

CONSEJO RENAL DE PUERTO RICO, INC.
(A Non-Profit Corporation)
Financial Statements and Independent Auditor's Report
June 30 2010 and 2009

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INDEPENDENT AUDITOR REPORT

To the Board of Directors
Consejo Renal de Puerto Rico, Inc.
San Juan, Puerto Rico

We have audited the accompanying statements of net assets of Consejo Renal de Puerto Rico, Inc. (a not for profit corporation) as of June 30, 2010 and 2009, and the related statements of activities, changes in net assets and cash flows for the years then ended. These financial statements are the responsibility of the Entity'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 audits to obtain reasonable assurance about whether the financial statements are free of material misstatements. 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 Consejo Renal de Puerto Rico, Inc. as of June 30, 2010 and 2009, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental information accompanying the financial statements for the periods ended on June 30, 2010 and 2009, is presented of 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 audit 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.

Fernández Valdivia & Company, P.S.C.

January 21, 2011

Stamp number
affixed to original.



Consejo Renal de Puerto Rico, Inc.
(A Non-Profit Corporation)

Statement of Net Assets

June 30, 2010

	<u>Unrestricted</u> <u>assets</u>		<u>Permanently restricted assets</u>			<u>Totals</u>
	<u>Unassigned</u>	<u>Immunosuppressive</u>	<u>United Ways</u>	<u>Legislative donation</u>		
Cash	\$ 28,947	\$ 338	\$ 575	\$ -	\$ 29,860	
Investments	1,333,223	-	-	-	1,333,223	
Accounts receivable, net	47,990	-	-	-	47,990	
Donations receivable	-	-	-	-	-	
Other accounts receivable	34,349	-	-	-	34,349	
Inventory	-	42,799	-	-	42,799	
Property and equipment - net	21,679	-	-	-	21,679	
Other assets	2,820	-	-	-	2,820	
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	
Total Assets	<u>\$ 1,469,008</u>	<u>\$ 43,137</u>	<u>\$ 575</u>	<u>\$ -</u>	<u>\$ 1,512,720</u>	

Liabilities and Net Assets

Liabilities:					
Accounts payable	\$ 122,208	\$ -	\$ -	\$ 2,171	\$ 124,379
Accrued expenses	27,038	-	-	-	27,038
Line of credit	860,663	-	-	-	860,663
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities	1,009,909	-	-	2,171	1,012,080
Net assets:					
Unassigned	459,099	-	-	-	459,099
Restricted	-	43,137	575	(2,171)	41,541
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities and net assets	<u>\$ 1,469,008</u>	<u>\$ 43,137</u>	<u>\$ 575</u>	<u>\$ -</u>	<u>\$ 1,512,720</u>

Consejo Renal de Puerto Rico, Inc.
(A Non-Profit Corporation)
Statement of Net Assets
June 30, 2009

	<u>Unrestricted</u>		<u>Permanently restricted assets</u>			<u>Totals</u>
	<u>assets</u>					
	<u>Unassigned</u>	<u>Immunosuppressive</u>	<u>United Ways</u>	<u>Legislative donation</u>		
Cash	\$ 35,372	\$ -	\$ 5,444	\$ 2,990		\$ 43,806
Investments	1,336,485	-	-	-		1,336,485
Accounts receivable, net	26,749	-	-	-		26,749
Other accounts receivable	34,024	-	-	-		34,024
Inventory	-	45,890	-	-		45,890
Property and equipment - net	31,743	-	-	-		31,743
Other assets	2,820	-	-	-		2,820
	<u> </u>	<u> </u>	<u> </u>	<u> </u>		<u> </u>
Total Assets	<u>\$ 1,467,193</u>	<u>\$ 45,890</u>	<u>\$ 5,444</u>	<u>\$ 2,990</u>		<u>\$ 1,521,517</u>
Liabilities and Net Assets						
Liabilities:						
Accounts payable	\$ 3,941	\$ 31,741	\$ -	\$ -		\$ 35,682
Accrued expenses	27,910	-	-	-		27,910
Line of credit	727,194	-	-	-		727,194
	<u> </u>	<u> </u>	<u> </u>	<u> </u>		<u> </u>
Total liabilities	759,045	31,741	-	-		790,786
Net assets:						
Unassigned	708,148	-	-	-		708,148
Restricted	-	14,149	5,444	2,990		22,583
	<u> </u>	<u> </u>	<u> </u>	<u> </u>		<u> </u>
Total liabilities and net assets	<u>\$ 1,467,193</u>	<u>\$ 45,890</u>	<u>\$ 5,444</u>	<u>\$ 2,990</u>		<u>\$ 1,521,517</u>

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

Consejo Renal de Puerto Rico, Inc.
(A Non-Profit Corporation)
Statement of Activities and Changes in Net Assets
June 30, 2010

	<u>Unrestricted</u>		<u>Permanently restricted assets</u>		
	<u>assets</u>				
	<u>Unassigned</u>	<u>Immunosuppressive</u>	<u>United Ways</u>	<u>Legislative Donation</u>	<u>Totals</u>
Revenues:					
Governmental appropriations	\$ -	\$ 225,161	\$ -	\$ 47,952	\$ 273,113
Donation - United Ways	-	-	59,772	-	59,772
Medical services - health plans	205,588	-	-	-	205,588
Interest	94,897	102	15	-	95,014
Fund raising activities	54,593	-	-	-	54,593
Donations	5,000	-	-	-	5,000
Others	1,280	-	-	-	1,280
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	361,358	225,263	59,787	47,952	694,360
Expenses:					
Operating and administrative	243,252	37,749	-	-	281,001
Immunosuppressive medicines	-	414,985	-	-	414,985
Promotional activities	82,501	-	-	-	82,501
PHT clinic programs	-	-	56,886	68,000	124,886
Depreciation	10,064	-	-	-	10,064
Interest	25,666	-	-	-	25,666
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total expenses	361,483	452,734	56,886	68,000	939,103
Change in net assets before unrealized loss on investments	(125)	(227,471)	2,901	(20,048)	(244,743)
Realize loss on investments	(144,343)				(144,343)
Unrealized loss on investments	158,995	-	-	-	158,995
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Change in net assets	14,527	(227,471)	2,901	(20,048)	(230,091)
Net assets - beginning of year	708,148	14,149	5,444	2,990	730,731
Net transfers between funds	(263,576)	256,459	(7,770)	14,887	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net assets - end of year	<u>\$ 459,099</u>	<u>\$ 43,137</u>	<u>\$ 575</u>	<u>\$ (2,171)</u>	<u>\$ 500,640</u>

Consejo Renal de Puerto Rico, Inc.
(A Non-Profit Corporation)
Statement of Activities and Changes in Net Assets
June 30, 2009

	<u>Unrestricted</u> <u>assets</u>		<u>Permanently restricted assets</u>		<u>Totals</u>
	<u>Unassigned</u>	<u>Immunosuppressive</u>	<u>United Ways</u>	<u>Legislative Donation</u>	
Revenues:					
Governmental appropriations	\$ -	\$ 250,000	\$ -	\$ 47,793	\$ 297,793
Donation - United Ways	-	-	65,203	-	65,203
Medical services - health plans	174,329	-	-	-	174,329
Interest	102,018	87	45	-	102,150
Fund raising activities	9,851	-	-	-	9,851
Donations	13,915	-	-	-	13,915
Others	770	-	-	-	770
	<u>300,883</u>	<u>250,087</u>	<u>65,248</u>	<u>47,793</u>	<u>664,011</u>
Expenses:					
Operating and administrative	246,399	26,527	-	-	272,926
Immunosuppressive medicines	101,009	250,000	-	-	351,009
Promotional activities	11,989	-	-	-	11,989
PHT clinic programs	-	-	43,665	57,672	101,337
Depreciation	10,064	-	-	-	10,064
Interest	36,266	-	-	-	36,266
	<u>405,727</u>	<u>276,527</u>	<u>43,665</u>	<u>57,672</u>	<u>783,591</u>
Change in net assets before unrealized loss on investments	(104,844)	(26,440)	21,583	(9,879)	(119,580)
Unrealized loss on investments	<u>(113,911)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(113,911)</u>
Change in net assets	(218,755)	(26,440)	21,583	(9,879)	(233,491)
Net assets - beginning of year	909,308	52,410	501	2,003	964,222
Net transfers between funds	<u>17,595</u>	<u>(11,821)</u>	<u>(16,640)</u>	<u>10,866</u>	<u>-</u>
Net assets - end of year	<u>\$ 708,148</u>	<u>\$ 14,149</u>	<u>\$ 5,444</u>	<u>\$ 2,990</u>	<u>\$ 730,731</u>

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

Consejo Renal de Puerto Rico, Inc.
(A Non-Profit Corporation)
Statement of Cash Flows
June 30, 2010

	Unrestricted assets	Permanently restricted assets			Totals
	Unassigned	Immunosupp- ressive	United Ways	Legislative Donation	
Cash flows from operating activities					
<u>Change in net assets:</u>	\$ (125)	\$ (227,471)	\$ 2,901	\$ (20,048)	\$ (244,743)
Adjustments to reconcile change in net assets to net cash provided by/ (used in) operating activities					
Depreciation	10,064	-	-	-	10,064
Accounts receivable	(21,241)	-	-	-	(21,241)
Other accounts receivable	(325)	-	-	-	(325)
Inventory	-	3,091	-	-	3,091
Other assets	-	-	-	-	-
Accounts payable	118,267	(31,741)	-	2,171	88,697
Accrued expenses	(872)	-	-	-	(872)
Total adjustments	<u>105,893</u>	<u>(28,650)</u>	<u>-</u>	<u>2,171</u>	<u>79,414</u>
Net cash (used in) / provided by operating activities	105,768	(256,121)	2,901	(17,877)	(165,329)
Cash flows from investing activities					
Purchase of equipment	-	-	-	-	-
Purchase of Securities	17,914	-	-	-	17,914
Net cash (used in) investing activities	<u>17,914</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,914</u>
Cash flows from financing activities					
Advances from line of credit	133,469	-	-	-	133,469
Payments of line of credit	-	-	-	-	-
Transfers between funds	(263,576)	256,459	(7,770)	14,887	-
Net cash (used in) / provided by financing activities	<u>(130,107)</u>	<u>256,459</u>	<u>(7,770)</u>	<u>14,887</u>	<u>133,469</u>
Net increase (decrease) in cash	(6,425)	-	(4,869)	(2,990)	(14,284)
Cash, beginning of year	35,672	338	5,444	2,990	44,444
Cash, end of year	<u>\$ 29,247</u>	<u>\$ 338</u>	<u>\$ 575</u>	<u>\$ -</u>	<u>\$ 30,160</u>

Supplemental disclosure of cash flow information:

Interest payments	\$ 25,666	\$ -	\$ -	\$ -	\$ 25,666
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Consejo Renal de Puerto Rico, Inc.
(A Non-Profit Corporation)
Statement of Cash Flows
June 30, 2009

	Unrestricted assets	Permanently restricted assets			Totals
	Unassigned	Immunosupp- ressive	United Ways	Legislative Donation	
Cash flows from operating activities					
Change in net assets:	\$ (104,844)	\$ (26,440)	\$ 21,583	\$ (9,879)	\$ (119,580)
Adjustments to reconcile change in net assets to net cash provided by/ (used in) operating activities					
Depreciation	10,064	-	-	-	10,064
Accounts receivable	(19,177)	-	-	-	(19,177)
Other accounts receivable	7,319	-	-	-	7,319
Inventory	-	4,181	-	-	4,181
Other assets	-	-	-	-	-
Accounts payable	(19,471)	31,741	-	-	12,270
Accrued expenses	(4,825)	-	-	-	(4,825)
Total adjustments	(26,090)	35,922	-	-	9,832
Net cash (used in) / provided by operating activities	(130,934)	9,482	21,583	(9,879)	(109,748)
Cash flows from investing activities					
Purchase of equipment	(1,611)	-	-	-	(1,611)
Net cash (used in) investing activities	(1,611)	-	-	-	(1,611)
Cash flows from financing activities					
Advances from line of credit	354,937	-	-	-	354,937
Payments of line of credit	(267,743)	-	-	-	(267,743)
Transfers between funds	17,595	(11,821)	(16,640)	10,866	-
Net cash (used in) / provided by financing activities	104,789	(11,821)	(16,640)	10,866	87,194
Net increase (decrease) in cash	(27,756)	(2,339)	4,943	987	(24,165)
Cash, beginning of year	63,128	2,339	501	2,003	67,971
Cash, end of year	\$ 35,372	\$ -	\$ 5,444	\$ 2,990	\$ 43,806

Supplemental disclosure of cash flow information:

Interest payments	\$ 34,938	\$ -	\$ -	\$ -	\$ 34,938
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The accompanying notes are an integral part of these financial statements.

Consejo Renal de Puerto Rico, Inc.
(A Non-Profit Corporation)
Notes to Financial Statements
June 30, 2010 and 2009

1- Organization

The Consejo Renal de Puerto Rico, Inc. (the "Consejo") is a non-profit corporation organized under the laws of the Commonwealth of Puerto Rico in September 30, 1976. The main purpose of the Consejo is the promotion and prevention of renal diseases through education. Also, it administers the program of immunosuppressive drugs which provides medicines to kidney transplant patients.

The Consejo is exempt from corporate income tax, municipal tax and property taxes, in accordance with the various laws of the Commonwealth of Puerto Rico.

2- Summary of Significant Accounting Policies

The financial statements of the Consejo have been prepared following the recommendation of Financial Accounting Standards Board in its "Financial Statements for Not-for-Profit Organizations". That prescribes the standards for external financial statements and requires not-for-profit organizations to prepare a statement of net assets, statement of activities and changes in net assets and statement of cash flows.

The pronouncement also requires the classification of the organization's net assets and its revenues and expenses into three categories according to the existence or absence of donor-imposed restrictions -- permanently restricted, temporarily restricted, or unrestricted. In addition, pledges and unconditional promises to give are reported as temporarily restricted support upon date of notification and are then released from restrictions upon satisfaction of the time or use requirements. If a restriction is fulfilled in the same period in which the contribution is received, the Consejo reports the support as unrestricted.

Income Recognition

Contributions and donations are recognized as income when they are received or when they are unconditionally promised.

Consejo Renal de Puerto Rico, Inc.
(A Non-Profit Corporation)
Notes to Financial Statements
June 30, 2010 and 2009

2- Summary of Significant Accounting Policies (continued)

Contributions

The Consejo accounts for contributions in accordance with the requirements of the *Accounting for Contributions Received and Contributions Made*. The contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence or nature of any donor restrictions. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. When a donor restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities and changes in net assets as net assets released from restrictions.

Net assets unrestricted

Unrestricted

Funds which the Board of Directors has discretionary control over its use and may assigned or used for any purpose deemed necessary within the operations of the Consejo.

Net assets permanently restricted

Immunosuppressive drugs program

The Consejo consists of a contribution from the Puerto Rico Health Department, the use of the funds are restricted exclusively to provide Immunosuppressive drugs to kidney transplants patients.

United Ways – Community Renal Health Project

The Consejo receives an annual contribution from United Ways of Puerto Rico, a non-profit entity, such funds are restricted for the development of educational and prevention programs for the community.

Consejo Renal de Puerto Rico, Inc.
(A Non-Profit Corporation)
Notes to Financial Statements
June 30, 2010 and 2009

2- Summary of Significant Accounting Policies (continued)

Legislative donation

The Consejo receives a donation from the Puerto Rico Legislature which is restricted for the payment of salaries and fringe benefits of an epidemiology and an information systems coordinator.

Cash and cash equivalents

For purposes of the statement of cash flows, the Consejo considers currency on hand, certificate of deposits and highly liquid investments purchased with a maturity of three months or less to be cash equivalents.

Provision for bad debts

The Consejo accounts for the provision for bad debts based on accounts receivable aging balances. Other factors as accounts receivable trends, percentage figures of net patient revenue and collections and information of financial conditions of third-party payors, among other, are considered as part of the recognition of the provision for bad debts and/or write-off of accounts receivable.

Inventory

Inventory of supplies, consisting of controlled drugs and medicines specialized for patients with renal related diseases and other, are stated at the lower of cost or market (first-in, first-out basis).

Property and equipment

Property and equipment are recorded at cost, or if donated, at fair value at the date of receipt. Depreciation is provided over the estimated useful life of each class of depreciable asset and is computed on the straight-line method. The cost of repair and maintenance is expensed as incurred, major improvements are generally capitalized.

Consejo Renal de Puerto Rico, Inc.
(A Non-Profit Corporation)
Notes to Financial Statements
June 30, 2010 and 2009

2- Summary of Significant Accounting Policies (continued)

Investments

In accordance with *Accounting for Certain Investments Held by Not-for-Profit Organizations*, the Consejo reflects investments at fair value in the statement of net assets. Unrealized gains and losses on investments are reflected in the statement of activities and changes in net assets as increases and decreases in unrestricted net assets unless their use is temporarily or permanently restricted by explicit donor stipulations or by law. As well as for interest income and dividends that should be recognized in the statement of operations and changes in net assets.

Fair value of financial instruments

"Disclosures about Fair Value of Financial Instruments" requires the disclosure of fair value information about financial instruments, whether or not recognized in the balance sheet, for which it is practicable to estimate that value. The carrying amount of cash, contributions and other receivables, prepaid expenses, accounts payable and accrued liabilities, none of which are held for trading purposes, approximate fair value due to the short-term maturities of these instruments.

Concentration of credit risk

Financial instruments, which potentially could subject the Consejo to concentration of credit risk, consist principally of cash deposits, investment in securities (including assets whose use is limited) and accounts receivable. The concentration of credit risk related to accounts receivable is limited in nature in result to the transactions with patients and insurance companies.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Consejo Renal de Puerto Rico, Inc.
(A Non-Profit Corporation)
Notes to Financial Statements
June 30, 2010 and 2009

3- Accounts receivable

A summary of accounts receivable at June 30, 2010 and 2009 follows:

Medicare	\$ 47,990	\$ 26,749
Provision for bad debts	(-)	(-)
	<u>\$ 47,990</u>	<u>\$ 26,749</u>

4- Property and equipment

A summary of property and equipment at June 30, 2009 follows:

Office equipment and computers	\$ 82,116	\$ 82,116
Leasehold improvements	<u>27,785</u>	<u>27,785</u>
	109,901	109,901
Less: accumulated depreciation and amortization	(88,222)	(78,158)
Property and equipment, net	<u>\$ 21,679</u>	<u>\$ 31,743</u>

5- Investments

The Consejo has investments in mutual funds through a brokerage firm. The funds are invested in local and federal values exempt from income taxes.

At June 30, 2010 and 2009 the market values of these investments were as follows:

Year	Brokerage Firm	Original cost	Market value	Unrealized loss during the year	Accrued unrealized loss
2010	Santander Securities	\$ <u>1,343,134</u>	\$ <u>1,333,223</u>	\$ (9,911)	\$(9,911)

Year	Brokerage Firm	Original cost	Market value	Unrealized loss during the year	Accrued unrealized loss
2009	Santander Securities	\$ <u>1,609,000</u>	\$ <u>1,336,485</u>	\$ (118,092)	\$(282,620)

During the year the original investment were sold and new ones were acquired in a transaction made during the year and in which a realized loss were recorded for the amount of \$144,343

Consejo Renal de Puerto Rico, Inc.
(A Non-Profit Corporation)
Notes to Financial Statements
June 30, 2010 and 2009

6- Line of Credit

The Consejo has a line of credit with a bank with a maximum borrowing limit of \$900,000. The outstanding balance was \$860,663 and \$727,194 as of June 30, 2010 and 2009 respectively. This line of credit is secured by the Consejo's investments in mutual funds (see note 5 above). Interest is accrued at the interbank's LIBOR rate plus 1.00% (2.19 as of June 30, 2010 and 2.35% as of June 30, 2009).

The Consejo incurred interest expenses on this line of credit of \$25,666 and \$34,938 for the year ended June 30, 2010 and 2009. This line of credit contains certain covenants, and in management opinion, the Consejo is in compliance with all covenants as of June 30, 2010 and 2009.

7- Commitments

The Consejo leased an office space in Hato Rey for its daily operations. The term of the lease expires on October 31, 2010. Minimum annual rental payments of \$33,840 and are payable in monthly installments of \$2,820. The lease has a five years extension clause with an increase on the base of rental payment of 17.5%. At June 30, 2010 and 2009, the Consejo incurred in rent expenses amounting to \$37,908 and \$37,113, respectively.

Future minimum rental payments under these leases as of June 30, 2010 are as follows:

2011	<u>\$ 11,280</u>
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The Consejo pays additional charges depending on the use of its facilities. Such additional payments relate to utilities, maintenance, etc and it change depending on the landlord operating costs.

8- Contingencies

The Consejo is defendant in labor related cases and other lawsuits arising from its operations; management and legal counsel are of the opinion that the outcome of these suits will not have a material effect on the Consejo's financial position or the results of its operations. The accompanying financial statements do not include any adjustments that might result from the outcome of these uncertainties.

Supplementary Information
(Schedule 1)

Consejo Renal de Puerto Rico, Inc.
(A Non-Profit Corporation)
Statement of Functional Expenses
June 30, 2010

	<u>Unrestricted</u>		<u>Permanently restricted assets</u>		
	<u>assets</u>				
	<u>Unassigned</u>	<u>Immunosu</u>	<u>United</u>	<u>Legislative</u>	<u>Totals</u>
		<u>ppressive</u>	<u>Ways</u>	<u>Donation</u>	
Expenses:					
Salaries and fringe benefits	\$ 93,204	\$ 25,318	\$ 26,245	\$ 55,895	\$ 200,662
Medical supplies purchases	-	420,561	-	-	420,561
Discounts on medical supplies purchases	-	(5,576)	-	-	(5,576)
Promotional activities	82,501	-	-	-	82,501
Professional services	29,467	10,165	-	-	39,632
Rent	34,682	-	-	6,088	40,770
Office expenses	14,740	-	12,369	1,634	28,743
Utilities	12,427	-	-	-	12,427
Laboratory services	-	-	6,751	-	6,751
Depreciation	10,064	-	-	-	10,064
Interests	25,666	-	-	-	25,666
Other administrative expenses	58,732	2,266	11,521	4,383	76,902
	<u>58,732</u>	<u>2,266</u>	<u>11,521</u>	<u>4,383</u>	<u>76,902</u>
 Total expenses	 <u>\$ 361,483</u>	 <u>\$ 452,734</u>	 <u>\$ 56,886</u>	 <u>\$ 68,000</u>	 <u>\$ 939,103</u>

Consejo Renal de Puerto Rico, Inc.
(A Non-Profit Corporation)
Statement of Functional Expenses
June 30, 2009

	Unrestricted assets		<u>Permanently restricted assets</u>		<u>Totals</u>
	<u>Unassigned</u>	<u>Immunosuppressive</u>	<u>United Ways</u>	<u>Legislative Donation</u>	
Expenses:					
Salaries and fringe benefits	\$ 91,996	\$ 24,250	\$ 22,151	\$ 49,981	\$ 188,378
Medical supplies purchases	101,009	250,000	-	-	351,009
Discounts on medical supplies purchases	-	(23,199)	-	-	(23,199)
Promotional activities	11,989	-	-	-	11,989
Professional services	27,065	6,720	-	-	33,785
Rent	24,837	12,000	-	276	37,113
Office expenses	14,533	737	13,206	1,241	29,717
Provision for bad debts	15,000	-	-	-	15,000
Utilities	11,611	1,751	793	1,794	15,949
Laboratory services	-	-	1,700	-	1,700
Depreciation	10,064	-	-	-	10,064
Interests	36,266	-	-	-	36,266
Other administrative expenses	<u>60,029</u>	<u>4,268</u>	<u>5,815</u>	<u>4,380</u>	<u>74,492</u>
 Total expenses	 <u>\$ 404,399</u>	 <u>\$ 276,527</u>	 <u>\$ 43,665</u>	 <u>\$ 57,672</u>	 <u>\$ 782,263</u>

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