

ALL DORCHESTER SPORTS LEAGUE
Financial Statements
For the 9 Month Period Ended June 30, 2011

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ALL DORCHESTER SPORTS LEAGUE
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For the 9 Month Period Ended June 30, 2011

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Trustees of
All Dorchester Sports League
Dorchester, Massachusetts

We have compiled the accompanying statement of financial position of All Dorchester Sports League, Inc. (a nonprofit organization) as of June 30, 2011, and statements of activities and cash flows for the 9 month period then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.



Boston, Massachusetts
September 30, 2011

ALL DORCHESTER SPORTS LEAGUE
Statement of Financial Position
June 30, 2011

ASSETS

Current Assets:

Cash and cash equivalents	\$ 96,357
Grants and pledges receivable	11,021

TOTAL ASSETS \$ 107,378

LIABILITIES AND NET ASSETS

Current Liabilities:

Accounts payable and accrued liabilities	<u>\$ 3,500</u>
Total Current Liabilities	3,500

Net Assets:

Unrestricted	92,857
Temporarily restricted	<u>11,021</u>
Total Net Assets	<u>103,878</u>

TOTAL LIABILITIES AND NET ASSETS \$ 107,378

ALL DORCHESTER SPORTS LEAGUE
Statement of Activities and Net Assets
Nine Months Ended June 30, 2011

UNRESTRICTED NET ASSETS

Unrestricted Revenues

Contributions and grants	\$ 40,625
Donated goods and services	56,250
Interest	15
Registration fees	7,845
TOTAL UNRESTRICTED REVENUES	<u>104,735</u>

NET ASSETS RELEASED FROM RESTRICTIONS

Restrictions satisfied by payments	<u>40,363</u>
TOTAL UNRESTRICTED REVENUES AND OTHER SUPPORT	145,098

PROGRAM EXPENSES

Administrative expenses	1,486
Coaching	2,480
Contract personnel	8,210
Donated Facilities	37,500
Gym rental	18,750
Insurance expense	5,118
Legal and professional fees	12,594
Office supplies and expense	2,599
Officiating	420
Repairs and maintenance	2,606
Salaries and wages	68,671
Special events	450
Sports equipment	7,071
Telephone expense	1,841
Tournament expenses	2,825
TOTAL PROGRAM EXPENSES	<u>172,621</u>

CHANGE IN UNRESTRICTED NET ASSETS (27,522)

TEMPORARILY RESTRICTED NET ASSETS

Contributions

Grant receipts	51,384
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Net assets released from restrictions

Restrictions satisfied by payments	<u>(40,363)</u>
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CHANGE IN TEMPORARILY RESTRICTED NET ASSETS 11,021

DECREASE IN NET ASSETS (16,501)

NET ASSETS - BEGINNING OF YEAR 120,379

NET ASSETS - END OF YEAR \$ 103,878

The accompanying notes are an integral part of these statements.

ALL DORCHESTER SPORTS LEAGUE
Statement of Cash Flows
Nine Months Ended June 30, 2011

CASH FLOW FROM OPERATING ACTIVITIES:

Change in Net Assets	<u>\$ (16,501)</u>
Adjustments to reconcile changes in unrestricted net assets to net cash provided by operating activities:	
Changes in operating assets and liabilities	
Accounts payable and accrued expenses	-
Temporarily restricted grants receivable	<u>(11,021)</u>
 NET CASH USED BY OPERATING ACTIVITIES	 \$ (27,522)
 NET DECREASE IN CASH	 (27,522)
 CASH - BEGINNING OF YEAR	 <u>123,879</u>
 CASH - END OF YEAR	 <u><u>96,357</u></u>

The accompanying notes are an integral part of these statements.

ALL DORCHESTER SPORTS LEAGUE

Notes to Financial Statements

June 30, 2011

1. ORGANIZATION AND NATURE OF ACTIVITIES

All Dorchester Sports League (the Organization) provides year round sports programs for Dorchester youth. The Organization was formed in 1982 in response to race-related violence in the community, with the goal of breaking down racial barriers through sports. The sports programs include baseball, basketball, soccer, weight training/conditioning, track and field, summer day camp and college counseling programs. Through these programs the Organization's goals are to build self-esteem, learn life skills, breakdown stereotypes, develop friendships, reset peer pressure and learn the value of community.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Method of Accounting

The financial statements of the Organization have been prepared on the accrual basis. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Change of fiscal year end

The financial year end of the Organization was changed from September 30 to June 30. Accordingly, the current financial statements are prepared for 9 months from October 1, 2010 to June 30 2011.

Classification and Reporting of Net Assets

The Organization has adopted Statement of Financial Accounting Standards ("SFAS") No. 116, "Accounting for Contributions Received and Made", and SFAS No. 117, "Financial Statements of Not-for-Profit Organizations". SFAS No. 117 establishes standards for external financial reporting purposes into three net asset categories according to donor-imposed restrictions. SFAS No. 116 requires that unconditional promises to give (pledges) be recorded on the books of the Organization and requires the Organization to distinguish between contributions received for each net asset category in accordance with donor-imposed restrictions. A description of the three net asset categories is as follows:

- Unrestricted net assets represent the portion of net assets of the Organization that is neither permanently restricted nor temporarily restricted by donor-imposed stipulations. Unrestricted net assets include expendable funds available for support of the Organization.
- Temporarily restricted net assets represent contributions and other inflows of assets whose use by the Organization is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Organization pursuant to those stipulations. At June 30, 2011 temporarily restricted net assets amounted to \$11,021.

ALL DORCHESTER SPORTS LEAGUE
Notes to Financial Statements
June 30, 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- Permanently restricted net assets represent contributions and other inflows of assets whose use by the Organization is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the Organization. At June 30, 2011, there were no permanently restricted net assets.

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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

Revenue Recognition

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law. Expirations of temporary restrictions on net assets by fulfillment of the donor- stipulated purpose or by passage of the stipulated time period are reported as reclassifications between the applicable classes of net assets.

Contributions

Contributions, including unconditional promises to give, are recognized as revenues in the period received. Conditional promises to give are not recognized until they become unconditional, that is, at the time when the conditions on which they depend are substantially met. Contributions of assets other than cash are reported at their estimated fair value.

Grants and other contributions of cash and other assets are reported as temporarily restricted if they are received with donor stipulations that limit the use of the donated assets. When the donor 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 statement of activities as net assets released from restrictions. Contributions received with donor-imposed restrictions that are met in the same year as received are reported as revenues of the temporarily restricted net asset class, and a reclassification to unrestricted net assets is made to reflect the expiration of such restrictions.

ALL DORCHESTER SPORTS LEAGUE
Notes to Financial Statements
June 30, 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONITNUED)

Restrictions and Limitations on Net Assets

Temporarily restricted net assets include unexpended contributions temporarily restricted by donors for various programs.

Cash

The Organization considers all highly liquid investments with maturities of three months or less when purchased to be cash equivalents. For purposes of the Statement of Cash Flows, cash consists of cash in checking and savings accounts.

Income Tax Status

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

Furniture and Equipment

Furniture and Equipment are capitalized at cost or fair market value if donated, less accumulated depreciation and amortization. Furniture and equipment are being depreciated over estimated useful lives of five to seven years using a straight-line method.

The major classes of property and equipment and their service lives used in computing depreciation are as follows:

	Service years
Furniture and equipment	5-7
Computer equipment	5

Expenditures for major renewals and improvements are capitalized while expenditures for maintenance and repairs are expensed as incurred.

At June 30, 2011 equipment consisted of the following:

	<u>Cost or Basis</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Office Equipment	<u>\$ 4,154</u>	<u>\$ 4,154</u>	<u>\$ -</u>

ALL DORCHESTER SPORTS LEAGUE

Notes to Financial Statements

June 30, 2011

3. CITY FINANCIAL ASSISTANCE

The Organization has been awarded a grant from the City of Boston to ensure that the Organization continually provides for the year round sports programs for Dorchester youth. The grant is classified as temporarily restricted net asset due to the donor stipulations. The grant is released from donor restrictions by incurring expenses satisfying the purpose specified by donor. For the nine months ended June 30, 2011 grant receipts and related grant expenditures amounted to \$40,363 respectively. As of June 30, 2011 balance of grant receivable was \$11,021.

4. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets as of June 30, 2011 and release from restrictions for the nine months ended June 30, 2011 were as follows:

Grants receivable - Specific grant programs	\$ 11,021
Grant receipts - Specific grant programs	40,363
Restrictions satisfied by payments	<u>(40,363)</u>
Temporarily restricted net assets	<u>\$ 11,021</u>

Net assets were released from donor restrictions by incurring expenses satisfying the purpose restrictions specified by a donor.

5. IN-KIND CONTRIBUTIONS

During the year ended June 30, 2011, the Organization received donated goods, rents and other professional services of which the aggregate fair market value was \$56,250, which is included in the June 30, 2011 statement of activities.

The Organization receives support from many individuals who volunteer their time and perform variety of tasks that assist the Organization in order to accomplish its purpose. These services do not meet the criteria for recognition as contributed services. The Organization receives more than 2,500 volunteer hours per year.

6. CONCENTRATION OF CREDIT RISK:

The company maintains its cash balances in one financial institution. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. During the year ended June 30, 2011, the cash balances of the company did not exceed federally insured limits. The company has not experienced any losses in such accounts.