

RIVER OAKS IMPROVEMENT ASSOCIATION

COMPILED FINANCIAL STATEMENTS

FEBRUARY 28, 1998

**RIVER OAKS IMPROVEMENT ASSOCIATION
FINANCIAL STATEMENTS**

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Thomas J. Davey

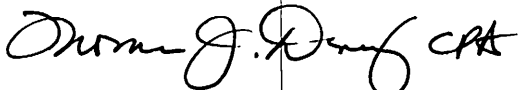
Certified Public Accountant & Consultant

*Richard Fox, CPA
Associate*

Board of Directors
River Oaks Improvement Association
Warrenville, IL 60555

I have compiled the accompanying statement of assets, liabilities, and fund balances of the River Oaks Improvement Association (an Illinois not-for-profit corporation) as of February 28, 1998 and 1997, and the related statements of revenues and expenses and changes in fund balances and statement of cash flows for the years then ended, in accordance with Statements On Standards For Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of the Association. I have not audited or reviewed the accompanying financial statements and accordingly, do not express an opinion or any other form of assurance on them.



Thomas J. Davey, CPA

Burr Ridge, Illinois
October 30, 1998

**RIVER OAKS IMPROVEMENT ASSOCIATION
STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES**

ASSETS

	February 28	
	<u>1998</u>	<u>1997</u>
Current Assets		
Cash	\$ 3,285	\$ 3,856
C.D. – Investment	10,622	10,000
Anden Settlement	1,433	-0-
Cul de Sac	<u>1,000</u>	<u>-0-</u>
Total Assets	<u>\$ 16,340</u>	<u>\$ 13,856</u>

LIABILITIES AND FUND BALANCES

Fund Balances		
Contributed Capital	\$ 1,433	\$ 1,433
Operating Fund	<u>14,907</u>	<u>12,423</u>
Total Fund Balances	<u>16,340</u>	<u>13,856</u>
Total Liabilities and Fund Balances	<u>\$ 16,340</u>	<u>\$ 13,856</u>

See Accountant's Report

**RIVER OAKS IMPROVEMENT ASSOCIATION
STATEMENT OF REVENUES AND EXPENSES
AND CHANGES IN FUND BALANCES**

	For the Year Ended February 28,	
	<u>1998</u>	<u>1997</u>
REVENUES		
Maintenance Assessment	\$ 10,387	\$ 9,942
Interest Income	622	-0-
Anden Settlement	<u>3,945</u>	<u>2,000</u>
Total Revenues	<u>14,954</u>	<u>11,942</u>
EXPENSES		
Landscaping	6,880	6,781
River Work	949	-0-
Anden Project	3,871	-0-
Professional Fees	-0-	450
Insurance	238	233
Newsletter	208	86
Other Expenses	<u>324</u>	<u>517</u>
Total Expenses	<u>12,470</u>	<u>8,067</u>
Excess of Revenues over Expenses	2,484	3,875
Fund Balance - Beginning of Year	<u>12,423</u>	<u>8,548</u>
Fund Balance - End of Year	<u>\$ 14,907</u>	<u>\$ 12,423</u>

See Accountant's Report

**RIVER OAKS IMPROVEMENT ASSOCIATION
STATEMENT OF CASH FLOWS**

	For the Year Ended February 28,	
	<u>1998</u>	<u>1997</u>
Excess of expenses over revenues	\$ 2,484	\$ 3,875
Cash balance - beginning of year	<u>13,856</u>	<u>9,981</u>
Cash balance - end of year	<u><u>16,340</u></u>	<u><u>\$ 13,856</u></u>

See Accountant's Report

**RIVER OAKS IMPROVEMENT ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
FEBRUARY 28, 1998**

1. Organization

River Oaks Improvement Association was incorporated in January 1988 as a not-for-profit corporation for purposes of maintaining and preserving common property of the Association, and portions of the members units. The Association operates on a not-for-profit basis with all benefits of the maintenance and improvements passed to the unit owners, as set forth in their Declaration of Covenants, Conditions, and Restrictions.

2. Summary of Significant Accounting Policies

- A. Expenditures made for materials and equipment used for improvement and maintenance purposes are included in the operating fund expenses in the year of the expenditure.
- B. The Association has elected under Internal Revenue Code Section 528 and State Income Tax Statutes to be excluded from taxes on exempt function income. However, the Association is subject to taxes on non-exempt in excess of non-exempt function expenses. The Association files Form 1120-H in compliance with this election.

3. Assessments

Assessments for the year ended February 29, 1998 and 1997 were \$160 per lot.

The annual budget and owners' assessment are determined by the Board of Directors. The Association retains any excess operating funds at the end of the operating year, if any, for use in future operating periods.

ROIA Annual Budget Performance

3/1/00 Through 2/28/01

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Category Description	3/1/00 Actual	- Budget	2/28/01 Difference
INCOME			
DUES	4,280.00	10,240.00	-5,960.00
Int. earned	237.75	450.00	-212.25
Misc.	0.00	0.00	0.00
Other Inc	0.00	0.00	0.00
TOTAL INCOME	4,517.75	10,690.00	-6,172.25
EXPENSES			
Annual Meeting	88.29	70.00	-18.29
Annual Review	0.00	500.00	500.00
Discretionary	0.00	350.00	350.00
Entertainment	0.00	300.00	300.00
Insurance	219.00	250.00	31.00
Landscaping	2,877.00	8,200.00	5,323.00
News Letter	150.33	350.00	199.67
Property Tax	76.30	80.00	3.70
Treasurer	14.00	140.00	126.00
TOTAL EXPENSES	3,424.92	10,240.00	6,815.08
TOTAL INCOME - EXP...	1,092.83	450.00	642.83