NEW MEXICO COUNCIL ON PROBLEM GAMBLING

Financial Statements

As of

June 30, 2007

Muehlmeyer P.C.
Certified Public Accountant

NEW MEXICO COUNCIL ON PROBLEM GAMBLING

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MUEHLMEYER P.C.
Certified Public Accountant
NM License No. 2878

INDEPENDENT AUDITOR'S REPORT

Board of Directors
New Mexico Council on Problem Gambling
Albuquerque, New Mexico

I have audited the accompanying statement of financial position of the New Mexico Council on Problem Gambling, (a nonprofit organization), as of June 30, 2007, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the organization's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I 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 overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of New Mexico Council on Problem Gambling as of June 30, 2007, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Muehlmeyer P.C.
Certified Public Accountant
Albuquerque, New Mexico
October 29, 2011

NEW MEXICO COUNCIL ON PROBLEM GAMBLING
STATEMENT OF FINANCIAL POSITION
As of June 30, 2007

	2007
Assets	
Current Assets	
Cash and cash equivalents	$ 692,260
Total Current Assets	692,260
Property and Equipment	
Furniture and equipment	23,706
Leasehold improvements	12,424
Vehicles	76,421
Accumulated depreciation	(44,026)
Total Property and Equipment	68,525
Total Assets	$ 760,785
Liabilities and Net Assets	
Current Liabilities	
Accrued liabilities	$ 11,065
Total Current Liabilities	11,065
Net Assets	
Unrestricted-operating	548,512
Temporarily restricted	201,208
Total Net Assets	749,720
Total Liabilities and Net Assets	$ 760,785

See independent auditor's report.
The accompanying financial statements are an integral part of this financial statement.

NEW MEXICO COUNCIL ON PROBLEM GAMBLING
STATEMENT OF ACTIVTIES
Year Ended June 30, 2007

	Unrestricted	Temporarily Restricted	Total
Revenue and Other Support			
Program revenue:			
Contract services	$ 525,607	$ -	$ 525,607
Contributions	70,107	179,637	249,744
Other income	11,000	-	11,000
	606,714	179,637	786,351
Amounts released from restrictions due to satisfaction of program restrictions	203,195	(203,195)	-
Total program revenue and other support	809,909	(23,558)	786,351
Expenses			
Program services:			
Helpline and training	348,447	-	348,447
Treatment intervention	253,302	-	253,302
Total program services	601,749	-	601,749
Support Services:			
Management and general	93,601	-	93,601
Fundraising	40,476	-	40,476
Total support services	134,077	-	134,077
Total expenses	735,826	-	735,826
Increase (decrease) in net assets	74,083	(23,558)	50,525
Net assets, beginning of year	474,429	224,766	699,195
Net assets, end of year	$ 548,512	$ 201,208	$ 749,720

See independent auditor's report.
The accompanying notes are an intergral part of this financial statement.

NEW MEXICO COUNCIL ON PROBLEM GAMBLING
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended June 30, 2007

	Program Services		Support Services		
	Helpline and Training	Treatment Intervention	Management and General	Fundraising	Total
Advertising	$ 9,299	$ 2,325	$ -	$ -	$ 11,624
Answering service	744	-	186	-	930
Auto	13,287	2,567	6,164	4,556	26,574
Bank charges	-	-	238	-	238
Contract labor	15,058	-	1,673	-	16,731
Depreciation	9,688	549	8,589	550	19,376
Dues and subscriptions	1,950	1,950	433	-	4,333
Education materials	5,168	5,168	-	-	10,336
Insurance	18,140	4,061	3,520	1,354	27,075
Janitorial	2,210	-	2,210	-	4,420
Licenses and fees	-	-	1,909	-	1,909
Meals and entertainment	2,327	-	-	3,490	5,817
Meetings and seminars	866	866	-	-	1,732
Miscellaneous	-	-	-	734	734
Office expenses	9,068	1,511	1,511	3,022	15,112
Payroll taxes	14,822	3,318	2,876	1,110	22,126
Postage and shipping	814	701	1,120	621	3,256
Professional fees	810	810	810	810	3,241
Rent	5,966	5,966	11,932	5,966	29,830
Repairs and maintenance	1,292	1,366	2,584	1,218	6,460
Salaries and wages	199,487	44,661	38,707	14,887	297,742
Telephone	9,305	-	5,723	481	15,509
Travel	26,783	-	3,151	1,575	31,509
Treatment intervention	-	177,176	-	-	177,176
Utilities	1,362	306	265	102	2,035
Total expenses	$ 348,447	$ 253,302	$ 93,601	$ 40,476	$ 735,826

See independent auditor's report.
The accompanying notes are an intergral part of this financial statement.

NEW MEXICO COUNCIL ON PROBLEM GAMBLING
STATEMENT OF CASH FLOWS
Year Ended June 30, 2007

	2007
Cash Flows From Operating Activities	
Program revenue and other support	$ 786,351
Program and support services	(736,539)
Net cash provided by operating activities	49,812
Net increase in cash and cash equivalents	49,812
Cash and cash equivalents, beginning of year	642,448
Cash and cash equivalents, end of year	$ 692,260
Reconciliation of Change in Net Assets	
to Net Cash Provided by Operating Activities	
Change in net assets	$ 50,525
Adjustments to reconcile change in net assets to	
net cash provided by operating activities:	
Depreciation and amortization	19,374
Change in operating assets and liabilities:	
Purchased property and equipment	(29,004)
Accrued expenses	8,917
Net cash provided by operating activities	$ 49,812

See independent auditors' report.
The accompanying notes are an intergral part of this financial statement.

NOTE 1. NATURE OF ACTIVITIES

The New Mexico Council on Problem Gambling (Council) is a New Mexico not-for-profit corporation organized in 1998. The Council provides an assistance hotline, training and education, and referrals to treatment providers for problem gambling residents of New Mexico. The Council's mission is to reduce the prevalence and impact of compulsive gambling on individuals, families and communities in the State of New Mexico.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Statement Presentation
The Council adopted Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations." Under SFAS No. 117, the Council is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. As permitted by the statement, the Council has discontinued its use of fund accounting and has, accordingly, reclassified its financial statements to present the classes of net assets as required.

Estimates
The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Contributed Services
During the year ended June 30, 2007, the value of contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded. In addition, individuals volunteer their time and perform a variety of tasks that assist the Council in its mission and role in the State of New Mexico, but these services do not meet the criteria for recognition as contributed services.

Cash and Cash Equivalents
For purposes of the statement of cash flows, the Council considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Concentrations of Credit Risk
The Council has concentrated its credit risk for cash by maintaining deposits in a bank which exceed Federal deposit insurance limits in the amount of $492,260 for the year ending June 30, 2007. The Council has not experienced any losses in such accounts and management believes it is not exposed to any significant credit risk on the deposits.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Promises to Give
Contributions are recognized when the donor makes a promise to give to the Council that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Property and Equipment
It is the Council's policy to capitalize property and equipment over $500. Lesser amounts are expensed. Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Council reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Council reclassifies temporarily restricted net assets to unrestricted net assets at that time.

Property and equipment are depreciated using the straight-line method over the estimated useful life of the property from three to ten years. Depreciation expense amounted to $19,374 for the year ended June 30, 2007. There was no donated property and equipment received during June 30, 2007.

Income Taxes
The Council is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

NOTE 3. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets at June 30, 2007 amount to $201,208. These funds were received from various tribal casinos and designated for the treatment of problem gamblers by certified counselors.

NOTE 4. RELATED PARTIES

The Council rents its office space month to month from an officer and director of the Council. The rent expense for the year ended June 30, 2007 amount to $29,830.

NOTE 5. LEASING ARRANGEMENTS

The Council leases two vehicles. The monthly lease payments amount to $1,667 for both vehicles. The leases expire in 2010. The future minimum payments for 2008, 2009 and 2010 is $20,005 per year.

NEW MEXICO COUNCIL ON PROBLEM GAMBLING

Financial Statements

As of

June 30, 2008

Muehlmeyer P.C.
Certified Public Accountant

NEW MEXICO COUNCIL ON PROBLEM GAMBLING

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MUEHLMEYER P.C.
Certified Public Accountant
NM License #2878

INDEPENDENT AUDITOR'S REPORT

Board of Directors
New Mexico Council on Problem Gambling
Albuquerque, New Mexico

I have audited the accompanying statement of financial position of the New Mexico Council on Problem Gambling, (a nonprofit organization), as of June 30, 2008, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the organization's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I 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 overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of New Mexico Council on Problem Gambling as of June 30, 2008, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Muehlmeyer P.C.
Certified Public Accountant
Albuquerque, New Mexico
October 29, 2011

NEW MEXICO COUNCIL ON PROBLEM GAMBLING
STATEMENT OF FINANCIAL POSITION
As of June 30, 2008

	2008
Assets	
Current Assets	
Cash and cash equivalents	$ 626,873
Total Current Assets	626,873
Property and Equipment	
Furniture and equipment	27,974
Leasehold improvements	73,540
Vehicles	76,421
Accumulated depreciation	(76,873)
Total Property and Equipment	101,062
Total Assets	$ 727,935
Liabilities and Net Assets	
Current Liabilities	
Accrued liabilities	4,262
Total Current Liabilities	4,262
Net Assets	
Unrestricted-operating	509,016
Temporarily restricted	214,657
Total Net Assets	723,673
Total Liabilities and Net Assets	$ 727,935

See independent auditor's report.
The accompanying financial statements are an integral part of this financial statement.

NEW MEXICO COUNCIL ON PROBLEM GAMBLING
STATEMENT OF ACTIVTIES
Year Ended June 30, 2008

	Unrestricted	Temporarily Restricted	Total
Revenue and Other Support			
Program revenue:			
Contract services	$ 413,431	$ -	$ 413,431
Contributions	273,447	216,151	489,598
Other income	19,346	-	19,346
	706,224	216,151	922,375
Amounts released from restrictions due to satisfaction of program restrictions	202,702	(202,702)	-
Total program revenue and other support	908,926	13,449	922,375
Expenses			
Program services:			
Helpline and training	483,788	-	483,788
Treatment intervention	308,895	-	308,895
Total program services	792,683	-	792,683
Support Services:			
Management and general	109,613	-	109,613
Fundraising	46,126	-	46,126
Total support services	155,739	-	155,739
Total expenses	948,422	-	948,422
Increase (decrease) in net assets	(39,496)	13,449	(26,047)
Net assets, beginning of year	548,512	201,208	749,720
Net assets, end of year	$ 509,016	$ 214,657	$ 723,673

See independent auditor's report.
The accompanying notes are an intergral part of this financial statement.

NEW MEXICO COUNCIL ON PROBLEM GAMBLING
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended June 30, 2008

	Program Services		Support Services		
	Helpline and Training	Treatment Intervention	Management and General	Fundraising	Total
Advertising	$ 14,667	$ 3,667	$ -	$ -	$ 18,334
Answering service	655	-	164	-	819
Auto	25,918	1,620	4,860	-	32,398
Bank charges	-	-	2,733	-	2,733
Contract labor	18,013	-	2,001	-	20,014
Depreciation	16,424	549	15,875	-	32,848
Dues and subscriptions	4,206	4,206	935	-	9,347
Insurance	24,523	5,490	4,758	1,830	36,602
Janitorial	160	-	160	-	320
Licenses and fees	-	-	85	-	85
Meals and entertainment	2,675	-	-	4,012	6,687
Meetings and seminars	214	213	-	-	427
Office expenses	16,390	2,732	2,732	5,464	27,317
Payroll taxes	18,781	4,205	3,644	1,402	28,031
Postage and shipping	341	341	200	482	1,364
Professional fees	8,465	8,465	8,465	2,822	28,216
Rent	6,508	6,508	13,017	6,508	32,542
Repairs and maintenance	-	-	1,457	-	1,457
Research	500	500	-	-	1,000
Salaries and wages	227,925	70,131	35,065	17,533	350,654
Telephone	13,700	-	6,498	2,635	22,833
Training	25,819				25,819
Travel	55,914	-	6,578	3,289	65,781
Treatment intervention	-	199,822	-	-	199,822
Utilities	1,991	446	387	149	2,973
Total expenses	$ 483,788	$ 308,895	$ 109,613	$ 46,126	$ 948,422

See independent auditor's report.
The accompanying notes are an intergral part of this financial statement.

NEW MEXICO COUNCIL ON PROBLEM GAMBLING
STATEMENT OF CASH FLOWS
Year Ended June 30, 2008

	2008
Cash Flows From Operating Activities	
Program revenue and other support	$ 922,375
Program and support services	(987,762)
Net cash used by operating activities	(65,387)
Net decrease in cash and cash equivalents	(65,387)
Cash and cash equivalents, beginning of year	692,260
Cash and cash equivalents, end of year	$ 626,873
Reconciliation of Change in Net Assets	
to Net Cash Used by Operating Activities	
Change in net assets	$ (26,047)
Adjustments to reconcile change in net assets to	
net cash used by operating activities:	
Depreciation and amortization	32,848
Change in operating assets and liabilities:	
Purchased property and equipment	(65,384)
Accrued expenses	(6,804)
Net cash used by operating activities	$ (65,387)

See independent auditors' report.
The accompanying notes are an intergral part of this financial statement.

NOTE 1. NATURE OF ACTIVITIES

The New Mexico Council on Problem Gambling (Council) is a New Mexico not-for-profit corporation organized in 1998. The Council provides an assistance hotline, training and education, and referrals to treatment providers for problem gambling residents of New Mexico. The Council's mission is to reduce the prevalence and impact of compulsive gambling on individuals, families and communities in the State of New Mexico.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Statement Presentation
The Council adopted Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations." Under SFAS No. 117, the Council is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. As permitted by the statement, the Council has discontinued its use of fund accounting and has, accordingly, reclassified its financial statements to present the classes of net assets as required.

Estimates
The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Contributed Services
During the year ended June 30, 2008, the value of contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded. In addition, individuals volunteer their time and perform a variety of tasks that assist the Council in its mission and role in the State of New Mexico, but these services do not meet the criteria for recognition as contributed services.

Cash and Cash Equivalents
For purposes of the statement of cash flows, the Council considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Concentrations of Credit Risk
The Council has concentrated its credit risk for cash by maintaining deposits in a bank which exceed Federal deposit insurance limits in the amount of $426,251 for the year ending June 30, 2008. The Council has not experienced any losses in such accounts and management believes it is not exposed to any significant credit risk on the deposits.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Promises to Give
Contributions are recognized when the donor makes a promise to give to the Council that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Property and Equipment
It is the Council's policy to capitalize property and equipment over $500. Lesser amounts are expensed. Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Council reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Council reclassifies temporarily restricted net assets to unrestricted net assets at that time.

Property and equipment are depreciated using the straight-line method over the estimated useful life of the property from three to ten years. Depreciation expense amounted to $32,847 for the year ended June 30, 2008. There was no donated property and equipment received during June 30, 2008.

Income Taxes
The Council is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

NOTE 3. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets at June 30, 2008 amount to $214,657. These funds were received from various tribal casinos and designated for the treatment of problem gamblers by certified counselors.

NOTE 4. RELATED PARTIES

The Council rents its office space month to month from an officer and director of the Council. The rent expense for the year ended June 30, 2008 amount to $32,542.

NOTE 5. LEASING ARRANGEMENTS

The Council leases two vehicles. The monthly lease payments amount to $1,667 for both vehicles. The leases expire in 2010. The future minimum payments for 2009 and 2010 is $20,005 per year.

NEW MEXICO COUNCIL ON PROBLEM GAMBLING

Financial Statements

As of

June 30, 2009

Muehlmeyer P.C.
Certified Public Accountant

NEW MEXICO COUNCIL ON PROBLEM GAMBLING

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MUEHLMEYER P.C.
Certified Public Accountant
NM License #2878

INDEPENDENT AUDITOR'S REPORT

Board of Directors
New Mexico Council on Problem Gambling
Albuquerque, New Mexico

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I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I 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 overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of New Mexico Council on Problem Gambling as of June 30, 2009, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Muehlmeyer P.C.
Certified Public Accountant
Albuquerque, New Mexico
October 29, 2011

NEW MEXICO COUNCIL ON PROBLEM GAMBLING
STATEMENT OF FINANCIAL POSITION
As of June 30, 2009

	2009
Assets	
Current Assets	
Cash and cash equivalents	$ 697,539
Total Current Assets	697,539
Property and Equipment	
Furniture and equipment	49,200
Leasehold improvements	84,828
Vehicles	65,778
Accumulated depreciation	(73,836)
Total Property and Equipment	125,970
Total Assets	$ 823,509
Liabilities and Net Assets	
Current Liabilities	
Accrued liabilities	$ 2,537
Total Current Liabilities	2,537
Net Assets	
Unrestricted-operating	497,155
Temporarily restricted	323,817
Total Net Assets	820,972
Total Liabilities and Net Assets	$ 823,509

See independent auditor's report.
The accompanying financial statements are an integral part of this financial statement.

NEW MEXICO COUNCIL ON PROBLEM GAMBLING
STATEMENT OF ACTIVTIES
Year Ended June 30, 2009

	Unrestricted	Temporarily Restricted	Total
Revenue and Other Support			
Program revenue:			
Contract services	$ 601,731	$ -	$ 601,731
Contributions	69,215	267,785	337,000
Other income	3,706	-	3,706
	674,652	267,785	942,437
Amounts released from restrictions due to satisfaction of program restrictions	158,625	(158,625)	-
Total program revenue and other support	833,277	109,160	942,437
Expenses			
Program services:			
Helpline and training	439,504	-	439,504
Treatment intervention	251,667	-	251,667
Total program services	691,171	-	691,171
Support Services:			
Management and general	111,202	-	111,202
Fundraising	42,765	-	42,765
Total support services	153,967	-	153,967
Total expenses	845,138	-	845,138
Increase (decrease) in net assets	(11,861)	109,160	97,299
Net assets, beginning of year	509,016	214,657	723,673
Net assets, end of year	$ 497,155	$ 323,817	$ 820,972

See independent auditor's report.
The accompanying notes are an intergral part of this financial statement.

NEW MEXICO COUNCIL ON PROBLEM GAMBLING
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended June 30, 2009

	Program Services		Support Services		
	Helpline and Training	Treatment Intervention	Management and General	Fundraising	Total
Advertising	$ 4,700	$ 1,175	$ -	$ -	$ 5,875
Answering service	260	-	65	-	325
Auto	17,994	1,125	3,373	-	22,493
Bank charges	-	-	1,974	-	1,974
Contract labor	7,644	-	849	-	8,493
Depreciation	22,190	2,219	17,752	2,219	44,380
Dues and subscriptions	1,173	1,173	261	-	2,607
Insurance	39,960	8,946	8,946	1,789	59,641
Janitorial	2,504	-	2,504	-	5,008
Licenses and fees	-	-	495	-	495
Meals and entertainment	718	-	-	1,076	1,794
Meetings and seminars	2,125	213	1,912	-	4,250
Office expenses	22,939	3,823	3,823	7,648	38,232
Payroll taxes	15,621	4,806	2,735	1,031	24,193
Postage and shipping	640	341	300	1,279	2,560
Professional fees	1,863	1,863	1,863	1,863	7,454
Rent and utilities	6,508	6,508	13,017	6,508	32,542
Repairs and maintenance	-	-	1,341	-	1,341
Salaries and wages	200,267	61,621	35,065	11,150	308,102
Telephone	14,437	-	4,812	4,812	24,061
Training	24,100	-	-	-	24,100
Travel	51,820	-	9,716	3,239	64,775
Treatment intervention	-	157,395	-	-	157,395
Utilities	2,042	458	397	151	3,048
Total expenses	$ 439,504	$ 251,667	$ 111,202	$ 42,765	$ 845,138

See independent auditor's report.
The accompanying notes are an intergral part of this financial statement.

NEW MEXICO COUNCIL ON PROBLEM GAMBLING
STATEMENT OF CASH FLOWS
Year Ended June 30, 2009

	2009
Cash Flows From Operating Activities	
Program revenue and other support	$ 942,437
Program and support services	(871,771)
Net cash provided by operating activities	70,666
Net increase in cash and cash equivalents	70,666
Cash and cash equivalents, beginning of year	626,873
Cash and cash equivalents, end of year	$ 697,539
Reconciliation of Change in Net Assets	
to Net Cash Provided by Operating Activities	
Change in net assets	$ 97,299
Adjustments to reconcile change in net assets to	
net cash provided by operating activities:	
Depreciation and amortization	44,380
Change in operating assets and liabilities:	
Purchased property and equipment	(69,288)
Accrued expenses	(1,725)
Net cash provided by operating activities	$ 70,666

See independent auditors' report.
The accompanying notes are an intergral part of this financial statement.

NOTE 1. NATURE OF ACTIVITIES

The New Mexico Council on Problem Gambling (Council) is a New Mexico not-for-profit corporation organized in 1998. The Council provides an assistance hotline, training and education, and referrals to treatment providers for problem gambling residents of New Mexico. The Council's mission is to reduce the prevalence and impact of compulsive gambling on individuals, families and communities in the State of New Mexico.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Statement Presentation
The Council adopted Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations." Under SFAS No. 117, the Council is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. As permitted by the statement, the Council has discontinued its use of fund accounting and has, accordingly, reclassified its financial statements to present the classes of net assets as required.

Estimates
The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Contributed Services
During the year ended June 30, 2009, the value of contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded. In addition, individuals volunteer their time and perform a variety of tasks that assist the Council in its mission and role in the State of New Mexico, but these services do not meet the criteria for recognition as contributed services.

Cash and Cash Equivalents
For purposes of the statement of cash flows, the Council considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Concentrations of Credit Risk
The Council has concentrated its credit risk for cash by maintaining deposits in a bank which exceed Federal deposit insurance limits in the amount of $497,539 for the year ending June 30, 2009. The Council has not experienced any losses in such accounts and management believes it is not exposed to any significant credit risk on the deposits.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Promises to Give
Contributions are recognized when the donor makes a promise to give to the Council that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Property and Equipment
It is the Council's policy to capitalize property and equipment over $500. Lesser amounts are expensed. Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Council reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Council reclassifies temporarily restricted net assets to unrestricted net assets at that time.

Property and equipment are depreciated using the straight-line method over the estimated useful life of the property from three to ten years. Depreciation expense amounted to $44,380 for the year ended June 30, 2009. There was no donated property and equipment received during June 30, 2009.

Income Taxes
The Council is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

NOTE 3. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets at June 30, 2009 amount to $323,817. These funds were received from various tribal casinos and designated for the treatment of problem gamblers by certified counselors.

NOTE 4. RELATED PARTIES

The Council rents its office space month to month from an officer and director of the Council. The rent expense for the year ended June 30, 2009 amount to $32,542.

NOTE 5. LEASING ARRANGEMENTS

The Council leases two vehicles. The monthly lease payments amount to $1,667 for both vehicles. The leases expire in 2010. The future minimum payments for 2010 is $15,004.

NEW MEXICO COUNCIL ON PROBLEM GAMBLING

Financial Statements

As of

June 30, 2010

Muehlmeyer P.C.
Certified Public Accountant

NEW MEXICO COUNCIL ON PROBLEM GAMBLING

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MUEHLMEYER P.C.
Certified Public Accountant
NM License #2878

INDEPENDENT AUDITOR'S REPORT

Board of Directors
New Mexico Council on Problem Gambling
Albuquerque, New Mexico

I have audited the accompanying statement of financial position of the New Mexico Council on Problem Gambling, (a nonprofit organization), as of June 30, 2010, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the organization's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I 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 overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of New Mexico Council on Problem Gambling as of June 30, 2010, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Muehlmeyer P.C.
Certified Public Accountant
Albuquerque, New Mexico
October 29, 2011

NEW MEXICO COUNCIL ON PROBLEM GAMBLING
STATEMENT OF FINANCIAL POSITION
As of June 30, 2010

	2010
Assets	
Current Assets	
Cash and cash equivalents	$ 670,873
Total Current Assets	670,873
Property and Equipment	
Furniture and equipment	49,200
Leasehold improvements	84,828
Vehicles	65,778
Accumulated depreciation	(118,216)
Total Property and Equipment	81,590
Total Assets	$ 752,463
Liabilities and Net Assets	
Current Liabilities	
Accrued liabilities	$ 7,305
Total Current Liabilities	7,305
Net Assets	
Unrestricted-operating	443,641
Temporarily restricted	301,517
Total Net Assets	745,158
Total Liabilities and Net Assets	$ 752,463

See independent auditor's report.
The accompanying financial statements are an integral part of this financial statement.

NEW MEXICO COUNCIL ON PROBLEM GAMBLING
STATEMENT OF ACTIVTIES
Year Ended June 30, 2010

	Unrestricted	Temporarily Restricted	Total
Revenue and Other Support			
Program revenue:			
Contract services	$ 407,009	$ -	$ 407,009
Contributions	229,127	248,050	477,177
Other income	21,162	-	21,162
	657,298	248,050	905,348
Amounts released from restrictions due to satisfaction of program restrictions	270,350	(270,350)	-
Total program revenue and other support	927,648	(22,300)	905,348
Expenses			
Program services:			
Helpline and training	479,404	-	479,404
Treatment intervention	368,144	-	368,144
Total program services	847,548	-	847,548
Support Services:			
Management and general	102,859	-	102,859
Fundraising	30,755	-	30,755
Total support services	133,614	-	133,614
Total expenses	981,162	-	981,162
Decrease in net assets	(53,514)	(22,300)	(75,814)
Net assets, beginning of year	497,155	323,817	820,972
Net assets, end of year	$ 443,641	$ 301,517	$ 745,158

See independent auditor's report.
The accompanying notes are an intergral part of this financial statement.

NEW MEXICO COUNCIL ON PROBLEM GAMBLING
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended June 30, 2010

	Program Services		Support Services		
	Helpline and Training	Treatment Intervention	Management and General	Fundraising	Total
Advertising	$ 8,913	$ 2,228	$ -	$ -	$ 11,141
Answering service	3,213	-	803	-	4,016
Auto	17,940	1,121	3,363	-	22,425
Bank charges	-	-	2,177	-	2,177
Conferences	40,887	-	-	-	40,887
Contract labor	20,170	-	2,241	-	22,411
Depreciation	22,190	2,219	17,752	2,219	44,380
Dues and subscriptions	3,807	3,807	846	-	8,459
Insurance	31,070	6,956	6,956	1,391	46,373
Janitorial	8,966	-	2,242	-	11,208
Licenses and fees	-	-	315	-	315
Meetings and seminars	1,276	213	1,063	-	2,552
Office expenses	14,581	3,823	3,823	2,075	24,301
Payroll taxes	18,205	5,601	3,181	1,255	28,242
Postage and shipping	1,036	415	300	2,394	4,145
Professional fees	412	412	412	412	1,648
Rent	6,508	6,508	13,017	6,508	32,542
Repairs and maintenance	-	-	674	-	674
Salaries and wages	216,722	66,684	37,870	12,143	333,418
Telephone	5,919	-	1,973	1,973	9,865
Training	40,732	-	-	-	40,732
Travel	15,713	-	3,628	300	19,640
Treatment intervention	-	267,900	-	-	267,900
Utilities	1,146	257	223	85	1,711
Total expenses	$ 479,404	$ 368,144	$ 102,859	$ 30,755	$ 981,162

See independent auditor's report.
The accompanying notes are an intergral part of this financial statement.

NEW MEXICO COUNCIL ON PROBLEM GAMBLING
STATEMENT OF CASH FLOWS
Year Ended June 30, 2010

	2010
Cash Flows From Operating Activities	
Program revenue and other support	$ 905,348
Program and support services	(932,014)
Net cash used by operating activities	(26,666)
Net decrease in cash and cash equivalents	(26,666)
Cash and cash equivalents, beginning of year	697,539
Cash and cash equivalents, end of year	$ 670,873
Reconciliation of Change in Net Assets	
to Net Cash Used by Operating Activities	
Change in net assets	$ (75,814)
Adjustments to reconcile change in net assets to	
net cash provided by operating activities:	
Depreciation and amortization	44,380
Change in operating assets and liabilities:	
Accrued expenses	4,768
Net cash used by operating activities	$ (26,666)

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NOTE 1. NATURE OF ACTIVITIES

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Cash and Cash Equivalents
For purposes of the statement of cash flows, the Council considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Concentrations of Credit Risk
The Council has concentrated its credit risk for cash by maintaining deposits in a bank which exceed Federal deposit insurance limits in the amount of $370,451 for the year ending June 30, 2010. The Council has not experienced any losses in such accounts and management believes it is not exposed to any significant credit risk on the deposits.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Promises to Give

Contributions are recognized when the donor makes a promise to give to the Council that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

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It is the Council's policy to capitalize property and equipment over $500. Lesser amounts are expensed. Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Council reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Council reclassifies temporarily restricted net assets to unrestricted net assets at that time.

Property and equipment are depreciated using the straight-line method over the estimated useful life of the property from three to ten years. Depreciation expense amounted to $44,380 for the year ended June 30, 2010. There was no donated property and equipment received during June 30, 2010.

Income Taxes

The Council is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

NOTE 3. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets at June 30, 2010 amount to $301,517. These funds were received from various tribal casinos and designated for the treatment of problem gamblers by certified counselors.

NOTE 4. RELATED PARTIES

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NOTE 5. LEASING ARRANGEMENTS

The Council leases two vehicles. The monthly lease payments amount to $1,667 for both vehicles. The amount charged to auto lease was $15,004 in 2010. The leases expired in 2010.