

BATAVIA YOUTH BASEBALL, INC.

**FINANCIAL STATEMENTS AND
ADDITIONAL INFORMATION**

Years Ended September 30, 2009 and 2008

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Batavia Youth Baseball, Inc.

We have audited the accompanying statement of financial position of Batavia Youth Baseball, Inc. as of September 30, 2009, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from the Organization's 2008 financial statements and, in our report dated January 9, 2009, we expressed an unqualified opinion on those financial statements.

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 misstatement. 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 estimates 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 Batavia Youth Baseball, Inc. as of September 30, 2009, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of functional expenses on page eight is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Batavia, Illinois
June 7, 2010

BATAVIA YOUTH BASEBALL, INC.
STATEMENTS OF FINANCIAL POSITION
September 30, 2009 and 2008

	2009	2008
ASSETS		
Cash	\$ 146,630	\$ 219,354
Marketable securities	6,620	6,620
Inventory	4,200	3,700
Prepaid expenses	6,023	4,525
TOTAL ASSETS	\$ 163,473	\$ 234,199
 LIABILITIES		
Accounts payable	\$ 2,984	\$ 11,384
Due to Batavia Park District for field improvements	48,748	97,496
TOTAL LIABILITIES	51,732	108,880
 NET ASSETS (DEFICIT)		
Unrestricted		
Board designated, Fields for the Future	108,623	174,316
Other unrestricted	943	(52,101)
Unrestricted total	109,566	122,215
Temporarily restricted	2,175	3,104
TOTAL NET ASSETS	111,741	125,319
TOTAL LIABILITIES AND NET ASSETS	\$ 163,473	\$ 234,199

See accompanying notes to financial statements.

BATAVIA YOUTH BASEBALL, INC.
STATEMENTS OF ACTIVITIES
Years Ended September 30, 2009 and 2008

	2009		Total 2009	Total 2008
	Unrestricted	Temporarily Restricted		
SUPPORT AND REVENUES				
Registration fees				
House leagues, summer	\$ 141,077	\$ -	\$ 141,077	\$ 147,398
Travel teams	71,711	-	71,711	50,271
House leagues, fall	37,294	-	37,294	35,207
Host tournament fees, travel teams	26,860	-	26,860	29,175
Sponsorships	14,954	12,075	27,029	23,813
Special events, net	4,786	1,535	6,321	10,078
Concessions and merchandise, net	6,847	-	6,847	9,527
Interest income	1,255	-	1,255	3,804
Other income	159	-	159	317
Net assets released from restrictions – satisfied by payments	14,539	(14,539)	-	-
TOTAL SUPPORT AND REVENUES	319,482	(929)	318,553	309,590
EXPENSES				
Program services				
House leagues	129,121	-	129,121	125,748
Travel teams	104,661	-	104,661	98,072
Fields for the Future	85,457	-	85,457	7,685
Supporting services				
Management and general	12,892	-	12,892	9,457
TOTAL EXPENSES	332,131	-	332,131	240,962
INCREASE (DECREASE) IN NET ASSETS	(12,649)	(929)	(13,578)	68,628
NET ASSETS AT BEGINNING OF YEAR	122,215	3,104	125,319	56,691
NET ASSETS AT END OF YEAR	\$ 109,566	\$ 2,175	\$ 111,741	\$ 125,319

See accompanying notes to financial statements.

BATAVIA YOUTH BASEBALL, INC.
STATEMENTS OF CASH FLOWS
Years Ended September 30, 2009 and 2008

	2009	2008
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets	\$ (13,578)	\$ 68,628
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Decrease (increase) in marketable equity securities	-	1,116
Decrease (increase) in operating assets		
Inventory	(500)	(1,021)
Prepaid expenses	(1,498)	(545)
Increase in operating liabilities		
Accounts payable	(8,400)	(409)
Due to Batavia Park District for field improvements	(48,748)	(73,504)
	(72,724)	(5,735)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES AND INCREASE (DECREASE) IN CASH	(72,724)	(5,735)
CASH AT BEGINNING OF YEAR	219,354	225,089
CASH AT END OF YEAR	\$ 146,630	\$ 219,354

See accompanying notes to financial statements.

BATAVIA YOUTH BASEBALL, INC.
NOTES TO FINANCIAL STATEMENTS
September 30, 2009

NOTE A - NATURE OF ACTIVITIES

Batavia Youth Baseball, Inc. (the Organization) operates a baseball program for all youth aged 6 to 17 who reside within the Batavia Park District, Batavia School District, the City of Batavia or at Mooseheart, in the State of Illinois. It also provides a baseball program for youth aged 6 to 17 who are physically or mentally challenged without respect to location where the youth resides. Although the baseball program has been in effect for well over 50 years, the Organization was incorporated under the Illinois General Not For Profit Corporation Act on October 21, 2004. It is supported primarily by registration fees charged to participants as well as by sponsorships from area businesses and individuals and special events.

The Organization's primary programs are a house league and travel teams. In addition, the Organization conducts a *Fields for the Future* program to provide for improvements and major repairs to current and future playing fields (see Note E)

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America and, accordingly, reflect all significant receivables, payables and other liabilities. The Organization reports information regarding its financial position and activities according to three classes of assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets. At September 30, 2009 and 2008, there are no permanently restricted net assets.

Revenue Recognition

Sponsorships and gifts are recognized when the giver makes a promise to give to the Organization that is, in substance, unconditional. Support and fees that in substance constitute exchanges for services from the Organization are recognized when earned. Sponsorships that are restricted by the giver or by the specific nature of a special event are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets in the statement of activities.

Amounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts using the allowance method. There were no receivables due the Organization at September 30, 2009 and 2008.

Income Taxes

The Organization applied for and has been granted tax-exempt status under Section 501(c)(3) of the Internal Revenue Code and is classified as a public charity. Accordingly, income taxes are not provided for in the financial statements.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents. At September 30, 2009 and 2008, there were no cash equivalents.

Marketable Securities

Marketable securities consist of investments in various mutual funds and are stated at fair market value in the accompanying statement of financial position.

BATAVIA YOUTH BASEBALL, INC.
NOTES TO FINANCIAL STATEMENTS - CONTINUED
September 30, 2009

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Property and Equipment

At September 30, 2009 and 2008, there are no material assets that have been acquired by or donated to the Organization that are required to be capitalized.

Costs of Sales and Events

Concessions and merchandise income in the statement of activities is reported net of cost of sales of \$13,568 and \$3,768, respectively during the years ended September 30, 2009 and 2008. Likewise, special event revenue is reported net of related event costs of \$7,331 and \$12,454, respectively, during the years ended September 30, 2009 and 2008.

Contributed Services

Countless volunteers provide coaching and other supporting services to the Organization, the value of which is not reported in the financial statements as it does not meet the criteria for recognition in accordance with U.S. generally accepted accounting principles. During the years ended September 30, 2009 and 2008, the amount of donated services that met the requirements for recognition in the financial statements was not material.

Functional Allocation of Expenses

The costs of providing the Organization's programs and supporting services are summarized on a functional basis in the statement of activities. Accordingly, certain costs are allocated among the programs and supporting services benefited.

Use of Estimates

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

NOTE C - RESTRICTIONS ON NET ASSETS

Participants on travel teams often receive specific sponsorships and host special fund-raising events to obtain additional funding for their teams. These additional funds are restricted to the payment of specific expenses incurred by the team such as extra equipment, training and travel. As the specified expenses are incurred, the amount is reclassified from temporarily restricted net assets to unrestricted net assets in the statement of activities. During the year ended September 30, 2009, such restricted revenues received by the Organization totaled \$13,610, of which \$2,175 was unexpended. During the year ended September 30, 2008, such restricted revenues received by the Organization totaled \$10,430, of which \$3,104 was unexpended.

NOTE D - PLAYING FIELDS

Fields utilized by the Organization in its baseball program are owned by the Batavia Park District, the Batavia School District, the City of Batavia, Batavia Moose Lodge 682 or Mooseheart. The fields are provided to the Organization at no charge for its exclusive or primary use. In exchange for use of the fields, the Organization performs field maintenance and contributes to related improvements to the properties.

BATAVIA YOUTH BASEBALL, INC.
NOTES TO FINANCIAL STATEMENTS - CONTINUED
September 30, 2009

NOTE E – BOARD DESIGNATED FUNDS FOR FIELD IMPROVEMENTS

The Board designates a portion of all registration fees and certain other revenues for its *Fields for the Future* program which provides for improvements and major repairs to current and future playing fields. Expenditures from the fund are made at the discretion of the Board. The total amount designated for the Program is \$108,623 and \$174,316 at September 30, 2009 and 2008, respectively. The Organization does not capitalize expenditures from the fund as the improvements become the property of the field's ownership entity.

During the year ended September 30, 2009, the Organization paid the Batavia School District \$85,457 for a new field project at Alice Gustafson School. An additional \$18,300 was contributed to the project subsequent to September 30, 2009. The Organization funded \$7,685 in various field improvements during the year ended September 30, 2008.

During the year ended September 30, 2007, the Organization entered an agreement with the Batavia Park District to fund a portion of lighting improvements at the District's West Main and Woodard Parks. The remaining balance at September 30, 2009 of \$48,748 was paid subsequent to September 30, 2009.

NOTE F – SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through June 7, 2010, the date on which the financial statements were available for issuance.

ADDITIONAL INFORMATION

BATAVIA YOUTH BASEBALL, INC.
SCHEDULE OF FUNCTIONAL EXPENSES
Years Ended September 30, 2009 and 2008

	2009						
	Program Services						
	House Leagues	Travel Teams	Fields for The Future	Total Program Services	Management and General	Total 2009 Expenses	Total 2008 Expenses
Accounting and auditing	\$ 2,448	\$ 222	\$ -	\$ 2,670	\$ 8,010	\$ 10,680	\$ 8,300
Advertising and web site	2,205	200	-	2,405	601	3,006	3,579
Bank charges	-	-	-	-	896	896	347
Credit card fees	4,953	1,234	-	6,187	-	6,187	6,245
Equipment	14,356	7,412	-	21,768	-	21,768	20,970
Field improvements	-	-	85,457	85,457	-	85,457	7,685
Field maintenance	35,464	3,210	-	38,674	-	38,674	33,221
Insurance	6,676	604	-	7,280	1,491	8,771	9,458
Office expenses	-	-	-	-	1,777	1,777	361
Printing	179	16	-	195	65	260	267
Scheduling	195	2,230	-	2,425	-	2,425	1,245
Sponsor recognition	879	-	-	879	-	879	2,809
Supplies	-	-	-	-	25	25	897
Telephone and voice mail	76	7	-	83	27	110	261
Tournament fees	-	25,625	-	25,625	-	25,625	23,177
Training costs	-	16,004	-	16,004	-	16,004	13,755
Travel costs	-	-	-	-	-	-	1,120
Trophies and awards	4,678	4,023	-	8,701	-	8,701	7,208
Umpires	18,868	19,731	-	38,599	-	38,599	40,008
Uniforms	35,617	23,914	-	59,531	-	59,531	57,382
Utilities	2,527	229	-	2,756	-	2,756	2,667
	<u>\$ 129,121</u>	<u>\$ 104,661</u>	<u>\$ 85,457</u>	<u>\$ 319,239</u>	<u>\$ 12,892</u>	<u>\$ 332,131</u>	<u>\$ 240,962</u>