

FINANCIAL STATEMENTS

**NUCLEAR INFORMATION AND
RESOURCE SERVICE**

**FOR THE YEAR ENDED JANUARY 31, 2010
WITH SUMMARIZED FINANCIAL
INFORMATION FOR 2009**

NUCLEAR INFORMATION AND RESOURCE SERVICE

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GELMAN, ROSENBERG & FREEDMAN
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Nuclear Information and Resource Service
Takoma Park, Maryland

We have audited the accompanying statement of financial position of the Nuclear Information and Resource Service (NIRS) as of January 31, 2010, and the related statements of activities and change in net assets, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of NIRS' management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from NIRS' 2009 financial statements and, in our report dated September 23, 2009, we expressed an unqualified opinion on those statements.

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 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 NIRS' 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 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 NIRS as of January 31, 2010, and its change in net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Gelman Rosenberg & Freedman

December 2, 2010

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NUCLEAR INFORMATION AND RESOURCE SERVICE
STATEMENT OF FINANCIAL POSITION
AS OF JANUARY 31, 2010
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2009

ASSETS

	<u>2010</u>	<u>2009</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 72,652	\$ 99,725
Grants receivable	<u>50,000</u>	<u>125,000</u>
Total current assets	<u>122,652</u>	<u>224,725</u>
FIXED ASSETS		
Land	50,000	-
Building (Note 6)	150,000	-
Furniture and equipment	102,323	102,323
Leased equipment (Note 5)	<u>19,271</u>	<u>19,271</u>
	321,594	121,594
Less: Accumulated depreciation	<u>(108,182)</u>	<u>(101,011)</u>
Net fixed assets	<u>213,412</u>	<u>20,583</u>
OTHER ASSETS		
Deposit	25,000	25,000
Grants receivable, net of current portion	<u>-</u>	<u>50,000</u>
Total other assets	<u>25,000</u>	<u>75,000</u>
TOTAL ASSETS	<u>\$ 361,064</u>	<u>\$ 320,308</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Current portion of capital lease (Note 5)	\$ 3,427	\$ 2,825
Current portion of note payable (Note 6)	50,000	-
Accounts payable and accrued liabilities	42,105	23,368
Grants payable	<u>2,200</u>	<u>6,734</u>
Total current liabilities	97,732	32,927
LONG-TERM LIABILITIES		
Capital lease, less current portion (Note 5)	11,607	15,034
Note payable, less current portion (Note 6)	<u>60,000</u>	<u>-</u>
Total long-term liabilities	<u>71,607</u>	<u>15,034</u>
Total liabilities	<u>169,339</u>	<u>47,961</u>
NET ASSETS		
Unrestricted	81,725	(2,653)
Temporarily restricted (Note 2)	<u>110,000</u>	<u>275,000</u>
Total net assets	<u>191,725</u>	<u>272,347</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 361,064</u>	<u>\$ 320,308</u>

See accompanying notes to financial statements.

NUCLEAR INFORMATION AND RESOURCE SERVICE
STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS
FOR THE YEAR ENDED JANUARY 31, 2010
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2009

	<u>2010</u>			<u>2009</u>
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>	<u>Total</u>
REVENUE				
Grants and contributions	\$ 409,916	\$ -	\$ 409,916	\$ 710,739
Conference	-	-	-	4,875
Rental income (Note 4)	4,235	-	4,235	2,143
Publications	-	-	-	251
Interest	240	-	240	114
Other	3,192	-	3,192	8,079
Net assets released from donor restrictions (Note 3)	<u>165,000</u>	<u>(165,000)</u>	<u>-</u>	<u>-</u>
Total revenue	<u>582,583</u>	<u>(165,000)</u>	<u>417,583</u>	<u>726,201</u>
EXPENSES				
Program Services	424,252	-	424,252	434,008
Management and General	49,302	-	49,302	49,625
Fundraising	<u>24,651</u>	<u>-</u>	<u>24,651</u>	<u>24,811</u>
Total expenses	<u>498,205</u>	<u>-</u>	<u>498,205</u>	<u>508,444</u>
Change in net assets	84,378	(165,000)	(80,622)	217,757
Net assets at beginning of year	<u>(2,653)</u>	<u>275,000</u>	<u>272,347</u>	<u>54,590</u>
NET ASSETS AT END OF YEAR	<u>\$ 81,725</u>	<u>\$ 110,000</u>	<u>\$ 191,725</u>	<u>\$ 272,347</u>

See accompanying notes to financial statements.

NUCLEAR INFORMATION AND RESOURCE SERVICE
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JANUARY 31, 2010
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2009

	2010			2009	
	Program Services	Management and General	Fundraising	Total Expenses	Total Expenses
Grant - Wise Amsterdam	\$ 5,000	\$ -	\$ -	\$ 5,000	\$ 7,000
Salaries	161,677	19,021	9,510	190,208	215,271
Benefits	23,425	2,756	1,378	27,559	35,840
Payroll taxes	14,564	1,713	857	17,134	16,966
Accounting fees	16,340	1,922	961	19,223	11,741
Legal	183	-	-	183	2,864
Supplies	1,053	124	62	1,239	1,265
Telephone	2,911	342	171	3,424	2,669
Postage and delivery	10,370	1,220	610	12,200	10,766
Occupancy (Note 4)	79,145	9,311	4,656	93,112	86,636
Repairs and maintenance	7,204	848	424	8,476	14,042
Depreciation and amortization	6,095	717	359	7,171	4,394
Printing	17,295	2,035	1,017	20,347	12,346
Travel	2,718	321	160	3,199	3,567
Meetings	566	67	33	666	7,503
Insurance	3,456	407	203	4,066	4,198
Subscriptions and publications	2,423	285	143	2,851	55
Advertising and promotion	17,958	2,113	1,056	21,127	904
Events and campaign	10,052	1,183	591	11,826	12,634
Bank fees	1,133	133	67	1,333	5,820
Technology - computer/ website	10,667	1,255	627	12,549	12,897
Interest expense	8,161	960	480	9,601	2,335
Other - Miscellaneous	1,725	201	101	2,027	1,831
Other - RMTA	3,409	401	201	4,011	-
Other - Projects	10,533	1,239	620	12,392	9,903
Other - Ecodefense	4,950	582	291	5,823	23,623
Other - NIRS Ukraine	580	68	34	682	949
Contributions	234	28	14	276	425
Licensing	425	50	25	500	-
TOTAL	\$ 424,252	\$ 49,302	\$ 24,651	\$ 498,205	\$ 508,444

See accompanying notes to financial statements

NUCLEAR INFORMATION AND RESOURCE SERVICE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JANUARY 31, 2010
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2009

	<u>2010</u>	<u>2009</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (80,622)	\$ 217,757
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	7,171	4,394
(Increase) decrease in:		
Grants receivable	125,000	(175,000)
Increase (decrease) in:		
Accounts payable and accrued liabilities	18,737	785
Grants payable	<u>(4,534)</u>	<u>5,324</u>
Net cash provided by operating activities	<u>65,752</u>	<u>53,260</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	-	(3,023)
Purchase of land and building	<u>(200,000)</u>	<u>-</u>
Net cash used by investing activities	<u>(200,000)</u>	<u>(3,023)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on capital lease obligation	(2,825)	(1,412)
Proceeds from note payable	160,000	-
Payments on note payable	<u>(50,000)</u>	<u>-</u>
Net cash provided (used) by financing activities	<u>107,175</u>	<u>(1,412)</u>
Net increase (decrease) in cash and cash equivalents	(27,073)	48,825
Cash and cash equivalents at beginning of year	<u>99,725</u>	<u>50,900</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ <u>72,652</u>	\$ <u>99,725</u>
SUPPLEMENTAL INFORMATION:		
Interest Paid	\$ <u>9,601</u>	\$ <u>2,335</u>
SCHEDULE OF NON-CASH FINANCING TRANSACTIONS:		
Capital Lease Obligations Incurred for Use of Equipment	\$ <u>-</u>	\$ <u>19,271</u>

See accompanying notes to financial statements.

NUCLEAR INFORMATION AND RESOURCE SERVICE

NOTES TO FINANCIAL STATEMENTS JANUARY 31, 2010

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

Organization -

The Nuclear Information and Resource Service (NIRS) is a non-profit organization, incorporated in Washington, D.C. for the purpose of being the national information and networking center for citizens and environmental activists concerned about nuclear power, radioactive waste, radiation and sustainable energy issues.

Basis of presentation -

The accompanying financial statements are presented on the accrual basis of accounting, and in accordance with FASB ASC 958, *Not-for-Profit Entities*.

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with NIRS' financial statements for the year ended January 31, 2009, from which the summarized information was derived.

Recently issued accounting standards -

In June 2009, the Financial Accounting Standards Board (FASB) issued FASB ASC 105, *Generally Accepted Accounting Principles*, which establishes the FASB Accounting Standards Codification as the sole source of authoritative generally accepted accounting principles. Pursuant to the provisions of FASB ASC 105, NIRS has updated references to GAAP in its financial statements issued for the year ended January 31, 2010. The adoption of FASB ASC 105 did not impact NIRS' financial position or results of operations.

Cash and cash equivalents -

NIRS considers all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents.

At times during the year, NIRS maintains cash balances at financial institutions in excess of the Federal Deposit Insurance Corporation (FDIC) limits. Management believes the risk in these situations to be minimal.

Grants receivable -

Grants receivable are stated at their fair value. Management considers all amounts to be fully collectible. Accordingly, an allowance for doubtful accounts has not been established.

Fixed assets -

Fixed assets are stated at cost. Fixed assets are depreciated on a straight-line basis over the estimated useful lives of the related assets, generally five to thirty-nine years. The cost of maintenance and repairs is recorded as expenses are incurred.

NUCLEAR INFORMATION AND RESOURCE SERVICE

NOTES TO FINANCIAL STATEMENTS JANUARY 31, 2010

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION (Continued)

Income taxes -

NIRS is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in the accompanying financial statements. NIRS is not a private foundation.

Uncertain tax positions -

In June 2006, the Financial Accounting Standards Board (FASB) released FASB ASC 740-10, *Income Taxes*, that provides guidance for reporting uncertainty in income taxes. For the year ended January 31, 2010, NIRS has documented its consideration of FASB ASC 740-10 and determined that no material uncertain tax positions qualify for either recognition or disclosure in the financial statements.

Net asset classification -

The net assets are reported in two self-balancing groups as follows:

- **Unrestricted net assets** include unrestricted revenue and contributions received without donor-imposed restrictions. These net assets are available for the operation of NIRS and include both internally designated and undesignated resources.
- **Temporarily restricted net assets** include revenue and contributions subject to donor-imposed stipulations that will be met by the actions of NIRS and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities and Change in Net Assets as net assets released from restrictions.

Grants and contributions -

Grants and contributions are recorded as revenue in the year notification is received from the donor. Grants and contributions are recognized as unrestricted support only to the extent of actual expenses incurred in compliance with the donor-imposed restrictions and satisfaction of time restrictions. Grants and contributions received in excess of expenses incurred are shown as temporarily restricted net assets in the accompanying financial statements.

Use of estimates -

The preparation of the 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 at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

NUCLEAR INFORMATION AND RESOURCE SERVICE

**NOTES TO FINANCIAL STATEMENTS
JANUARY 31, 2010**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)**

Functional allocation of expenses -

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Activities and Change in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

2. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets consisted of the following at January 31, 2010:

The Mustard Seed Fund Grant	<u>\$ 110,000</u>
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3. NET ASSETS RELEASED FROM RESTRICTIONS

The following temporarily restricted net assets were released from donor restrictions by incurring expenses (or through the passage of time), which satisfied the restricted purposes specified by the donors:

The Education Foundation Grant	\$ 75,000
The Mustard Seed Fund Grant	<u>90,000</u>
	<u>\$ 165,000</u>

4. LEASE COMMITMENT

In September 2005, NIRS entered into a six-year lease agreement for office space, which commenced in March 2006.

The following are the future minimum lease payments:

<u>Year Ended January 31,</u>	
2011	\$ 80,249
2012	82,656
2013	<u>6,888</u>
	<u>\$ 169,793</u>

Rent expense for the year ended January 31, 2010 totaled \$93,112.

During 2007, NIRS began subleasing a portion of its office space on a month-to-month basis. Rental income for the year ended January 31, 2010 totaled \$4,235.

NUCLEAR INFORMATION AND RESOURCE SERVICE

**NOTES TO FINANCIAL STATEMENTS
JANUARY 31, 2010**

5. CAPITAL LEASE OBLIGATION

In fiscal year 2009, NIRS entered into a capital lease obligation for a copier, which expires in 2013. As of January 31, 2010, the cost and related accumulated amortization of the leased asset totaled \$19,271 and \$6,102, respectively.

Future minimum lease payments at January 31, 2010 are as follows:

<u>Year Ended January 31,</u>		
2011		\$ 6,060
2012		6,060
2013		6,060
2014		<u>2,525</u>
		20,705
Less: Interest		<u>(5,671)</u>
		15,034
Less: Current portion		<u>(3,427)</u>
LONG-TERM PORTION		<u>\$ 11,607</u>

For the year ended January 31, 2010, interest paid totaled \$3,235.

6. NOTE PAYABLE

In May 2009, NIRS entered into a \$160,000 note payable to finance the construction of a house in the Southeast region. The terms of the loan call for 36 consecutive interest-only payments at 6.75%, with three annual balloon payments of \$50,000 due on January 15, 2010, 2011 and 2012, respectively. The note matures on May 7, 2012, at which time a final payment of the remaining balance is due. The note is collateralized by the constructed house in North Carolina.

As of January 31, 2010, the outstanding principal of the note payable was \$110,000. Principal payments are due as follows:

<u>Year Ended January 31,</u>		
2011		\$ 50,000
2012		50,000
2013		<u>10,000</u>
		<u>\$ 110,000</u>

For the year ended January 31, 2010, interest paid totaled \$6,366.

NUCLEAR INFORMATION AND RESOURCE SERVICE

**NOTES TO FINANCIAL STATEMENTS
JANUARY 31, 2010**

7. SUBSEQUENT EVENTS

In preparing these financial statements, NIRS has evaluated events and transactions for potential recognition or disclosure through December 2, 2010, the date the financial statements were issued.