CITRUS RESEARCH AND EDUCATION FOUNDATION, INC.

FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2013 AND 2012

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<tr>
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<td>15-16</td>
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</table>
Independent Auditor’s Report

The Board of Directors
Citrus Research and Education Foundation, Inc.
Lake Alfred, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of Citrus Research and Education Foundation, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2013 and 2012, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management’s Responsibility of 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 and the standards applicable to financial audits contained in Government Audit Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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 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 policies 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 Citrus Research and Education Foundation, Inc. as of June 30, 2013 and 2012, 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.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated August 23, 2013, on our consideration of Citrus Research and Education Foundation, Inc.’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Citrus Research and Education Foundation, Inc.’s internal control over financial reporting and compliance.

R. A.
Ingle, Jr.
Lake Wales, Florida
August 23, 2013
CITRUS RESEARCH AND EDUCATION FOUNDATION, INC.

STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2013 AND 2012

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>$1,367,250</td>
<td>$1,285,099</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>91,188</td>
<td>152,398</td>
</tr>
<tr>
<td>Funds deposited in State spending account</td>
<td>58,521</td>
<td>48,346</td>
</tr>
<tr>
<td>Fruit pools receivable</td>
<td>37,000</td>
<td>57,000</td>
</tr>
<tr>
<td>Inventory</td>
<td>1,895</td>
<td>1,248</td>
</tr>
<tr>
<td>Fruit retainage certificates and stock in cooperatives</td>
<td>37,936</td>
<td>31,561</td>
</tr>
<tr>
<td>Equipment - net of accumulated depreciation of $58,192 and $49,996</td>
<td>38,211</td>
<td>46,407</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>$1,632,001</strong></td>
<td><strong>$1,622,059</strong></td>
</tr>
</tbody>
</table>

| **LIABILITIES AND NET ASSETS** |               |               |
|**Liabilities**                   |               |               |
| Accounts payable and deposits    | $45,001       | $42,625       |
|**Net Assets**                     |               |               |
| Unrestricted                      | 1,587,000     | 1,579,434     |
| **Total liabilities and net assets** | **$1,632,001**| **$1,622,059**|

The accompanying notes to financial statements should be read in conjunction with this statement.
## Support and Revenue

<table>
<thead>
<tr>
<th>Description</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fruit sales</td>
<td>$649,844</td>
<td>$810,264</td>
</tr>
<tr>
<td>Grove use</td>
<td>122,633</td>
<td>144,255</td>
</tr>
<tr>
<td>Laboratory fees</td>
<td>101,885</td>
<td>149,131</td>
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<tr>
<td>Workshops</td>
<td>15,230</td>
<td>42,814</td>
</tr>
<tr>
<td>Donations and sponsorships</td>
<td>4,545</td>
<td>7,090</td>
</tr>
<tr>
<td>Interest</td>
<td>7,052</td>
<td>6,721</td>
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<tr>
<td>Book sales and miscellaneous</td>
<td>1,965</td>
<td>2,666</td>
</tr>
<tr>
<td><strong>Total revenue and support</strong></td>
<td><strong>903,154</strong></td>
<td><strong>1,162,941</strong></td>
</tr>
</tbody>
</table>

## Expenses and Supporting Services

<table>
<thead>
<tr>
<th>Description</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agricultural operations</td>
<td>715,992</td>
<td>578,778</td>
</tr>
<tr>
<td>Workshops</td>
<td>13,070</td>
<td>28,645</td>
</tr>
<tr>
<td>Business operations</td>
<td>13,361</td>
<td>13,205</td>
</tr>
<tr>
<td>CREC support</td>
<td>150,423</td>
<td>43,321</td>
</tr>
<tr>
<td>Publications</td>
<td>1,028</td>
<td>2,155</td>
</tr>
<tr>
<td>Employee events</td>
<td>1,714</td>
<td>1,470</td>
</tr>
<tr>
<td><strong>Total expenses and supporting services</strong></td>
<td><strong>895,588</strong></td>
<td><strong>667,574</strong></td>
</tr>
<tr>
<td>Increase in net assets</td>
<td>7,566</td>
<td>495,367</td>
</tr>
<tr>
<td><strong>Net assets - beginning of year</strong></td>
<td>1,579,434</td>
<td>1,084,067</td>
</tr>
<tr>
<td><strong>Net assets - end of year</strong></td>
<td><strong>$1,587,000</strong></td>
<td><strong>$1,579,434</strong></td>
</tr>
</tbody>
</table>

The accompanying notes to financial statements should be read in conjunction with this statement.
### CITRUS RESEARCH AND EDUCATION FOUNDATION, INC.  
### STATEMENTS OF FUNCTIONAL EXPENSES  
### YEAR ENDED JUNE 30, 2013

<table>
<thead>
<tr>
<th></th>
<th>Agricultural Operations</th>
<th>Workshops/ Seminars</th>
<th>Business Operations</th>
<th>CREC Support</th>
<th>Publications</th>
<th>Employee Events</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fertilizer</td>
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<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ 216,170</td>
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<td>-</td>
<td>-</td>
<td>117,790</td>
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<td>Repairs</td>
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<td>-</td>
<td>40,326</td>
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<td>-</td>
<td>101,022</td>
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<td>Allocated payroll</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>121,054</td>
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<td>Supplies</td>
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<td>1,000</td>
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<td>756</td>
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<td>Irrigation</td>
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<td>23,539</td>
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<td>Propagation</td>
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<td>654</td>
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<td>Regulatory compliance</td>
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<td>Depreciation of equipment</td>
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<td>-</td>
<td>-</td>
<td>8,196</td>
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<td>Utilities</td>
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<td>-</td>
<td>13,223</td>
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<td>Food and beverages</td>
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<td>4,317</td>
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<td>8,314</td>
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<td>Participant support</td>
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<td>5,580</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>5,580</td>
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<tr>
<td>Travel costs</td>
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<td>958</td>
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<tr>
<td>Insurance</td>
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<td>-</td>
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<td>73,650</td>
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<tr>
<td><strong>Total functional expenses</strong></td>
<td><strong>$ 715,992</strong></td>
<td><strong>$ 13,070</strong></td>
<td><strong>$ 13,361</strong></td>
<td><strong>$ 150,423</strong></td>
<td><strong>$ 1,028</strong></td>
<td><strong>$ 1,714</strong></td>
<td><strong>$ 895,588</strong></td>
</tr>
</tbody>
</table>

The accompanying notes to financial statements should be read in conjunction with this statement.
### STATISTICS OF FUNCTIONAL EXPENSES

**YEAR ENDED JUNE 30, 2012**

<table>
<thead>
<tr>
<th></th>
<th>Agricultural Operations</th>
<th>Workshops/ Seminars</th>
<th>Business Operations</th>
<th>CREC Support</th>
<th>Publications</th>
<th>Employee Events</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fertilizer</td>
<td>$160,378</td>
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<td>$160,378</td>
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<td>Pest management</td>
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<td>-</td>
<td>111,250</td>
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<td>-</td>
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<td>60,715</td>
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<tr>
<td>Supplies</td>
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<td>26</td>
<td>25,114</td>
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<td>943</td>
<td>56,260</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>50,371</td>
</tr>
<tr>
<td>Irrigation</td>
<td>31,619</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>31,619</td>
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<tr>
<td>Propagation</td>
<td>12,654</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>12,654</td>
</tr>
<tr>
<td>Other operating cost</td>
<td>11,461</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>11,461</td>
</tr>
<tr>
<td>Legal and accounting</td>
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<td>10,900</td>
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<td>10,900</td>
</tr>
<tr>
<td>Plant removal</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>10,696</td>
</tr>
<tr>
<td>Other expenses</td>
<td>7,555</td>
<td>587</td>
<td>1,620</td>
<td>777</td>
<td>-</td>
<td>120</td>
<td>10,659</td>
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<tr>
<td>Development expense</td>
<td>10,252</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>10,252</td>
</tr>
<tr>
<td>Regulatory compliance</td>
<td>9,542</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>9,542</td>
</tr>
<tr>
<td>Depreciation of equipment</td>
<td>8,268</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>8,268</td>
</tr>
<tr>
<td>Utilities</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>8,265</td>
</tr>
<tr>
<td>Food and beverages</td>
<td>87</td>
<td>4,463</td>
<td>659</td>
<td>1,993</td>
<td>-</td>
<td>407</td>
<td>7,609</td>
</tr>
<tr>
<td>Participant support</td>
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<td>-</td>
<td>2,490</td>
<td>-</td>
<td>-</td>
<td>5,976</td>
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<td>Travel costs</td>
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<td>-</td>
<td>2,916</td>
<td>-</td>
<td>-</td>
<td>3,263</td>
</tr>
<tr>
<td>Insurance</td>
<td>1,024</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,024</td>
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<td>Refunds</td>
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<td></td>
<td>600</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>600</td>
</tr>
<tr>
<td><strong>Total functional expenses</strong></td>
<td><strong>$578,778</strong></td>
<td><strong>$28,645</strong></td>
<td><strong>$13,205</strong></td>
<td><strong>$43,321</strong></td>
<td><strong>$2,155</strong></td>
<td><strong>$1,470</strong></td>
<td><strong>$667,574</strong></td>
</tr>
</tbody>
</table>

The accompanying notes to financial statements should be read in conjunction with this statement.
STATMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2013 AND 2012

2013  2012

Operating Activities

Increase in net assets  $  7,566  495,367

Adjustments to reconcile increase
in net assets to net cash provided by
operating activities:
Income item not generating cash - equity
  retains issued by fruit cooperative  (8,143)  (4,312)
Depreciation  8,196  8,268
Decrease (increase) in:
  Accounts receivable  61,210  (30,385)
  State spending account  (10,175)  6,442
  Fruit pool receivable  20,000  (5,045)
  Inventory  (647)  440
Increase (decrease) in accounts
  payable and deposits  2,376  5,376
Total adjustments  72,817  (19,216)

Net cash provided by operating activities  80,383  476,151

Investing Activities

Redemption of retainage certificates  1,768  5,358

Net cash provided by investing activities  1,768  5,358

Net increase in cash  82,151  481,509

Cash - beginning of year  1,285,099  803,590

Cash - end of year  $1,367,250  $1,285,099

The accompanying notes to financial statements should be read in con-
junction with this statement.
Note A - Organization and Summary of Significant Accounting Policies

Organization

The Citrus Research and Education Foundation, Inc. (the Foundation) is a not-for-profit organization in the State of Florida and has been certified as a direct support organization of the University of Florida by the University of Florida Board of Trustees. The Foundation was incorporated January 20, 1999.

The Foundation supports the mission of the Citrus Research and Education Center and the Institute of Food and Agricultural Sciences through support of research, extension, and teaching.

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 certain reported amounts and disclosures. Actual results could differ from those estimates.

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting. Net assets, revenues, gains, and losses are classified based on the absence or existence and nature of donor-imposed restrictions. At June 30, 2013 and 2012, all net assets are unrestricted.

Cash and Cash Equivalents

For purposes of the Statements of Financial Position and the Statements of Cash Flows, the Foundation considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Accounts Receivables

Accounts receivables are stated at their estimated net realizable value. Management provides an allowance for doubtful accounts, equal to the estimated uncollectible amount, based on historical collection experience and review of the current status of individual accounts. Balances outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance. It is reasonably possible that the estimate of the allowance for doubtful accounts will change. No provision is required at June 30, 2013 and 2012, since all amounts are considered by management to be collectible.

Inventory

Inventory consists of publications held for resale and is valued at cost or, in the case of donated items, at fair value at date of donation.
Note A - Organization and Summary of Significant Accounting Policies - Continued

Fruit Retainage Certificates and Cooperative Stock

These investments are recorded at cost and consist of stock and allocated surplus of an agriculture cooperative and an electric cooperative.

Equipment

Equipment is stated at cost. Depreciation is computed using accelerated methods over the estimated useful lives of the related assets. The Foundation capitalizes grove equipment costing greater than $5,000. Equipment purchases below this amount are expensed as incurred.

Impairment of Long-Lived Assets

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amounts of an asset to future net cash flows expected to be generated by the asset. If an asset is considered to be impaired, the impairment loss to be recognized is measured by the amount by which the carrying amount of the asset exceeds its fair value.

Revenue Recognition

The Foundation recognizes fruit income when received or when credited to their account at their fruit processor, or, in the case of fruit pools maintained by the fruit processor, when a reasonable estimate of value has been made. Because of uncertainties in measurement, no recognition is made of the value of growing or unharvested fruit on trees.

Revenue from workshops and seminars as well as other revenue is recognized when received or credited.

Donated Goods and Services

The Foundation occupies office space at the University of Florida and is assisted by employees of the University at no charge to the Foundation. Additionally, the Foundation receives donated services from the officers and members of the Board of Directors assisting the Foundation in research and education programs. No amounts have been recognized in the accompanying Statements of Activities because the criteria for recognition has not been satisfied.

Functional Allocation of Expenses

The costs of providing the Foundation's various programs and activities have been summarized on a functional basis in the Statements of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.
Note A - Summary of Significant Accounting Policies - Continued

Tax Status and Positions

The Foundation is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and is not subject to federal and state income taxes on exempt income. In addition, the Foundation qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2).

Although organizations exempt under Section 501(c)(3) pay no tax on their exempt function income, they can be liable for business tax on income they earn from activities not related to their exempt purpose. For the years ended June 30, 2013 and 2012, management believes the Foundation engaged in no activities that were not related to their exempt purpose.

The Foundation has adopted Accounting Standards Codification 740-10 as it relates to uncertain tax positions. When applicable, any interest and penalties recognized associated with a tax position are classified as current in the Foundation's financial statements.

Management has evaluated its tax positions taken for all open tax years. Currently, the 2009 - 2012 tax years are open and subject to examination by the Internal Revenue Service. The Foundation is not currently under audit, nor has it been contacted by this jurisdiction. Based on the evaluation of the Foundation's tax positions, management believes all positions taken would be upheld under an examination. Therefore, no provisions for the effects of uncertain tax positions has been recorded for the years ended June 30, 2013 and 2012.

Date of Management Review

Subsequent events were evaluated through August 23, 2013, which is the date the financial statements were available to be issued.

Note B - Leases

The Foundation leases citrus groves from governmental entities and a private individual. The Foundation pays the expenses of upkeep for these groves and uses the revenues generated by fruit sales in furtherance of its mission. In addition to generating income, these groves can be used for applied research purposes. These leases contain nominal fees in the lease agreements. These fees are routinely waived by the governmental entities leasing the groves to the Foundation.

Groves operated under lease include the following:

A 200 acre grove in Polk County, Florida leased from the University of Florida. This is an annual lease providing for automatic renewals.

A 115 acre grove in Polk County, Florida which is also leased from the University of Florida. This is a 50 year lease with options for future renewal.
Note B - Leases - Continued

Groves operated under leases - continued:

A 196 acre grove in Highlands County, Florida leased from the Florida Fish and Wildlife Conservation Commission. This is a 37 year lease.

A 20 acre grove in Polk County, Florida, leased from an individual. This is an annual lease where the Foundation has agreed to pay as rent for this grove an amount equal to yearly ad valorem taxes.

Note C - Related Parties

The Board of Directors of the Foundation includes members of the agricultural industry. These members and their affiliated organizations may be included among the customers purchasing the Foundation's products or benefiting from research sponsored by it.

The Foundation maintains a spending account at the University of Florida so that payment of common expenses of the Foundation and the University are centralized. During the year ended June 30, 2013, the Foundation transferred $216,650 into this account and $204,352 was distributed from the account. The spending account has a balance of $58,521 at June 30, 2013.

Note D - Fair Value of Financial Instruments

Due to their short duration, the Foundation estimates that the fair value of all financial instruments at June 30, 2013 and 2012, does not differ materially from the aggregate carrying values of its instruments recorded in the accompanying Statements of Financial Position.

Note E - Investments in Fruit and Electric Cooperatives

Investment in fruit cooperatives consist of stock and equity retain certificates in Haines City Citrus Growers Association and its related cannery. These investments are stated at cost. Equity retains represent earnings that have been withheld, or retained, by the Association for capital needs. They are redeemed, without interest, at the option of the Association.

Investment activity involving cooperative stock and retains for the years ended June 30, 2013 and 2012, are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening balance</td>
<td>$28,561</td>
<td>$29,607</td>
</tr>
<tr>
<td>Retains issued</td>
<td>8,143</td>
<td>4,312</td>
</tr>
<tr>
<td>Retains revolved</td>
<td>(1,768)</td>
<td>(5,358)</td>
</tr>
<tr>
<td>Ending balance</td>
<td>$34,936</td>
<td>$28,561</td>
</tr>
</tbody>
</table>
Note E - Investments in Fruit and Electric Cooperatives - Continued

The Foundation has $3,000 on deposit with the Glades Electric Cooperative for electrical service to one of the citrus groves. This membership capital deposit is combined on the Statements of Financial Position with the above fruit cooperative stock under the caption "Investment in fruit and electric cooperatives".

Note F - Concentrations of Credit Risk

Financial instruments that potentially subject the Foundation to concentrations of credit risk consist principally of cash balances at banks and receivables and fruit pools which are due from the Foundation's fruit processor, Haines City Citrus Growers Association. Management reviews the fruit accounts regularly and believes that its credit risk exposure is limited. It has been determined that the Foundation's cash balances qualify as public deposits that are fully collateralized at the depository institutions as reported by the Florida Department of Financial Services.
SUPPLEMENTAL INFORMATION
Independent Auditor’s Report on Internal Control Over Financial
Reporting and on Compliance and Other Matters Based on an Audit of Financial
Statements Performed in Accordance with Government Auditing Standards

The Board of Directors
Citrus Research and Education Foundation, Inc.
Lake Alfred, Florida

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the financial statements of Citrus Research and Education Foundation, Inc. (the Foundation), which comprise the statements of financial position as of June 30, 2013 and 2012, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated August 23, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Foundation’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Foundation’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Foundation’s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not indentify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.
Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Foundation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Foundation’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Foundation’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

R. A.
Ingley, Jr.

Lake Wales, Florida
August 23, 2013
CITRUS RESEARCH AND EDUCATION FOUNDATION, INC.

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JUNE 30, 2013

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