

Coyne & Bills, p.s.
Certified Public Accountants

1604 Main Street
Irvine, CA 90452

555-555-1212

Independent Auditor's Report

Board of Directors
Business Alliance for Renewable Energy
Los Angeles, CA

We have audited the statement of assets and net assets—cash basis of Business Alliance for Renewable Energy (BARE), a California non-profit organization, as of December 31, 2011, and the related statements of revenues, expenses and changes in net assets—cash basis and financial expenses-cash basis for the year then ended. These financial statements are the responsibility of BARE'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 assets and the net assets-basis of BARE at December 31, 2011, and the results of its operations for the year then ended on the basis of accounting described in Note. 1.

Coyne & Bills, P.S.
March 15, 2011

Business Alliance for Renewable Energy

Statement of Assets and Net Assets—Cash Basis

December 31, 2011

Assets

Current Assets

Cash & Cash Equivalents \$ 803,747

Deposits \$ 106,254

Total Assets \$ 910,000

Net Assets

Net Assets

Unrestricted \$910,000

\$ 910,000

Business Alliance for Renewable Energy

Statement of Functional Expenses and Revenue—Cash Basis

December 31, 2011

Expenses

Salaries	\$ 700,000
Fringe benefits	<u>\$ 80,000</u>
Total salaries & related expenses	\$ 780,000
Show expenses	\$ 800,000
Seminars, meetings, etc.	\$ 120,000
Travel	\$ 90,000
Contracted services	\$ 80,000
Postage, etc.	\$ 20,000
Rent, utilities, etc.	\$ 50,000
Insurance	\$ 15,000
Depreciation	<u>\$ 30,000</u>
Total	\$ 1,985,000

Revenue

Membership dues	\$ 455,000
Interest income	\$ 80,000
Fees collected for publications	\$ 30,000
Fees collected for seminars and events	\$ 220,000
Show fees collected	<u>\$1,200,000</u>
Total salaries & related expenses	\$1,990,00

Business Alliance for Renewable Energy

Notes to Financial Statements

December 31, 2011

Note 1—Nature of Activities and Significant Accounting Policies

Nature of Activities

Business Alliance for Renewable Energy (BARE) is a private, non-profit membership organization comprised of companies and individuals that have an active interest in promoting the renewable energy industry. The association was formed in 1992 and is located in Los Angeles, California.

Basis of Accounting

The financial statements of BARE have been prepared on the cash basis of accounting. Accordingly, revenue is recorded when received rather than when earned and expenses are recorded when paid rather than when the obligation is incurred.

Income Taxes

AWA is exempt from federal income taxes under Section 501(c)(6) of the Internal Revenue Code.