



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

B34772

STATE BOARD OF ACCOUNTS  
302 WEST WASHINGTON STREET  
ROOM E418  
INDIANAPOLIS, INDIANA 46204-2765

Telephone: (317) 232-2513  
Fax: (317) 232-4711  
Web Site: [www.in.gov/sboa](http://www.in.gov/sboa)

July 8, 2009

Board of Directors  
Sickle Cell Disease  
Association of NWI, Inc.  
4801 W. 5<sup>th</sup> Ave.  
Gary, IN 46406

We have reviewed the audit report prepared by Whittaker & Company, PLLC, Independent Public Accountants, for the period January 1, 2007 to December 31, 2007. In our opinion, the audit report was prepared in accordance with the guidelines established by the State Board of Accounts. Per the Independent Public Accountants' opinion, the financial statements included in the report present fairly the financial condition of the Sickle Cell Disease Association of NWI, Inc., as of December 31, 2007, and the results of its operations for the period then ended, on the basis of accounting described in the report.

The Independent Public Accountants' report is filed with this letter in our office as a matter of public record.

STATE BOARD OF ACCOUNTS

**Sickle Cell Disease  
Association of NWI, Inc.**

Financial Statements for the years ended  
December 31, 2007 and  
Independent Auditors' Report

**SICKLE CELL DISEASE ASSOCIATION OF NWI, INC.**

**TABLE OF CONTENTS**

---

	<b>Page</b>
INDEPENDENT AUDITORS' REPORT.....	1
FINANCIAL STATEMENTS:	
STATEMENT OF POSITION.....	2
STATEMENTS OF SUPPORT AND REVENUES, EXPENSES AND CHANGES IN NET ASSETS.....	3
STATEMENT OF CASH FLOWS.....	4
NOTES TO FINANCIAL STATEMENTS.....	5-7

Gary Office  
487 Broadway  
Suite 207  
Gary, IN 46402  
P: (219) 880-0850  
F: (219) 880-0858



Chicago Office  
150 N. Michigan Avenue  
Suite 2800  
Chicago, IL 60601  
P: (312) 863-8658  
F: (312) 624-7701

## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Sickle Cell Disease Association of NWI, Inc.

We have audited the accompanying statement of position of Sickle Cell Disease Association of NWI, Inc. ("SCDA"), as of December 31, 2007, and the related statements of support and revenues, expenses, and changes in net assets and cash flows for the year then ended, listed in the foregoing table of contents. These general purpose financial statements are the responsibility of the management of SCDA. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements of SCDA as of December 31, 2006, were audited by other auditors whose report dated October 30, 2007, expressed an unqualified opinion on those statements.

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 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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the SCDA's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, 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, such basic financial statements present fairly, in all material respects, the financial position of SCDA as of December 31, 2007, and the changes in its assets and its cash flows, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

*Whittaker & Company PLLC*  
Whittaker & Company PLLC  
December 18, 2008

**SICKLE CELL DISEASE ASSOCIATION OF NWI, INC.**  
**BEACH STRONG CHAPTER**  
**STATEMENT OF POSITION**  
**DECEMBER 31, 2007**

---

	2007
<b>ASSETS</b>	
Current assets	
Cash and cash equivalents	\$ 83,127
Accounts receivable	13,652
Total current assets	96,779
Property and equipment	
Land	12,000
Office building	61,801
Vehicles, Furniture, and Equipment	63,318
	137,119
Accumulated depreciation	61,490
	75,629
Total assets	172,408
<b>LIABILITIES AND NET ASSETS</b>	
Current liabilities	
Accounts payable and accrued expenses	3,283
Total current liabilities	3,283
Long-term liabilities	
Notes payable	43,971
Total long-term liabilities	43,971
Total liabilities	47,254
Net assets	
Unrestricted	125,154
Total net assets	125,154
Total liabilities and net assets	\$ 172,408

See accompanying notes to financial statements

**SICKLE CELL DISEASE ASSOCIATION OF NWI, INC.**  
**BEACH STRONG CHAPTER**  
**STATEMENTS OF SUPPORT AND REVENUES, EXPENSES**  
**AND CHANGES IN NET ASSETS**  
**DECEMBER 31, 2007**

---

	2007
<b>Support and revenues</b>	
State Board of Health	143,652
Lake Area United Way	20,000
Miscellaneous	4,000
Fundraising event, net of expenses of \$17,705	44,076
Total support and revenues	211,728
Expenses	
Program services	197,951
Supporting services	34,932
Total program and supporting services	232,883
Change in net assets	(21,155)
Net assets at beginning of year	146,308
Net assets at end of year	125,154

See accompanying notes to financial statements

**SICKLE CELL DISEASE ASSOCIATION OF NWI, INC.**  
**BEACH STRONG CHAPTER**  
**STATEMENT OF CASH FLOWS**  
**DECEMBER 31, 2007**

---

	2007
Cash flows from operating activities	
Change in net assets	\$ (21,155)
Adjustments to reconcile change in net assets to net cash from operating activities	
Grants receivable	20,581
Depreciation	6,421
Accounts payable and accrued expenses	3,045
Net cash from operating activities	8,892
Cash flows from investing activities	
Purchase of equipment	(4,100)
Net cash from investing activities	(4,100)
Cash flows from financing activities	
Payment on line of credit	(6,029)
Net cash provided by financing activities	(6,029)
Net change in cash and cash equivalents	(1,237)
Cash and cash equivalents at beginning of year	\$ 84,364
Cash and cash equivalents at end of year	\$ 83,127
Cash used for interest expense	\$ 1,693

See accompanying notes to financial statements

**SICKLE CELL DISEASE ASSOCIATION OF NORTHWEST INDIANA  
BEATCHRE STRONG CHAPTER  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2007**

---

**NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES**

Purpose of Organization: Sickle Cell Disease Association of Northwest Indiana (“SCDA” or the “Organization”) was organized in 1971 to create an awareness of the impact of sickle cell anemia on the health, economic, social and educational development of individuals with sickle cell and to provide continuing education to the general public about the detection, early treatment and eventual cure of the disease.

Use of Estimates: In preparing financial statements, management must make estimates and assumptions. These estimates and assumptions affect the amounts reported for assets, liabilities, revenue, and expenses, as well as the disclosures provided. Future results could differ from the current estimates. The Organization considers collectibility of pledges receivable and allowance for doubtful accounts to be significant estimates subject to change.

Cash and Cash Equivalents: For purposes of the statement of cash flows, all highly liquid financial instruments with a maturity of three months or less are considered to be cash and cash equivalents.

Basis of Presentation: The financial statements have been prepared on an accrual basis of accounting in accordance with Financial Accounting Standards Board Statement No. 117 "Financial Statements of Not-for-Profit Organizations" that established standards for external financial statements. It specifies that financial statements include a statement of net assets, a statement of activities, and a statement of cash flows. It also establishes standards of disclosure regarding the segregation of net assets among unrestricted, temporarily restricted and permanently restricted.

Fixed Assets: Land and building are stated at fair value established at the date contributed. Vehicles, furniture and equipment are stated at cost and depreciation is provided on a straight-line basis over five to seven years. The building is depreciated on a straight-line basis over thirty-nine years.

Contributions: Contributions have been reported in accordance with Financial Accounting Standards Board Statement No. 116 "Accounting for Contributions Received and Contributions Made". Statement No. 116 establishes standards of financial accounting and reporting for contributions received by not-for-profit organizations.

Expense Allocation: The Association allocates program expenses to individual programs. Certain indirect general and administrative expenses are allocated to program services in proportion to direct program expenses.

**SICKLE CELL DISEASE ASSOCIATION OF NORTHWEST INDIANA  
BEATCHRE STRONG CHAPTER  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2007**

---

**NOTE 2 – INCOME TAXES**

The Association is exempt from federal income taxes under section 501c (3) of the Internal Revenue Code. Thus, no provision for income taxes has been provided in the financial statements.

**NOTE 3 – PROPERTY, PLANT AND EQUIPMENT**

Property and equipment are summarized as follows:

<b>Description</b>	<b><u>2007</u></b>
Land	\$ 12,000
Machinery & Equipment	34,074
Buildings	61,801
Building improvements	13,227
Office furniture and equipment	<u>2,571</u>
Total at cost	137,119
Less: accumulated depreciation	<u>(61,490)</u>
Total	<b><u>\$ 75,629</u></b>

**NOTE 4 – NOTES PAYABLE**

The Organization has a \$30,000 revolving line of credit with Chase Bank. Interest is payable at the prime rate 10 .5% rate. The line of credit is collateralized by all assets of the Association. The Association has borrowings against the line of credit of \$25,000 of December 31, 2007. As of December 31, 2007, there were no principal payments made. Interest payments during the year amounted to \$212.

On December 26, 2006, The Association obtained an additional \$25,000 line of credit with Harris Bank. The interest rate is 7.50% and the line matures on December 15, 2011.

Payments for the next 5 years are as follows:

**SICKLE CELL DISEASE ASSOCIATION OF NORTHWEST INDIANA  
BEATCHRE STRONG CHAPTER  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2007**

---

<i>Year Ending December 31,</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2008	\$ 5,000.04	1,013.16	6,013.20
2009	5,000.04	1,013.16	6,013.20
2010	5,000.04	1,013.16	6,013.20
2011	5,000.04	1,013.16	6,013.20
Total	\$ 20,000.16	4,052.64	24,068.80

**NOTE 5 – OPERATING LEASES**

The Organization leases office and other equipment under noncancelable operating leases. Total costs for such leases were \$5,635 for the year ended December 31, 2007. The future minimum lease payments for these leases are as follows:

<i>Year Ending December 31,</i>	<i>Amount</i>
2008	\$ 4,679
2009	1,170
Total	\$ 5,849