



Financial Statements  
September 30, 2014 and 2013

**Native Seeds/Southwestern  
Endangered Aridland Resource  
Clearing House, Inc.**

Native Seeds/Southwestern Endangered Aridland Resource Clearing House, Inc.

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September 30, 2014 and 2013

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## **Independent Auditor's Report**

The Board of Directors  
Native Seeds/Southwestern Endangered  
Aridland Resource Clearing House, Inc.  
Tucson, Arizona

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Native Seeds/Southwestern Endangered Aridland Resource Clearing House, Inc., which comprise the statements of financial position as of September 30, 2014 and 2013, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. 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 audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Native Seeds/Southwestern Endangered Aridland Resource Clearing House, Inc. as of September 30, 2014 and 2013, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matter – Supplemental Schedules**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information shown on pages 13 and 14 is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

*Eide Bailly LLP*

Phoenix, Arizona  
March 25, 2015

Native Seeds/Southwestern Endangered Aridland Resource Clearing House, Inc.  
 Statements of Financial Position  
 September 30, 2014 and 2013

	2014	2013
Assets		
Cash and Cash Equivalents		
Designated for facilities	\$ 487	\$ 487
Available for operations	197,670	147,899
	198,157	148,386
Accounts Receivable	1,361	2,782
Inventory	70,367	70,865
Prepaid Expenses	16,324	21,602
Promises to Give	5,500	5,000
Grants Receivable	-	204,100
Property and Equipment, Net	1,378,620	1,392,563
Total assets	\$ 1,670,329	\$ 1,845,298
Liabilities and Net Assets		
Liabilities		
Accounts payable	\$ 29,505	\$ 33,929
Accrued expenses	28,886	29,461
Deferred revenue	51,228	67,017
Note payable	355,144	373,093
Total liabilities	464,763	503,500
Net Assets		
Unrestricted	1,111,018	998,965
Temporarily restricted	93,548	342,833
Permanently restricted	1,000	-
Total net assets	1,205,566	1,341,798
Total liabilities and net assets	\$ 1,670,329	\$ 1,845,298

	2014			Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	
Public Support and Revenue				
Grants	\$ 94,629	\$ 18,600	\$ -	\$ 113,229
Contributions	154,142	-	1,000	155,142
Contracts	24,257	-	-	24,257
In-kind contributions	7,134	-	-	7,134
Membership dues	131,976	-	-	131,976
Store and catalog sales, net of costs of goods sold of \$219,836 and \$190,436	480,022	-	-	480,022
Tuition revenue	62,003	-	-	62,003
Interest income	1,693	-	-	1,693
Other revenue	5,612	-	-	5,612
Special event revenue	11,664	-	-	11,664
	<u>973,132</u>	<u>18,600</u>	<u>1,000</u>	<u>992,732</u>
Net assets released from restrictions	<u>267,885</u>	<u>(267,885)</u>	<u>-</u>	<u>-</u>
Total public support and revenue	<u>1,241,017</u>	<u>(249,285)</u>	<u>1,000</u>	<u>992,732</u>
Expenses				
Program services	859,355	-	-	859,355
Administration	110,697	-	-	110,697
Fundraising and membership	158,912	-	-	158,912
Total expenses	<u>1,128,964</u>	<u>-</u>	<u>-</u>	<u>1,128,964</u>
Change in Net Assets	112,053	(249,285)	1,000	(136,232)
Net Assets, Beginning of Year	<u>998,965</u>	<u>342,833</u>	<u>-</u>	<u>1,341,798</u>
Net Assets, End of Year	<u>\$ 1,111,018</u>	<u>\$ 93,548</u>	<u>\$ 1,000</u>	<u>\$ 1,205,566</u>

Native Seeds/Southwestern Endangered Aridland Resource Clearing House, Inc.  
 Statements of Activities  
 Years Ended September 30, 2014 and 2013

2013			
Unrestricted	Temporarily Restricted	Permanently Restricted	Total
\$ 56,557	\$ 399,100	\$ -	\$ 455,657
134,726	-	-	134,726
-	-	-	-
3,540	-	-	3,540
128,369	-	-	128,369
436,160	-	-	436,160
64,350	-	-	64,350
1,730	-	-	1,730
4,857	-	-	4,857
3,478	-	-	3,478
<u>833,767</u>	<u>399,100</u>	<u>-</u>	<u>1,232,867</u>
<u>166,963</u>	<u>(166,963)</u>	<u>-</u>	<u>-</u>
<u>1,000,730</u>	<u>232,137</u>	<u>-</u>	<u>1,232,867</u>
796,215	-	-	796,215
99,183	-	-	99,183
<u>145,095</u>	<u>-</u>	<u>-</u>	<u>145,095</u>
<u>1,040,493</u>	<u>-</u>	<u>-</u>	<u>1,040,493</u>
(39,763)	232,137	-	192,374
<u>1,038,728</u>	<u>110,696</u>	<u>-</u>	<u>1,149,424</u>
<u>\$ 998,965</u>	<u>\$ 342,833</u>	<u>\$ -</u>	<u>\$ 1,341,798</u>

Native Seeds/Southwestern Endangered Aridland Resource Clearing House, Inc.

Statements of Cash Flows

Years Ended September 30, 2014 and 2013

Operating Activities		
Change in net assets	\$ (136,232)	\$ 192,374
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation	51,717	46,564
Changes in operating assets and liabilities		
Accounts receivable	1,421	(1,302)
Inventory	498	(23,550)
Prepaid expenses	5,278	(11,465)
Promises to give	(500)	-
Grants receivable	204,100	(154,100)
Accounts payable	(4,424)	4,849
Accrued expenses	(575)	4,267
Deferred revenue	(15,789)	3,832
	<u>105,494</u>	<u>61,469</u>
Net Cash from Operating Activities		
Cash Flows from Investing Activities		
Purchases of property and equipment	(37,774)	(29,146)
	<u>(37,774)</u>	<u>(29,146)</u>
Cash Flows from Financing Activities		
Repayments on line of credit	-	(100,001)
Payments on note payable	(17,949)	(17,048)
	<u>(17,949)</u>	<u>(117,049)</u>
Net Cash used for Financing Activities		
Net Change in Cash and Cash Equivalents	49,771	(84,726)
Cash and Cash Equivalents, Beginning of Year	148,386	233,112
	<u>148,386</u>	<u>233,112</u>
Cash and Cash Equivalents, End of Year	<u>\$ 198,157</u>	<u>\$ 148,386</u>
Supplemental Disclosure of Cash Flow Information		
Cash paid for interest	\$ 21,397	\$ 26,669
	<u>21,397</u>	<u>26,669</u>



## **Note 1 - Nature of Operations and Significant Accounting Policies**

### **Organization and Nature of Operations**

Native Seeds Southwestern Endangered Aridland Resource Clearing House, Inc. (Native Seeds) (the Organization) was founded in 1983 as an Arizona non-profit corporation whose mission is to conserve, distribute, and document the adapted and diverse varieties of agricultural crops and their wild relatives of the American Southwest and Northwest Mexico. Specifically, the goals of Native Seeds are to preserve specific genetic types, promote their use and that of their wild relatives by gathering, safeguarding, and distributing their seeds to farming and gardening communities as well as working to preserve knowledge about their uses.

Native Seeds' programs consist of the following:

- Conservation - Conservation of rare arid lands crop seeds at the seed bank, including grow-outs at Native Seeds' farm.
- Distribution - Retail seed, craft, and food sales and seed donations to Native Americans; proceeds support Native Seeds' mission.
- Membership and volunteers - Reaching out to the community through membership as well as volunteers.
- Education - Increasing public awareness of seed stewardship through newsletters, social media, educational material, lectures, seed schools, salons, and other means.

### **Cash and Cash Equivalents**

Native Seeds considers all cash and highly liquid financial instruments with original maturities of three months or less, and which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents. Cash and highly liquid financial instruments restricted to capital expenditures, permanent immaterial endowment, or other long-term purposes of Native Seeds are excluded from this definition.

### **Receivables and Credit Policies**

Accounts receivable consist primarily of noninterest-bearing amounts due for educational programs. Management determines the allowance for uncollectable accounts receivable based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Accounts receivable are written off when deemed uncollectable. At September 30, 2014 and 2013, the allowance was \$0.

### **Promises to Give and Grants Receivable**

Unconditional promises to give and grants receivable expected to be collected within one year are recorded at net realizable value. Unconditional promises to give and grants receivable expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the statement of activities. Management determines the allowance for uncollectable promises to give and grants receivable based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Promises to give and grants receivable are written off when deemed uncollectable. At September 30, 2014 and 2013, the allowance was \$0.

### **Gift Shop Inventory**

Inventory is comprised of program-related merchandise held for sale in the gift shop, and is stated at the lower of cost or market determined by the first-in first-out method. Management has provided an allowance for inventory obsolescence of \$0 at September 30, 2014 and 2013.

## Property and Equipment

Property and equipment additions over \$1,000 are recorded at cost, or if donated, at fair value on the date of donation. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets ranging from 2-40 years, or in the case of capitalized leased assets or leasehold improvements, the lesser of the useful life of the asset or the lease term. When assets are sold or otherwise disposed of, the cost and related depreciation or amortization are removed from the accounts, and any remaining gain or loss is included in the statement of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

Native Seeds reviews the carrying values of property and equipment for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment during the years ended September 30, 2014 and 2013.

## Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Unrestricted Net Assets* – Net assets available for use in general operations. Unrestricted board-designated net assets consist of net assets designated by the Board of Directors for operating reserve and quasi-endowment.

*Temporarily Restricted Net Assets* – Net assets subject to donor restrictions that may or will be met by expenditures or actions of Native Seeds and/or the passage of time, and certain income earned on permanently restricted net assets that has not yet been appropriated for expenditure by Native Seeds' Board of Directors.

Native Seeds reports contributions restricted by donors as increases in unrestricted net assets if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

*Permanently Restricted Net Assets* – Net assets whose use is limited by donor-imposed restrictions that neither expire by the passage of time nor can be fulfilled or otherwise removed by action of Native Seeds. The restrictions stipulate that resources be maintained permanently but permit Native Seeds to expend the income generated in accordance with the provisions of the agreements. There were no permanently restricted net assets at September 30, 2013. During the year ended September 30, 2014, Native Seeds received \$1,000 to start an endowment to support the Seed Bank.

## Revenue and Revenue Recognition

Revenue is recognized when earned. Program service fees and payments under cost-reimbursable contracts received in advance are deferred to the applicable period in which the related services are performed or expenditures are incurred, respectively. Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

### **Donated Services and In-Kind Contributions**

Volunteers contribute significant amounts of time to Native Seeds' program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods are recorded at fair value at the date of donation. Native Seeds records donated professional services at the respective fair values of the services received.

### **Advertising expenses**

Advertising costs are expensed as incurred. Advertising expense was \$18,257 and \$9,913 for the years ended September 30, 2014 and 2013, respectively.

### **Functional Allocation of Expenses**

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The schedules of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

### **Income Taxes**

Native Seeds is organized as an Arizona non-profit corporation and has been recognized by the Internal Revenue Service (IRS) as exempt from federal income taxes under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3) and has been determined not to be a private foundation under Section 509(a)(2). Accordingly, contributions to it qualify for the charitable contribution deduction under Section 170(b)(1)(A). The Organization is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, the Organization is generally subject to income tax on net income that is derived from business activities that are unrelated to its exempt purpose. The Organization began filing IRS Form 990-T, and Arizona's equivalent Form 99-T, for its fiscal year ended September 30, 2013. Management has determined the Organization has no material taxable unrelated business income and, accordingly, accounts for income taxes as paid, rather than accrued. The Organization's Forms 990-T and other income tax filings required by Arizona tax authorities remain subject to examination.

Management believes that it has appropriate support for any income tax positions taken, and, as such, does not have any uncertain tax positions that are material to the financial statements. The organization would recognize future accrued interest and penalties related to unrecognized tax benefits and liabilities in income tax expense if such interest and penalties are incurred.

### **Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles 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 revenues and expenses during the reporting period. Actual results could differ from those estimates and those differences could be material.

### **Subsequent Events**

Native Seeds has evaluated subsequent events through March 25, 2015, the date which the financial statements were available to be issued.

Native Seeds/Southwestern Endangered Aridland Resource Clearing House, Inc.

Notes to Financial Statements  
September 30, 2014 and 2013

**Note 2 - Grants Receivable**

Grants receivable were as follows at September 30:

	2014	2013
Christensen Fund	\$ -	\$ 75,000
Gila River Indian Community	-	100,000
CS Fund	-	10,000
RSF Social Finance	-	11,600
Fort McDowell Yavapai Nation	-	7,500
	\$ -	\$ 204,100

**Note 3 - Promises to Give**

During the year ended September 30, 2006, Native Seeds launched a capital campaign to secure a home for the seed bank and professional workplace for the Organization. During prior years, Native Seeds received a pledge of \$20,000 from a donor. The outstanding balance at September 30, 2014 of \$5,000 is due within one year.

During the year ended September 30, 2014, a board member made a pledge of \$600. The outstanding balance at September 30, 2014 of \$500 is due within one year.

There was no discount recorded for the years ended September 30, 2014 and 2013.

**Note 4 - Property and Equipment**

Property and equipment consisted of the following at September 30:

	2014	2013
Land	\$ 77,855	\$ 77,855
Building	1,429,540	1,419,928
Leasehold improvements	12,486	12,441
Furniture and equipment	386,653	350,301
Construction in process	-	8,235
	1,906,534	1,868,760
Less accumulated depreciation	(527,914)	(476,197)
	\$ 1,378,620	\$ 1,392,563

**Note 5 - Deferred Revenue**

Deferred revenue consisted of the following at September 30:

	2014	2013
Deferred memberships	\$ 45,723	\$ 53,598
Deferred tuition	580	10,500
Unredeemed gift certificates and other	4,925	2,919
	\$ 51,228	\$ 67,017

**Note 6 - Line of Credit**

Native Seeds had a \$150,000 revolving line of credit with a financial institution to be drawn down as needed based on the timing of cash received on grants awarded. The line of credit bore interest at the LIBOR Rate plus 3.4% (6.21% at September 30, 2013), was secured by real property and matured in May 2014 and was not renewed.

**Note 7 - Note Payable**

Native Seeds has a note payable to a bank secured by real property. Payments on the note payable are \$3,229 per month (including interest at 5.75% per annum) with the note maturing in May 2015. The outstanding balance at September 30, 2014 and 2013 was \$355,144.

Required principal payments on the note payable are as follows:

Year ending September 30,	Amount
2015	\$ 355,144

**Note 8 - Unrestricted Net Assets**

Native Seeds had unrestricted net assets as follows:

	2014	2013
Undesignated (deficit)	\$ (12,458)	\$ (120,505)
Board-designated reserve for future purposes	100,000	100,000
Expended on property and equipment	1,023,476	1,019,470
	\$ 1,111,018	\$ 998,965

Native Seeds/Southwestern Endangered Aridland Resource Clearing House, Inc.

Notes to Financial Statements  
September 30, 2014 and 2013

**Note 9 - Temporarily Restricted Net Assets**

Temporarily restricted net asset activity was as follows:

		2014			
		<u>Beginning</u>	<u>Grants/</u>	<u>Appropriations</u>	<u>Ending</u>
		<u>Balance</u>	<u>Contributions</u>	<u>and Releases</u>	<u>Balance</u>
Time		\$ 17,500	\$ 600	\$ (17,600)	\$ 500
Purpose					
	Conserve Heritage Seeds	143,895	-	(68,847)	75,048
	Climate Smart Agriculture Project	169,838	-	(169,838)	-
	Seed School	11,600	-	(11,600)	-
	Seed Expression	-	10,000	-	10,000
	Enhancing Flavor and Food Security	-	8,000	-	8,000
		<u>\$ 342,833</u>	<u>\$ 18,600</u>	<u>\$ (267,885)</u>	<u>\$ 93,548</u>
		2013			
		<u>Beginning</u>	<u>Grants/</u>	<u>Appropriations</u>	<u>Ending</u>
		<u>Balance</u>	<u>Contributions</u>	<u>and Releases</u>	<u>Balance</u>
Time		\$ -	\$ 37,500	\$ (20,000)	\$ 17,500
Purpose					
	Conserve Heritage Seeds	-	150,000	(6,105)	143,895
	Community Connections	70,345	-	(70,345)	-
	Climate Smart Agriculture Project	-	200,000	(30,162)	169,838
	Sowing the Seeds	40,351	-	(40,351)	-
	Seed School	-	11,600	-	11,600
		<u>\$ 110,696</u>	<u>\$ 399,100</u>	<u>\$ (166,963)</u>	<u>\$ 342,833</u>

**Note 10 - Leases**

Native Seeds leases retail and office space and equipment under various non-cancelable operating leases expiring through February 2016. Rent expense for the years ended September 30, 2014 and 2013 was \$60,488 and \$57,630, respectively.

Future minimum lease payments are as follows:

<u>Year Ending September 30,</u>	<u>Amount</u>
2015	\$ 42,000
2016	42,000
2017	17,500
	<u>\$ 101,500</u>

**Note 11 - Related Party Transactions**

During the years ended September 30, 2014 and 2013, Native Seeds purchased inventory in the amount of \$7,217 and \$9,844 from a company owned by two board members, representing approximately 3% and 5% of total purchases during the year, respectively. Accounts payable to this company were \$0 and \$135 at September 30, 2014 and 2013, respectively.

Native Seeds also purchased inventory in the amount of \$7,350 and \$5,356 from a company owned by another board member, representing 3% of total purchases during September 30, 2014 and 2013 for each year. Accounts payable to this company were \$0 for both years.

During the year a fundraising event was held by Native Seeds in which the Organization paid a restaurant owned by a board member for the cost of food supplies in the amount of \$4,880. Accounts payable for this entity was \$0.



Supplementary Information  
September 30, 2014 and 2013

**Native Seeds/Southwestern  
Endangered Aridland Resource  
Clearing House, Inc.**



Native Seeds/Southwestern Endangered Aridland Resource Clearing House, Inc.  
Schedule of Functional Expenses  
Year Ended September 30, 2014

	Program Services				Total Program Services	Administration	Fundraising and Membership	Total
	Conservation	Distribution	Volunteers	Education				
Staff Salaries	\$ 196,657	\$ 162,303	\$ 3,504	\$ 43,925	\$ 406,389	\$ 67,341	\$ 47,245	\$ 520,975
Payroll Taxes and Employee Benefits	35,854	27,008	268	7,927	71,057	10,149	11,772	92,978
Total payroll costs	232,511	189,311	3,772	51,852	477,446	77,490	59,017	613,953
Advertising	11	1,998	134	1,287	3,430	-	14,827	18,257
Depreciation	32,049	4,970	652	3,620	41,291	4,499	5,927	51,717
Dues and Subscriptions	-	0	-	-	-	0	879	879
In-Kind Expense	3,828	817	-	90	4,735	78	2,321	7,134
Insurance	7,666	4,321	523	1,311	13,821	2,596	3,305	19,722
Interest	9,175	2,321	-	3,465	14,961	2,288	4,148	21,397
Miscellaneous Expense	689	17,384	-	493	18,566	1,935	5,333	25,834
Office Expense	14,035	6,640	26	4,191	24,892	2,020	2,419	29,331
Postage and Printing	3,959	39,992	-	1,186	45,137	1,963	26,946	74,046
Professional Fees	28,806	11,388	488	29,178	69,860	10,873	14,738	95,471
Rent	4,426	45,270	-	8,484	58,180	825	1,484	60,489
Repairs and Maintenance	9,099	3,993	-	1,092	14,184	1,342	1,219	16,745
Supplies	-	-	-	-	-	-	-	-
Taxes and Licenses	37	3,559	-	760	4,356	10	-	4,366
Telephone and Utilities	17,690	13,440	-	3,168	34,298	2,601	3,802	40,701
Training and Development	640	60	-	-	700	425	144	1,269
Travel	11,361	370	77	21,690	33,498	1,752	12,403	47,653
Total expenses	375,982	345,834	5,672	131,867	859,355	110,697	158,912	1,128,964
Cost of Goods Sold	-	219,836	-	-	219,836	-	-	219,836
	<u>\$ 375,982</u>	<u>\$ 565,670</u>	<u>\$ 5,672</u>	<u>\$ 131,867</u>	<u>\$ 1,079,191</u>	<u>\$ 110,697</u>	<u>\$ 158,912</u>	<u>\$ 1,348,800</u>

Native Seeds/Southwestern Endangered Aridland Resource Clearing House, Inc.  
Schedule of Functional Expenses  
Year Ended September 30, 2013

	Program Services				Total Program Services	Administration	Fundraising and Membership	Total
	Conservation	Distribution	Volunteers	Education				
Staff Salaries	\$ 158,359	\$ 174,299	\$ 1,950	\$ 35,351	\$ 369,959	\$ 60,678	\$ 76,320	\$ 506,957
Payroll Taxes and Employee Benefits	24,090	23,431	149	2,969	50,639	7,404	8,403	66,446
Total payroll costs	182,449	197,730	2,099	38,320	420,598	68,082	84,723	573,403
Advertising	-	4,366	-	1,665	6,031	238	3,644	9,913
Bad Debt Expense	-	50	-	-	50	-	-	50
Depreciation	28,849	1,693	-	-	30,542	1,730	5,340	37,612
Dues and Subscriptions	-	50	-	73	123	117	360	600
In-Kind Expense	893	1,027	-	393	2,313	136	1,091	3,540
Insurance	10,185	5,857	517	1,653	18,212	1,855	4,576	24,643
Interest	10,480	2,230	-	3,345	16,055	6,600	4,014	26,669
Miscellaneous Expense	105	19,559	-	434	20,098	1,242	3,339	24,679
Office Expense	10,359	11,115	262	5,566	27,302	1,601	4,649	33,552
Postage and Printing	3,258	39,248	-	8,306	50,812	766	17,762	69,340
Professional Fees	9,544	16,566	336	46,548	72,994	11,098	6,761	90,853
Rent	7,355	46,165	-	1,694	55,214	863	1,553	57,630
Repairs and Maintenance	8,412	28,849	28,849	28,849	94,959	548	979	96,486
Supplies	936	-	-	-	936	-	-	936
Taxes and Licenses	-	930	-	20	950	30	-	980
Telephone and Utilities	15,045	14,270	-	2,674	31,989	1,775	3,194	36,958
Training and Development	-	-	-	-	-	-	900	900
Travel	10,351	1,038	34	11,827	23,250	179	2,210	25,639
Total expenses	298,221	390,743	32,097	151,367	872,428	96,860	145,095	1,114,383
Cost of Goods Sold	-	190,436	-	-	190,436	-	-	190,436
	<u>\$ 298,221</u>	<u>\$ 581,179</u>	<u>\$ 32,097</u>	<u>\$ 151,367</u>	<u>\$ 1,062,864</u>	<u>\$ 96,860</u>	<u>\$ 145,095</u>	<u>\$ 1,304,819</u>