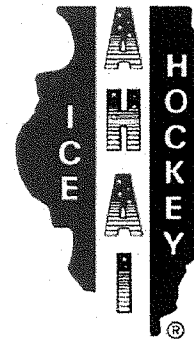


**AMATEUR HOCKEY
ASSOCIATION ILLINOIS, INC.**



**ANNUAL
FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED
MAY 31, 2009**

AMATEUR HOCKEY ASSOCIATION ILLINOIS, INC.

ANNUAL FINANCIAL REPORT

YEAR ENDED MAY 31, 2009

AMATEUR HOCKEY ASSOCIATION ILLINOIS, INC.

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INDEPENDENT AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT

August 3, 2009

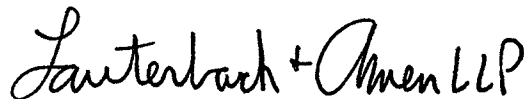
Board of Directors
Amateur Hockey Association Illinois, Inc.
Bensenville, Illinois

We have audited the accompanying statement of financial position of Amateur Hockey Association Illinois, Inc., as of May 31, 2009, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Association'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 basic 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 general purpose basic 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 Amateur Hockey Association Illinois, Inc. as of May 31, 2009, 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.

The audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedule of functional expenses is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



LAUTERBACH & AMEN, LLP

BASIC FINANCIAL STATEMENTS

AMATEUR HOCKEY ASSOCIATION ILLINOIS, INC.

**Statement of Financial Position
May 31, 2009**

ASSETS

Current Assets	
Cash and Investments	\$ 417,562
Accounts Receivable - Net of Allowances	21,296
Grants Receivable	4,906
Prepays	5,382
Inventory	26,840
	<u>475,986</u>
Capital Assets	
Depreciable Capital Assets	217,207
Accumulated Depreciation	(202,810)
	<u>14,397</u>
Total Assets	<u>490,383</u>

LIABILITIES

Current Liabilities	
Accounts Payable	15,357
Deferred Revenue	16,788
	<u>32,145</u>
Total Liabilities	<u>32,145</u>

NET ASSETS

Unrestricted	<u>458,238</u>
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The notes to the financial statements are an integral part of this statement.

AMATEUR HOCKEY ASSOCIATION ILLINOIS, INC.

Statement of Activities
Year Ended May 31, 2009

	<u>Unrestricted</u>
Revenues	
Registration Fees	\$ 365,523
Participation Fees	346,511
Grants and Donations	134,385
Gate Receipts at Events	77,497
Commissions	21,144
Interest Income	5,528
Miscellaneous	81,299
Total Operating Revenues	<u>1,031,887</u>
Expenses	
Program Services	
Events and Programs for Members	741,351
Program Registration	55,257
Supporting Services	
Management and General	226,442
Fundraising	28,133
Total Expenses	<u>1,051,183</u>
Change in Net Assets	(19,296)
Net Assets - Beginning	<u>477,534</u>
Net Assets - Ending	<u><u>458,238</u></u>

The notes to the financial statements are an integral part of this statement.

AMATEUR HOCKEY ASSOCIATION ILLINOIS, INC.

Statement of Cash Flows
Year Ended May 31, 2009

Cash Flows from Operating Activities	
Increase in unrestricted net assets	\$ (94,189)
Adjustments to reconcile change in unrestricted net assets to net cash provided by operating activities	
Depreciation	8,992
(Increase) decrease in assets	
Accounts receivable	(20,726)
Prepaid expenses and other current assets	(23,028)
Increase (decrease) in liabilities	
Accounts payable and accrued expenses	(8,340)
Deferred revenue	<u>44,115</u>
Net cash provided by operating activities	<u>(93,176)</u>
Net Change in Cash	(93,176)
Cash - Beginning	<u>510,738</u>
Cash - Ending	<u><u>417,562</u></u>

The notes to the Financial Statements are an integral part of this statement.

AMATEUR HOCKEY ASSOCIATION ILLINOIS, INC.

Notes to the Financial Statements May 31, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Activities

The Amateur Hockey Association, Inc. (AHAI) has been in operation since December 15, 1975. AHAI is an Illinois not-for-profit corporation exempt from income tax under Internal Revenue Code Section 501(c)(3). Its main purpose is to encourage and improve the standards and conduct of amateur ice hockey in the state of Illinois. Revenues are derived principally from AHAI's programs.

Basis of Accounting and Presentation

In the Statement of Financial Position, AHAI's activities are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations.

The financial statement presentation follows the Financial Accounting Standards Board's Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, AHAI is required to report information regarding its financial position and activities, based on the existence or absence of donor-imposed restrictions, according to the following three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. AHAI's net assets are reported in two parts: invested in capital assets and unrestricted net assets.

Cash and Investments

For the purpose of the Statement of Financial Position, cash and cash equivalents are considered to be cash on hand, demand deposits, and cash with fiscal agent. For the purpose of the proprietary funds "Statement of Cash Flows", cash and cash equivalents are considered to be cash on hand, demand deposits, cash with fiscal agent, and all highly liquid investments with an original maturity of three months or less.

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have any established market, if any, are reported at estimated fair value.

Grants Receivable

Grants receivable are expected to be collected within one year and are recorded at net realizable value.

Capital Assets

Capital Assets are recorded at cost. Depreciation is recorded using the straight-line method over the estimated useful lives, as follows:

	<u>Years</u>
Leasehold improvements	Life of Lease
Equipment	5
Software	3

AMATEUR HOCKEY ASSOCIATION ILLINOIS, INC.

Notes to the Financial Statements May 31, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Deferred Revenue

Deferred revenue represents cash collected for membership registrations and other services that have not been earned at May 31, 2009.

Revenue Recognition

Revenue is recognized when the service has been provided.

Conditional grants for which the conditions have not been met and unearned grant receipts are reported as liabilities until the conditions have been met or the revenues have been earned.

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Contributions not collected as of the end of the year are disclosed as pledges receivable and are recorded at their estimated present value.

All donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or a purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Income Taxes

AHAI is an Illinois not-for-profit corporation exempt from income tax under Internal Revenue Code Section 501(c)(3). However, income tax may be incurred on unrelated business income derived from space sold to advertisers in AHAI's newsletter. No income tax was due during fiscal year 2009.

Expense Allocation

AHAI allocates its expenses on a functional basis among its various programs and support services. Expenses that can be identified with a specific program or support service are allocated directly according to their natural expenditure classification.

Supporting services are those services related to operating and managing AHAI and its programs on a day-to-day basis. Supporting services have been subclassified as follows:

Management and general – includes all activities related to AHAI's internal management and accounting for program services.

Fundraising includes all activities related to the selling of merchandise and other similar projects related to the procurement of funds for AHAI's programs.

AMATEUR HOCKEY ASSOCIATION ILLINOIS, INC.

Notes to the Financial Statements May 31, 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Use of Estimates

In preparing financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 – CONCENTRATIONS OF CREDIT RISK

Uninsured Cash Balances

AHAI maintains its cash balances at two financial institutions located in the Chicago area. Accounts are insured by the Federal Deposit Insurance Corporation up to \$250,000. At May 31, 2009, AHAI had \$54,312 of uninsured cash balances.

NOTE 3 – CAPITAL ASSETS

The following is a summary of capital assets as of the date of this report:

	Balance Beginning	Additions	Deletions	Balance Ending
Leasehold Improvements	\$ 39,420	-	-	39,420
Equipment	158,299	-	-	158,299
Software	19,488	-	-	19,488
	217,207	-	-	217,207
Accumulated Depreciation	193,818	8,992	-	202,810
Net Asset Value	23,389	(8,992)	-	14,397

NOTE 4 – OTHER INFORMATION

Litigation

AHAI has been named as a defendant in a lawsuit. Although the outcome of this lawsuit is not presently determinable, in the opinion of AHAI's attorney, the resolution of this matter will not have a material adverse effect on the financial condition of AHAI.

AMATEUR HOCKEY ASSOCIATION ILLINOIS, INC.

Notes to the Financial Statements May 31, 2009

NOTE 4 – OTHER INFORMATION – Continued

Lease of Ice Arena

AHAI leases office and meeting space, as well as ice time, from an ice skating facility. The lease is a non-cancelable operating lease expiring on February 28, 2014. Under the terms of the lease, as long as AHAI rents 300 hours of ice time from the facility for each twelve-month period ending on May 31, it will not be charged rent for office and meeting space. If AHAI does not rent 300 hours of ice time, it will be required to pay the lessor \$24,000 for that year for the office and meeting space. For the year ended May 31, 2009, the minimum ice usage rental time was met; accordingly, no rental expense for office and meeting space was incurred. Future ice usage time is expected to be similar.

Contributed Services

Many unpaid volunteers have made significant contributions of their time to develop AHAI's programs. The value of the contributed time by volunteers and other contributed resources is not reflected in these financial statements since they do not meet the recognition criteria.

Significant Grantor

In most years, AHAI receives approximately 15% of its revenues from one grantor. Normally, the loss of this grant would require AHAI to seek additional revenue sources or secure new grants to continue to provide its current level of services. In the current fiscal year ending May 31, 2009, AHAI did not receive this grant but was able to obtain additional revenue sources through other grants and donations.

OTHER SUPPLEMENTARY INFORMATION

AMATEUR HOCKEY ASSOCIATION ILLINOIS, INC.

Schedule of Functional Expenses Year Ended May 31, 2009

	Events and Programs for Members	Program Registration	Management and General	Fundraising	Total
Awards	\$ 54,890	-	689	-	55,579
Bank Charges	10,635	-	-	-	10,635
Computer Services	-	642	1,821	-	2,463
Depreciation	-	-	8,992	-	8,992
Donations	2,250	1,500	1,600	5,500	10,850
Cross Ice Grants	2,450	-	-	-	2,450
Hospitality	22,840	103	5,008	14,637	42,588
Ice Fees	240,510	399	-	-	240,909
Insurance	-	-	1,226	-	1,226
Jerseys and Equipment	46,710	228	13,271	3,378	63,587
Legal Fees	18	-	25	-	43
Meeting Expenses	8,286	-	8,784	-	17,070
Merchandise	-	-	-	2,508	2,508
Miscellaneous Expense	44,435	75	47,880	-	92,390
Newsletter Production	57,670	-	-	-	57,670
Officials	34,159	-	-	-	34,159
One Goal Grant	4,000	-	-	-	4,000
Player Development	15,789	-	-	-	15,789
Postage and Mailing	4,302	1,512	10,337	27	16,178
Printed Materials	30,564	2,887	14,016	293	47,760
Professional Fees	42,902	-	11,811	-	54,713
Rental	2,783	423	2,327	-	5,533
Registrations	2,280	7,592	-	-	9,872
Screening	28,572	-	-	-	28,572
Supplies	17,331	2,218	1,916	1,790	23,255
Telephone	22	-	15,485	-	15,507
Travel	37,927	-	23,000	-	60,927
Wages and Payroll Taxes	30,026	37,678	58,254	-	125,958
Total Operating Expenses	741,351	55,257	226,442	28,133	1,051,183