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COMPANY ONE INC
FINANCIAL STATEMENTS
AUGUST 31, 2010

PREPARED ON THE CASH BASIS

JACOB I ZUBER, CPA, PC

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JACOB "IZZY" ZUBER, CPA,
President

To The Board Of Directors,
Company One Inc.

We have audited the Statement of Financial Position-Cash Basis of Company One Inc (a non-profit organization) as of August 31, 2010 and the related Statement of Activities-Cash Basis and Statement of 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. The financial statements have been prepared on the cash basis of accounting, which is a basis of accounting other than generally accepted accounting principles.

We conducted our audit in accordance with generally accepted auditing standards. 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 assets, liabilities and net assets of Company One Inc. as of August 31, 2010, and its support and expenses for the year then ended on the basis of accounting described in the "Notes to the Cash-Basis Financial Statements."

JACOB I ZUBER, CPA, PC



Brighton, Massachusetts
January 9, 2011

COMPANY ONE INC
STATEMENT OF FINANCIAL POSITION-CASH BASIS
AUGUST 31, 2010

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ASSETS

CURRENT ASSETS

Cash \$40,038

OTHER ASSETS

Security Deposits 1,613

TOTAL ASSETS

\$41,651

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Credit Cards Payable \$9,185
Sales Tax Payable 100
Total Current Liabilities \$9,285

NET ASSETS

32,366

TOTAL LIABILITIES AND NET ASSETS

\$41,651

THE ACCOMPANYING NOTES ARE AN INTEGRAL
PART OF THESE FINANCIAL STATEMENTS

COMPANY ONE INC
STATEMENT OF ACTIVITIES-CASH BASIS
FOR THE YEAR ENDED AUGUST 31, 2010

AUGUST 2011

EARNED INCOME

Performance Income	\$148,443	
Educational Income	16,223	
Auction Income	11,234	
Refreshment Income	1,945	
Sales of Merchandise	1,597	
Equipment Rental	<u>500</u>	
Total Revenue Collected		\$179,942

CONTRIBUTED INCOME

Individual Contributions	\$37,539	
Private Grants	40,400	
Public Grants	<u>6,125</u>	
Total Grants and Contributions		<u>\$84,064</u>

TOTAL SUPPORT AND REVENUES

\$264,006

EXPENSES

Performance Expenses	\$134,305	
General and Administrative	47,499	
Other Program Expenses	14,029	
Marketing Expenses	14,031	
Educational Expenses	12,185	
Auction Expenses	5,701	
Merchandise Expenses	<u>1,200</u>	
Total Expenses		<u>\$228,950</u>

CHANGE IN NET ASSETS

\$35,056

NET ASSETS AT BEGINNING OF YEAR

(2,690)

NET ASSETS AT END OF YEAR

\$32,366

THE ACCOMPANYING NOTES ARE AN INTEGRAL
PART OF THESE FINANCIAL STATEMENTS

COMPANY ONE INC
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED AUGUST 31, 2010

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<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>	
Change in Net Assets	\$35,056
Adjustments to reconcile Change in Net Assets to net cash flows from operations:	
Decrease in Credit Cards Payable	(7,748)
Increase in Sales Tax Payable	<u>100</u>
Net Cash Provided by Operating Activities	\$27,408
 <u>CASH FLOWS FROM INVESTING ACTIVITIES</u>	
Increase in Security Deposits	(\$1,156)
Decrease in Advances Receivable-Director	225
Decrease in Loan Payable-Director	<u>(582)</u>
Net Cash Used by Financing Activities	<u>(1,513)</u>
 <u>NET INCREASE IN CASH</u>	 \$25,895
 <u>CASH AT BEGINNING OF PERIOD</u>	 <u>14,143</u>
 <u>CASH AT END OF PERIOD</u>	 <u>\$40,038</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL
PART OF THESE FINANCIAL STATEMENTS

COMPANY ONE INC
NOTES TO THE CASH-BASIS FINANCIAL STATEMENTS
AUGUST 31, 2010

AUGUST 31, 2010

NOTE 1 - GENERAL AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Business: Company One Inc. (the "Organization") was organized under the laws of Massachusetts as a not-for-profit corporation and is federally tax-exempt under Section 501(c)(3). The Organization was formed to produce and perform professional theatrical productions and to provide community-based educational programming.

Cash Method of Accounting

The Organization utilizes the cash basis of accounting. Accordingly, revenue is recognized when received rather than when earned, and expenses are recognized when paid rather than when the obligation is incurred.

Contributions: All contributions of cash and other assets are considered to be for unrestricted use unless specifically restricted by the donor. Contributions received are measured at their fair values at the date of donation. Fair value measurements are made by reference to quoted market prices, independent appraisals, or other valuation techniques such as present value of estimated future cash flows.

Net Assets: Financial Statement presentation follows the recommendation of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statement 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, temporarily restricted and permanently restricted. The Organization does not currently have any temporarily or permanently restricted net assets.

Income Taxes: Company One is exempt from Federal and state income taxes under provisions of Section 501(c)(3) of the Internal Revenue Code and similar state statutes. Unrelated business income, of which Company One had none for the year ended August 31, 2009, would be subject to federal and state income taxes. Consequently, the accompanying financial statements do not reflect any provision for income taxes.

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.

NOTE 2 - RELATED PARTY TRANSACTIONS

One director was paid for his services as a teacher in the educational programs provided by the Organization. His compensation is consistent with stipends paid to other teachers. A director had advanced temporary funds to help the Organization with cash flow. Repayments were completed in this fiscal year.

NOTE 3 - GRANTS

As stated in Note 1, the Organization does not currently have any temporarily or permanently restricted funds. However, a \$20,000 grant was received towards the end of the fiscal year with the understanding that it would be used towards educational programs in the subsequent fiscal year. Although the grant did not contain an actual restriction, the size of the grant and the effect it has on the Organization's net income is being disclosed here.

NOTE 4 - SUBSEQUENT EVENTS

The Organization has evaluated all subsequent events through January 9, 2011, the date the financial statements were available to be issued.