

**AGRISAFE NETWORK, INC.  
FOR THE YEAR ENDED  
DECEMBER 31, 2007 AND  
ACCOUNTANTS' REPORT**

**WINTHER, STAVE & Co., LLP**  
*Certified Public Accountants*

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To the Board of Directors  
AgriSafe Network, Inc.

We have reviewed the accompanying statement of financial position - income tax basis of AgriSafe Network, Inc. (an Iowa non-profit corporation) as of December 31, 2007 and the related statement of activities - income tax basis for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of AgriSafe Network, Inc.

A review consists principally of inquiries of Company personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, 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 the income tax basis of accounting, as described in Note 1.

*Winther, Stave + Co., LLP*

November 13, 2008

AGRISAFE NETWORK, INC.  
STATEMENT OF FINANCIAL POSITION - INCOME TAX BASIS  
DECEMBER 31, 2007

ASSETS

Cash .....	<u>\$118,272</u>
 TOTAL ASSETS	 <u>\$118,272</u>

LIABILITIES AND NET ASSETS

Credit card payable - Total Liabilities .....	\$ 1,464
Unrestricted net assets .....	<u>116,808</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$118,272</u>

AGRISAFE NETWORK, INC.  
STATEMENT OF ACTIVITIES - INCOME TAX BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2007

SUPPORT AND REVENUE:		
Grant income .....	\$356,099	
Miscellaneous income .....	2,376	
Interest income .....	4,226	
Membership dues and contributions .....	5,625	
Sales - safety products .....	<u>3,885</u>	
TOTAL SUPPORT AND REVENUE		\$372,211
EXPENSES:		
Program Services:		
Training and technical assistance .....	87,085	
Clinical services .....	36,037	
Development .....	35,714	
Marketing .....	58,216	
Member benefits - direct funds and resources .....	<u>42,923</u>	
Total Program Services		<u>259,975</u>
Supporting Services:		
Management and General:		
Contract labor .....	55,860	
Legal and accounting .....	2,487	
Board of directors travel .....	8,932	
Staff travel .....	6,904	
Office and board meeting expense .....	2,777	
Insurance .....	2,502	
Telephone .....	1,168	
Memberships to organizations .....	<u>1,085</u>	
Total Supporting Services		<u>81,715</u>
TOTAL EXPENSES		<u>341,690</u>
INCREASE IN NET ASSETS		30,521
NET ASSETS AT BEGINNING OF YEAR .....		<u>86,287</u>
NET ASSETS AT END OF YEAR		<u>\$116,808</u>

AGRISAFE NETWORK, INC.  
NOTES TO FINANCIAL STATEMENTS

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Nature of Activities

AgriSafe Network, Inc. is a national membership organization representing rural-based hospitals, health clinics, and county health departments that provides preventative occupational health services for the farming community.

Basis of Accounting

The accompanying financial statements have been prepared on the basis of accounting used for income tax reporting, which is a comprehensive basis of accounting other than generally accepted accounting principles. Revenue is recognized when received rather than when earned, and expenses are recognized when paid rather than when the obligation is incurred.

Use of Estimates

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

Support and Revenue

AgriSafe Network, Inc. receives its grant and contract support primarily from businesses associated with agriculture, foundations, and Iowa's Center for Agricultural Safety and Health. AgriSafe Network, Inc. received 96% of their support from three organizations.

Income Taxes

AgriSafe Network, Inc. is exempt from federal income taxes under Section 501(C)(3) of the Internal Revenue Code and did not conduct unrelated business activities. Therefore, AgriSafe Network, Inc. has made no provision for federal income taxes in the accompanying financial statements. AgriSafe Network, Inc. has also been classified as an entity that is not a private foundation within the meaning of Section 509(a) and qualifies for deductible contributions as provided in Section 170(b)(1)(A)(ii).

Concentration of Credit Risk

At December 31, 2008, AgriSafe Network, Inc. had bank deposits of \$46,011 in excess of federally insured limits.