

**FINANCIAL STATEMENTS AND ACCOUNTANTS'
COMPILATION REPORT**

RESTON RAIDERS HOCKEY CLUB, INC.

For the fiscal year ended June 30, 2003

**GILLILAND & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
7700 LEESBURG PIKE
SUITE 402B
FALLS CHURCH, VA 22043**

TABLE OF CONTENTS

<u>CONTENTS</u>	<u>PAGE</u>
Accountants' Compilation Report	1
Statement of Financial Position	2
Statement of Activities	3
Statement of Cash Flows	4
Statement of Functional Expenses	5
Notes to the Financial Statements	6-8



GILLILAND & ASSOCIATES, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors
Reston Raiders Hockey Club, Inc.

We have compiled the accompanying statement of financial position of Reston Raiders Hockey Club, Inc. (a nonprofit organization) as of June 30, 2003, and the related statements of activities, functional expenses, and cash flows for the fiscal year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

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

Gilliland & Associates P.C.

Gilliland & Associates, P.C.
Certified Public Accountants
Falls Church, VA 22043
May 27, 2004

RESTON RAIDERS HOCKEY CLUB, INC.
Statement of Financial Position
As of June 30, 2003

ASSETS

Current Assets

Cash and cash equivalents:

 Checking

\$ 107,014

 Money market account

29,630

 Savings account

9,721

Total cash and cash equivalents

146,365

Accounts Receivable

8,190

Other Current Assets

 Prepaid consultant fees

5,000

 Prepaid storage fees

180

 Total prepaid expenses

5,180

Total Current Assets

159,735

Property, Plant and Equipment

 Equipment

6,674

 Furniture and fixtures

3,140

 Less: Accumulated depreciation

(5,870)

Total Property, Plant and Equipment

3,944

TOTAL ASSETS

\$ 163,679

LIABILITIES

Accounts Payable

\$ 16,844

TOTAL LIABILITIES

16,844

NET ASSETS

Unrestricted

121,982

Restricted

24,853

TOTAL NET ASSETS

146,835

TOTAL NET ASSETS AND LIABILITIES

\$ 163,679

See Accompanying Notes and Accountants' Compilation Report

RESTON RAIDERS HOCKEY CLUB, INC.

Statement of Activities

For the Fiscal Year Ended June 30, 2003

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
Revenues:			
Registration	\$ 892,646		\$ 892,646
Travel fees	122,862		122,862
Spring/Summer league	74,380		74,380
Christmas tournament fees	54,785		54,785
Select fees	32,295		32,295
Miscellaneous income	15,391		15,391
Reimbursements	12,786		12,786
Capitals tickets	11,945		11,945
Contributions	5,439	\$ 9,089	14,528
Merchandise Sales	2,342		2,342
Interest income	1,531		1,531
March Madness	849		849
Hockey swap - net	227		227
Ice rental sublet	220		220
Total revenues	<u>1,227,697</u>	<u>9,089</u>	<u>1,236,786</u>
Total revenue	<u>1,227,697</u>	<u>9,089</u>	<u>1,236,786</u>
Expenses:			
Program services	1,146,453		1,146,453
Supporting services			
Management and general	38,365		38,365
Fundraising	6,185		6,185
Total Expenses	<u>1,191,003</u>		<u>1,191,003</u>
Change in net assets	<u>36,694</u>	<u>9,089</u>	<u>45,783</u>
Net assets, June 30, 2002	<u>85,288</u>	<u>15,764</u>	<u>101,052</u>
Net assets, June 30, 2003	<u>\$ 121,982</u>	<u>\$ 24,853</u>	<u>\$ 146,835</u>

See Accompanying Notes and Accountants' Compilation Report

RESTON RAIDERS HOCKEY CLUB, INC.

Statement of Cash Flows

For the Fiscal Year Ended June 30, 2003

Cash flows from operating activities:	
Change in net assets	\$ 45,783
Depreciation	1,425
Decrease in accounts receivable	5,305
Increase in prepaid expenses	(5,180)
Decrease in accounts payable	(4,872)
Net cash provided by operating activities	<u>42,461</u>
Cash flows from investing Activities:	
Purchase of Property, Plant and Equipment	<u>(3,419)</u>
Net cash used in investing activities	<u>(3,419)</u>
Net increase in cash and cash equivalents	<u>39,042</u>
Cash and cash equivalents, June 30, 2002	<u>107,323</u>
Cash and cash equivalents, June 30, 2003	<u><u>\$ 146,365</u></u>

See Accompanying Notes and Accountants' Compilation Report

RESTON RAIDERS HOCKEY CLUB, INC.

Statement of Functional Expenses
For the Fiscal Year Ended June 30, 2003

	Program Services	Management and General	Fund- raising	Total
Ice rental	\$ 865,872			\$ 865,872
Referees and officials	66,727			66,727
Professional fees	65,520	\$ 12,462		77,982
Registration costs	54,076			54,076
Equipment and supplies	52,974			52,974
Capitals tickets	15,000			15,000
Christmas tournament expense	12,566			12,566
Tournaments - other	8,451			8,451
Training and clinics	5,267			5,267
Bank charges		13,700		13,700
Office expense		7,644		7,644
Storage		1,820		1,820
Depreciation		1,425		1,425
Other expenses		1,315		1,315
Marketing and events			\$ 6,185	6,185
Total Functional Expenses	\$ 1,146,453	\$ 38,365	\$ 6,185	\$ 1,191,003

See Accompanying Notes and Accountants' Compilation Report

RESTON RAIDERS HOCKEY CLUB, INC.

Financial Statement Notes

June 30, 2003

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of Reston Raiders Hockey Club, Inc. (the Organization) is presented to assist in understanding the Organization's financial statements. The financial statements and notes are representations of the Organization's management who is responsible for the integrity and objectivity of the financial statements. These accounting policies conform to generally accepted accounting principles.

1. Nature of Operations

Reston Raiders Hockey Club, Inc. (the Organization) was incorporated as a not-for-profit corporation under the laws of Virginia on October 28, 1993. It has since operated continuously under the charter granted by Virginia. The Organization was formed to organize, administer and operate youth ice hockey programs exclusively for charitable and educational purposes and fostering, supporting and developing amateur athletes for national and/or international amateur sports competition purposes within the meaning of section 501(c)(3) of the Internal Revenue Code. The Organization endeavors to instill in each participant a love, appreciation and knowledge of the game of ice hockey, the ideals of fair play and sportsmanship, and the development of personal and social skills.

2. Basis of Accounting

The Organization's policy is to prepare its financial statements on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

3. Inventories

The organization did not consider the value of inventory to be significant at June 30, 2003, and did not adjust the records to record an inventory at that date. Inventories when recorded consist primarily of T-shirts, hats, and other items with the Organization's name and logo and are stated at the lower of cost (first-in, first-out) or market value.

4. Contributed Services

Many individuals volunteer their time and perform a variety of tasks to operate the Organization's programs. No amounts have been reflected in the financial statements for these services since they do not meet the criteria for recognition under SFAS No. 116, Accounting for Contributions Received and Contributions Made.

RESTON RAIDERS HOCKEY CLUB, INC.

Financial Statement Notes

June 30, 2003

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

5. Property and Equipment

It is the Organization's policy to capitalize property and equipment over \$1,000. Lesser amounts are expensed. Purchased property and equipment are capitalized at cost and depreciated using an accelerated depreciation method, which does not materially vary from straight-line methods. Depreciation and amortization are provided in amounts sufficient to amortize the cost of depreciable assets over their estimated useful lives. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose.

6. Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions. Temporarily restricted contributions are further described in Note F.

7. 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.

8. Cash and Cash Equivalents

For purposes of the statements of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

NOTE B - PROPERTY AND EQUIPMENT

Property and equipment are comprised of the following:

Equipment	6,674
Furniture and fixtures	3,140
Less: accumulated depreciation	<u>(5,870)</u>
	<u>\$ 3,944</u>

RESTON RAIDERS HOCKEY CLUB, INC.
Financial Statement Notes
June 30, 2003

NOTE C – ACCOUNTS RECEIVABLE

Accounts receivable consists mainly of amounts owed for registration fees.

NOTE D – PREPAID EXPENSES

Prepaid expenses represent amounts paid in advance for consultants and storage fees. At June 30, 2003 the amounts were \$5,000 and \$180 accordingly.

NOTE E – ACCOUNTS PAYABLE

Accounts payable consists of money owed at June 30, 2003, for professional fees, refereeing services, trophies and awards and other trade amounts.

NOTE F – RESTRICTIONS ON NET ASSETS

The temporary restrictions on net assets at June 30, 2003, are related to funds for the Cooper Fund, named in memory of Cooper Shepard, for hockey scholarships and for support of the Fort DuPont hockey program.

NOTE G – HOCKEY SWAP

The Organization sells used hockey equipment to other members and retains a percentage for the service. The sales for the fiscal year ended June 30, 2003, were \$ 1,726 and the payments were \$ 1,499 for a net profit of \$227.

NOTE H – OTHER EXPENSES

Expense categories, which individually are less than \$1,000 have been combined and are shown as "other expenses" in the Statement of Functional Expenses.

NOTE I – CONCENTRATIONS OF RISK

Throughout the year the organization maintained checking and savings accounts with an established Federally Insured Financial Institution. At certain times during the year the total of the balances on deposit exceeded the insurance limit of \$100,000. The organization has never experienced any losses in these accounts and management does not believe that this constitutes any significant concentration of credit risk.