

**URBAN RANGER CORPS**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2008**



***William B. Schmidt, CPA, LLC***

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*Certified Public Accountants*

# URBAN RANGER CORPS

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INDEPENDENT AUDITOR'S REPORT

Mr. Jerry Cooke, Chair Audit Committee  
Board of Directors  
Urban Rangers  
Kansas City, Missouri

We have audited the accompanying statement of financial position of **Urban Ranger Corps** (a nonprofit organization) as of December 31, 2008, and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Urban Ranger Corps as of December 31, 2008, and the changes in its net assets and cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

January 19, 2010

*William B. Schmidt CPA, LLC*

URBAN RANGER CORPS  
STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2008

ASSETS

**CURRENT ASSETS**

Cash and Cash Equivalents	\$ 24,879
Accounts Receivable	-
Prepaid Expense	<u>3,664</u>
Total Current Assets	28,543

**PROPERTY AND EQUIPMENT**

Real Estate	148,889
Automobiles	<u>12,206</u>
Total	161,095
Accumulated Depreciation	<u>(5,635)</u>
Net Property and Equipment	155,460

Total Assets	<u>\$ 184,003</u>
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LIABILITIES AND NET ASSETS

**LIABILITIES**

Payroll Liabilities	\$ <u>623</u>
Total Liabilities	<u>623</u>

**NET ASSETS**

Unrestricted:	
Undesignated - Available for General Activities	<u>183,380</u>
Total Net Assets	<u>183,380</u>

<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 184,003</u>
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See accompanying notes which are an integral part of these financial statements

URBAN RANGER CORPS  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2008

<b>SUPPORT AND REVENUES</b>	
<b>Support</b>	
Contributions	<u>\$ 332,370</u>
Total Support	<u>332,370</u>
 <b>Revenues</b>	
Project Income	2,549
Miscellaneous Income	<u>126</u>
Total Revenues	<u>2,675</u>
 Total Support & Revenues	<u>335,045</u>
 <b>EXPENSES</b>	
Program Services	
Neighborhood Improvement	210,865
 Supporting Services	
General & Administrative	48,622
Fundraising	<u>9,601</u>
Total Expenses	<u>269,088</u>
 <b>CHANGE IN NET ASSETS</b>	65,957
 NET ASSETS, Beginning of Year	<u>117,423</u>
 NET ASSETS, End of Year	<u>\$ 183,380</u>

See accompanying notes which are an integral part of these financial statements

URBAN RANGER CORPS  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED  
DECEMBER 31, 2008

	Neighborhood Improvement	General & Administration	Fundraising	Total
Salaries	\$ 126,583	\$ 32,043	-	\$ 158,626
Employee Benefits	6,637	1,680	-	8,317
FICA/MED	9,684	2,451	-	12,135
<b>Total Salaries &amp; Related Expenses</b>	<b>142,904</b>	<b>36,174</b>	-	<b>179,078</b>
Purchased Services	11,566	907	-	12,473
Supplies & Meeting Expense	1,453	2,353	-	3,806
Printing	-	3,054	-	3,054
Postage	-	568	-	568
Occupancy	18,361	-	-	18,361
Insurance	8,658	-	-	8,658
Equipment Maintenance	1,067	-	-	1,067
Marketing	-	5,551	4,519	10,070
Transportation	3,584	-	-	3,584
Training	2,523	-	-	2,523
Neighborhood Projects	15,820	-	-	15,820
Tools & Supplies	1,139	-	-	1,139
Fundraising Expenses	-	-	5,082	5,082
Organizational Dues	-	15	-	15
Uniforms	1,349	-	-	1,349
<b>Total Expenses before Depreciation</b>	<b>208,424</b>	<b>48,622</b>	<b>9,601</b>	<b>266,647</b>
Depreciation & Amortization	2,441	-	-	2,441
<b>TOTAL EXPENSES</b>	<b>\$ 210,865</b>	<b>\$ 48,622</b>	<b>\$ 9,601</b>	<b>\$ 269,088</b>

See accompanying notes which are an integral part of these financial statements

URBAN RANGER CORPS  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2008

<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Change in Net Assets	\$ 65,957
Adjustments to Reconcile Change in Net Assets to Net Cash Flow for Operating Activities	
Depreciation	2,441
(Increase) Decrease in Accounts Receivable	-
(Increase) Decrease in Prepaid Expenses	507
Increase(Decrease) in Payroll Liabilities	<u>(3,954)</u>
Net Cash Flow from Operating Activities	<u>64,951</u>
 <b>CASH FLOW FROM INVESTING ACTIVITIES:</b>	
Purchase of Property and Equipment	<u>(61,211)</u>
 <b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>	
 <b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	 <u>3,740</u>
 <b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	 <u>21,139</u>
 <b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	 <u>\$ 24,879</u>

See accompanying notes which are an integral part of these financial statements

URBAN RANGER CORPS  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2008

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES

**A. Formation and Purpose of the Organization**

Urban Ranger Corps (the Agency) was incorporated as a not for profit organization. Its Board of Directors and advisors manages the Organization. Urban Ranger Corps was formed exclusively for charitable and educational purposes, and no part of its assets or income shall be distributed to or inure to the benefit of any member of the Organization.

The principal purpose of the Agency is to hire, train and utilize local youth in jobs and to clean and repair neighborhood properties in the inner city of Kansas City, Mo.. Support for the various programs is derived from various contributions, and bequests.

**B. Basis of Financial Statement Presentation**

The accompanying financial statements have been prepared in accordance with the AICPA Audit and Accounting Guide for Not-For-Profit Organizations established by the American Institute of Certified Public Accountants.

The Organization has adopted the 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.

Net assets are reported as follows:

- Unrestricted undesignated net assets are unrestricted funds, which are available for any purpose.
- Unrestricted designated net assets are unrestricted funds designated by the Board for specific purposes.
- Temporarily restricted net assets represent contributions whose use by the Organization is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Organization pursuant to those stipulations. When a stipulated restriction ends or purpose of 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. There were no temporarily restricted net assets at December 31, 2008.



## NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

### **B. Basis of Financial Statement Presentation (cont'd)**

- Permanently restricted net assets represent contributions and other inflow of assets whose use by the Organization is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the Organization. The Organization did not have any permanently restricted net assets at December 31, 2008.

The Organization has adopted the Statement of Financial Accounting Standards (SFAS) No. 116, "Accounting for Contributions Received and Contributions Made." Under SFAS No. 116, the Organization is required to report unconditional promises to give. Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional.

### **C. Federal Income Taxes**

Urban Ranger Corps qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code, accordingly, no provision for income taxes has been made in the accompanying financial statements. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(91)(A) and has been classified as an organization that is not a private foundation under Section 501(c)(3).

### **D. Management Estimates**

The preparation 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 disclosure of contingent assets and liabilities at December 31 2008 and the reported amounts of revenues and expenses during the year then ended. The actual outcome of the estimates could differ from the estimates made in the preparation of the financial statements.

### **E. Statement of Cash Flows**

Cash and Cash Equivalents – For purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments purchased with a maturity of three months or less to be a cash equivalent. For the year ended December 31, 2008, there were no cash equivalents.

### **F. Advertising and Marketing**

Advertising and marketing expenses are expensed as incurred. Advertising and marketing expenses generally do not benefit future periods in any significant amount.