

KANSAS CITY CENTER FOR URBAN AGRICULTURE
FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2006

KANSAS CITY CENTER FOR URBAN AGRICULTURE

December 31, 2006

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
KANSAS CITY CENTER FOR URBAN AGRICULTURE

We have audited the statement of financial position of Kansas City Center for Urban Agriculture (a nonprofit organization) as of December 31, 2006 and the related statements of activities and changes in net assets and functional expenses for the year then ended. These financial statements are the responsibility of 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 Kansas City Center for Urban Agriculture as of December 31, 2006 and the changes in its net assets and its cash flows for the year ended in conformity with accounting principles generally accepted in the United States of America.



Michael J. McInerney, LLC
Mission, Kansas
April 25, 2007

KANSAS CITY CENTER FOR URBAN AGRICULTURE

STATEMENT OF FINANCIAL POSITION

As of December 31, 2006

ASSETS

ASSETS	
Cash	\$ 26,075
Deposits	3,494
Property and equipment	4,736
Less accumulated depreciation	(1,359)
TOTAL ASSETS	\$ <u>32,946</u>

LIABILITIES AND NET ASSETS

LIABILITIES	
Accrued liabilities	\$ _____ 6
TOTAL LIABILITIES	6
NET ASSETS	
Unrestricted	29,140
Temporarily restricted	<u>3,800</u>
TOTAL NET ASSETS	<u>32,940</u>
TOTAL LIABILITIES & NET ASSETS	\$ <u>32,946</u>

The accompanying notes are an integral part of these statements.

KANSAS CITY CENTER FOR URBAN AGRICULTURE
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

Year Ended December 31, 2006

UNRESTRICTED NET ASSETS

SUPPORT AND REVENUE

Grants	\$ 53,516
Contributions	17,616
Sales at markets	71,947
Other	2,276
Net assets released from restrictions	<u> --</u>
TOTAL SUPPORT AND REVENUE	145,355

EXPENSES

Program services	120,141
Supporting services	
Administrative	13,959
Fundraising	<u>2,275</u>
Total supporting services	<u>16,234</u>

TOTAL EXPENSES 136,375

CHANGE IN UNRESTRICTED NET ASSETS 8,980

TEMPORARILY RESTRICTED NET ASSETS

Grants	3,800
Net assets released from restrictions	<u> --</u>
CHANGE IN TEMPORARILY RESTRICTED NET ASSETS	<u>3,800</u>

CHANGE IN NET ASSETS 12,780

NET ASSETS, BEGINNING OF PERIOD 20,160

NET ASSETS, END OF PERIOD \$ 32,940

The accompanying notes are an integral part of these statements.

KANSAS CITY CENTER FOR URBAN AGRICULTURE

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended December 31, 2006

	Program Services			Supporting Services			
	Community Farm	Urban Farm Development	Total	Administrative	Fundraising	Total	Total
Salaries and wages	\$ 29,099	\$ 43,649	\$ 72,748	\$ 8,267	\$ 1,653	\$ 9,920	\$ 82,668
Payroll tax expense	2,232	3,339	5,571	632	127	759	6,330
Bank charges	18	44	62	397	--	397	459
Contract labor	364	--	364	--	--	--	364
Depreciation	842	49	891	79	20	99	990
Insurance	5,334	314	5,648	502	126	628	6,276
Licenses & permits	--	--	--	284	--	284	284
Maintenance	3,298	--	3,298	--	--	--	3,298
Market fees	1,583	--	1,583	--	--	--	1,583
Auto expense	953	393	1,346	568	--	568	1,914
Misc. expenses	2,476	146	2,622	233	58	291	2,913
Postage & delivery	349	21	370	33	8	41	411
Printing	106	6	112	10	3	13	125
Professional fees	--	1,900	1,900	--	--	--	1,900
Rent	2,380	140	2,520	224	56	280	2,800
Seed & planting stock	3,672	--	3,672	--	--	--	3,672
Supplies	6,616	643	7,259	1,833	--	1,833	9,092
Travel, lodging & meals	78	--	78	--	--	--	78
Utilities	<u>9,536</u>	<u>561</u>	<u>10,097</u>	<u>897</u>	<u>224</u>	<u>1,121</u>	<u>11,218</u>
Total functional expenses	<u>\$ 68,936</u>	<u>\$ 51,205</u>	<u>\$ 120,141</u>	<u>\$ 13,959</u>	<u>\$ 2,275</u>	<u>\$ 16,234</u>	<u>\$ 136,375</u>

The accompanying notes are an integral part of these statements

KANSAS CITY CENTER FOR URBAN AGRICULTURE

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2006

NOTE A – ORGANIZATION, SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization – The Kansas City Center for Urban Agriculture was organized in Kansas on February 7, 2005, as a nonprofit corporation for the purpose of promoting urban agriculture in the Kansas City metropolitan area

Basis of Accounting – The accompanying financial statements have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Cash - The Organization maintains cash balances at a financial institution in the metropolitan Kansas City area. Accounts are insured by the Federal Deposit Insurance Corporation up to \$100,000. There were no uninsured balances at December 31, 2006.

Property and Equipment and Depreciation - Property and equipment are stated at cost, if acquired, or fair market value, if donated. Depreciation of property and equipment is computed over the estimated useful lives of the assets.

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principals require management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities at the date of the financial statements, and revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income taxes - The Organization is exempt from federal income taxes under Section 501(c) (3) of the Internal Revenue Code.

Functional expenses - The Organization allocates its expenses on a functional basis among its program and support services. Expenses that can be identified with a specific program and support service are allocated directly according to their natural expenditure classification. Other expenses that are common to several functions are allocated by management’s estimate of resources devoted to the program or support service.

NOTE B – PROPERTY AND EQUIPMENT

Cost	
Property and equipment	\$ 4,736
Accumulated depreciation	(1,359)
Net property and equipment	\$ <u>3,377</u>

Depreciation is calculated using the double decline balance method of depreciation using the following useful lives:

Office equipment and furniture	5-7 years
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KANSAS CITY CENTER FOR URBAN AGRICULTURE

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2006

NOTE C – TEMPORARILY RESTRICTED NET ASSETS

At December 31, 2006, net assets are temporarily restricted for:

Purchase of farm	\$ 3,800
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