

**DIAMOND BLACKFAN ANEMIA  
FOUNDATION, INC.**

**FINANCIAL STATEMENTS**

**December 31, 2013**

## INDEPENDENT ACCOUNTANTS' REVIEW REPORT

The Board of Directors  
Diamond Blackfan Anemia Foundation, Inc.

We have reviewed the accompanying statements of assets, liabilities, and net assets - modified cash basis of Diamond Blackfan Anemia Foundation, Inc. (the Foundation) as of December 31, 2013 and 2012 and the related statements of revenues collected, expenses paid and changes in net assets – modified cash basis for the years then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the Foundation's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting and for designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with the modified cash basis of accounting, as described in Note 1.



November 3, 2014

DIAMOND BLACKFAN ANEMIA FOUNDATION, INC.

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**Statements of Assets, Liabilities and Net Assets - Modified Cash Basis**

December 31, 2013	2013	2012
<b>Assets:</b>		
Cash	\$ 441,167	\$ 267,301
Investments	41,618	31,651
Equipment, net (Note 2)	-	188
	<u>\$ 482,785</u>	<u>\$ 299,140</u>
<b>Liabilities and Net Assets</b>		
<b>Liabilities:</b>		
Payroll taxes payable	\$ 2,936	\$ 2,579
<b>Net assets:</b>		
Unrestricted	419,849	296,561
Temporarily restricted (Note 3)	60,000	-
	<u>479,849</u>	<u>296,561</u>
	<u>\$ 482,785</u>	<u>\$ 299,140</u>

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**Statements of Revenues Collected, Expenses Paid and  
Changes in Net Assets - Modified Cash Basis**

For the years ended December 31,	2013	2012
<b>Changes in unrestricted net assets:</b>		
Revenues:		
Contributions	\$ 331,341	\$ 224,762
Investment income	11,620	7,232
	<u>342,961</u>	<u>231,994</u>
Expenses:		
Grants	147,485	143,225
Program services	41,053	45,279
General and administrative	31,135	40,168
	<u>219,673</u>	<u>228,672</u>
<b>Change in unrestricted net assets</b>	<u>123,288</u>	<u>3,322</u>
<b>Changes in temporarily restricted net assets:</b>		
Contributions	<u>60,000</u>	-
Change in net assets	183,288	3,322
Net assets - beginning	<u>296,561</u>	<u>293,239</u>
<b>Net assets - ending</b>	<u>\$ 479,849</u>	<u>\$ 296,561</u>

**Notes to Financial Statements – Modified Cash Basis**

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**1. Summary of Significant Accounting Policies:**

**Nature of Operations:**

Diamond Blackfan Anemia Foundation, Inc. (the Foundation) is a not for profit corporation. Its purpose is to promote and finance research grants for the study of diamond blackfan anemia disease. The Foundation is headquartered in Western New York State and receives contributions from individuals and organizations located throughout the United States. For 2013, two donors contributed approximately 37% (25% and 12%, individually) of total revenue. For 2012, 8% of total revenue was received from one donor.

**Basis of Accounting:**

The accounts of the Foundation are maintained, and these statements are presented, on the modified cash basis of accounting under which certain revenue is recognized when received rather than when earned, and certain expenditures are recognized when paid rather than when the obligation is incurred. Accordingly, certain accounts receivable and accounts payable, which may be material in amount, are not reflected in the accompanying financial statements.

**Contributions:**

Contributions received in cash or other assets are measured at their fair values, and reported as an increase in net assets.

**Cash:**

Cash in financial institutions may exceed federally insured limits at various times during the year and subject the Foundation to concentrations of credit risk.

**Investments:**

Investments consist entirely of equity securities measured at fair value as determined by quoted prices in active markets.

**Equipment:**

Equipment is stated at cost, net of accumulated depreciation. Depreciation is provided over estimated useful lives using the straight-line method.

**Tax Status:**

The Foundation is a 501(c)(3) organization exempt from income taxes under Section 501(a) of the Internal Revenue Code. Management believes it is no longer subject to examination by federal and state taxing authorities for years prior to 2010.

**Contributions:**

Contributions are recorded as restricted support if they are received with donor stipulations that limit their use. When a donor restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of revenues collected, expenses paid and changes in net assets – modified cash basis as net assets released from restrictions. Contributions received with donor-imposed restrictions that are met in the same reporting period are shown as unrestricted revenue.

**Use of Estimates:**

The preparation of financial statements in conformity with the modified cash basis of accounting requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Subsequent Events:**

The Foundation has evaluated events and transactions for potential recognition or disclosure in the financial statements through November 3, 2014, the date the financial statements were available to be issued.

## 2. Equipment:

	2013	2012
Equipment	\$ 2,955	\$ 2,955
Less accumulated depreciation	2,955	2,767
	<u>\$ -</u>	<u>\$ 188</u>

Depreciation expense for each of the years ended December 31, 2013 and 2012 was \$188 and \$591, respectively.

## 3. Temporarily Restricted Net Assets:

Temporarily restricted net assets are available for use by the Foundation to provide additional financial support for special events as stipulated by the donor or grantor.