ILLINOIS HIGH SCHOOL ASSOCIATION
Bloomington, Illinois

Financial Statements

June 30, 2013 and 2012

TABLE OF CONTENTS

STRIEGEL KNOBLOCH & COMPANY, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Dennis K. Knobloch, CPA
James E. Mulligan, CPA
James P. Ingold, CPA
Joel M. White, CPA

Danny L. Kiedaisch, CPA
John J. Belletete, CPA
Chad E. Rogers, CPA
David A. Klimas, CPA
Benjamin J. Smith, CPA

L. Eugene Striegel, CPA
1935-2011
Martha E. Ingold, CPA
Consultant

Independent Auditors' Report

Board of Directors
Illinois High School Association

We have audited the accompanying financial statements of Illinois High School Association (a non-profit organization), which comprise the statements of financial position as of June 30, 2013 and 2012, and the related statements of activities and cash flows for the years 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 the 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 misstatements, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on these financial statements based on our audits. 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.

115 West Jefferson, Suite 200, P.O. Box 3217, Bloomington, Illinois 61702-3217
Ph: (309) 829-4303 Fax: (309) 827-3191 Website: www.skco.net
With offices in Chicago, Pontiac and Rantoul

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Illinois High School Association of June 30, 2013 and 2012, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the Unites States of America.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

Striegel Knobloch & Company, LLC

Bloomington, Illinois
December 4, 2013

ILLINOIS HIGH SCHOOL ASSOCIATION
Bloomington, Illinois

Statements of Financial Position

June 30,

	2013	2012
Assets		
Current Assets:		
Cash and cash equivalents (Note 1)	$ 2,360,463	$ 2,151,830
Investment securities (Notes 2 and 3)	2,372,134	2,220,276
Accounts receivable (Note 1)	213,262	373,546
Accrued interest receivable	15,865	15,842
Prepaid expenses	85,506	99,646
Total current assets	5,047,230	4,861,140
Other Assets (Note 2)	59,487	4,309
Property, Building and Equipment (Notes 1 and 4)	3,339,037	3,235,091
Less: accumulated depreciation	(1,826,090)	(1,711,031)
	1,512,947	1,524,060
Total assets	$ 6,619,664	$ 6,389,509
Liabilities and Net Assets		
Current Liabilities:		
Accounts payable	$ 92,052	$ 102,327
Accrued expenses	41,906	39,674
Deferred revenue (Note 1)	469,775	442,945
Due to IHSA Foundation	31,195	3,555
Total current liabilities	634,928	588,501
Pension and deferred compensation (Notes 5 and 6)	4,342,207	5,568,682
Total liabilities	4,977,135	6,157,183
Net assets:		
Unrestricted net assets	1,642,529	232,326
Total liabilities and net assets	$ 6,619,664	$ 6,389,509

The accompanying notes are an integral part of these statements.

ILLINOIS HIGH SCHOOL ASSOCIATION
Bloomington, Illinois

Statements of Activities

For the Years Ended June 30,

	2013	2012
Revenues, Gains and Other Support:		
Athletic officials	$ 843,684	$ 869,023
Athletic tournaments - boys	5,695,205	5,928,645
Athletic tournaments - girls	1,981,450	2,046,460
Contests	540,247	425,131
Investment income, net	189,271	112,506
Other	1,746,546	1,587,297
Total revenues, gains and other support	10,996,403	10,969,062
Expenses:		
Athletic officials	312,055	281,956
Athletic tournaments - boys	3,233,199	3,260,170
Athletic tournaments - girls	1,833,548	1,831,252
Contests	654,772	521,949
Other	1,125,646	1,141,824
Total program expenses	7,159,220	7,037,151
Excess of revenues, gains and other support over expenses before administrative expenses	3,837,183	3,931,911
Administrative expenses	(4,353,310)	(3,791,146)
Increase (decrease) in net assets	(516,127)	140,765
Pension-related changes other than net periodic pension costs	1,926,330	(1,612,522)
Total change in net assets	1,410,203	(1,471,757)
Net assets at beginning of year	232,326	1,704,083
Net assets at end of year	$ 1,642,529	$ 232,326

The accompanying notes are an integral part of these statements.

ILLINOIS HIGH SCHOOL ASSOCIATION
Bloomington, Illinois

Statements of Cash Flows

For the Years Ended June 30,

	2013	2012
Cash flows from (used in) operating activities (Note 1):		
Change in net assets	$ 1,410,203	$ (1,471,757)
Adjustments to reconcile change in net assets to cash provided by (used) by operating activities:		
Depreciation	115,059	122,024
Unrealized/realized gain on investments	(125,194)	(66,232)
Change in assets and liabilities:		
Accounts receivable	160,284	(141,645)
Accrued interest receivable	(23)	(1,260)
Prepaid expenses	14,140	10,298
Accounts payable	(10,275)	21,312
Accrued expenses	2,232	(101,965)
Deferred revenue	26,830	(13,111)
Pension and deferred compensation liabilities	(1,226,475)	1,895,323
Due to IHSA Foundation	27,640	1,095
Net cash from operating activities	394,421	254,082
Cash flows from (used in) investing activities:		
Capital expenditures	(103,946)	(93,702)
Net purchase investments held in rabbi trust	(55,178)	19,358
Proceeds from maturity of certificates of deposit	-	100,000
Net purchases of investments	(26,664)	(243,232)
Net cash from (used in) investing activities	(185,788)	(217,576)
Increase in cash and cash equivalents	208,633	36,506
Cash and cash equivalents at beginning of year	2,151,830	2,115,324
Cash and cash equivalents at end of year	$ 2,360,463	$ 2,151,830

The accompanying notes are an integral part of these statements.

Note 1 – Summary of Accounting Policies

Organization

The Illinois High School Association (a nonprofit association) was formed to supervise and control interscholastic activities in which its member schools within the State of Illinois may engage. The Association's primary source of revenue is gate receipts from athletic tournaments.

Basis of Accounting

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

Basis of Presentation

The Association has adopted FASB ASC 958. Under FASB ASC 958 the Association is required to distinguish between contributions received for each net asset category in accordance with donor-imposed restrictions. Under these standards, the Association reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

> Unrestricted Net Assets are those assets presently available for use by the Association at the discretion of the Board.
>
> Temporarily Restricted Net Assets are those assets which are subject to donor-imposed stipulations that may or will be met, either by actions of the Association and/or the passage of time.
>
> Permanently Restricted Net Assets are those assets with a donor-imposed restriction that stipulates that resources be maintained permanently but permits the Association to use up or expend part or all of the income (or other economic benefits) derived from the donated assets.

The Association did not have any temporarily or permanently restricted net assets as of June 30, 2013 and 2012.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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 the revenues, expense, gains, losses and other changes in net assets during the reporting period. Actual results could differ from those estimates.

Note 1 – Summary of Accounting Policies – Continued

Cash and Cash Equivalents
For purposes of reporting cash flows, the Association considers all liquid investments with an original maturity of three months or less to be cash and cash equivalents.

Cash equivalents of $2,360,463 and $2,151,830 at June 30, 2013 and 2012, respectively, consist of interest-bearing deposits and money market funds in financial institutions.

Receivables and Credit Policies

Accounts receivable are uncollateralized customer obligations that generally require payment within thirty days from the date of occurrence. Accounts receivable are stated at the invoice amount. Due to the uncertainty regarding collection, penalty fees, if any, are recognized as income when received.

Account balances with specific amounts over 45 days old are considered delinquent.

Payments of accounts receivable are applied to the specific occurrence identified on the customer’s remittance advise or, if unspecified, to the earliest unpaid document. In the case that a customer is also a vendor, account receivable and account payable balance are netted together, which eliminates one account and reduces the other.

Management reviews accounts receivable balances that exceed one year from the occurrence and based on an assessment of current creditworthiness, estimates the portion, if any, of the balance that will not be collected. All accounts or portions thereof deemed to be uncollectible are written off to bad debt expense.

Certificate of Deposit

Certificates of deposit, with a maturity of more than three months when purchased, are carried at cost, which approximates fair value.

Investment Securities
Investments are stated at fair value based on quoted market prices or recent trade activities and unrealized and realized gains (losses) are reflected in the statements of activities.

Note 1 – Summary of Accounting Policies – Continued

Other Assets
As further described in Note 6, the Association has a nonqualified deferred compensation plan. Assets held in the rabbi trust for the plan are recorded as other assets on the statements of financial position, measured at fair value, and are subject to claims by creditors of the Association in the event of insolvency.

Property Building and Equipment
Property, building and equipment are carried at cost. Depreciation is computed at annual rates sufficient to amortize the cost over their estimated useful lives, principally on the straight-line basis.

Income Taxes
The Association is a not-for-profit corporation and is exempt from income taxes under Section 501 (c)(3) of the Internal Revenue Code. An informational return, Form 990, is filed with the Internal Revenue Service each year.

Deferred Revenue

Officials' fees collected in advance for the coming school year have been included in deferred revenue in the accompanying statement of financial position. Such deferred revenue is recognized as revenue when earned during the coming school year.

Note 2 – Fair Value Measurements

The Assocation has determined the fair value of certain assets and liabilities through application of ASC 820. The fair value hierarchy ranks the quality and reliability of the information used to determine fair values. Financial assets and liabilities carried at fair value are classified and disclosed in one of the following three categories:

- Level 1 – Valuations for assets and liabilities traded in active exchange markets. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.

- Level 2 – Valuations for assets and liabilities traded in less active dealer or broker markets. Valuations are obtained from third party pricing services for identical or similar assets or liabilities.

Note 2 – Fair Value Measurements – Continued

- Level 3 – Valuations for assets and liabilities that are derived from other valuation methodologies, including option pricing models, discounted cash flow models and similar techniques, and not based on market exchange, dealer or broker traded transactions. Level 3 valuations incorporate certain assumptions and projections in determining the fair value assigned to such assets.

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.

Common stocks and mutual funds listed on a national market or exchange are valued at the last sales price, or if there is no sale and the market is still considered active at the last transaction price before year end.

Corporate bonds are valued based on either the most recent observable trade and/or external quotes.

The fair value of municipal bonds is derived using recent trade activity, market price quotations, and new issuance levels. In the absence of this information, fair value is calculated using comparable bonds credit spreads. Current interest rates, credit events, and individual bond characteristics such as coupon, call features, maturity, and revenue purpose are considered in the valuation process.

Fair values of assets and liabilities measured on a recurring basis are as follows at June 30:

		Fair Value Measurements at Reporting Date Using		
	Fair Value	(Level 1)	(Level 2)	(Level 3)
June 30, 2013				
Common stock	$ 917,401	$ 917,401	$ -	$ -
Fixed income:				
Cash and cash equivalents[1]	9,398	9,398	-	-
Mutual funds[1]	50,089	50,089	-	-
Corporate bonds	155,605	155,605	-	-
Municipal bonds	1,299,128	-	1,299,128	-
	$ 2,431,621	$ 1,132,493	$ 1,299,128	$ -

Note 2 – Fair Value Measurements – Continued

		Fair Value Measurements at Reporting Date Using		
	Fair Value	(Level 1)	(Level 2)	(Level 3)
June 30, 2012				
Common stock	$ 764,191	$ 764,191	$ -	$ -
Fixed income:				
Cash and cash equivalents[1]	4,309	4,309	-	-
Mutual funds[1]	-	-	-	-
Corporate bonds	148,653	148,653	-	-
Municipal bonds	1,307,432	-	1,307,432	-
	$ 2,224,585	$ 917,153	$ 1,307,432	$ -

[1]Cash and cash equivalents and mutual funds held in a rabbi trust are included in other assets in the statements of financial position.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Association believes its valuation methods are appropriate and consistent with our 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 reporting date.

Note 3 – Investment Securities and Certificates of Deposit

At June 30, investment securities and certificates of deposit consisted of the following:

	2013	2012
Common stock – equity (at fair value)	$ 917,401	$ 764,191
Fixed income bonds (at fair value)	1,454,733	1,456,085
	$ 2,372,134	$ 2,220,276

For the year ended June 30, investment income consisted of the following:

	2013	2012
Interest and dividends net of expenses of $17,521 and $17,020	$ 64,077	$ 46,274
Unrealized/realized gain on investment securities	125,194	66,232
	$ 189,271	$ 112,506

Note 4 – Property, Building and Equipment

Property, building and equipment at cost consist of the following at June 30:

	2013	2012
Automobiles	$ 112,600	104,601
Office furniture and equipment	963,197	871,880
Building	2,179,163	2,174,533
Land	84,077	84,077
	$ 3,339,037	$ 3,235,091

Note 5 – Pension Plan

The Association has a defined benefit pension plan covering substantially all of its employees. The Association's policy is to fund current pension costs with at least the minimum amount that is required under the Employee Retirement Income Security Act of 1974 (ERISA). Contributions are intended to provide not only benefits attributed to service to date but also for those expected to be earned in the future. The benefits are based on years of service and the employee's compensation reduced by a social security benefit. This plan has been frozen effective July 1, 2008.

The following sets forth the plan's funded status and amounts recognized in the Association's financial statements at June 30:

	2013	2012
Projected benefit obligation	$ (11,947,370)	$ (12,510,786)
Plan assets at fair value	8,698,739	8,239,905
Funded status, included in pension and deferred compensation liabilities on the statements of financial position	$ (3,248,631)	$ (4,270,881)
Employer contributions	$ 425,000	$ 475,000
Accumulated benefit obligation	$ 11,947,370	$ 12,510,786
Benefits paid	$ 590,911	$ 547,590

Note 5 – Pension Plan – Continued

Amounts recognized in the statement of activities for the years ended June 30:

	2013	2012
Interest cost	$ 562,098	$ 560,780
Actual gain on plan assets	(624,745)	(234,757)
Net asset gain (loss) deferred for later recognition	354,431	(9,579)
Amortization of net loss from earlier periods	361,321	231,762
Net periodic pension cost	653,105	548,206
Pension related changes other than net periodic pension cost	(1,250,355)	1,468,713
	$ (597,250)	$ 2,016,919

The assumptions shown below were used in accounting for the pension plan as of 2013 and 2012:

	2013	2012
Discount rate	4.60%	4.30%
Rates of increase in compensation (due to freeze)	0.00%	0.00%
Expected long-term rate of return on assets	3.25%	3.25%

The discount rate and expected rate of return on plan assets are critical assumptions which significantly affect pension accounting. Even relatively small changes in these rates would significantly change the recorded pension expense and accrued liability. Management believes the discount rate and expected rate of return on plan assets used in determining its year end pension accounting are reasonable based on currently available information. However, it is at least reasonably possible that these assumed rates will be revised in the near term, based on future events and changes in circumstances.

The Association's expected long-term rate of return on plan assets assumption of 3.25% is based on using the "building block" approach described by the Actuarial Standards Board in Actuarial Standards of Practice No. 27 – *Selection Economic Assumptions for Measuring Pension Obligations*. Based on the Association's investment policy for the pension plan in effect as of the beginning of fiscal year, a best estimate range was determined for the expected real rate of return and using a mid-point of each expectation.

Note 5 – Pension Plan – Continued

The following table summarizes plan assets measured at fair value at June 30, 2013, segregated by the level of valuation inputs within the fair value hierarchy utilized to measure fair value.

	Quoted Prices in Active Markets for Identical Assets (Level1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Fair Value
Cash and cash equivalents	$ 706,408	$ -	$ -	$ 706,408
Equity securities:				
Common stock	2,290,343	-	-	2,290,343
Mutual funds:				
Small Cap	212,549	-	-	212,549
Mid Cap	182,511	-	-	182,511
International	791,980	-	-	791,980
	3,477,383	-	-	3,477,383
Fixed income:				
U.S. treasury notes	503,904	-	-	503,904
Corporate bonds	1,650,629	-	-	1,650,629
Municipal bonds	-	2,337,623	-	2,337,623
Mutual funds	22,792	-	-	22,792
	2,177,325	2,337,623	-	4,514,948
Total	$ 6,361,116	$ 2,337,623	$ -	$ 8,698,739

The Association's asset allocation at June 30, 2012 is as follows:

Equity	35%	$ 2,849,371
Fixed income	60%	5,001,754
Cash and cash equivalents	5%	388,780
Total	100%	$ 8,239,905

Note 5 – Pension Plan – Continued

The Associations' target asset allocation as of June 20, 2013, by asset category, is as follows:

Equity	20-50%
Fixed income	50-75%
Cash and cash equivalents	0-5%

The Association's investment policy includes various guidelines and procedures designed to ensure assets are invested in a manner necessary to meet expected future benefits earned by participants. The investment guidelines consider a broad range of economic conditions. Central to the policy are target allocation ranges (shown above) by major asset categories.

The objective of the target allocations are to maintain investment portfolios that diversify risk through prudent asset allocation parameters, achieve asset returns that meet or exceed the plan's actuarial assumptions, and achieve asset returns that are competitive with like institutions employing similar investment strategies.

The investment policy is periodically reviewed by the Association and a designated third-party fiduciary for investment matters. The policy is established and administered in a manner so as to comply at all times with applicable government regulations. The investment statements are reviewed quarterly by the Board of Directors.

The Association expects to contribute $300,000 to its pension plan for the year ending June 30, 2014.

The following benefit payments which reflect expected future service, as appropriate, are expected to be paid:

Years Ending June 30,	
2014	$ 646,299
2015	660,762
2016	674,393
2017	668,294
2018	680,363
2019-2023	3,695,399
	$ 7,025,510

Note 5 – Pension Plan – Continued

Reconciliation of items not yet reflected in net periodic benefit cost is as follows:

	July 1, 2012	Reclassified as Net Periodic Benefit Cost	Amounts Arising During Period	June 30, 2013
Net loss	$ 4,874,442	$ (361,321)	$ (889,034)	$ 3,624,087

	July 1, 2011	Reclassified as Net Periodic Benefit Cost	Amounts Arising During Period	June 30, 2012
Net loss	$ 3,405,729	$ (231,762)	$ 1,700,475	$ 4,874,442

Note 6 – Employee Benefit Plans

The Association has a 401(k) savings plan and trust covering substantially all full-time employees. The Association matches 100% of the first 3% of earnings contributed by each employee. The Association also contributes 7% of the administrators' salaries into two lump sum payments during the year, with an exception being those who participate in the deferred compensation plan. Expense for the plan was $98,532 and $95,865 for the years ending June 30, 2013 and 2012, respectively.

Effective June 15, 2009, the Association established a nonqualified deferred compensation plan for the purpose of providing supplemental retirement benefits to certain employees in connection with the freeze of benefit accruals of the Association's pension plan.

The following table sets forth the plan's funded status and amounts recognized in the Association's financial statements at June 30, 2013 and 2012:

	2013	2012
Projected benefit obligation	$ (1,153,063)	$ (1,302,110)
Fair value of plan assets	59,487	4,309
Funded status	$ (1,093,576)	$ (1,297,801)

Note 6 – Employee Benefit Plans – Continued

	2013	2012
Accrued benefit cost included in current accrued expenses	$ -	$ -
Accrued benefit cost included in long-term pension and deferred compensation liabilities	1,224,016	(1,297,801)
	$ 1,224,016	$ (1,297,801)
Accumulated benefit obligation	$ 1,153,063	$ 1,097,463
Employer contribution	$ 75,000	$ -
Benefits paid	$ 19,990	$ 19,408

Amounts recognized in statements of activities for the years ended June 30, 2013 and 2012:

	2013	2012
Service cost	$ 77,918	$ 54,439
Interest cost	55,531	53,947
Actual return on plan assets	(168)	(50)
Net asset loss deferred for later recognition	(1,855)	(381)
Amortization of net loss from earlier period	415,324	101,640
Net periodic benefit cost	546,750	209,595
Benefit related changes other than net periodic benefit cost	(675,975)	143,809
	$ (129,225)	$ 353,404

Amounts used to determine benefit obligation as of June 30, 2013 and 2012:

	2013	2012
Discount rate	4.60%	4.37%
Rates of increase in compensation	13.00%	6.00%
Expected long-term rate of return on assets	3.25%	3.25%

Note 6 – Employee Benefit Plans – Continued

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid as follows:

Years Ending June 30,		
2014	$	221,690
2015		51,607
2016		52,867
2017		53,271
2018		54,463
2019-2023		285,328
	$	719,226

Note 7 – Illinois High School Activities Foundation

The Illinois High School Activities Foundation was incorporated on February 14, 1994 to promote and support educational and/or charitable interest, by scholarship, donation, loan or otherwise. The Association is the sole member of the Foundation. The Foundation's by-laws provide the Association with the authority to appoint all directors of the Foundation. The net assets and changes in net assets of the Foundation are insignificant and, accordingly, have not been consolidated with the financial statements of the Association.

Note 8 – Commitments

The Association leases certain office equipment under noncancelable operating leases.

Future minimum lease payments are as follows:

Years Ending June 30,		
2014	$	14,292
2015		11,477
2016		7,536
2017		7,536
Total	$	40,841

Total lease expense for the years ended June 30, 2013 and 2012 were $14,292 and $23,016, respectively.

Note 9 – Litigation

The Association is subject to pending and threatened legal actions which arises in the normal course of business. While the final outcome cannot be determined at this time, management is of the opinion that the ultimate liability, if any, from the resolution of these matters will not have a material effect on the Association's financial statements.

Note 10 – Uncertain Tax Positions

Accounting principles generally accepted in the United States of America require the Association's management evaluate tax positions taken by the Association and recognize a tax liability if the Association has taken an uncertain position that more than likely would not be sustained upon examination by the Internal Revenue Service. Management has analyzed the tax positions taken by the Association, and has concluded that as of June 30, 2013, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Association is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Note 11 – Subsequent Events:

No events have occurred subsequent to June 30, 2013, that are required to be disclosed in the financial statements. This evaluation was made as of December 4, 2013, the date these financial statements were available to be issued.

SUPPLEMENTAL SCHEDULES

ILLINOIS HIGH SCHOOL ASSOCIATION
Bloomington, Illinois

Schedule of Revenues and Expenses

For the Year Ended June 30, 2013

	Revenue	Expense	Net Amount
Athletic Officials:			
Dues and registration	$ 843,684	$ 312,055	$ 531,629
Boys Athletic Tournaments:			
Baseball	$ 329,815	$ 231,549	98,266
Basketball	2,039,227	925,895	1,113,332
Bass fishing	55,100	7,626	47,474
Bowling	18,852	14,027	4,825
Cross country	13,728	47,056	(33,328)
Football	2,159,062	1,054,392	1,104,670
Golf	5,100	45,724	(40,624)
Gymnastics	13,045	23,469	(10,424)
Soccer	249,677	211,897	37,780
Swimming	57,925	53,538	4,387
Tennis	125	23,101	(22,976)
Track and field	143,585	98,073	45,512
Volleyball	83,577	81,750	1,827
Wrestling	494,020	387,360	106,660
Water polo	32,367	26,672	5,695
Sportsmanship promotions	-	1,070	(1,070)
	$ 5,695,205	$ 3,233,199	2,462,006
Girls Athletic Tournaments:			
Badminton	$ 10,475	$ 18,934	(8,459)
Basketball	740,888	708,674	32,214
Bowling	18,495	11,644	6,851
Cross country	13,528	47,056	(33,528)
Golf	100	26,790	(26,690)
Gymnastics	30,676	47,509	(16,833)
Soccer	211,729	184,619	27,110
Softball	238,840	242,874	(4,034)
Swimming	58,940	48,448	10,492
Tennis	125	25,040	(24,915)
Track and field	118,150	91,317	26,833
Volleyball	507,178	355,391	151,787
Water polo	32,326	25,252	7,074
	$ 1,981,450	$ 1,833,548	147,902

-Continued-

ILLINOIS HIGH SCHOOL ASSOCIATION
Bloomington, Illinois

Schedule of Revenues and Expenses – Continued

For the Year Ended June 30, 2013

	Revenue	Expense	Net Amount
Contests:			
Dance Team	$ 94,480	$ 74,156	$ 20,324
Music	189,936	216,858	(26,922)
Speech	52,345	177,233	(124,888)
Chess	300	29,490	(29,190)
Scholastic Bowl	2,060	43,837	(41,777)
Competitive Cheerleading	187,621	90,910	96,711
Journalism	13,505	22,288	(8,783)
	$ 540,247	$ 654,772	(114,525)
Other Revenue, Gains, and Other Support:			
Donations	$ 346,996	$ -	346,996
Publications	127,391	248,584	(121,193)
Souvenirs	216,358	-	216,358
Miscellaneous	82,304	8,546	73,758
Radio and television	16,095	-	16,095
Awards	-	308,602	(308,602)
Drug testing	-	100,685	(100,685)
Royalty income	300,637	-	300,637
Contract services	46,860	-	46,860
TV / Internet income	300,000	250,000	50,000
Special events	309,905	209,229	100,676
	$ 1,746,546	$ 1,125,646	620,900
Investment income, net			189,271
Total before administrative expenses			3,837,183
Administrative expenses			4,353,310
Change in net assets before pension related changes other than net periodic pension costs			$ (516,127)

ILLINOIS HIGH SCHOOL ASSOCIATION
Bloomington, Illinois

Schedule of Revenues and Expenses

For the Year Ended June 30, 2012

	Revenue	Expense	Net Amount
Athletic Officials:			
Dues and registration	$ 869,023	$ 281,956	$ 587,067
Boys Athletic Tournaments:			
Baseball	$ 390,252	$ 248,210	142,042
Basketball	2,139,055	951,220	1,187,835
Bass fishing	56,100	9,192	46,908
Bowling	15,610	12,930	2,680
Cross country	17,463	46,683	(29,220)
Football	2,117,146	1,032,786	1,084,360
Golf	5,200	45,571	(40,371)
Gymnastics	13,432	23,118	(9,686)
Soccer	301,040	217,489	83,551
Swimming	58,385	48,294	10,091
Tennis	300	22,943	(22,643)
Track and field	152,766	93,262	59,504
Volleyball	96,957	83,326	13,631
Wrestling	526,902	397,336	129,566
Water polo	38,037	27,410	10,627
Sportsmanship promotions	-	400	(400)
	$ 5,928,645	$ 3,260,170	2,668,475
Girls Athletic Tournaments:			
Badminton	$ 10,743	$ 17,932	(7,189)
Basketball	748,032	707,886	40,146
Bowling	19,690	11,755	7,935
Cross country	17,563	46,683	(29,120)
Golf	100	26,638	(26,538)
Gymnastics	30,705	46,782	(16,077)
Soccer	243,172	189,741	53,431
Softball	263,521	244,196	19,325
Swimming	55,895	51,617	4,278
Tennis	250	23,006	(22,756)
Track and field	126,886	87,007	39,879
Volleyball	493,430	351,353	142,077
Water polo	36,473	26,656	9,817
	$ 2,046,460	$ 1,831,252	215,208

-Continued-

ILLINOIS HIGH SCHOOL ASSOCIATION
Bloomington, Illinois

Schedule of Revenues and Expenses – Continued

For the Year Ended June 30, 2012

	Revenue	Expense	Net Amount
Contests:			
Music	$ 180,354	$ 189,104	$ (8,750)
Speech	49,500	149,104	(99,604)
Chess	-	26,899	(26,899)
Scholastic Bowl	2,605	44,651	(42,046)
Competitive cheerleading	180,447	90,390	90,057
Journalism	12,225	21,801	(9,576)
	$ 425,131	$ 521,949	(96,818)
Other Revenue, Gains, and Other Support:			
Donations	$ 353,842	$ -	353,842
Publications	125,612	256,537	(130,925)
Souvenirs	212,553	-	212,553
Miscellaneous	9,311	7,752	1,559
Radio and television	13,096	-	13,096
Awards	-	302,736	(302,736)
Drug testing	-	100,107	(100,107)
Royalty income	257,538	-	257,538
Contract services	45,888	-	45,888
TV / Internet income	250,000	250,000	-
Special events	319,457	224,692	94,765
	$ 1,587,297	$ 1,141,824	445,473
Investment income, net			112,506
Total before administrative expenses			3,931,911
Administrative expenses			3,791,146
Change in net assets before pension related changes other than net periodic pension cost			$ 140,765

ILLINOIS HIGH SCHOOL ASSOCIATION
Bloomington, Illinois

Schedule of General and Administrative Expenses

For the Year Ended June 30, 2013 and 2012

	2013	2012
Actuarial services	$ 28,978	$ 35,981
Audit and legal services	147,140	161,304
Automobile	22,702	20,329
Board of Directors	79,361	50,578
Building improvements	9,108	10,166
Building utilities	54,903	55,977
Committee expenses	50,881	69,765
Depreciation	115,059	122,024
Employee expense	88,563	55,101
Insurance	454,782	440,318
Maintenance	14,288	19,734
Miscellaneous	1,684	32,730
Newspaper subscriptions	682	568
Office expenses	95,874	100,193
Postage	55,909	59,616
Printing	27,969	39,626
Promotion	5,363	7,607
Retirement expenses:		
Pension	653,105	548,206
Contributions – 401(k)	98,532	95,865
Deferred compensation	546,750	209,595
Salaries and related taxes	1,778,334	1,631,718
Sales tax	1,903	2,211
Sponsorship	-	800
Telephone	21,440	21,134
Total general and administrative expenses	$ 4,353,310	$ 3,791,146