

Organic Consumers Association and Combined Affiliates

Combined Financial Report with
Supplementary Information
December 31, 2016

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RSM US LLP

Independent Auditor's Report

To the Boards of Directors
Organic Consumers Association and Combined Affiliates

Report on the Financial Statements

We have audited the accompanying combined financial statements of Organic Consumers Association and Combined Affiliates (the Organizations), which comprise the combined statements of financial position as of December 31, 2016 and 2015, and the related combined statements of activities and cash flows for the years then ended, and the related notes to the combined financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these combined 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 combined 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 combined 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 audit to obtain reasonable assurance about whether the combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Organizations' preparation and fair presentation of the combined 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 Organizations' 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 combined 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 combined financial statements referred to above present fairly, in all material respects, the financial position of Organic Consumers Association and Combined Affiliates as of December 31, 2016 and 2015, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

RSM US LLP

Duluth, Minnesota
August 17, 2017

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Organic Consumers Association and Combined Affiliates

**Combined Statements of Financial Position
December 31, 2016 and 2015**

	2016	2015
Assets		
Current assets:		
Cash and cash equivalents	\$ 825,608	\$ 722,640
Contributions receivable:		
Phone bank, net (Note 3)	123,801	158,742
Other	252,122	391,868
Prepaid expenses	3,930	4,082
Total current assets	1,205,461	1,277,332
Investments (Note 2)	281,491	-
Property and equipment, net (Note 4)	566,481	486,721
Total assets	\$ 2,053,433	\$ 1,764,053
Liabilities and Net Assets		
Current liabilities:		
Current maturities of long-term debt (Note 5)	\$ 75,000	\$ 75,000
Accounts payable:		
Trade	87,037	64,419
Phone bank	34,874	14,505
Accrued expenses	39,201	740
Deferred revenue	18,750	50,000
Assets held for others	-	17,911
Total current liabilities	254,862	222,575
Long-term debt, less current maturities (Note 5)	-	75,000
Total liabilities	254,862	297,575
Net assets:		
Organic Consumers Association:		
Temporarily restricted (Note 7)	99,677	101,457
Unrestricted	1,476,658	1,064,338
Organic Consumers Fund, unrestricted	131,673	300,683
Regeneration International, unrestricted	90,563	-
Total net assets	1,798,571	1,466,478
Total liabilities and net assets	\$ 2,053,433	\$ 1,764,053

See notes to combined financial statements.

Organic Consumers Association and Combined Affiliates

**Combined Statements of Activities
Years Ended December 31, 2016 and 2015**

	2016		
	Unrestricted	Temporarily Restricted	Total
Revenues and other support:			
Contributions:			
General	\$ 1,840,944	\$ 2,791	\$ 1,843,735
Phone bank	495,151	-	495,151
Foundations and corporations	1,348,169	437,491	1,785,660
Sponsorship	-	95,000	95,000
Interest	1,061	-	1,061
Other	-	1,703	1,703
Net assets released from restrictions (Note 7)	538,765	(538,765)	-
Total revenues and other support	4,224,090	(1,780)	4,222,310
Expenses (Note 6):			
Program services (Note 8)	3,150,745	-	3,150,745
Fund raising	333,540	-	333,540
Management and general	405,932	-	405,932
Total expenses	3,890,217	-	3,890,217
Increase (decrease) in net assets	333,873	(1,780)	332,093
Net assets:			
Beginning of year	1,365,021	101,457	1,466,478
End of year	<u>\$ 1,698,894</u>	<u>\$ 99,677</u>	<u>\$ 1,798,571</u>

See notes to combined financial statements.

2015

Unrestricted	Temporarily Restricted	Total
\$ 1,712,422	\$ 12,267	\$ 1,724,689
655,004	-	655,004
1,293,903	374,356	1,668,259
-	80,000	80,000
1,259	-	1,259
1,772	2,945	4,717
468,090	(468,090)	-
<u>4,132,450</u>	<u>1,478</u>	<u>4,133,928</u>
3,176,827	-	3,176,827
331,925	-	331,925
445,532	-	445,532
<u>3,954,284</u>	<u>-</u>	<u>3,954,284</u>
178,166	1,478	179,644
1,186,855	99,979	1,286,834
<u>\$ 1,365,021</u>	<u>\$ 101,457</u>	<u>\$ 1,466,478</u>

Organic Consumers Association and Combined Affiliates

**Combined Statements of Cash Flows
Years Ended December 31, 2016 and 2015**

	2016	2015
Cash flows from operating activities:		
Increase in net assets	\$ 332,093	\$ 179,644
Adjustments to reconcile increase in net assets to net cash provided by (used in) operating activities:		
Depreciation	25,895	26,579
Changes in assets and liabilities:		
Contributions receivable:		
Phone bank	34,941	12,171
Other	139,746	(288,844)
Prepaid expenses	152	10,326
Accounts payable:		
Trade	22,618	47,644
Phone bank	20,369	(3,455)
Accrued expenses	38,461	(39,104)
Deferred revenue	(31,250)	32,500
Assets held for others	(17,911)	17,911
Net cash provided by (used in) operating activities	565,114	(4,628)
Cash flows from investing activities:		
Purchase of property and equipment	(105,655)	(93,239)
Purchases of investments	(281,491)	-
Net cash used in investing activities	(387,146)	(93,239)
Cash flows from financing activities:		
Principal payments on long-term debt	(75,000)	(75,000)
Net cash used in financing activities	(75,000)	(75,000)
Net change in cash	102,968	(172,867)
Cash and cash equivalents:		
Beginning	722,640	895,507
Ending	<u>\$ 825,608</u>	<u>\$ 722,640</u>
Supplemental disclosures:		
Interest paid	<u>\$ 7,525</u>	<u>\$ 11,414</u>

See notes to combined financial statements.

Organic Consumers Association and Combined Affiliates

Notes to Combined Financial Statements

Note 1. Nature of Activities and Significant Accounting Policies

Nature of activities: Organic Consumers Association (the Association), a nonprofit corporation, focuses on representing the views and interests of organic consumers by educating consumers on food safety, industrial agriculture, genetic engineering, corporate accountability, and environmental sustainability issues. The Association uses funds raised to perpetuate consumer education in an effort to increase consumer awareness and knowledge of the agricultural production of organic foods and to protect and preserve the environment to ensure the development and expansion of the organic and sustainable agricultural model. The mission of the Association is to promote the development of a safe and sustainable system of food and agricultural production and the development and integration of societal goals and consensus building. The Association is working to create an interactive network of consumers concerned about food safety and is supportive of sustainable, organic agriculture.

Organic Consumers Fund (the Fund), a nonprofit corporation, was established to lobby for legislation, regulation, and programs to improve public health, the environment, and the economy.

The activity of the Association includes the Fair World Project, a project of the Association that promotes fair trade, insists on integrity in fair trade, and cultivates a holistic approach to global economics.

Regeneration International (Regeneration), a nonprofit corporation, is dedicated to building a global network of farmers, scientists, businesses, activists, educators, journalists, governments and consumers who will promote and put into practice regenerative agriculture and land-use practices that: provide abundant, nutritious food; revive local economies; rebuild soil fertility and biodiversity; and restore climate stability by returning carbon to the soil, through the natural process of photosynthesis.

A summary of the significant accounting policies of the Association, the Fund, and Regeneration (collectively, the Organizations) follows:

Accounting estimates: The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent 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.

Principles of combination: The combined financial statements include the accounts of the Association, the Fund, and Regeneration. All material intercompany balances and transactions have been eliminated in combination.

Net assets: Unrestricted net assets are those funds presently available for use by or on behalf of the Organizations, including the amounts available for general and administrative expenses. Temporarily restricted net assets are contributions that have donor-imposed stipulations that can be fulfilled by certain actions of the Organizations.

Advertising costs: The Organizations expense advertising costs as incurred.

Support and expenses: Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets. The Organizations report gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets, or if they are designated as support for future periods. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activity as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as unrestricted support. All contributions receivable at December 31, 2016, are due within one year.

Organic Consumers Association and Combined Affiliates

Notes to Combined Financial Statements

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

The Organizations report gifts of goods and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organizations report expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Expenses are recorded when incurred in accordance with the accrual basis of accounting. The Organizations charge bad debts to expense in the year they are deemed uncollectible.

Cash and cash equivalents: The Organizations maintain their cash in bank accounts which, at times, may exceed federally insured limits. The Organizations have not experienced any losses in such accounts.

Other contributions receivable: Other contributions receivable includes e-commerce transactions that are in the process of settlement.

Investments: Investments in equity securities with readily determinable fair values and in debt securities are measured at fair value in the combined statements of financial position. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Investment income or loss, including gains and losses on investments, interest and dividends, is included in the statements of activities as increases or decreases in unrestricted net assets unless the income is restricted by donor or law.

Property and equipment: Property and equipment are stated at cost at date of acquisition or fair value at date of donation in the case of gifts. Depreciation is calculated using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Building	20-40
Furniture, fixtures, and equipment	3-10
Vehicle	5

Income taxes: The Association and Organization are exempt from income tax under Section 501(c)(3) of the Internal Revenue Code (IRC) and similar laws of the State of Minnesota. The Fund is exempt from income tax under Section 501(c)(4) of the IRC and similar laws of the State of Minnesota.

Under guidance on accounting for uncertainty in income taxes, the Organizations may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities, based on the technical merits of the position. Management evaluates the Organizations' tax positions and has concluded that the Organizations have taken no uncertain tax positions that require adjustment to the financial statements to comply with the provisions of this guidance.

Organic Consumers Association and Combined Affiliates

Notes to Combined Financial Statements

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

Recent accounting pronouncements: In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers (Topic 606)*. This standard outlines a single comprehensive model for companies to use in accounting for revenue arising from contracts with customers and supersedes most current revenue recognition guidance, including industry-specific guidance. The core principle of the revenue model is that revenue is recognized when a customer obtains control of a good or service. A customer obtains control when it has the ability to direct the use of and obtain the benefits from the good or service. Transfer of control is not the same as transfer of risks and rewards, as it is considered in current guidance. The Organizations will also need to apply new guidance to determine whether revenue should be recognized over time or at a point in time. This standard will be effective for annual reporting periods beginning after December 15, 2018, and interim periods within annual reporting periods beginning after December 15, 2019. Early adoption is not permitted. Management is currently evaluating the impact of the pending adoption of ASU 2014-09 on the financial statements.

In August 2016, the FASB issued ASU No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*. ASU 2016-14 amends the requirements for financial statements and notes in *Topic 958, Not-for-Profit Entities*, and improves the information provided in financial statements and accompanying notes of not-for-profit entities. The amendments set forth the FASB's improvements to net asset classification requirements and the information presented about a not-for-profit entity's liquidity, financial performance, and cash flows. ASU 2016-14 is effective for annual financial statements issued for fiscal years beginning after December 15, 2017. Early application is permitted. Management is currently evaluating the effect that adopting this new accounting guidance will have on the statements of activities, cash flows and financial position

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*. The guidance in this ASU supersedes the leasing guidance in FASB Accounting Standards Codification (ASC) Topic 840, *Leases*. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the balance sheet for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement. The new standard will be effective for the Organizations beginning January 1, 2020. A modified retrospective transition approach is required for lessees for capital and operating leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements, with certain practical expedients available. The Organizations are currently evaluating the impact of the adoption of this standard on the financial statements.

Subsequent events: Management has evaluated subsequent events through August 17, 2017, the date on which the financial statements were available to be issued.

Organic Consumers Association and Combined Affiliates

Notes to Combined Financial Statements

Note 2. Fair Value Disclosures

The Organizations hold certain financial instruments that are required to be measured at fair value on a recurring basis. The valuation techniques used to measure fair value under the Fair Value Measurements and Disclosures topic of the FASB ASC are based upon observable and unobservable outputs. The standard established a three-level valuation hierarchy for disclosure of fair value measurements. The valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. The three levels are defined as follows:

Level 1: Inputs are unadjusted quoted prices for identical assets or liabilities in active markets to which the Foundation has access at the measurement date.

Level 2: Inputs are other than quoted prices included in Level 1 and are observable for the asset or liability, either directly or indirectly. Level 2 inputs include:

- Quoted prices for similar assets or liabilities in active markets
- Quoted prices for identical or similar assets in markets that are not active
- Observable inputs other than quoted prices for the asset or liability (for example, interest rates and yield curves)
- Inputs derived principally from, or corroborated by, observable market data by correlation or by other means

Level 3: Inputs are unobservable for the asset or liability, to the extent that observable inputs are not available.

When available, the Organizations measure fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value.

The primary uses of fair value measures in the Organizations' combined financial statements are recurring measurement of investments.

The following presents the balances of assets measured at fair value on a recurring basis by level within the hierarchy as of December 31, 2016:

	Level 1	Level 2	Level 3	Total
Marketable equity securities:				
Common stock	\$ 26,274	\$ -	\$ -	\$ 26,274
Mutual funds	252,659	-	-	252,659
Exchange traded funds	2,558	-	-	2,558
	<u>\$ 281,491</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 281,491</u>

The Organizations did not hold any assets measured at fair value as of December 31, 2015.

Organic Consumers Association and Combined Affiliates

Notes to Combined Financial Statements

Note 3. Contributions Receivable, Phone Bank

The Association and the Fund have each entered into an agreement with a third-party provider of phone bank services for fund raising and network development purposes. Under terms of the agreements, the Organizations pay the company a fee for expenditures incurred on the Organizations' behalf, limited to a set percentage of net collections. The phone bank collects the pledges on behalf of the Organizations. The agreements expire in December 2017. These receivables are recorded net of allowance and fees payable to the phone bank. The allowance is derived from historical collection rates that have typically been near 50 percent. Pledges obtained from individual donors by the phone bank that have not been collected, net of allowance and fees payable to the phone bank of \$86,747 and \$113,700, amounted to \$123,801 and \$158,742 at December 31, 2016 and 2015, respectively.

Note 4. Property and Equipment

Property and equipment as of December 31, 2016 and 2015, consist of the following:

	2016	2015
Land	\$ 164,400	\$ 117,000
Building	316,064	316,064
Furniture, fixtures, and equipment	182,990	181,242
Vehicle	17,002	17,002
Construction in progress	56,507	-
	<u>736,963</u>	<u>631,308</u>
Less accumulated depreciation	170,482	144,587
	<u>\$ 566,481</u>	<u>\$ 486,721</u>

Note 5. Long-Term Debt

	2016	2015
Promissory notes payable, individual, due in annual installments of \$75,000 plus interest at 5% through November 2017, secured by real estate.	\$ 75,000	\$ 150,000
Less current maturities	75,000	75,000
	<u>\$ -</u>	<u>\$ 75,000</u>

Organic Consumers Association and Combined Affiliates

Notes to Combined Financial Statements

Note 6. Functional Expenses

	2016			
	Program Services	Fund Raising	Management and General	Total
Advertising	\$ -	\$ 52,582	\$ -	\$ 52,582
Automobile	3,296	183	183	3,662
Bank charges	-	36,205	36,207	72,412
Computer	31,657	4,221	6,331	42,209
Contributions	452,637	-	-	452,637
Depreciation	19,421	2,590	3,884	25,895
Dues and subscriptions	14,797	7,398	7,398	29,593
Education/mobilization - phone bank	221,021	121,562	25,786	368,369
Insurance	3,194	426	639	4,259
Interest	5,643	753	1,129	7,525
Membership benefits	3,804	200	-	4,004
Miscellaneous	-	-	7,812	7,812
Occupancy	42,833	5,711	8,567	57,111
Office supplies	35,308	4,707	7,046	47,061
Payroll costs and contract labor	1,146,191	71,638	214,912	1,432,741
Postage and delivery	31,515	1,658	-	33,173
Printing and reproduction	136,929	7,206	-	144,135
Professional fees	89,287	-	77,013	166,300
Projects and conferences	668,916	-	-	668,916
Telephone	45,128	6,017	9,025	60,170
Travel	199,168	10,483	-	209,651
	<u>\$ 3,150,745</u>	<u>\$ 333,540</u>	<u>\$ 405,932</u>	<u>\$ 3,890,217</u>

Organic Consumers Association and Combined Affiliates

Notes to Combined Financial Statements

Note 6. Functional Expenses (Continued)

	2015			
	Program Services	Fund Raising	Management and General	Total
Advertising	\$ -	\$ 16,123	\$ -	\$ 16,123
Automobile	6,604	367	367	7,338
Bank charges	-	41,592	41,594	83,186
Computer	18,985	2,532	3,797	25,314
Contributions	280,148	-	-	280,148
Depreciation	19,934	2,658	3,987	26,579
Dues and subscriptions	17,475	8,738	8,738	34,951
Education/mobilization - phone bank	293,729	161,550	34,268	489,547
Insurance	3,712	495	743	4,950
Interest	8,283	1,104	1,657	11,044
Membership benefits	3,182	168	-	3,350
Miscellaneous	-	-	10,849	10,849
Occupancy	32,272	4,303	6,454	43,029
Office supplies	40,564	5,408	8,113	54,085
Payroll costs and contract labor	981,925	61,370	184,110	1,227,405
Postage and delivery	18,356	966	-	19,322
Printing and reproduction	132,116	6,954	-	139,070
Professional fees	198,406	-	134,035	332,441
Projects and conferences	839,092	-	-	839,092
Telephone	34,099	4,547	6,820	45,466
Travel	247,945	13,050	-	260,995
	<u>\$ 3,176,827</u>	<u>\$ 331,925</u>	<u>\$ 445,532</u>	<u>\$ 3,954,284</u>

Organic Consumers Association and Combined Affiliates

Notes to Combined Financial Statements

Note 7. Temporarily Restricted Net Assets

Temporarily restricted net assets as of December 31, 2016 and 2015, are available for the following purposes:

	2016	2015
Organic Consumers Association:		
Fair World Project:		
University Students for Fair Trade	\$ 3,782	\$ 3,782
World Fair Trade Day sponsorship	67,085	27,497
General	28,810	70,178
	<u>\$ 99,677</u>	<u>\$ 101,457</u>

Temporarily restricted net assets were released from donor restriction as follows:

	2016	2015
Fair World Project:		
University Students for Fair Trade	\$ -	\$ 99
World Fair Trade Day sponsorship	55,412	61,868
General	483,353	406,123
	<u>\$ 538,765</u>	<u>\$ 468,090</u>

Note 8. Related Party Transactions

Via Organica (Organica) was established during 2009 to promote the development of ecological systems and sustainable agriculture, as well as to educate the Mexican public how to support such systems to maintain the health of individuals and of the environment. The CEO and Treasurer of the Board of Directors of Organica is the CEO of the Association. All other officers and board members of Organica are neither officers nor board members of the Association or the Fund. The Organizations contributed \$478,904 and \$719,083 to Organica during 2016 and 2015, respectively, for the funding and support of Organica programs. The amount is included as "projects and conferences" and "payroll costs and contract labor" program services expenses as presented in Note 6.



RSM US LLP

Independent Auditor's Report on the Supplementary Information

To the Boards of Directors
Organic Consumers Association and Combined Affiliates

We have audited the combined financial statements of Organic Consumers Association and Combined Affiliates as of and for the years ended December 31, 2016 and 2015, and have issued our report thereon, which contained an unmodified opinion on those combined financial statements. See Page 1. Our audits were performed for the purpose of forming an opinion on the combined financial statements as a whole. The supplementary information is presented for purposes of additional analysis and is not a required part of the combined 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 combined financial statements. The information has been subjected to the auditing procedures applied in the audits of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined 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 combined financial statements as a whole.

RSM US LLP

Duluth, Minnesota
August 17, 2017

Organic Consumers Association and Combined Affiliates

**Combining Statement of Financial Position
December 31, 2016**

	Organic Consumers Association	Fair World Project	Organic Consumers Fund	Regeneration International	Eliminations	Combined
Assets						
Current assets:						
Cash and cash equivalents	\$ 612,523	\$ 119,313	\$ 93,772	\$ -	\$ -	\$ 825,608
Receivables:						
Contributions, phone bank	89,613	-	34,188	-	-	123,801
Other contributions	233,962	116	18,044	-	-	252,122
From affiliate	-	-	-	90,563	(90,563)	-
Prepaid expenses	1,122	2,808	-	-	-	3,930
Total current assets	937,220	122,237	146,004	90,563	(90,563)	1,205,461
Investments	281,491	-	-	-	-	281,491
Property and equipment, net	566,481	-	-	-	-	566,481
Total assets	\$1,785,192	\$ 122,237	\$ 146,004	\$ 90,563	\$ (90,563)	\$ 2,053,433
Liabilities and Net Assets						
Current liabilities:						
Current maturities of long-term debt	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ 75,000
Accounts payable:						
Trade	78,248	3,810	4,979	-	-	87,037
Phone bank	25,522	-	9,352	-	-	34,874
To affiliate	90,563	-	-	-	(90,563)	-
Accrued expenses	39,201	-	-	-	-	39,201
Deferred revenue	-	18,750	-	-	-	18,750
Assets held for others	-	-	-	-	-	-
Total current liabilities	308,534	22,560	14,331	-	(90,563)	254,862
Long-term debt, less current maturities	-	-	-	-	-	-
Net assets	1,476,658	99,677	131,673	90,563	-	1,798,571
Total liabilities and net assets	\$1,785,192	\$ 122,237	\$ 146,004	\$ 90,563	\$ (90,563)	\$ 2,053,433

Organic Consumers Association and Combined Affiliates

**Combining Statement of Financial Position
December 31, 2015**

	Organic Consumers Association	Fair World Project	Organic Consumers Fund	Eliminations	Combined
Assets					
Current assets:					
Cash	\$ 324,391	\$ 154,102	\$ 244,147	\$ -	\$ 722,640
Receivables:					
Contributions, phone bank	124,146	-	34,596	-	158,742
Other contributions	361,642	324	29,902	-	391,868
Prepaid expenses	2,402	1,680	-	-	4,082
Total current assets	812,581	156,106	308,645	-	1,277,332
Property and equipment, net	486,246	475	-	-	486,721
Total assets	\$ 1,298,827	\$ 156,581	\$ 308,645	\$ -	\$ 1,764,053
Liabilities and Net Assets					
Current liabilities:					
Current maturities of long-term debt	\$ 75,000	\$ -	\$ -	\$ -	\$ 75,000
Accounts payable:					
Trade	56,295	5,124	3,000	-	64,419
Phone bank	9,543	-	4,962	-	14,505
Accrued expenses	740	-	-	-	740
Deferred revenue	-	50,000	-	-	50,000
Assets held for others	17,911	-	-	-	17,911
Total current liabilities	159,489	55,124	7,962	-	222,575
Long-term debt, less current maturities	75,000	-	-	-	75,000
Net assets	1,064,338	101,457	300,683	-	1,466,478
Total liabilities and net assets	\$ 1,298,827	\$ 156,581	\$ 308,645	\$ -	\$ 1,764,053

Organic Consumers Association and Combined Affiliates

**Combining Statement of Activities
Year Ended December 31, 2016**

	Organic Consumers Association	Fair World Project	Organic Consumers Fund	Regeneration International	Eliminations	Combined
Revenues and other support:						
Contributions:						
General	\$ 1,942,635	\$ 2,791	\$ 84,528	\$ 15,968	\$ (202,187)	\$ 1,843,735
Phone bank	343,191	-	151,960	-	-	495,151
Foundations and corporations	1,181,490	437,491	25,001	191,678	(50,000)	1,785,660
Sponsorship	-	95,000	-	-	-	95,000
Interest	800	-	261	-	-	1,061
Other	-	1,703	-	-	-	1,703
Total revenues and other support	3,468,116	536,985	261,750	207,646	(252,187)	4,222,310
Expenses:						
Program services	2,502,622	455,090	363,459	41,324	(211,750)	3,150,745
Fund raising	226,396	36,974	49,749	30,530	(10,109)	333,540
Management and general	326,778	46,701	17,552	45,229	(30,328)	405,932
Total expenses	3,055,796	538,765	430,760	117,083	(252,187)	3,890,217
Increase (decrease) in net assets	412,320	(1,780)	(169,010)	90,563	-	332,093
Net assets:						
Beginning of year	1,064,338	101,457	300,683	-	-	1,466,478
End of year	\$ 1,476,658	\$ 99,677	\$ 131,673	\$ 90,563	\$ -	\$ 1,798,571

Organic Consumers Association and Combined Affiliates

**Combining Statement of Activities
Year Ended December 31, 2015**

	Organic Consumers Association	Fair World Project	Organic Consumers Fund	Eliminations	Combined
Revenues and other support:					
Contributions:					
General	\$ 1,305,495	\$ 12,267	\$ 555,764	\$ (148,837)	\$ 1,724,689
Phone bank	543,666	-	111,338	-	655,004
Foundations and corporations	1,476,505	374,356	40,000	(222,602)	1,668,259
Sponsorship	-	80,000	-	-	80,000
Interest	764	-	495	-	1,259
Other	1,772	2,945	-	-	4,717
Total revenues and other support	3,328,202	469,568	707,597	(371,439)	4,133,928
Expenses:					
Program services	2,685,111	394,987	438,400	(341,671)	3,176,827
Fund raising	261,670	36,302	41,395	(7,442)	331,925
Management and general	401,717	36,801	29,340	(22,326)	445,532
Total expenses	3,348,498	468,090	509,135	(371,439)	3,954,284
(Decrease) increase in net assets	(20,296)	1,478	198,462	-	179,644
Net assets:					
Beginning of year	1,084,634	99,979	102,221	-	1,286,834
End of year	\$ 1,064,338	\$ 101,457	\$ 300,683	\$ -	\$ 1,466,478

Organic Consumers Association and Combined Affiliates

Schedules of Expenses

Year Ended December 31, 2016

	Organic Consumers Association			
	Program Services	Fund Raising	Management and General	Total
Advertising	\$ -	\$ 13,975	\$ -	\$ 13,975
Automobile	3,296	183	183	3,662
Bank charges	-	30,261	30,262	60,523
Computer	29,840	3,979	5,968	39,787
Contributions	221,250	-	-	221,250
Depreciation	19,065	2,542	3,813	25,420
Dues and subscriptions	11,851	5,925	5,925	23,701
Education/mobilization - phone bank	142,187	78,203	16,589	236,979
Insurance	3,194	426	639	4,259
Interest	5,643	753	1,129	7,525
Membership benefits	3,804	200	-	4,004
Miscellaneous	-	-	3,800	3,800
Occupancy	23,528	3,137	4,706	31,371
Office supplies	12,461	1,661	2,492	16,614
Payroll costs and contract labor	1,105,790	69,112	207,336	1,382,238
Postage and delivery	19,594	1,031	-	20,625
Printing and reproduction	47,447	2,497	-	49,944
Professional fees	11,937	-	35,811	47,748
Projects and conferences	666,329	-	-	666,329
Telephone	40,627	5,417	8,125	54,169
Travel	134,779	7,094	-	141,873
	<u>\$ 2,502,622</u>	<u>\$ 226,396</u>	<u>\$ 326,778</u>	<u>\$ 3,055,796</u>

	Fair World Project			
	Program Services	Fund Raising	Management and General	Total
Advertising	\$ -	\$ 10,735	\$ -	\$ 10,735
Bank charges	-	238	238	476
Computer	1,817	242	363	2,422
Contributions	7,223	-	-	7,223
Depreciation	356	48	71	475
Dues and subscriptions	859	429	429	1,717
Miscellaneous	-	-	412	412
Occupancy	11,805	1,574	2,361	15,740
Office supplies	22,363	2,982	4,473	29,818
Payroll costs and contract labor	199,751	12,485	37,454	249,690
Postage and delivery	11,921	627	-	12,548
Printing and reproduction	75,778	3,988	-	79,766
Professional fees	58,637	-	-	58,637
Projects and conferences	2,587	-	-	2,587
Telephone	4,501	600	900	6,001
Travel	57,492	3,026	-	60,518
	<u>\$ 455,090</u>	<u>\$ 36,974</u>	<u>\$ 46,701</u>	<u>\$ 538,765</u>

(Continued)

Organic Consumers Association and Combined Affiliates

**Schedules of Expenses (Continued)
Year Ended December 31, 2016**

	Organic Consumers Fund			
	Program Services	Fund Raising	Management and General	Total
Bank charges	\$ -	\$ 5,137	\$ 5,138	\$ 10,275
Contributions	274,164	-	-	274,164
Dues and subscriptions	2,087	1,044	1,044	4,175
Education/mobilization - phone bank	78,834	43,359	9,197	131,390
Office supplies	445	59	73	577
Payroll costs and contract labor	2,400	150	450	3,000
Professional fees	5,529	-	1,650	7,179
	<u>\$ 363,459</u>	<u>\$ 49,749</u>	<u>\$ 17,552</u>	<u>\$ 430,760</u>
	Regeneration International			
	Program Services	Fund Raising	Management and General	Total
Advertising	\$ -	\$ 27,872	\$ -	\$ 27,872
Bank charges	-	569	569	1,138
Miscellaneous	-	-	3,600	3,600
Occupancy	7,500	1,000	1,500	10,000
Office supplies	39	5	8	52
Printing and reproduction	13,704	721	-	14,425
Professional fees	13,184	-	39,552	52,736
Travel	6,897	363	-	7,260
	<u>\$ 41,324</u>	<u>\$ 30,530</u>	<u>\$ 45,229</u>	<u>\$ 117,083</u>

Organic Consumers Association and Combined Affiliates

**Schedules of Expenses
Year Ended December 31, 2015**

	Organic Consumers Association			
	Program Services	Fund Raising	Management and General	Total
Advertising	\$ -	\$ 2,349	\$ -	\$ 2,349
Automobile	6,604	367	367	7,338
Bank charges	-	27,564	27,564	55,128
Computer	17,472	2,330	3,494	23,296
Contributions	234,110	-	-	234,110
Depreciation	19,338	2,578	3,868	25,784
Dues and subscriptions	12,422	6,212	6,212	24,846
Education/mobilization - phone bank	250,799	137,939	29,260	417,998
Insurance	3,712	495	743	4,950
Interest	8,246	1,099	1,649	10,994
Membership benefits	3,182	168	-	3,350
Miscellaneous	-	-	10,824	10,824
Occupancy	21,607	2,881	4,321	28,809
Office supplies	14,724	1,963	2,945	19,632
Payroll costs and contract labor	926,017	57,876	173,628	1,157,521
Postage and delivery	7,276	383	-	7,659
Printing and reproduction	67,707	3,564	-	71,271
Professional fees	43,593	-	130,781	174,374
Projects and conferences	830,647	-	-	830,647
Telephone	30,306	4,041	6,061	40,408
Travel	187,349	9,861	-	197,210
	<u>\$ 2,685,111</u>	<u>\$ 261,670</u>	<u>\$ 401,717</u>	<u>\$ 3,348,498</u>

	Fair World Project			
	Program Services	Fund Raising	Management and General	Total
Advertising	\$ -	\$ 13,774	\$ -	\$ 13,774
Bank charges	-	265	266	531
Computer	1,513	202	303	2,018
Contributions	15,222	-	-	15,222
Depreciation	596	80	119	795
Dues and subscriptions	550	275	275	1,100
Occupancy	10,665	1,422	2,133	14,220
Office supplies	25,439	3,392	5,088	33,919
Payroll costs and contract labor	148,577	9,286	27,858	185,721
Postage and delivery	11,080	583	-	11,663
Printing and reproduction	64,409	3,390	-	67,799
Professional fees	45,287	-	-	45,287
Projects and conferences	8,445	-	-	8,445
Telephone	3,793	506	759	5,058
Travel	59,411	3,127	-	62,538
	<u>\$ 394,987</u>	<u>\$ 36,302</u>	<u>\$ 36,801</u>	<u>\$ 468,090</u>

(Continued)

Organic Consumers Association and Combined Affiliates

**Schedules of Expenses (Continued)
Year Ended December 31, 2015**

	Organic Consumers Fund			
	Program Services	Fund Raising	Management and General	Total
Bank charges	\$ -	\$ 13,763	\$ 13,764	\$ 27,527
Contributions	253,418	-	-	253,418
Dues and subscriptions	4,503	2,251	2,251	9,005
Education/mobilization - phone bank	42,930	23,611	5,008	71,549
Interest	37	5	8	50
Miscellaneous	-	-	25	25
Office supplies	401	53	80	534
Payroll costs and contract labor	26,400	1,650	4,950	33,000
Professional fees	109,526	-	3,254	112,780
Travel	1,185	62	-	1,247
	<u>\$ 438,400</u>	<u>\$ 41,395</u>	<u>\$ 29,340</u>	<u>\$ 509,135</u>