

NATIONAL PARK TRUST, INC.
FINANCIAL STATEMENTS AND
AUDITORS' REPORT
JUNE 30, 2012 AND 2011

PHILLIPS & ASSOCIATES, LLC

CERTIFIED PUBLIC ACCOUNTANTS

NATIONAL PARK TRUST, INC.

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PHILLIPS & ASSOCIATES, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT

The Board of Trustees
NATIONAL PARK TRUST, INC.

We have audited the accompanying statements of financial position of NATIONAL PARK TRUST, INC. as of June 30, 2012 and 2011 and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the management of NATIONAL PARK TRUST, INC. Our responsibility is to express an opinion on the financial statements based on our audit.

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 audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of NATIONAL PARK TRUST, INC. as of June 30, 2012 and 2011 and the changes in net assets and its cash flows for the years then ended, in conformity with U.S. generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of program services and general administration expenses and fundraising expenses on page 14 is presented for purposes of additional analysis and is 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.



Rockville, Maryland
September 27, 2012

NATIONAL PARK TRUST, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2012 AND 2011

ASSETS

	<u>2012</u>	<u>2011</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 167,360	\$ 77,927
Contributions receivable, net (NOTE 4)	761,771	100,921
Inventory	16,760	34,989
Prepaid expenses	<u>12,570</u>	<u>15,968</u>
Total Current Assets	<u>958,461</u>	<u>229,805</u>
Investments (NOTE 3)	219,306	210,238
Office furniture and equipment, net of accumulated depreciation of \$16,912 and \$16,218, respectively	1,936	1,381
Contributions receivable, noncurrent (NOTE 4)	106,782	-
Real estate and related holdings:		
Conservation easement (NOTE 9)	1,465,100	1,465,100
Mineral rights (NOTE 10)	1,390,600	1,390,600
Property for parks (NOTE 11)	<u>1</u>	<u>1</u>
Total real estate and related holdings	<u>2,855,701</u>	<u>2,855,701</u>
TOTAL ASSETS	<u><u>\$ 4,142,186</u></u>	<u><u>\$ 3,297,125</u></u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable and accrued expenses	<u>\$ 56,781</u>	<u>\$ 62,530</u>
Total Current Liabilities	<u>56,781</u>	<u>62,530</u>
NET ASSETS		
Unrestricted		
Undesignated	432,075	378,895
Board designated:		
Property held for exempt purposes	<u>2,855,700</u>	<u>2,855,700</u>
Total Unrestricted	3,287,775	3,234,595
Temporarily Restricted (NOTE 7)	491,000	-
Permanently Restricted (NOTE 7)	<u>306,630</u>	<u>-</u>
Total Net Assets	<u>4,085,405</u>	<u>3,234,595</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 4,142,186</u></u>	<u><u>\$ 3,297,125</u></u>

The accompanying notes are an integral part
of these financial statements.

NATIONAL PARK TRUST, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2012
WITH COMPARATIVE TOTALS FOR 2011

	2012			2011
	UNRESTRICTED	TEMPORARILY RESTRICTED	PERMANENTLY RESTRICTED	TOTAL
REVENUE				
Contributions and grants	\$ 625,972	\$ 491,000	\$ 306,630	\$ 1,423,602
Consignment and other sales income, net of COGS (NOTE 15)	26,731	-	-	26,731
Investment income (NOTE 4)	5,644	-	-	5,644
In-kind contributions (NOTE 13)	24,944	-	-	24,944
Other income	626	-	-	626
TOTAL REVENUE	683,917	491,000	306,630	1,481,547
NET ASSETS RELEASED FROM RESTRICTIONS	-	-	-	-
TOTAL REVENUE AND RECLASSIFICATIONS	\$ 683,917	\$ 491,000	\$ 306,630	\$ 1,481,547

The accompanying notes are an integral part
of these financial statements.

NATIONAL PARK TRUST, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2012
WITH COMPARATIVE TOTALS FOR 2011

	2012			2011
	UNRESTRICTED	TEMPORARILY RESTRICTED	PERMANENTLY RESTRICTED	TOTAL
EXPENSES				TOTAL
Program Services:				
Land conservation	\$ 58,483	\$ -	\$ -	\$ 58,483
Public education	108,927	-	-	108,927
Youth projects	344,532	-	-	344,532
Total program services	511,942	-	-	511,942
Supporting Services:				
General and administrative	38,796	-	-	38,796
Fundraising	81,658	-	-	81,658
	120,454	-	-	120,454
TOTAL EXPENSES	632,396	-	-	632,396
CHANGES IN NET ASSETS BEFORE NON-OPERATING ITEMS	51,521	491,000	306,630	849,151
REALIZED AND UNREALIZED GAINS ON INVESTMENTS	1,659	-	-	1,659
CHANGE IN NET ASSETS	53,180	491,000	306,630	850,810
NET ASSETS BEGINNING OF YEAR	3,234,595	-	-	3,234,595
END OF YEAR	\$ 3,287,775	\$ 491,000	\$ 306,630	\$ 4,085,405

The accompanying notes are an integral part
of these financial statements.

NATIONAL PARK TRUST, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2012 AND 2011

	<u>2012</u>	<u>2011</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 850,810	\$ (14,903)
Adjustments to reconcile change in net assets to net cash (used for) operating activities:		
Permanently restricted contributions received	(45,680)	-
Realized and unrealized gains	(1,659)	(27,538)
Bad debt expense	10,304	8,434
Depreciation	694	564
Changes in:		
Receivables and prepaid expenses	(774,538)	(13,969)
Inventory	18,229	-
Accounts payable and accrued expenses	<u>(5,749)</u>	<u>(29,522)</u>
Net Cash Provided By (Used For) Operating Activities	<u>52,411</u>	<u>(76,934)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of investments	-	139,450
Purchase of investments	(7,409)	(3,614)
Fixed asset additions	<u>(1,249)</u>	<u>(590)</u>
Net Cash (Used For) Provided By Investing Activities	<u>(8,658)</u>	<u>135,246</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Permanently restricted contributions received	<u>45,680</u>	<u>-</u>
Net Cash Provided By Financing Activities	<u>45,680</u>	<u>-</u>
NET INCREASE IN CASH	89,433	58,312
CASH AND CASH EQUIVALENTS		
Beginning of year	<u>77,927</u>	<u>19,615</u>
End of year	<u><u>\$ 167,360</u></u>	<u><u>\$ 77,927</u></u>

The accompanying notes are an integral part
of these financial statements.

NATIONAL PARK TRUST, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2012 AND 2011

1. ORGANIZATION AND PURPOSE

NATIONAL PARK TRUST, INC. (the Trust) is incorporated as a not-for-profit organization in the District of Columbia and, as such, its purposes shall be limited to only charitable, scientific, literary or educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code.

The Trust has worked on over 200 land conservation projects from Florida to Alaska and has preserved tens of thousands of acres of parkland from development. The Trust is unique in that it moves quickly to select, acquire and preserve land by dedicating funding to communities and projects that need it most. The Trust also serves as a partner with national land trusts and friends groups to provide critical bridge funding to complete park preservation.

Now through our nationally recognized environmental education initiatives Where's Buddy Bison Been?®, Youth to Parks® National Scholarship Program and National Kids to Parks Day, the Trust has the unique opportunity to impact park preservation by providing in-depth environmental and outdoor education experiences for underserved youth, their families and teachers. The Trust's mission is to protect parks today and create park stewards for tomorrow.

To date, the Trust's youth programs have reached more than 100,000 children and families and the program has garnered recognition from leaders in the education, medical and conservation communities.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Trust have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Basis of Presentation

Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified as follows:

Unrestricted net assets – Net assets not subject to donor-imposed stipulations.

Temporarily restricted net assets – Net assets subject to donor-imposed stipulations that may or will be met by actions of the Trust and/or the passage of time.

Permanently restricted net assets – Donor-imposed restrictions that stipulates that resources be maintained permanently but permits the organization to use up or expend part of all of the income (or other economic benefits) derived from the donated assets.

Cash and Cash Equivalents

For the statements of financial position and cash flows, management considers its operating bank accounts to be cash and cash equivalents. Short-term investments are not considered to be cash and cash equivalents.

NATIONAL PARK TRUST, INC.
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2012 AND 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments

The Trust carries investments in equity securities with readily determinable fair values and investments in debt securities at their fair values in the statement of financial position. Fair value is determined, when available, from quoted prices on major markets such as the New York Stock Exchange. Unrealized gains and losses are included in the changes in net assets in the accompanying statement of activities.

Fair Value Measurements

The Trust has adopted FASB Accounting Standards Codification (ASC) 820 relating to standards on fair value measurement, which apply whenever other authoritative literature requires certain assets and liabilities to be measured at fair value. Items carried at fair value on a recurring basis consist primarily of financial instruments which are valued primarily based on quoted prices in active or brokered markets for identical as well as similar assets and liabilities. The Trust also uses fair value concepts to test various long-lived assets for impairment, if applicable.

Contributions Receivable

The Trust records support from fundraising campaigns in the year in which the fundraising activity occurs.

Property and Equipment

The Trust capitalizes all property and equipment over \$500. Property and equipment is recorded at cost or, if donated, at the approximate fair value at the date of donation. Equipment is being depreciated over estimated useful lives, primarily five years.

Real Estate and Related Holdings

Real estate and related holdings are recorded at cost if purchased, or, if donated, at fair market value on the date of the donation as determined primarily by one of the following valuation procedures:

- For material donations where a current appraisal is available from a professional qualified appraiser, such value may be adopted when the Trust is satisfied that the appraisal is reasonable.
- For immaterial donations where a current appraisal is not available, the Trust may use alternative methods that are cost effective for the individual circumstances. These methods may include self-appraisal and/or information provided by third parties including brokers, agents and others.

The Trust acquires, either through purchases or donation, real estate and related holding with the intention of holding, selling or transferring for the purpose of preserving the National System of Parks.

Unrestricted Net Assets

Unrestricted net assets consist of undesignated and board designated net assets. Undesignated net assets are funds which are currently available to support daily operations. Board designated net assets consist of unrestricted funds designated by the Board of Trustees for specific purposes.

NATIONAL PARK TRUST, INC
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2012 AND 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenues and Expenses

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in restricted net assets where their use is restricted by explicit donor stipulation or by law. Expirations of temporary restrictions on net assets by fulfillment of the donor stipulated purposes or by passage of the stipulated time period are reported as reclassifications between the applicable classes of net assets. If the restriction is met in the same period in which the revenue is received, the revenue is recognized as unrestricted support.

Contributions

Contributions, including unconditional promises to give, are recognized as revenues in the period received. Conditional promises to give are not recognized until they become unconditional, that is, at the time when the conditions on which they depend are substantially met. Contributions to be received after one year are discounted at a rate commensurate with the risks involved.

In-Kind Contributions

The Trust receives in-kind contributions from individuals and organizations interested in the Trust's programs. Contributions of services are recognized if the services received create or enhance non-financial assets or require specialized skills, and are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributed services and promises to give services that do not meet the above criteria are not recognized. The in-kind contributions include mainly legal services and are recorded as revenue at a value estimated by the donor.

Income Taxes

The Trust is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. However, the Trust is required to report unrelated business income to the Internal Revenue Service and the District of Columbia. There was no unrelated business income tax expense for the year ended June 30, 2012.

Effective July 1, 2009 the Trust adopted a policy that clarifies the accounting for uncertainty in income taxes recognized in an entity's financial statements. The policy prescribes a recognition threshold and measurement principles for the financial statement recognition and measurement of tax positions taken or expected to be taken on an income tax return that are not certain to be realized. The implementation of this policy had no impact on the Trust's financial statements.

The income tax positions taken by the Trust for any years open under the various statutes of limitations are that the Trust continues to be exempt from income taxes and the Trust has properly reported unrelated business income that is subject to income taxes. The Trust believes that there are no tax positions taken or expected to be taken that would significantly increase unrecognized tax benefits within 12 months of the reporting date. None of the Trust's federal income tax returns are currently under examination. However, fiscal years 2009 and later remain subject to examination by the IRS and state authorities.

Impairment of Long-lived Assets

Each year, the Trust reviews asset carrying amounts whenever events or circumstances indicate that such carrying amounts may not be recoverable. When considered impaired, the carrying amount of the asset is reduced, by a recognized loss, to its current fair value.

NATIONAL PARK TRUST, INC.
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2012 AND 2011

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Reclassifications

Certain prior year expense information has been reclassified to conform to the June 30, 2012 financial presentation

3. INVESTMENTS

Investments are categorized by Level 1, 2, and 3, which are based on the degree of certainty around the investments' underlying value. Level 1 investment's can be valued with certainty because they are liquid and have clear market prices. Level 3 investments are illiquid and estimating their value requires inputs that are unobservable and reflect management assumptions.

	<u>2012</u>	<u>2011</u>
<u>Level 1</u>		
Cash and cash equivalents	\$ 47,611	\$ 44,252
Corporate securities	160,547	153,576
Fixed income, asset-backed securities	<u>11,148</u>	<u>12,410</u>
	<u>\$ 219,306</u>	<u>\$ 210,238</u>
 <u>Level 3</u>		
Mineral rights	\$ 1,390,600	\$ 1,390,600
Conservation easements	<u>1,465,100</u>	<u>1,465,100</u>
	<u>\$ 2,855,700</u>	<u>\$ 2,855,700</u>

The following schedule summarizes investment return at June 30:

	<u>2012</u>	<u>2011</u>
Interest and dividend income	\$ 5,644	\$ 6,767
Unrealized gains on investments	<u>1,659</u>	<u>27,538</u>
	<u>\$ 7,303</u>	<u>\$ 34,305</u>

NATIONAL PARK TRUST, INC.
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2012 AND 2011

4. CONTRIBUTIONS RECEIVABLE

The Trust records contributions receivable upon the receipt of unconditional promises to give, with payments due in future periods. The Trust considers contributions receivable to be fully collectible. On occasion, the Trust may deem it appropriate to reserve any receivables that have not been collected within one year. Outstanding contributions are reported as contributions receivable in the statement of financial position and are due as follows:

	<u>2012</u>	<u>2011</u>
Gross contributions receivable due in:		
Less than one year	\$ 764,271	\$ 103,421
One to five years	106,782	-
Less allowance for uncollectible	<u>(2,500)</u>	<u>(2,500)</u>
Net contributions receivable	<u>\$ 868,553</u>	<u>\$ 100,921</u>

5. LEASE COMMITMENTS

The following leases were in force at June 30, 2012:

<u>Lessor</u>	<u>Property</u>	<u>Terms</u>
Jeff Park Associates	Office space in Rockville MD	Lease term is for five years starting June 1, 2012 and terminating on May 30, 2017. Base rent is \$2,645 per month, starting June 1, 2012 through May 30, 2013 (base year) plus pro-rata share of operating expenses. Rent increases by 3% every June 1, after the base year.
UBT	Copier	\$218 per month for 60 months beginning in July 2012.

Total rental expenses were \$28,586 and \$28,404 for the years ended June 30, 2012 and 2011, respectively.

Future minimum annual rental payments under the terms of existing leases are as follows:

Year Ending June 30,

2013	\$ 34,435
2014	35,390
2015	36,373
2016	37,386
2017	<u>35,363</u>
Total	<u>\$ 178,947</u>

NATIONAL PARK TRUST, INC.
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2012 AND 2011

6. RETIREMENT PLAN

The Trust maintains a defined contribution plan (the plan) under Section 401(k) of the Internal Revenue Code. Employees are eligible to participate in the plan on the first month following three months of employment. The plan allows for the Trust to make discretionary contributions to eligible participants. For the years ended June 30, 2012 and 2011, the Trust made no contributions to the plan.

7. RESTRICTED NET ASSETS

The following is an analysis of restricted net assets at June 30,

	<u>2012</u>	<u>2011</u>
Temporarily restricted net assets:		
Contributions receivable	\$ <u>491,000</u>	\$ <u>-</u>
Permanently restricted net assets:		
Contributions receivable	\$ <u>306,630</u>	\$ <u>-</u>

The following is an analysis of net assets released from restriction at June 30,

	<u>2012</u>	<u>2011</u>
Specific programs	\$ <u>-</u>	\$ <u>51,500</u>

Endowment

The Trust's endowment fund includes a permanently restricted fund which is a traditional donor-restricted endowment fund. In particular, the Trust's endowment principal and future contributions will be left to accumulate until the endowment fund balance reaches \$1,500,000. Once this level has been reached, the interest income on the fund will be used in the unrestricted operations of the Trust. As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The Trust's Board of Trustees has interpreted the law (DC UPMIFA) that underlies the net asset classification of donor-restricted endowment funds as requiring the preservation of the fair value of the original gift. As a result of this interpretation, the Trust classifies as permanently restricted net assets (1) the original value of gifts donated to the permanent endowment, (2) the original value of subsequent gifts to the permanent endowment, and (3) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument. Without explicit instructions from the donor, investment income from permanently restricted funds will be classified within temporarily restricted activities even if the intended use of the earnings is for unrestricted purposes.

Return Objectives and Risk Parameters

The Trust has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding for the endowment fund while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Trust must hold in perpetuity or for donor-specified periods. Under this

NATIONAL PARK TRUST, INC.
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2012 AND 2011

7. RESTRICTED NET ASSETS (CONTINUED)

policy, as approved by the Board of Trustees, the endowment assets are currently invested in a money market fund.

Strategies Employed for Achieving Objectives

To satisfy its long-term objectives, the Trust relies on a conservative strategy in which investment returns are achieved through current yield (interest income). The Trust targets a conservative asset allocation to achieve its long-term return objectives.

Spending Policy and How Investment Objectives Relate to Spending Policy

The Trust has not yet established a spending policy relating to its endowment fund. In establishing a policy, the Trust will consider the long-term expected return on its endowment. The spending policy will be consistent with the Trust's objective to maintain the purchasing power of the endowment assets held in perpetuity as well as to provide additional growth through new gifts and investment return.

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 originally contributed as an endowment fund to the Trust. In accordance with generally accepted accounting principles, deficiencies of this nature would be reported in unrestricted net assets. There were no such deficiencies at June 30, 2012.

Changes in the endowment fund consist of the following as of and for the year ended June 30, 2012:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment fund, July 1, 2011	\$ -	\$ -	\$ -	\$ -
Pledges and contributions	-	-	306,630	306,630
Endowment fund, June 30, 2012	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 306,630</u>	<u>\$ 306,630</u>

8. CONCENTRATION OF CREDIT RISK

Financial instruments which potentially subject the Trust to a concentration of credit risk consist principally of investments. The Trust places investments with creditworthy financial institutions. By agreements with the individual investment managers, these investments are kept within limits designed to prevent risks caused by concentration. Credit risk with respect to fundraising and other receivables is limited because the Trust deals with a large number of donors. As of June 30, 2012 and 2011, the Trust had no significant concentration of credit risk.

9. CONSERVATION EASEMENT

The Trust received a contribution of a conservation easement known as the Johnnycake Ranch in Arkansas that represents restrictions over the use and development of land not owned by the Trust. This easement provides for retaining or protecting natural, scenic, historical or open space values of real property, assuring its availability for agricultural, forest, recreation, education or open space use, protecting natural features and resources, maintaining or enhancing air quality or preserving the natural, historical, agricultural, archeological or cultural aspects of real property.

NATIONAL PARK TRUST, INC.
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2012 AND 2011

10. MINERAL RIGHTS

During 2008 and 2003, the Trust received donations of mineral rights, and the rights to remove said minerals from 5,676 acres of land situated in Capon District, Hardy County, West Virginia. The surface of the land is owned by the U.S. Department of Agriculture Forest Service. During the year ended June 30, 2012, the Trust expended \$0 in connection with the planned sale and/or donation to the U.S. Forest Service.

11. PROPERTY FOR PARKS

The Trust began its Property for Parks program to receive donation of property, sell it and use the money to help preserve America's parklands. Two of such donated properties lost resale value and were written down to an estimated market value of \$1 each. As of June 30, 2012 and 2011, the value of these properties was \$1 and \$1, respectively.

12. ALLOCATION OF JOINT COSTS

For years ended June 30, 2012 and 2011, National Park Trust, Inc. followed the American Institute of Certified Public Accounts' Statements of Position 98-2 (SOP 98-2), *Accounting for Costs of Activities of Not-for-Profit Organizations and State and Local Government Entities that Include Fundraising*. National Park Trust, Inc. incurred joint costs related to mailings of Legacy Reports, newsletters, surveys, national park calendars and other educational materials. Joint costs for these activities totaled and were allocated as follows:

	<u>2012</u>	<u>2011</u>
Program services	\$ 16,511	\$ 12,297
Management and general	2,177	6,228
Fundraising	<u>5,468</u>	<u>5,468</u>
Total	<u>\$ 24,156</u>	<u>\$ 23,993</u>

13. IN-KIND CONTRIBUTIONS

The Trust received in-kind contributions for legal services totaling \$24,944 and \$102,268 for 2012 and 2011, respectively.

14. DESCRIPTION OF PROGRAMS AND SUPPORTING SERVICES

Land conservation and Youth education

This program consists of preservation and expansion of our nation's parks and public lands (the Parks) including those remaining four million plus acres of privately owned lands within the existing 395 units of the National Park System and adjacent to the existing Parks. The Trust has acquired lands within approximately 40 units of the Parks.

NATIONAL PARK TRUST, INC.
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2012 AND 2011

14. DESCRIPTION OF PROGRAMS AND SUPPORTING SERVICES (CONTINUED)

The Trust seeks to build greater awareness of parks through education, focusing on youth, primarily those underserved and at risk. Utilizing its Youth to Parks® National Scholarship Program, the Trust works with partner organizations around the country to bring underserved youth to the parks and to cultivate future conservationists and environmental professionals. The Where's Buddy Bison Been?® school program responds to the high demand to educate and engage youth by fostering understanding of our natural environment and the important role that parks and public lands play in its protection. Through a flexible curriculum enhancement program, schools use Buddy Bison® as a vehicle for lesson plans in science, history, art, music, writing, civics, physical fitness and service.

15. CONSIGNMENT AND OTHER SALES INCOME

Consignment and other sales income is stated at net for financial reporting purposes. As of June 30, 2012, and 2011, consignment and other sales income is as follows:

	<u>2012</u>	<u>2011</u>
Gross consignment sales	\$ 41,800	\$ 23,643
Less: cost of goods sold	<u>(15,069)</u>	<u>(8,403)</u>
Net consignment sales	<u>\$ 26,731</u>	<u>\$ 15,240</u>

16. SUBSEQUENT EVENTS

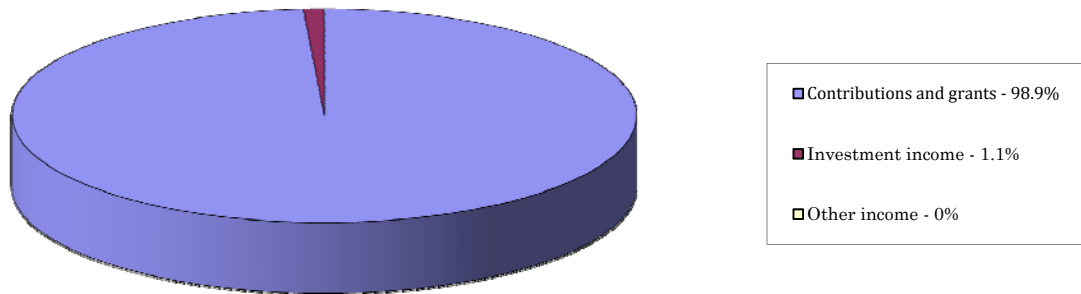
In accordance with FASB ASC 855, the Trust evaluated subsequent events through September 27, 2012, the date these financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosure in these financial statements.

NATIONAL PARK TRUST, INC.
SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2012
WITH COMPARATIVE TOTALS FOR JUNE 30, 2011

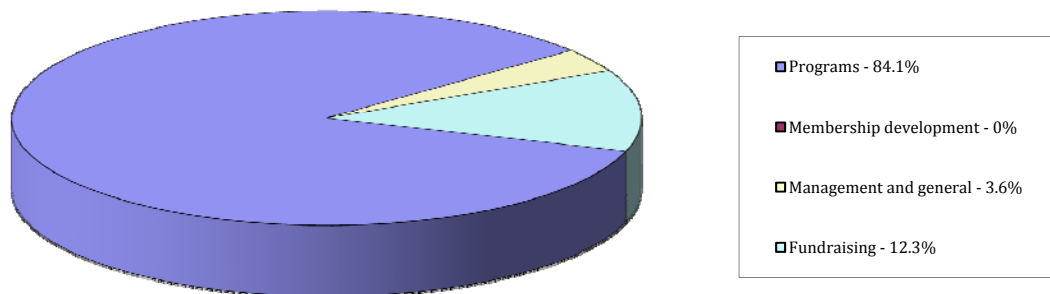
	Program Services				Supporting Services			Totals	
	Youth Projects	Land Conservation	Public Education	Total Program Services	Management & General	Fundraising	Total Supporting Services	Combined Totals 2012	Combined Totals 2011
Professional & Outside Service	\$ 31,000	\$ 500	\$ -	\$ 31,500	\$ 64,926	\$ 6,933	\$ 71,859	\$ 103,359	\$ 184,778
Salaries & Benefits	127,146	19,502	36,387	183,035	56,174	40,888	97,062	280,097	271,384
Rent & Utilities	-	-	-	-	28,586	-	28,586	28,586	28,404
Bad Debt Expense	-	-	-	-	10,304	-	10,304	10,304	8,434
Travel & Conference	8,143	172	35,302	43,617	4,058	1,613	5,671	49,288	59,622
Newsletter & Public Education	5,669	-	-	5,669	-	-	-	5,669	85
Toolkit and Field Trips	37,917	-	-	37,917	-	-	-	37,917	27,490
Program Grants	14,883	15,000	-	29,883	-	-	-	29,883	11,400
Office & Equipment Expense	4,922	1,653	3,244	9,819	25,802	14,352	40,154	49,973	46,023
Computer Services	11,565	-	5,795	17,360	2,050	240	2,290	19,650	18,071
Depreciation	-	-	-	-	694	-	694	694	564
Miscellaneous Expenses	186	410	29	625	10,412	5,939	16,351	16,976	21,474
Joint Cost Allocation	8,624	6,755	1,132	16,511	2,177	(18,688)	(16,511)	-	-
Overhead Allocation	94,477	14,491	27,038	136,006	(166,387)	30,381	(136,006)	-	-
Totals	<u>\$ 344,532</u>	<u>\$ 58,483</u>	<u>\$ 108,927</u>	<u>\$ 511,942</u>	<u>\$ 38,796</u>	<u>\$ 81,658</u>	<u>\$ 120,454</u>	<u>\$ 632,396</u>	<u>\$ 677,729</u>

NATIONAL PARK TRUST, INC.
SELECTED GRAPHIC INFORMATION
FOR THE YEAR ENDED JUNE 30, 2011

2011 Support and Revenue

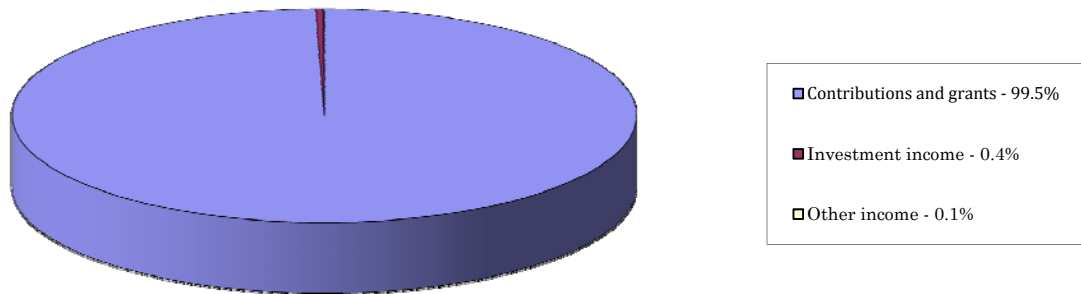


2011 Expenses



NATIONAL PARK TRUST, INC.
SELECTED GRAPHIC INFORMATION
FOR THE YEAR ENDED JUNE 30, 2012

2012 Support and Revenue



2012 Expenses

