WEST NASHVILLE SPORTS LEAGUE, INC. NASHVILLE, TENNESSEE

FINANCIAL STATEMENTS AND ACCOMPANYING ACCOUNTANT'S REPORT

DECEMBER 31, 2010

R. SCOTT DIXON

CERTIFIED PUBLIC ACCOUNTANT

812 18TH Avenue, South #12 P.O. Box 330941 Nashville, Tennessee 37203 Telephone: (615) 256-2260 Fax: (615) 256-2398

Independent Auditors' Report

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

We have audited the accompanying statement of financial position of West Nashville Sports League, Inc. (a nonprofit organization) as of December 31, 2010, and the related statements of activities, cash flows and functional expenses for the year then ended. These financial statements are the responsibility of the Organization'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.

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, 2010, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Nashville, Tennessee

P. Lett Diston

June 29, 2011

NASHVILLE, TENNESSEE

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2010

SUPPORT AND REVENUE	
Support, sponsorships and contributions	\$ 172,885
Program services, net	7 772,003
Baseball, fall	40,145
Baseball, spring	273,637
Basketball, summer	39,486
Basketball, winter	511,784
Flag football	101,382
Interest income	772
Total support and revenue	1,140,091
EXPENSES	
Program services	
Baseball, fall	41,032
Baseball, spring	303,026
Basketball, summer	28,156
Basketball, winter	363,518
Flag football	74,037
Supporting services	71,037
Compensation, director	65,100
Salaries, other	30,000
Contract labor	22,995
Taxes and licenses	8,170
Advertising	2,969
Supplies	6,759
Bank and registration fees	23,602
Insurance	19,915
Repairs and maintenance	15,282
Professional fees	8,550
Depreciation	24,526
Gasoline	2,173
Donations	1,580
Computer expenses	4,489
Dues, fees and subscriptions	3,990
Office expenses	7,704
Utilities	11,940
Meals and entertainment	6,375
Other expenses	3,235
Total expenses	1,079,123
Increase in unrestricted net assets	60,968
NET ASSETS (deficit), December 31, 2009	(4,129)
NET ASSETS, December 31, 2010	\$ 56,839
See accompanying notes to financial statements.	

NASHVILLE, TENNESSEE

STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2010

CASH FLOW FROM OPERATING ACTIVITIES	
Change in net assets	\$ 60,968
Adustments to reconcile change in net assets	
to net cash provided by operating activities	
Depreciation	24,526
Decrease in overpaid payroll taxes receivable	7,060
Decrease in prepaid program service costs	30,856
Decrease in prepaid insurance	5,086
Increase in accounts payable, trade	3,804
Increase in payroll taxes payable	2,954
(Decrease) in deferred program service revenue	(70,057)
Net cash provided by operating activities	65,197
CASH FLOWS FROM INVESTING ACTIVITIES	
Acquisitions of equipment and machinery	 (11,561)
INCREASE IN CASH	53,636
CASH AND CASH EQUIVALENTS, December 31, 2009	249,607
CASH AND CASH EQUIVALENTS, December 31, 2010	\$ 303,243

See accompanying notes to financial statements.

NASHVILLE, TENNESSEE STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2010

Table of the content of the conten		Fall		Spring Baseball		ring Summer	Ra	Winter	Flag	Management	, ,	Total
the finite state of the state o	Contract labor					The state of the s	Dasher	nan	rootoan	ana General		Expenses
stodians and security 1,668 21,148 2,420 1,716 and maintenance 4,696 10,025 -	Administration		69	11,758	69	1.115					6	55 042
stroitins and security 4,696 10,025	Concessions	1,668		21.148								37,043
intenance 4,696 10,025	Custodians and security			120			î	1	400	•		756,07
rm monitors 605 140 2,310 46,396 actacles and instructors 5,885 42,885 3,615 104,670 14,185 intract labor, other 2,316 1,55 14,185 s compensation 1,311 1,57 14,185 other 1,311 1,311 1,570 14,185 ining 6,239 9,747 5,870 1,570 ining 1,311 1,575 1,572 1,572 in expenses 8,354 35,697 1,572 281 in expenses 1,575 1,575 281 1,497 281 in mand field rentals 3,400 8,000 13,030 58,144 3,000 e mal fees 1,325 18,380 2,88 1,44 3,000 e mal fees 1,325 18,380 2,269 972 on extension 1,493 11,516 901 12,567 2,269 on extension 1,493 11,516 901 12,577 <td< td=""><td>Field maintenance</td><td>4,696</td><td></td><td>10.025</td><td></td><td>,</td><td></td><td></td><td>00+</td><td></td><td></td><td>520</td></td<>	Field maintenance	4,696		10.025		,			00+			520
naches and instructors 605 140 2,310 10,500 nablees and instructors 5,885 42,885 3,615 104,670 14,185 referees and umpires 5,885 42,885 3,615 104,670 14,185 recess and umpires 5,885 42,885 3,615 104,670 14,185 recess and umpires 1,311 1,55 1,55 1,575 1,575 other 1,311 1,311 1,574 5,870 1,475 1,870 1,870 d registration fees 8,354 35,697 1,8504 5,870 1,497 5,870 1,870 1,870 1,870 1,497 2,81 1,870 1,497 2,81 1,870 1,497 2,81 1,800 1,497 2,81 1,497 2,81 1,497 1,497 1,497 1,497 1,497 1,497 1,497 1,497 1,497 1,497 1,497 1,497 1,497 1,497 1,497 1,497 1,497 1,497 1,497 <t< td=""><td>Gym monitors</td><td></td><td></td><td>'</td><td></td><td>009</td><td>76.3</td><td>90</td><td></td><td>•</td><td></td><td>14,721</td></t<>	Gym monitors			'		009	76.3	90		•		14,721
ferces and umpires 5,885 42,885 3,615 104,670 14,185 138 1,000 to the compensation 6 to the compensation 6 to the compensation 7 to the compensation 6 to	Coaches and instructors	509		140		2 210	10,	061				46,996
ferces and umpires 5,885 42,885 3,615 104,670 14,185 104,870 14,185 14,185	Jamboree			176		2,310			ı			3,055
rutract band uniformed and ministration of the state of t	Reference and immirac	300 3		000 07					1			175
A compensation other of the compensation fees 358 6,239	Contract labor other	2,000		47,885		3,615	104,6	170	14,185	•		171,240
s compensation of conferences and licenses and incenses and medallions and incenses and incolperation and licenses and incolperation and licenses and medallions and incolperation and licenses and incolperation and licenses and medallions are observed and licenses and medallions and medallions are observed and licenses and medallions are observed and licenses and medallions are observed and licenses and medallions and medallions are observed and licenses and medallions and medallions are observed and licenses and medallions are observed and licenses and medallions and	Director's contract labor, other	•		238			1	55	1			393
Additional content	Salaria d								•	65,100		65,100
a degistration fees 1.311 2.32 2.33 2.34 3.5,697 2.31 3.5,697 2.31 3.400 4.486 1.325 1.356 1.356 1.497 2.81 2.8	Salaries, omer								1	30,000		30,000
and dregistration fees a deregistration fees a deregistration fees a deregistration fees b and medallions a deregistration fees a d	Taxes and licenses	•		1,311				1	•	8,170		9,481
degistration fees are expenses by set expenses are expenses are expenses by set expenses and medallions are expenses are	Advertising	358		6,239			7,6	47	5,870	2,969		25,183
er expenses er expenses er expenses from expenses 1,575 1,575 1,572 1,572 231 3,400 8,000 13,030 58,144 3,000 enal fees and medallions 1,325 11,516 10,609 2,486 2,486 11,516 2,18 10,609 2,486 2,486 11,516 2,18 10,609 3,400 11,516 2,486	Bank and registration fees	•					18,5	04	•	23,602		42,106
re expenses 8,354 35,697 - 8,242 - 2 dion expenses 8,354 35,697 - 8,242 - 2 disubscriptions - 1,575 - 1,572 - 2 disubscriptions	Donations							ř	,	1.580		1,580
tion expenses 8,354 35,697	Computer expenses	•		39				,		4,489		4.528
d subscriptions 231 549 57 1,497 281 ium and field rentals 3,400 8,000 13,030 58,144 3,000 onal fees - 71 - 71 - 71 - 71 - 1,572 281 280 challess - 71 - 71 - 136 - 160 - 160 onsorships - tournaments - 49,000 - 592 and medallions 996 6,682 - 100 - 552 - 100 - 523 4 523 4 6 onsorses	Concession expenses	8,354		35,697		ı			8,242	086		53,273
a subscriptions 231 549 57 1,497 ium and field rentals 3,400 8,000 13,030 58,144 3,000 and metrainment 599 2,486 218 10,609 972 49,000 - 13,557 2,269 and medallions 6,682 - 1,572 1,572 281 281 6,000 13,030 58,144 3,000 - 71 - 136 - 160 1,497 281 281 10,609 972 160 - 160 - 49,000 - 49,000 - 592 - 49,000 - 10,784 74,786 6,310 75,513 27,004 - 106 - 106 - 523 4	Depreciation	1		,					1	24,526		24.526
tium and field rentals 3,400 8,000 13,030 58,144 3,000 e	Dues and subscriptions			1,575		1	1,5	72	1	3.990		7.137
turn and field rentals 3,400 8,000 13,030 58,144 3,000 onal fees -	Gasoline	231		549		57	1,4	76	281	2,173		4.788
e enal fees - 71 - 71 - 136 - 71 - 136 - 1486 penses and maintenance 1,325 18,380 - 160 1,493 11,516 901 12,567 2,269 - 49,000 - 592 and medallions 996 6,682 - 100 - 100 - 592 - 592 - 100 - 592 - 592 - 100 - 100 - 592 - 592 - 100 - 592 - 100 - 592 - 592 - 100 - 592 - 100 - 593 - 100 - 593 - 100	Gymnasium and field rentals	3,400		8,000		13,030	58,1	14	3,000	1		85,574
To and metertainment	Insurance								1	19.915		19915
the entertainment 599 2,486 218 10,609 972 160 1 11,325 18,380 - 160 1 160 1 1 12,567 2,269 onsorships - tournaments - 49,000 - 592 3,181 10,784 74,786 6,310 75,513 27,004 100 - 523 4 1 100 - 523 4 1 100 - 523 4 1 100 - 523 1 100 - 523 1 1 100 - 523 1 1 100 - 523 100 - 523 1 100 -	Professional fees								1	8.550		8.550
spenses 599 2,486 218 10,609 972 and maintenance 1,325 18,380 - - 160 1 onsorships - fournaments - 49,000 - - 5,269 and lodging - - 592 - - and medallions 996 6,682 - 8,689 3,181 s 10,784 74,786 6,310 75,513 27,004 c - 100 - 523 4	Meals and entertainment	1		71		1	1	98		6,375		6 582
and maintenance 1,325 18,380 160 1 1	Office expenses	599		2,486		218	10,60	6(972	7.704		20,00
1,493 11,516 901 12,567 2,269 and lodging -	Repairs and maintenance	1,325		18,380		,			160	15,282		35 147
onsorships - tournaments - 49,000 - 592 - 592 and lodging - 6,682 - 8,689 3,181 - 10,784 74,786 6,310 75,513 27,004 - 100 - 523 - 4	Supplies	1,493		11,516		901	12,56	22	2,269	6.759		35.505
and medallions 996 6,682 - 8,689 3,181 s and medallions 10,784 74,786 6,310 75,513 27,004 - 100 - 523 - 4	I cam sponsorships - tournaments	•		49,000		1		,	1			49,000
and medallions 996 6,682 - 8,689 3,181 10,784 74,786 6,310 75,513 27,004 100 - 523 4	Travel and lodging			,		1	55	12	,			592
s 10,784 74,786 6,310 75,513 27,004 100 - 523 - 4	Trophies and medallions	966		6,682			8,68	6	3,181	,		19 548
penses - 100 - 523 - 4	Uniforms	10,784		74,786		6,310	75,51	3	27,004	3		194,397
. 100 - 523 4	Utilities	•		100		1		,	•	11,940		12,040
	Omer expenses	1		106		-	52	3	4	2,255		2,888
U32 3 303 (126 C 262 510 C 74027 C 26251		\$ 41.032	6	303 026	4	28 156	\$ 262 610	6	14.00		(

See accompanying notes to financial statements.

NASHVILLE, TENNESSEE
NOTES TO FINANCIAL STATEMENTS
December 31, 2010

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. The Organization receives minimal support from other donor contributions.

RECOGNITION OF DONOR CONTRIBUTIONS

The Organization currently receives no restricted contributions. Therefore, there is no presentation of temporarily or permanently restricted net assets in the statement of financial position or activities. Unrestricted support is recognized as revenues and an increase in unrestricted net assets in the period they are received. The Organization has procedures that would similarly recognize temporarily and permanently restricted support as revenues and an increase in net assets so restricted, depending on the nature of the donor restrictions.

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 net assets, temporarily restricted net assets, and permanently restricted net assets. As indicated above, the Organization has no temporarily or 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 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.

NASHVILLE, TENNESSEE
NOTES TO FINANCIAL STATEMENTS, continued
December 31, 2010

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. DEFERRED PROGRAM SERVICE REVENUE AND PREPAID EXPENSES

Deferred program service revenue in the amount of \$346,279 are funds received during the year ended December 31, 2010, 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 \$72,815 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.

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. 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 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 expenses in the statement of activities.

NASHVILLE, TENNESSEE
NOTES TO FINANCIAL STATEMENTS, continued
December 31, 2010

NOTE 5. 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 6. 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 7. EVALUATION OF SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through June 29, 2010, the date which the financial statements were available to be issued.

END OF NOTES