

**103rd STREET BEVERLY SPECIAL
SERVICE AREA NUMBER 44
(Beverly Area Planning Association, Contractor)**

Financial Statements

Years Ended December 31, 2009 and 2008

103RD STREET BEVERLY SPECIAL SERVICE AREA NUMBER 44
(Beverly Area Planning Association, Contractor)

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Desmond & Ahern, Ltd.

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

Independent Auditor's Report

To the Board of Directors
103rd Street Beverly Special Service Area Number 44
Beverly Area Planning Association, Contractor
Chicago, IL

We have audited the accompanying statement of financial position of 103rd Street Beverly Special Service Area Number 44 (a taxing district authorized by the City of Chicago) as of December 31, 2009 and 2008 and the related statements of activities and cash flows for the years 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 financial statements are free of material misstatements. 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 estimated made by management, as well as evaluating the overall 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 103rd Street Beverly Special Service Area Number 44 as of December 31, 2009 and 2008, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Desmond & Ahern, Ltd.

April 30, 2010
Chicago, IL

**103RD STREET BEVERLY SPECIAL SERVICE AREA NUMBER 44
 (BEVERLY AREA PLANNING ASSOCIATION, CONTRACTOR)
 STATEMENT OF FINANCIAL POSITION
 As of December 31, 2009 and 2008**

	<u>2009</u>	<u>2008</u>
<u>Assets</u>		
Current Assets		
Cash and cash equivalents	\$ 9,546	\$ 1,309
Total Assets	<u>\$ 9,546</u>	<u>\$ 1,309</u>
 <u>Liabilities and Nets Assets</u>		
Liabilities		
Accounts payable	\$ 3,490	\$ -
Net assets, unrestricted	<u>6,056</u>	<u>1,309</u>
Total Liabilities and Net Assets	<u>\$ 9,546</u>	<u>\$ 1,309</u>

The accompanying notes are an integral part of this statement.

**103RD STREET BEVERLY SPECIAL SERVICE AREA NUMBER 44
(BEVERLY AREA PLANNING ASSOCIATION, CONTRACTOR)
STATEMENT OF ACTIVITIES
For the Years Ended December 31, 2009 and 2008**

	2009			2008		
	Actual	Budget	Over (Under) Variance	Actual	Budget	Over (Under) Variance
Changes in Unrestricted Net Assets						
Revenues						
Tax levy revenue - current period	\$ 13,916	\$ 13,925	\$ (9)	\$ 7,107	\$ 7,755	\$ (648)
Total revenues	<u>13,916</u>	<u>13,925</u>	<u>(9)</u>	<u>7,107</u>	<u>7,755</u>	<u>(648)</u>
Expenses						
Program Costs						
1.00 Advertising and promotion	1,804	3,550	(1,746)	1,191	2,050	(859)
2.00 Public way maintenance	4,625	5,150	(525)	975	1,080	(105)
3.00 Public way aesthetics	690	2,125	(1,435)	925	925	-
8.00 District planning	-	-	-	1,824	1,825	(1)
Total program expense	<u>7,119</u>	<u>10,825</u>	<u>(3,706)</u>	<u>4,915</u>	<u>5,880</u>	<u>(965)</u>
Administration						
9.00 Operational and administrative support	2,050	2,400	(350)	883	1,475	(592)
10.00 Tax levy loss collection	-	700	(700)	-	400	(400)
Total administration expense	<u>2,050</u>	<u>3,100</u>	<u>(1,050)</u>	<u>883</u>	<u>1,875</u>	<u>(992)</u>
Total Expenses	<u>9,169</u>	<u>\$ 13,925</u>	<u>\$ (4,756)</u>	<u>5,798</u>	<u>\$ 7,755</u>	<u>\$ (1,957)</u>
Increase in Net Assets	4,747			1,309		
Unrestricted Net Assets						
Beginning of year	<u>1,309</u>			<u>-</u>		
End of year	<u>\$ 6,056</u>			<u>\$ 1,309</u>		

The accompanying notes are an integral part of this statement.

**103RD STREET BEVERLY SPECIAL SERVICE AREA NUMBER 44
 (BEVERLY AREA PLANNING ASSOCIATION, CONTRACTOR)
 STATEMENT OF CASH FLOWS
 For the Years Ended December 31, 2009 and 2008**

	<u>2009</u>	<u>2008</u>
<u>Cash Flows from Operating Activities</u>		
Increase in unrestricted net assets	\$ 4,747	\$ 1,309
Adjustments to reconcile increase in net assets to net cash provided by operating activities		
Increase in accounts payable	<u>3,490</u>	<u>-</u>
Net cash flows from operating activities	<u>8,237</u>	<u>1,309</u>
Cash and cash equivalents		
Beginning of year	<u>1,309</u>	<u>-</u>
End of year	<u>\$ 9,546</u>	<u>\$ 1,309</u>
<u>Supplemental Disclosures</u>		
Interest paid	<u>\$ -</u>	<u>\$ -</u>
Taxes paid	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of this statement.

**103RD STREET BEVERLY SPECIAL SERVICE AREA NUMBER 44
(BEVERLY AREA PLANNING ASSOCIATION, CONTRACTOR)
NOTES TO FINANCIAL STATEMENT
December 31, 2009 and 2008**

Note 1 - Nature of Operations and Summary of Significant Accounting Policies

Organization

Beverly Area Planning Association (BAPA), Contractor for 103rd Street Beverly Special Service Area Number 44 (Organization) is a not-for-profit corporation organized under the laws of the State of Illinois. This not-for-profit organization serves as the central organization for community organizations in the Beverly Hills/Morgan Park communities and thereby provides a forum for the discussion of concerns common to the area. The Association coordinates and implements comprehensive plans designed to improve the community through programs in housing, education, economic development, marketing, and special events. BAPA also publishes a free monthly newspaper. The Organization is located within the boundaries of the City of Chicago.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 116, *Financial Statement of Not-for-Profit Organizations*. Under SFAS No. 116, the Organization is required to report 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. The Organization has no temporarily or permanently restricted net assets as of December 31, 2009 and 2008.

Cash and Cash Equivalents

Cash and cash equivalents is defined as short-term liquid investments such as cash in banks, money markets and other financial instruments that can be reduced to cash in thirty days or less. The Organization maintains its cash in bank accounts, which, at times, may exceed the federally insured limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents. The Organization has established a separate checking account at Beverly Bank and Trust in Chicago, Illinois and all tax revenue funds are automatically deposited into this checking account. The Contractor did not commingle Service Tax funds with funds from any other source.

Revenue Recognition

The Organization's financial statements are presented on the accrual basis of accounting. Revenues are recognized when the amount can be readily estimated or committed, and the payment is reasonably certain. Expenses are recorded when incurred.

**103RD STREET BEVERLY SPECIAL SERVICE AREA NUMBER 44
(BEVERLY AREA PLANNING ASSOCIATION, CONTRACTOR)
NOTES TO FINANCIAL STATEMENT
December 31, 2009 and 2008**

Note 1 - Nature of Operations and Summary of Significant Accounting Policies (cont.)

Income Taxes

The Organization is part of the Beverly Area Planning Association (BAPA), which is a not-for-profit organization that is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and is not classified by the Internal Revenue Service as a private foundation.

Related Party Transactions

103rd Street Beverly Special Service Area Number 44 shares office space, equipment and employees through its affiliation with Beverly Area Planning Association. 103rd Street Beverly Special Service Area Number 44 has no employees of its own, but reimburses BAPA for payroll and related costs of the individuals who may work on the program. It also may reimburse BAPA for a portion of its applicable operating expenses, including allocation of rent and utilities.

Use of Accounting 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 disclosures 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.

Special Service Area Agreement

The Organization entered into an agreement with the City of Chicago effective January 1, 2008, which expires December 31, 2018, whereby the City has established a special service area known and designated as “103rd Street Beverly Special Service Area Number 44” to provide special services in addition to those services generally provided by the City. BAPA has been designated as “Contractor” under terms of the agreement. The City has authorized a levy not to exceed 2.5% of the equalized assessed value of all property within the area to produce sufficient revenues to provide those special services.

The maximum amount to be paid to the Organization is the lesser of \$13,925 and \$7,755 or the amount of service tax funds collected during 2009 and 2008, respectively. For each subsequent period of the agreement, the maximum amount to be paid is the lesser of the budget for that year or the amount of service tax funds actually collected for the preceding tax year. The agreement shall continue through December 31, 2018.



Desmond & Ahern, Ltd.

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

**Independent Auditor's Report on
Supplementary Information**

To the Board of Directors
103rd Street Beverly Special Service Area Number 44
Beverly Area Planning Association, Contractor
Chicago, IL

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information which follows is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

Desmond & Ahern, Ltd.

April 30, 2010
Chicago, IL

**103RD STREET BEVERLY SPECIAL SERVICE AREA NUMBER 44
(BEVERLY AREA PLANNING ASSOCIATION, CONTRACTOR)
SCHEDULE OF EXPENSES WITH BUDGET VARIANCES
For the Years Ended December 31, 2009 and 2008**

	2009			2008		
	Actual	Budget	Over (Under) Variance	Actual	Budget	Over (Under) Variance
Expenses						
Programs						
1.00 Advertising and Promotion						
1.05 Special events	\$ 1,804	\$ 3,350	\$ (1,546)	\$ 1,091	\$ 1,875	\$ (784)
1.07 Service provider direct services	-	200	(200)	100	175	(75)
Total	1,804	3,550	(1,746)	1,191	2,050	(859)
2.00 Public Way Maintenance						
2.05 Sidewalk cleaning	3,200	3,200	-	310	415	(105)
2.07 Sidewalk snow plowing	1,225	1,750	(525)	565	565	-
2.14 Service provider direct services	200	200	-	100	100	-
Total	4,625	5,150	(525)	975	1,080	(105)
3.00 Public Way Aesthetics						
3.02 Holiday decorations	690	2,025	(1,335)	825	825	-
3.07 Service provider direct services	-	100	(100)	100	100	-
Total	690	2,125	(1,435)	925	925	-
8.00 District Planning						
8.00 SSA start-up costs	-	-	-	1,824	1,825	(1)
Total	-	-	-	1,824	1,825	(1)
Administration						
9.00 Operational and Administrative Support						
9.01 Audit/bookkeeping	350	500	(150)	-	500	(500)
9.02 Meeting expense	-	200	(200)	133	225	(92)
9.09 Service provider administrative support	1,700	1,700	-	750	750	-
Total	2,050	2,400	(350)	883	1,475	(592)
10.00 Loss Collection						
10.00 Loss collection	-	700	(700)	-	400	(400)
Total	-	700	(700)	-	400	(400)

The accompanying notes are an integral part of this statement.

**103RD STREET BEVERLY SPECIAL SERVICE AREA NUMBER 44
(BEVERLY AREA PLANNING ASSOCIATION, CONTRACTOR)
SUMMARY SCHEDULE OF FINDINGS
December 31, 2009 and 2008**

Findings

None