

INDEPENDENT AUDITORS' COMMUNICATION  
WITH THOSE CHARGED WITH GOVERNANCE  
NONPROFIT LEADERSHIP CENTER OF TAMPA BAY, INC.

DECEMBER 31, 2010



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**RIVERO, GORDIMER & COMPANY, P.A.**  
CERTIFIED PUBLIC ACCOUNTANTS

MEMBER  
AMERICAN INSTITUTE  
OF CERTIFIED PUBLIC ACCOUNTANTS  
FLORIDA INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

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CESAR J. RIVERO	SAM A. LAZZARA
RICHARD GORDIMER	STEPHEN G. DOUGLAS
HERMAN V. LAZZARA	MICHAEL E. HELTON
MARC D. SASSER	

To the Board of Directors  
Nonprofit Leadership Center of Tampa Bay, Inc.

We have audited the financial statements of the Nonprofit Leadership Center of Tampa Bay, Inc. (the "Center") for the year ended December 31, 2010 and issued our report thereon dated March 8, 2011. Professional standards require that we provide you with the following information related to our audit.

*Our Responsibilities under U.S. Generally Accepted Auditing Standards*

As stated in our engagement letter dated February 7, 2011, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

*Planned Scope and Timing of the Audit*

We performed the audit according to the planned scope and timing previously communicated to management.

*Significant Audit Findings*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Center are described in note A to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2010. We noted no transactions entered into by the Center during the period for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The most sensitive estimates affecting the financial statements were:

- 1) Management's estimate of the useful life of capital assets is based on historical experience, physical condition and external factors affecting future utility. We evaluated the key factors and assumptions used to develop the estimated useful life in determining that the net book value of capital assets are reasonable in relation to the financial statements taken as a whole.
- 2) Management's estimate of functional allocation of expenses, depreciation and in-kind donations. We evaluated the key factors and assumptions used to develop the valuation estimate in determining that it is reasonable in relation to the financial statements taken as a whole.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated March 8, 2011.

Management Consultations with Other Independent Auditors

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a second opinion on certain situations. If a consultation involves application of an accounting principle to the organizations financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, the professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Current Year Audit Findings

In the current year, there were no findings related to compliance or internal control that we are required to report under *Generally Accepted Auditing Standards*.

This information is intended solely for the use of the governing committees and management of the Nonprofit Leadership Center of Tampa Bay, Inc. and should not be used for any other purpose.

*Buccio, Gordinier & Company, P.A.*

FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT  
NONPROFIT LEADERSHIP CENTER OF TAMPA BAY, INC.

December 31, 2010 and 2009

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INDEPENDENT AUDITORS' REPORT

Board of Directors  
Nonprofit Leadership Center of Tampa Bay, Inc.

We have audited the accompanying statements of financial position of the Nonprofit Leadership Center of Tampa Bay, Inc. (the "Center") as of December 31, 2010 and 2009 and the related statements of activities and changes in net assets, cash flows, and functional expenses for the years then ended. These financial statements are the responsibility of the Center's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit 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 audit provides 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 Center at December 31, 2010 and 2009, and the changes in its net assets, its cash flows, and its functional expenses for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Tampa, Florida  
March 8, 2011

Nonprofit Leadership Center of Tampa Bay, Inc.

STATEMENTS OF FINANCIAL POSITION

December 31,

	<u>2010</u>	<u>2009</u>
ASSETS		
Cash and cash equivalents (note A4)	\$ 88,258	\$ 75,183
Prepaid expenses and other assets	6,721	2,084
Property and equipment, net of accumulated depreciation (notes A5 and B)	<u>24,089</u>	<u>4,577</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 119,068</u></b>	<b><u>\$ 81,844</u></b>
LIABILITIES AND NET ASSETS		
Accounts payable and accrued expenses	<u>\$ 15,976</u>	<u>\$ 7,885</u>
Total liabilities	<u>15,976</u>	<u>7,885</u>
Net assets		
Unrestricted	93,047	72,523
Temporarily restricted	<u>10,045</u>	<u>1,436</u>
	<u>103,092</u>	<u>73,959</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 119,068</u></b>	<b><u>\$ 81,844</u></b>

The accompanying notes are an integral part of these statements.

Nonprofit Leadership Center of Tampa Bay, Inc.

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

For the year ended December 31, 2010

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>PUBLIC SUPPORT AND REVENUE</b>			
Contributions (note A6)	\$ 73,474	\$ -	\$ 73,474
United Way allocations	41,760	-	41,760
Grants	179,775	19,425	199,200
Program service revenue	74,130	-	74,130
Interest and other income	466	-	466
Total public support and revenue	<u>369,605</u>	<u>19,425</u>	<u>389,030</u>
Net assets released from restrictions	<u>10,816</u>	<u>(10,816)</u>	<u>-</u>
Total public support, revenue and net assets released from restrictions	<u>380,421</u>	<u>8,609</u>	<u>389,030</u>
<b>EXPENSES</b>			
Program seminars	<u>303,896</u>	<u>-</u>	<u>303,896</u>
Supporting services			
Management and general	36,327	-	36,327
Fundraising	19,674	-	19,674
Total supporting services	<u>56,001</u>	<u>-</u>	<u>56,001</u>
Total expenses	<u>359,897</u>	<u>-</u>	<u>359,897</u>
Change in net assets	20,524	8,609	29,133
Net assets at beginning of year	<u>72,523</u>	<u>1,436</u>	<u>73,959</u>
Net assets at end of year	<u>\$ 93,047</u>	<u>\$ 10,045</u>	<u>\$103,092</u>

The accompanying notes are an integral part of this statement.

Nonprofit Leadership Center of Tampa Bay, Inc.

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

For the year ended December 31, 2009

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>PUBLIC SUPPORT AND REVENUE</b>			
Contributions (note A6)	\$ 55,349	\$ -	\$ 55,349
United Way allocations	56,100	-	56,100
Grants	184,760	1,500	186,260
Program service revenue	49,354	-	49,354
Interest and other income	477	-	477
Total public support and revenue	<u>346,040</u>	<u>1,500</u>	<u>347,540</u>
Net assets released from restrictions	<u>64</u>	<u>(64)</u>	<u>-</u>
Total public support, revenue and net assets released from restrictions	<u>346,104</u>	<u>1,436</u>	<u>347,540</u>
<b>EXPENSES</b>			
Program seminars	<u>285,900</u>	<u>-</u>	<u>285,900</u>
Supporting services			
Management and general	32,634	-	32,634
Fundraising	<u>17,581</u>	<u>-</u>	<u>17,581</u>
Total supporting services	<u>50,215</u>	<u>-</u>	<u>50,215</u>
Total expenses	<u>336,115</u>	<u>-</u>	<u>336,115</u>
Change in net assets	9,989	1,436	11,425
Net assets at beginning of year	<u>62,534</u>	<u>-</u>	<u>62,534</u>
Net assets at end of year	<u>\$ 72,523</u>	<u>\$ 1,436</u>	<u>\$ 73,959</u>

The accompanying notes are an integral part of this statement.

Nonprofit Leadership Center of Tampa Bay, Inc.

STATEMENTS OF CASH FLOWS

For the year ended December 31,

	<u>2010</u>	<u>2009</u>
Cash flows from operating activities		
Change in net assets	<u>\$ 29,133</u>	<u>\$ 11,425</u>
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	2,298	2,354
Decrease in grants and service fees receivable	-	225
(Increase) decrease in prepaid expenses and other assets	(4,638)	1,695
Increase in accounts payable and accrued expenses	8,091	7,091
Total adjustments	<u>5,751</u>	<u>11,365</u>
Net cash provided by operating activities	<u>34,884</u>	<u>22,790</u>
Cash flows from investing activities		
Purchase of property and equipment	<u>(21,809)</u>	<u>-</u>
Net cash used in investing activities	<u>(21,809)</u>	<u>-</u>
Net increase in cash and cash equivalents	13,075	22,790
Cash and cash equivalents at beginning of year	<u>75,183</u>	<u>52,393</u>
Cash and cash equivalents at end of year	<u>\$ 88,258</u>	<u>\$ 75,183</u>

The accompanying notes are an integral part of these statements.

Nonprofit Leadership Center of Tampa Bay, Inc.

STATEMENT OF FUNCTIONAL EXPENSES

For the year ended December 31, 2010

	Program Seminars	Management and General	Fundraising	Total Supporting Services	Total
Salaries	\$ 135,010	\$ 22,752	\$ 14,821	\$ 37,573	\$ 172,583
Employee benefits	26,273	4,428	2,884	7,312	33,585
Computer support	2,576	303	152	455	3,031
Conferences	98	12	6	18	116
Contractual services	93,117	-	-	-	93,117
Equipment leases and repairs	4,232	498	249	747	4,979
Dues and subscriptions	614	72	36	108	722
Insurance	2,403	283	141	424	2,827
Meeting space and refreshment	9,135	-	-	-	9,135
Miscellaneous	1,500	175	88	263	1,763
Occupancy	12,087	1,422	711	2,133	14,220
Postage and delivery	334	34	-	34	368
Printing and publications	1,331	157	78	235	1,566
Professional fees	-	5,000	-	5,000	5,000
Supplies	9,724	606	216	822	10,546
Telephone	1,076	127	63	190	1,266
Travel and meals	1,936	228	114	342	2,278
Volunteer recognition	497	-	-	-	497
Depreciation	1,953	230	115	345	2,298
Total expenses	<u>\$ 303,896</u>	<u>\$ 36,327</u>	<u>\$ 19,674</u>	<u>\$ 56,001</u>	<u>\$ 359,897</u>

The accompanying notes are an integral part of this statement.

Nonprofit Leadership Center of Tampa Bay, Inc.

STATEMENT OF FUNCTIONAL EXPENSES

For the year ended December 31, 2009

	Program Seminars	Management and General	Fundraising	Total Supporting Services	Total
Salaries	\$119,840	\$ 18,924	\$ 12,691	\$ 31,615	\$ 151,455
Employee benefits	23,325	3,683	2,470	6,153	29,478
Annual retreat	2,879	339	169	508	3,387
Computer support	1,137	134	68	202	1,339
Conferences	34	4	2	6	40
Contractual services	89,442	-	-	-	89,442
Equipment leases and repairs	4,150	488	244	732	4,882
Dues and subscriptions	631	74	37	111	742
Insurance	2,111	248	124	372	2,483
Meeting space and refreshments	5,940	-	-	-	5,940
Miscellaneous	3,764	443	221	664	4,428
Occupancy	13,286	1,563	782	2,345	15,631
Postage and delivery	234	24	-	24	258
Printing and publications	482	57	28	85	567
Professional fees	2,805	5,330	165	5,495	8,300
Supplies	9,120	568	203	771	9,891
Telephone	2,725	321	160	481	3,206
Travel and meals	1,689	199	99	298	1,987
Volunteer recognition	305	-	-	-	305
Depreciation	2,001	235	118	353	2,354
Total expenses	<u>\$285,900</u>	<u>\$ 32,634</u>	<u>\$ 17,581</u>	<u>\$ 50,215</u>	<u>\$ 336,115</u>

The accompanying notes are an integral part of this statement.

Nonprofit Leadership Center of Tampa Bay, Inc.

NOTES TO FINANCIAL STATEMENTS

December 31, 2010 and 2009

NOTE A - DESCRIPTION OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A description of the organization and a summary of its significant accounting policies consistently applied in the preparation of the accompanying financial statements follow:

1. Organization and Activities

Nonprofit Leadership Center of Tampa Bay, Inc. (the "Center"), formerly known as Management Assistance Program, Inc., was incorporated in the State of Florida on September 20, 2000, as a tax-exempt 501(c)(3) nonprofit organization. The Center's mission is to build strong nonprofit organizations by fostering effective leadership and management practices among Tampa Bay's nonprofit organizations, helping each to increase its community impact.

2. Basis of Accounting

The accompanying financial statements, presented on the accrual basis of accounting, have been prepared to focus on the Center as a whole and to present balances and transactions according to the existence or absence of donor-imposed restrictions. This has been accomplished by the classification of assets, liabilities, and net assets into three classes – permanently restricted, temporarily restricted, and unrestricted. These three classifications are defined as follows:

- Unrestricted net assets – not subject to donor-imposed restrictions or the donor-imposed restrictions have expired.
- Temporarily restricted net assets – subject to donor-imposed stipulations that may be fulfilled by actions of the Center to meet the stipulations or become unrestricted by the passage of time.
- Permanently restricted net assets – subject to donor-imposed stipulations that they be retained and invested permanently by the Center. Currently, the Center has no permanently restricted net assets.

3. Financial Accounting Standards

The Center follows the provisions of the Financial Accounting Standards Boards *Accounting Standards Codification* ("FASB ASC").

FASB ASC 956-605 requires the Center to distinguish between contributions that increase permanently restricted net assets, temporarily restricted net assets, and unrestricted net assets. It also requires recognition of contributed services meeting certain criteria at fair values.

Nonprofit Leadership Center of Tampa Bay, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2010 and 2009

NOTE A - DESCRIPTION OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

FASB ASC 958-205 establishes standards for general purpose external financial statements of not-for-profit organizations that require a statement of financial position, a statement of activities, and a statement of cash flows.

4. Cash Equivalents

Cash equivalents consist of highly liquid short-term market instruments and certificates of deposit with a maturity of three months or less when purchased.

5. Property and Equipment

Property and equipment are stated at cost, less accumulated depreciation. Depreciation expense is computed using the straight-line method over the estimated useful lives of the related assets ranging from 5 to 7 years. The Center capitalized all purchases that exceeded \$1,000 at December 31, 2010 and 2009.

6. Contributions

Contributions, including unconditional promises to give, are recorded as received. All contributions are available for unrestricted use unless specifically restricted by the donor. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Unconditional promises to give, due in the current year, are recorded at their net realizable value. Unconditional promises to give, due in subsequent years, are reported at the present value of their net realizable value, using risk-free interest rates applicable to the years in which the promises are to be received.

7. Contributed Services, Materials, and Supplies

Unpaid volunteers have made significant contributions of time to the Center. The value of this contributed time is not reflected in the accompanying statements since it does not create or enhance non-financial assets or require specialized skills, as required by FASB ASC 956-605.

8. Income Tax Status

The Center has received a determination of tax exempt status under Section 501(c)(3) of the Internal Revenue Code. Management is not aware of any activities that would jeopardize the Center's tax exempt status. The Center is not aware of any tax positions it has taken that are subject to a significant degree of uncertainty.

Nonprofit Leadership Center of Tampa Bay, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2010 and 2009

NOTE A - DESCRIPTION OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

9. Allocation of Functional Expenses

Certain expenses are allocated on the basis of employee time involved or other allocable bases. Expenses incurred for benefiting a single function are reported directly into the appropriate function.

10. 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.

NOTE B - PROPERTY AND EQUIPMENT

Property, equipment, and related accumulated depreciation consisted of the following at December 31,:

	<u>2010</u>	<u>2009</u>
Property and equipment	\$ 38,902	\$ 17,423
Less accumulated depreciation	<u>(14,813)</u>	<u>(12,846)</u>
	<u>\$ 24,089</u>	<u>\$ 4,577</u>

NOTE C - OPERATING LEASES

The Center leases certain office and equipment under non-cancelable operating leases. Approximate future minimum payments under the operating lease agreements are as follows:

<u>Year ending December 31,</u>	
2011	\$ 38,700
2012	38,700
2013	38,700
2014	3,800
2015	<u>2,900</u>
	<u>\$ 122,800</u>

Nonprofit Leadership Center of Tampa Bay, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2010 and 2009

NOTE D - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets contain donor-imposed restrictions that expire upon the passage of time or once specific actions are undertaken by the Center. The net assets are then released and reclassified to unrestricted support when they are expended. Temporarily restricted net assets consisted of \$10,045 and \$1,436 for scholarships at December 31, 2010 and 2009, respectively.

NOTE E - SUBSEQUENT EVENTS

The Center has evaluated events and transactions occurring subsequent to December 31, 2010 as of March 8, 2011 which is the date the financial statements were available to be issued. Subsequent events occurring after March 8, 2011 have not been evaluated by management. No material events have occurred since December 31, 2010 that require recognition or disclosure in the financial statements.