

NATIONAL SPACE SOCIETY

AUDITED FINANCIAL STATEMENTS

For the Years Ended December 31, 2012 and 2011

NATIONAL SPACE SOCIETY
AUDITED FINANCIAL STATEMENTS
December 31, 2012 and 2011

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INDEPENDENT AUDITORS' REPORT

Board of Directors
National Space Society
Washington, DC

We have audited the accompanying financial statements of the **National Space Society** (a nonprofit organization), which comprise the statements of financial position as of December 31, 2012 and 2011, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in circumstances, but not for the purpose of expressing an opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the **National Space Society** as of December 31, 2012 and 2011, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements taken as a whole. The schedules of functional expenses on pages 15-16 are presented for purposes of additional analysis and are not a required part of the 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 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.

Sydney Pettit of Coyle, P.A.

Rockville, Maryland
May 15, 2013

NATIONAL SPACE SOCIETY
STATEMENTS OF FINANCIAL POSITION
December 31, 2012 and 2011

ASSETS

CURRENT ASSETS	<u>2012</u>	<u>2011</u>
Cash and cash equivalents -- NOTES A, B and D	\$ 86,922	\$ 42,857
Accounts receivable, net -- NOTE A	25,463	41,595
Prepaid expenses	<u>233</u>	<u>1,046</u>
TOTAL CURRENT ASSETS	<u>112,618</u>	<u>85,498</u>
 PROPERTY AND EQUIPMENT -- NOTE A		
Computers and office equipment	1,612	0
Less: Accumulated depreciation	<u>(537)</u>	<u>0</u>
TOTAL PROPERTY AND EQUIPMENT	1,075	0
 OTHER ASSETS		
Investments -- NOTES A, C, and D	<u>72,265</u>	<u>70,803</u>
TOTAL ASSETS	<u>\$ 185,958</u>	<u>\$ 156,301</u>
 LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable - trade	\$ 64,021	\$ 25,952
Accrued expenses	304	4,004
Deferred revenue -- NOTE A	43,216	46,978
Other current liabilities	<u>13,000</u>	<u>13,300</u>
TOTAL CURRENT LIABILITIES	<u>120,541</u>	<u>90,234</u>
 COMMITMENTS AND CONTINGENCIES -- NOTES D and F		
NET ASSETS -- NOTES A and E		
Unrestricted net assets	<u>65,417</u>	<u>66,067</u>
TOTAL NET ASSETS	<u>65,417</u>	<u>66,067</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 185,958</u>	<u>\$ 156,301</u>

NATIONAL SPACE SOCIETY
STATEMENTS OF ACTIVITIES
Year Ended December 31, 2012

	December 31, 2012			
	Unrestricted	Temporarily Restricted	Total	%
REVENUES -- NOTE A				
Membership	\$ 373,981	\$ 0	\$ 373,981	40.0
Contributions and grants	244,888	0	244,888	26.2
Conference	155,073	0	155,073	16.6
Investment income	944	0	944	0.1
List rental, advertising and royalties	3,603	0	3,603	0.4
Publications	568	0	568	0.1
Bequests	150,000	0	150,000	16.0
Other revenue	122	0	122	0.0
Realized/unrealized gain/(loss) on investments -- NOTE C	6,305	0	6,305	0.7
Net assets released from restrictions:				
Satisfaction of program restrictions -- NOTES A and E	0	0	0	0.0
TOTAL REVENUES	935,484	0	935,484	100.0
EXPENSES -- NOTE A				
PROGRAM EXPENSES				
Education and communication	686,809	0	686,809	73.4
Policy and research	143,051	0	143,051	15.3
TOTAL PROGRAM EXPENSES	829,860	0	829,860	88.7
SUPPORTING SERVICES				
Management and general	94,806	0	94,806	10.1
Fundraising	11,468	0	11,468	1.2
TOTAL SUPPORTING SERVICES	106,274	0	106,274	11.4
TOTAL EXPENSES	936,134	0	936,134	100.1
INCREASE (DECREASE) IN NET ASSETS	(650)	0	(650)	(0.1)
NET ASSETS AT				
BEGINNING OF YEAR -- NOTE A	66,067	0	66,067	
NET ASSETS AT END OF YEAR	\$ 65,417	\$ 0	\$ 65,417	

See Notes to Financial Statements

NATIONAL SPACE SOCIETY
STATEMENTS OF ACTIVITIES
Year Ended December 31, 2011

	December 31, 2011			
	Unrestricted	Temporarily Restricted	Total	%
REVENUES -- NOTE A				
Membership	\$ 399,817	\$ 0	\$ 399,817	50.1
Contributions and grants	242,645	0	242,645	30.4
Conference	127,513	0	127,513	16.0
Investment income	2,248	0	2,248	0.3
List rental, advertising and royalties	510	0	510	0.1
Publications	12,914	0	12,914	1.6
Bequests	15,434	0	15,434	1.9
Other revenue	26	0	26	0.0
Realized/unrealized gain on investments -- NOTE C	(2,921)	0	(2,921)	(0.4)
Net assets released from restrictions:				
Satisfaction of program restrictions -- NOTES A and E	0	0	0	0.0
TOTAL REVENUES	798,186	0	798,186	100.0
EXPENSES -- NOTE A				
PROGRAM EXPENSES				
Education and communication	590,813	0	590,813	74.0
Policy and research	237,609	0	237,609	29.8
TOTAL PROGRAM EXPENSES	828,422	0	828,422	103.8
SUPPORTING SERVICES				
Management and general	68,056	0	68,056	8.5
Fundraising	14,109	0	14,109	1.8
TOTAL SUPPORTING SERVICES	82,165	0	82,165	10.3
TOTAL EXPENSES	910,587	0	910,587	114.1
INCREASE (DECREASE) IN NET ASSETS	(112,401)	0	(112,401)	(14.1)
NET ASSETS AT				
BEGINNING OF YEAR -- NOTE A	178,468	0	178,468	
NET ASSETS AT END OF YEAR	\$ 66,067	\$ 0	\$ 66,067	

See Notes to Financial Statements

NATIONAL SPACE SOCIETY
STATEMENTS OF CASH FLOWS
Year Ended December 31, 2012

CASH FLOWS FROM OPERATING ACTIVITIES	<u>2012</u>	<u>2011</u>
Increase (decrease) in net assets	\$ (650)	\$ (112,401)
Adjustments to reconcile change in net assets to net cash provided (used) in operating activities:		
Depreciation expense	537	0
Unrealized (gain) loss on investments -- NOTE C	(7,299)	8,290
(Increase) decrease in operating assets		
Accounts receivable	16,132	15,723
Prepaid expenses	813	(4)
Increase (decrease) in operating liabilities		
Accounts payable	38,069	6,812
Accrued expenses	(3,700)	1,160
Deferred revenue	(3,762)	(1,788)
Other current liabilities	(300)	13,300
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>39,840</u>	<u>(68,908)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from sales of marketable securities	9,989	27,697
Purchases of marketable securities available for sale	(4,152)	0
Purchases of property and equipment	(1,612)	0
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>4,225</u>	<u>27,697</u>
CASH FLOW FROM FINANCING ACTIVITIES	<u>0</u>	<u>0</u>
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	<u>0</u>	<u>0</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	44,065	(41,211)
BEGINNING CASH AND CASH EQUIVALENTS	<u>42,857</u>	<u>84,068</u>
ENDING CASH AND CASH EQUIVALENTS -- NOTES A, B and D	<u>\$ 86,922</u>	<u>\$ 42,857</u>

NATIONAL SPACE SOCIETY
NOTES TO FINANCIAL STATEMENTS
December 31, 2012 and 2011

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of the National Space Society (the "Society") is presented to assist in understanding the Society's financial statements. The financial statements and notes are representations of the Society's management who is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles in the United States of America, and have been consistently applied in the preparation of the financial statements.

Purpose of the Society:

The Society is an educational, non-profit membership organization dedicated to the creation of a space faring civilization. The Society was formed under the laws of the District of Columbia on June 13, 1974. The Society's vision is of "People living and working in thriving communities beyond the Earth, and the use of the vast resources of space for the dramatic betterment of humanity." To meet this vision, the Society has as its mission statement, "to promote social, economic, technological, and political change in order to expand civilization beyond Earth, to settle space and to use the resulting resources to build a hopeful and prosperous future for humanity."

The Society's significant accounting policies are as follows:

Basis of Accounting:

The financial statements of the Society have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Under the accrual basis of accounting, revenues are recorded as earned and expenses are recorded at the time liabilities are incurred.

ASC Codification:

During June 2009, the FASB issued SFAS No. 168 "*The FASB Accounting Standards Codification (ASC) and the Hierarchy of Generally Accepted Accounting Principles - A Replacement of FASB Statement No. 162,*" (now codified within ASC No. 105, Generally Accepted Accounting Principles (GAAP) (ASC No. 105)). ASC No. 105 establishes the Codification as the single source of authoritative GAAP recognized by the FASB to be applied by nongovernmental entities. All guidance contained in the Codification carries an equal level of authority. Following this statement, FASB will not issue new standards in the form of statements, FASB Staff Positions or Emerging Issues Task Force Abstracts. Instead, it will issue Accounting Standards Updates, which will serve only to: (1) update the Codification; (2) provide background information about the guidance; and (3) provide the bases for conclusions on the change(s) in the Codification. ASC No. 105 is effective for financial statements issued for interim and annual periods ending after September 15, 2009. The adoption of ASC No. 105 did not have any impact on the results of operations or financial position.

NATIONAL SPACE SOCIETY
NOTES TO FINANCIAL STATEMENTS
December 31, 2012 and 2011

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation:

Financial statement presentation follows the recommendations of the FASB ASC 958-205-55, *Not-for-Profit Entities—Presentation of Financial Statements—Implementation Guidance and Illustrations*. Under FASB ASC 958-205-55, the Society is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted net assets depending on the existence or nature of any donor restrictions. Support that is temporarily restricted by the donor is reclassified to unrestricted net assets when the time restriction, if any expires and/or the purpose of the restriction is accomplished.

Income Tax Status:

The Society is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code. Income from nonexempt functions is subject to income taxes to the extent that the revenue exceeds related costs. No material amount of net unrelated business taxes was due by the Society at December 31, 2012. In addition, the internal Revenue Service has determined the Society is not a “private foundation.”

The Society follows the accounting standard on accounting for uncertainty in income taxes, which addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under this guidance, the Society 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. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. The guidance on accounting for uncertainty in income taxes also addresses de-recognition, classification, interest and penalties on income taxes, and accounting in interim periods.

Management evaluated Society’s tax positions and concluded that the Society had taken no uncertain tax positions that require adjustment to the financial statements to comply with the provisions of this guidance. With few exceptions, Society is no longer subject to income tax examinations by the U.S. federal, state or local tax authorities for years before 2010.

NATIONAL SPACE SOCIETY
NOTES TO FINANCIAL STATEMENTS
December 31, 2012 and 2011

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents:

For purposes of the statement of cash flows, the Society considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents. The cash and cash equivalents balance consists of unrestricted amounts as of December 31, 2012 and 2011.

Member Dues and Other Receivables:

Member dues and other accounts receivable from members are stated at net realizable value. Management considers all accounts to be essentially collectible, and therefore no allowance for doubtful accounts has been established as of December 31, 2012.

Revenue Recognition and Deferred Revenue:

Revenues are recognized during the period in which they relate. Therefore revenues collected in advance are reflected as deferred revenue on the statements of financial position.

Net Asset Classification:

The Society has elected to adopt Accounting Standards Codification (ASC) 958 Not-for-Profit Entities (formerly Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*). Under FASB ASC 958-205, the Society is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. Permanently restricted net assets contain donor-imposed restrictions that require that contributed funds be maintained by the Society in perpetuity. The Society has no permanently restricted net assets as of December 31, 2012 and 2011. Temporarily restricted net assets contain donor-imposed use limits on contributed funds that relate to specific periods of time or specified purposes. The Society has no temporarily restricted net assets as of December 31, 2012 and 2011. Unrestricted net assets are funds received that do not include any restriction as to the use by the donor. The Society's Board may subsequently designate unrestricted net assets for a specified purpose.

Contributions and Grants:

Unrestricted and temporarily restricted contributions and grants are recorded as revenue in the year the notification is received from the donor. Temporarily restricted contributions and grants are recognized as unrestricted support only to the extent of actual expenses incurred in compliance with the donor-imposed restrictions and satisfaction of time restrictions.

Property, equipment and depreciation:

The Society capitalizes all expenditures for property and equipment in excess of \$1,000. Purchased property and equipment are recorded at cost and are depreciated using the straight-line method over the estimated useful lives of the assets for financial reporting purposes, while accelerated methods are used for income tax reporting purposes.

NATIONAL SPACE SOCIETY
NOTES TO FINANCIAL STATEMENTS
December 31, 2012 and 2011

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments:

The Society has adopted Accounting Standards Codification (ASC) 958 Not-for-Profit Entities (formerly Statement of Financial Accounting Standards (SFAS) No. 124, *Accounting for Certain Investments Held by Not-for-Profit Organizations*). Under FASB ASC 958-320, investments in marketable equity securities with readily determinable fair values and all investments in marketable debt securities are valued at their fair values in the statement of financial position. Realized and unrealized gains and losses are included in the change in net assets.

Use of 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 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.

Functional Allocation of Expenses:

The costs of providing the various programs and other 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.

NOTE B - CASH AND CASH EQUIVALENTS

Cash and cash equivalents at December 31, 2012 and 2011, consist of the following:

	<u>2012</u>	<u>2011</u>
Demand deposits	\$ 80,104	\$ 40,367
Money market funds	<u>6,818</u>	<u>2,490</u>
Total cash and cash equivalents	<u>\$ 86,922</u>	<u>\$ 42,857</u>

NOTE C – INVESTMENTS

The Society invests in equity securities, debt securities (bond funds), and corporate debt securities. Primary emphasis is placed on long-term growth of income and principal through the use of equities. Secondary emphasis is placed on the generation of a high level of income and the preservation of capital through fixed income investments. Fair values for investments are determined by reference to quoted market prices and other relevant information generated by market transactions (all level 1 measurements).

NATIONAL SPACE SOCIETY
NOTES TO FINANCIAL STATEMENTS
December 31, 2012 and 2011

NOTE C – INVESTMENTS (Continued)

Investments at December 31, 2012 are comprised of the following:

	<u>Fair Value</u>
Bonds	\$ 16,297
Common stocks	<u>55,968</u>
Total investments	<u>\$ 72,265</u>

Net gain (loss) on market value of securities is summarized as follows:

Net realized gain (loss) on sales of investments	\$ (994)
Net unrealized gain (loss) on market changes in investments	<u>7,299</u>
	<u>\$ 6,305</u>

Investments at December 31, 2011 are comprised of the following:

	<u>Fair Value</u>
Bonds	\$ 21,487
Common stocks and options	<u>49,316</u>
Total investments	<u>\$ 70,803</u>

Net gain (loss) on market value of securities is summarized as follows:

Net realized gain (loss) on sales of investments	\$ 5,369
Net unrealized gain (loss) on market changes in investments	<u>(8,290)</u>
	<u>\$ (2,921)</u>

NOTE D – COMMITMENTS AND CONTINGENCIES

Concentrations of Credit Risk:

Financial instruments that potentially subject the Society to concentrations of credit risk consist principally of cash held with banks and brokers in excess of the insurance limitations of the Federal Deposit Insurance Corporation (FDIC) and/or the Securities Investor Protection Corporation (SIPC). The Society does not have any concentration of credit risk as of December 31, 2012.

NATIONAL SPACE SOCIETY
NOTES TO FINANCIAL STATEMENTS
December 31, 2012 and 2011

NOTE D – COMMITMENTS AND CONTINGENCIES (Continued)

Management Services and Headquarters:

On March 1, 2011, the Society renewed its contract agreement with Association Management Strategies (AMS) where AMS is to provide management services and headquarters for a fee of \$12,970 and \$3,304 respectively, per month. This agreement expired on August 31, 2011. On September 1, 2011, the Society renewed its contract agreement with AMS where AMS is to provide management services and headquarters for a fee of \$12,970 and \$1,500 respectively, per month. This agreement continued through December 31, 2011, at which time the agreement expired. On January 1, 2012 the Society renewed its agreement with AMS where AMS is to provide management services for a fee of \$8,031 per month which continued through December 31, 2012 at which time the agreement expired. (See NOTE F – SUBSEQUENT EVENT). Total management fees paid to AMS during the years ended December 31, 2012 and December 31, 2011 amounted to \$96,372 and \$187,591; respectively.

Fair Value of Financial Instruments:

Generally accepted accounting principles define fair value, establish a framework for measuring fair value, and establish a fair value hierarchy that prioritizes the inputs to valuation techniques. 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. A fair value measurement assumes that the transaction to sell the asset or transfer the liability occurs in the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market. Valuation techniques that are consistent with the market, income or cost approach are used to measure fair value.

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

Level 1 – These inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Society has the ability to access.

Level 2 – These are inputs (other than quoted prices included within level 1) that are observable for the asset or liability, either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, default rates and other similar data.

Level 3 – These are unobservable inputs for the asset or liability and rely on management's own assumptions about the assumptions that market participants would use in pricing the asset or liability. The unobservable inputs should be developed based on the best information available in the circumstances and may include the Society's own data.

NATIONAL SPACE SOCIETY
NOTES TO FINANCIAL STATEMENTS
December 31, 2012 and 2011

NOTE D – COMMITMENTS AND CONTINGENCIES (Continued)

Fair Value of Financial Instruments (Continued):

The Society estimates that the fair value of all financial instruments at December 31, 2012 and 2011 do not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying statement of financial position.

Fair Value Measurements on a Recurring Basis
As of December 31, 2012

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments	<u>\$ 72,265</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 72,265</u>

Fair Value Measurements on a Recurring Basis
As of December 31, 2011

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments	<u>\$ 70,803</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 70,803</u>

Employment Agreement – Executive Director:

On January 1, 2012 the Society entered into an employment agreement with the Executive Director of the Society which continued through December 31, 2012 at which time the agreement expired. The Executive Director is employed on an at-will basis and earns an annual base salary of \$90,000. Based on meeting certain performance objectives, the Executive Director is entitled to an annual bonus. A bonus in the amount of \$3,962 has been accrued as of December 31, 2012. Contract agreement with the Executive Director was not renewed at the time of its expiration.

NOTE E – TEMPORARILY RESTRICTED NET ASSETS

It is the Society's policy to release temporarily restricted net assets in the period in which the restriction is satisfied. There were no temporarily restricted net assets at December 31, 2012 and December 31, 2011.

NATIONAL SPACE SOCIETY
NOTES TO FINANCIAL STATEMENTS
December 31, 2012 and 2011

NOTE F – SUBSEQUENT EVENTS

In preparing the financial statements, the Society has evaluated events and transactions for potential recognition or disclosure through May 15, 2013, the date of the audit report.

Management Services and Headquarters:

On January 1, 2013, the Society renewed its contract agreement with Association Management Strategies (AMS), to provide management services for a fee of \$8,031 per month. This agreement will continue through December 31, 2013, at which time the agreement will expire. In addition, on March 19, 2013 the Society entered into a contract addendum where AMS is to provide Director of Operations services for an additional fee of \$2,500 per month. The additional agreement is effective March 20, 2013 and will continue through December 31, 2013 at which time it will expire.

NATIONAL SPACE SOCIETY
SCHEDULE OF FUNCTIONAL EXPENSES
Year Ended December 31, 2012

	Program Services			Supporting Services			Total Expenses
	Education and Communication	Policy and Research	Total Program Services	Management and General	Fundraising	Total Supporting Services	
Accommodations and meals	0	\$ 150	\$ 150	\$ 7,324	0	\$ 7,324	\$ 7,474
Accounting and legal	12,677	5,433	18,110	1,552	1,035	2,587	20,697
Advertising	0	0	0	3,000	0	3,000	3,000
Association - management fee and facility expense - NOTE D	59,028	25,298	84,326	7,228	4,818	12,046	96,372
Authors and artwork	4,727	0	4,727	0	0	0	4,727
Bad debt expense	0	0	0	10,890	0	10,890	10,890
Bank charges	0	0	0	1,601	0	1,601	1,601
Building expense	1,279	0	1,279	6,980	0	6,980	8,259
Computer services	13,667	0	13,667	245	0	245	13,912
Conferences and registration expenses	259,937	0	259,937	(383)	0	(383)	259,554
Contract services	0	0	0	3,962	0	3,962	3,962
Copy service	314	0	314	104	0	104	418
Courier	988	989	1,977	0	0	0	1,977
Credit card fees	0	0	0	10,809	0	10,809	10,809
Depreciation	0	0	0	537	0	537	537
Design and layout	32,878	0	32,878	0	0	0	32,878
Dues and subscriptions	0	100	100	179	0	179	279
Equipment purchase	0	0	0	0	0	0	0
Email list management	3,060	0	3,060	0	0	0	3,060
Employee recruiting	0	0	0	0	0	0	0
Express / overnight delivery	0	0	0	2,467	0	2,467	2,467
Insurance	4,401	1,886	6,287	539	359	898	7,185
Interest expense	0	0	0	0	0	0	0
Mailing services	2,787	37,469	40,256	0	0	0	40,256
Meals	150	0	150	45	0	45	195
Miscellaneous	0	0	0	1,454	0	1,454	1,454
Office supplies	0	0	0	1,014	0	1,014	1,014
Parking	0	0	0	632	0	632	632
PayPal expenses	4,058	0	4,058	0	0	0	4,058
Payroll and related taxes	59,879	25,663	85,542	8,833	4,889	13,722	99,264
Postage and delivery	29,870	28,528	58,398	1,446	0	1,446	59,844
Press/public relations	0	0	0	0	0	0	0
Printing and copying services	126,022	15,897	141,919	551	367	918	142,837
Projects	56,689	0	56,689	0	0	0	56,689
Recruitment incentives	1,315	0	1,315	(63)	0	(63)	1,252
Refunds	5,234	55	5,289	(715)	0	(715)	4,574
Shipping and handling	299	0	299	0	0	0	299
Scholarships	5,000	0	5,000	0	0	0	5,000
Software	0	0	0	160	0	160	160
State registrations	0	0	0	3,703	0	3,703	3,703
Teleconference, telephone and telemarketing expense	0	0	0	5,152	0	5,152	5,152
Temporary help	2,200	1,124	3,324	2,250	0	2,250	5,574
Travel/transportation	0	459	459	13,060	0	13,060	13,519
Video	350	0	350	250	0	250	600
TOTAL	\$ 686,809	\$ 143,051	\$ 829,860	\$ 94,806	\$ 11,468	\$ 106,274	\$ 936,134

See Independent Auditors' Report
(15)

NATIONAL SPACE SOCIETY
SCHEDULE OF FUNCTIONAL EXPENSES
Year Ended December 31, 2011

	Program Services			Supporting Services			Total Expenses
	Education and Communication	Policy and Research	Total Program Services	Management and General	Fundraising	Total Supporting Services	
Accommodations and meals	\$ 4,738	\$ 3,959	\$ 8,697	\$ 476	0	\$ 476	\$ 9,173
Accounting and legal	9,075	3,890	12,965	1,111	741	1,852	14,817
Advertising	3,085	0	3,085	0	0	0	3,085
Association - management fee and facility expense - NOTE D	114,899	49,243	164,142	14,069	9,380	23,449	187,591
Authors and artwork	5,025	0	5,025	0	0	0	5,025
Bad debt expense	0	0	0	0	0	0	0
Bank charges	0	0	0	2,154	0	2,154	2,154
Building expense	1,395	0	1,395	2,508	0	2,508	3,903
Computer services	21,629	0	21,629	4,233	0	4,233	25,862
Conferences and registration expenses	160,114	1,525	161,639	(429)	0	(429)	161,210
Contract services	0	0	0	0	0	0	0
Copy service	847	0	847	282	0	282	1,129
Courier	955	955	1,910	43	0	43	1,953
Credit card fees	0	0	0	9,662	0	9,662	9,662
Depreciation	0	0	0	0	0	0	0
Design and layout	36,678	0	36,678	339	0	339	37,017
Dues and subscriptions	0	0	0	250	0	250	250
Equipment purchase	0	0	0	3,755	0	3,755	3,755
Email list management	3,060	0	3,060	(925)	0	(925)	2,135
Employee recruiting	0	0	0	0	0	0	0
Express / overnight delivery	4,425	0	4,425	3,149	0	3,149	7,574
Insurance	4,496	1,927	6,423	551	367	918	7,341
Interest expense	0	0	0	989	0	989	989
Mailing services	2,637	22,822	25,459	0	0	0	25,459
Meals	0	0	0	0	0	0	0
Miscellaneous	0	0	0	0	0	0	0
Office supplies	25	323	348	3,710	0	3,710	4,058
Parking	0	0	0	0	0	0	0
PayPal expenses	3,691	0	3,691	0	0	0	3,691
Payroll and related taxes	42,570	18,245	60,815	7,046	3,475	10,521	71,336
Postage and delivery	25,843	43,704	69,547	1,659	0	1,659	71,206
Press/public relations	3,600	0	3,600	0	0	0	3,600
Printing and copying services	109,493	58,191	167,684	219	146	365	168,049
Projects	1,691	0	1,691	0	0	0	1,691
Recruitment incentives	5,261	10,355	15,616	0	0	0	15,616
Refunds	5,228	85	5,313	0	0	0	5,313
Shipping and handling	528	0	528	27	0	27	555
Scholarships	5,000	0	5,000	0	0	0	5,000
Software	0	0	0	0	0	0	0
State registrations	0	0	0	5,860	0	5,860	5,860
Teleconference, telephone and telemarketing expense	0	0	0	3,310	0	3,310	3,310
Temporary help	3,000	22,385	25,385	0	0	0	25,385
Travel/transportation	11,545	0	11,545	3,848	0	3,848	15,393
Video	280	0	280	160	0	160	440
TOTAL	\$ 590,813	\$ 237,609	\$ 828,422	\$ 68,056	\$ 14,109	\$ 82,165	\$ 910,587

See Independent Auditors' Report