Financial Statements for

INDIANA SOCCER ASSOCIATION, INC.

Years Ended July 31, 2024 and 2023

With Independent Auditor's Report
Including Supplementary Information

DEANDORTON

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DEANDORTON

INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Indiana Soccer Association, Inc.
Indianapolis, Indiana

Opinion

We have audited the accompanying consolidated financial statements of Indiana Soccer Association, Inc. (a nonprofit corporation) and Indiana Sports Properties, LLC, which comprise the consolidated statements of financial position as of July 31, 2024 and 2023, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Indiana Soccer Association, Inc. and Indiana Sports Properties, LLC as of July 31, 2024 and 2023, and the consolidated change in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis of 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 Consolidated Financial Statements section of our report. We are required to be independent of Indiana Soccer Association, Inc. and Indiana Sports Properties, LLC, 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.

Other Matter

As described in the notes to the consolidated financial statements, during the year ended July 31, 2024, Indiana Soccer Association, Inc. and Indiana Sports Properties, LLC, adopted FASB ASU 2016-13, *Financial Instruments – Credit Losses (Topic 326).* Our opinion is not modified with respect to that matter.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 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 consolidated 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 consolidated 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 consolidated 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 Indiana Soccer Association, Inc.'s and Indiana Sports Properties, LLC's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of the accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Indiana Soccer Association, Inc.'s and Indiana Sports Properties, LLC'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.

Prior Period Financial Statements

The consolidated financial statements as of July 31, 2023, were audited by VonLehman & Company Inc., who merged with Dean Dorton Allen Ford, PLLC as of January 1, 2024.

Dean Dorton Allen Ford, PLLC

Indianapolis, Indiana
January 14, 2025

INDIANA SOCCER ASSOCIATION, INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

ASSETS

	July 31, 2024	July 31, 2023
Assets		
Cash and Cash Equivalents	$ 707,543	$ 418,251
Accounts Receivable	84,668	159,027
Grants Receivable	166,666	9,198
Prepaid Expenses	23,453	24,904
Investments	3,026,489	2,775,987
Property and Equipment, Net	44,170	64,886
Total Assets	$ 4,052,989	$ 3,452,253

LIABILITIES AND NET ASSETS

	July 31, 2024	July 31, 2023
Liabilities		
Accounts Payable and Accrued Expenses	$ 92,897	$ 79,999
Player Insurance Liability	58,508	206,833
Deferred Revenue	103,371	82,197
Total Liabilities	254,776	369,029
Net Assets		
Without Donor Restrictions	3,627,246	3,067,255
With Donor Restrictions	170,967	15,969
Total Net Assets	3,798,213	3,083,224
Total Liabilities and Net Assets	$ 4,052,989	$ 3,452,253

See accompanying notes.

INDIANA SOCCER ASSOCIATION, INC.
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED JULY 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, Support, and Gains			
Program Services			
Competition	$ 556,476	$ -	$ 556,476
Coaching Education	50,766	-	50,766
Cups	599,515	-	599,515
Olympic Development Program	560,123	-	560,123
Registration	1,027,844	-	1,027,844
Total Program Services	2,794,724	-	2,794,724
Other Revenue			
Marketing	1,041	-	1,041
Management Fee & Commissions	78,461	-	78,461
Program Grants	35,404	169,596	205,000
Contributions	26,825	-	26,825
Net Investment Return	250,502	-	250,502
Miscellaneous	48,441	-	48,441
Total Other Revenue	440,674	169,596	610,270
Total Revenue, Support, and Gains	3,235,398	169,596	3,404,994
Net Assets Released From Restriction	14,598	(14,598)	-
Total Revenue, Support, Gains, and Reclassifications	3,249,996	154,998	3,404,994
Expenses			
Program Services	2,240,092	-	2,240,092
Management and General	449,913	-	449,913
Total Expenses	2,690,005	-	2,690,005
Change in Net Assets	559,991	154,998	714,989
Net Assets, Beginning of Year	3,067,255	15,969	3,083,224
Net Assets, End of Year	$ 3,627,246	$ 170,967	$ 3,798,213

See accompanying notes.

INDIANA SOCCER ASSOCIATION, INC.
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED JULY 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, Support, and Gains			
Program Services			
Competition	$ 495,054	$ -	$ 495,054
Coaching Education	20,037	-	20,037
Cups	543,971	-	543,971
Olympic Development Program	473,171	-	473,171
Registration	976,169	-	976,169
Total Program Services	2,508,402	-	2,508,402
Other Revenue			
Marketing	6,144	-	6,144
Management Fee & Commissions	213,434	-	213,434
Contributions	24,448	-	24,448
Net Investment Return	75,987	-	75,987
Miscellaneous	736	-	736
Total Other Revenue	320,749	-	320,749
Total Revenue, Support and Gains	2,829,151	-	2,829,151
Net Assets Released From Restriction	52,589	(52,589)	-
Total Revenue, Support, Gains, and Reclassifications	2,881,740	(52,589)	2,829,151
Expenses			
Program Services	2,042,408	-	2,042,408
Management and General	431,939	-	431,939
Total Expenses	2,474,347	-	2,474,347
Change in Net Assets	407,393	(52,589)	354,804
Net Assets - Beginning of Year	2,659,862	68,558	2,728,420
Net Assets - End of Year	$ 3,067,255	$ 15,969	$ 3,083,224

See accompanying notes.

INDIANA SOCCER ASSOCIATION, INC.
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JULY 31, 2024

	Program Services											
	Competition	**Coaching Education**	**Cups**	**Futsal & Outreach Programs**	**Other Programs**	**Olympic Development Program**	**Registration**	**Special Member Benefits**	**Media and Promotions**	**Total**	**Management and General**	**Total**
Registration	$ -	$ -	$ 29,890	$ -	$ -	$ -	$ 248,362	$ -	$ -	$ 278,252	$ -	$ 278,252
Development	-	-	-	-	-	154,374	-	-	-	154,374	-	154,374
Program Administration	9,837	7,342	1,551	5,560	-	-	5,917	793	-	31,000	-	31,000
Awards	20,285	-	14,348	-	-	-	1,959	-	-	36,592	-	36,592
Education	-	18,526	-	-	-	6,142	-	-	-	24,668	20	24,688
Referee	70,064	-	202,841	-	-	-	-	-	-	272,905	-	272,905
Insurance	2,035	-	-	-	-	1,865	10,779	-	-	14,679	8,053	22,732
Field Usage Fees	28,473	-	151,225	-	-	131,304	8,300	-	-	319,302	-	319,302
Meals	-	-	-	-	-	-	37,151	-	-	37,151	-	37,151
Travel	-	8,790	5,722	1,840	-	-	-	59	-	16,411	8,226	24,637
Supplies	-	-	3,845	-	-	15,586	194	-	-	19,625	1,726	21,351
Marketing	-	-	-	-	-	-	-	-	30,273	30,273	-	30,273
Meetings and Conventions	-	2,076	-	-	-	-	3,152	-	-	5,228	-	5,228
Outreach and Grants	-	-	-	79,748	9,391	-	-	-	-	89,139	-	89,139
Salaries, Wages, and Contract Labor	153,686	68,000	52,080	54,728	-	157,888	76,876	60,000	61,927	685,185	324,327	1,009,512
Payroll Taxes	11,468	4,459	1,547	3,928	-	6,635	7,637	4,642	4,930	45,246	32,509	77,755
Employee Benefits	14,229	21,650	3,768	7,537	-	3,961	2,134	10,026	1,269	64,574	59,774	124,348
Bad Debt Expense - Grants Receivable	-	-	-	-	9,198	-	-	-	-	9,198	-	9,198
Depreciation and Amortization	7,848	499	1,068	427	-	10,938	1,068	427	427	22,702	1,071	23,773
Office	861	402	861	345	-	861	861	345	345	4,881	861	5,742
Professional Fees	4,803	2,241	4,803	1,921	-	4,803	4,803	1,921	1,921	27,216	4,801	32,017
Repairs and Maintenance	1,720	492	1,055	422	-	3,455	1,055	422	422	9,043	1,052	10,095
Occupancy	7,491	3,496	7,491	2,996	-	7,491	7,491	2,996	2,996	42,448	7,493	49,941
Total Expenses by Function	$ 332,800	$ 137,973	$ 482,095	$ 159,452	$ 18,589	$ 505,303	$ 417,739	$ 81,631	$ 104,510	$ 2,240,092	$ 449,913	$ 2,690,005

See accompanying notes.

INDIANA SOCCER ASSOCIATION, INC.
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JULY 31, 2023

	Program Services									
	Competition	Coaching Education	Cups	Futsal & Outreach Programs	Olympic Development Program	Registration	Media and Promotions	Total	Management and General	Total
Registration	$ -	$ -	$ 27,875	$ -	$ -	$ 244,601	$ -	$ 272,476	$ -	$ 272,476
Development	-	-	-	-	116,263	-	-	116,263	-	116,263
Program Administration	9,456	5,104	1,167	3,799	-	5,164	-	24,690	(2,400)	22,290
Awards	20,626	-	13,349	-	-	2,295	-	36,270	-	36,270
Education	-	15,315	-	-	6,139	-	-	21,454	1,764	23,218
Referee	51,926	-	171,371	-	-	-	-	223,297	406	223,703
Insurance	2,041	-	-	-	-	152,114	-	154,155	13,978	168,133
Field Usage Fees	15,075	-	133,085	-	134,136	19,492	-	301,788	-	301,788
Meals	-	-	-	-	-	24,286	-	24,286	1,217	25,503
Travel	-	4,264	5,312	-	-	-	-	9,576	5,423	14,999
US Youth Regionals	(4,310)	-	-	-	-	-	-	(4,310)	-	(4,310)
Supplies	-	-	2,863	-	13,932	37	-	16,832	7,097	23,929
Marketing	-	-	-	-	-	-	31,021	31,021	-	31,021
Meetings and Conventions	-	1,572	-	-	-	3,825	-	5,397	-	5,397
Outreach	-	-	-	102,142	-	-	-	102,142	-	102,142
Salaries, Wages, and Contract Labor	117,820	57,183	45,117	35,000	138,419	62,427	63,170	519,136	300,272	819,408
Payroll Taxes	8,627	4,284	1,866	2,771	6,690	5,388	5,020	34,646	21,454	56,100
Employee Benefits	4,717	20,034	3,355	6,291	20,531	1,008	1,204	57,140	57,545	114,685
Bad Debt Expense - Grants Receivable	-	-	-	-	-	-	-	-	2,732	2,732
Depreciation and Amortization	8,917	452	1,719	452	6,151	1,719	362	19,772	1,720	21,492
Office	2,130	761	2,890	761	2,282	2,890	608	12,322	3,309	15,631
Professional Fees	3,992	1,426	5,417	1,426	4,277	5,417	1,140	23,095	7,816	30,911
Repairs and Maintenance	1,005	359	1,363	359	1,076	1,363	287	5,812	1,364	7,176
Occupancy	6,075	2,170	8,244	2,170	6,509	8,244	1,736	35,148	8,242	43,390
Total Expenses by Function	$ 248,097	$ 112,924	$ 424,993	$ 155,171	$ 456,405	$ 540,270	$ 104,548	$ 2,042,408	$ 431,939	$ 2,474,347

See accompanying notes.

INDIANA SOCCER ASSOCIATION, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years Ended July 31,	
	2024	**2023**
Cash Flows From Operating Activities		
Change in Net Assets	$ 714,989	$ 354,804
Reconciliation of Change in Net Assets with Cash Flows From Operations		
Bad Debt Expense - Grants Receivable	9,198	2,732
Depreciation	23,773	21,492
Net Investment Return	(250,502)	(75,987)
Changes in		
Accounts Receivable	74,359	76,734
Grants Receivable	(166,666)	16,699
Prepaid Expenses	1,451	(6,169)
Accounts Payable and Accrued Expenses	12,898	(17,314)
Player Insurance Liability	(148,325)	37,032
Deferred Revenue	21,174	66,901
Net Cash Provided by Operating Activities	292,349	476,924
Cash Flows From Investing Activities		
Purchases of Investments	(1,882,103)	(5,705,181)
Proceeds From Sale of Investments	1,882,103	3,005,181
Purchases of Property and Equipment	(3,057)	(33,902)
Net Cash Used by Investing Activities	(3,057)	(2,733,902)
Net Change in Cash and Cash Equivalents	289,292	(2,256,978)
Cash and Cash Equivalents, Beginning of Year	418,251	2,675,229
Cash and Cash Equivalents, End of Year	$ 707,543	$ 418,251

See accompanying notes.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations and Principles of Consolidation

The Indiana Soccer Association, Inc. (ISA) was organized and currently exists to develop, promote, and administer the game of soccer for the State of Indiana. ISA is an affiliated member of the United States Soccer Federation and the United States Youth Soccer Association. ISA creates bylaws, playing rules, policies and procedures intended to assist the member players, coaches, referees, administrators, teams, clubs, and leagues. ISA also conducts programs and events annually which are intended to serve the membership.

Indiana Sports Properties, LLC (ISP) is a wholly owned entity of the Association. ISP was formed to provide management services to the Grand Park Sports Campus (Grand Park) in Westfield, Indiana. ISP currently operates to collect commissions from activities held at Grand Park. See Management Services Agreement note.

The consolidated financial statements include the accounts of Indiana Soccer Association, Inc. and Indiana Sports Properties, LLC, collectively referred to as the Association. Under accounting principles generally accepted in the United States of America (U.S. GAAP), ISA is required to present consolidated financial statements reflecting the financial position and results of the operations of both entities.

All significant inter-organization balances and transactions have been eliminated in consolidation.

The Association's viability is dependent on the success of its program services, contributions and other revenue, and the ability to collect on its contracts with customers.

Use of Estimates

The process of preparing consolidated financial statements in conformity with U.S. GAAP requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Certain estimates relate to unsettled transactions and events as of the date of the consolidated financial statements. Other estimates relate to assumptions about the ongoing operations and may impact future periods. Accordingly, upon settlement, actual results may differ from estimated amounts.

Accounts Receivable and Allowance for Credit Losses

Accounts receivable consist of amounts due from customers and are generally unsecured. The Association establishes allowances for credit losses on accounts receivable. The allowance for credit losses is the Association's best estimate of the amount of probable credit losses in the Association's existing accounts receivable and is based upon historical loss patterns, the number of days that billings are past due, and an evaluation of the potential risk of loss associated with specific accounts. The measurement of credit losses and subsequent changes in the allowance for credit losses are recorded in the consolidated statements of activities within management and general expenses as the amounts expected to be collected change.

The Association uses the aging method to estimate its expected credit losses on accounts receivable. To estimate expected credit losses, the Association assesses recent historical experience, current economic conditions and any reasonable and supportable forecasts to identify risk characteristics that are shared within the financial asset. These risk characteristics are then used to bifurcate the aging method into risk pools. Historical credit loss for each risk pool is then applied to the current period aging in the identified risk pools to determine the needed reserve allowance. In the absence of current economic conditions and/or forecasts that may affect future credit losses, the Association has determined that recent historical experience provides the best basis for estimating credit losses.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The determination of past due status on accounts receivable is based on the terms indicated on customer contracts. Account balances are charged against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote. Recoveries of accounts receivable previously written off are recorded when received. The Association does not charge interest on its past due receivables.

Based on these criteria, the Association has determined an allowance for credit losses is not necessary at both July 31, 2024 and 2023 since the Association does not expect any material losses.

Contract Liabilities

Contract liabilities are reported as deferred revenue in the accompanying consolidated statements of financial position.

Grants Receivable

The Association records unconditional grants that are expected to be collected at net realizable value. Grants receivable expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in grant revenue in the consolidated statements of activities. The Association determines the allowance for uncollectable grants receivable based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Grants receivable are written off when deemed uncollectable. Based on these criteria, no allowance for uncollectable grants receivable has been provided at July 31, 2024 and 2023 since the Association does not expect any material losses.

Investments

Investments if purchased are recorded at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the consolidated statements of financial position. Net investment return is reported in the consolidated statements of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less any external and direct internal investment expenses. Cash equivalents, and other securities and investments held in brokerage accounts are protected by the Securities Investor Protection Corporation (SIPC) in the event of broker-dealer failure, up to $500,000 of protection for each brokerage account with a limit of $250,000 for claims of uninvested cash balances. The SIPC insurance does not protect against market losses on investments

Property and Equipment

Property and equipment are recorded at cost or, if donated, at fair value at the date of donation and depreciated over the estimated useful lives of the related assets. Depreciation is computed using the straight-line method. Maintenance and repairs are charged to operations when incurred. Significant betterments and renewals greater than $1,000 and a useful life greater than one year are capitalized per the Association's Financial Policies and Procedures Manual.

The useful lives of property and equipment for purposes of computing depreciation are:

Vehicles	5 Years
Equipment	3-10 Years

Long-Lived Assets

Long-lived assets to be held and used are tested for recoverability whenever events or changes in circumstances indicate that the related carrying amount may not be recoverable. When required, impairment losses on assets to be held and used are measured based on the fair value of the asset, and long-lived assets to be disposed of by sale are reported at the lower of the carrying amount or fair value less costs to sell. Long-lived assets were measured for impairment, and no adjustments were deemed necessary during both the years ended July 31, 2024 and 2023.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The Board of Directors has designated from net assets without donor restrictions net assets for specific purposes (see the Board Designated Net Assets note).

Net Assets With Donor Restrictions – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates those resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

The Association reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions.

Revenue and Revenue Recognition

Revenue From Contracts with Customers

Revenue is measured as the amount of consideration expected to be received in exchange for transferring goods or providing service. The Association recognized contract revenue for financial reporting purposes over time and at a point in time. Contracts with customers may include multiple performance obligations for which consideration is allocated between performance obligations. Depending on the terms of the contract, the Association may defer the recognition of revenue and record deferred revenue, a contract liability, when a future performance obligation has not yet occurred.

Competition and registration fees are received in exchange for services provided to members during the fall and spring seasons spanning multiple dates from August 1 through July 31st. The Association's performance obligations under these contracts include access to member only competitions and leagues, educational enhancement opportunities, and general player liability insurance coverage. The transaction price is allocated across the Association's obligations based on the relative share of the cost to perform the services. The Association recognizes revenue from these contracts over time using an output method based on the value of these services delivered during the fall and spring seasons.

Coaching education, cup fees, futsal events, and Olympic development program fees are recognized when obligations under the terms of the contract with the customer are satisfied, which generally occurs on the date the training or event takes place. Payments from customers received in advance are deferred until all performance obligations are met.

Revenue from the management fee and commissions and marketing sales are recognized when obligations under the terms of a contract with the customer are satisfied, which generally occurs when the related event takes place.

Royalty income is received from a third party and is recognized in the period in which the underlying sale occurs. Royalty income earned but not received is recorded as accounts receivable.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue From Contributions

The Association recognizes contributions and grants when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier and a right of return, are not recognized until the conditions on which they depend have been substantially met. At July 31, 2024 and 2023, conditional grants receivable of $5,000 and $-0-, respectively, have not been recognized in the accompanying financial statements in accordance with U.S. GAAP.

Retirement Plan

The Association has adopted a 401(k) plan covering all eligible employees. Profit sharing contributions to the plan may be made at the discretion of the Board of Directors. The plan provides matching employer deferrals up to 2% of compensation. By its nature, the plan is fully funded.

Functional Allocation of Expenses

The costs of program and supporting services have been summarized on a functional basis in the consolidated statements of activities. The consolidated statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefitted.

The following expenses are allocated on the basis of time and efforts: salaries, wages, and contract labor, payroll taxes, employee benefits, office expenses, professional fees, repairs and maintenance, and occupancy. The portion of depreciation and repairs and maintenance related to general equipment is also allocated using this same methodology. Other depreciation and repairs and maintenance related to specific programmatic equipment is expensed within the functional category to which it relates.

Income Tax Status

The Association is a nonprofit organization as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal and state income taxes on related income.

ISP is a single-member Indiana limited liability company. ISA is the single member of ISP and all interests, securities, obligations, rights to acquire interests, or other security of ISP is the sole property of ISA. For tax reporting purposes, ISP is considered a disregarded entity of ISA, and its activities are included in the reporting information of ISA.

The Association has adopted the provisions of the accounting pronouncement related to accounting for uncertainty in income taxes. The Association recognized no interest or penalties in the consolidated statements of activities for both of the years ended July 31, 2024 and 2023. If the situation arose in which the Association would have interest to recognize, it would recognize this as interest expense and penalties would be recognized in other expenses. Currently, the prior three years are open under federal and state statutes of limitations and remain subject to review and change. The Association is not currently under audit nor has the Association been contacted by these jurisdictions.

Based on the evaluation of the Association’s tax positions, management believes all positions taken would be upheld under an examination. Therefore, no provision for the effects of uncertain positions has been recorded for either of the years ended July 31, 2024 and 2023.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Adoption of New Accounting Standard

Effective August 1, 2023, the Association adopted Accounting Standards Update (ASU) 2016-13, *Financial Instruments—Credit Losses* (Topic 326)*: Measurement of Credit Losses on Financial Instruments* and associated amendments. This standard creates a new credit impairment standard for financial assets measured at amortized cost and available-for-sale debt securities. The ASU requires financial assets measured at amortized cost (including loans, accounts receivables and held-to-maturity debt securities) to be presented at the net amount expected to be collected, through an allowance for credit losses that are expected to occur over the remaining life of the asset, rather than incurred losses. The measurement of credit losses for newly recognized financial assets (other than certain purchased assets) and subsequent changes in the allowance for credit losses are recorded in the consolidated statement of activities as the amounts expected to be collected change.

The adoption of the new standard did not result in a cumulative-effect adjustment to the opening balance of net assets.

Reclassifications

Certain amounts in the prior period consolidated financial statements have been reclassified for comparative purposes to conform with the presentation in the current year. The reclassifications had no impact on previously reported net assets.

Subsequent Events

Management has evaluated subsequent events through January 14, 2025, which is the date the consolidated financial statements were available to be issued.

NOTE 2 - LIQUIDITY

Financial assets available for general use and without donor or other restrictions or designations limiting their use within one year of the consolidated statements of financial position were comprised of the following:

	July 31, 2024	July 31, 2023
Financial Assets, End of Year		
Cash	$ 707,543	$ 418,251
Accounts Receivable	84,668	159,027
Grants Receivable	166,666	9,198
Investments	3,026,489	2,775,987
Total Financial Assets	3,985,366	3,362,463
Less Amounts Not Available to be Used for General Expenditures within One Year		
Net Assets With Donor Restrictions	170,967	15,969
Board Designated Net Assets	46,063	46,063
Total Financial Assets Available	$ 3,768,336	$ 3,300,431

The Association is funded through program fees, commissions, and other revenues. Occasionally, the Board of Directors may designate a portion of surplus funds to a specific initiative. Although the Association does not plan to spend from the board-designated net asset funds for general use, these amounts could be made available if necessary.

NOTE 3 - CASH AND CASH FLOWS

For the purposes of the consolidated statements of cash flows, cash and cash equivalents includes cash on hand and cash in checking and money market accounts.

At various times throughout the year, the Association may have cash in financial institutions in excess of insured limits. The Federal Deposit Insurance Corporation (FDIC) insures account balances up to $250,000 for each business depositor.

NOTE 4 - GRANTS RECEIVABLE

Grants receivable totaled $166,666 and $9,198 at July 31, 2024 and 2023, respectively. Grants receivable are expected to be received within twelve months.

NOTE 5 - CONTRACT BALANCES

Receivables and deferred revenue balances from contracts with customers for the years ended July 31, 2024 and 2023 were as follows:

	July 31, 2024	July 31, 2023
Accounts Receivable		
Beginning of Year	$ 159,027	$ 238,493
End of Year	$ 84,668	$ 159,027
Deferred Revenue		
Beginning of Year	$ 82,197	$ 15,296
End of Year	$ 103,371	$ 82,197

NOTE 6 - INVESTMENTS

Investments consisted of the following:

	2024	2023
Cash and Cash Equivalents	$ 532,969	$ 274,456
Money Market Funds	647,904	355,030
Corporate Bonds	948,348	445,941
U.S. Government Securities	1,613,184	863,842
Common Stocks	1,586,936	632,112
Mutual Funds	473,135	204,606
Total Investments	$ 5,802,476	$ 2,775,987

NOTE 7 - FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

LEVEL 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Association has the ability to access at the measurement date.

LEVEL 2 - Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, inputs other than quoted prices that are observable for the asset or liability, and inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

LEVEL 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The Association uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following are descriptions of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at either July 31, 2023 or 2022.

Cash and Cash Equivalents - Fair value approximates carrying value due to the initial maturities of the instruments being three months or less.

U.S. Government Securities and Corporate Bonds - Valued by the custodians of the securities using pricing models based on credit quality, time to maturity, stated interest rates, and market-rate assumptions.

Mutual Funds (including Money Market Funds) - Valued at the daily closing price as reported by the fund. Mutual funds held by the Association are open-end mutual funds that are registered with the SEC. These funds are required to publish their daily net asset value and to transact at that price. The mutual funds held by the Association are deemed to be actively traded.

Common Stocks - Valued at the closing price reported on the active market in which the individual securities are traded.

The preceding methods described may provide a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Association believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the operating date.

The Association's investments were valued at Level 1 at December 31, 2023 with the exception of the U.S. Government Securities and Corporate Bonds which were valued at Level 2.

Risks and Uncertainties

The Association invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credits risks. Due to the level of risks associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term, and those changes could materially affect account balances and amounts reported on the consolidated statements of financial position.

NOTE 8 - PROPERTY AND EQUIPMENT

Property and equipment and related accumulated depreciation consisted of the following:

	July 31, 2024	July 31, 2023
Vehicles	$ 63,676	$ 63,676
Equipment	123,671	120,614
	187,347	184,290
Less Accumulated Depreciation	143,177	119,404
Total Property and Equipment, Net	$ 44,170	$ 64,886

NOTE 9 - PLAYER INSURANCE LIABILITY

The Association provides medical liability insurance for registered players. The Association self-insures the first $55,000 of claims per policy year and the insurance company pays the remainder. Insured players can submit claims within a three-year window of the incident. Based on the historical claims experience of the Association and the potential of claims reaching the deductible threshold, a contingent liability of $58,508 and $206,833 was recorded for potential claims not yet reported or paid as of July 31, 2024 and 2023, respectively.

NOTE 10 - BOARD DESIGNATED NET ASSETS

The Board designated net assets for the following purposes:

Capital Expenditures	$ 46,063	$ 46,063

NOTE 11 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions were restricted as follows:

Subject to Expenditure for Specified Purpose		
Scholarships	$ 1,371	$ 6,771
Indianapolis Public Schools Outreach Program	2,929	-
The In-School Futsal Initiative	166,667	-
Stakeholder Behavior Assessment, Impact, and Modification Initiative	-	9,198
Total Net Assets With Donor Restrictions	$ 170,967	$ 15,969

NOTE 12 - RELATED PARTY TRANSACTIONS

The Association and Indiana Soccer Foundation (the Foundation) share common board members. The Foundation is engaged in charitable activities to benefit children through soccer. Transactions between the Association and the Foundation totaled $664 and $-0- for the years ended July 31, 2024 and 2023.

NOTE 13 - LEASES

The Association leased office space and equipment under short-term leases. Rent expense totaled $45,571 and $39,564 for years ended July 31, 2024 and 2023, respectively, and is included in occupancy expenses on the consolidated statements of functional expenses.

NOTE 14 - RETIREMENT PLAN EXPENSE

The Association's matching contributions to the 401(k) plan for the years ended July 31, 2024 and 2023 were $14,107 and $11,659, respectively.

NOTE 15 - MEDIA AND PROMOTIONS

The Association incurred expenses for various media and promotions projects totaling $102,474 and $104,548 for the years ended July 31, 2024 and 2023, respectively. These costs are expensed when incurred.

NOTE 16 - MANAGEMENT SERVICES AGREEMENT

ISP had a management services agreement with the City of Westfield, Indiana that expired December 31, 2017. ISP still earns commissions on this agreement for events that were established before the expiration date. The agreement related to management services at Grand Park. Grand Park houses indoor and outdoor facilities for soccer, baseball, softball, lacrosse, football, rugby, and field hockey. The park is owned by the City of Westfield.

In accordance with the management services agreement, ISP scheduled, coordinated, and hosted games, tournaments, competitions, practice sessions, and other events and activities at Grand Park. ISP was responsible for developing, scheduling, managing and maintaining the calendar of field sports activities at Grand Park, including the operation of parking facilities for field sports events and activities. ISP was responsible for management and oversight of the maintenance of the Grand Park field sports facilities.

As part of the management services agreement, ISP receives a gross revenue fee equal to 15% of the gross revenues collected by the City of Westfield for hotel rebates, parking, event tickets, and field use licenses during the events and activities held at Grand Park. ISP will receive gross revenue fees on future events and activities scheduled at Grand Park while the management services agreement was in effect. The Westfield Redevelopment Commission agrees to pay commissions to ISP of 15% on all events and activities contracted by users of the facility that were originally established by ISP. ISP contracted future events and activities through December 2023. Gross revenue fees related to these events and activities become earned and receivable within thirty (30) days after the revenue sources are received by the City of Westfield. During the years ended July 31, 2024 and 2023, ISP earned gross revenue fees of $27,070 and $90,718, respectively.

NOTE 17 - USE AND TERMINATION AGREEMENTS

In May 2016, ISA executed an Indoor Facilities Use Agreement with the City of Westfield, Indiana granting ISA a temporary exclusive license for use of the indoor soccer facility at Grand Park. The licensed use of space was scheduled between the months of October through March. The agreement was originally set to expire in March 2021 but was mutually terminated by both parties on March 16, 2018, with the execution of a Termination Agreement.

Under the terms of the Termination Agreement, ISA transferred and assigned all agreements, contracts, and bookings for the use of space at the indoor facility to the Westfield Redevelopment Commission. In turn, the Westfield Redevelopment Commission agrees to pay commissions to ISA ranging between 15%-20% on all events and activities contracted by users of the facility that were originally established by ISA. Commissions were paid on all qualifying events and activities that occurred on or before December 31, 2023.

INDEPENDENT AUDITOR'S REPORT
ON SUPPLEMENTARY INFORMATION

The Board of Directors
Indiana Soccer Association, Inc.
Indianapolis, Indiana

We have audited the consolidated financial statements of Indiana Soccer Association, Inc. and Indiana Sports Properties, LLC as of and for the years ended July 31, 2024 and 2023, and our report January 14, 2025, which expressed an unmodified opinion on those consolidated financial statements, appears earlier in these consolidated financial statements. Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The supplementary information is presented for the purpose of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Dean Dorton Allen Ford, PLLC

Indianapolis, Indiana
January 14, 2025

INDIANA SOCCER ASSOCIATION, INC.
CONSOLIDATING STATEMENTS OF FINANCIAL POSITION

	July 31,							
	2024				2023			
	Indiana Soccer Association, Inc.	Indiana Sports Properties, LLC	Eliminations	Total	Indiana Soccer Association, Inc.	Indiana Sports Properties, LLC	Eliminations	Total
Assets								
Cash and Cash Equivalents	$ 707,543	$ -	$ -	$ 707,543	$ 365,238	$ 53,013	$ -	$ 418,251
Accounts Receivable	84,668	-	-	84,668	159,027	-	-	159,027
Grants Receivable	166,666	-	-	166,666	9,198	-	-	9,198
Prepaid Expenses	23,453	-	-	23,453	24,904	-	-	24,904
Note Receivable	-	475,283	(475,283)	-	-	395,200	(395,200)	-
Investments	3,026,489	-	-	3,026,489	2,775,987	-	-	2,775,987
Property and Equipment	186,908	439	-	187,347	183,851	439	-	184,290
Less Accumulated Depreciation	(142,738)	(439)	-	(143,177)	(118,965)	(439)	-	(119,404)
Total Assets	$ 4,052,989	$ 475,283	$ (475,283)	$ 4,052,989	$ 3,399,240	$ 448,213	$ (395,200)	$ 3,452,253
Liabilities								
Accounts Payable &								
Accrued Expenses	$ 92,897	$ -	$ -	$ 92,897	$ 79,999	$ -	$ -	$ 79,999
Player Insurance Liability	58,508	-	-	58,508	206,833	-	-	206,833
Note Payable	475,283	-	(475,283)	-	395,200	-	(395,200)	-
Deferred Revenue	103,371	-	-	103,371	82,197	-	-	82,197
Total Liabilities	730,059	-	(475,283)	254,776	764,229	-	(395,200)	369,029
Net Assets								
Without Donor Restrictions	3,151,963	475,283	-	3,627,246	2,619,042	448,213	-	3,067,255
With Donor Restrictions	170,967	-	-	170,967	15,969	-	-	15,969
Total Net Assets	3,322,930	475,283	-	3,798,213	2,635,011	448,213	-	3,083,224
Total Liabilities and Net Assets	$ 4,052,989	$ 475,283	$ (475,283)	$ 4,052,989	$ 3,399,240	$ 448,213	$ (395,200)	$ 3,452,253

INDIANA SOCCER ASSOCIATION, INC.
CONSOLIDATING STATEMENTS OF ACTIVITIES

	Years Ended July 31,							
	2024				2023			
	Indiana Soccer Association Inc.	Indiana Sports Properties, LLC	Eliminations	Total	Indiana Soccer Association Inc.	Indiana Sports Properties, LLC	Eliminations	Total
Revenue, Support and Gains								
Program Services								
Competition	$ 556,476	$ -	$ -	$ 556,476	$ 495,054	$ -	$ -	$ 495,054
Coaching Education	50,766	-	-	50,766	20,037	-	-	20,037
Cups	599,515	-	-	599,515	543,971	-	-	543,971
Olympic Development Program	560,123	-	-	560,123	473,171	-	-	473,171
Registration	1,027,844	-	-	1,027,844	976,169	-	-	976,169
Total Program Services	2,794,724	-	-	2,794,724	2,508,402	-	-	2,508,402
Other Revenue								
Marketing	1,041	-	-	1,041	6,144	-	-	6,144
Management Fee & Commissions	51,391	27,070	-	78,461	122,716	90,718	-	213,434
Program Grants	205,000	-	-	205,000	-	-	-	-
Contributions	26,825	-	-	26,825	24,448	-	-	24,448
Net Investment Return	250,502	-	-	250,502	75,987	-	-	75,987
Miscellaneous	48,441	-	-	48,441	3,136	-	(2,400)	736
Total Other Revenue	583,200	27,070	-	610,270	232,431	90,718	(2,400)	320,749
Total Revenue, Support and Gains	3,377,924	27,070	-	3,404,994	2,740,833	90,718	(2,400)	2,829,151
Expenses								
Program Services								
Competition	332,800	-	-	332,800	248,097	-	-	248,097
Coaching Education	137,973	-	-	137,973	112,924	-	-	112,924
Cups	482,095	-	-	482,095	424,993	-	-	424,993
Futsal & Outreach Programs	159,452	-	-	159,452	155,171	-	-	155,171
Grants	18,589	-	-	18,589	-	-	-	-
Olympic Development Program	505,303	-	-	505,303	456,405	-	-	456,405
Registration	417,739	-	-	417,739	540,270	-	-	540,270
Special Membership Benefits	81,631	-	-	81,631	-	-	-	-
Media and Promotions	104,510	-	-	104,510	104,548	-	-	104,548
Total Program Services	2,240,092	-	-	2,240,092	2,042,408	-	-	2,042,408
Management and General	449,913	-	-	449,913	431,519	2,820	(2,400)	431,939
Total Expenses	2,690,005	-	-	2,690,005	2,473,927	2,820	(2,400)	2,474,347
Change in Net Assets	687,919	27,070	-	714,989	266,906	87,898	-	354,804
Net Assets, Beginning of Year	2,635,011	448,213	-	3,083,224	2,368,105	360,315	-	2,728,420
Net Assets, End of Year	$ 3,322,930	$ 475,283	$ -	$ 3,798,213	$ 2,635,011	$ 448,213	$ -	$ 3,083,224

INDIANA SOCCER ASSOCIATION, INC.
CONSOLIDATED SCHEDULES OF CASH AND CASH EQUIVALENTS

	July 31, 2024	July 31, 2023
Petty Cash	$ 50	$ 50
Old National Operating Account	144,217	365,188
Regions Bank Operating Account	-	53,013
Old National Money Market	563,276	-
Total Cash and Cash Equivalents	$ 707,543	$ 418,251