

**ATLAS SERVICE CORPS, INC.**

**FINANCIAL STATEMENTS**  
*(With Accountants' Compilation Report)*

**For the nine months ended March 31, 2007**

# ATLAS SERVICE CORPS, INC.

## CONTENTS

### **Accountants' Compilation Report**

### **Page**

### **Financial Statements**

Statement of Financial Position	1
Statement of Activities	2
Statement of Cash Flows	3
Notes to Financial Statements	4

### **Supplemental Information**

Supplemental Schedule of Functional Expenses	7
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Atlas Service Corps, Inc.  
Newark, DE

Accountants' Compilation Report

We have compiled the accompanying statement of financial position of Atlas Service Corps, Inc. as of March 31, 2007 and the related statement of activities for the nine months then ended, in accordance with standards established 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 management. We have not audited or reviewed the accompanying financial statements and, accordingly do not express an opinion or any other form of assurance on them.

A handwritten signature in black ink that reads "McMaster &amp; Associates PC".

May 1, 2007  
Washington, DC

ATLAS SERVICE CORPS, INC.

STATEMENT OF FINANCIAL POSITION

March 31, 2007

ASSETS

Current assets:	
Cash	\$ 97,775
Pledges receivable	<u>20,000</u>
Total current assets	117,775
Fixed assets:	
Furniture and equipment	625
Less: accumulated depreciation	<u>(125)</u>
Net fixed assets	<u>500</u>
Total assets	<u><u>\$ 118,275</u></u>

LIABILITIES AND NET ASSETS

Liabilities	
Accrued expenses	\$ 6,225
Net assets:	
Unrestricted	17,050
Temporarily restricted	<u>95,000</u>
Total net assets	<u>112,050</u>
Total liabilities and net assets	<u><u>\$ 118,275</u></u>

See accompanying notes and accountants' report.

ATLAS SERVICE CORPS, INC.

STATEMENT OF ACTIVITIES

For the nine months ended March 31, 2007

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>Support and revenue:</b>			
Contributions	\$ 35,408	\$ 95,000	\$ 130,408
Program service revenue	2,000	-	2,000
In-kind contributions	48,650	-	48,650
	<u>86,058</u>	<u>95,000</u>	<u>181,058</u>
Total revenues	86,058	95,000	181,058
<b>Expenses:</b>			
Programs	57,351	-	57,351
General and administrative	6,685	-	6,685
Fundraising	4,972	-	4,972
	<u>69,008</u>	<u>-</u>	<u>69,008</u>
Total expenses	69,008	-	69,008
Change in net assets	17,050	95,000	112,050
Net assets, beginning of period	<u>-</u>	<u>-</u>	<u>-</u>
Net assets, end of period	<u>\$ 17,050</u>	<u>\$ 95,000</u>	<u>\$ 112,050</u>

See accompanying notes and accountants' report.

ATLAS SERVICE CORPS, INC.

STATEMENT OF CASH FLOWS

For the nine months ended March 31, 2007

**Operating activities:**

Change in net assets	\$ 112,050
Adjustments to reconcile changes in net assets to Cash provided by operating activities:	
Depreciation	125
(Increase) decrease:	
Pledges receivable	(20,000)
Increase (decrease):	
Accrued expenses	<u>6,225</u>
Net cash provided by operating activities	98,400

**Investing activities:**

Purchase of fixed assets	<u>(625)</u>
Net increase in cash and equivalents	97,775
Cash and equivalents, beginning of year	<u>-</u>
Cash and equivalents, end of year	<u><u>\$ 97,775</u></u>

**Supplemental information:**

Non-cash transactions	
In-kind contributions	<u><u>\$ 48,650</u></u>

See accompanying notes and accountants' report.

# ATLAS SERVICE CORPS, INC.

## NOTES TO FINANCIAL STATEMENTS

March 31, 2007

### 1. DESCRIPTION OF THE ORGANIZATION

Atlas Service Corps, Inc. (the Organization) is a Delaware nonprofit organization incorporated on April 7, 2006 with the primary mission to integrate a global citizen sector in order to create a global partnership for development. The Organization facilitates international fellowships for rising citizen sector leaders who participate in a management development program in the U.S. while volunteering at a U.S. nonprofit organization. These Fellows then commit to work an additional year in the citizen sector of their home country, sharing new skills, best practices, and valuable experience.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Basis of accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting. Accordingly, revenues are recognized when earned and expenses when incurred.

#### Cash and equivalents

The Organization recognizes all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

#### Investments

Investments are recorded at market value. Realized and unrealized gains and losses on investments are reported on the statement of activities as they occur.

#### Pledges Receivable

Pledges receivable represents amounts which have been promised but not yet received. Pledges beyond one year are discounted to reflect the present value of the pledge.

#### Deferred Revenue

The Organization records income for program services revenue which has been paid in advance as deferred revenue.

ATLAS SERVICE CORPS, INC.

NOTES TO FINANCIAL STATEMENTS

March 31, 2007

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Fixed assets

Furniture and equipment are reported at cost. Depreciation on all property and equipment is computed using the straight-line method over the estimated useful lives of the assets, which is five years. Depreciation expense for the nine months, ended March 31, 2007 was \$125.

Estimates

Preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Donated Services and Materials

Contributions of services are recognized if the services received create or enhance nonfinancial assets or require specialized skills, and are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. Contributed services and promises to give services that do not meet the above criteria are not recognized. During the nine months ended March 31, 2006, the Organization received \$48,650.

Income taxes

The Organization is a nonprofit organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization is subject to income taxes for unrelated business income activities. During the nine months ended March 31, 2007, the Organization did not have any unrelated business income subject to federal or state income tax.



ATLAS SERVICE CORPS, INC.

NOTES TO FINANCIAL STATEMENTS

March 31, 2007

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Net Assets

Net assets consist of the following categories:

Unrestricted Funds

Unrestricted net assets represent resources over which the Board of Directors has discretionary control and are used to carry out operations of the Organization in accordance with its bylaws. The Organization has elected to report contributions which are released from restriction in the year received as unrestricted contributions.

Temporarily Restricted Funds

Temporarily restricted net assets represent contributions which have been restricted by donors for specific programs or activities. Restrictions which have been met by the passage of time or expenditure of net assets are reported as revenues released from restrictions on the statement of activities. For the nine months ended March 31, 2007, the Organization received \$95,000 in temporarily restricted contributions.

3. PROGRAM SERVICE REVENUE

As described previously in note 1, the Organization facilitates a management development program. As of March 31, 2007, the Organization has negotiated seven executed contracts totaling \$108,500 to support the first program that will begin in August 2007. Payment for these contracts is due prior to the commencement of the program and will be recorded as program services revenue.

## **SUPPLEMENTAL INFORMATION**

**ATLAS SERVICE CORPS, INC.**

**SUPPLEMENTAL SCHEDULE OF FUNCTIONAL EXPENSES**

**For the nine months ended March 31, 2007**

	<u>Programs</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Salaries and fringe benefits	\$ 4,350	\$ 825	\$ 1,050	\$ 6,225
Advertising	-	50	-	50
Bank fees	-	60	10	70
Books and periodicals	48	32	-	80
Consultants	-	1,106	-	1,106
Depreciation	-	125	-	125
In-kind expense	48,650	-	-	48,650
Insurance	-	624	-	624
Meetings and conferences	695	497	1,186	2,378
Miscellaneous	125	-	-	125
Office supplies	-	1,162	140	1,302
Postage and delivery	-	100	45	145
Printing and copying	8	5	91	104
Professional fees	423	430	1,203	2,056
Taxes and licenses	799	7	-	806
Telecommunications	80	1,427	32	1,539
Travel	2,173	36	1,215	3,424
Web hosting	-	199	-	199
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total expenses	<u>\$ 57,351</u>	<u>\$ 6,685</u>	<u>\$ 4,972</u>	<u>\$ 69,008</u>

See accompanying notes and accountants' report.