UNITED STATES VIRGIN ISLANDS (U.S.V.I.)
SOCCER FEDERATION, INC.
INDEPENDENT AUDITOR'S REPORT
AND FINANCIAL STATEMENTS
DECEMBER 31, 2017
(With Comparative Totals for 2016)

BSC
BERT SMITH & CO.
CERTIFIED PUBLIC ACCOUNTANTS
& MANAGEMENT CONSULTANTS

UNITED STATES VIRGIN ISLANDS SOCCER FEDERATION, INC.
INDEPENDENT AUDITOR'S REPORT AND FINANCIAL STATEMENTS
DECEMBER 31, 2017

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INDEPENDENT AUDITOR'S REPORT

United States Virgin Islands Soccer Federation, Inc.
St. Croix, U.S. Virgin Islands

Report on the Financial Statements

We have audited the accompanying financial statements of United States Virgin Islands Soccer Federation, Inc., which comprise the statement of financial position as of December 31, 2017 and the related statement of activities and changes in net assets and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Federation as of December 31, 2017, and the changes in its net assets and its cash flows for the year ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the Organization's 2016 financial statements, and we expressed an unmodified audit opinion on those financial statements in our report dated April 17, 2017. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2016 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Bert Smith & Co.

St. Croix, U.S. Virgin Islands
June 22, 2017

UNITED STATES VIRGIN ISLANDS SOCCER FEDERATION, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2017
(With Comparative Totals for 2016)

	2017	2016
ASSETS		
Current Assets:		
Cash	$ 89,218	$ 14,994
Receivables	-	8,570
Prepaid Expenses	-	4,420
Other Assets	-	2,545
Total Current Assets	89,218	30,529
Noncurrent Assets:		
Property and Equipment, net	489,222	510,921
Construction in Progress	625,154	378,215
Total Noncurrent Assets	1,114,376	889,136
Total Assets	$ 1,203,594	$ 919,665
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts Payable	$ 23,950	$ 20,136
Total Current Liabilities	23,950	20,136
Total Liabilities	23,950	20,136
Net Assets:		
Total Net Assets	1,179,644	899,529
Total Liabilities and Net Assets	$ 1,203,594	$ 919,665

The accompanying notes are an integral part of theses financial statements

UNITED STATES VIRGIN ISLANDS SOCCER FEDERATION, INC.
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2017
(With Comparative Totals for 2016)

	2017	2016
INCOME		
Forward Football Development Program	524,945	$ 715,311
Capital Funding	233,799	219,738
Registration and Dues	4,167	10,350
Contributions and Other	161,335	79,161
Total Income	924,246	1,024,560
EXPENSES		
Travel	195,991	255,146
Contract Labor	77,497	176,977
Coaching	98,150	84,418
Development Program	26,109	14,893
Awards and Grants	43,650	38,162
Special Events	31,369	68,997
Facility and Equipment	51,158	34,991
Office	14,107	11,884
Rent	22,250	38,100
Advertisement	5,929	12,709
Insurance	13,903	10,176
Auto	5,355	8,509
Depreciation	21,412	23,083
Utilities	3,159	3,923
Professional & Other	34,092	25,390
Total Operating Expenses	644,131	807,358
Change in Net Assets	280,115	217,202
Net Assets, Beginning of Year	899,529	682,327
Net Assets, End of Year	1,179,644	$ 899,529

The accompanying notes are an integral part of theses financial statements.

UNITED STATES VIRGIN ISLANDS SOCCER FEDERATION, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2017
(With Comparative Totals for 2016)

	2017	2016
Cash Flows from Operating Activities:		
Change in Net Assets	$ 280,115	$ 217,202
Adjustment to Reconcile Net Income to Net Cash Provided by/(Used in) Operating Activities:		
Depreciation	21,412	23,083
Loss of Equipment	287	
Changes in Operating Assets and Liabilities:		
Decrease (Increase) in Receivables	8,570	(3,935)
Decrease in Prepaid Expenses	4,420	1,500
Decrease (Increase) in Other Assets	2,545	(1,545)
Increase in Accounts Payable	3,814	4,093
Net Cash Provided by Operating Activities	321,163	240,398
Cash Flows from Investing Activities:		
Acquisition of Fixed Assets	-	(2,310)
Construction-in-Progress	(246,939)	(273,355)
Net Cash (Used in) Investing Activities	(246,939)	(275,665)
Net Increase (Decrease) in Cash	74,224	(35,267)
Cash, Beginning of Year	14,994	50,261
Cash, End of Year	$ 89,218	$ 14,994

The accompanying notes are an integral part of theses financial statements.

U.S.V.I. SOCCER FEDERATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of U.S.V.I. Soccer Federation, Inc.'s (the Federation) significant accounting policies consistently applied in the preparation of the accompanying financial statements follows:

- ***Nature of Operations***

  The Federation is a private organization duly constituted and registered in the U.S. Virgin Islands as a non-profit organization. The principal activity of the Federation is to improve and regulate the game of football (soccer) throughout the territory. The Federation is an affiliate of the Federation Internationale de Football Association ("FIFA") which is the world-governing body of soccer and is comprised of the various national soccer associations. FIFA is responsible for the promotion and organization of the game of soccer throughout the world. The Federation is also affiliated with the Confederation of North, Central American and Caribbean Association Football (CONCACAF).

- ***Basis of Accounting***

  The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

- ***Basis of Presentation***

  The financial statements are presented under standards for not-for-profit organizations issued by the Financial Accounting Standards Board. Under these standards, financial statements are required to report information regarding the Federation's financial position and activities for each of the three classes of net assets (based on the existence or absence of donor imposed restrictions) as follows:

  ... *Unrestricted Net Assets* – unrestricted resources available to support operations that can be utilized at the discretion of the Board of Directors and management and also includes temporarily restricted resources which become available for use by the Federation in accordance with the intention of donors.

  ... *Temporarily Restricted Net Assets* – net assets that are subject to donor-imposed stipulations that will be met either by actions of the Project and/or the passage of time.

  ... *Permanently Restricted Net Assets* – net assets subject to donor-imposed stipulations that are to be maintained permanently by the Project.

  All assets of the Federation were unrestricted as at December 31, 2017.

- ***Support***

  The Federation receives a significant portion of its revenues from FIFA under the Forward Football Development Program. Revenues are based on fixed contract amount and recognized on the accrual basis of accounting. Included in revenues is $233,799 which represents funding from FIFA for the construction of building and related facilities in St. Croix, USVI.

- ***Property and Equipment***

  The Federation records property and equipment at cost. Depreciation is recorded on a straight-line basis over the estimated useful lives of the assets ranging from 5 to 7 years.

Building	39 years
Furniture and Equipment	5-7 years
Vehicle	5 years

- ***Cash and Cash Equivalents***

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

- ***Income Taxes***

  The Federation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code; therefore, no federal income tax has been recorded in the financial statements.

- ***Use of Estimates***

  The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and 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. Accordingly, actual results could differ from those estimates.

- ***Reclassification:*** Certain prior year amounts have been reclassified to conform to the current year's presentation.

NOTE 2 NATURAL DISASTERS

On September 6 and 19, 2017, the United States Virgin Islands was struck by two Category 5 hurricanes. The storms impacted the operations of the Federation. No material losses were incurred. The Statements of Activities and Changes in Net Assets and Cash Flows reflect the reduced level of activities for the year ended December 31, 2017.

NOTE 3 PROPERTY AND EQUIPMENT

Property and equipment consist of the following at December 31, 2017:

Building	501,042
Furniture and Equipment	20,644
Vehicle	36,735
Total	558,421
Less: Accumulated Depreciation	(69,199)
Property and Equipment, Net	$ 489,222

NOTE 4 CONSTRUCTION IN PROGRESS

Construction in progress represents costs incurred in FY2017 for the construction of a soccer field at plot #23-1 Estate Upper Bethlehem, St. Croix, US Virgin Islands. At December 31, 2017 construction in progress totaled $625,154.

NOTE 5 CURRENT VULNERABILITY DUE TO CERTAIN CONCENTRATIONS

The Federation's main source of income is the funds received under the FIFA Forward Football Development Program. Any material changes in this source of support would have a significant impact on its programs and services.

NOTE 6 CONCENTRATION OF CREDIT RISK

Financial instruments which subject the Federation to concentration of credit risk consist principally of cash. The Federation had no deposits in excess of the Federal Deposit Insurance Corporation (FDIC) limit of $250,000 per account held at a federally insured institution. The Federation, however had balances of $1,259 in an institution that is not FDIC insured, consequently; balances held at this institution could be at risk should the institution fail.

NOTE 7 LEASE AGREEMENT

The Federation conducts its activities at two offices, located in St. Croix and St. Thomas.

The St. Croix office operates from its office which was constructed with partial funding from FIFA. The office building located at Upper Bethlehem, St. Croix is built on land leased from the government of the United States Virgin Islands for a period of 30 years with a monthly payment of $800. The St. Thomas office was leased on a month to month basis with a rental fee of $1,000, and was significantly damaged as a result of Hurricane Irma.

Rental fees over the next five years are as follows:

Year	Amount
2018	$ 9,600
2019	$ 9,600
2020	$ 9,600
2021	$ 9,600
2022	$ 9,600

Rent expense for the year ended December 31, 2017 was $22,250.

NOTE 8 SUBSEQUENT EVENTS

The Federation's management has evaluated subsequent events through June 22, 2018, the date the financial statements were available to be issued. The accompanying financial statements recognize the effects of subsequent events that provided evidence about conditions that existed at the balance sheet date including the estimates inherent in the process of preparing financial statements. The accompanying financial statements do not recognize the effect of subsequent events that did not exist at the balance sheet date, but disclosures of such events, if any, are included in the accompanying notes.