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# **NOE VALLEY ASSOCIATION**

## **FINANCIAL STATEMENTS**

**June 30, 2010**

**(With Comparative Totals for June 30, 2009)**

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**CROSBY & KANEDA**  
Certified Public Accountants

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Dedicated to Nonprofit Organizations

# Noe Valley Association

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# CROSBY & KANEDA

Certified Public Accountants

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Dedicated to Nonprofit Organizations

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Board of Directors  
Noe Valley Association  
San Francisco, California

We have reviewed the accompanying statements of financial position of Noe Valley Association (a nonprofit organization) as of June 30, 2010, and the related statements of activities, cash flows, and functional expenses for the year then ended, in accordance with Statements of Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of Noe Valley Association.

A review consists principally of inquiries of company personnel and analytical procedures applied to financial data. It is substantially less in scope than an examination in accordance with auditing standards generally accepted in the United States of America, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

*Crosby + Kaneda*

Certified Public Accountants  
Oakland, California  
August 18, 2010

Noe Valley Association

Statement of Financial Position

June 30, 2010

(With Comparative Totals for June 30, 2009)

	<u>2010</u>	<u>2009</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 178,192	\$ 196,399
Total Assets	<u>\$ 178,192</u>	<u>\$ 196,399</u>
<b>Liabilities and Net Assets</b>		
Accounts payable	\$ -	\$ -
Total liabilities	<u>-</u>	<u>-</u>
Concentrations and Contingencies (Note 3)		
Unrestricted net assets	176,692	194,899
Temporarily restricted net assets (Note 4)	<u>1,500</u>	<u>1,500</u>
Total Net Assets	<u>178,192</u>	<u>196,399</u>
Total Liabilities and Net Assets	<u>\$ 178,192</u>	<u>\$ 196,399</u>

See Accountants' Review Report and  
Notes to the Financial Statements

**Noe Valley Association**

**Statement of Activities**

**For the Year Ended June 30, 2010**

**(With Comparative Totals for the Year Ended June 30, 2009)**

	Unrestricted	Temporarily Restricted	Totals	
			2010	2009
<b>Support and Revenue</b>				
Government fees	\$ 262,515	\$ -	\$ 262,515	\$ 269,313
Donations	32,994	-	32,994	49,869
Interest	1,439	-	1,439	2,644
Total support and revenue	<u>296,948</u>	<u>-</u>	<u>296,948</u>	<u>321,826</u>
<b>Expenses</b>				
Program	270,074	-	270,074	222,918
General and administrative	28,655	-	28,655	28,699
Fundraising	16,426	-	16,426	16,592
Total expenses	<u>315,155</u>	<u>-</u>	<u>315,155</u>	<u>268,209</u>
Change in net assets	<u>(18,207)</u>	<u>-</u>	<u>(18,207)</u>	<u>53,617</u>
Net Assets, beginning of year	<u>194,899</u>	<u>1,500</u>	<u>196,399</u>	<u>142,782</u>
Unrestricted Net Assets, end of year	<u>\$ 176,692</u>	<u>\$ 1,500</u>	<u>178,192</u>	<u>\$ 196,399</u>

See Accountants' Review Report and  
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Noe Valley Association

Statement of Cash Flows

For the Year Ended June 30, 2010

(With Comparative Totals for the Year Ended June 30, 2009)

	<u>2010</u>	<u>2009</u>
<b>Cash flows from operating activities:</b>		
Change in net assets	\$ (18,207)	\$ 53,617
Net cash provided by operating activities	<u>(18,207)</u>	<u>53,617</u>
 Change in cash and equivalents	 <u>(18,207)</u>	 <u>53,617</u>
 Cash and equivalents		
Beginning of year	196,399	142,782
End of year	<u>\$ 178,192</u>	<u>\$ 196,399</u>

See Accountants' Review Report and  
Notes to the Financial Statements

**Noe Valley Association**

**Statement of Functional Expenses**

**For the Year Ended June 30, 2010**

**(With Comparative Totals for the Year Ended June 30, 2009)**

	Program	General and administrative	Fundraising	Totals	
				2010	2009
Salaries	\$ 19,968	\$ 11,981	\$ 7,987	\$ 39,936	\$ 35,480
Payroll taxes	1,841	1,105	736	3,682	3,244
Accounting		5,889		5,889	5,680
Consultant	7,350			7,350	-
Supplies	868	521	347	1,736	543
Postage	58	35	23	116	126
Telephone	168	101	67	336	330
Insurance	1,689	1,014	676	3,379	3,382
Repairs and maintenance				-	274
Street maintenance	184,035			184,035	126,774
Streetscape improvement	40,377	750	1,750	42,877	61,043
Harvest expenses	10,336	6,201	4,134	20,671	28,566
Advertising and promotions	997	598	399	1,994	1,054
Bank charges	94	56	38	188	84
Dues and subscriptions				-	75
Parking	126	75	50	251	60
Permit fees	251			251	267
Payroll service	343	206	137	686	833
Miscellaneous	763	123	82	968	174
Taxes and license	310			310	20
Donations	500			500	200
<b>Total Expenses</b>	<b>\$ 270,074</b>	<b>\$ 28,655</b>	<b>\$ 16,426</b>	<b>\$ 315,155</b>	<b>\$ 268,209</b>

See Accountants' Review Report and  
Notes to the Financial Statements

NOE VALLEY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2010

(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2009)

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**NOTE 1: NATURE OF ACTIVITIES**

The Noe Valley Association (the Organization) is a nonprofit organization founded by property owners, merchants and community members in the Noe Valley neighborhood of San Francisco, California. The Organization receives community benefit district assessment funds from taxes paid by property owners and merchants.

**NOTE 2: SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Accounting**

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

**Basis of Presentation**

The Organization 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. The Organization has no temporarily or permanently restricted net assets.

**Revenue Recognition**

Contributions are recognized as revenue when received or unconditionally promised. Contributions are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions.

All donor-restricted contributions are reported as increases 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 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**

The Internal Revenue Service and the California Franchise Tax Board have determined that the Organization is exempt from federal and state income taxes under Internal Revenue Code Section 501 (c) (3) and the California Revenue and Taxation Code Section 23701(d).

**Donated Services**

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization.



NOE VALLEY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2010

(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2009)

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**Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Cash and Cash Equivalents**

For purposes of the statement of cash flows, the Organization considers all cash and other highly liquid investments with maturities of three months or less to be cash equivalents.

**Functional Allocation of Expenses**

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

**Prior Year Summarized Information**

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2009, from which the summarized information was derived.

**NOTE 3: CONCENTRATION**

**Revenue**

For the year ended June 30, 2010 the Organization received 88% of its revenue from a single source. A significant reduction in the level of this support, if this were to occur, may have an effect on the Organization's program and activities.

Grant awards require the fulfillment of certain conditions as set forth in the instrument of grant. Failure to fulfill the conditions could result in the return of the funds to the grantors. The Organization deems this contingency remote since by accepting the grants and their terms, it has accommodated the objectives of the Organization to the provisions of the grants. The Organization's management is of the opinion that the Organization has complied with the terms of all grants.

**NOTE 4: TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets of \$1,500 were available as of June 30, 2010 to archive photos.