

**URBAN REVIVAL, INC.
D/B/A CITY LIFE/VIDA URBANA**

**Financial Statements
June 30, 2009
(With Comparative Totals for 2008)**

**URBAN REVIVAL, INC.
D/B/A CITY LIFE/VIDA URBANA**

FINANCIAL STATEMENTS
JUNE 30, 2009
(WITH COMPARATIVE TOTALS FOR 2008)

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To the Board of Trustees of
Urban Revival, Inc. d/b/a City Life/Vida Urbana
Jamaica Plain, Massachusetts

Independent Auditors' Report on the Financial Statements

We have audited the accompanying statement of financial position of Urban Revival, Inc. d/b/a City Life/Vida Urbana as of June 30, 2009, and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the Urban Revival, Inc. d/b/a City Life/Vida Urbana'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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Urban Revival, Inc. d/b/a City Life/Vida Urbana as of June 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.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2009, on our consideration of Urban Revival, Inc. d/b/a City Life/Vida Urbana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.


SANDBERG GONZALEZ & CREEDEN, P.C.
Certified Public Accountants

Stoughton, Massachusetts
December 8, 2009

**URBAN REVIVAL, INC.
D/B/A CITY LIFE/VIDA URBANA**

STATEMENT OF FINANCIAL POSITION
JUNE 30, 2009
(WITH COMPARATIVE TOTALS FOR 2008)

ASSETS

<u>Current Assets</u>	<u>2009</u>	<u>2008</u>
Cash	\$ 123,422	\$ 47,568
Contracts receivable	59,163	20,538
Pledges receivable	102,500	50,000
Prepaid expenses	<u>1,171</u>	<u>4,411</u>
Total current assets	286,256	122,517
<u>Furniture and Equipment</u>		
Equipment	7,347	7,347
Less: accumulated depreciation	<u>(7,347)</u>	<u>(7,347)</u>
Total furniture and equipment	0	0
<u>Other Assets</u>		
Deposits	<u>14,000</u>	<u>14,538</u>
Total other assets	<u>14,000</u>	<u>14,538</u>
<u>Total Assets</u>	<u>\$ 300,256</u>	<u>\$ 137,055</u>

LIABILITIES AND NET ASSETS

<u>Current Liabilities</u>		
Accrued expenses	\$ 9,887	\$ 8,533
Accrued salaries and benefits	18,512	7,436
Security deposit	<u>3,122</u>	<u>3,122</u>
Total current liabilities	31,521	19,091
<u>Net Assets</u>		
Unrestricted net assets	153,738	67,964
Temporarily restricted net assets	<u>114,997</u>	<u>50,000</u>
Total net assets	<u>268,735</u>	<u>117,964</u>
<u>Total Liabilities and Net Assets</u>	<u>\$ 300,256</u>	<u>\$ 137,055</u>

See accompanying notes and Independent Auditors' Report.

**URBAN REVIVAL, INC.
D/B/A CITY LIFE/VIDA URBANA**

STATEMENT OF ACTIVITIES
JUNE 30, 2009
(WITH COMPARATIVE TOTALS FOR 2008)

	2009			2008
	Unrestricted	Temporarily Restricted	Total	Total
<u>Support and Revenue</u>				
Contributions	\$ 71,631	\$	\$ 71,631	\$ 70,223
Grants	108,511	282,500	391,011	316,616
Special events	9,737		9,737	4,408
Released from restriction	217,503	(217,503)		
Contracts	143,062		143,062	138,068
Dues, registration fees, and materials	7,130		7,130	11,606
Rental income	20,282		20,282	19,852
Interest income	120		120	
<u>Total Support and Revenue</u>	577,976	64,997	642,973	560,773
 <u>Expenses</u>				
Program services	404,880		404,880	396,307
General and administrative	61,537		61,537	41,368
Fundraising	25,785		25,785	67,184
<u>Total Expenses</u>	492,202		492,202	504,859
 <u>Change in Net Assets</u>	85,774	64,997	150,771	55,914
 <u>Net Assets - Beginning of Year</u>	67,964	50,000	117,964	62,050
 <u>Net Assets - End of Year</u>	\$ 153,738	\$ 114,997	\$ 268,735	\$ 117,964

See accompanying notes and Independent Auditors' Report.

URBAN REVIVAL, INC.
D/B/A CITY LIFE / VIDA URBANA

STATEMENT OF FUNCTIONAL EXPENSES
JUNE 30, 2009
(WITH COMPARATIVE TOTALS FOR 2008)

	2009			2008	
	Program Services	General and Administrative	Fundraising	Total	Total
Salaries	\$ 174,995	\$ 10,400	\$ 10,400	\$ 195,795	\$ 179,598
Payroll taxes	23,648	1,313	1,314	26,275	18,897
Fringe benefits	28,625	1,590	1,591	31,806	63,061
Total salaries and related expenses	<u>227,268</u>	<u>13,303</u>	<u>13,305</u>	<u>253,876</u>	<u>261,556</u>
Advertising		60	25	85	
Bank fees		340		340	
Board expenses		99		99	299
Childcare	1,490			1,490	1,540
Client services	11,342			11,342	15,135
Consultants	31,780	22,685		54,465	81,855
Credit card fees		1,099		1,099	
Depreciation					217
Dues and subscriptions	468	1,135	275	1,878	342
Equipment rental and maintenance	12,563	698	698	13,959	10,869
Events			4,473	4,473	1,026
Executive director search					570
Filing fees		350		350	
Insurance	4,076	226	227	4,529	5,140
Internet	1,877	104	104	2,085	1,587
Miscellaneous expense		597		597	2,488
Moving expense					190
Occupancy	79,524	4,418	4,418	88,360	85,455
Office supplies	1,732	4,097	980	6,809	4,699
Payroll processing		2,608		2,608	2,144
Postage	1,856	773	255	2,884	1,865
Printing	125			125	3,540
Professional fees		7,049		7,049	4,000
Program expense	1,730			1,730	
Repairs and maintenance	5,545	308	308	6,161	6,285
Telephone	3,692	205	205	4,102	3,556
Training		871		871	1,676
Translation	3,679			3,679	2,273
Transportation	4,412			4,412	1,109
Utilities	9,221	512	512	10,245	5,443
Workstudy	2,500			2,500	
Total expenses	<u>\$ 404,880</u>	<u>\$ 61,537</u>	<u>\$ 25,785</u>	<u>\$ 492,202</u>	<u>\$ 504,859</u>

See accompanying notes and independent auditor's Report

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**URBAN REVIVAL, INC.
D/B/A CITY LIFE/VIDA URBANA**

STATEMENT OF CASH FLOWS
JUNE 30, 2009
(WITH COMPARATIVE TOTALS FOR 2008)

<u>Cash Flows From Operating Activities</u>	<u>2009</u>	<u>2008</u>
Change in net assets	\$ 150,771	\$ 55,914
Adjustment to reconcile change in net assets to cash provided by operating activities:		
Depreciation		217
(Increase) decrease in:		
Accounts receivable		488
Contracts receivable	(38,625)	12,418
Pledges receivable	(52,500)	(50,000)
Prepaid expenses	3,240	(1,401)
Increase (decrease) in:		
Accrued expenses	1,354	4,134
Accrued salaries and benefits	11,076	(2,333)
Deferred revenue		(2,882)
	<u>75,316</u>	<u>16,555</u>
<u>Net Cash Provided by Operating Activities</u>		
<u>Cash Flows From Investing Activities</u>		
Application of security deposit	<u>538</u>	<u>0</u>
<u>Net Cash Provided by Investing Activities</u>	<u>538</u>	<u>0</u>
<u>Cash Flows From Financing Activities</u>	<u>0</u>	<u>0</u>
<u>Increase in Cash and Cash Equivalents</u>	75,854	16,555
<u>Cash and Cash Equivalents - Beginning of Year</u>	<u>47,568</u>	<u>31,013</u>
<u>Cash and Cash Equivalents - End of Year</u>	<u>\$ 123,422</u>	<u>\$ 47,568</u>
SUPPLEMENTAL INFORMATION		
Interest paid	<u>\$ 0</u>	<u>\$ 0</u>

See accompanying notes and Independent Auditors' Report.

**URBAN REVIVAL, INC.
D/B/A CITY LIFE/VIDA URBANA**

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

Note 1. Organization

Urban Revival, Inc. was organized in the Commonwealth of Massachusetts as a not-for-profit corporation on December 29, 1979 to promote racial, social and economic justice by building power of low-income and working-class people through its programs. City Life/Vida Urbana is a bilingual grassroots community organization, established in 1973 in Jamaica Plain (JP) to organize and empower neighborhood residents. We fight for racial, social, and economic justice by building the power of low-income and working-class people through individual assistance and advocacy, education, coalition building, and direct action.

City Life/Vida Urbana has been a multi-issue organization since our founding. We exist to work toward the end of all types of oppression, and toward the right of each person to meaningful work and quality education. In our organizing we strive to help people understand how their struggles to assert tenants', workers' or other rights, are tied to the fundamental issues of power and disenfranchisement in our society.

One concern that has remained central is preserving and increasing the availability of safe, affordable, and community-controlled housing. Housing issues deeply affect whether a family or individual can thrive physically, educationally, emotionally, and economically. At the same time, housing is a critical political issue that can unite neighbors from diverse backgrounds. City Life's achievements stem from people being empowered to act not just for their own situation, but for shared problems such as a blighted building down the street, water shut-offs, arson, or discrimination in mortgage approvals.

City Life's *Tenant Organizing Program* organizes residents to protect their homes and maintain permanently affordable housing through anti-displacement and foreclosure defense strategies. It integrates tenant organizing, direct support services to individuals whose housing is at-risk, and leadership development. The current central focus of our work has been on organizing and training those who are facing foreclosure, both tenants and former owners together. CL/VU also offers housing clinics, at community health centers, which provide support, information, rights training, and organizing assistance for families whose housing situation has been identified as a health risk by their care providers. The CL/VU model is a comprehensive one of services and organizing together.

The *Healthy Homes/Healthy Families* works through two local health centers, Brookside Community Health Center and Southern Jamaica Plain Health Center, to assist mostly low-income Latino and other tenants in using self-advocacy, use of legal routes and other actions to solve housing problems such as displacement due to rent increases, lead paint poisoning and other issues. Healthy Homes' organizer/counselor also assists families to seek and apply for subsidized and other affordable housing. Many of the more than 4,000 tenants helped through this program since 1988 have gone onto participate in organizing action with City Life and are active in our membership's committees.

URBAN REVIVAL, INC.
D/B/A CITY LIFE/VIDA URBANA

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

(Continued)

Note 1. Organization (Continued)

Jamaica Plain Parent Organizing Program (JPOP) organizes low-income parents of children with disabilities (mostly Latino immigrants) to utilize their legal rights to impact their child's educational process, and to ultimately broaden the scope of these legal rights.

The ultimate goal of increasing parents' collective voice is to maximize their children's integration into the Boston Public Schools and to maximize their educational achievement. JPOP builds parents' power through organizing, education, support, leadership development, and direct action.

Note 2. Summary of Significant Accounting Policies

- a. Standards of Accounting and Reporting
The Organization follows the standards of accounting and financial reporting as described in the American Institute of Certified Public Accountants' Audit and Accounting Guide for "Not-for-Profit Organizations".
- b. Financial Statement Presentation
Financial statement presentation follows the requirements of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, 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. A description of the three net asset categories follows:

Unrestricted - Net assets that are not subject to donor-imposed restrictions. Unrestricted net assets may be designated for specific purposes by action of the Board of Directors.

Temporarily Restricted - Net assets whose use by the Organization is subject to donor-imposed restrictions that can be fulfilled by actions of the Organization pursuant to those restrictions or that expire by the passage of time.

Permanently Restricted - Net assets subject to donor-imposed restrictions that they be maintained permanently by the Organization. No permanently restricted assets were received or held during 2009 or 2008 and accordingly, these financials do not reflect any activity related to this class of net assets for 2009 or 2008.

URBAN REVIVAL, INC.
D/B/A CITY LIFE/VIDA URBANA

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

(Continued)

Note 2. Summary of Significant Accounting Policies (Continued)

- c. Cash and Cash Equivalents
For purposes of the statement of cash flows, Urban Revival, Inc., considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.
- d. Furniture and Equipment
Property and equipment are recorded at cost, when purchased, or if donated, at their estimated fair market value at date of donation. All acquisitions of property and equipment in excess of \$1,000 and all expenditures for repairs, maintenance, and betterments that materially prolong the useful lives of assets are capitalized.
- e. Depreciation
Provisions for depreciation are made in the accounts using the straight-line method over the estimated useful life of the asset. Equipment is being depreciated over 3-5 years.
- f. Use of Estimates
The presentation 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.
- g. Restricted and Unrestricted Revenue
Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. 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.
- h. Contracts
Financial awards from state governmental entities in the form of grants are subject to special audit. Such audits could result in claims against the Organization for disallowed costs or noncompliance with grantor restrictions. No provision has been made for any liabilities that may arise from such audits since the amounts, if any, cannot be determined at this date.

**URBAN REVIVAL, INC.
D/B/A CITY LIFE/VIDA URBANA**

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

(Continued)

Note 2. Summary of Significant Accounting Policies (Continued)

- i. Summarized Comparative Financial Statements
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, 2008, from which the summarized information was derived.
- j. Promises To Give
Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.
- k. Allocation of Expenses
Expenses are allocated among program and supporting services directly or on the basis of time records and utilization estimates made by the Organization's management. General and administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

Note 3. Tax Status

Urban Revival, Inc. is exempt from federal and state income tax under Section 501(c)(3) of the Internal Revenue Code and accordingly, no provision for income taxes is included in the financial statements. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(a) and has been classified as an organization that is not a private foundation under Section 509(a)(1).

Note 4 Operating Leases

The Organization has entered into a 10 year leasing agreement for office space expiring December 31, 2016. The lease requires monthly rent payments of \$3,882 plus a portion of real estate taxes. Future minimum lease payments are as follows:

FY10	\$ 47,046
FY11	47,982
FY12	48,942
FY13	49,926
FY14	50,928
FY15 and thereafter	131,676

URBAN REVIVAL, INC.
D/B/A CITY LIFE/VIDA URBANA

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

(Continued)

Note 4. Operating Leases (Continued)

Occupancy expense for 2009 and 2008 totaled \$88,360 and \$85,455, respectively.

In addition, the Organization leases a copier under a non-cancellable operating lease. Rental expense was \$12,893 and \$10,869 for the years ended June 30, 2009 and 2008, respectively.

Note 5. Retirement Plan

Urban Revival, Inc. has a defined contribution 403(b) plan covering all eligible employees. The Organization makes an annual contribution to the retirement plan equal to 5% of each participant's salary. Retirement expense for 2009 was \$5,254.

Note 6. Pledges Receivable

Pledges receivable consists of the following as of June 30, 2009.

Due within one year	<u>\$ 102,500</u>
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Note 7. Temporarily Restricted Net Assets

The current temporarily restricted net assets balance represents the following restrictions:

Time and program	<u>\$ 114,997</u>
Total temporarily restricted	<u>\$ 114,997</u>

Note 8. Concentration of Credit Risk

Credit risk with respect to contracts receivable is considered low because a substantial portion of the receivables are from governmental services.

Note 9. Sublease

Urban Revival, Inc. currently leases office space to a non-profit organization on a tenant-at-will basis. Rental income in 2009 and 2008 totaled \$20,282 and \$19,852, respectively.

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To the Board of Trustees of
Urban Revival, Inc. d/b/a City Life/Vida Urbana
Jamaica Plain, Massachusetts

Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

We have audited the financial statements of Urban Revival, Inc. d/b/a City Life/Vida Urbana (a nonprofit organization) as of and for the year ended June 30, 2009, and have issued our report thereon dated December 8, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Urban Revival, Inc. d/b/a City Life/Vida Urbana's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Urban Revival, Inc. d/b/a City Life/Vida Urbana's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the organization's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles, such that there is more than a remote likelihood that a misstatement of the organization's financial statements that is more than inconsequential will not be prevented or detected by the organization's internal control. We consider the deficiencies described in the accompanying schedule of findings and responses to be significant deficiencies in internal control over financial reporting and is identified as 2009-1.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the organization's internal control.

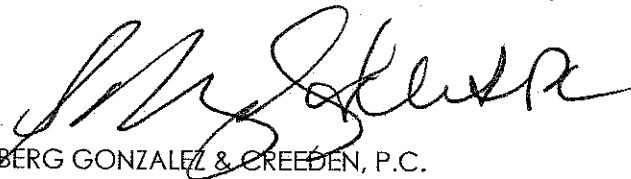
Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that none of the significant deficiencies described above is a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Urban Revival, Inc. d/b/a City Life/Vida Urbana's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*

Urban Revival, Inc. d/b/a City Life/Vida Urbana's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit Urban Revival, Inc. d/b/a City Life/Vida Urbana's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, board of directors and federal and state awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.



SANDBERG GONZALEZ & CREEDON, P.C.
Certified Public Accountants

Stoughton, Massachusetts
December 8, 2009