

December 5, 2022

Board of Directors
Indiana Soccer Association, Inc.
Westfield, Indiana

We have audited the consolidated financial statements of Indiana Soccer Association, Inc. (the Organization) for the year ended July 31, 2022, and we will issue our report thereon dated December 5, 2022. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated September 26, 2022. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Indiana Soccer Association, Inc. are described in the Summary of Significant Accounting Policies note to the consolidated financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during 2022. We noted no transactions entered into by the Association during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the consolidated financial statements in the proper period.

Accounting estimates are an integral part of the consolidated financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the consolidated financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the consolidated financial statements were:

Management's estimate of the collectability of accounts receivable is based on the Association's collection history, the financial stability and recent payment history of the customers and clients, and other pertinent factors. We evaluated the key factors and assumptions used to develop the estimate of the collectability of accounts receivable in determining that it is reasonable in relation to the consolidated financial statements taken as a whole.

Management's estimate of the depreciation expense is based on the useful lives of the assets using straight-line method. We evaluated the key factors and assumptions used to develop the estimate of the depreciation expense in determining that it is reasonable in relation to the consolidated financial statements taken as a whole.

Management's estimate of player insurance liability is based on historical claims experience and the potential of claims reaching the deductible threshold. We evaluated the key factors and assumptions used to develop the estimate of player insurance liability in determining that it is reasonable in relation to the consolidated financial statements taken as a whole.

Management's estimate of the functional allocation of expense is based on the estimates of time, effort, and usage. We evaluated the key factors and assumptions used to develop the functional allocation of expense in determining that it is reasonable in relation to the consolidated financial statements taken as a whole.



Certain financial statement disclosures are particularly sensitive because of their significance to the consolidated financial statement users. The most sensitive disclosure affecting the consolidated financial statements was:

The Liquidity note to the consolidated financial statements discloses financial assets available for general use and without donor or other restrictions limiting their use within one year of the consolidated statements of financial position.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The attached Adjusting Journal Entries Report summarizes both the material and immaterial misstatements that were either provided to us by management or detected as a result of audit procedures and corrected by management.

Additionally, the attached Schedule of Passed Adjusting Journal Entries summarizes uncorrected misstatements of the consolidated financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the consolidated financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a disagreement on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 5, 2022.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's consolidated financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

With respect to the supplementary information accompanying the consolidated financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with U.S. generally accepted accounting principles, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the consolidated financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the consolidated financial statements or to the consolidated financial statements themselves.

We communicated significant risks of material misstatement we had identified as part of our planning in our letter to you dated September 26, 2022. After that letter and upon further planning leading up to the audit, we added risks related to: accuracy of payroll expense, rights to recognizing revenue.

This information is intended solely for the use of the Board of Directors of Indiana Soccer Association, Inc. and is not intended to be, and should not be, used by anyone other than these specified parties.

VonLehman & Company Inc.

Client: **202218.001 - Indiana Soccer Association, Inc.**
Engagement: **2022 AU - Indiana Soccer Association, Inc.**
Period Ending: **7/31/2022**
Trial Balance: **1225.01 - TB**
Workpaper: **1250.01 - Combined Journal Entries Report - ISA**

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries				
Adjusting Journal Entries JE # 2				
Adjust net assets to agree to prior year audited balance.				
48040-30	Office Postage		621.00	
380000	Unrestricted Net Assets			621.00
Total			621.00	621.00
Adjusting Journal Entries JE # 3				
Per client request, to adjust prepaid insurance.				
744-45-00-00	PROPERTY/BUSINESS/AUTO INS.		1,335.00	
115550	Prepaid Insurance			1,335.00
Total			1,335.00	1,335.00
Adjusting Journal Entries JE # 4				
To recognize contribution for grants awarded in 2022. To reclassify Dick's Sporting Goods grant to separate account for reporting purposes.				
200103	Dick's Sporting Grant		7,500.00	
200107	Langdon Kumler Memorial Fund		3,480.00	
200108	USYS 2022 Org Growth Grant		35,000.00	
VL05	Grant Receivable		25,897.00	
115001	Other Receivables			7,500.00
VL01	Dick's Sporting Grant Revenue			7,500.00
VL02	Langdon Kumler Memorial Fund Revenue			3,480.00
VL03	USYS 2022 Org Growth Grant			35,000.00
VL04	US Soccer Federation - ITG 2021-09 grant revenue			18,397.00
Total			71,877.00	71,877.00
Total Adjusting Journal Entries			73,833.00	73,833.00
Reclassifying Journal Entries				
Reclassifying Journal Entries JE # 1				
For report purposes only - to reclass VEO platform and Rezill expense to show separately from depreciation.				
610-42-57-00	DISCRETIONARY EXPENSE		1,560.00	
595-42-45-01	REZILL EXPENSES			1,560.00
Total			1,560.00	1,560.00
Total Reclassifying Journal Entries			1,560.00	1,560.00
Total All Journal Entries			75,393.00	75,393.00

Schedule of Passed Adjusting Journal Entries

Entity: Indiana Soccer Association, Inc.

Statement of Financial Position Date: July 31, 2022

Description (Nature) of Audit Difference (AD)	Factual (F), Judgmental (J), or Projected (P)	Cause	Financial Statement Effect—Amount of Over (Under) Statement of:					Change in Net Assets
			Total Assets	Total Liabilities	Net Assets	Revenues	Expenses	
Understated payroll expense and accrual	F	5 days of FY 2022 payroll was paid in August 2022 and accrual was not recorded.	-	(9,310)	9,310	-	(9,310)	9,310
Understated revenue and expense for grants	F	Grant revenue and expense was netted together, should be shown separately	-	-	-	(13,572)	(13,572)	-
Understated revenue and AR for commissions earned on events	F	Exact amounts were not known at year end and did not calculate and record estimate.	(12,464)	-	(12,464)	(12,464)	-	(12,464)
								-
								-
								-
								-
								-
								-
Total			(12,464)	(9,310)	(3,154)	(26,036)	(22,882)	(3,154)