

BLOOD CENTERS OF CALIFORNIA, INC.
(A CALIFORNIA NONPROFIT MUTUAL BENEFIT CORPORATION)

FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2005 AND 2004

BLOOD CENTERS OF CALIFORNIA, INC.
(A CALIFORNIA NONPROFIT MUTUAL BENEFIT CORPORATION)

TABLE OF CONTENTS

	<u>PAGE</u>
ACCOUNTANT'S REPORT	1
FINANCIAL STATEMENTS:	
Statement of Financial Position	2
Statement of Activities	3
Statement of Cash Flows	4
NOTES TO FINANCIAL STATEMENTS	5-7

GARY L. WOEHL

Certified Public Accountant

7488 Shoreline Drive, Suite A-2 • Stockton, CA 95219-5433 • Telephone (209) 951-9999 • Fax (209) 951-9920
Member of AICPA • California State Society • Peer Review Program

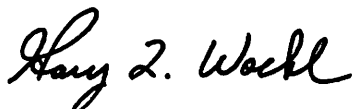
ACCOUNTANT'S COMPILATION REPORT

To the Board of Directors
BLOOD CENTERS OF CALIFORNIA, INC.
Sacramento, California

I have compiled the accompanying statement of financial position of Blood Centers of California, Inc. (a California nonprofit mutual benefit corporation) as of December 31, 2005 and the related statements of activities and cash flows for the year then ended, in accordance with Statements of Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. I have not audited or reviewed the accompanying December 31, 2005 financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

The accompanying December 31, 2004 financial statements of Blood Centers of California, Inc. were previously reviewed by me and my report dated July 22, 2005, stated that I was not aware of any material modifications that should be made to those statements in order for them to be in conformity with generally accepted accounting principles. I have not performed any procedures in connection with that review engagement after the date of my report on the December 31, 2004 financial statements.



GARY L. WOEHL, C.P.A.

June 30, 2006

BLOOD CENTERS OF CALIFORNIA, INC.
(A CALIFORNIA NONPROFIT MUTUAL BENEFIT CORPORATION)
Statement of Financial Position

ASSETS

	<u>December 31,</u>	
	<u>2005</u>	<u>2004</u>
	<u>Compilation</u>	<u>Review</u>
CURRENT ASSETS:		
Cash and cash equivalents	\$ 181,535	\$ 194,739
 Total Assets	 \$ 181,535	 \$ 194,739

LIABILITIES AND NET ASSETS

LIABILITIES:		
Deferred revenue	\$ 12,439	\$ 43,981
 NET ASSETS:		
Unrestricted net assets:		
Charter contributions	57,000	57,000
Net assets	112,096	93,758
 Total Net Assets	 169,096	 150,758
 Total Liabilities and Net Assets	 \$ 181,535	 \$ 194,739

See accompanying notes and accountant's report.

BLOOD CENTERS OF CALIFORNIA, INC.
(A CALIFORNIA NONPROFIT MUTUAL BENEFIT CORPORATION)
Statement of Activities

	Years Ended December 31,	
	2005	2004
	Compilation	Review
REVENUES:		
Dues	\$ 83,775	\$ 82,612
Interest income	1,447	1,126
Membership fee	-	15,000
	<hr/>	<hr/>
Total Revenues	85,222	98,738
	<hr/>	<hr/>
EXPENSES:		
Meeting expenses	6,605	4,904
Accounting fees	5,575	-
Lobbying expenses	42,000	36,391
Bank charges	10	26
Management fees	6,000	6,000
Filing fees	30	30
Dues	85	85
Office expenses	116	547
Penalties	-	50
Advertising	300	-
Contract Services	783	-
Legal	5,380	-
	<hr/>	<hr/>
Total Expenses	66,884	48,033
	<hr/>	<hr/>
CHANGES IN NET ASSETS	18,338	50,705
NET ASSETS – Beginning	93,758	43,053
	<hr/>	<hr/>
NET ASSETS – Ending	<u>\$ 112,096</u>	<u>\$ 93,758</u>

See accompanying notes and accountant's report.

BLOOD CENTERS OF CALIFORNIA, INC.
(A CALIFORNIA NONPROFIT MUTUAL BENEFIT CORPORATION)
Statement of Cash Flows

	<u>Years Ended December 31,</u>	
	<u>2005</u>	<u>2004</u>
	<u>Compilation</u>	<u>Review</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Changes in net assets	\$ 18,338	\$ 50,705
Changes in operating assets and liabilities:		
Deferred revenue	<u>(31,542)</u>	<u>25,345</u>
Net Cash (Used) Provided by Operating Activities	<u>(13,204)</u>	<u>76,050</u>
NET CHANGES IN CASH AND CASH EQUIVALENTS	<u>(13,204)</u>	<u>76,050</u>
CASH AND CASH EQUIVALENTS – Beginning	<u>194,739</u>	<u>118,689</u>
CASH AND CASH EQUIVALENTS – Ending	<u><u>\$ 181,535</u></u>	<u><u>\$ 194,739</u></u>

See accompanying notes and accountant's report.

BLOOD CENTERS OF CALIFORNIA, INC.
(A CALIFORNIA NONPROFIT MUTUAL BENEFIT CORPORATION)

Notes to Financial Statements
December 31, 2005 and 2004

NOTE 1: SUMMARY OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES –

This summary of activities and significant accounting policies of Blood Centers of California, Inc. is presented to assist in understanding the Organization's financial statements. The financial statements and notes are representations of the Organization's management, who is responsible for the financial statements integrity and objectivity.

Organization:

Blood Centers of California, Inc. was established on December 1, 1987, and its primary activities at that stage of formation consisted of recruiting charter members and raising capital. The Organization has since then established an association of nonprofit blood centers to promote the common interest of such services and organization, and assistance of nonprofit blood center services and organizations in California and elsewhere by creating the means to combine resources and promote more efficient and effective blood services, and promotion of the activities and interest of nonprofit blood services and organizations.

Donations:

Many individuals donate significant time and services to advance the objectives of the Organization. These services have not been recorded in the financial statements because no objective basis is available to measure the value of such services.

Estimates:

The preparation of financial statements in conformity with U.S. 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.

Financial Statement Presentation:

The Organization maintains its accounts on the accrual basis method of accounting, which is in accordance with generally accepted accounting principles. Net assets are classified as unrestricted, temporarily restricted, or permanently restricted. Net assets are generally reported as unrestricted unless assets are received with explicit stipulations that limit the use of the asset. The Organization does not have any temporarily or permanently restricted net assets.

BLOOD CENTERS OF CALIFORNIA, INC.
(A CALIFORNIA NONPROFIT MUTUAL BENEFIT CORPORATION)

Notes to Financial Statements - Continued

December 31, 2005 and 2004

NOTE 1: SUMMARY OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES
- CONTINUED -

Income Taxes:

Blood Centers of California, Inc. was organized under the nonprofit laws of the State of California and has been determined to be exempt from Federal and California taxes under Code Section 501(c)(6) of the Internal Revenue Code and the State of California Revenue and Taxation Code.

Cash and Cash Equivalents:

For purposes of the statement of cash flows, Blood Centers of California, Inc. considers highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents. Included in cash and cash equivalents were deposits in a money market account of \$169,645 and \$190,398 at December 31, 2005 and 2004, respectively.

Concentration of Credit Risk:

Blood Centers of California, Inc., which periodically maintains balances in depository accounts in excess of the FDIC insurance limit, performs ongoing credit evaluations of its depository institutions and has not experienced any losses on its depository accounts. The Organization has uninsured cash bank balances in the amount of \$81,535 and \$94,759 as of December 31, 2005 and 2004, respectively.

The Organization grants credit to the charter members, substantially all of whom are blood banks in California. These accounts receivable are considered to be 100% current and collectible. An allowance for doubtful accounts is not provided as management believes that accounts receivable are fully collectible.

Advertising:

The Organization follows the policy of expensing the costs of advertising when paid. Advertising expense was \$300 and zero for the years ended December 31, 2005 and 2004 respectively.

BLOOD CENTERS OF CALIFORNIA, INC.
(A CALIFORNIA NONPROFIT MUTUAL BENEFIT CORPORATION)
Notes to Financial Statements - Continued
December 31, 2005 and 2004

NOTE 2: UNRESTRICTED NET ASSETS – CHARTER CONTRIBUTIONS –

Nineteen charter member blood banks in California each contributed \$3,000 before October 1, 1988, as an initial financial contribution. In addition, each member contributed considerable unreimbursed expense, time, and expertise in organizing the Organization. The "Charter Contributions" in the amount of \$57,000 represents the cash contributions of the Organization's charter members reported under unrestricted net assets.

NOTE 3: DEFERRED REVENUE –

The amount recorded as deferred revenue represents dues for 2006 and 2005 received prior to the year ending December 31, 2005 and 2004, respectively.

NOTE 4: CASH AND CASH EQUIVALENTS –

Cash and cash equivalents consisted of the following:

	<u>December 31,</u>	
	<u>2005</u>	<u>2004</u>
	<u>Compilation</u>	<u>Review</u>
Cash – Checking	\$ 11,890	\$ 4,341
Cash – Money Market	169,645	190,398
	<u>\$ 181,535</u>	<u>\$ 194,739</u>

TEEA00031 01/07/06 Form 990-FZ (2004)

Form 990-EZ (2004) Blood Centers of California, Inc.

33-0312364

Page 2

Part III Statement of Program Service Accomplishments (See Instructions)

What is the organization's primary exempt purpose? See Statement 3
 Describe what was achieved in carrying out the organization's exempt purposes. In a clear and concise manner, describe the services provided, the number of persons benefited, or other relevant information for each program title.

Expenses
 (Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts; optional for others.)

28	See Statement 4	(Grants \$)	28a
29		(Grants \$)	29a
30		(Grants \$)	30a
31	Other program services (attach schedule)	(Grants \$)	31a
32	Total program service expenses (add lines 28a through 31a)		32

Part IV List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated. See Instructions.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans and deferred compensation	(E) Expense account and other allowances
See Statement 5		0.	0.	0.

Part V Other Information (Note the attachment requirement in the instructions)

See Statement 6

33	Did the organization engage in any activity not previously reported to the IRS? If 'Yes,' attach a detailed description of each activity.	Yes	No
34	Were any changes made to the organizing or governing documents but not reported to the IRS? If 'Yes,' attach a conformed copy of the changes.		X
35	If the organization had income from business activities, such as those reported on lines 2, 6, and 7 (among others), but not reported on Form 990-T, attach a statement explaining your reason for not reporting the income on Form 990-T.		X
a	Did the organization have unrelated business gross income of \$1,000 or more or 6033(e) notice, reporting, and proxy tax requirements?		X
b	If 'Yes,' has it filed a tax return on Form 990-T for this year?	N/A	
36	Was there a liquidation, dissolution, termination, or substantial contraction during the year? (If 'Yes,' attach a statement.)		X
37a	Enter amount of political expenditures, direct or indirect, as described in the instructions.	37a	0.
b	Did the organization file Form 1120-POL for this year?		X
38a	Did the organization borrow from, or make any loans to, any officer, director, trustee, or key employee or were any such loans made in a prior year and still unpaid at the start of the period covered by this return?		X
b	If 'Yes,' attach the schedule specified in the line 38 instructions and enter the amount involved.	38b	N/A
39	501(c)(7) organizations. Enter: a Initiation fees and capital contributions included on line 9.	39a	N/A
b	Gross receipts, included on line 9, for public use of club facilities.	39b	N/A
40a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911	N/A; section 4912	N/A; section 4955
b	501(c)(3) and (4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If 'Yes,' attach an explanation.		N/A
c	Amount of tax imposed on organization managers or disqualified persons during the year under 4912, 4955, and 4958.		0.
d	Enter: Amount of tax on line 40c, above, reimbursed by the organization.		0.
41	List the states with which a copy of this return is filed	California	
42	The books are in care of	Roger Svoboda	Telephone no. (415) 749-6603
	Located at	270 Masonic Avenue - San Francisco, CA	ZIP + 4 94118
43	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-EZ in lieu of Form 1041 - Check here		N/A
	and enter the amount of tax-exempt interest received or accrued during the tax year.	43	N/A

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

COPY

Signature of officer	Date	Signature of Treasurer	Date	Check if self-employed	Preparer's SSN or PTIN (See General Instructions W)
<u>Gary L. Woehl, CPA</u>	7/21/05	<u>Roger Svoboda</u>	7/21/05	<input checked="" type="checkbox"/>	P00169266
Print name (or verify if self-employed), address, and ZIP + 4		EIN			
7488 Shoreline Drive Suite A-2 Stockton, CA 95219-5433		94-2624880			
		Phone no.			
		(209) 951-9999			

BAA