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Form **990-EZ**

**Short Form  
Return of Organization Exempt From Income Tax**

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

OMB No 1545-1150

**2009**

**Open to Public  
Inspection**

Department of the Treasury  
Internal Revenue Service

▶ 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 \$500,000 and total assets less than \$1,250,000 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

**A For the 2009 calendar year, or tax year beginning 07/01/09, and ending 06/30/10**

<b>B</b> Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Termination <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type. See Specific Instructions.	<b>C Name of organization</b> <b>ELSMERE RECREATION, INC.</b> Number and street (or P O box, if mail is not delivered to street address) Room/suite <b>11 POPLAR AVENUE</b> City or town, state or country, and ZIP + 4 <b>WILMINGTON DE 19805</b>	<b>D Employer identification number</b> <b>51-0327248</b> <b>E Telephone number</b> <b>302-998-0981</b> <b>F Group Exemption Number</b>
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• 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**  Cash  Accrual  
Other (specify) ▶

**I Website:** ▶ **N/A**  
**J Tax-exempt status** (check only one) —  501(c) ( **4** ) ◀ (insert no )  4947(a)(1) or  527

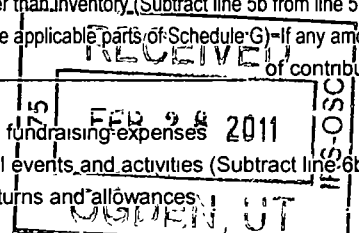
**H Check**  if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF)

**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 Form 990-EZ or Form 990 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 \$500,000 or more, file Form 990 instead of Form 990-EZ** ▶ \$ **199,236**

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

	Description	Line	Amount
Revenue	1 Contributions, gifts, grants, and similar amounts received	1	163,000
	2 Program service revenue including government fees and contracts	2	35,650
	3 Membership dues and assessments	3	
	4 Investment income	4	56
	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)	5c	
	6 Special events and activities (complete applicable parts of Schedule G) If any amount is from gaming, check here <input type="checkbox"/>		
	a Gross revenue (not including \$ of contributions reported on line 1)	6a	
	b Less direct expenses other than fundraising expenses	6b	
c Net income or (loss) from special events and activities (Subtract line 6b from line 6a)	6c		
7a Gross sales of inventory, less returns and allowances	7a	450	
b Less cost of goods sold	7b	249	
c Gross profit or (loss) from sales of inventory (Subtract line 7b from line 7a)	7c	201	
8 Other revenue (describe ▶ <b>SEE STATEMENT 1</b> )	8	80	
9 <b>Total revenue.</b> Add lines 1, 2, 3, 4, 5c, 6c, 7c, and 8	9	198,987	
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	124,461
	13 Professional fees and other payments to independent contractors	13	5,998
	14 Occupancy, rent, utilities, and maintenance	14	44,242
	15 Printing, publications, postage, and shipping	15	603
	16 Other expenses (describe ▶ <b>SEE STATEMENT 2</b> )	16	49,953
	17 <b>Total expenses.</b> Add lines 10 through 16	17	225,257
	18 Excess or (deficit) for the year (Subtract line 17 from line 9)	18	-26,270
	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	119,986
20 Other changes in net assets or fund balances (attach explanation)	20		
21 <b>Net assets or fund balances at end of year.</b> Combine lines 18 through 20	21	93,716	



**Part II Balance Sheets.** If Total assets on line 25, column (B) are \$1,250,000 or more, file Form 990 instead of Form 990-EZ.

(See the instructions for Part II)

	Description	(A) Beginning of year		(B) End of year
22	Cash, savings, and investments	123,888	22	95,458
23	Land and buildings		23	
24	Other assets (describe ▶ <b>SEE STATEMENT 3</b> )	17,588	24	8,345
25	<b>Total assets</b>	141,476	25	103,803
26	<b>Total liabilities</b> (describe ▶ <b>SEE STATEMENT 4</b> )	21,490	26	10,087
27	<b>Net assets or fund balances</b> (line 27 of column (B) must agree with line 21)	119,986	27	93,716

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

Form **990-EZ** (2009)



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

		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		X
34	Were any changes made to the organizing or governing documents? If "Yes," attached a conformed copy of the changes		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 why the organization did not report the income on Form 990-T		
a	Did the organization have unrelated business gross income of \$1,000 or more or was it subject to section 6033(e) notice, reporting, and proxy tax requirements?		X
b	If "Yes," has it filed a tax return on Form 990-T for this year?		
36	Did the organization undergo a liquidation, dissolution, termination, or significant disposition of net assets during the year? If "Yes," complete applicable parts of Schedule N		X
37a	Enter amount of political expenditures, direct or indirect, as described in the instr <span style="float:right">▶ 37a</span>		
b	Did the organization file Form 1120-POL for this year?		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 outstanding at the end of the period covered by this return?		X
b	If "Yes," complete Schedule L, Part II and enter the total amount involved <span style="float:right">38b</span>		
39	Section 501(c)(7) organizations Enter		
a	Initiation fees and capital contributions included on line 9 <span style="float:right">39a</span>		
b	Gross receipts, included on line 9, for public use of club facilities <span style="float:right">39b</span>		
40a	Section 501(c)(3) organizations. Enter amount of tax imposed on the organization during the year under section 4911 <span style="float:right">▶</span> _____, section 4912 <span style="float:right">▶</span> _____, section 4955 <span style="float:right">▶</span> _____		
b	Section 501(c)(3) and 501(c)(4) organizations Did the organization engage in any section 4958 excess benefit transaction during the year or is it aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I		X
c	Section 501(c)(3) and 501(c)(4) organizations Enter amount of tax imposed on organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 <span style="float:right">▶</span> _____		
d	Section 501(c)(3) and 501(c)(4) organizations Enter amount of tax on line 40c reimbursed by the organization <span style="float:right">▶</span> _____		
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		X
41	List the states with which a copy of this return is filed <span style="float:right">▶</span> <b>NONE</b>		
42a	The organization's books are in care of <span style="float:right">▶</span> <b>NICOLE LYONS</b> Telephone no. <span style="float:right">▶</span> <b>302-998-0981</b> <b>11 POPLAR AVENUE</b> Located at <span style="float:right">▶</span> <b>WILMINGTON, DE</b> ZIP + 4 <span style="float:right">▶</span> <b>19805</b>		
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)? If "Yes," enter the name of the foreign country: <span style="float:right">▶</span> _____ See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.	Yes	No
			X
c	At any time during the calendar year, did the organization maintain an office outside of the U S ? If "Yes," enter the name of the foreign country: <span style="float:right">▶</span> _____		X
43	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-EZ in lieu of Form 1041—Check here <span style="float:right">▶</span> <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year <span style="float:right">▶</span> <b>43</b>		
44	Did the organization maintain any donor advised funds? If "Yes," Form 990 must be completed instead of Form 990-EZ		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		X

**Part VI Section 501(c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts only.** All section 501(c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts must answer questions 46-49b and complete the tables for lines 50 and 51.

	Yes	No
<b>46</b> 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	<b>46</b>	
<b>47</b> Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II	<b>47</b>	
<b>48</b> Is the organization operating a school as described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	<b>48</b>	
<b>49a</b> Did the organization make any transfers to an exempt non-charitable related organization?	<b>49a</b>	
<b>b</b> If "Yes," was the related organization a section 527 organization?	<b>49b</b>	

**50** Complete this table for the organization's 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

**f** Total number of other employees paid over \$100,000 ▶ \_\_\_\_\_

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

(a) Name and address of each independent contractor paid more than \$100,000	(b) Type of service	(c) Compensation

**d** Total number of other independent contractors each receiving over \$100,000 ▶ \_\_\_\_\_

**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.

Signature of officer: *Amy Terranova* Date: 11/12/10

Type or print name and title: Amy Terranova

**Paid Preparer's Use Only**

Preparer's signature: *Glenn F. Davis* Date: 11/12/10 Check if self-employed:  Preparer's Identifying Number (See instr): P00795440

Firm's name (or yours if self-employed), address, and ZIP + 4: SPARANO, VINCELETTE & VILLANO, CPA'S EIN: 23-2299481

1814 NEWPORT GAP PIKE Phone no: 302-999-7300

WILMINGTON, DE 19808-6122

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

**Depreciation and Amortization**  
(Including Information on Listed Property)

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

Name(s) shown on return

**ELSMERE RECREATION, INC.**

Identifying number

**51-0327248**

Business or activity to which this form relates

**INDIRECT DEPRECIATION**

**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 (see instructions)	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 2008 Form 4562	10	
11	Business income limitation Enter the smaller of business income (not less than zero) or line 5 (see instructions)	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 2010 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.) (See instr.)**

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	1,677

**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 2009	17	405
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 <input type="checkbox"/>		

**Section B—Assets Placed in Service During 2009 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 2009 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 instructions	22	2,082
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	

**Federal Statements****Statement 1 - Form 990-EZ, Part I, Line 8 - Other Revenue**

<u>Description</u>	<u>Amount</u>
MISCELLANEOUS	\$ 80
TOTAL	\$ <u>80</u>

**Statement 2 - Form 990-EZ, Part I, Line 16 - Other Expenses**

<u>Description</u>	<u>Amount</u>
EXPENSES	\$
ADVERTISING	1,470
SUPPLIES	27,480
TRAVEL AND CAMP TRIPS	4,564
INTEREST	444
INSURANCE	14,771
CAMP ACTIVITIES	846
MISCELLANEOUS	378
TOTAL	\$ <u>49,953</u>

**Statement 3 - Form 990-EZ, Part II, Line 24 - Other Assets**

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>
ACCOUNTS RECEIVABLE	\$ 7,833	\$
PREPAID EXPENSES AND DEFERRED CHARGES	513	584
FURNITURE & EQUIPMENT	142,757	143,357
LESS ACCUMULATED DEPRECIATION	133,515	135,596
	<u>17,588</u>	<u>8,345</u>

**Statement 4 - Form 990-EZ, Part II, Line 26 - Total Liabilities**

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>
ACCOUNTS PAYABLE AND ACCRUED EXPENSES	\$ 21,490	\$ 7,862
CAMP DEPOSITS		2,225
	<u>21,490</u>	<u>10,087</u>

**Statement 5 - Form 990-EZ, Part III, Line 28 - Statement of Program Service Accomplishments**

Description

ELSMERE RECREATION, INC. IS AN OFFSHOOT OF THE TOWN OF ELSMERE'S PARKS AND RECREATION DEPT. THE ORGANIZATION PROVIDES PRESCHOOL CARE, AFTERSCHOOL CARE, AND CAMPS TO NEARBY RESIDENTS. A BOXING PROGRAM IS PROVIDED FOR DISADVANTAGED YOUTHS. PRESCHOOL SERVED 7 CHILDREN, AFTERSCHOOL SERVED 7 CHILDREN, AND 50 CHILDREN ATTENDED CAMPS.