

TENNESSEE KIDNEY FOUNDATION, INC.

**FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT**

JUNE 30, 2010 AND 2009

TENNESSEE KIDNEY FOUNDATION, INC.
Financial Statements
JUNE 30, 2010 AND 2009

Table of Contents

	<u>Page</u>
Independent Auditor's Report	1
<u>Financial Statements</u>	
Statements of Financial Position	2
Statements of Activities	3-4
Statements of Cash Flows	5
Statements of Functional Expenses	6-7
Notes to Financial Statements	8-14



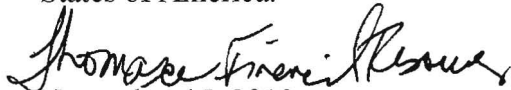
INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying statements of financial position of the Tennessee Kidney Foundation, Inc. as of June 30, 2010 and 2009, 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 Tennessee Kidney Foundation, Inc. as of June 30, 2010 and 2009, 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.


November 15, 2010

TENNESSEE KIDNEY FOUNDATION, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2010 AND 2009

ASSETS

	<u>2010</u>	<u>2009</u>
Current Assets		
Cash and cash equivalents	\$ 391,779	\$ 422,481
Contributions receivable	-	10,900
Grant receivable	4,831	-
Prepaid insurance	2,930	790
Total current assets	<u>\$ 399,540</u>	<u>\$ 434,171</u>
Equipment		
Equipment	64,117	64,117
Less: accumulated depreciation	<u>(62,692)</u>	<u>(59,790)</u>
Total equipment	<u>1,425</u>	<u>4,327</u>
Other Assets		
Investments	-	50,000
Total assets	<u><u>\$ 400,965</u></u>	<u><u>\$ 488,498</u></u>

LIABILITIES AND NET ASSETS

Current Liabilities		
Accounts payable	\$ 3,899	\$ 4,410
Accrued liabilities	10,296	-
Due to National office	-	4,817
Total current liabilities	<u>14,195</u>	<u>9,227</u>
Net Assets		
Unrestricted	309,571	367,858
Temporarily restricted	77,199	111,413
Total net assets	<u>386,770</u>	<u>479,271</u>
Total liabilities and net assets	<u><u>\$ 400,965</u></u>	<u><u>\$ 488,498</u></u>

The accompanying notes are an integral part of these financial statements

TENNESSEE KIDNEY FOUNDATION, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Revenue			
Public support:			
Received directly - Grant income	\$ -	\$ 40,646	\$ 40,646
Received directly - Contributions	34,759	-	34,759
Received indirectly - United Way and federated funds	12,162	-	12,162
Received indirectly - Combined federal campaign	-	-	-
Special event revenue:			
Revenue	518,600	-	518,600
Less direct costs	(225,342)	-	(225,342)
Net revenue from special events	<u>293,258</u>	<u>-</u>	<u>293,258</u>
Total public support	340,179	40,646	380,825
Other revenue:			
Interest income	1,013	507	1,520
Total other revenue	<u>1,013</u>	<u>507</u>	<u>1,520</u>
Net assets released from restrictions	75,367	(75,367)	-
Total public support and other revenue	<u>416,559</u>	<u>(34,214)</u>	<u>382,345</u>
Expenses			
Program services:			
Research	18,996	-	18,996
Community education	92,738	-	92,738
Professional education	64,178	-	64,178
Community services	201,115	-	201,115
Total program services	<u>377,027</u>	<u>-</u>	<u>377,027</u>
Supporting services:			
Fundraising	58,508	-	58,508
Management and general	39,311	-	39,311
Total supporting services	<u>97,819</u>	<u>-</u>	<u>97,819</u>
Total expenses	<u>474,846</u>	<u>-</u>	<u>474,846</u>
Decrease in net assets	(58,287)	(34,214)	(92,501)
Net assets at beginning of year	367,858	111,413	479,271
Net assets at end of year	<u>\$ 309,571</u>	<u>\$ 77,199</u>	<u>\$ 386,770</u>

The accompanying notes are an integral part of these financial statements

TENNESSEE KIDNEY FOUNDATION, 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	(262,579)	-	(262,579)
Net revenue from special events	<u>277,304</u>	<u>-</u>	<u>277,304</u>
Total public support	383,227	46,358	429,585
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	(68,676)	-	(68,676)
Net sales of donated vehicles	<u>(17,567)</u>	<u>-</u>	<u>(17,567)</u>
Total other revenue	51,883	1,621	53,504
Net assets released from restrictions	123,057	(123,057)	-
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>-</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>-</u>	<u>82,223</u>
Total expenses	<u>608,228</u>	<u>-</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

TENNESSEE KIDNEY FOUNDATION, INC
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2010 AND 2009

Cash Flows From Operating Activities:	2010	2009
Change in net assets	\$ (92,501)	\$ (125,139)
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	2,902	4,546
Donation of vehicles	-	(51,109)
Proceeds from the disposition of donated vehicles	-	51,109
Changes in operating assets and liabilities:		
Contributions receivable	10,900	(3,171)
Grant receivable	(4,831)	
Prepaid insurance	(2,140)	495
Accounts payable	(511)	(13,630)
Due to National	(4,817)	3,298
Accrued Liabilities	10,296	-
Net cash used in operating activities	<u>(80,702)</u>	<u>(133,601)</u>
 Cash Flows From Investing Activities:		
Purchases of equipment	-	(6,111)
Proceeds from sale of investments	<u>50,000</u>	<u>-</u>
Net cash provided by (used in) investing activities	50,000	(6,111)
 Net decrease in cash and cash equivalents	(30,702)	(139,712)
Cash and cash equivalents at beginning of year	422,481	562,193
Cash and cash equivalents at end of year	<u>\$ 391,779</u>	<u>\$ 422,481</u>
 <u>Supplemental schedule of noncash operating activities:</u>		
 In-kind donations	<u>\$ 52,894</u>	<u>\$ 118,040</u>

The accompanying notes are an integral part of these financial statements

TENNESSEE KIDNEY FOUNDATION, INC
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2010

	Program Services					Supporting Services			Total Expenses
	Research	Community Education	Professional Education	Patient Services	Total Program Services	Management and General	Fundraising	Total Supporting Services	
Salaries	\$ 7,643	\$ 37,123	\$ 26,203	\$ 41,489	\$ 112,458	\$ 8,734	\$ 37,414	\$ 46,148	\$ 158,606
Employee benefits	1,555	7,170	5,332	12,560	26,617	1,777	11,924	13,701	40,318
Payroll taxes	734	2,412	2,517	3,013	8,676	839	2,862	3,701	12,377
Total compensation	<u>9,932</u>	<u>46,705</u>	<u>34,052</u>	<u>57,062</u>	<u>147,751</u>	<u>11,350</u>	<u>52,200</u>	<u>63,550</u>	<u>211,301</u>
Awards and grants	279	757	11	-	1,047	319	159	478	1,525
Professional fees	1,703	4,621	5,838	9,243	21,405	1,946	973	2,919	24,324
Direct assistance to patients	-	21,211	-	96,371	117,582	-	-	-	117,582
Office supplies and services	989	2,910	3,392	5,370	12,661	1,131	565	1,696	14,357
Telephone and fax	408	1,106	1,398	2,213	5,125	466	232	698	5,823
Postage and shipping	270	733	926	1,466	3,395	309	153	462	3,857
Building occupancy	1,691	4,590	5,798	9,180	21,259	1,933	965	2,898	24,157
Insurance	246	667	841	1,333	3,087	281	140	421	3,508
Printing and publications	284	770	973	1,540	3,567	324	162	486	4,053
Meetings and travel	674	1,828	2,309	3,657	8,468	770	1,519	2,289	10,757
Revenue share to NKF	2,520	6,840	8,640	13,680	31,680	2,880	1,440	4,320	36,000
Legal fees for merger	-	-	-	-	-	10,899	-	10,899	10,899
Miscellaneous	-	-	-	-	-	3,801	-	3,801	3,801
Direct expenses of special events	-	-	-	-	-	-	225,342	225,342	225,342
Depreciation	-	-	-	-	-	2,902	-	2,902	2,902
Total expenses	<u>18,996</u>	<u>92,738</u>	<u>64,178</u>	<u>201,115</u>	<u>377,027</u>	<u>39,311</u>	<u>283,850</u>	<u>323,161</u>	<u>700,188</u>
Less: expenses netted with revenue on statement of activities;									
Direct expenses of special events	-	-	-	-	-	-	(225,342)	(225,342)	(225,342)
Total expenses by function	<u>\$ 18,996</u>	<u>\$ 92,738</u>	<u>\$ 64,178</u>	<u>\$ 201,115</u>	<u>\$ 377,027</u>	<u>\$ 39,311</u>	<u>\$ 58,508</u>	<u>\$ 97,819</u>	<u>\$ 474,846</u>
Current year's percentages	4.00%	19.53%	13.52%	42.35%	79.40%	8.28%	12.32%	20.60%	100.00%

The accompanying notes are an integral part of these financial statements

TENNESSEE KIDNEY FOUNDATION, 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	656	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	912	493	423	2,437	346	142	488	2,925
Donated vehicles cost of sales	-	-	-	-	-	-	51,109	-	51,109	51,109
Donated vehicles service providers	-	-	-	-	-	-	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>144,842</u>	<u>216,972</u>	<u>67,350</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	-	-	-	-	-	-	(68,676)	-	(68,676)	(68,676)
Direct expenses of special events	-	-	-	-	-	-	-	(262,579)	(262,579)	(262,579)
Total expenses by function	<u>\$ 45,584</u>	<u>\$ 51,257</u>	<u>\$ 144,842</u>	<u>\$ 216,972</u>	<u>\$ 67,350</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

TENNESSEE KIDNEY FOUNDATION, INC.
Notes to Financial Statements
June 30, 2010 and 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Activities

In late December 2009, Tennessee Kidney Foundation, Inc. (the “Organization”) approved an agreement for the merger of the Organization and the National Kidney Foundation of Middle Tennessee, Inc. (“NKFMTN”). As a result, the Organization became the surviving entity, with the full board of directors and management of NKFMTN becoming the full board of directors and management of the Organization. As such, the operations of NKFMTN will be included as part of the Organization’s consolidated operations for the year ended June 30, 2010.

The Organization is a Tennessee not-for-profit corporation, located in Nashville, Tennessee. The Organization’s purpose is to improve the health and well-being of Tennesseans affected by kidney disease through education, prevention, treatment and promotion of organ donation.

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, 2010 or 2009.

TENNESSEE KIDNEY FOUNDATION, INC.
Notes to Financial Statements
June 30, 2010 and 2009

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, 2010 and 2009 is \$52,894 and \$118,040, 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.

TENNESSEE KIDNEY FOUNDATION, INC.
Notes to Financial Statements
June 30, 2010 and 2009

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. There were no conditional promises to give as of June 30, 2010 or 2009.

Grants Receivable

The Organization considers grants and contracts receivable to be fully collectible at year-end. Accordingly, no allowance for doubtful accounts has been recorded.

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.

TENNESSEE KIDNEY FOUNDATION, INC.
Notes to Financial Statements
June 30, 2010 and 2009

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Fair Value

The Organization has an established process for determining fair values. Fair values are based upon market prices, where available. Assets and liabilities 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 generally accepted accounting principles, 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, grants receivable, investments, accounts payable and accrued liabilities. The recorded values of contributions receivable, grants receivable, accounts payable and accrued liabilities approximate their fair values based on their short-term nature. Investments are recorded at fair value using Level 1 inputs.

TENNESSEE KIDNEY FOUNDATION, INC.
Notes to Financial Statements
June 30, 2010 and 2009

NOTE 2 – RESTRICTIONS ON NET ASSETS

Temporarily restricted net assets consist of the following at June 30, 2010 and 2009 for the following purposes:

	<u>2010</u>	<u>2009</u>
Nutritional supplements	\$77,199	\$111,413

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>2010</u>	<u>2009</u>
Patient services and education	\$ 74,262	\$ 73,307
Nutritional supplements	<u>1,105</u>	<u>49,750</u>
Total restrictions released	<u>\$ 75,367</u>	<u>\$ 123,057</u>

NOTE 3 – INVESTMENTS

Investments consist of the following at June 30:

	<u>2010</u>	<u>2009</u>
Government agency obligations	\$ -	\$50,000

Interest and dividends earned from investments totaled \$10,554 for the year ended June 30, 2009.

NOTE 4 – DUES TO NATIONAL KIDNEY FOUNDATION

As a previous affiliate of the National Kidney Foundation, Inc. (National) through December 2009, the Organization was 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 National. National provided program, management and fund raising services in return for these payments. Expenses related to these payments totaled \$36,000 and \$81,248 for the years ended June 30, 2010 and 2009, respectively.

TENNESSEE KIDNEY FOUNDATION, INC.
Notes to Financial Statements
June 30, 2010 and 2009

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, 2010 and 2009 totaled \$24,157 and \$23,160, respectively.

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

<u>Year Ending</u> <u>June 30,</u>	<u>Amount</u>
2011	24,516
2012	<u>2,048</u>
	<u>\$ 26,564</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 \$ 10,835 and \$10,626 for the years ending June 30, 2010 and 2009, 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, 2010, \$504,709 of funds has been released from restriction. The grant funds have also earned \$507 of interest during 2010.

NOTE 8 – SUBSEQUENT EVENTS

The Organization evaluated subsequent events through November 15, 2010, the issuance of the Organization's financial statements.

TENNESSEE KIDNEY FOUNDATION, INC.
Notes to Financial Statements
June 30, 2010 and 2009

NOTE 9 – RELATED PARTY

An officer of the board is a partner of a local law firm, which provided legal services for the Organization. The Organization paid his firm \$10,900 for these services for the year ended June 30, 2010. The officer receives no compensation from the Organization as a director of the Organization's board.