



Financial Statements
September 30, 2012 and 2011

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

Native Seeds Southwestern Endangered Aridland Resource Clearing House, Inc.

Table of Contents

September 30, 2012 and 2011

Independent Auditor's Report.....	1
Financial Statements	
Statements of Financial Position.....	2
Statements of Activities	3
Statements of Cash Flows	4
Notes to Financial Statements.....	5
Supplementary Information	
Schedule of Functional Expenses.....	13



Independent Auditor's Report

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

We have audited the accompanying statement of financial position of Native Seeds Southwestern Endangered Aridland Resource Clearing House, Inc. (the Organization) as of September 30, 2012, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year comparative information has been derived from the financial statements of Native Seeds Southwestern Endangered Aridland Resource Clearing House, Inc. as of September 30, 2011, which were audited by other auditors whose report dated February 1, 2012, 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 the Organization's internal control over financial reporting. Accordingly, we do not express such an 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 Native Seeds Southwestern Endangered Aridland Resource Clearing House, Inc. as of September 30, 2012, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information beginning on page 13 is presented for purposes of additional and is not a required part of the basic financial statements. Such 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. The information has been subjected to the auditing procedures applied in the audit of the basic 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 information is fairly stated in all material respects in relation to the financial statements as a whole.

Eide Bailly LLP

Phoenix, Arizona
May 14, 2013

Native Seeds Southwestern Endangered Aridland Resource Clearing House, Inc.
 Statements of Financial Position
 September 30, 2012 and 2011

	2012	2011
Assets		
Cash and Cash Equivalents		
Restricted for facilities	\$ 756	\$ 16,440
Available for operations	232,355	213,206
	233,111	229,646
Accounts Receivable	1,480	9,864
Grants Receivable	50,000	203,000
Inventory	47,315	46,617
Prepaid Expenses	10,137	9,120
Promises to Give	5,000	10,730
Property and Equipment, Net	1,409,982	1,457,354
	\$ 1,757,025	\$ 1,966,331
	\$ 1,757,025	\$ 1,966,331
Liabilities and Net Assets		
Liabilities		
Accounts payable	\$ 29,080	\$ 31,931
Accrued expenses	25,194	22,797
Deferred revenue	63,185	38,763
Line of credit	100,001	57,444
Note payable	390,141	406,252
	607,601	557,187
Total liabilities	607,601	557,187
Net Assets		
Unrestricted	1,038,728	960,691
Temporarily restricted	110,696	448,453
	1,149,424	1,409,144
Total net assets	1,149,424	1,409,144
Total liabilities and net assets	\$ 1,757,025	\$ 1,966,331
	\$ 1,757,025	\$ 1,966,331

	2012		
	Unrestricted	Temporarily Restricted	Total
Public Support and Revenue			
Grants	\$ 176,100	\$ -	\$ 176,100
Contributions	89,409	10,550	99,959
In-kind contributions	33,844	-	33,844
Membership dues	90,438	-	90,438
Store and catalog sales, net of costs of goods sold of \$129,230 and \$122,450	267,622	-	267,622
Tuition revenue	23,100	-	23,100
Investment income	1,457	6	1,463
Other revenue	3,676	-	3,676
Special event revenue, less costs of direct donor benefit of \$11,502 and \$11,566	20,003	-	20,003
	<u>705,649</u>	<u>10,556</u>	<u>716,205</u>
Net assets released from restrictions	<u>348,313</u>	<u>(348,313)</u>	<u>-</u>
Total public support and revenue	<u>1,053,962</u>	<u>(337,757)</u>	<u>716,205</u>
Expenses and Losses			
Program services	792,145	-	792,145
Administration	80,383	-	80,383
Fundraising and membership	103,397	-	103,397
	<u>975,925</u>	<u>-</u>	<u>975,925</u>
Loss on provision for doubtful pledges	<u>-</u>	<u>-</u>	<u>-</u>
Total expenses and losses	<u>975,925</u>	<u>-</u>	<u>975,925</u>
Change in Net Assets	78,037	(337,757)	(259,720)
Net Assets, Beginning of Year	<u>960,691</u>	<u>448,453</u>	<u>1,409,144</u>
Net Assets, End of Year	<u>\$ 1,038,728</u>	<u>\$ 110,696</u>	<u>\$ 1,149,424</u>

Native Seeds Southwestern Endangered Aridland Resource Clearing House, Inc.

Statements of Activities

Years Ended September 30, 2012 and 2011

2011		
Unrestricted	Temporarily Restricted	Total
\$ 87,000	\$ 425,000	\$ 512,000
102,349	44,632	146,981
13,382	-	13,382
109,710	-	109,710
250,695	-	250,695
17,150	-	17,150
1,101	60	1,161
3,045	-	3,045
20,113	-	20,113
604,545	469,692	1,074,237
89,773	(89,773)	-
694,318	379,919	1,074,237
640,558	-	640,558
98,201	-	98,201
86,079	-	86,079
824,838	-	824,838
-	1,000	1,000
824,838	1,000	825,838
(130,520)	378,919	248,399
1,091,211	69,534	1,160,745
\$ 960,691	\$ 448,453	\$ 1,409,144

Native Seeds Southwestern Endangered Aridland Resource Clearing House, Inc.

Statements of Cash Flows

Years Ended September 30, 2012 and 2011

	2012	2011
Cash Flows from Operating Activities		
Change in net assets	\$ (259,720)	\$ 248,399
Adjustments to reconcile change in net assets to net cash from operating activities		
Donated stock	-	(7,893)
Realized losses on investments	-	58
Provision for discount to present value	550	519
Depreciation	49,697	57,302
Contributions for long-term purposes	-	(44,632)
Loss on provision for doubtful promises to give	-	1,000
(Gain) on sale of asset	(500)	-
Changes in operating assets and liabilities		
Accounts receivable	8,384	(1,555)
Grants receivable	153,000	(103,000)
Inventory	(698)	15,153
Prepaid expenses	(1,017)	(525)
Accounts payable	(2,851)	(74,556)
Accrued expenses	2,397	(5,946)
Deferred revenue	24,422	1,212
Net Cash from (Used for) Operating Activities	(26,336)	85,536
Cash Flows from Investing Activities		
Proceeds from sales of donated stock/investments	-	7,835
Proceeds from sale of property and equipment	500	-
Refund of construction costs	-	7,696
Purchases of property and equipment	(2,325)	(8,803)
Net Cash from (Used for) Investing Activities	(1,825)	6,728
Cash Flows from Financing Activities		
Borrowings from line of credit	85,000	64,000
Repayments on line of credit	(42,443)	(70,063)
Payments on note payable	(16,111)	(38,763)
Collection of contributions for long-term purposes	5,180	48,234
Net Cash from Investing Activities	31,626	3,408
Net Increase in Cash and Cash Equivalents	3,465	95,672
Cash and Cash Equivalents, Beginning of Year	229,646	133,974
Cash and Cash Equivalents, End of Year	\$ 233,111	\$ 229,646
Supplemental Disclosure of Cash Flow Information		
Cash paid for interest	\$ 26,675	\$ 29,775

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) was founded in 1983 as an Arizona nonprofit 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 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 NativeAmericans.Net 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 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 both September 30, 2012 and 2011, the allowance was \$0.

Promises to Give

Unconditional promises to give expected to be collected within one year are recorded at net realizable value. Unconditional promises to give 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 based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Promises to give are written off when deemed uncollectable. At both September 30, 2012 and 2011, 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 both September 30, 2012 and 2011, respectively.

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, 2012 and 2011, respectively

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.

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 \$8,448 and \$3,018 for the years ended September 30, 2012 and 2011, 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 nonprofit 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), qualify for the charitable contribution deduction under Section 170(b)(1)(A)(vi) and (viii), and have been determined not to be private foundations under Sections 509(a)(1) and (3), respectively. 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 subject to income tax on net income that is derived from business activities that are unrelated to their exempt purposes. The Organization has determined it is not subject to unrelated business income tax and has not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.

The Organization believes that it has appropriate support for any tax positions taken affecting its annual filing requirements, 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.

Reclassifications

Certain reclassifications of amounts previously reported have been made to the accompanying financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets.

Subsequent Events

The Organization has evaluated subsequent events through May 14, 2013, the date which the financial statements were available to be issued.

Note 2 - Grants Receivable

Grants receivable were as follows at September 30, 2012 and 2011:

	2012	2011
Christensen Fund	\$ -	\$ 50,000
Gila River Indian Community	-	150,000
Cliff Bar Foundation	-	3,000
Amy Goldman Fowler-Grant	50,000	-
	\$ 50,000	\$ 203,000

Note 3 - Promises to Give

During the year ended September 30, 2006, the Native Seeds launched a capital campaign to secure a home for the seed bank and professional workplace for the Organization. Pledges due after one year are discounted at a rate of 6%.

Promises to give receivable consisted of the following at September 30, 2012 and 2011:

	2012	2011
Pledges receivable in one year	\$ 5,000	\$ 6,280
Pledges receivable in one to five years	-	5,000
Less discount to present value	-	(550)
	\$ 5,000	\$ 10,730

Note 4 - Property and Equipment

Property and equipment consisted of the following at September 30, 2012 and 2011:

	2012	2011
Land	\$ 77,855	\$ 77,855
Building	1,409,689	1,407,364
Leasehold improvements	12,441	12,441
Furniture and equipment	339,630	352,919
Vehicles	-	6,012
	1,839,615	1,856,591
Less accumulated depreciation	(429,633)	(399,237)
	\$ 1,409,982	\$ 1,457,354

Note 5 - Deferred Revenue

Deferred revenue consisted of the following at September 30, 2012 and 2011:

	<u>2012</u>	<u>2011</u>
Sales awaiting shipment	\$ 197	\$ 747
Deferred memberships	56,557	23,058
Deferred tuition	3,250	3,850
Unredeemed gift certificates and other	3,181	11,108
	<u>\$ 63,185</u>	<u>\$ 38,763</u>

Note 6 - Line of Credit

Native Seeds has 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 bears interest at the LIBOR Rate plus 3.4% (4.43% and 3.63% at September 30, 2012 and 2011, respectively), is secured by real property and matures in May 2014. The line of credit contains a provision whereby, in case of default, the bank has the right to charge or offset all sums owed on the line of credit against any checking and savings accounts held by Native Seeds at that bank. At September 30, 2012 and 2011, the outstanding balances were \$100,001 and \$57,444, respectively.

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, 2012 and 2011 was \$390,141 and \$406,252, respectively. The note payable also requires Native Seeds to be in compliance with certain financial and nonfinancial covenants, with which Native Seeds was not in compliance at September 30, 2012. Due to this noncompliance, the bank may call the entire outstanding balance of the loan.

Required principal payments on the note payable are as follows:

<u>Year ending September 30,</u>	<u>Amount</u>
2013	\$ 18,288
2014	18,445
2015	353,408
	<u>\$ 390,141</u>

Native Seeds Southwestern Endangered Aridland Resource Clearing House, Inc.
Notes to Financial Statements
September 30, 2012 and 2011

Note 8 - Unrestricted Net Assets

At September 30, 2012 and 2011, Native Seeds had unrestricted net assets designated for the following:

	2012	2011
Undesignated (deficit)	\$ (81,113)	\$ (190,411)
Reserve for future purposes	100,000	100,000
Expended on property and equipment	1,019,841	1,051,102
	\$ 1,038,728	\$ 960,691

Note 9 - Temporarily Restricted Net Assets

Temporarily restricted net asset activity was as follows for the year ended September 30, 2012.

	Beginning Balance	Grants/ Contributions	Interest Income	Bad debt Losses	Appropriations and Releases	Ending Balance
Facilities	\$ 27,170	\$ 10,000	\$ 556	\$ -	\$ (37,726)	\$ -
Community Connections	295,041	-	-	-	(224,696)	70,345
Sierra Madre	9,426	-	-	-	(9,426)	-
Sowing the Seeds	91,816	-	-	-	(51,465)	40,351
Native Partnerships	25,000	-	-	-	(25,000)	-
	\$ 448,453	\$ 10,000	\$ 556	\$ -	\$ (348,313)	\$ 110,696

Temporarily restricted net asset activity was as follows for the year ended September 30, 2011.

	Beginning Balance	Grants/ Contributions	Interest Income	Bad debt Losses	Appropriations and Releases	Ending Balance
Facilities	\$ 44,102	\$ 44,632	\$ 60	\$ (1,000)	\$ (60,624)	\$ 27,170
Community Connections	13,608	300,000	-	-	(18,567)	295,041
Sierra Madre	11,824	-	-	-	(2,398)	9,426
Sowing the Seeds	-	100,000	-	-	(8,184)	91,816
Native Partnerships	-	25,000	-	-	-	25,000
	\$ 69,534	\$ 469,632	\$ 60	\$ (1,000)	\$ (89,773)	\$ 448,453

Note 10 - In-Kind Contributions

In-kind contributions consisted of the following for the years ended September 30, 2012 and 2011:

	2012	2011
Expenses		
Supplies	\$ -	\$ 445
Professional fees	2,884	6,269
Advertising	29,223	512
Garden and lab expense	-	3,936
Office supplies	1,737	1,150
Printing	-	1,070
	<u>\$ 33,844</u>	<u>\$ 13,382</u>

Note 11 - Investment Income

Native Seeds has a brokerage account available for donors to use for securities donations. All securities donations are immediately sold, and Native Seeds does not hold any other investments in this account. The account balance was \$0 at both September 30, 2012 and 2011.

Investment income for the years ended September 30, 2012 and 2011 is reported in the statements of activities as follows:

	2012	2011
Interest and dividend income	\$ 1,463	\$ 1,219
Realized losses	-	(58)
	<u>\$ 1,463</u>	<u>\$ 1,161</u>

Note 12 - Fair Value Measurements

Fair value measurements are determined based on the assumptions—referred to as inputs—that market participants would use in pricing the asset. The fair value hierarchy distinguishes between market participant assumptions and Native Seeds' own assumptions about market participant assumptions. Observable inputs are assumptions based on market data obtained from independent sources; while unobservable inputs are Native Seeds' own assumptions about what market participants would assume based on the best information available in the circumstances.

- Level 1 inputs - A quoted price in an active market for an identical asset or liability is considered to be the most reliable evidence of fair value. Native Seeds does not utilize Level 1 inputs.
- Level 2 inputs - These are observable inputs, either directly or indirectly, other than quoted prices included within Level 1. Native Seeds does not utilize Level 2 inputs.
- Level 3 inputs - These inputs are unobservable and are used to measure fair value only when observable inputs are not available. The fair value of pledges receivable are estimated using an interest which approximates the present value of future cash flows.

Native Seeds Southwestern Endangered Aridland Resource Clearing House, Inc.

Notes to Financial Statements
September 30, 2012 and 2011

Assets measured at fair value on a non-recurring basis using significant unobservable inputs (Level 3) at September 30, 2012 and 2011 consisted of pledges receivable valued at \$5,000 and \$10,730, respectively.

Note 13 - Leases

Native Seeds leases retail and office space and equipment under various non-cancelable operating leases expiring through April 2015. Rent expense for the years ended September 30, 2012 and 2011 was \$51,658 and \$48,202, respectively.

Future minimum lease payments are as follows:

<u>Year ending September 30,</u>	<u>Amount</u>
2013	\$ 15,610
2014	5,426
2015	3,691
	<u>\$ 24,727</u>

Note 14 - Related Party Transactions

During the years ended September 30, 2012 and 2011, respectively, Native Seeds purchased inventory in the amount of \$8,143 and \$9,144 from a company owned by two board members, representing 6% and 7% of total purchases during the year. Accounts payable to this company were \$679 and \$927 at September 30, 2012 and 2011, respectively.

Native Seeds also purchased inventory in the amount of \$2,384 and \$0 from a company owned by another board member, representing 2% and 0% of total purchases during the year. Accounts payable to this company were \$80 and \$0 at September 30, 2012 and 2011, respectively.



Supplementary Information
September 30, 2012 and 2011

**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, 2012

	2012							
	Program Services				Total Program Services	Administration	Fundraising and Membership	Total
	Conservation	Distribution	Volunteers	Education				
Staff Salaries	\$ 171,791	\$ 144,737	\$ 35,186	\$ 37,093	\$ 388,807	\$ 44,319	\$ 40,984	\$ 474,110
Payroll Taxes and Employee Benefits	19,938	17,541	8,486	2,884	48,849	6,166	4,982	59,997
Total payroll costs	191,729	162,278	43,672	39,977	437,656	50,485	45,966	534,107
Advertising	-	4,347	60	2,823	7,230	-	1,218	8,448
Bad Debt Expense	-	-	-	-	-	100	-	100
Depreciation	30,763	4,787	3,464	3,489	42,503	4,328	2,866	49,697
Dues and Subscriptions	-	-	-	910	910	-	1,134	2,044
Garden and Lab Expense	10,552	-	-	-	10,552	-	-	10,552
In-kind Expense	335	1,836	285	539	2,995	1,915	28,934	33,844
Insurance	10,124	5,693	2,989	1,883	20,689	2,050	2,011	24,750
Interest	12,253	990	2,091	3,485	18,819	5,765	2,091	26,675
Miscellaneous Expense	6,219	11,883	934	126	19,162	1,857	2,841	23,860
Office Expense	3,885	4,030	2,219	1,285	11,419	2,511	4,085	18,015
Postage and Printing	6,553	38,434	7,348	8,258	60,593	584	6,765	67,942
Professional Fees	6,753	7,961	2,539	14,886	32,139	6,804	2,054	40,997
Rent	3,867	44,278	765	1,028	49,938	982	738	51,658
Repairs and Maintenance	5,752	2,102	491	1,386	9,731	565	430	10,726
Supplies	8,972	369	411	6,354	16,106	-	402	16,508
Taxes and Licenses	-	2,554	-	-	2,554	16	50	2,620
Telephone and Utilities	15,065	13,900	1,371	2,268	32,604	1,533	1,369	35,506
Training and Development	175	154	140	176	645	70	113	828
Travel	7,501	1,623	14	6,762	15,900	818	330	17,048
Total expenses	320,498	307,219	68,793	95,635	792,145	80,383	103,397	975,925
Cost of Goods Sold	-	129,230	-	-	129,230	-	-	129,230
Direct Donor Benefit Costs	-	-	-	-	-	-	11,503	11,503
Total functional expenses and losses	<u>\$ 320,498</u>	<u>\$ 436,449</u>	<u>\$ 68,793</u>	<u>\$ 95,635</u>	<u>\$ 921,375</u>	<u>\$ 80,383</u>	<u>\$ 114,900</u>	<u>\$ 1,116,658</u>

Native Seeds Southwestern Endangered Aridland Resource Clearing House, Inc.
Schedule of Functional Expenses
Year Ended September 30, 2011

	2011							
	Program Services				Total Program Services	Administration	Fundraising and Membership	Total
	Conservation	Distribution	Volunteers	Education				
Staff Salaries	\$ 125,170	\$ 116,776	\$ 42,998	\$ 12,973	\$ 297,917	\$ 54,240	\$ 43,059	\$ 395,216
Payroll Taxes and Employee Benefits	19,104	14,336	8,211	992	42,643	7,919	3,484	54,046
Total payroll costs	144,274	131,112	51,209	13,965	340,560	62,159	46,543	449,262
Advertising	-	312	146	-	458	-	2,560	3,018
Depreciation	35,245	6,042	3,902	2,340	47,529	6,526	3,247	57,302
Dues and subscriptions	-	50	25	-	75	600	543	1,218
Garden and Lab Expense	8,232	-	-	-	8,232	-	-	8,232
Insurance	9,765	5,139	3,458	993	19,355	2,928	2,024	24,307
Interest	14,876	214	2,302	3,837	21,229	6,244	2,302	29,775
Miscellaneous Expense	102	9,109	1,179	145	10,535	1,199	1,250	12,984
Office Expense	1,381	3,339	1,348	15	6,083	1,683	1,651	9,417
Postage and Printing	7,720	38,393	10,541	1,594	58,248	702	13,665	72,615
Professional Fees	2,519	8,598	5,347	2,759	19,223	11,115	2,795	33,133
Rent	3,540	40,566	2,184	-	46,290	1,357	555	48,202
Repairs and Maintenance	5,062	2,928	820	442	9,252	1,006	566	10,824
Supplies	3,871	218	2,361	8,988	15,438	-	5,259	20,697
Taxes and Licenses	-	478	-	-	478	46	-	524
Telephone and Utilities	16,293	12,231	1,836	1,447	31,807	2,175	1,463	35,445
Training and Development	-	55	-	-	55	265	129	449
Travel	4,603	1,108	-	-	5,711	196	1,527	7,434
Total expenses	257,483	259,892	86,658	36,525	640,558	98,201	86,079	824,838
Cost of Goods Sold	-	122,450	-	-	122,450	-	-	122,450
Direct Donor Benefit Costs	-	-	-	-	-	-	11,566	11,566
Loss on Provision for Doubtful Pledges	-	-	-	-	-	-	1,000	1,000
Total functional expenses and losses	<u>\$ 257,483</u>	<u>\$ 382,342</u>	<u>\$ 86,658</u>	<u>\$ 36,525</u>	<u>\$ 763,008</u>	<u>\$ 98,201</u>	<u>\$ 98,645</u>	<u>\$ 959,854</u>