

**BLOOD CENTERS OF CALIFORNIA, INC.**

(A CALIFORNIA NONPROFIT MUTUAL BENEFIT CORPORATION)

---

**FINANCIAL STATEMENTS**

**FOR THE YEARS ENDED DECEMBER 31, 2006 AND 2005**

---

**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*

---

3439 Brookside Road, Suite 201 • Stockton, CA 95219 • Telephone (209) 951-9999 • Fax (209) 951-9920  
Member of AICPA • California State Society • Peer Review Program

## ACCOUNTANT'S REPORT

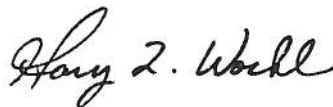
To the Board of Directors  
BLOOD CENTERS OF CALIFORNIA, INC.  
Sacramento, California

I have reviewed the accompanying statement of financial position of Blood Centers of California, Inc. (a California nonprofit mutual benefit corporation) as of December 31, 2006 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. All information included in these financial statements is the representation of the management of Blood Centers of California, Inc.

A review consists principally of inquiries of Company personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, I do not express such an opinion.

Based on my review, I am not aware of any material modifications that should be made to the December 31, 2006 financial statements in order for them to be in conformity with generally accepted accounting principles.

The accompanying 2005 financial statements of Blood Centers of California, Inc. were compiled by me 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 December 31, 2005 financial statements and, accordingly, do not express an opinion or any other form of assurance on them.



GARY L. WOEHL, C.P.A.

June 20, 2007

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

**ASSETS**

	<b>December 31,</b>	
	<b>2006</b>	<b>2005</b>
	<b>Review</b>	<b>Compilation</b>
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 95,204	\$ 181,535
Interest receivable	835	-0-
Total Current Assets	96,039	181,535
<b>OTHER ASSETS:</b>		
Certificate of deposit	100,000	-0-
Total Assets	\$ 196,039	\$ 181,535

**LIABILITIES AND NET ASSETS**

<b>LIABILITIES:</b>		
Deferred revenue	\$ -0-	\$ 12,439
<b>NET ASSETS:</b>		
Unrestricted net assets:		
Charter contributions	57,000	57,000
Net assets	139,039	112,096
Total Net Assets	196,039	169,096
Total Liabilities and Net Assets	\$ 196,039	\$ 181,535

See accompanying notes and accountant's report.

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

	<u>Years Ended December 31,</u>	
	<u>2006</u>	<u>2005</u>
	<u>Review</u>	<u>Compilation</u>
REVENUES:		
Dues	\$ 79,182	\$ 83,775
Interest and dividend income	7,585	1,447
	<hr/>	<hr/>
Total Revenues	86,767	85,222
	<hr/>	<hr/>
EXPENSES:		
Meeting expenses	6,330	6,605
Accounting fees	1,885	5,575
Lobbying expenses	42,000	42,000
Bank charges	-0-	10
Management fees	6,000	6,000
Filing fees	10	30
Dues	94	85
Office expenses	380	116
Insurance	1,605	-0-
Advertising	300	300
Contract services	900	783
Legal	320	5,380
	<hr/>	<hr/>
Total Expenses	59,824	66,884
	<hr/>	<hr/>
CHANGES IN NET ASSETS	26,943	18,338
NET ASSETS – Beginning	<hr/> 112,096	<hr/> 93,758
NET ASSETS – Ending	<hr/> <u>\$ 139,039</u>	<hr/> <u>\$ 112,096</u>

See accompanying notes and accountant's report.

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

	<b>Years Ended December 31,</b>	
	<b>2006</b>	<b>2005</b>
	<b>Review</b>	<b>Compilation</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Changes in net assets	\$ 26,943	\$ 18,338
Changes in operating assets and liabilities:		
Interest receivable	(835)	-0-
Deferred revenue	(12,439)	(31,542)
Net Cash Provided (Used) by Operating Activities	13,669	(13,204)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of certificate of deposit	(100,000)	-0-
Net Cash Used by Investing Activities	(100,000)	-0-
<b>NET CHANGES IN CASH AND CASH EQUIVALENTS</b>	(86,331)	(13,204)
<b>CASH AND CASH EQUIVALENTS – Beginning</b>	181,535	194,739
<b>CASH AND CASH EQUIVALENTS – Ending</b>	\$ 95,204	\$ 181,535

See accompanying notes and accountant's report.

**BLOOD CENTERS OF CALIFORNIA, INC.**  
(A CALIFORNIA NONPROFIT MUTUAL BENEFIT CORPORATION)  
Notes to Financial Statements  
December 31, 2006 and 2005

**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, 2006 and 2005

**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 an advantage fund of \$85,927 at December 31, 2006. Also, included were deposits in a money market account of \$169,645 at December 31, 2005.

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 \$95,204 and \$81,535 as of December 31, 2006 and 2005, 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 \$300 for the years ended December 31, 2006 and 2005 respectively.



**BLOOD CENTERS OF CALIFORNIA, INC.**  
 (A CALIFORNIA NONPROFIT MUTUAL BENEFIT CORPORATION)  
 Notes to Financial Statements - Continued  
December 31, 2006 and 2005

**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 2007 and 2006 received prior to the year ending December 31, 2006 and 2005, respectively.

**NOTE 4: CASH AND CASH EQUIVALENTS –**

Cash and cash equivalents consisted of the following:

	<b>December 31,</b>	
	<b>2006</b>	<b>2005</b>
	<b>Review</b>	<b>Compilation</b>
Cash – Checking	\$ 9,277	\$ 11,890
Cash – Advantage Fund	85,927	-0-
Cash – Money Market	-0-	169,645
	<b>\$ 95,204</b>	<b>\$ 181,535</b>