

**NATIONAL ALLIANCE OF PAN AFRICAN SEMINARIANS -
NASHVILLE CHAPTER (NAPAS)**

FINANCIAL STATEMENTS

DECEMBER 31, 2006

NATIONAL ALLIANCE OF PAN AFRICAN SEMINARIANS -
NASHVILLE CHAPTER (NAPAS)

Table of Contents

For the Year Ended December 31, 2006

INDEPENDENT ACCOUNTANT'S REPORT	<u>Page</u> 1
FINANCIAL STATEMENTS	
Statement of Financial Position	2
Statement of Activities and Changes in Net Assets	3
Statement of Functional Expenses	4
Statement of Cash Flows	5
Notes to Financial Statements	6-9

INDEPENDENT ACCOUNTANT'S REPORT


To the Board of Directors

National Alliance of Pan African Seminarians - Nashville Chapter (NAPAS)

We have reviewed the accompanying balance sheet of National Alliance of Pan African Seminarians - Nashville Chapter (NAPAS), as of December 31, 2006 and the related statements of income, retained earnings, and cash flows for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of National Alliance of Pan African Seminarians - Nashville Chapter (NAPAS).

A review consists principally of inquiries of company personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles accepted in the United States of America.



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NATIONAL ALLIANCE OF PAN AFRICAN SEMINARIANS -
NASHVILLE CHAPTER (NAPAS)

Statement of Financial Position

December 31, 2006

ASSETS

CURRENT ASSETS:

Cash	\$ 15.681
Grants receivable	2.482
Total current assets	<u>18.163</u>

Total assets	<u>\$ 18,163</u>
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LIABILITIES AND STOCKHOLDER'S EQUITY

CURRENT LIABILITIES

Accounts payable and other	\$ 2.762
Total current liabilities	<u>2.762</u>
Total liabilities	<u>2.762</u>

NET ASSETS

Unrestricted	15.401
Temporarily restricted	0
Total net assets	<u>15.401</u>
Total liabilities and net assets	<u>\$ 18,163</u>

NATIONAL ALLIANCE OF PAN AFRICAN SEMINARIANS -
NASHVILLE CHAPTER (NAPAS)

Statement of Activities and Changes in Net Assets
For the year ended December 31, 2006

	Unrestricted	Temporarily Restricted	Total
REVENUES:			
Grants	\$ 2,482	\$ 0	\$ 2,482
Total revenue	<u>2,482</u>		<u>2,482</u>
NET ASSETS RELEASED FROM PROGRAM RESTRICTIONS	<u>0</u>	<u>0</u>	<u>0</u>
EXPENSES:			
Program	2,160		2,160
Fundraising	198		198
Management and general	474		474
Total expenses	<u>2,832</u>		<u>2,832</u>
CHANGE IN NET ASSETS:	(350)		(350)
NET ASSETS:			
Beginning of year	15,751		15,751
NET ASSETS:			
End of year	<u>\$ 15,401</u>	<u>\$ 0</u>	<u>\$ 15,401</u>

NATIONAL ALLIANCE OF PAN AFRICAN SEMINARIANS -
NASHVILLE CHAPTER (NAPAS)

Statement of Functional Expenses
For the Year Ended December 31, 2006

	Program	Fundraising	Management and General	Total
Occupancy	\$ 1,098	\$ 100	\$ 241	\$ 1,439
Travel costs	825	76	180	1081
Supplies	184	17	41	242
License and Permits	53	5	12	70
Total	\$ 2,160	\$ 198	\$ 474	\$ 2,832

NATIONAL ALLIANCE OF PAN AFRICAN SEMINARIANS -
NASHVILLE CHAPTER (NAPAS)

Statement of Cash Flows

<u>Year ended December 31,</u>	<u>2006</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Change in net assets	\$ (350)
Change in receivables	(2,482)
Change in payables	<u>2,762</u>
Net cash used for operating activities	<u>(70)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:	
Cash provided from long-term receivables	<u>5,038</u>
Net cash provided from financing activities	<u>5,038</u>
Net increase (decrease) in cash	4,968
Cash at beginning of year:	10,713
Cash at end of year:	<u>\$ 15,681</u>

NATIONAL ALLIANCE OF PAN AFRICAN SEMINARIANS -
NASHVILLE CHAPTER (NAPAS)

Notes to Financial Statements
For the Year Ended December 31, 2006

**1. SUMMARY OF ORGANIZATION, SIGNIFICANT ACCOUNTING POLICIES
AND OTHER MATTERS**

A. Organization and Purpose

National Alliance of Pan African Seminarians, founded in 1979 through support of notable doctoral scholars at the Interdenominational Theological Center in Atlanta, Georgia, seeks to foster the holistic development of seminarians, corporations, couples, communities and congregations by affirming cultural identity, cultivating professional skills and facilitating interaction with peers and mentors. Since initial inception, these scholars created independent chapters across the country, serving organizations such as the Congress of National Black Churches, Fortune 500 foundations, and theological seminaries of Ivy league campuses and other. The National Alliance of Pan African Seminarians – Nashville Chapter is one such chapter.

B. Basis of Accounting

The accompanying financial statements include the transactions of the Organization. The Organization's financial statements have prepared on the accrual basis of accounting whereby revenues are recognized when earned and expenses are recorded when incurred.

C. Basis of Presentation of Financial Statements

The accompanying financial statements have been prepared in accordance with the Practitioner's Publishing Company "Guide to Compilations and Review Engagements" and Statements of Financial Standards No. 116 "Accounting for Contributions Received and Contributions Made" and No. 117 "Financial Statements for Not-for-Profit Organizations".

Under these presentations, net assets, revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein have been classified as unrestricted and temporarily restricted.

Unrestricted net assets include amounts that are not subject to donor-imposed stipulations, which are used to account for resources available to carry out the purposes of the Organization in accordance with the limitations of its charter and bylaws. The principal sources of unrestricted funds are grants, small donations, and fundraisers.

NATIONAL ALLIANCE OF PAN AFRICAN SEMINARIANS -
NASHVILLE CHAPTER (NAPAS)

Notes to Financial Statements
For the Year Ended December 31, 2006

**1. SUMMARY OF ORGANIZATION, SIGNIFICANT ACCOUNTING POLICIES
AND OTHER MATTERS (Continued)**

Temporarily restricted net assets are those resources currently available for use, but are expendable only for purposes specified by the donor or grantor, which may or will be met by the actions of the Organization and/or the passage of time. Such resources originate from grants and contributions restricted for specific purposes or for a specific future time frame. When a donor or grantor restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and are reported in the statement of activities as net assets released from restrictions. When restricted funds are expended, temporarily restricted expenditures are reclassified to unrestricted expenditures and are also reported in the statement of activities as net assets released from restrictions.

D. Cash and Cash Equivalents

The Organization considers all highly liquid investments, with maturity of three months or less when purchased, to be cash equivalents. Cash is held in demand accounts at banks, and cash balances may exceed the federally insured amounts as detailed in Note 2 to the financial statements. At December 31, 2006, there were no cash equivalents.

E. Grants Receivable

Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met. As of December 31, 2006, there were \$2,482 in grants receivable.

F. Fair Value of Financial Instruments

The carrying value of cash, accounts payable, and accrued liabilities approximate fair value because of the short maturity of these financial instruments.

G. Donated Services and Equipment

The Chapter's donated services and equipment are stated at their fair market value when received. Such donations are considered unrestricted unless specifically restricted by the donor. The basis for the valuation of donated services is the estimated cost to the Organization had the services been performed by an employee. The basis for valuation of donated materials is the estimated cost to the organization if the items were purchased. The value of donated services and equipment for the year ended December 31, 2006, was \$0.

NATIONAL ALLIANCE OF PAN AFRICAN SEMINARIANS -
NASHVILLE CHAPTER (NAPAS)

Notes to Financial Statements

For the Year Ended December 31, 2006

**1. SUMMARY OF ORGANIZATION, SIGNIFICANT ACCOUNTING POLICIES
AND OTHER MATTERS (Continued)**

H. Expense Allocation

The cost of providing various programs and other activities has been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

I. Income Taxes

The National Alliance of Pan African Seminarians - Nashville Chapter (NAPAS) is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no income taxes are reflected in the accompanying financial statements.

J. Management 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.

K. Reclassifications

Certain accounts in the prior year financial statements have been reclassified to conform to the presentation in the current year.

L. Property and Equipment

Property and equipment additions are recorded at cost. Maintenance, repairs, and renewals are expensed, and additions and improvements are capitalized. Depreciation is computed using the straight-line depreciation method over the useful lives of the property and equipment. For the year ended December 31, 2006, there was no property and equipment.

2. UNINSURED CASH BALANCES

The Organization maintains cash balances in a bank that is insured by the Federal Deposit Insurance Corporation up to \$100,000. At December 31, 2006, there were no uninsured cash balances.

3. EFFECT OF CURRENT ECONOMIC CONDITIONS AND CONTRIBUTIONS

The Organization does depend on contributions and grants for its revenue. The ability of certain of the Organization's supporters to continue giving amounts comparable with

prior years may be dependent upon current and future overall economic conditions. While the Organization's Board of Directors believe the Organization has the resources to continue its programs, its ability to do so and the extent to which it continues may be dependent on the above factors.