

WEST NASHVILLE SPORTS LEAGUE, INC.
NASHVILLE, TENNESSEE

**FINANCIAL STATEMENTS AND
ACCOMPANYING ACCOUNTANT'S
REPORT**

DECEMBER 31, 2011

WEST NASHVILLE SPORTS LEAGUE, INC.

NASHVILLE, TENNESSEE

STATEMENT OF FINANCIAL POSITION

December 31, 2011

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 272,033
Prepaid costs and expenses --	
Program service costs (Note 3)	88,380
Insurance	13,104
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Total current assets	373,517

EQUIPMENT AND MACHINERY

Automotive equipment	17,719
Baseball field equipment	91,077
Baseball field improvements	14,149
Flag football equipment	3,765
Office and computer equipment	12,647
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	139,357
Less: accumulated depreciation	86,071
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Equipment and machinery, net	53,286

LONG-TERM ASSETS

Cash restricted for capital project (Note 2)	160
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Total assets	\$ 426,963

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable, trade	\$ 1,558
Payroll taxes payable	2,827
Deferred program service revenue (Note 3)	369,151
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Total current liabilities	373,536

NET ASSETS

Unrestricted	53,267
Temporarily restricted (Note 2)	160
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Total net assets	53,427

Total liabilities and net assets	\$ 426,963
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See accompanying notes to financial statements.

WEST NASHVILLE SPORTS LEAGUE, INC.
NASHVILLE, TENNESSEE
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2011

CASH FLOW FROM OPERATING ACTIVITIES	\$ (3,412)
Change in net assets	
Adjustments to reconcile change in net assets to net cash provided by operating activities	
Depreciation	21,524
(Increase) in prepaid program service costs	(15,565)
(Increase) in prepaid insurance	(3,692)
(Decrease) in accounts payable, trade	(31,333)
(Decrease) in payroll taxes payable	(127)
Increase in deferred program service revenue	22,872
Contributions restricted for capital project	(160)
Net cash provided by operating activities	<u>(9,893)</u>
 CASH FLOWS FROM INVESTING ACTIVITIES	
Acquisitions of equipment and machinery	<u>(21,317)</u>
 DECREASE IN CASH	(31,210)
 CASH AND CASH EQUIVALENTS, December 31, 2010	<u>303,243</u>
 CASH AND CASH EQUIVALENTS, December 31, 2011	<u><u>\$ 272,033</u></u>

See accompanying notes to financial statements.

WEST NASHVILLE SPORTS LEAGUE, INC.

NASHVILLE, TENNESSEE

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2011

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
SUPPORT AND REVENUE			
Support, sponsorships and contributions	\$ 34,998	\$ 160	\$ 35,158
Program services, net --			
Baseball, fall	49,998	-	49,998
Baseball, spring	302,043	-	302,043
Basketball, summer	60,502	-	60,502
Basketball, winter	442,251	-	442,252
Flag football	123,461	-	123,461
Total support and revenue	1,013,253	160	1,013,414
EXPENSES			
Program services --			
Baseball, fall	44,765	-	44,765
Baseball, spring	239,074	-	239,074
Basketball, summer	44,298	-	44,298
Basketball, winter	344,793	-	344,793
Flag football	92,516	-	92,516
Supporting services --			
Compensation, director	65,585	-	65,585
Salaries, other	30,000	-	30,000
Contract labor	45,350	-	45,350
Taxes and licenses	9,510	-	9,510
Advertising and promotions	4,284	-	4,284
Supplies	3,940	-	3,940
Insurance	15,908	-	15,908
Repairs and maintenance	3,003	-	3,003
Professional fees	4,900	-	4,900
Depreciation	21,524	-	21,524
Gasoline	3,384	-	3,384
Donations	2,270	-	2,270
Computer expenses	4,290	-	4,290
Dues, fees and subscriptions	7,838	-	7,838
Office expenses	3,679	-	3,679
Printing and reproduction	2,129	-	2,129
Utilities	11,928	-	11,928
Meals and entertainment	5,947	-	5,947
Travel and lodging	3,964	-	3,964
Other expenses	1,946	-	1,947
Total expenses	1,016,825	-	1,016,826
Increase (decrease) in net assets	(3,572)	160	(3,412)
NET ASSETS, December 31, 2010	56,839	-	56,839
NET ASSETS, December 31, 2011	\$ 53,267	\$ 160	\$ 53,427

See accompanying notes to financial statements.

WEST NASHVILLE SPORTS LEAGUE, INC.
NASHVILLE, TENNESSEE

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2011

	PROGRAM SERVICES					Management and General	Total Expenses
	Fall Baseball	Spring Baseball	Summer Basketball	Winter Basketball	Flag Football		
Contract labor	\$ 3,026	\$ 7,149	\$ -	\$ 27,450	\$ 2,931	\$ 45,350	\$ 85,906
Administration	912	9,246	-	-	1,215	-	11,373
Concessions	200	-	-	2,900	200	-	3,300
Custodians and security	5,240	17,669	-	2,030	-	-	24,939
Field and facilities maintenance	-	-	-	38,743	-	-	38,743
Gym monitors	500	-	192	3,925	150	-	4,767
Coaches and instructors	-	-	-	505	-	-	505
Jamboree	6,725	44,083	16,325	116,227	13,499	-	196,859
Referees and umpires	-	-	-	-	-	65,585	65,585
Director's compensation	-	-	-	-	-	30,000	30,000
Salaries, other	-	-	-	-	-	9,510	9,510
Taxes and licenses	1,610	4,697	-	4,218	3,922	4,284	18,731
Advertising and promotions	2,383	12,512	3,434	13,212	7,240	-	38,781
Bank and registration fees	-	-	-	-	-	2,270	2,270
Donations	-	-	-	-	5,000	4,290	9,290
Computer expenses	6,238	45,826	-	-	5,637	-	57,701
Concession expenses	-	-	-	-	-	21,524	21,524
Depreciation	-	4,606	-	1,654	2,000	7,838	16,098
Dues, fees and subscriptions	352	766	-	344	426	3,384	5,272
Gasoline	4,675	9,000	12,736	37,644	3,925	-	67,980
Gymnasium and field rentals	-	-	-	-	-	15,908	15,908
Insurance	-	-	-	-	-	4,900	4,900
Professional fees	-	76	-	-	1,044	5,947	7,067
Meals and entertainment	-	60	-	158	149	3,679	4,046
Office expenses	-	2,566	122	10,401	626	2,129	15,844
Printing and reproduction	5,825	12,012	-	-	106	3,003	20,946
Repairs and maintenance	2,327	12,907	-	16,020	2,019	3,940	37,213
Supplies	-	6,266	-	-	-	-	6,266
Team sponsorships - tournaments	-	-	-	-	-	3,964	3,964
Travel and lodging	646	6,248	982	10,763	3,877	-	22,516
Trophies and medallions	4,092	43,359	10,507	57,934	38,550	-	154,442
Uniforms	-	-	-	-	-	11,928	11,928
Utilities	-	-	-	665	-	1,946	2,651
Other expenses	14	26	-	-	-	-	-
	\$ 44,765	\$ 239,074	\$ 44,298	\$ 344,793	\$ 92,516	\$ 251,379	\$ 1,016,825

See accompanying notes to financial statements.

WEST NASHVILLE SPORTS LEAGUE, INC.
NASHVILLE, TENNESSEE
NOTES TO FINANCIAL STATEMENTS
December 31, 2011

THE SPIRIT OF WNSL – West Nashville Sports League is a leading youth sports league currently with over 4,700 participants in three sports. We provide a small town, community atmosphere in one of the largest and fastest growing cities in the Southeast, an atmosphere that provides youth participants of all skill levels a platform in which to excel. We pride ourselves on organization, communication and hard work and encourage participants to have fun and focus on fairness of play, recreational competition and what we call WNSL-type standards of gamesmanship. Offering multiple scholarships in all sports, we provide character and life skills development to youth of all economic backgrounds. WNSL promotes sportsmanship and camaraderie. WNSL promotes fun and learning. WNSL promotes “*Love of the Game.*”

NOTE 1. NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

ORGANIZATION AND ACTIVITIES

West Nashville Sports League, Inc. is an organization exempt from income tax incorporated under the laws of the state of Tennessee. The Organization’s sole purpose is to operate youth sports and recreation leagues in the Nashville area. The Organization currently has five programs consisting of winter basketball, summer basketball, spring baseball, fall baseball, and flag football. The Organization’s support comes substantially from registration fees paid by the youth participants in the Organization’s programs. The Organization also accepts sponsorship contributions from entities who primarily receive advertising benefits in exchange for the contributed amounts.

RECOGNITION OF DONOR CONTRIBUTIONS

Unrestricted support is recognized as revenues and an increase in unrestricted net assets in the period it is earned. Temporarily restricted support is reported as an increase in temporarily restricted net assets. When net assets are released from the restriction, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. The Organization has no permanently restricted net assets (See additionally below, and Note 2.).

BASIS OF ACCOUNTING AND PRESENTATION

The financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities. Financial statement presentation follows the guidance of the Financial Accounting Standards Board Accounting Standards Codification 958 (FASB ASC 958), which requires the Organization to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted.

WEST NASHVILLE SPORTS LEAGUE, INC.
NASHVILLE, TENNESSEE
NOTES TO FINANCIAL STATEMENTS, continued
December 31, 2011

NOTE 1. NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

CASH RESTRICTED FOR CAPITAL PROJECT

Cash has been restricted by donors in the amount of \$160 for the construction of lights on a baseball field the Organization uses in its baseball service program. The Organization commenced the project in late year 2011. This cash is not available for operating purposes.

CASH AND CASH EQUIVALENTS

For purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

EQUIPMENT AND MACHINERY

Equipment and machinery is reported at cost or, if donated, at the approximate fair value at the time of donation, and include improvements that significantly add to utility or extend useful lives. Costs of maintenance and repairs are charged to expense as incurred. Depreciation is provided over the estimated useful lives of the assets. Donations of equipment and machinery are recorded as support at the date of donation. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose.

INCOME TAXES

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and similar state income tax laws.

NOTE 2. RESTRICTIONS ON NET ASSETS

Temporary restrictions on net assets at the end of 2011, in the amount of \$160, are related to funds raised to construct lights on a baseball field the Organization uses in its operations. The Organization commenced the capital campaign in late year 2011. Cash contributed in that amount at the end of 2011 is restricted for payment of the construction project.

NOTE 3. DEFERRED PROGRAM SERVICE REVENUE AND PREPAID EXPENSES

Deferred program service revenue in the amount of \$369,151 are funds received during the year ended December 31, 2011, for the Organization's winter basketball program that commences and will be performed in its entirety during the immediately succeeding year. Prepaid program service costs in the amount of \$88,380 are amounts expended for use in the service program through which the deferred revenue is realized. Accordingly, deferred revenue and related prepaid costs are recognized in the statement of financial position as current liabilities and assets, respectively.

WEST NASHVILLE SPORTS LEAGUE, INC.
NASHVILLE, TENNESSEE
NOTES TO FINANCIAL STATEMENTS, continued
December 31, 2011

NOTE 4. CASH AND CONCENTRATIONS OF CREDIT RISK

The cash accounts are held by financial institutions in Tennessee and at times may exceed amounts that are federally insured. It is the opinion of management that the solvency of the referenced financial institutions is not of concern currently.

NOTE 5. DONATED SERVICES, MATERIALS AND FACILITIES

The Organization receives donated services from unpaid volunteers assisting the Organization in the administration of its program services. No amounts have been recognized in the accompanying statement of activities because the criteria for recognition of such volunteer effort under FASB ASC 958 have not been satisfied.

The Organization utilizes portions of properties owned by Harpeth Hills Church of Christ and Metropolitan Board of Parks and Recreation in the administration of its spring and fall baseball programs. The use and license agreements between the Organization and the Church and Board are each on a year-to-year basis. The Organization uses the properties and facilities substantially during the months of March through July and September through October. No rent is paid by the Organization. Management has estimated the approximate fair value of the rental of the properties during periods of use to be \$5,000 each, annually, and is included in contributions and program service expenses in the statement of activities.

NOTE 6. FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the sports and recreation programs and the costs of administration have been presented in the separate statement of functional expenses. Accordingly, certain costs have been allocated among the program and supporting services benefited.

NOTE 7. FAIR VALUES OF FINANCIAL INSTRUMENTS

The carrying amounts of cash and cash equivalents reported in the statement of financial position approximate fair values because of the short maturities of those instruments.

NOTE 8. EVALUATION OF SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through July 14, 2012, the date which the financial statements were available to be issued.

END OF NOTES