

**THE UNITED STATES SPORTSMEN'S
ALLIANCE FOUNDATION AND THE
UNITED STATES SPORTSMEN'S ALLIANCE
Columbus, Ohio**

CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2013

TABLE OF CONTENTS

December 31, 2013

	Page(s)
Independent Auditor's Report.....	1-2
Financial Statements	
Consolidated Statement of Financial Position	3-4
Consolidated Statement of Activities and Change in Net Assets	5
Consolidated Statement of Cash Flows	6
Notes to Consolidated Financial Statements.....	7-14
Supplemental Information	
Consolidated Statement of Functional Expenses	15
Consolidating Statement of Financial Position.....	16-17
Consolidating Statement of Activities and Change in Net Assets.....	18
Consolidating Statement of Functional Expenses of The United States Sportsmen's Alliance Foundation	19
Consolidating Statement of Functional Expenses of The United States Sportsmen's Alliance	20
Consolidating Statement of Cash Flows	21

To the Board of Directors of
The United States Sportsmen's Alliance Foundation
and The United States Sportsmen's Alliance

Independent Auditor's Report

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of The United States Sportsmen's Alliance Foundation and The United States Sportsmen's Alliance (Organizations) which comprise the consolidated statement of financial position as of December 31, 2013, and the related consolidated statements of activities and change in net assets and cash flows for the year 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 consolidated 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 consolidated 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 consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 principles used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of The United States Sportsmen's Alliance Foundation and The United States Sportsmen's Alliance as of December 31, 2013, and the results of their operations and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The accompanying supplemental information is presented for purposes of additional analysis and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements taken as a whole.

A handwritten signature in black ink that reads "John Gerlach & Company LLP". The signature is written in a cursive, flowing style.

Columbus, Ohio
September 4, 2014

THE UNITED STATES SPORTSMEN'S ALLIANCE FOUNDATION
AND THE UNITED STATES SPORTSMEN'S ALLIANCE

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As of December 31, 2013

	2013
<u>ASSETS</u>	
Current Assets:	
Cash and cash equivalents	\$ 758,945
Pledges receivable, net	387,105
Accounts receivable	16,906
Prize inventory	30,828
Other current assets	77,415
Total Current Assets	1,271,199
Investments	2,085,290
Long-term pledges receivable, net	209,629
Property and Equipment, at Cost:	
Land	744,773
Building and improvements	602,514
Furniture and fixtures	227,450
Computer equipment and software	365,662
Vehicles	2,048
	1,942,447
Less accumulated depreciation	841,557
Total Property and Equipment - net of depreciation	1,100,890
Other Assets:	
Trademark, net (\$4,379 accumulated amortization)	748
Beneficial interest in assets held by others	25,977
Deferred compensation arrangement	230,748
Total Other Assets	257,473
Total Assets	\$ 4,924,481

See Notes to Consolidated Financial Statements

THE UNITED STATES SPORTSMEN'S ALLIANCE FOUNDATION
AND THE UNITED STATES SPORTSMEN'S ALLIANCE

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As of December 31, 2013

	<u>2013</u>
<u>LIABILITIES AND NET ASSETS</u>	
Current Liabilities:	
Current portion capital lease	\$ 5,762
Accounts payable - trade	219,708
Accrued payroll and related taxes	384,484
Accrued employee vacation pay	26,166
Ohio Wetlands Project	1,329
Total Current Liabilities	<u>637,449</u>
Other Liabilities:	
Deferred compensation arrangement	230,748
Total Liabilities	<u>868,197</u>
Net Assets:	
Unrestricted	2,168,344
Temporarily restricted	489,212
Permanently restricted	1,398,728
Total Net Assets	<u>4,056,284</u>
Total Liabilities and Net Assets	<u><u>\$ 4,924,481</u></u>

See Notes to Consolidated Financial Statements

THE UNITED STATES SPORTSMEN'S ALLIANCE FOUNDATION
AND THE UNITED STATES SPORTSMEN'S ALLIANCE

CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS

For the Year Ended December 31, 2013

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Public Support and Revenue:				
Contributions	\$ 2,125,723	\$ 93,152	\$ -	\$ 2,218,875
Government grant	160,000	-	-	160,000
Special events	296,217	-	-	296,217
Investment income, net	240,521	59,176	-	299,697
Net assets released from restrictions	454,323	(454,323)	-	-
Total Public Support and Revenue	3,276,784	(301,995)	-	2,974,789
 Expenses:				
Program Services:				
Conservation and legislative research and monitoring	579,423	-	-	579,423
Education, research and information	1,189,270	-	-	1,189,270
Legal defense	282,141	-	-	282,141
Legislative services	301,740	-	-	301,740
Membership services	538,465	-	-	538,465
Total Program Services	2,891,039	-	-	2,891,039
 Support Services:				
Fundraising	553,315	-	-	553,315
Management and general	151,074	-	-	151,074
Total Support Services	704,389	-	-	704,389
Total Expenses	3,595,428	-	-	3,595,428
Change in Net Assets	(318,644)	(301,995)	-	(620,639)
 Net Assets:				
Beginning of Year	2,486,988	791,207	1,398,728	4,676,923
End of Year	\$ 2,168,344	\$ 489,212	\$ 1,398,728	\$ 4,056,284

See Notes to Consolidated Financial Statements

THE UNITED STATES SPORTSMEN'S ALLIANCE FOUNDATION
AND THE UNITED STATES SPORTSMEN'S ALLIANCE

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2013

	2013
Cash Flows from Operating Activities:	
Change in Net Assets	\$ (620,639)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:	
Net realized and unrealized gain on investments	(276,854)
Depreciation	51,189
Amortization	1,282
Changes in assets and liabilities:	
Pledges receivable	355,752
Accounts receivable	(13,528)
Other current assets	(14,838)
Prize inventory	9,135
Beneficial interest in assets held by others	(3,145)
Accounts payable - trade	37,677
Accrued payroll and related taxes	226,984
Accrued employee vacation pay	(7,485)
Deferred revenue	-
Net Cash Provided (Used) by Operating Activities	(254,470)
Cash Flows from Investing Activities:	
Sales of investments, net of purchases	223,909
Purchases of fixed assets	(64,359)
Capital lease payments	(13,014)
Net Cash Provided (Used) by Investing Activities	146,536
Net Decrease in Cash and Cash Equivalents	(107,934)
Cash and Cash Equivalents, Beginning of Year	866,879
Cash and Cash Equivalents, End of Year	\$ 758,945

See Notes to Consolidated Financial Statements

THE UNITED STATES SPORTSMEN'S ALLIANCE FOUNDATION
AND THE UNITED STATES SPORTSMEN'S ALLIANCE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2013

1. Organization and Purpose

The accompanying consolidated financial statements include the accounts of The United States Sportsmen's Alliance Foundation (USSAF) and The United States Sportsmen's Alliance (USSA) (collectively, Organizations). The Organizations were organized in 1978 as not-for-profit corporations in the State of Ohio. The United States Sportsmen's Alliance Foundation's purpose is to develop and provide information regarding wildlife resources, educate the public concerning the American heritages of hunting, fishing and trapping; participate in litigation to protect the beneficial pursuits of hunting, fishing and trapping; and provide financial and management assistance to organizations in several states and in other nations to achieve these purposes. The United States Sportsmen's Alliance's purposes are to educate wildlife sportsmen concerning their role in conservation and improvement of wildlife resources; promote legislation that will benefit wildlife resources, field sports, conservation programs and scientific wildlife management practices; and oppose legislation that is likely to be harmful to these causes.

2. Summary of Significant Accounting Policies

A summary of significant accounting policies consistently applied by management in the preparation of the accompanying financial statements follows:

Principles of Consolidation

All significant intercompany transactions have been eliminated in consolidation.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts 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.

Cash and Cash Equivalents

The Organizations consider all investments in debt securities with an initial maturity of three months or less to be cash equivalents. At times, the Organizations had cash deposits in excess of federally insured limits.

Investments

Investments in marketable securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets.

The Organizations invest in various types of investment securities. While the Organizations invest conservatively, investment securities are still exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of financial position.

Pledges Receivable

Provisions are made for estimated uncollectible pledges receivable. The Organizations' estimate of the allowance is based on historical collection experience and a review of current status of pledges receivable and judgment. The provision for uncollectible pledges receivable is \$50,000 as of December 31, 2013. Decisions to charge-off receivables are based on management's judgment after consideration of facts and circumstances surrounding potential uncollectible accounts.

THE UNITED STATES SPORTSMEN'S ALLIANCE FOUNDATION
AND THE UNITED STATES SPORTSMEN'S ALLIANCE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2013

2. Summary of Significant Accounting Policies (Continued)

Property and Equipment

Depreciation is provided on the straight-line method over estimated useful lives of the assets. Repairs and maintenance that do not extend the useful lives of the applicable assets are charged to expense as incurred.

Classification of Net Assets

Resources are classified into categories according to the presence of donor imposed restrictions.

Revenues

The Organizations' primary sources of revenue are contributions and special events revenue. The Organizations have adopted the following accounting policies with respect to revenues:

- (a) Contributions are recorded as unrestricted, temporarily restricted or permanently restricted support, depending on the existence and nature of any donor-imposed restrictions at the time an unconditional promise to give is received. It is the policy of the Organizations to report contributions received that have donor-imposed restrictions as unrestricted support when the restrictions are met within the same reporting period in which the contributions are received.
- (b) Special events revenue and the cost of special events are recognized as funds are received and as costs are incurred. In addition, all costs of prizes are accrued for events substantially completed at year-end.

In-Kind Contributions

Significant items are donated to the Organizations by various individuals and organizations. Donated items amounted to \$56,495 in 2013, and are recorded as revenues at their estimated fair value at the date of donation.

Federal Income Tax

USSAF and USSA are exempt from federal income tax as organizations described in Section 501(c)(3) and Section 501(c)(4) of the Internal Revenue Code, respectively. USSAF is not a private foundation under Section 509(a)(1) of the Internal Code.

The Organizations have adopted the provisions of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) relating to uncertain tax positions. The Organizations do not believe their financial statements include any uncertain tax positions. With few exceptions, the Organizations are no longer subject to U.S. federal or state and local tax examinations by tax authorities for years before 2010.

THE UNITED STATES SPORTSMEN'S ALLIANCE FOUNDATION
AND THE UNITED STATES SPORTSMEN'S ALLIANCE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2013

3. Investments

Investments at December 31, 2013 are stated at fair value and are composed of the following:

	<u>Investments</u>	<u>Endowment</u>	<u>Total</u>
Common stocks	\$ 512,105	\$ 918,214	\$ 1,430,319
Government bonds	274,154	202,281	476,435
Corporate bonds	-	133,794	133,794
Money market accounts	-	44,742	44,742
Total	<u>\$ 786,259</u>	<u>\$ 1,299,031</u>	<u>\$ 2,085,290</u>

Investment income for the year ended December 31, 2013 is summarized as follows:

Interest and dividends	\$ 47,377
Net realized and unrealized gain	276,854
Increase in beneficial interest in assets held by others	3,145
Investment fees	(27,679)
Total	<u>\$ 299,697</u>

4. Fair Value Measurements

In accordance with the Fair Value Measurements and Disclosures Topic of the FASB ASC, all financial instruments that are being measured and reported on a fair value basis must be classified and disclosed in one of the following three categories:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organizations have the ability to access.

Level 2: Inputs to the valuation methodology include: quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, inputs other than quoted prices that are observable for the asset or liability, inputs that are derived principally from or corroborated by observable market data by correlation or other means, and if the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

THE UNITED STATES SPORTSMEN'S ALLIANCE FOUNDATION
AND THE UNITED STATES SPORTSMEN'S ALLIANCE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2013

4. Fair Value Measurements (continued)

Assets measured at fair value on a recurring basis at December 31, 2013 were as follows:

Description	Total	Level 1	Level 2	Level 3
Common stocks	\$ 1,430,319	\$ 1,430,319	\$ -	\$ -
Government bonds	476,435	476,435	-	-
Corporate bonds	133,794	133,794	-	-
Money market accounts	44,742	44,742	-	-
Beneficial interest in assets held by others	25,977	-	25,977	-
Deferred compensation arrangement	230,748	230,748	-	-
Total	\$ <u>2,342,015</u>	\$ <u>2,316,038</u>	\$ <u>25,977</u>	\$ <u>-</u>

The level 2 assets listed above were valued using the market approach and were determined using quoted market prices of similar assets.

5. Pledges Receivable

Pledges receivable at December 31, 2013 consist of the following:

Gross pledges receivable	\$ 662,905
Less: Allowance for uncollectible pledges receivable	(50,000)
Unamortized discount	(16,171)
Total	\$ <u>596,734</u>
Amounts due in:	
Less than one year	\$ 387,105
One to five years	209,377
Thereafter	252
Total	\$ <u>596,734</u>

The pledges receivable that are due in excess of one year of the date of the statement of financial position are discounted using a 5% interest rate.

6. Deferred Compensation Arrangement

The Organizations have a deferred compensation arrangement for certain members of management, payable upon retirement, death or termination of employment. A liability has been established to equal the asset's fair market value.

THE UNITED STATES SPORTSMEN'S ALLIANCE FOUNDATION
AND THE UNITED STATES SPORTSMEN'S ALLIANCE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2013

7. Unrestricted Net Assets

Unrestricted net assets at December 31, 2013 are composed of the following:

Unrestricted:

Undesignated \$ 2,168,344

8. Temporarily Restricted Net Assets

Temporarily restricted net assets at December 31, 2013 are available for the following purpose:

Time Restricted \$ 489,212

During 2013, \$395,147 of unconditional promises to give, recognized as temporarily restricted net assets in the year the promise was made, were released from restrictions due to the passage of time. In addition to time restricted assets, there was \$59,176 of endowment investment income, recognized as temporarily restricted net assets that were released from restrictions as a result of the Organizations' endowment spending policy.

9. Permanently Restricted Net Assets

Permanently restricted net assets are restricted to investment in perpetuity, the income from which is expendable. Permanently restricted net assets at December 31, 2013 are composed of the following:

Operation Conservation Endowment \$ 1,398,728

Operation Conservation Endowment exists to provide a permanent financial base to promote hunting, fishing and trapping to the general public and to encourage participation in the same.

10. Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

THE UNITED STATES SPORTSMEN'S ALLIANCE FOUNDATION
AND THE UNITED STATES SPORTSMEN'S ALLIANCE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2013

11. Endowment Funds

The Organizations' endowment consists of six individual funds established for a variety of purposes. Its endowment includes only donor-restricted endowment funds. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The Board of Directors of the Organizations have interpreted the State of Ohio's Uniform Prudent Management Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organizations classify as permanently restricted net assets the original value of gifts donated to the permanent endowment and the original value of subsequent gifts to the permanent endowment. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Organizations in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Organizations consider the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the donor-restricted endowment fund
- (2) The purposes of the Organizations and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of the Organizations
- (7) The investment policies of the Organizations

Endowment Net Asset Composition by Type of Fund:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets (deficit), beginning of year	\$ (233,454)	\$ -	\$ 1,398,728	\$ 1,165,274
Investment return:				
Dividends and interest	-	27,888	-	27,888
Net realized and unrealized gain (loss) on investments	133,757	31,288	-	165,045
Total investment return	<u>133,757</u>	<u>59,176</u>	<u>-</u>	<u>192,933</u>
Appropriation of endowment assets for expenditure	-	(59,176)	-	(59,176)
Endowment net assets (deficit), end of year	<u>\$ (99,697)</u>	<u>\$ -</u>	<u>\$ 1,398,728</u>	<u>\$ 1,299,031</u>

THE UNITED STATES SPORTSMEN'S ALLIANCE FOUNDATION
AND THE UNITED STATES SPORTSMEN'S ALLIANCE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2013

11. Endowment Funds (Continued)

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Organizations to retain as a fund of perpetual duration. In accordance with accounting principles generally accepted in the United States of America, deficiencies of this nature that are reported in unrestricted net assets were \$99,697 as of December 31, 2013. These deficiencies resulted from unfavorable market fluctuations that occurred shortly after the investment of new permanently restricted contributions and continued appropriation for certain programs that was deemed prudent by the Board of Directors.

Return Objectives and Risk Parameters

The Organizations have adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by their endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Organizations must hold in perpetuity or for a donor-specified period(s). Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce an average rate of return of approximately 8 percent annually after fees, while assuming a moderate level of investment risk. Actual returns in any given year may vary from this amount.

Strategies Employed for Achieving Objectives

To satisfy their long-term rate-of-return objectives, the Organizations rely on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest & dividends). The Organizations target a diversified asset allocation that places a greater emphasis on equity-based investments to achieve their long-term return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Organizations have a policy of appropriating for distribution each year 5 percent of their endowment fund's average fair value of the prior 3 years through the calendar year-end preceding the fiscal year in which the distribution is planned. In establishing this policy, the Organizations considered the long-term expected return on their endowment. Accordingly, over the long term, the Organizations expect the current spending policy to allow their endowment to grow at an average of 3 percent annually. This is consistent with the Organizations' objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

THE UNITED STATES SPORTSMEN'S ALLIANCE FOUNDATION
AND THE UNITED STATES SPORTSMEN'S ALLIANCE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2013

12. Lease Commitments

The Organizations lease office equipment and automobiles under operating lease agreements. Lease expense was \$27,921 for 2013.

At December 31, 2013, the future minimum lease commitments under noncancelable operating leases are as follows:

Year Ending December 31:	Amount
2014	\$ 19,344
2015	19,344
2016	19,344
2017	19,344
Total	\$ 77,376

13. Capital Leases

The Organizations have a capital lease obligation for computer equipment at a cost of \$37,487 which is included in computer equipment and software. The asset is depreciated over its estimated useful life and depreciation of this asset is included in depreciation expense.

As of December 31, 2013, the future minimum lease payments are as follows:

Year Ending December 31:	Amount
2014	\$ 5,887
Total payable	5,887
Amount representing interest	125
Principal value of future lease payments	\$ 5,762

14. Pension Plan

The Organizations participate in a defined contribution pension plan for their shared employees, as well as a voluntary salary deferral program. For those who contribute at least 2% of their salary to the salary deferral program, the Organizations contribute 50% of the employee's contribution, not to exceed \$1,000 per year. The cost of these benefits to the Organizations was \$100,643 for 2013. The defined contribution pension plan was terminated on December 31, 2013.

15. Subsequent Events

Subsequent events have been evaluated through September 4, 2014, which is the date that the consolidated financial statements were issued.

THE UNITED STATES SPORTSMEN'S ALLIANCE FOUNDATION
AND THE UNITED STATES SPORTSMEN'S ALLIANCE

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2013

	Program Services					Support Services		Total
	Conservation Research	Education and Information	Legal Defense	Legislative Services	Membership Services	Fund- Raising	Management and General	
Expenses:								
Salaries, payroll taxes and employee benefits	\$ 316,475	\$ 580,162	\$ 72,235	\$ 95,370	\$ 322,342	\$ 224,920	\$ 125,929	\$ 1,737,433
Professional services	114,338	126,153	197,376	117,231	54,663	19,522	3,638	632,921
Contributions	-	34,000	1	25,000	-	-	-	59,001
Promotion	31,018	105,728	1,464	1,811	61,961	21,320	2,348	225,650
Travel	66,554	162,246	85	15,252	11,786	9,289	140	265,352
Office supplies, postage and equipment rental	21,229	101,336	4,185	6,949	40,391	34,737	8,405	217,232
Sweepstakes and special events	-	243	-	-	182	190,670	-	191,095
Depreciation and amortization	7,237	20,775	2,900	718	8,783	8,793	3,265	52,471
Printing	7,860	14,388	195	349	17,098	27,089	56	67,035
Office occupancy costs	9,508	29,069	2,375	2,797	13,836	10,970	5,119	73,674
Telephone	4,118	12,898	1,047	1,307	5,876	4,749	1,718	31,713
Dues and subscriptions	1,086	2,272	278	34,956	1,547	1,256	456	41,851
Total Expenses	<u>\$ 579,423</u>	<u>\$ 1,189,270</u>	<u>\$ 282,141</u>	<u>\$ 301,740</u>	<u>\$ 538,465</u>	<u>\$ 553,315</u>	<u>\$ 151,074</u>	<u>\$ 3,595,428</u>

THE UNITED STATES SPORTSMEN'S ALLIANCE FOUNDATION
AND THE UNITED STATES SPORTSMEN'S ALLIANCE

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

As of December 31, 2013

	<u>ASSETS</u>			
	<u>USSAF</u>	<u>USSA</u>	<u>Eliminations</u>	<u>Totals</u>
Current Assets:				
Cash and cash equivalents	\$ 706,664	\$ 52,281	\$ -	\$ 758,945
Pledges receivable, net	384,735	2,370	-	387,105
Accounts receivable - affiliate	85,261	-	(85,261)	-
Accounts receivable	806	16,100	-	16,906
Prize inventory	-	30,828	-	30,828
Other current assets	56,450	20,965	-	77,415
Total Current Assets	<u>1,233,916</u>	<u>122,544</u>	<u>(85,261)</u>	<u>1,271,199</u>
Investments	<u>2,085,290</u>	<u>-</u>	<u>-</u>	<u>2,085,290</u>
Long-term pledges receivable	<u>205,077</u>	<u>4,552</u>	<u>-</u>	<u>209,629</u>
Property and Equipment, at Cost:				
Land	744,773	-	-	744,773
Building and improvements	602,514	-	-	602,514
Furniture and fixtures	227,450	-	-	227,450
Computer equipment and software	348,344	17,318	-	365,662
Vehicles	2,048	-	-	2,048
	<u>1,925,129</u>	<u>17,318</u>	<u>-</u>	<u>1,942,447</u>
Less accumulated depreciation	830,012	11,545	-	841,557
Total Property and Equipment - Net of Depreciation	<u>1,095,117</u>	<u>5,773</u>	<u>-</u>	<u>1,100,890</u>
Other Assets:				
Trademark, net (\$3,097 accumulated amortization)	748	-	-	748
Beneficial interest in assets held by others	25,977	-	-	25,977
Deferred compensation arrangement	230,748	-	-	230,748
Total Other Assets	<u>257,473</u>	<u>-</u>	<u>-</u>	<u>257,473</u>
Total Assets	<u>\$ 4,876,873</u>	<u>\$ 132,869</u>	<u>\$ (85,261)</u>	<u>\$ 4,924,481</u>

THE UNITED STATES SPORTSMEN'S ALLIANCE FOUNDATION
AND THE UNITED STATES SPORTSMEN'S ALLIANCE

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

As of December 31, 2013

LIABILITIES AND NET ASSETS

	USSAF	USSA	Eliminations	Totals
Current Liabilities:				
Current portion capital lease	\$ 5,762	\$ -	\$ -	\$ 5,762
Accounts payable - trade	219,708	-	-	219,708
Accounts payable - affiliate	-	85,261	(85,261)	-
Accrued payroll and related taxes	255,889	128,595	-	384,484
Accrued employee vacation pay	17,748	8,418	-	26,166
Ohio Wetlands Project	1,329	-	-	1,329
Deferred revenue	-	-	-	-
	500,436	222,274	(85,261)	637,449
Other Liabilities:				
Deferred compensation arrangement	230,748	-	-	230,748
	731,184	222,274	(85,261)	868,197
Net Assets:				
Unrestricted	2,257,749	(89,405)	-	2,168,344
Temporarily restricted	489,212	-	-	489,212
Permanently restricted	1,398,728	-	-	1,398,728
	4,145,689	(89,405)	-	4,056,284
Total Liabilities and Net Assets	\$ 4,876,873	\$ 132,869	\$ (85,261)	\$ 4,924,481

THE UNITED STATES SPORTSMEN'S ALLIANCE FOUNDATION
AND THE UNITED STATES SPORTSMEN'S ALLIANCE

CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS

For the Year Ended December 31, 2013

	Unrestricted			Total	Temporarily Restricted	Permanently Restricted	Total
	USSAF	USSA	Eliminations		USSAF	USSAF	
Public Support and Revenue:							
Contributions	\$ 1,396,978	\$ 1,089,122	\$ (360,377)	\$ 2,125,723	\$ 93,152	\$ -	\$ 2,218,875
Government grant	160,000	-	-	160,000	-	-	160,000
Special events	17,302	278,915	-	296,217	-	-	296,217
Investment income, net	240,520	1	-	240,521	59,176	-	299,697
Net assets released from restrictions	454,323	-	-	454,323	(454,323)	-	-
Total Public Support and Revenue	<u>2,269,123</u>	<u>1,368,038</u>	<u>(360,377)</u>	<u>3,276,784</u>	<u>(301,995)</u>	<u>-</u>	<u>2,974,789</u>
Expenses:							
Program Services:							
Conservation and legislative research and monitoring	382,878	241,863	(45,318)	579,423	-	-	579,423
Education, research and information	1,041,195	194,636	(46,561)	1,189,270	-	-	1,189,270
Legal defense	503,041	-	(220,900)	282,141	-	-	282,141
Legislative services	-	304,969	(3,229)	301,740	-	-	301,740
Membership services	237,876	308,586	(7,997)	538,465	-	-	538,465
Total Program Services	<u>2,164,990</u>	<u>1,050,054</u>	<u>(324,005)</u>	<u>2,891,039</u>	<u>-</u>	<u>-</u>	<u>2,891,039</u>
Support Services:							
Fundraising	223,813	365,537	(36,035)	553,315	-	-	553,315
Management and general	92,453	58,958	(337)	151,074	-	-	151,074
Total Support Services	<u>316,266</u>	<u>424,495</u>	<u>(36,372)</u>	<u>704,389</u>	<u>-</u>	<u>-</u>	<u>704,389</u>
Total Expenses	<u>2,481,256</u>	<u>1,474,549</u>	<u>(360,377)</u>	<u>3,595,428</u>	<u>-</u>	<u>-</u>	<u>3,595,428</u>
Change in Net Assets	<u>(212,133)</u>	<u>(106,511)</u>	<u>-</u>	<u>(318,644)</u>	<u>(301,995)</u>	<u>-</u>	<u>(620,639)</u>
Net Assets:							
Beginning of Year	2,469,882	17,106	-	2,486,988	791,207	1,398,728	4,676,923
End of Year	<u>\$ 2,257,749</u>	<u>\$ (89,405)</u>	<u>\$ -</u>	<u>\$ 2,168,344</u>	<u>\$ 489,212</u>	<u>\$ 1,398,728</u>	<u>\$ 4,056,284</u>

THE UNITED STATES SPORTSMEN'S ALLIANCE FOUNDATION

CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2013

	Program Services				Support Services		Total
	Conservation Research	Education and Information	Legal Defense	Membership Services	Fund- Raising	Management and General	
Expenses:							
Salaries, payroll taxes and employee benefits	\$ 197,094	\$ 490,563	\$ 72,235	\$ 144,647	\$ 130,457	\$ 77,180	\$ 1,112,176
Professional services	82,311	64,471	197,376	26,650	13,077	2,262	386,147
Contributions	40,800	77,300	220,900	-	-	-	339,000
Promotion	3,143	102,825	1,464	27,439	16,522	1,423	152,816
Travel	35,801	137,902	85	7,414	6,464	85	187,751
Office supplies, postage and equipment rental	9,040	94,350	4,185	13,333	15,330	4,901	141,139
Sweepstakes and special events	-	62	-	-	13,032	-	13,094
Depreciation and amortization	6,211	20,043	2,900	6,939	7,715	2,891	46,699
Printing	424	14,140	195	2,352	11,246	30	28,387
Office occupancy costs	5,208	26,043	2,375	5,919	6,439	2,363	48,347
Telephone	2,250	11,574	1,047	2,518	2,792	1,041	21,222
Dues and subscriptions	596	1,922	279	665	739	277	4,478
Total Expenses	<u>\$ 382,878</u>	<u>\$ 1,041,195</u>	<u>\$ 503,041</u>	<u>\$ 237,876</u>	<u>\$ 223,813</u>	<u>\$ 92,453</u>	<u>\$ 2,481,256</u>

THE UNITED STATES SPORTSMEN'S ALLIANCE

CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2013

	Program Services				Support Services		Total
	Research and Information	Legislative Research and Monitoring	Legislative Services	Membership Services	Fund- Raising	Management and General	
Expenses:							
Salaries, payroll taxes and employee benefits	\$ 119,381	\$ 89,599	\$ 95,370	\$ 177,694	\$ 94,463	\$ 48,749	\$ 625,256
Professional services	32,027	61,682	117,230	28,014	6,445	1,376	246,774
Contributions	-	-	25,000	-	-	-	25,000
Promotion	27,876	2,903	1,811	34,522	4,798	925	72,835
Travel	30,754	24,343	15,252	4,372	2,825	55	77,601
Office supplies, postage and equipment rental	12,187	6,985	6,949	27,060	19,407	3,503	76,091
Sweepstakes and special events	-	182	-	182	209,068	-	209,432
Depreciation	1,026	733	718	1,843	1,078	375	5,773
Printing	7,436	248	349	14,746	15,843	25	38,647
Office occupancy costs	8,817	6,278	6,035	15,911	9,137	3,096	49,274
Telephone	1,868	1,333	1,299	3,360	1,957	674	10,491
Dues and subscriptions	491	350	34,956	882	516	180	37,375
Total Expenses	<u>\$ 241,863</u>	<u>\$ 194,636</u>	<u>\$ 304,969</u>	<u>\$ 308,586</u>	<u>\$ 365,537</u>	<u>\$ 58,958</u>	<u>\$ 1,474,549</u>

THE UNITED STATES SPORTSMEN'S ALLIANCE FOUNDATION
AND THE UNITED STATES SPORTSMEN'S ALLIANCE

CONSOLIDATING STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2013

	<u>USSAF</u>	<u>USSA</u>	<u>Eliminations</u>	<u>Totals</u>
Cash Flows from Operating Activities:				
Change in Net Assets	\$ (514,128)	\$ (106,511)	\$ -	\$ (620,639)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:				
Net realized and unrealized (gain) loss	(276,854)	-	-	(276,854)
Depreciation	45,416	5,773	-	51,189
Amortization	1,282	-	-	1,282
Changes in assets and liabilities:				
Pledges receivable	358,895	(3,143)	-	355,752
Accounts receivable	2,572	(16,100)	-	(13,528)
Other current assets	(15,487)	649	-	(14,838)
Prize inventory	-	9,135	-	9,135
Beneficial interest in assets held by others	(3,145)	-	-	(3,145)
Accounts payable - trade	37,677	-	-	37,677
Accrued payroll and related taxes	181,338	45,646	-	226,984
Accrued employee vacation pay	3,390	(10,875)	-	(7,485)
Net Cash Provided (Used) by Operating Activities	<u>(179,044)</u>	<u>(75,426)</u>	<u>-</u>	<u>(254,470)</u>
Cash Flows from Investing Activities:				
Sales of investments, net of purchases	223,909	-	-	223,909
Purchases of fixed assets	(64,359)	-	-	(64,359)
Advances to affiliate, net	(69,993)	-	69,993	-
Capital lease payments	(13,014)	-	-	(13,014)
Net Cash Provided (Used) by Investing Activities	<u>76,543</u>	<u>-</u>	<u>69,993</u>	<u>146,536</u>
Cash Flows from Financing Activities:				
Advances from affiliate, net	-	69,993	(69,993)	-
Net Cash Provided (Used) by Financing Activities	<u>-</u>	<u>69,993</u>	<u>(69,993)</u>	<u>-</u>
Net Decrease in Cash and Cash Equivalents	<u>(102,501)</u>	<u>(5,433)</u>	<u>-</u>	<u>(107,934)</u>
Cash and Cash Equivalents, Beginning of Year	809,165	57,714	-	866,879
Cash and Cash Equivalents, End of Year	<u>\$ 706,664</u>	<u>\$ 52,281</u>	<u>\$ -</u>	<u>\$ 758,945</u>