

**NATIONAL KIDNEY FOUNDATION OF
MIDDLE TENNESSEE, INC.**

**FINANCIAL STATEMENTS AND
ADDITIONAL INFORMATION**

JUNE 30, 2009 AND 2008

NATIONAL KIDNEY FOUNDATION OF MIDDLE TENNESSEE, INC.
Financial Statements
JUNE 30, 2009 AND 2008

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INDEPENDENT AUDITOR'S REPORT

To Board of Directors
of National Kidney Foundation of Middle Tennessee, Inc.
Nashville, Tennessee

We have audited the accompanying statements of financial position of the National Kidney Foundation of Middle Tennessee, Inc. as of June 30, 2009 and 2008, and the related statements of activities, cash flows and functional expenses for the years 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 audits.

We conducted our audits 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 audits provide 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 the National Kidney Foundation of Middle Tennessee, Inc. as of June 30, 2009 and 2008, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

The audits referred to above was directed primarily toward formulating an opinion on the financial statements of the National Kidney Foundation of Middle Tennessee, Inc. taken as a whole. The additional information presented on pages 14-16 for the years ended June 30, 2009 and 2008 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Thomason Financial Resources

September 30, 2009

NATIONAL KIDNEY FOUNDATION OF MIDDLE TENNESSEE, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2009 AND 2008

ASSETS

	<u>2009</u>	<u>2008</u>
Current Assets		
Cash and cash equivalents	\$ 422,481	\$ 562,193
Contributions receivable	10,900	7,729
Prepaid insurance	790	1,285
Total current assets	<u>\$ 434,171</u>	<u>\$ 571,207</u>
Equipment		
Equipment	64,117	58,006
Less: accumulated depreciation	<u>(59,790)</u>	<u>(55,244)</u>
Total equipment	<u>4,327</u>	<u>2,762</u>
Other Assets		
Investments	50,000	50,000
Total assets	<u>\$ 488,498</u>	<u>\$ 623,969</u>

LIABILITIES AND NET ASSETS

Current Liabilities		
Accounts payable	\$ 4,410	\$ 18,040
Due to National office	4,817	1,519
Total current liabilities	<u>9,227</u>	<u>19,559</u>
Net Assets		
Unrestricted	367,858	417,919
Temporarily restricted	<u>111,413</u>	<u>186,491</u>
Total net assets	<u>479,271</u>	<u>604,410</u>
Total liabilities and net assets	<u>\$ 488,498</u>	<u>\$ 623,969</u>

The accompanying notes are an integral part of these financial statements

**NATIONAL KIDNEY FOUNDATION OF MIDDLE TENNESSEE, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2009**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Revenue			
Public support:			
Received directly - Grant income	\$ -	\$ 46,358	\$ 46,358
Received directly - Contributions	86,178	-	86,178
Received indirectly - United Way and federated funds	19,745	-	19,745
Received indirectly - Combined federal campaign	-	-	-
Special event revenue:			
Revenue	539,883	-	539,883
Less direct costs	<u>(262,579)</u>	-	<u>(262,579)</u>
Net revenue from special events	<u>277,304</u>	-	<u>277,304</u>
Total public support	<u>383,227</u>	<u>46,358</u>	<u>429,585</u>
Government Grants	-	-	-
Other revenue:			
Program service fees	58,330	-	58,330
Interest income	11,120	1,621	12,741
Sales of donated vehicles	51,109	-	51,109
Less cost of sales & selling expenses	<u>(68,676)</u>	-	<u>(68,676)</u>
Net sales of donated vehicles	<u>(17,567)</u>	-	<u>(17,567)</u>
Total other revenue	<u>51,883</u>	<u>1,621</u>	<u>53,504</u>
Net assets released from restrictions	<u>123,057</u>	<u>(123,057)</u>	<u>-</u>
Total public support and other revenue	<u>558,167</u>	<u>(75,078)</u>	<u>483,089</u>
Expenses			
Program services:			
Research	45,584	-	45,584
Public education	51,257	-	51,257
Professional education	144,842	-	144,842
Patient services	216,972	-	216,972
Community services	67,350	-	67,350
Total program services	<u>526,005</u>	-	<u>526,005</u>
Supporting services:			
Fundraising	22,605	-	22,605
Management and general	59,618	-	59,618
Total supporting services	<u>82,223</u>	-	<u>82,223</u>
Total expenses	<u>608,228</u>	-	<u>608,228</u>
Decrease in net assets	(50,061)	(75,078)	(125,139)
Net assets at beginning of year	417,919	186,491	604,410
Net assets at end of year	<u>\$ 367,858</u>	<u>\$ 111,413</u>	<u>\$ 479,271</u>

The accompanying notes are an integral part of these financial statements

**NATIONAL KIDNEY FOUNDATION OF MIDDLE TENNESSEE, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2008**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Revenue			
Public support:			
Received directly - Grant income	\$ -	\$ 79,087	\$ 79,087
Received directly - Contributions	114,723	-	114,723
Received indirectly - United Way and federated funds	21,272	-	21,272
Received indirectly - Combined federal campaign	2,768	-	2,768
Special event revenue:			
Revenue	627,577	-	627,577
Less direct costs	(300,515)	-	(300,515)
Net revenue from special events	<u>327,062</u>	<u>-</u>	<u>327,062</u>
Total public support	465,825	79,087	544,912
Government Grants	-	-	-
Other revenue:			
Program service fees	700	-	700
Interest income	16,663	6,396	23,059
Sales of donated vehicles	68,257	-	68,257
Less cost of sales & selling expenses	(85,443)	-	(85,443)
Net sales of donated vehicles	<u>(17,186)</u>	<u>-</u>	<u>(17,186)</u>
Total other revenue	177	6,396	6,573
Net assets released from restrictions	235,609	(235,609)	-
Total public support and other revenue	<u>701,611</u>	<u>(150,126)</u>	<u>551,485</u>
Expenses			
Program services:			
Research	57,912	-	57,912
Public education	57,490	-	57,490
Professional education	163,002	-	163,002
Patient services	175,394	-	175,394
Community services	79,813	-	79,813
Total program services	<u>533,611</u>	<u>-</u>	<u>533,611</u>
Supporting services:			
Fundraising	26,866	-	26,866
Management and general	57,258	-	57,258
Total supporting services	<u>84,124</u>	<u>-</u>	<u>84,124</u>
Total expenses	<u>617,735</u>	<u>-</u>	<u>617,735</u>
Increase (decrease) in net assets	83,876	(150,126)	(66,250)
Net assets at beginning of year	334,043	336,617	670,660
Net assets at end of year	<u>\$ 417,919</u>	<u>\$ 186,491</u>	<u>\$ 604,410</u>

The accompanying notes are an integral part of these financial statements

NATIONAL KIDNEY FOUNDATION OF MIDDLE TENNESSEE, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2009 AND 2008

Cash Flows From Operating Activities:	<u>2009</u>	<u>2008</u>
Change in net assets	\$ (125,139)	\$ (66,250)
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	4,546	4,530
Donation of vehicles	(51,109)	(68,257)
Proceeds from the disposition of donated vehicles	51,109	68,257
Changes in operating assets and liabilities:		
Contributions receivable	(3,171)	9,590
Prepaid insurance	495	(500)
Accounts payable	(13,630)	11,123
Due to National	3,298	(7,104)
Deferred income	-	(2,558)
Net cash used in operating activities	<u>(133,601)</u>	<u>(51,169)</u>
 Cash Flows From Investing Activities:		
Purchases of equipment	<u>(6,111)</u>	<u>-</u>
Net cash used in investing activities	(6,111)	-
Net decrease in cash and cash equivalents	(139,712)	(51,169)
Cash and cash equivalents at beginning of year	562,193	613,362
Cash and cash equivalents at end of year	<u>\$ 422,481</u>	<u>\$ 562,193</u>
 <u>Supplemental schedule of noncash operating activities:</u>		
 In-kind donations	 <u>\$ 118,040</u>	 <u>\$ 125,849</u>

The accompanying notes are an integral part of these financial statements

**NATIONAL KIDNEY FOUNDATION OF MIDDLE TENNESSEE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2009**

	Program Services					Total Program Services	Supporting Services			Total Expenses
	Research	Public Education	Professional Education	Patient Services	Community Services		Management and General	Fundraising	Total Supporting Services	
Salaries	\$ 16,972	\$ 19,085	\$ 53,929	\$ 29,199	\$ 25,077	\$ 144,262	\$ 20,505	\$ 8,415	\$ 28,920	\$ 173,182
Employee benefits	2,873	3,230	9,128	4,942	4,244	24,417	3,471	1,425	4,896	29,313
Payroll taxes	1,339	1,505	4,254	2,303	1,978	11,379	1,617	664	2,281	13,660
Total compensation	<u>21,184</u>	<u>23,820</u>	<u>67,311</u>	<u>36,444</u>	<u>31,299</u>	<u>180,058</u>	<u>25,593</u>	<u>10,504</u>	<u>36,097</u>	<u>216,155</u>
Awards and grants	156	175	495	268	230	1,324	188	77	265	1,589
Professional fees	2,266	2,548	7,200	3,898	3,348	19,260	2,738	1,124	3,862	23,122
Direct assistance to patients	-	-	-	138,552	-	138,552	-	-	-	138,552
Office supplies and services	1,413	1,589	4,489	2,430	2,087	12,008	1,707	701	2,408	14,416
Telephone and fax	543	610	1,725	934	802	4,614	658	269	925	5,539
Postage and shipping	686	772	2,181	1,181	1,014	5,834	829	340	1,169	7,003
Building occupancy	2,270	2,552	7,212	3,905	3,354	19,293	2,742	1,126	3,868	23,161
Insurance	1,246	1,401	3,960	2,144	1,841	10,592	1,506	618	2,124	12,716
Printing and publications	1,006	1,132	3,197	1,731	1,487	8,553	1,216	499	1,715	10,268
Meetings and travel	6,565	7,382	20,859	11,294	9,700	55,800	7,931	3,256	11,187	66,987
Revenue share to NKF	7,962	8,954	25,301	13,698	11,765	67,680	9,620	3,949	13,569	81,249
Miscellaneous	287	322	911	493	424	2,437	346	142	488	2,925
Donated vehicles cost of sales	-	-	-	-	-	-	51,109	-	51,109	51,109
Donated vehicles service provider	-	-	-	-	-	-	17,567	-	17,567	17,567
Direct expenses of special events	-	-	-	-	-	-	-	262,579	262,579	262,579
Depreciation	-	-	-	-	-	-	4,546	-	4,546	4,546
Total expenses	<u>45,584</u>	<u>51,257</u>	<u>144,841</u>	<u>216,972</u>	<u>67,351</u>	<u>526,005</u>	<u>128,294</u>	<u>285,184</u>	<u>413,478</u>	<u>939,483</u>
Less: expenses netted with revenue on statement of activities;										
Cost of sales/selling exps donated	-	-	-	-	-	-	(88,676)	-	(88,676)	(88,676)
Direct expenses of special events	-	-	-	-	-	-	-	(262,579)	(262,579)	(262,579)
Total expenses by function	<u>\$ 45,584</u>	<u>\$ 51,257</u>	<u>\$ 144,841</u>	<u>\$ 216,972</u>	<u>\$ 67,351</u>	<u>\$ 526,005</u>	<u>\$ 59,618</u>	<u>\$ 22,605</u>	<u>\$ 82,223</u>	<u>\$ 608,228</u>
Current year's percentages	7.49%	8.43%	23.81%	35.67%	11.07%	86.48%	9.80%	3.72%	13.52%	100.00%

The accompanying notes are an integral part of these financial statements

**NATIONAL KIDNEY FOUNDATION OF MIDDLE TENNESSEE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2008**

	Program Services					Total Program Services	Supporting Services			Total Expenses
	Research	Public Education	Professional Education	Patient Services	Community Services		Management and General	Fundraising	Total Supporting Services	
Salaries	\$ 27,860	\$ 27,657	\$ 78,417	\$ 43,814	\$ 38,394	\$ 216,142	\$ 25,367	\$ 12,925	\$ 38,292	\$ 254,434
Employee benefits	3,153	3,129	8,872	4,957	4,344	24,455	2,870	1,462	4,332	28,787
Payroll taxes	1,627	1,615	4,579	2,558	2,242	12,621	1,481	755	2,236	14,857
Total compensation	32,640	32,401	91,868	51,329	44,980	253,218	29,718	15,142	44,860	298,078
Awards and grants	220	218	619	346	304	1,707	201	102	303	2,010
Professional fees	4,125	4,095	11,610	6,487	5,684	32,001	3,755	1,914	5,669	37,670
Direct assistance to patients	-	-	-	84,320	-	84,320	-	-	-	84,320
Office supplies and services	1,569	1,558	4,417	2,468	2,163	12,175	1,429	728	2,157	14,332
Telephone and fax	474	470	1,333	745	653	3,675	431	220	651	4,326
Postage and shipping	476	473	1,341	749	657	3,696	434	221	655	4,351
Building occupancy	2,462	2,444	6,931	3,872	3,395	19,104	2,242	1,142	3,384	22,488
Insurance	1,400	1,390	3,941	2,202	1,929	10,862	1,274	650	1,924	12,786
Printing and publications	1,338	1,329	3,767	2,105	1,845	10,384	1,219	621	1,840	12,224
Meetings and travel	1,825	1,812	5,136	2,870	2,515	14,158	1,661	847	2,508	16,666
Revenue share to NKF	11,217	11,135	31,572	17,640	15,460	87,024	10,213	5,204	15,417	102,441
Miscellaneous	166	165	467	261	228	1,287	151	75	226	1,515
Donated vehicles cost of sales	-	-	-	-	-	-	68,257	-	68,257	68,257
Donated vehicles service providers	-	-	-	-	-	-	17,186	-	17,186	17,186
Direct expenses of special events	-	-	-	-	-	-	-	300,515	300,515	300,515
Depreciation	-	-	-	-	-	-	4,530	-	4,530	4,530
Total expenses	57,912	57,490	163,002	175,394	79,813	533,611	142,701	327,381	470,082	1,003,693
Less: expenses netted with revenue on statement of activities;							(85,443)	-	(85,443)	(85,443)
Cost of sales/selling exps donated	-	-	-	-	-	-	-	(300,515)	(300,515)	(300,515)
Direct expenses of special events	-	-	-	-	-	-	-	-	-	-
Total expenses by function	\$ 57,912	\$ 57,490	\$ 163,002	\$ 175,394	\$ 79,813	\$ 533,611	\$ 57,258	\$ 26,866	\$ 84,124	\$ 617,735
Current year's percentages	9.37%	9.31%	26.39%	28.39%	12.92%	86.38%	9.27%	4.35%	13.62%	100.00%

The accompanying notes are an integral part of these financial statements

NATIONAL KIDNEY FOUNDATION OF MIDDLE TENNESSEE, INC.
Notes to Financial Statements
June 30, 2009 and 2008

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The National Kidney Foundation of Middle Tennessee, Inc. (the “Organization”) is a not-for-profit organization incorporated in 1972 to prevent kidney and urinary tract diseases, improve the health and well-being of patients and families affected by these diseases and increase the availability of all organs for transplantation. The Organization fulfills its mission through programs, including Kidney Research, Public Health Education, Professional Education, Patient Services, and Community Services.

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles and in the prescribed format required by the National Kidney Foundation, Inc., for its affiliated foundations. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Unrestricted net assets – net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets – net assets subject to donor-imposed restrictions that may or will be met, either by actions of the Organization and/or the passage of time.

Permanently restricted net assets – net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned and any related investments for general or specific purposes.

The amount for each of these classes of net assets is displayed in the statement of financial position and the amount of change in each class of net assets is displayed in the statement of activities. There were no permanently restricted net assets as of June 30, 2009 or 2008.

NATIONAL KIDNEY FOUNDATION OF MIDDLE TENNESSEE, INC.
Notes to Financial Statements
June 30, 2009 and 2008

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Cash and Cash Equivalents

For purposes of the Statements of Cash Flows, the Organization considers all cash funds, cash bank accounts and highly liquid debt instruments, with an original maturity when purchased of three months or less, to be cash and cash equivalents.

Contributions

Contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Contributions that are restricted by the donor are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Equipment

Equipment is recorded at cost to the Organization, or if donated, at the estimated fair market value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Estimated useful life is 5 years for equipment.

Expenditures for repairs and maintenance are charged to operations when incurred.

Donated Material, Services and Equipment

A substantial number of unpaid volunteers have made contributions of their time to assist the Organization, and substantial contributions of materials for use in special events have been received. The value of contributed materials for years ended June 30, 2009 and 2008 is \$118,040 and \$125,849, respectively, and is properly reflected in the financial statements. The value of time contributed by volunteers is not estimable.

Expense Allocation

The costs of providing program services and supporting services have been summarized on a functional basis in the statement of activities and in the statement of functional expenses. Accordingly, certain costs have been allocated among programs and supporting services based on actual or estimated time employees spend on each function.

NATIONAL KIDNEY FOUNDATION OF MIDDLE TENNESSEE, INC.
Notes to Financial Statements
June 30, 2009 and 2008

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Use of 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.

Income Taxes

The Organization is a nonprofit organization exempt from income taxes under Section 501 (c) (3) of the Internal Revenue Code, and the Organization is classified as an entity that is not a private foundation as defined in Section 509(a) of the Internal Revenue Code. Therefore, no provision for income taxes is included in the accompanying financial statements.

Contributions Receivable

Contributions receivable are recorded at their estimated value and reflect discounts for payment terms greater than one year, if applicable. Contributions receivable are considered to be conditional or unconditional promises to give. A conditional contribution is one which depends on the occurrence of some specified uncertain future event to become binding on the donor. Conditional contributions are not recorded as revenue until the condition is met, at which time they become unconditional. Unconditional contributions are recorded as revenue at the time verifiable evidence of the promise to give is received. All contributions receivable are due within one year of June 30, 2009. There were no conditional promises to give as of June 30, 2009 or 2008.

Investments

The Organization has adopted the provisions of SFAS No. 124, *Accounting for Certain Investments Held for Not-For-Profit Organizations*. Under SFAS No. 124, investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair market values in the statement of financial position. Investment income and unrealized gains and losses are reported as changes in unrestricted net assets unless the use of income has been restricted by the donor.

NATIONAL KIDNEY FOUNDATION OF MIDDLE TENNESSEE, INC.
Notes to Financial Statements
June 30, 2009 and 2008

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Financial Instruments

Effective July 1, 2008, the Organization adopted SFAS No. 157, *Fair Value Measurements*, which established a framework for measuring the fair value in accordance with GAAP, and expands disclosures about the use of fair value measures. The adoption of SFAS No. 157 did not have an impact on the Organization's financial position or operating results. Assets recorded at fair value in the statements of financial position are categorized based on the level of judgment associated with the inputs used to measure their fair value. Level inputs, as defined by SFAS No. 157, are as follows:

Level 1 – Values are unadjusted quoted prices for identical assets in active markets accessible at the measurement date.

Level 2 – Inputs include quoted prices for similar assets in active markets, quoted prices from those willing to trade in markets that are not active, or other inputs that are observable or can be corroborated by market data for the term of the instrument. Such inputs include market interest rates and volatilities, spreads and yield curves.

Level 3 – Certain inputs are unobservable (supported by little or no market activity) and significant to the fair value measurement. Unobservable inputs reflect the Organization's best estimate of what hypothetical market participants would use to determine a transaction price for the asset or liability at the reporting date.

The Organization's financial instruments consist of contributions receivable, investments, and accounts payable. The recorded values of contributions receivable and accounts payable approximate their fair values based on their short-term nature. Investments are recorded at fair value using Level 1 inputs.

NATIONAL KIDNEY FOUNDATION OF MIDDLE TENNESSEE, INC.
Notes to Financial Statements
June 30, 2009 and 2008

NOTE 2 – RESTRICTIONS ON NET ASSETS

Temporarily restricted net assets consist of the following at June 30, 2009 and 2008 for the following purposes:

	<u>2009</u>	<u>2008</u>
Patient services and education	\$ -	\$ 7,318
Nutritional supplements	<u>111,413</u>	<u>179,173</u>
	<u>\$ 111,413</u>	<u>\$ 186,491</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors as follows:

	<u>2009</u>	<u>2008</u>
Research	\$ -	\$ 5,822
Patient services and education	73,307	135,043
Nutritional supplements	<u>49,750</u>	<u>94,744</u>
Total restrictions released	<u>\$ 123,057</u>	<u>\$ 235,609</u>

NOTE 3 – INVESTMENTS

Investments consist of the following at June 30:

	<u>2009</u>	<u>2008</u>
Government agency obligations	\$50,000	\$50,000

Interest and dividends earned from investments totaled \$10,554 and \$14,228 for the years ended June 30, 2009 and 2008, respectively.

NOTE 4 – DUES TO NATIONAL KIDNEY FOUNDATION

The Organization is required to remit 25% of its support and revenue, net of funds restricted for use in the Middle Tennessee area, and net of direct fund-raising expenses, to the National Kidney Foundation, Inc. (National). National provides program, management and fund raising services in return for these payments. The Organization allocates these payments among program and supporting service activities based on information supplied by National. Expenses related to these payments totaled \$81,248 and \$102,441 for the years ended June 30, 2009 and 2008, respectively.

NATIONAL KIDNEY FOUNDATION OF MIDDLE TENNESSEE, INC.
Notes to Financial Statements
June 30, 2009 and 2008

NOTE 5 – LEASE COMMITMENT

The Organization leases office facilities under an operating lease which expires in July 2011. Rent expense for the years ended June 30, 2009 and 2008 totaled \$23,160 and \$22,488, respectively.

Future minimum lease payments under the office operating lease are as follows:

<u>Year Ending</u> <u>June 30,</u>	<u>Amount</u>
2010	23,798
2011	24,516
2012	<u>2,048</u>
	<u>\$ 50,362</u>

NOTE 6 – RETIREMENT PLAN

The Organization has a simplified employee pension plan for essentially all employees developed pursuant to Internal Revenue Code Section 403(b). Contributions by the Organization equal 8% of annual salary and totaled \$ 10,626 and \$10,381 for the years ending June 30, 2009 and 2008, respectively.

NOTE 7 – VITAMIN SETTLEMENT GRANT

In June 2003, the Organization received \$587,250 from the State of Tennessee related to a vitamin antitrust lawsuit settlement. The funds must be used solely for purposes identified by the Organization in their grant fund application, and mainly entail purchasing nutritional supplements for dialysis patients. As of June 30, 2009, \$503,604 of funds has been released from restriction. The grant funds have also earned \$1,621 of interest during 2009.

NOTE 8 – SUBSEQUENT EVENTS

The Organization evaluated subsequent events through September 30, 2009, the issuance of the Organization's financial statements.

ADDITIONAL INFORMATION

**NATIONAL KIDNEY FOUNDATION OF MIDDLE TENNESSEE, INC.
SCHEDULE OF SPECIAL EVENTS REVENUE AND DIRECT EXPENSES
FOR YEAR ENDED JUNE 30, 2009**

	<u>Revenue</u>	<u>Direct Expenses</u>	<u>Excess of Revenue Over Direct Expenses</u>
Kidney Kaper	\$ 175,287	\$ 86,368	\$ 88,919
Golf Tournament	67,528	25,991	41,537
Kidney Walk - Nashville	158,132	67,729	90,403
Kidney Walk - Murfreesboro	36,743	26,247	10,496
Kidney Walk - Clarksville	41,835	21,292	20,543
Kidney Walk - Columbia	45,079	22,384	22,695
Kidney Walk - Cookeville	15,279	12,568	2,711
	<u>\$ 539,883</u>	<u>\$ 262,579</u>	<u>\$ 277,304</u>

**NATIONAL KIDNEY FOUNDATION OF MIDDLE TENNESSEE, INC.
SCHEDULE OF SPECIAL EVENTS REVENUE AND DIRECT EXPENSES
FOR YEAR ENDED JUNE 30, 2008**

	<u>Revenue</u>	<u>Direct Expenses</u>	<u>Excess of Revenue Over (Under) Direct Expenses</u>
Kidney Kaper	\$ 183,389	\$ 91,908	\$ 91,481
Golf Tournament	78,110	24,238	53,872
Kidney Walk - Nashville	162,930	66,788	96,142
Kidney Walk - Murfreesboro	68,560	53,284	15,276
Kidney Walk - Clarksville	45,769	25,348	20,421
Kidney Walk - Columbia	72,692	15,240	57,452
Transplant Games	15,352	23,629	(8,277)
Spring Tea Party	775	80	695
	\$ 627,577	\$ 300,515	\$ 327,062

