

WEST NASHVILLE SPORTS LEAGUE, INC.

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

DECEMBER 31, 2020 and 2019

WEST NASHVILLE SPORTS LEAGUE, INC.
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
West Nashville Sports League, Inc.

Opinion

We have audited the accompanying financial statements of West Nashville Sports League, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2020 and 2019, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of West Nashville Sports League, Inc. as of December 31, 2020 and 2019, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of West Nashville Sports League, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about West Nashville Sports League, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

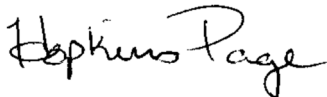
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that,

individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 ABC Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about ABC Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

A handwritten signature in black ink that reads "Hopkins Page". The signature is written in a cursive, flowing style.

Nashville, Tennessee
November 12, 2021

WEST NASHVILLE SPORTS LEAGUE, INC.
STATEMENT OF POSITION
December 31, 2020 and 2019

	<u>December 31,</u>	
	<u>2020</u>	<u>2019</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 605,347	\$ 665,719
Other receivables currently due	718	594
Overpaid payroll taxes	-	-
Prepaid costs and expenses --		
Program service costs (Note 2)	29,642	41,069
Facilities deposits, basketball programs (Note 2)	18,470	21,350
Insurance	20,201	26,321
Total current assets	<u>674,378</u>	<u>755,053</u>
EQUIPMENT AND MACHINERY		
Automotive equipment	18,469	16,420
Baseball field equipment	116,588	116,588
Field improvements	114,228	114,228
Flag football equipment	1,750	1,750
Office and computer equipment	28,509	28,509
Building/Shed	86,801	-
	<u>366,345</u>	<u>277,495</u>
Less: accumulated depreciation	<u>178,483</u>	<u>167,834</u>
Equipment and machinery, net	<u>187,862</u>	<u>109,661</u>
 Total assets	 <u>\$ 862,240</u>	 <u>\$ 864,714</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable, trade	\$ 19,966	\$ 12,865
Accrued salaries	2,566	4,411
Intermediary receipts payable --		
Contributions for benefit of Miracle League (Note 5)	52,829	2,535
Payroll taxes payable	49	7,621
PPP Loan	82,700	-
Deferred program service revenue (Note 2)	300,027	426,802
Total current liabilities	<u>458,137</u>	<u>454,234</u>
 NET ASSETS, with donor restrictions	 50,000	 -
NET ASSETS, without donor restrictions	<u>354,103</u>	<u>410,480</u>
 Total liabilities and net assets	 <u>\$ 862,240</u>	 <u>\$ 864,714</u>

See accompanying notes to financial statements.

WEST NASHVILLE SPORTS LEAGUE, INC.

STATEMENT OF ACTIVITIES

For the Years Ended December 31, 2020 and 2019

	<i>For the Year Ended December 31,</i>	
	<u>2020</u>	<u>2019</u>
SUPPORT AND REVENUE		
Support, sponsorships and contributions	91,038	63,479
Other income	6,656	443
Program service revenue, net --		
Baseball, fall	109,277	85,132
Baseball, spring	207,922	366,575
Basketball, summer	-	73,247
Basketball, winter	560,878	549,271
Flag football	251,847	280,451
Indoor soccer	136,191	127,507
Junior golf	52	2,976
Total support and revenue without donor restrictions	<u>1,363,861</u>	<u>1,549,081</u>
PROGRAM AND SUPPORTING EXPENSES		
Program service expenses --		
Baseball, fall	75,957	91,095
Baseball, spring	138,575	245,643
Basketball, summer	-	51,027
Basketball, winter	415,535	345,120
Flag football	143,889	153,141
Indoor soccer	87,199	83,630
Junior golf	2	239
Miracle League Donations	55,564	115,093
Supporting service expenses --		
Management and general	453,517	442,111
Total program and supporting expenses	<u>1,370,238</u>	<u>1,527,099</u>
Increase in net assets without donor restrictions	(6,377)	21,982
NET ASSETS, beginning of the year	<u>410,480</u>	<u>388,498</u>
NET ASSETS, end of the year	<u>\$ 404,103</u>	<u>\$ 410,480</u>
As shown on Statement of Position		
NET ASSETS, with donor restrictions	<u>\$ 50,000</u>	<u>\$ -</u>
NET ASSETS, without donor restrictions	<u>\$ 354,103</u>	<u>\$ 410,480</u>

See accompanying notes to financial statements.

WEST NASHVILLE SPORTS LEAGUE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2020

	PROGRAMS SERVICES									
	Fall Baseball	Spring Baseball	Summer Basketball	Winter Basketball	Flag Football	Indoor Soccer	Junior Golf	Miracle League Donations	Management and General	Total Expenses
Contract labor										
Administration	\$ -	\$ -	\$ -	\$ 625	\$ 210	\$ -	\$ -	\$ -	\$ -	\$ 835
Custodians and security	1,806	-	1,168	1,728	1,806	-	-	-	-	6,508
Field and facilities maintenance	473	595	-	-	-	-	-	-	-	1,068
Gate, gym and field monitors	-	-	7,511	2,900	-	85	-	-	-	10,496
Coaches and instructors	-	-	140	1,120	-	-	-	-	-	1,260
Other	-	-	847	-	-	251	-	-	(1,098)	-
Referees and umpires	34,819	7,145	59,212	84,715	38,026	9,875	-	-	-	233,792
Director's compensation	2,500	3,500	-	21,579	1,500	-	-	-	45,298	74,377
Salaries, other	8,155	9,270	-	44,627	5,974	-	-	-	266,951	334,977
Taxes, licenses and permits	870	1,138	-	5,960	599	-	-	-	25,894	34,462
Advertising and promotions	-	-	-	4,407	519	-	-	-	6,215	11,141
Background checks	15	2,446	-	1,470	240	1,275	-	-	-	5,446
Registration, bank and management fees	2,383	7,864	59	20,164	7,579	4,319	2	-	180	42,550
Donations	-	-	-	-	-	-	-	55,564	2,460	58,024
Computer expenses	325	930	-	463	1,334	-	-	-	3,457	6,509
Concession expenses	1,105	4,527	-	-	16,387	-	-	-	5,438	27,457
Depreciation	-	-	-	-	-	-	-	-	10,649	10,649
Dues, fees and subscriptions	-	25	-	-	-	-	-	-	657	682
Gasoline	1,472	1,573	-	278	740	-	-	-	155	4,219
Gymnasium and field rentals	4,500	3,852	1,765	65,249	15,114	54,112	-	-	12,250	156,842
Insurance	-	-	-	-	-	-	-	-	34,847	34,847
Professional fees	-	-	-	-	-	-	-	-	7,240	7,240
Meals and entertainment	366	745	-	1,463	191	-	-	-	393	3,158
Office expenses	-	-	-	22	-	-	-	-	2,765	2,786
Meetings expense	-	-	-	-	-	-	-	-	1,695	1,695
Printing and reproduction	559	2,095	-	6,386	1,369	183	-	-	162	10,755
Repairs and maintenance	5,660	9,024	-	-	2,398	-	-	-	2,300	19,382
Storage	-	-	-	-	-	-	-	-	-	-
Supplies	1,228	10,071	-	1,607	4,216	236	-	-	1,668	19,027
Team and tournament sponsorships	-	-	-	-	155	-	-	-	-	155
Trophies and medallions	-	-	-	9,550	3,639	272	-	-	-	13,462
Uniforms	5,907	69,422	611	68,333	40,262	16,591	-	-	-	201,127
Utilities and telephone	3,815	4,353	-	394	1,629	-	-	-	10,464	20,655
Other expenses	-	-	-	1,180	-	-	-	-	13,476	14,656
Total functional expenses	<u>\$ 75,957</u>	<u>\$ 138,575</u>	<u>\$ 71,314</u>	<u>\$ 344,221</u>	<u>\$ 143,889</u>	<u>\$ 87,199</u>	<u>\$ 2</u>	<u>\$ 55,564</u>	<u>\$ 453,517</u>	<u>\$ 1,370,238</u>

See accompanying notes to financial statements.

WEST NASHVILLE SPORTS LEAGUE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2019

	PROGRAMS SERVICES								Management and General	Total Expenses
	Fall	Spring	Summer	Winter	Flag	Indoor	Junior	Mirale League		
	Baseball	Baseball	Basketball	Basketball	Football	Soccer	Golf	Donations		
Contract labor										
Administration	\$ 82	\$ 495	\$ 40	\$ 275	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 892
Custodians and security	977	27	-	1,125	1,004	-	-	-	-	3,133
Field and facilities maintenance	846	-	-	-	-	-	-	-	-	846
Gate, gym and field monitors	-	2,637	-	6,034	-	-	-	-	-	8,671
Coaches and instructors	-	2,010	-	3,605	-	150	-	-	-	5,765
Referees and umpires	12,561	43,202	18,269	124,414	40,042	8,356	-	-	-	246,844
Director's compensation	-	-	-	-	-	-	-	-	68,250	68,250
Salaries, other	8,437	37,125	1,400	51,233	5,971	-	-	-	241,009	345,175
Taxes, licenses and permits	1,017	3,310	113	4,738	541	-	-	-	24,601	34,320
Advertising and promotions	375	3,535	-	(444)	220	-	-	-	5,130	8,816
Background checks	1,641	2,461	347	(2,835)	1,335	2,805	-	-	38	5,792
Registration, bank and management fees	2,401	10,507	2,420	10,293	8,480	603	116	-	1,540	36,360
Donations	-	-	-	-	-	-	-	115,093	5,208	120,301
Computer expenses	60	90	-	(253)	210	-	-	-	6,053	6,160
Concession expenses	19,685	34,744	-	-	29,146	-	-	-	140	83,715
Depreciation	-	-	-	-	-	-	-	-	14,174	14,174
Dues, fees and subscriptions	-	3,933	-	-	-	-	-	-	1,190	5,123
Gasoline	1,472	1,012	-	646	1,048	-	-	-	-	4,178
Gymnasium and field rentals	4,000	4,000	15,038	53,626	15,225	48,557	-	-	-	140,446
Insurance	-	-	-	-	-	-	-	-	36,811	36,811
Professional fees	1,935	-	-	-	-	-	-	-	4,165	6,100
Meals and entertainment	95	339	-	523	3,282	-	-	-	7,278	11,517
Office expenses	-	2,117	-	1,593	-	57	-	-	6,761	10,528
Meetings expense	-	2,667	-	-	-	-	-	-	1,857	4,524
Printing and reproduction	2,116	5,273	486	1,442	2,085	977	-	-	197	12,576
Repairs and maintenance	16,292	12,613	-	209	3,865	-	-	-	(271)	32,708
Storage	-	-	-	-	-	-	-	-	990	990
Supplies	2,425	8,717	(40)	4,052	3,258	125	-	-	1,919	20,456
Team and tournament sponsorships	-	-	-	-	-	-	-	-	1,900	1,900
Trophies and medallions	550	4,341	74	11,303	5,034	318	-	-	-	21,620
Uniforms	9,400	54,453	12,880	73,541	28,805	21,682	123	-	437	201,321
Utilities and telephone	4,728	5,235	-	-	3,190	-	-	-	12,026	25,179
Other expenses	-	800	-	-	400	-	-	-	708	1,908
Total functional expenses	<u>\$ 91,095</u>	<u>\$ 245,643</u>	<u>\$ 51,027</u>	<u>\$ 345,120</u>	<u>\$ 153,141</u>	<u>\$ 83,630</u>	<u>\$ 239</u>	<u>\$ 115,093</u>	<u>\$ 442,111</u>	<u>\$ 1,527,099</u>

See accompanying notes to financial statements.

WEST NASHVILLE SPORTS LEAGUE, INC.
STATEMENT OF CASH FLOWS
For the Years Ended December 31, 2020 and 2019

	<i><u>For the Year Ended December 31,</u></i>	
	<i><u>2020</u></i>	<i><u>2019</u></i>
CASH FLOW FROM OPERATING ACTIVITIES		
Change in net assets	\$ (6,377)	\$ 21,982
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	10,649	13,615
Cash received as intermediary for benefit of Miracle League	50,000	103,449
Cash paid as intermediary to Miracle League	294	(106,866)
(Increase) in overpaid payroll taxes	-	686
(Increase) decrease in other receivables currently due	(124)	1,534
(Increase) in prepaid program service costs	11,427	31,665
(Increase) decrease in prepaid insurance	6,120	(4,452)
(Increase) decrease in program service deposits	2,880	(2,880)
Increase (decrease) in accounts payable, trade	7,101	(5,057)
Increase (decrease) in accrued salaries	(1,845)	1,826
Increase (decrease) in payroll taxes payable	(7,572)	7,550
Increase in deferred program service revenue	<u>(126,775)</u>	<u>19,710</u>
Net cash provided by operating activities	(54,222)	82,762
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for building and equipment	<u>(88,850)</u>	<u>(29,487)</u>
Net cash provided by investing activities	(88,850)	(29,487)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments for equipment and machinery	<u>82,700</u>	<u>-</u>
Net cash provided by financing activities	<u>82,700</u>	<u>-</u>
INCREASE IN CASH	(60,372)	53,275
CASH AND CASH EQUIVALENTS, beginning of the year	<u>665,719</u>	<u>612,444</u>
CASH AND CASH EQUIVALENTS, end of the year	<u><u>\$ 605,347</u></u>	<u><u>\$ 665,719</u></u>

See accompanying notes to financial statements.

WEST NASHVILLE SPORTS LEAGUE, INC.
NOTES TO FINANCIAL STATEMENTS, continued
December 31, 2020 and 2019

THE SPIRIT OF WNSL – West Nashville Sports League is a leading youth sports league currently with thousands of participants in a range of organized 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 seven programs in five sports consisting of winter basketball, summer basketball, spring baseball, fall baseball, flag football, indoor soccer, and junior golf. 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 receive recognition and other benefits in exchange for the contributed amounts.

RECOGNITION OF DONOR CONTRIBUTIONS AND PROMISES TO GIVE

Promises to give are recognized as contributions when the donor makes a promise to give that is, in substance, unconditional. Contributions received are recorded as increases in net assets with donor restrictions or net assets without donor restrictions depending on the existence or nature of any donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. There are no unconditional promises to give at December 31, 2019 and 2018.

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 recommendations and requirements of the *Not-for-Profit Entities* Topic of the FASB Accounting Standards Codification. Pursuant to the Topic, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

WEST NASHVILLE SPORTS LEAGUE, INC.
NOTES TO FINANCIAL STATEMENTS, continued
December 31, 2020 and 2019

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 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, MACHINERY AND IMPROVEMENTS

The Organization capitalizes acquisitions of equipment, machinery and improvements of at least \$200. Lesser amounts are expensed. Purchased equipment, machinery and improvements are capitalized at cost or, if donated, at their estimated fair value. Equipment, machinery and improvements include improvements that significantly add to utility or extend useful lives. Costs of maintenance and repairs are charged to expense as incurred.

Donations of equipment, machinery and improvements are reported as contributions without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire equipment, machinery and improvements are reported as contributions with donor restrictions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

Depreciation for furniture and equipment is provided using an accelerated method over estimated useful lives of 5 or 7 years. Depreciation for field improvements is provided using the straight-line method over an estimated useful life of 31.5 years.

ADVERTISING COSTS

Costs incurred for advertising and promotions are expensed when incurred. Advertising expenses are allocated among the programs primarily benefited or, if primarily benefiting the Organization in nature, to management and general expenses. Advertising expenses were \$11,141 for 2020 and \$8,816 for 2019.

WEST NASHVILLE SPORTS LEAGUE, INC.
NOTES TO FINANCIAL STATEMENTS, continued
December 31, 2020 and 2019

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

SHIPPING AND HANDLING COSTS

Shipping and handling costs are included in costs of administering programs and management activities and are not separately stated or included elsewhere in the financial statements.

INCOME TAX STATUS

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.

The Organization's Forms 990, Return of Organization Exempt from Income Tax, for the years ending December 31, 2018, 2019 and 2020 are subject to examination by the IRS, generally for three years after they were filed.

NOTE 2. DEFERRED PROGRAM SERVICE REVENUE AND PREPAID EXPENSES

Deferred program service revenue in the amount of \$300,027 and \$426,803, respectively, are funds received during the years ended December 31, 2020 and 2019, for the Organization's sports programs that commence and will be performed in their entirety during the immediately succeeding year. Prepaid program service costs and facilities deposits in the amount of \$68,313 and \$88,740, respectively, are amounts expended during the years ended December 31, 2020 and 2019, for use in the service programs through which the deferred revenue is realized. Accordingly, deferred revenue and related prepaid costs are recognized in the statements of financial position as current liabilities and assets, respectively.

NOTE 3. 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. On December 31, 2020 the Organization had \$139,435 of funds in excess of federal insured limits. It is the opinion of management that the solvency of the referenced financial institutions is not of concern currently.

NOTE 4. 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 statements of activities for the years ended December 31, 2020 and 2019 because the criteria for recognition of such volunteer effort under FASB ASC 958 have not been satisfied.

WEST NASHVILLE SPORTS LEAGUE, INC.
NOTES TO FINANCIAL STATEMENTS, continued
December 31, 2020 and 2019

NOTE 4. DONATED SERVICES, MATERIALS AND FACILITIES, continued

The Organization utilizes portions of properties owned by Metropolitan Board of Parks and Recreation and Harpeth Hills Church of Christ in the administration of its spring and fall baseball and flag football programs. The use and license agreements between the Organization and the Board and Church 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 in the administration of its baseball and flag football programs. No rent was paid by the Organization to the Board or Church. The Organization is responsible for all maintenance of the properties that it utilizes for its program services. Management has estimated the approximate fair value of the rental to be \$4,500 for 2020 and \$4,000 for 2019 for each property, annually. Consequently, \$9,000 and \$8,000 is included as part of support, sponsorships and contributions, and program service expenses in the statements of activities for 2020 and 2019 to reflect the fair value of use of the donated facilities.

NOTE 5. RELATED PARTY TRANSACTIONS – MIRACLE LEAGUE

The Organization's president and executive director is an officer in the same capacities with Miracle League of Music City (Miracle League). Miracle League was granted recognition as an organization exempt from income tax under Section 501(c)(3) of the Internal Revenue Code with the Internal Revenue Service on June 8, 2017. West Nashville Sports League has assisted in organization and fundraising efforts for the benefit of Miracle League. Expenses for such efforts in the amount of \$55,564 and \$115,087 for the years ended December 31, 2020 and 2019, respectively, are included as donations and supporting service expenses on the statement of activities. As of December 31, 2020, the Organization has raised \$177,662 from supporters and the general public for the direct benefit of Miracle League, and has transferred \$125,373 of the total amount raised to the Miracle League. The remaining amount of \$52,829 is included as intermediary receipts payable on the statement of financial position.

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 statements 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, and trade receivables and payables reported in the statement of financial position approximate fair values because of the short maturities of those instruments.

WEST NASHVILLE SPORTS LEAGUE, INC.
NOTES TO FINANCIAL STATEMENTS, continued
December 31, 2019 and 2018

NOTE 8. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization’s financial assets as of December 31, 2020 and 2019, respectively, without donor-imposed restrictions within one year of the statement of financial position:

	<u>2020</u>	<u>2019</u>
Cash and cash equivalents	\$ 552,518	\$ 665,719
Other receivables, currently due	718	594
Overpaid payroll taxes	<u>-0-</u>	<u>-0-</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 553,236</u>	<u>\$ 666,313</u>

As part of the Organization’s liquidity management, it invests cash in excess of daily requirements in an interest bearing, short-term money market investment account, which is a cash equivalent.

NOTE 9. FORGIVEABLE LOAN RECEIVED UNDER THE SBA PAYCHECK PROTECTION PROGRAM

In response to the coronavirus (COVID-19) outbreak, the U.S. Federal Government enacted the Coronavirus Aid, Relief, and Economic Security Act that, among other economic stimulus measures, established the Paycheck Protection Program (PPP) to provide small business loans. On May 7, 2020, the Organization obtained a PPP loan for \$82,700, which is included in our PPP loan payable balance on December 31, 2020. The note matures in May 2022 and bears interest of 1% per annum, with the first six months of interest deferred. We received a second PPP loan in the amount of \$82,700 in February 2021. This note matures in March 2023 and bears interest of 1%, per annum. We believe all of the proceeds from the note were used for qualifying expenses and thus expect to receive approval for the loan to be forgiven in the future, at which time we will recognize a gain on forgiveness of the loan. See

NOTE 10. EVALUATION OF SUBSEQUENT EVENTS

Management has evaluated subsequent events through November 12, 2021, the date which the financial statements were available to be issued. On June 3, 2021, the first PPP loan, in the amount of \$82,700 was forgiven by the SBA. On July 30, 2021, the second PPP loan, in the amount of \$82,700 was forgiven by the SBA. The forgiveness of the loans will result in the Organization recognizing \$165,400 in unrestricted grant revenue in 2021.

The Organization remitted \$50,000 to the Miracle League on January 11, 2021

No other subsequent events occurred that warrant recording or disclosure in these financial statements or notes thereto.

END OF NOTES