

CARROLL and COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

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April 30, 2008

Florida Patient Safety Corporation
Tallahassee, Florida

We have compiled the accompanying statement of financial position for Florida Patient Safety Corporation (a non-profit organization) as of March 31, 2008 and the related statement of activities for the nine months then ended, in accordance with *Statements on 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. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all disclosures and the statement of cash flows required by generally accepted accounting principles. If the omitted disclosures and statement were included in the financial statements, they might influence the user's conclusions about the organization's financial position, results of operations and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to Florida Patient Safety Corporation.

Carroll and Company

Florida Patient Safety Corporation

Statement of Financial Position

As of March 31, 2008

| | <u>Mar 31, 08</u> |
|---|----------------------------|
| ASSETS | |
| Current Assets | |
| Checking/Savings | |
| Wachovia - MM Savings | 262,029.26 |
| Wachovia Business Checking | <u>-30,674.14</u> |
| Total Checking/Savings | 231,355.12 |
| Other Current Assets | |
| Accounts Receivable - Other | <u>187,500.00</u> |
| Total Other Current Assets | <u>187,500.00</u> |
| Total Current Assets | 418,855.12 |
| Fixed Assets | |
| Fixed Asset | <u>1,200,000.00</u> |
| Total Fixed Assets | <u>1,200,000.00</u> |
| TOTAL ASSETS | <u>1,618,855.12</u> |
| LIABILITIES & NET ASSETS | |
| Liabilities | |
| Current Liabilities | |
| Accounts Payable | |
| Accounts Payable | <u>17,959.71</u> |
| Total Accounts Payable | 17,959.71 |
| Other Current Liabilities | |
| Accounts Payable/Accrued Exp. | <u>442.17</u> |
| Total Other Current Liabilities | <u>442.17</u> |
| Total Current Liabilities | <u>18,401.88</u> |
| Total Liabilities | 18,401.88 |
| Net Assets | |
| Retained Earnings | 1,364,385.93 |
| Net Income | <u>236,067.31</u> |
| Total Net Assets | <u>1,600,453.24</u> |
| TOTAL LIABILITIES & NET ASSETS | <u>1,618,855.12</u> |

Florida Patient Safety Corporation
Statement of Activities
July 2007 through March 2008

| | <u>Jul '07 - Mar 08</u> | <u>Budget</u> |
|--|-------------------------|-------------------|
| Ordinary Income/Expense | | |
| Income | | |
| State Dollars | | |
| Operating Revenue | 562,500.00 | |
| State Dollars - Other | 0.00 | 750,000.00 |
| Total State Dollars | <u>562,500.00</u> | <u>750,000.00</u> |
| | | |
| Total Income | 562,500.00 | 750,000.00 |
| Expense | | |
| Advocacy | 2,500.00 | |
| Accounting Services | | |
| Audit | 13,250.00 | 15,000.00 |
| Monthly Accounting Services | 4,345.00 | 4,380.00 |
| Special reports | 225.00 | 800.00 |
| Total Accounting Services | <u>17,820.00</u> | <u>20,180.00</u> |
| Bank Service Charges | 300.00 | 240.00 |
| Board of Directors | | |
| Meeting | 0.00 | 1,000.00 |
| Telephone conference | 770.15 | 4,000.00 |
| Travel | 1,245.10 | 8,400.00 |
| Total Board of Directors | <u>2,015.25</u> | <u>13,400.00</u> |
| Conference Calls | | |
| Staff | 0.00 | 900.00 |
| Total Conference Calls | <u>0.00</u> | <u>900.00</u> |
| Committees | | |
| Education Advisory | | |
| Telephone conference | 16.26 | 4,500.00 |
| Travel | 0.00 | 12,000.00 |
| Total Education Advisory | <u>16.26</u> | <u>16,500.00</u> |
| Executive | | |
| Telephone conference | 148.80 | 600.00 |
| Total Executive | <u>148.80</u> | <u>600.00</u> |
| Financial Strategies | 150.00 | |
| Health Care Consumer | | |
| Telephone conference | 0.00 | 3,000.00 |
| Travel | 0.00 | 7,200.00 |
| Total Health Care Consumer | <u>0.00</u> | <u>10,200.00</u> |
| Health Care Provider Advisory | | |
| Telephone conference | 111.89 | 2,000.00 |
| Travel | 0.00 | 4,000.00 |
| Total Health Care Provider Advisory | <u>111.89</u> | <u>6,000.00</u> |

Florida Patient Safety Corporation
Statement of Activities
July 2007 through March 2008

| | <u>Jul '07 - Mar 08</u> | <u>Budget</u> |
|--|-------------------------|-------------------|
| Litigation Alternative Advisory | | |
| Telephone conference | 0.00 | 4,500.00 |
| Travel | 0.00 | 8,000.00 |
| Litigation Alternative Advisory - Other | 4,468.23 | |
| Total Litigation Alternative Advisory | <u>4,468.23</u> | <u>12,500.00</u> |
| | | |
| Scientific Research | | |
| Telephone conference | 0.00 | 4,500.00 |
| Travel | 0.00 | 12,000.00 |
| Total Scientific Research | <u>0.00</u> | <u>16,500.00</u> |
| | | |
| State Agency Advisory | | |
| Telephone Conference | 0.00 | 2,000.00 |
| Travel | 0.00 | 4,000.00 |
| Total State Agency Advisory | <u>0.00</u> | <u>6,000.00</u> |
| | | |
| Technology Advisory | | |
| Telephone conference | 0.00 | 1,500.00 |
| Travel | 0.00 | 5,600.00 |
| Total Technology Advisory | <u>0.00</u> | <u>7,100.00</u> |
| | | |
| Total Committees | 4,895.18 | 75,400.00 |
| | | |
| Contracts | | |
| Scientific Director | 24,166.66 | 145,000.00 |
| Management | 77,999.94 | 106,000.00 |
| Patient Safety Specialist | 84,583.31 | |
| Total Contracts | <u>186,749.91</u> | <u>251,000.00</u> |
| | | |
| FAW | 205.92 | 2,015.00 |
| Insurance | | |
| D&O Coverage | 0.00 | 1,300.00 |
| Total Insurance | <u>0.00</u> | <u>1,300.00</u> |
| | | |
| Legal Representation | | |
| Monthly retainer | 3,469.97 | 12,000.00 |
| Special Projects | 44,597.60 | 50,000.00 |
| Other | 18,509.90 | 5,000.00 |
| Legal Representation - Other | 1,346.00 | |
| Total Legal Representation | <u>67,923.47</u> | <u>67,000.00</u> |
| | | |
| Office Supplies | 52.08 | 2,000.00 |
| Patient Safety Initiatives | 11,682.00 | 239,365.00 |
| Postage and Delivery | 0.00 | 1,200.00 |
| Printing and Reproduction | | |
| Presentations | 640.85 | |
| Printing and Reproduction - Other | 4,469.87 | 1,000.00 |

Florida Patient Safety Corporation
Statement of Activities
July 2007 through March 2008

| | <u>Jul '07 - Mar 08</u> | <u>Budget</u> |
|---|--------------------------|---------------|
| Total Printing and Reproduction | 5,110.72 | 1,000.00 |
| Public Relations/Marketing | | |
| Fee | 47.50 | |
| Materials | 4,389.38 | 20,000.00 |
| Patient Safety Awareness Week | 0.00 | 30,000.00 |
| Printing, Reproduction | 132.75 | |
| Other | 165.84 | |
| Public Relations/Marketing - Other | <u>12,572.92</u> | |
| Total Public Relations/Marketing | 17,308.39 | 50,000.00 |
| Travel | | |
| Staff | <u>970.10</u> | 15,000.00 |
| Total Travel | 970.10 | 15,000.00 |
| Web Site | | |
| Programming/Development | 8,333.83 | 1,200.00 |
| Hosting | 465.00 | |
| Account servicing | 6,733.90 | 6,000.00 |
| Web Site - Other | <u>0.00</u> | 2,800.00 |
| Total Web Site | <u>15,532.73</u> | 10,000.00 |
| Total Expense | <u>333,065.75</u> | 750,000.00 |
| Net Ordinary Income | 229,434.25 | 0.00 |
| Other Income/Expense | | |
| Other Income | | |
| Bank Interest | 6,609.06 | |
| Other Income | <u>24.00</u> | |
| Total Other Income | <u>6,633.06</u> | |
| Net Other Income | <u>6,633.06</u> | |
| Net Income | <u><u>236,067.31</u></u> | <u>0.00</u> |