

NEVADA DIABETES ASSOCIATION FOR  
CHILDREN AND ADULTS, INC.

AUDITED FINANCIAL STATEMENT  
DECEMBER 31, 2010

NEVADA DIABETES ASSOCIATION FOR CHILDREN AND ADULTS, INC.  
AUDITED FINANCIAL STATEMENT  
DECEMBER 31, 2010

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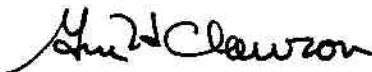
**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
Nevada Diabetes Association for Children and Adults, Inc.  
Reno, Nevada

We have audited the accompanying statements of financial position of Nevada Diabetes Association for Children and Adults, Inc. (a nonprofit organization) as of December 31, 2010, 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 misstatements. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement, 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 Nevada Diabetes Association for Children and Adults, Inc., as of December 31, 2010, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.



Gene H. Clawson, CPA

Sparks, Nevada  
July 25, 2011

NEVADA DIABETES ASSOCIATION FOR CHILDREN AND ADULTS, INC.  
STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2010  
(SEE ACCOUNTANT'S REPORT)

ASSETS

Current Assets

Cash	\$198,962
Certificates of Deposit	201,410
Equipment, less accumulated depreciation of \$9,623	<u>1,687</u>
TOTAL ASSETS	<u>\$402,059</u>

LIABILITIES AND NET ASSETS

Current Liabilities

Accounts Payable	\$ 2,028
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Net Assets

Unrestricted	<u>400,031</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$402,059</u>

The accompanying notes are an integral part of these financial statements.

NEVADA DIABETES ASSOCIATION FOR CHILDREN AND ADULTS, INC.  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2010  
(SEE ACCOUNTANT'S REPORT)

PUBLIC SUPPORT AND REVENUES

Contributions from the General Public	\$363,314
Interest Income	<u>606</u>
TOTAL PUBLIC SUPPORT AND REVENUES	<u>363,920</u>

EXPENSES

Program Services

Camp	190,116
Continuing Education	1,021
Health Care	<u>65,698</u>
Total Program Services	<u>256,835</u>

Supporting Services

Fund Raising	78,769
Administration and General	<u>61,636</u>
Total Supporting Services	<u>140,405</u>

TOTAL EXPENSES	<u>397,240</u>
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Change in Net Assets	-33,320
Net Assets, Beginning of Year	<u>433,351</u>
Net Assets, End of Year	<u>\$400,031</u>

The accompanying notes are an integral part of these financial statements.

NEVADA DIABETES ASSOCIATION FOR CHILDREN AND ADULTS, INC.  
 STATEMENT OF FUNCTIONAL EXPENSES  
 FOR THE YEAR ENDED DECEMBER 31, 2010  
 (SEE ACCOUNTANT'S REPORT)

	PROGRAM SERVICES			SUPPORTING SERVICES			TOTAL EXPENSES	
	Camp	Continuing Education	Health Care	Total Program Services	Fund Raising	Admin. and General		Total Supporting Services
Client Assistance	\$114,733	\$ -0-	\$41,530	\$156,263	\$ -0-	\$ -0-	\$ -0-	\$156,263
Contract Labor	-0-	-0-	-0-	-0-	38,605	18,000	56,605	56,605
Special Events	-0-	-0-	-0-	-0-	29,268	-0-	29,268	29,268
DCAF	-0-	-0-	-0-	-0-	-0-	2,426	2,426	2,426
Supplies	-0-	-0-	-0-	-0-	-0-	4,009	4,009	4,009
Insurance	-0-	-0-	-0-	-0-	-0-	10,129	10,129	10,129
Office Expense	-0-	-0-	-0-	-0-	-0-	1,525	1,525	1,525
Printing	-0-	-0-	-0-	-0-	-0-	1,162	1,162	1,162
Travel	32,584	-0-	-0-	32,584	-0-	6,186	6,186	38,770
Professional Fees	-0-	-0-	-0-	-0-	-0-	6,065	6,065	6,065
Telephone	1,021	1,021	1,021	3,063	205	818	1,023	4,086
Payroll	38,208	-0-	21,287	59,495	9,825	1,638	11,463	70,958
Payroll Taxes	3,342	-0-	1,856	5,198	866	124	990	6,188
Postage	228	-0-	4	232	-0-	2,938	2,938	3,170
Other	-0-	-0-	-0-	-0-	-0-	5,399	5,399	5,399
Total Expenses before Depreciation	190,116	1,021	65,698	256,835	78,769	60,419	139,188	396,023
Depreciation	-0-	-0-	-0-	-0-	-0-	1,217	1,217	1,217
<b>TOTAL EXPENSES</b>	<b>\$190,116</b>	<b>\$1,021</b>	<b>\$65,698</b>	<b>\$256,835</b>	<b>\$78,769</b>	<b>\$61,636</b>	<b>\$140,405</b>	<b>\$397,240</b>

The accompanying notes are an integral part of these financial statements.

NEVADA DIABETES ASSOCIATION FOR CHILDREN AND ADULTS, INC.  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2010  
(SEE ACCOUNTANT'S REPORT)

Cash Flows from Operating Activities:	
Decrease in net assets	\$-33,320
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:	
Depreciation	1,217
Increase (Decrease) in Operating Assets and Liabilities:	
Accounts Payable	-7,142
Accounts Receivable	<u>120</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>-39,125</u>
Cash Flows from Investing Activities:	
Cash received from redemption of certificates of deposit	51,470
Cash paid for purchase of certificates of deposit	-201,410
Cash paid for purchase of equipment	<u>-1,875</u>
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>-151,815</u>
Net (Decrease) Increase in Cash and Cash Equivalents	-190,940
Beginning Cash and Cash Equivalents	<u>389,902</u>
ENDING CASH AND CASH EQUIVALENTS	<u>\$198,962</u>

The accompanying notes are an integral part of these financial statements.

NEVADA DIABETES ASSOCIATION FOR CHILDREN AND ADULTS, INC.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2010

**1. NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Nature of Activities. Nevada Diabetes Association for Children and Adults, Inc., provides awareness of diabetes through community and professional education. It organizes and funds camping programs for children and teenagers with diabetes. The Association provides continuing education to health care professionals to keep them aware of the latest developments in care for people with diabetes.

The Association interfaces with other organizations, businesses, and government agencies to educate, assist and inform people with diabetes and their families in Nevada (health care).

The organization was formed in 1996 as a result of efforts and financial support of dedicated physicians, nurses, dieticians, and other volunteers.

The Nevada Diabetes Association for Children and Adults, Inc., is an independent local nonprofit association serving Nevada and is supported by donations from individuals and private organizations and foundations. The Association received its tax-exempt 501(c)(3) status from the Internal Revenue Service on April 4, 1997.

Financial Statement Presentation. Under Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations," 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. In addition, the organization is required to present a statement of cash flows. As of December 31, 2010 there are no temporarily or permanently restricted assets.

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.

Cash Flows. For purposes of the Statements of Cash Flows, the Association considers all highly-liquid investments with an initial maturity of three months or less to be cash equivalents.

Concentration of Credit Risk. The Association maintains its cash in bank deposit accounts and money market funds which, at times, may exceed federally insured limits. The Association has not experienced any losses in such accounts and does not believe that it is exposed to any significant credit risk in cash or cash equivalents.

NEVADA DIABETES ASSOCIATION FOR CHILDREN AND ADULTS, INC.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2010

**1. NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Contributions and Restrictions. The Association reports information about its financial position and activities in three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. Contributions are recognized as unrestricted or temporarily restricted when received, depending on the existence and nature of donor restrictions. When restrictions are satisfied, revenues are reclassified and reported as net assets released from restrictions. If the restriction is satisfied in the same period the contribution is received, the contribution is reported as unrestricted.

Income Taxes. Nevada Diabetes Association for Children and Adults, Inc., is a not-for-profit corporation as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from income taxes on related income pursuant to Section 501(a) of the Code.

Functional Expense Reporting. The cost of providing program and supporting services has been summarized by function, based on estimates developed by management.

Equipment. The Association capitalizes all expenditures for property, plant, and equipment in excess of \$500; the fair value of donated fixed assets is similarly capitalized. Depreciable assets are written off over their estimated useful lives primarily on the accelerated method.

**2. COMMITMENTS**

The Association is obligated under a lease agreement for office space until February 2011, at \$1,290 per month.

The future minimum lease payments due under the operating lease are:

2010	<u>\$2,580</u>
Total	<u>\$2,580</u>

The Association entered into agreements with various individuals to provide staff under independent contractor agreements.

NEVADA DIABETES ASSOCIATION FOR CHILDREN AND ADULTS, INC.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2010

**3. CERTIFICATES OF DEPOSIT**

Investments in Certificates of Deposit consist of the following as of December 31, 2010:

Nevada State Bank, .25% due January 31, 2011	\$ 51,526
Banco Popular de Puerto Rico, .25% due February 17, 2011	49,977
H&R Block Bank, .35% due April 14, 2011	49,950
GE Money Bank, .40% due August 12, 2011	49,892
Accrued interest	<u>65</u>
	<u>\$201,410</u>