

CONNECTICUT JUNIOR SOCCER ASSOCIATION, INC.

**Financial Statements and
Supplementary Information**

August 31, 2009



Business Advisors and Certified Public Accountants

CONNECTICUT JUNIOR SOCCER ASSOCIATION, INC.
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TABLE OF CONTENTS

Independent Auditors' Report	1
Financial Statements:	
Statement of Assets, Liability and Net Assets - Modified Cash Basis	2
Statement of Revenues and Expenses - Modified Cash Basis.....	3
Statement of Cash Flows - Modified Cash Basis	5
Notes to the Financial Statements.....	6
Supplementary Information:	
Schedule I - Consolidating Statement of Assets, Liability and Net Assets - Modified Cash Basis.....	8
Schedule II - Consolidating Statement of Revenues and Expenses - Modified Cash Basis.....	9



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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Connecticut Junior Soccer Association, Inc.

We have audited the accompanying statement of assets, liability and net assets - modified cash basis of the Connecticut Junior Soccer Association, Inc. as of August 31, 2009, and the related statements of revenues and expenses - modified cash basis, and cash flows - modified cash basis for the year then ended. These financial statements are the responsibility of the Association's management. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, these financial statements were prepared on a modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liability and net assets of the Connecticut Junior Soccer Association, Inc. as of August 31, 2009, and its revenues and expenses and cash flows for the year then ended, on the basis of accounting described in Note 1.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information contained in Schedules I and II is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Kostin, Ruffkess & Company, LLC

Farmington, Connecticut
December 31, 2009

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CONNECTICUT JUNIOR SOCCER ASSOCIATION, INC.
Statement of Assets, Liability and Net Assets - Modified Cash Basis
August 31, 2009

Assets	
Current assets:	
Cash and cash equivalents	\$ 1,430,859
Investments	<u>346,104</u>
Total current assets	<u>1,776,963</u>
Equipment	
Less: accumulated depreciation	<u>121,933</u> <u>101,108</u>
Net equipment	<u>20,825</u>
Other asset:	
Security deposit	<u>1,600</u>
Total assets	<u><u>\$ 1,799,388</u></u>
 Liability and Net Assets	
Current liability:	
Deferred revenue	\$ 23,180
Net assets:	
Unrestricted	<u>1,776,208</u>
Total liability and net assets	<u><u>\$ 1,799,388</u></u>

The accompanying notes are an integral part of the financial statements

CONNECTICUT JUNIOR SOCCER ASSOCIATION, INC.
Statement of Revenues and Expenses - Modified Cash Basis
For The Year Ended August 31, 2009

Revenues:

Registration	\$	827,233
Olympic development		478,527
District select fees		307,423
Clinics		270,832
Tournament fees		102,544
League fees		97,060
Other income		38,662
Interest income		33,278
Conferences, conventions and meetings		22,082
Donations		11,704
Sponsorships		10,000
Advertising income		2,750
Referee income		420
		420
Total revenues		2,202,515

Expenses:

Program services:

Olympic development program		348,893
District select expense		301,983
Insurance		164,958
USYSA national fees		156,284
Tournaments and league expenses		117,802
Salaries and wages		97,531
Registration		83,995
Clinics		57,957
Conferences, conventions and meetings		43,432
Donations and scholarships		39,223
Supplies		17,727
Coaches development		11,076
Miscellaneous expenses		10,394
National youth license		9,187
Payroll taxes		8,065
Utilities		7,578
Education		5,796
Internet and website		4,971
Retirement expense		3,724
Recreation services		3,561
Depreciation expense		2,418
Printing and publications		1,365
Referees		908
Facilities rental		709
Postage and shipping		536

The accompanying notes are an integral part of the financial statements

CONNECTICUT JUNIOR SOCCER ASSOCIATION, INC.
Statement of Revenues and Expenses - Modified Cash Basis
For The Year Ended August 31, 2009

Expenses: (Continued)

General and administrative:

Salaries and wages	\$	211,414
Internet and website		50,992
Office rent		38,844
Conferences, conventions and meetings		38,224
Accounting fees		20,110
Utilities		20,026
Payroll taxes		17,044
Depreciation expense		15,830
Miscellaneous		15,029
Supplies		12,694
Insurance		12,119
Equipment rental and maintenance		11,877
Retirement expense		9,468
Auto expense		6,045
Postage and shipping		5,060
Printing and publications		2,998
Maintenance and cleaning		1,822
Dues and subscriptions		210
Loss on disposal of equipment		12

Total expenses

1,989,891

Change in net assets

212,624

Net assets, September 1, 2008

1,563,584

Net assets, August 31, 2009

\$ 1,776,208

CONNECTICUT JUNIOR SOCCER ASSOCIATION, INC.
Statement of Cash Flows - Modified Cash Basis
For The Year Ended August 31, 2009

Cash flows from operating activities:	\$ 212,624
Change in net assets	
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	18,248
Loss on disposal of equipment	12
Decrease in:	
Deferred revenue	<u>(39,271)</u>
Net cash provided by operating activities	<u>191,613</u>
 Cash flows from investing activities:	
Purchase of equipment	(1,426)
Purchase of investments	(152,262)
Proceeds from the sale of investments	<u>577,626</u>
Net cash provided by investing activities	<u>423,938</u>
 Net increase in cash and cash equivalents	615,551
 Cash and cash equivalents, September 1, 2008	<u>815,308</u>
 Cash and cash equivalents, August 31, 2009	<u><u>\$ 1,430,859</u></u>

The accompanying notes are an integral part of the financial statements

CONNECTICUT JUNIOR SOCCER ASSOCIATION, INC.
Notes To The Financial Statements
For The Year Ended August 31, 2009

Note 1 - Organization and Significant Accounting Policies:

Organization

Connecticut Junior Soccer Association, Inc. ("Association") is a nonprofit organization whose purpose is to promote and develop the sport of soccer at the youth level, providing avenues of participation at various skill levels to meet the needs of the membership. As of September 1, 2003, the Connecticut State Referee Program ("CSR") was consolidated as part of Connecticut Junior Soccer Association. The Connecticut State Referee Program provides training for soccer referees.

Basis of Accounting

The Association's policy is to prepare its financial statements on the modified cash basis of accounting; consequently, certain revenues are recognized when received rather than when earned, and certain expenses and purchases of assets are recognized when cash is disbursed rather than when the obligation is incurred.

Income Taxes

The Association is exempt from taxes under Section 501(c)(3) of the Internal Revenue Code.

Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the 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.

Statement of Cash Flows

For purposes of the statement of cash flows, the Association considers short-term investments purchased with a maturity of three months or less to be cash equivalents.

Investments

Investments consist of certificates of deposit and are carried at cost.

Off Balance Sheet Risk

On October 3, 2008, the Emergency Economic Stabilization Act of 2008 increased the insurance coverage offered by the Federal Deposit Insurance Corporation (FDIC) from \$100,000 to \$250,000 per depositor. This limit is anticipated to return to \$100,000 after December 31, 2013. Additionally, under the FDIC's Temporary Liquidity Guarantee Program, amounts held in non-interest bearing transaction accounts at participating institutions are fully guaranteed by the FDIC through December 31, 2009. This guarantee is anticipated to be reduced to the \$250,000 limit on January 1, 2010, and the \$100,000 limit on January 1, 2014. Amounts over \$250,000 are not insured by the FDIC. These balances fluctuate during the year and can exceed this \$250,000 limit. Management regularly monitors the financial institution, together with its cash balances, and tries to keep this potential risk to a minimum.

CONNECTICUT JUNIOR SOCCER ASSOCIATION, INC.
Notes To The Financial Statements
For The Year Ended August 31, 2009

Note 1 - Organization and Significant Accounting Policies: (Continued)

Equipment and Depreciation

Equipment is stated at cost. The Association capitalizes equipment with a cost over \$500. Depreciation of equipment is provided using the double declining balance method and the straight-line method for financial reporting purposes at rates based on their estimated useful lives of five or ten years.

Expenditures for major renewals and betterments, which extend the useful lives of the respective assets, are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred.

Note 2 - Non-Cash Donations:

The Association received non-cash donations of equipment and supplies for various programs within the organization. The items received have been reflected in the Statement of Revenues and Expenses – Modified Cash Basis. Total non-cash donations for year ending August 31, 2009 were \$42,672.

Note 3 - Lease:

The Association leases office space under an operating agreement expiring in December 2007 with two, three-year automatic renewal options. The Association also has leases for a copier and postage machine. The total lease expense for 2009 was \$28,791. The minimum lease payments for 2010 and 2011 are \$24,747 and \$11,147, respectfully.

Note 4 - SEP Plan:

The Association maintains a Simplified Employee Pension Plan, which covers all employees over age 21 who have performed services for the Association in at least three of the immediately preceding five years and have earned at least \$450. The Association matches 5% of compensation. The matching contribution for 2009 was \$13,492.

CONNECTICUT JUNIOR SOCCER ASSOCIATION, INC.
Schedule I - Consolidating Statement of Assets, Liability and Net Assets - Modified Cash Basis
August 31, 2009

	CJSA	CSRP	Total
Assets			
Current assets:			
Cash and cash equivalents	\$ 1,303,613	\$ 127,246	\$ 1,430,859
Investments	<u>291,099</u>	<u>55,005</u>	<u>346,104</u>
Total current assets	<u>1,594,712</u>	<u>182,251</u>	<u>1,776,963</u>
Equipment	105,903	16,030	121,933
Less: accumulated depreciation	<u>90,109</u>	<u>10,999</u>	<u>101,108</u>
Net equipment	<u>15,794</u>	<u>5,031</u>	<u>20,825</u>
Other asset:			
Security deposit	<u>1,600</u>	<u>-</u>	<u>1,600</u>
Total assets	<u>\$ 1,612,106</u>	<u>\$ 187,282</u>	<u>\$ 1,799,388</u>
Liability and Net Assets			
Current liability:			
Deferred revenue	\$ 23,180	\$ -	\$ 23,180
Net assets:			
Unrestricted	<u>1,588,926</u>	<u>187,282</u>	<u>1,776,208</u>
Total liability and net assets	<u>\$ 1,612,106</u>	<u>\$ 187,282</u>	<u>\$ 1,799,388</u>

See accountants' report

CONNECTICUT JUNIOR SOCCER ASSOCIATION, INC.
Schedule II - Consolidating Statement of Revenues and Expenses - Modified Cash Basis
For The Year Ended August 31, 2009

	CJSA	CRSP	Total
Revenues:			
Registration	\$ 827,233	\$ -	\$ 827,233
Olympic development	478,527	-	478,527
District select fees	307,423	-	307,423
Clinics	24,270	246,562	270,832
Tournament fees	102,544	-	102,544
League fees	97,060	-	97,060
Other income	38,662	-	38,662
Interest income	28,691	4,587	33,278
Conferences, conventions and meetings	20,452	1,630	22,082
Donations	11,704	-	11,704
Sponsorships	10,000	-	10,000
Advertising income	2,750	-	2,750
Referee income	-	420	420
	<hr/>	<hr/>	<hr/>
Total revenues	1,949,316	253,199	2,202,515
Expenses:			
Program services:			
Olympic development program	348,893	-	348,893
District select expense	301,983	-	301,983
Insurance	164,958	-	164,958
USYSA national fees	156,284	-	156,284
Tournaments and league expenses	117,802	-	117,802
Salaries and wages	91,431	6,100	97,531
Registration	-	83,995	83,995
Clinics	1,820	56,137	57,957
Conferences, conventions and meetings	36,131	7,301	43,432
Donations and scholarships	39,123	100	39,223
Supplies	14,076	3,651	17,727
Coaches development	11,076	-	11,076
Miscellaneous expenses	-	10,394	10,394
National youth license	9,187	-	9,187
Payroll taxes	8,065	-	8,065
Utilities	7,578	-	7,578
Education	-	5,796	5,796
Internet and website	4,971	-	4,971
Retirement expense	3,724	-	3,724
Recreation services	3,561	-	3,561
Depreciation expense	2,418	-	2,418
Printing and publications	1,365	-	1,365
Referees	908	-	908
Facilities rental	709	-	709
Postage and shipping	536	-	536

Expenses: (Continued)

See accountants' report

CONNECTICUT JUNIOR SOCCER ASSOCIATION, INC.
Schedule II - Consolidating Statement of Revenues and Expenses - Modified Cash Basis
For The Year Ended August 31, 2009

	CJSA	CRSP	Total
General and administrative:			
Salaries and wages	\$ 167,245	\$ 44,169	\$ 211,414
Internet and website	47,004	3,988	50,992
Office rent	36,294	2,550	38,844
Conferences, conventions and meetings	38,224	-	38,224
Accounting fees	20,110	-	20,110
Utilities	18,018	2,008	20,026
Payroll taxes	17,044	-	17,044
Depreciation expense	13,208	2,622	15,830
Miscellaneous	3,057	11,972	15,029
Supplies	12,265	429	12,694
Insurance	12,119	-	12,119
Equipment rental and maintenance	11,877	-	11,877
Retirement expense	9,468	-	9,468
Auto expense	6,045	-	6,045
Postage and shipping	4,626	434	5,060
Printing and publications	2,998	-	2,998
Maintenance and cleaning	1,822	-	1,822
Dues and subscriptions	210	-	210
Loss on disposal of equipment	12	-	12
	<u>1,748,245</u>	<u>241,646</u>	<u>1,989,891</u>
Total expenses			
Changes in net assets	201,071	11,553	212,624
Net assets, September 1, 2008	<u>1,387,855</u>	<u>175,729</u>	<u>1,563,584</u>
Net assets, August 31, 2009	<u>\$ 1,588,926</u>	<u>\$ 187,282</u>	<u>\$ 1,776,208</u>

See accountants' report