanying notes to the financial statements.

NEUQUA VALLEY HIGH SCHOOL BOOSTER CLUB
Statement of Functional Expenses
For the Year Ended June 30, 2019

	<u>Program</u>	<u>Fund-raising</u>	<u>Management & General</u>	<u>TOTAL</u>
EXPENSES				
Accounting fees	\$	\$	\$ 4,800	\$ 4,800
Business registration fees			471	471
Cash awards, scholarships	12,250			12,250
CC, PayPal, and bank charges	1,730			1,730
Depreciation	2,393			2,393
District 204 passes	21,130			21,130
Donations	366			366
Gifts	1,885			1,885
Golf outing		3,467		3,467
Insurance			3,075	3,075
Postage			20	20
Printing & copying			227	227
Raffle prizes	2,753			2,753
Supplies			1,310	1,310
Telephone & telecommunications			565	565
Taxes	(124)			(124)
Training & education	837			837
Website			355	355
Wish list items	22,102			22,102
TOTAL EXPENSES	\$ 65,322	\$ 3,467	\$ 10,823	\$ 79,612

See accompanying notes to financial statements.

NEUQUA VALLEY HIGH SCHOOL BOOSTER CLUB
Statement of Cash Flows
For the Year Ending June 30, 2019

CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$	3,937
Adjustments to reconcile change in net assets to net assets used in operating activities		
Depreciation		2,393
Changes in assets and liabilities:		
(Increase) Decrease in concession inventory		71
(Increase) Decrease in WCW inventory		(12,144)
(Increase) Decrease in prepaid expenses		230
Increase (Decrease) in accounts payable		4,029
Increase (Decrease) in accrued scholarships payable		(1,000)
Increase (Decrease) in deferred revenue		1,085
Increase (Decrease) in accrued expenses		(872)
Increase (Decrease) in accrued sales taxes		110
		<hr/>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		(2,161)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of equipment		(2,703)
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NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES		(2,703)
NET INCREASE (DECREASE) IN CASH		(4,864)
CASH-BEGINNING OF YEAR		<hr/> 86,098
CASH-END OF YEAR	\$	<hr/> <hr/> 81,234

See accompanying notes to financial statements.

NEUQUA VALLEY HIGH SCHOOL BOOSTER CLUB
Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Neuqua Valley High School 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 Booster Club is governed by a voluntary Board of Directors. Neuqua Valley High School and “the Club” are independent of each other.

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.

Basis of Presentation

The Organization reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets with donor restrictions are subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, such as those that the donor stipulates that resources be maintained in perpetuity.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions 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.

The Organization's unspent contributions are reported in net assets with donor restrictions 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 net assets with donor restrictions if the donor has restricted the use of the property or equipment to a particular program. These restrictions expire 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 net assets with donor restrictions to net assets without donor restrictions.

Cash and Cash Equivalents

Cash and cash equivalents consist of checking and savings accounts.

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.

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.

Property and Equipment

Property and equipment are stated at cost or, if donated, the 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 June 30, 2019 totaled \$2,393.

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.

Change in Accounting Principle

The Organization adopted the provisions of ASU 2016-14 *Presentation of Statements for Not-for-Profit Entities* for the year ended June 30, 2019.

NOTE 2 -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 3 – LIQUIDITY

The Organization’s financial assets available within one year of the statement of financial position at June 30, 2019 for general expenditures are as follows:

Cash and cash equivalents	<u>\$81,234</u>
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NOTE 4 – SUBSEQUENT EVENTS

Subsequent events were evaluated through May 7, 2020 which was the date the financial statements were available to be issued and it was concluded that no additional disclosures were required.

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