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Short Form
Return of Organization Exempt From Income Tax

Form **990-EZ**

Department of the Treasury
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ Sponsoring organizations of donor advised funds and controlling organizations as defined in section 512(b)(13) must file Form 990 All other organizations with gross receipts less than $1,000,000 and total assets less than $2,500,000 at the end of the year may use this form

▶ *The organization may have to use a copy of this return to satisfy state reporting requirements.*

OMB No 1545-1150

2008

Open to Public Inspection

A For the 2008 calendar year, or tax year beginning SEP 1, 2008 and ending AUG 31, 2009

B Check if applicable: ☐ Address change ☐ Name change ☐ Initial return ☐ Termination ☐ Amended return ☐ Application pending

Please use IRS label or print or type See Specific Instructions

C Name of organization
UNITY NURSERY SCHOOL

Number and street (or P.O. box, if mail is not delivered to street address) | Room/suite
2214 RIDGE AVENUE

City or town, state or country, and ZIP + 4
EVANSTON, IL 60201

D Employer identification number
36-6081119

E Telephone number
847-869-7170

F Group Exemption Number ▶

• **Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).**

G Accounting method: [X] Cash ☐ Accrual Other (specify) ▶

I **Website:** ▶ N/A

H Check ▶ [X] if the organization is **not** required to attach Schedule B (Form 990, 990-EZ, or 990-PF)

J **Organization type** (check only one)— [X] 501(c) (3) ◀ (insert no.) ☐ 4947(a)(1) or ☐ 527

K Check ▶ ☐ if the organization is not a section 509(a)(3) supporting organization **and** its gross receipts are normally **not** more than $25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.

L Add lines 5b, 6b, and 7b, to line 9 to determine gross receipts; if $1,000,000 or more, file Form 990 instead of Form 990-EZ ▶ $ 234,104.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions for Part I.)

Revenue	1	Contributions, gifts, grants, and similar amounts received	1	1,745.
	2	Program service revenue including government fees and contracts	2	207,495.
	3	Membership dues and assessments	3	
	4	Investment income	4	3,476.
	5a	Gross amount from sale of assets other than inventory 5a		
	b	Less: cost or other basis and sales expenses 5b		
	c	Gain or (loss) from sale of assets other than inventory (Subtract line 5b from line 5a) (attach schedule)	5c	
	6	Special events and activities (complete applicable parts of Schedule G). If any amount is from **gaming**, check here ▶ [X]		
	a	Gross revenue (not including $ _____ of contributions reported on line 1) 6a 21,362.		
	b	Less: direct expenses other than fundraising expenses 6b 3,632.		
	c	Net income or (loss) from special events and activities (Subtract line 6b from line 6a)	6c	17,730.
	7a	Gross sales of inventory, less returns and allowances 7a		
	b	Less: cost of goods sold 7b		
	c	Gross profit or (loss) from sales of inventory (Subtract line 7b from line 7a)	7c	
	8	Other revenue (describe ▶ MISCELLANEOUS INCOME)	8	26.
	9	**Total revenue** Add lines 1, 2, 3, 4, 5c, 6c, 7c, and 8 ▶	9	230,472.
Expenses	10	Grants and similar amounts paid (attach schedule)	10	
	11	Benefits paid to or for members	11	
	12	Salaries, other compensation, and employee benefits	12	128,597.
	13	Professional fees and other payments to independent contractors	13	
	14	Occupancy, rent, utilities, and maintenance SEE STATEMENT 2	14	30,902.
	15	Printing, publications, postage, and shipping	15	624.
	16	Other expenses (describe ▶ SEE STATEMENT 1)	16	40,099.
	17	**Total expenses.** Add lines 10 through 16 ▶	17	200,222.
Net Assets	18	Excess or (deficit) for the year (Subtract line 17 from line 9)	18	30,250.
	19	Net assets or fund balances at beginning of year (from line 27, column (A)) (must agree with end-of-year figure reported on prior year's return)	19	124,328.
	20	Other changes in net assets or fund balances (attach explanation)	20	
	21	Net assets or fund balances at end of year. Combine lines 18 through 20 ▶	21	154,578.

Part II Balance Sheets. If Total assets on line 25, column (B) are $2,500,000 or more, file Form 990 instead of Form 990-EZ.

(See the instructions for Part II.)

		(A) Beginning of year		(B) End of year
22	Cash, savings, and investments	177,229.	22	242,374.
23	Land and buildings		23	
24	Other assets (describe ▶ OTHER DEPRECIABLE ASSETS)	8,668.	24	6,884.
25	**Total assets**	185,897.	25	249,258.
26	**Total liabilities** (describe ▶ TUITION RECEIVED IN ADVANCE)	61,569.	26	94,680.
27	**Net assets or fund balances** (line 27 of column (B) **must** agree with line 21)	124,328.	27	154,578.

Part III Statement of Program Service Accomplishments (See the instructions for Part III.)

What is the organization's primary exempt purpose? SEE STATEMENT 4

Describe what was achieved in carrying out the organization's exempt purposes. In a clear and concise manner, describe the services provided, the number of persons benefited, or other relevant information for each program title.

Expenses (Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts; optional for others.)

28 PRESCHOOL EDUCATION AND PROGRAMS FOR CHILDREN AGES 2 TO 5.

(Grants $) If this amount includes foreign grants, check here ▶ ☐ 28a 200,222.

29

(Grants $) If this amount includes foreign grants, check here ▶ ☐ 29a

30

(Grants $) If this amount includes foreign grants, check here ▶ ☐ 30a

31 Other program services (attach schedule)

(Grants $) If this amount includes foreign grants, check here ▶ ☐ 31a

32 **Total program service expenses** (add lines 28a through 31a) ▶ 32 200,222.

Part IV List of Officers, Directors, Trustees, and Key Employees. List each one even if not compensated (See the instructions for Part IV.)

(a) Name and address	(b) Title and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-.)	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
BECKY KENNEDY 2214 RIDGE, EVANSTON, IL 60201	PRESIDENT 5.00	0.	0.	0.
REBECCA LANGAN 2214 RIDGE, EVANSTON, IL 60201	PRESIDENT=ELECT 2.00	0.	0.	0.
LAUREL WOLF 2214 RIDGE, EVANSTON, IL 60201	SECRETARY 2.00	0.	0.	0.
JANE BAYLDON 2214 RIDGE, EVANSTON, IL 60201	TREASURER 5.00	0.	0.	0.
LESLIE LUNING 2214 RIDGE, EVANSTON, IL 60201	DIRECTOR 2.00	0.	0.	0.
AMY STEWART 2214 RIDGE, EVANSTON, IL 60201	DIRECTOR 2.00	0.	0.	0.
JAMIE VEHOVSKY 2214 RIDGE, EVANSTON, IL 60201	DIRECTOR 2.00	0.	0.	0.
MEGAN WELCH 2214 RIDGE, EVANSTON, IL 60201	DIRECTOR 2.00	0.	0.	0.
VICKI VYE 2214 RIDGE, EVANSTON, IL 60201	DIRECTOR 2.00	0.	0.	0.
MARY BETH LO VERDI 2214 RIDGE, EVANSTON, IL 60201	DIRECTOR 2.00	0.	0.	0.
ELENA NOCERA 2214 RIDGE, EVANSTON, IL 60201	DIRECTOR 2.00	0.	0.	0.
ALICIA SALINAS 2214 RIDGE, EVANSTON, IL 60201	DIRECTOR 2.00	0.	0.	0.
TIFFANY CAVANAUGH 2214 RIDGE, EVANSTON, IL 60201	DIRECTOR 2.00	0.	0.	0.
KATE LISTER 2214 RIDGE, EVANSTON, IL 60201	DIRECTOR 2.00	0.	0.	0.
ELLEN SCHERMERHORN 2214 RIDGE, EVANSTON, IL 60201	DIRECTOR 2.00	0.	0.	0.

Part V Other Information (Note the statement requirements in the instructions for Part VI)

			Yes	No
33	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity	33		X
34	Were any changes made to the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes	34		X
35	If the organization had income from business activities, such as those reported on lines 2, 6a, and 7a (among others), but **not** reported on Form 990-T, attach a statement explaining your reason for not reporting the income on Form 990-T.			
a	Did the organization have unrelated business gross income of $1,000 or more or section 6033(e) notice, reporting, and proxy tax requirements?	35a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	35b	N/A	
36	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," complete applicable parts of Sch. N	36		X
37a	Enter amount of political expenditures, direct or indirect, as described in the instructions. ▶ 37a 0.			
b	Did the organization file **Form 1120-POL** for this year?	37b		X
38a	Did the organization borrow from, or make any loans to, any officer, director, trustee, or key employee **or** were any such loans made in a prior year and still unpaid at the start of the period covered by this return?	38a		X
b	If "Yes," complete Schedule L, Part II and enter the total amount involved 38b N/A			
39	Section 501(c)(7) organizations. Enter:			
a	Initiation fees and capital contributions included on line 9 39a N/A			
b	Gross receipts, included on line 9, for public use of club facilities 39b N/A			
40a	Section 501(c)(3) organizations. Enter amount of tax imposed on the organization during the year under: section 4911 ▶ 0. ; section 4912 ▶ 0. ; section 4955 ▶ 0.			
b	Section 501(c)(3) and (4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," complete Schedule L, Part I	40b		X
c	Enter amount of tax imposed on organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ▶ 0.			
d	Enter amount of tax on line 40c reimbursed by the organization ▶ 0.			
e	All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction? If "Yes," complete Form 8886-T	40e		X
41	List the states with which a copy of this return is filed. ▶ IL			
42a	The books are in care of ▶ JANE BAYLDON, TREASURER Telephone no. ▶ 847-869-1912			
	Located at ▶ 2214 RIDGE AVE., EVANSTON, IL ZIP + 4 ▶ 60201			
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	42b		X
	If "Yes," enter the name of the foreign country: ▶			
	See the instructions for exceptions and filing requirements for **Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.**			
c	At any time during the calendar year, did the organization maintain an office outside of the U.S.?	42c		X
	If "Yes," enter the name of the foreign country: ▶			
43	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-EZ in lieu of **Form 1041** - Check here ▶ ☐ and enter the amount of tax-exempt interest received or accrued during the tax year ▶ 43 N/A			

			Yes	No
44	Did the organization maintain any donor advised funds? If "Yes," Form 990 must be completed instead of Form 990-EZ	44		X
45	Is any related organization a controlled entity of the organization within the meaning of section 512(b)(13)? If "Yes," Form 990 must be completed instead of Form 990-EZ	45		X

Part VI Section 501(c)(3) organizations only. All section 501(c)(3) organizations must answer questions 46-49 and complete the tables for lines 50 and 51.

			Yes	No
46	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	46		X
47	Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II	47		X
48	Is the organization operating a school as described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	48	X	
49a	Did the organization make any transfers to an exempt non-charitable related organization?	49a		X
b	If "Yes," was the related organization(s) a section 527 organization?	49b		

50 Complete this table for the five highest compensated employees (other than officers, directors, trustees and key employees) who each received more than $100,000 of compensation from the organization. If there is none, enter "None."

(a) Name and address of each employee paid more than $100,000	(b) Title and average hours per week devoted to position	(c) Compensation	(D) Contributions to employee benefit plans & deferred compensation	(E) Expense account and other allowances
NONE				
Total number of other employees paid over $100,000 ▶	0			

51 Complete this table for the five highest compensated independent contractors who each received more than $100,000 of compensation from the organization. If there is none, enter "None."

NONE

(a) Name and address of each independent contractor paid more than $100,000	(b) Type of service	(c) Compensation
Total number of other independent contractors each receiving over $100,000 ▶		0

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

▶ X [signature] Signature of officer — Date 1/24/10

▶ JANE BAYLDON, TREASURER Type or print name and title

Paid Preparer's Use Only

Preparer's signature ▶ [signature] — Date 1/18/10 — Check if self-employed ▶ ☐ — Preparer's Identifying Number (See instr.)

Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ CHERYL ROHLFS & ASSOCIATES, LTD.
3701 COMMERCIAL AVE., SUITE 1
NORTHBROOK, IL 60062-1830

EIN ▶

Phone no. ▶ (847) 753-9200

May the IRS discuss this return with the preparer shown above? See instructions ▶ ☐ Yes ☐ No

Form 990-EZ (2008)

832174
12-17-08

SCHEDULE A (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

To be completed by all section 501(c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts.

▶ **Attach to Form 990 or Form 990-EZ.** ▶ **See separate instructions.**

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization UNITY NURSERY SCHOOL

Employer identification number 36-6081119

Part I Reason for Public Charity Status (All organizations must complete this part.) (see instructions)

The organization is not a private foundation because it is: (Please check only **one** organization.)

1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**

2 ☒ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E)

3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).** (Attach Schedule H)

4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state: _____

5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II)

6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**

7 ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)

8 ☐ A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II)

9 ☐ An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete the Part III.)

10 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).** (see instructions)

11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h.

a ☐ Type I b ☐ Type II c ☐ Type III - Functionally integrated d ☐ Type III - Other

e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)

f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box ☐

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

		Yes	No
(i)	A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?	11g(i)	
(ii)	A family member of a person described in (i) above?	11g(ii)	
(iii)	A 35% controlled entity of a person described in (i) or (ii) above?	11g(iii)	

h Provide the following information about the organizations the organization supports.

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document? Yes	(iv) No	(v) Did you notify the organization in col. (i) of your support? Yes	(v) No	(vi) Is the organization in col. (i) organized in the U.S.? Yes	(vi) No	(vii) Amount of support
Total									

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants ")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 **Total.** Add lines 1 - 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 **Public Support.** Subtract line 5 from line 4						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
11 **Total support.** Add lines 7 through 10						

12 Gross receipts from related activities, etc (see instructions) 12

13 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ▶ ☐

Section C. Computation of Public Support Percentage

14 Public support percentage for 2008 (line 6, column (f) divided by line 11, column (f)) 14 %

15 Public support percentage from 2007 Schedule A, Part IV-A, line 26f 15 %

16a **33 1/3% support test - 2008.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

b **33 1/3% support test - 2007.** If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

17a **10% -facts-and-circumstances test - 2008.** If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization ▶ ☐

b **10% -facts-and-circumstances test - 2007.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶ ☐

18 **Private foundation.** If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ▶ ☐

Part III Support Schedule for Organizations Described in Section 509(a)(2) (Complete only if you checked the box on line 9 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total.** Add lines 1 - 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of 1% of the total of lines 9, 10c, 11, and 12 for the year or $5,000						
c Add lines 7a and 7b						
8 **Public support** (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13 **Total support** (Add lines 9, 10c, 11, and 12)						

14 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ▶ ☐

Section C. Computation of Public Support Percentage

15 Public support percentage for 2008 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2007 Schedule A, Part IV-A, line 27g	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for **2008** (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from **2007** Schedule A, Part IV-A, line 27h	18	%

19a **33 1/3% support tests - 2008.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

b **33 1/3% support tests - 2007.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

20 **Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ▶ ☐

SCHEDULE E (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Schools

▶ To be completed by organizations that answer "Yes" to Form 990, Part IV, line 13, or Form 990-EZ, Part VI, line 48.

▶ Attach to Form 990 or Form 990-EZ.

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization: UNITY NURSERY SCHOOL

Employer identification number: 36-6081119

			YES	NO
1	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?	1	X	
2	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?	2	X	
3	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe If "No," please explain	3	X	
4	Does the organization maintain the following?			
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	4a	X	
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	4b	X	
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	4c	X	
d	Copies of all material used by the organization or on its behalf to solicit contributions?	4d	X	
	If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement)			
5	Does the organization discriminate by race in any way with respect to:			
a	Students' rights or privileges?	5a		X
b	Admissions policies?	5b		X
c	Employment of faculty or administrative staff?	5c		X
d	Scholarships or other financial assistance?	5d		X
e	Educational policies?	5e		X
f	Use of facilities?	5f		X
g	Athletic programs?	5g		X
h	Other extracurricular activities?	5h		X
	If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement)			
6a	Does the organization receive any financial aid or assistance from a governmental agency?	6a		X
b	Has the organization's right to such aid ever been revoked or suspended?	6b		X
	If you answered "Yes" to either line 6a or line 6b, please explain using an attached statement.			
7	Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B 587, covering racial nondiscrimination? If "No," attach an explanation	7	X	

SCHEDULE G
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information Regarding Fundraising or Gaming Activities

▶ Attach to Form 990 or Form 990-EZ. Must be completed by organizations that answer "Yes" to Form 990, Part IV, lines 17, 18, or 19, and by organizations that enter more than $15,000 on Form 990-EZ, line 6a

OMB No 1545-0047

2008

Open To Public Inspection

Name of the organization

UNITY NURSERY SCHOOL

Employer identification number

36-6081119

Part I Fundraising Activities. Complete if the organization answered "Yes" to Form 990, Part IV, line 17.

1 Indicate whether the organization raised funds through any of the following activities. Check all that apply.

a ☐ Mail solicitations
b ☐ Email solicitations
c ☐ Phone solicitations
d ☐ In-person solicitations
e ☐ Solicitation of non-government grants
f ☐ Solicitation of government grants
g ☒ Special fundraising events

2 a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? ☐ Yes ☒ No

b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least $5,000 by the organization. Form 990-EZ filers are not required to complete this table.

(i) Name of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions? Yes	(iii) No	(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col (i)	(vi) Amount paid to (or retained by) organization
Total ▶						

3 List all states in which the organization is registered or licensed to solicit funds or has been notified it is exempt from registration or licensing

Part II Fundraising Events. Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than $15,000 on Form 990-EZ, line 6a. List events with gross receipts greater than $5,000

		(a) Event #1 SILENT AUCTION EVEN (event type)	(b) Event #2 ITALIAN DINNER EVENT (event type)	(c) Other Events 8 (total number)	(d) Total Events (Add col. (a) through col. (c))
Revenue	1 Gross receipts	14,552.	1,201.	5,609.	21,362.
	2 Less: Charitable contributions				
	3 Gross revenue (line 1 minus line 2)	14,552.	1,201.	5,609.	21,362.
Direct Expenses	4 Cash prizes				
	5 Non-cash prizes				
	6 Rent/facility costs				
	7 Other direct expenses	1,984.	325.	1,323.	3,632.
	8 Direct expense summary. Add lines 4 through 7 in column (d) ▶				(3,632.)
	9 Net income summary. Combine lines 3 and 8 in column (d) ▶				17,730.

Part III Gaming. Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than $15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (Add col. (a) through col (c))
Revenue	1 Gross revenue				
Direct Expenses	2 Cash prizes				
	3 Non-cash prizes				
	4 Rent/facility costs				
	5 Other direct expenses				
	6 Volunteer labor	☐ Yes____ % ☐ No	☐ Yes____ % ☐ No	☐ Yes____ % ☐ No	
	7 Direct expense summary. Add lines 2 through 5 in column (d) ▶				( )
	8 Net gaming income summary Combine lines 1 and 7 in column (d) ▶				

			Yes	No
9	Enter the state(s) in which the organization operates gaming activities:			
a	Is the organization licensed to operate gaming activities in each of these states?	9a		
b	If "No," Explain:			
10a	Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year?	10a		
b	If "Yes," Explain:			
11	Does the organization operate gaming activities with nonmembers?	11		
12	Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming?	12		

			Yes	No
13 Indicate the percentage of gaming activity operated in:				
a The organization's facility	13a	%		
b An outside facility	13b	%		
14 Provide the name and address of the person who prepares the organization's gaming/special events books and records				
Name ▶ JANE BAYLDON				
Address ▶ 2214 RIDGE - EVANSTON, IL 60201				
15a Does the organization have a contract with a third party from whom the organization receives gaming revenue?	15a			
b If "Yes," enter the amount of gaming revenue received by the organization ▶ $ _____ and the amount of gaming revenue retained by the third party ▶ $ _____ .				
c If "Yes," enter name and address.				
Name ▶				
Address ▶				
16 Gaming manager information:				
Name ▶				
Gaming manager compensation ▶ $ _____				
Description of services provided ▶				
☐ Director/officer ☐ Employee ☐ Independent contractor				
17 Mandatory distributions:				
a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license?	17a			
b Enter the amount of distributions required under state law distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ $				

FORM 990-EZ OTHER EXPENSES STATEMENT 1

DESCRIPTION	AMOUNT
PAYROLL TAXES	10,258.
ADVERTISING	50.
CONSULTANTS	398.
SUPPLIES	5,124.
FEES & DUES	666.
INSURANCE	9,750.
JANITORIAL	5,550.
MISCELLANEOUS	102.
OUTSIDE SERVICES	1,242.
PROFESSIONAL EDUCATION	1,807.
PROFESSIONAL FEES	3,030.
TELEPHONE AND INTERNET	971.
SCHOLARSHIPS	1,100.
SOCIAL ACTIVITIES	51.
TOTAL TO FORM 990-EZ, LINE 16	40,099.

FORM 990-EZ OCCUPANCY, RENT, UTILITIES AND MAINTENANCE STATEMENT 2

DESCRIPTION	AMOUNT
DEPRECIATION	1,784.
OTHER EXPENSES	29,118.
TOTAL TO FORM 990-EZ, LINE 14	30,902.

FORM 990-EZ INFORMATION REGARDING TRANSFERS ASSOCIATED WITH PERSONAL BENEFIT CONTRACTS STATEMENT 3

A) DID THE ORGANIZATION, DURING THE YEAR, RECEIVE ANY FUNDS, DIRECTLY OR INDIRECTLY, TO PAY PREMIUMS ON A PERSONAL BENEFIT CONTRACT? . . . . . [ ] YES [X] NO

B) DID THE ORGANIZATION, DURING THE YEAR, PAY PREMIUMS, DIRECTLY OR INDIRECTLY, ON A PERSONAL BENEFIT CONTRACT? . . [ ] YES [X] NO

UNITY NURSERY SCHOOL IS A NON-SECTARIAN PRESCHOOL FOR CHILDREN AGES 2 TO 5 ACCREDITED BY NAEYE.

Form **4562**

Department of the Treasury
Internal Revenue Service (99)

Depreciation and Amortization 990-EZ
(Including Information on Listed Property)

▶ See separate instructions. ▶ Attach to your tax return.

OMB No 1545-0172

2008

Attachment Sequence No **67**

Name(s) shown on return	Business or activity to which this form relates	Identifying number
UNITY NURSERY SCHOOL	FORM 990-EZ PAGE 1	36-6081119

Part I **Election To Expense Certain Property Under Section 179** Note: *If you have any listed property, complete Part V before you complete Part I.*

1	Maximum amount See the instructions for a higher limit for certain businesses	1	250,000.
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	800,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year Subtract line 4 from line 1 If zero or less, enter -0- If married filing separately, see instructions	5	

6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost

7	Listed property Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the **smaller** of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2007 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2009. Add lines 9 and 10, less line 12 ▶	13	

Note: *Do not use Part II or Part III below for listed property. Instead, use Part V.*

Part II **Special Depreciation Allowance and Other Depreciation (Do not include listed property.)**

14	Special depreciation for qualified property (other than listed property) placed in service during the tax year	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III **MACRS Depreciation (Do not include listed property.)** (See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2008	17	1,784.
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ▶ ☐		

Section B - Assets Placed in Service During 2008 Tax Year Using the General Depreciation System

	(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a	3-year property						
b	5-year property						
c	7-year property						
d	10-year property						
e	15-year property						
f	20-year property						
g	25-year property			25 yrs		S/L	
h	Residential rental property	/		27.5 yrs.	MM	S/L	
		/		27.5 yrs.	MM	S/L	
i	Nonresidential real property	/		39 yrs.	MM	S/L	
		/			MM	S/L	

Section C - Assets Placed in Service During 2008 Tax Year Using the Alternative Depreciation System

20a	Class life					S/L	
b	12-year			12 yrs		S/L	
c	40-year	/		40 yrs.	MM	S/L	

Part IV **Summary** (See instructions.)

21	Listed property Enter amount from line 28	21	
22	**Total.** Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21 Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instr	22	1,784.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Part V **Listed Property** (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement.)

Note: *For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete* **only** *24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable*

Section A - Depreciation and Other Information (Caution: *See the instructions for limits for passenger automobiles.*)

24a Do you have evidence to support the business/investment use claimed? ☐ Yes ☐ No | 24b If "Yes," is the evidence written? ☐ Yes ☐ No

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use						25		
26 Property used more than 50% in a qualified business use:								
		%						
		%						
		%						
27 Property used 50% or less in a qualified business use:								
		%				S/L -		
		%				S/L -		
		%				S/L -		
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1						28		
29 Add amounts in column (i), line 26 Enter here and on line 7, page 1							29	

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person.
If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles

	(a) Vehicle		(b) Vehicle		(c) Vehicle		(d) Vehicle		(e) Vehicle		(f) Vehicle	
30 Total business/investment miles driven during the year (**do not** include commuting miles)												
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year. Add lines 30 through 32												
	Yes	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**
34 Was the vehicle available for personal use during off-duty hours?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who **are not** more than 5% owners or related persons

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use?		

Note: *If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles*

Part VI **Amortization**

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2008 tax year:					
43 Amortization of costs that began before your 2008 tax year				43	
44 **Total.** Add amounts in column (f) See the instructions for where to report				44	

Form **8868**
(Rev April 2009)
Department of the Treasury
Internal Revenue Service

Application for Extension of Time To File an Exempt Organization Return

► File a separate application for each return.

OMB No 1545-1709

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** and check this box . . . . . ► [X]
- If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** (on page 2 of this form).

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Part I **Automatic 3-Month Extension of Time.** Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension—check this box and complete Part I only . . . . . ► [ ]

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns

Electronic Filing (*e-file*). Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for a corporation required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit *www.irs.gov/efile* and click on *e-file for Charities & Nonprofits.*

Type or print	Name of Exempt Organization	**Employer identification number**
File by the due date for filing your return See instructions	UNITY NURSERY SCHOOL	36-6081119
	Number, street, and room or suite no If a P O. box, see instructions 2214 RIDGE AVENUE	
	City, town or post office, state, and ZIP code For a foreign address, see instructions EVANSTON IL 60201	

Check type of return to be filed (file a separate application for each return).

[ ] Form 990	[ ] Form 990-T (corporation)	[ ] Form 4720
[ ] Form 990-BL	[ ] Form 990-T (sec 401(a) or 408(a) trust)	[ ] Form 5227
[X] Form 990-EZ	[ ] Form 990-T (trust other than above)	[ ] Form 6069
[ ] Form 990-PF	[ ] Form 1041-A	[ ] Form 8870

- The books are in the care of ► JANE BAYLDON

Telephone No. ► (847)869-7170 FAX No. ►

- If the organization does not have an office or place of business in the United States, check this box . . . . . ► [ ]
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the whole group, check this box . . . . . ► [ ]. If it is for part of the group, check this box. . . . ► [ ] and attach a list with the names and EINs of all members the extension will cover

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 4/15/2010, to file the exempt organization return for the organization named above The extension is for the organization's return for:

► [ ] calendar year _____ or

► [X] tax year beginning 9/1/2008, and ending 8/31/2009.

2 If this tax year is for less than 12 months, check reason: [ ] Initial return [ ] Final return [ ] Change in accounting period

3 a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	$
b	If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	$
c	**Balance Due.** Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	$ 0

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

CHERYL ROHLFS AND ASSOCIATES, LTD.
Certified Public Accountants

UNITY NURSERY SCHOOL
FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED
AUGUST 31, 2009 AND 2008

WITH
REPORT OF CERTIFIED PUBLIC ACCOUNTANTS

CONTENTS

CHERYL ROHLFS AND ASSOCIATES, LTD.
Certified Public Accountants

3701 COMMERCIAL AVENUE, SUITE 1, NORTHBROOK ILLINOIS 60062-1830

PHONE: (847) 753-9200
FAX: (847) 753-9214

INDEPENDENT AUDITOR'S REPORT

January 8, 2010

The Board of Directors of
Unity Nursery School
Evanston, Illinois

We have audited the accompanying statements of assets, liabilities, and net assets - modified cash basis of Unity Nursery School (an Illinois non-profit organization) as of August 31, 2009 and 2008, and the related statements of support, revenue, and expenses - modified cash basis for the fiscal years 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 audits.

We conducted our audits 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 audits provide a reasonable basis for our opinion.

As described in note 2, these financial statements were prepared on the modified cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and net assets of Unity Nursery School as of August 31, 2009 and 2008, and its support, revenue, and expenses for the fiscal years then ended, on the basis of accounting described in note 2.

Cheryl Rohlfs & Associates, Ltd.

CHERYL ROHLFS & ASSOCIATES, LTD.

UNITY NURSERY SCHOOL
STATEMENTS OF ASSETS, LIABILITIES, AND NET ASSETS - MODIFIED CASH BASIS
AUGUST 31, 2009 AND 2008

ASSETS

	2009	2008
Cash and Cash Equivalents	$ 91,744	$ 169,545
Certificates of Deposit (Note 3)	150,630	7,684
	242,374	177,229
Property and Equipment:		
Leasehold Improvements	13,282	13,282
Classroom Equipment	4,758	4,758
Office Equipment	3,053	3,053
	21,093	21,093
Less: Accumulated Depreciation	(14,209)	(12,425)
Total Property and Equipment	6,884	8,668
Total Assets	$ 249,258	$ 185,897

LIABILITIES AND NET ASSETS

Program Tuition Received in Advance	$ 94,680	$ 61,569
Total Liabilities	94,680	61,569
Net Assets:		
Unrestricted	154,578	124,328
Total Liabilities and Net Assets	$ 249,258	$ 185,897

See accompanying notes and auditor's report.

UNITY NURSERY SCHOOL
STATEMENTS OF SUPPORT, REVENUE, AND EXPENSES - MODIFIED CASH BASIS
FOR THE FISCAL YEARS ENDED AUGUST 31, 2009 AND 2008

	2009	2008
UNRESTRICTED NET ASSETS		
Unrestricted Revenues and Gains		
Fund Raising Special Events:		
Silent Auction, net of expenses of $1,984 in 2009 and $2,582 in 2008	$ 12,568	$ 8,023
Other Events, net of expenses of $1,648 in 2009 and $1,533 in 2008	5,162	6,064
Contributions	1,745	750
Nursery School - Registration Fees	7,300	7,800
Nursery School - Tuition	165,408	153,592
Unity Bunch Program	10,325	8,920
Extended Day Program	24,462	34,055
Investment Income	3,476	3,764
Miscellaneous Income	26	436
Total Unrestricted Revenues and Gains	$ 230,472	$ 223,404
Expenses (Schedule I)	200,222	201,644
INCREASE IN UNRESTRICTED NET ASSETS	$ 30,250	$ 21,760
NET ASSETS, BEGINNING OF YEAR	124,328	102,568
NET ASSETS, END OF YEAR	$ 154,578	$ 124,328

See accompanying notes and auditor's report.

UNITY NURSERY SCHOOL
NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2009 AND 2008

1. DESCRIPTION OF THE ORGANIZATION

Unity Nursery School (Organization) is an Illinois non-profit corporation, which has provided non-sectarian, developmental preschool to children ages 2 to 5 for over fifty years. The Organization is accredited by the National Academy of Early Childhood Programs. The program is located in the Sherman Methodist Church in Evanston, Illinois. A board of directors governs Unity Nursery School and is comprised of current and past parents.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Organization's policy is to prepare its financial statements on the modified basis of cash receipts and disbursements; consequently, certain revenues and the related assets are recognized when received rather than when earned, and certain expenses and purchase of assets are recognized when cash is disbursed rather than when the obligation is incurred. Accordingly, the accompanying financial statements are not intended to present financial statements position and results of operations in conformity with generally accepted accounting principles.

Basis of Presentation

Under generally accepted principles, 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.

Cash and Cash Equivalents

The Organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Property and Equipment

It is the Organization's policy to capitalize property and equipment over $500. Lesser amounts are expensed. Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated assets to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Property and equipment are depreciated using straight-line method over the useful life of the assets as follows:

Leasehold Improvements	10 years
Classroom Equipment	7 years
Office Equipment	5 years

Depreciation expense was $1,784 and $1,610 for the fiscal years ended August 31, 2009 and 2008, respectively.

Program Tuition Received in Advance

Program tuition received in advance are deferred as a liability and recognized over the period to which these revenues relate.

Contributions

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions 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.

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.

Donated Services

A significant amount of the activities of the Organization are performed by volunteer personnel. Due to the nature of these services, these volunteer hours have not been recorded in the financial statements.

Income Taxes

The Organization is not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue code.

3. CERTIFICATES OF DEPOSIT

As of August 31, 2009, Unity Nursery School had invested in the following certificates of deposit, recorded at quoted fair value:

Certificates of Deposit	Fair Value at August 31, 2009
Due January 2010, 3.92%	$ 20,591
Due March 2010, 2.08%	7,913
Due March 2010, 2.1%	20,156
Due January 2010, 3.92%	20,590
Due January 2010, 3.92%	20,590
Due November 2010, 2.5%	20,165
Due November 2010, 2.5%	20,165
Due September 2010, 2.32%	20,460
Total	$ 150,630

As of August 31, 2008, the Organization has invested in a certificate of deposit for $7,682, recorded at quoted fair value. The certificate of deposit matures on 4/21/09 with interest at 2.96%.

4. LEASE AGREEMENT

Unity Nursery School leased space for its classrooms and other facilities under a one year building use covenant for each of the fiscal years ended August 31, 2009 and August 31, 2008. Rent expense for the fiscal years ended August 31, 2009 and 2008 was $27,250 and $25,250, respectively. The Organization has renewed the building use covenant for a one year term to August 31, 2010, at an annual rental of $30,000, including utilities and general building maintenance.

OTHER FINANCIAL INFORMATION

CHERYL ROHLFS AND ASSOCIATES, LTD.
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON OTHER FINANCIAL INFORMATION

January 8, 2010

To the Board of Directors of
Unity Nursery School

Our report on our audits of the basic financial statements of Unity Nursery School for 2009 and 2008 appears on page 1. That audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The additional information in Schedule I is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information in Schedule I 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.

Cheryl Rohlfs & Associates, Ltd.

CHERYL ROHLFS & ASSOCIATES, LTD.

Schedule I

UNITY NURSERY SCHOOL
SCHEDULES OF EXPENSES - MODIFIED CASH BASIS
FOR THE FISCAL YEARS ENDED AUGUST 31, 2009 AND 2008

	2009	2008
Salaries	$ 126,063	$ 124,767
Payroll Taxes	10,258	10,235
Employee Benefits	2,534	542
Advertising	50	322
Consultants	398	840
Depreciation	1,784	1,610
Class Supplies and Expenses	4,942	5,300
Equipment	-	2,359
Fees and Dues	666	256
Insurance	9,750	9,526
Janitorial	5,550	5,925
Miscellaneous	102	791
NAEYC Expenses	-	141
Office Supplies and Expenses	182	1,495
Payroll Service	1,242	1,350
Printing and Postage	624	861
Professional Education	1,807	2,837
Professional Fees	3,030	2,733
Rent	27,250	25,250
Repairs and Maintenance	1,868	1,575
Telephone and Internet	971	1,212
Scholarships	1,100	929
Social Activities	51	788
Total Expenses	$ 200,222	$ 201,644

See accompanying notes and auditor's report.