

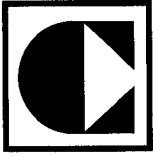
FINANCIAL STATEMENTS AND  
INDEPENDENT ACCOUNTANT'S REVIEW REPORT

**2SEEDS NETWORK, INC.**

December 31, 2013

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**INDEPENDENT ACCOUNTANT'S REVIEW REPORT**

To the Board of Directors  
2Seeds Network, Inc.

We have reviewed the accompanying balance sheet of 2Seeds Network, Inc. (a nonprofit organization) as of December 31, 2013, and the related statements of activities, cash flows and functional expenses for the year then ended. A review consists primarily of applying analytical procedures to management's financial data and making inquiries of the Organization's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the reviews in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

*Douglas Corey & Associates, P.C.*

October 14, 2014

**2Seeds Network, Inc.**

**Balance Sheet**

**December 31, 2013**

(See Independent Accountant's Review Report and notes to financial statements)

**Assets**

Current Assets	
Cash and cash equivalents	\$ 76,952
Accounts receivable	<u>7</u>
Total current assets	76,959
Vehicle, net of accumulated depreciation of \$8,759	<u>-</u>
	<u><u>\$ 76,959</u></u>

**Liabilities and Net Assets**

Current Liabilities	
Accounts payable	\$ 6,985
Loan from directors	<u>30,000</u>
Total current liabilities	36,985
Net Assets	
Unrestricted	39,974
Temporarily restricted	<u>-</u>
	<u>39,974</u>
	<u><u>\$ 76,959</u></u>

**2Seeds Network, Inc.**  
**Statement of Activities**  
**For the year ended December 31, 2013**  
(See Independent Accountant's Review Report and notes to financial statements)

	<b>Unrestricted</b>	<b>Temporarily restricted</b>	<b>Total</b>
Revenues and Other Support:			
Contributions	\$ 165,878	\$ 203,144	\$ 369,022
In Kind contributions	48,003	-	48,003
Special event income	71,885	-	71,885
Net assets released from restrictions:			
Satisfaction of program restrictions	<u>203,144</u>	<u>(203,144)</u>	<u>-</u>
Total Revenues and Other Support	488,910	-	488,910
Expenses:			
Program expenses	324,285	-	324,285
Supporting services			
Management and General	111,390	-	111,390
Fundraising	7,636	-	7,636
Special event expense	<u>52,004</u>	<u>-</u>	<u>52,004</u>
Total Expenses	<u>495,315</u>	<u>-</u>	<u>495,315</u>
Change in Net Assets	(6,405)	-	(6,405)
Net Assets, beginning of year	<u>46,379</u>	<u>-</u>	<u>46,379</u>
Net Assets, end of year	<u>\$ 39,974</u>	<u>\$ -</u>	<u>\$ 39,974</u>

**2Seeds Network, Inc.**  
**Statement of Cash Flows**  
**For the year ended December 31, 2013**  
(See Independent Accountant's Review Report and notes to financial statements)

	<b>2014</b>
Cash flows from operating activities:	
Change in net assets	\$ (6,405)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Increase (decrease) in accounts payable	3,965
Increase (decrease) in accrued salaries	<u>(10,550)</u>
Net cash provided (used) by operating activities	(12,990)
Cash flows from financing activities:	
Proceeds from loan from directors	33,000
Repayment of loan from directors	<u>(3,000)</u>
Net cash provided (used) by financing activities	<u>30,000</u>
Net increase (decrease) in cash and cash equivalents	17,010
Cash, beginning of year	<u>59,941</u>
Cash, end of year	<u><u>\$ 76,951</u></u>
Supplemental disclosures:	
Items donated for special events	\$ 48,003
Special event expense	<u>(48,003)</u>
	<u><u>\$ -</u></u>
Cash paid during the year for:	
Income taxes	<u><u>\$ -</u></u>
Interest expense	<u><u>\$ -</u></u>

**2Seeds Network, Inc.**  
**Statement of Functional Expenses**  
**For the year ended December 31, 2013**  
(See Independent Accountant's Review Report and notes to financial statements)

**Supporting Services**

	<b><u>Program Services</u></b>	<b><u>Management and General</u></b>	<b><u>Fundraising</u></b>	<b><u>Total Expense</u></b>
Salaries	\$ 93,510	\$ 70,000	\$ -	\$ 163,510
In-country project expense	134,614	-	-	134,614
Project travel	57,528	-	-	57,528
Recruiting and training	18,188	-	-	18,188
Accounting	-	15,802	-	15,802
Payroll taxes	4,035	6,582	-	10,617
Project supplies	9,802	-	-	9,802
Rent - in-country	5,160	-	-	5,160
Office expense	-	4,559	-	4,559
Rent - office	-	4,403	-	4,403
Direct fundraising expense	-	-	4,327	4,327
Bank/processing fees	-	1,421	2,329	3,750
Insurance	-	3,349	-	3,349
Local travel	-	2,307	980	3,287
Fines and penalties	-	1,667	-	1,667
Alumni support	1,448	-	-	1,448
Payroll processing	-	1,300	-	1,300
	<u>\$ 324,285</u>	<u>\$ 111,390</u>	<u>\$ 7,636</u>	<u>\$ 443,311</u>

**2Seeds Network, Inc.**  
**Notes to Financial Statements**  
**December 31, 2013**  
(See Independent Accountant's Review Report)

**Note A - Nature of Organization**

2Seeds Network, Inc. (2Seeds) is a non-profit corporation founded in 2010 to serve agricultural development projects in Africa. 2Seeds addresses the issue of food and income security in the developing world by recruiting and placing teams of young people to train rural Tanzanian farmers in agricultural best practices and market access. At every step, 2Seeds encourages project leaders to embrace independent decision making, enforce financial accountability and humbly seek a deep and sincere partnership with the local African community.

**Note B - Summary of Accounting Policies**

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

1. Method of Accounting

2Seeds's financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. Consequently, revenues are recognized when earned and expenses are recognized when incurred.

2. Financial Statement Presentation

2Seeds is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. In addition, 2Seeds is required to present a statement of cash flows. For the year ended December 31, 2013, 2Seeds had no temporarily or permanently restricted net assets.

3. Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted by the donor for specific purposes are reported as temporarily restricted support that increases that net asset class.

4. Functional Expenses

Expenses are identified to a specific program or support service and are charged directly according to their natural expenditure classification. Supporting services include all expenses incurred in the operation of 2Seeds.



**2Seeds Network, Inc.**  
**Notes to Financial Statements**  
**December 31, 2013**  
(See Independent Accountant's Review Report)

**Note B - Summary of Accounting Policies, continued**

5. Income Taxes

2Seeds is exempt from income taxes on all activities directly related to its exempt purpose under the Internal Revenue Service Code Section 501(c)(3). 2Seeds is liable for income taxes on unrelated business income. There was no taxable net unrelated business income for the year December 31, 2013. Accordingly, no provision for income taxes has been made in these financial statements.

2Seeds evaluated its tax positions and determined it has no uncertain tax positions as of December 31, 2013. 2Seeds's 2011 through 2013 tax years are open for examination by federal taxing authorities.

6. Cash and Cash Equivalents

For purposes of the statement of cash flows, 2Seeds considers all highly liquid instruments purchased with a maturity of three months or less to be cash and cash equivalents.

7. Use of Estimates

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

**Note C – Major Support**

For the year ended December 31, 2013, contributions from one donor comprises approximately 10% of total revenue and support for the year. Special event income comprised approximately 14% of total revenue and support for the year.

**Note D – Operating Lease**

During 2012, 2Seeds entered into an operating lease for office space. The space is leased on a month-to-month basis. Rent expense for the office for the year ended December 31, 2013 totaled \$4,403.

**2Seeds Network, Inc.**  
**Notes to Financial Statements**  
**December 31, 2013**  
(See Independent Accountant's Review Report)

**Note E – Related Party Transactions**

During the year ended December 31, 2013, 2Seeds received a \$20,000 contribution from the Chairman of the Board and \$29,794 from family members of the Chairman of the Board. Board members loaned the organization \$33,000 during the year ended December 31, 2013. Repayments during the year totaled \$3,000. The balance of the loans as of December 31, 2013 totaled \$30,000. None of the loans bear interest.

**Note F – In-kind and Non-cash Contributions**

Contributions of donated non-cash assets are recorded at their fair market values in the period received. During the year ended December 31, 2013, items valued at \$48,003 were donated for special events.

Many volunteers have contributed numerous hours to support 2Seeds's programs. However, these hours do not meet the requirements to be recorded as revenue and expense under SFAS 116.

**Note G – Evaluation of Subsequent Events**

2Seeds has evaluated subsequent events through October 14, 2014, the date which the financial statements were available to be issued.