



Desmond & Ahern, Ltd.

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

Independent Auditor's Report

To the Board of Directors of
La Leche League International, Inc.
Schaumburg, IL

We have audited the accompanying statement of financial position of La Leche League International, Inc. (a non-profit organization) as of March 31, 2012, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the League's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior-year summarized comparative information has been derived from the League's 2011 financial statements in which we expressed an unqualified opinion.

We conducted our audit 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 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 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 La Leche League International, Inc. as of March 31, 2012, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information, as listed in the accompanying table of contents, is presented for the purpose 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 statement 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.

Desmond & Ahern, Ltd

July 27, 2012
Chicago, IL

LA LECHE LEAGUE INTERNATIONAL, INC
STATEMENT OF FINANCIAL POSITION
March 31, 2012 (with comparative totals for 2011)

	<u>2012</u>	<u>2011</u>
<u>Assets</u>		
Current Assets		
Cash and equivalents	\$ 234,651	\$ 261,374
Investments	3,261	-
Accounts receivable, net of allowance of doubtful accounts of \$6,999	150,074	183,203
Royalties receivable	123,660	157,660
Inventory	229,681	230,981
Prepaid expenses	38,019	33,867
Total current assets	<u>779,346</u>	<u>867,085</u>
Property, Office Equipment and Software Development		
Office and land	665,000	665,000
Office equipment, furniture and vehicle	354,655	349,941
Software development	1,349,782	1,339,518
	<u>2,369,437</u>	<u>2,354,459</u>
Less accumulated depreciation and amortization	<u>(1,490,107)</u>	<u>(1,249,184)</u>
Net property and equipment	<u>879,330</u>	<u>1,105,275</u>
Other Assets		
Cash and equivalents -permanently restricted	<u>10,100</u>	<u>10,100</u>
Total Assets	<u>\$ 1,668,776</u>	<u>\$ 1,982,460</u>
<u>Liabilities and Net Assets</u>		
Current Liabilities		
Accounts payable	\$ 126,771	\$ 160,492
Accrued liabilities	13,533	9,373
Total current liabilities	<u>140,304</u>	<u>169,865</u>
Net Assets		
Unrestricted		
General	1,187,788	1,666,701
Board designated	210,998	50,950
Total unrestricted net assets	<u>1,398,786</u>	<u>1,717,651</u>
Temporarily restricted	119,586	84,844
Permanently restricted	10,100	10,100
Total net assets	<u>1,528,472</u>	<u>1,812,595</u>
Total Liabilities and Net Assets	<u>\$ 1,668,776</u>	<u>\$ 1,982,460</u>

See independent auditor's report and notes to financial statements.

LA LECHE LEAGUE INTERNATIONAL, INC
STATEMENT OF ACTIVITIES
For the Year Ended March 31, 2012 (with comparative totals for 2011)

	Unrestricted	Temporarily Restricted	Permanently Restricted	2012 Total	2011 Total
Revenues					
Publications, net of discounts and returns of \$12,812 and \$16,773	\$ 342,914	\$ -	\$ -	\$ 342,914	\$ 494,980
Periodicals	5,627	-	-	5,627	26,994
Membership dues	320,385	-	-	320,385	326,583
Royalty income	480,585	-	-	480,585	391,287
Workshop and seminar fees	-	-	-	-	1,100
Miscellaneous	19,201	-	-	19,201	8,856
Contributions	391,742	40,500	-	432,242	467,297
In-kind contributions	32,381	-	-	32,381	16,071
Net assets released from restrictions	6,108	(6,108)	-	-	-
Total Revenues	1,598,943	34,392	-	1,633,335	1,733,168
Expenses					
Supporting Services					
Management and operations	377,615	-	-	377,615	355,343
Funding and development	191,951	-	-	191,951	207,438
Total Supporting Services	569,566	-	-	569,566	562,781
Program services	1,349,317	-	-	1,349,317	1,342,381
Total Expenses	1,918,883	-	-	1,918,883	1,905,162
(Decrease) Increase in Net Assets from Operations	(319,940)	34,392	-	(285,548)	(171,994)
Other Income					
Interest income	1,075	350	-	1,425	2,238
Total Other Income	1,075	350	-	1,425	2,238
Net (Decrease) Increase in Net Assets	(318,865)	34,742	-	(284,123)	(169,756)
Net Assets					
Beginning of year	1,717,651	84,844	10,100	1,812,595	1,982,351
End of year	\$ 1,398,786	\$ 119,586	\$ 10,100	\$ 1,528,472	\$ 1,812,595

See independent auditor's report and notes to financial statements.

LA LECHE LEAGUE INTERNATIONAL, INC
STATEMENT OF CASH FLOWS
For the Year Ended March 31, 2012 (with comparative totals for 2011)

	<u>2012</u>	<u>2011</u>
<u>Operating Activities</u>		
Net (decrease) in net assets	\$ (284,123)	\$ (169,756)
Adjustments to reconcile change in net assets to net cash (used in) by operating activities		
Depreciation and amortization	240,922	304,665
Donation of stock	(3,261)	9,951
Change in		
Accounts receivable	67,129	(79,996)
Inventory	1,300	(55,358)
Prepaid expenses and deposits	(4,152)	(6,314)
Accounts payable and accrued expenses	(29,561)	(102,263)
Deferred revenue	-	(10,267)
Net cash (used in) operating activities	<u>(11,746)</u>	<u>(109,338)</u>
<u>Investing Activities</u>		
Purchase of property, office equipment and software development	<u>(14,977)</u>	<u>(39,675)</u>
Net cash (used in) investing activities	<u>(14,977)</u>	<u>(39,675)</u>
Net (decrease) in cash and equivalents	(26,723)	(149,013)
Cash and equivalents, beginning of year	<u>271,474</u>	<u>420,487</u>
Cash and equivalents, end of year	<u>\$ 244,751</u>	<u>\$ 271,474</u>
As Reflected on Statement of Financial Position		
Current unrestricted assets	\$ 234,651	\$ 261,374
Other assets, permanently restricted	<u>10,100</u>	<u>10,100</u>
	<u>\$ 244,751</u>	<u>\$ 271,474</u>

See independent auditor's report and notes to financial statements.

LA LECHE LEAGUE INTERNATIONAL, INC.
NOTES TO FINANCIAL STATEMENTS
March 31, 2012

Note 1 – Nature of Activities and Summary of Significant Accounting Policies

Nature of Activities and Organization

La Leche League International, Inc. (La Leche League) is an Illinois not-for-profit, nonsectarian membership organization. It was formed in 1956 for the purpose of offering encouragement, information, and support to women who choose to breastfeed their babies and, in so doing, to foster good mothering through breastfeeding. The major services provided to support members and others are educational in nature. Funding for these services is derived primarily from publication and product sales, contributions and membership dues. La Leche League's services and products are provided to members and others throughout the world.

Individuals have formed various autonomous local groups which have associated with La Leche League. These groups are issued a certificate of affiliation, contribute annual membership fees, and agree to conduct their affairs in accordance with the general bylaws of La Leche League. These groups operate independently and, therefore, the activity of such groups is not presented in the financial statement of La Leche League.

Basis of Accounting

The accounts are maintained on the accrual basis of accounting and accordingly, reflect all significant accounts receivable, payable, and other liabilities in conformity with accounting principles applicable to non-profit organizations.

Basis of Presentation

La Leche League reports information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted net assets, as required by Generally Accepted Accounting Principles (GAAP).

Use of 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 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 the revenues, expenses, gains, losses and other changes in net assets during the reporting period. Actual results could differ from those estimates.

Functional Cost Allocation

The cost of providing the various programs and supporting services have been summarized on a functional basis. Accordingly, certain administrative costs have been allocated among programs and supporting services.

Cash and Equivalents

For purposes of the combined Statement of Cash Flows, money market funds and certificates of deposit are considered cash equivalents.

LA LECHE LEAGUE INTERNATIONAL, INC.
NOTES TO FINANCIAL STATEMENTS
March 31, 2012

Note 1 – Nature of Activities and Summary of Significant Accounting Policies (cont.)

Investments

Investments are carried at fair value as determined by quoted market prices and consist of common stock.

Description of Program and Supporting Services

The following program and supporting services are included in the financial statements:

Publications include books, pamphlets, tear-off sheets and other educational materials that provide information about breastfeeding to parents as well as health care professionals. Also included are products related to breastfeeding, childbirth, and parenting that La Leche League distributes through mail and online order sales.

Periodicals include publishing one bimonthly and one quarterly magazine, one that provides information on breastfeeding for La Leche League members and the other that provides information and organizational background for La Leche League leaders who provide one-to-one support to mothers.

Leader Support the Leader, using her experience and La Leche League training, provides and facilitates mother-to-mother support. Leaders help mothers in person or on the phone, conduct monthly meetings, supervise the management of the group, and keep up-to-date on breastfeeding issues.

Exhibits that promote the latest information, resources and materials for mother and health professionals.

External Relations and Advocacy this program nurtures the establishment of networking relationships with external agencies, private voluntary organizations, and nongovernmental organizations who work in maternal/child healthcare, nutrition and community development to further breastfeeding support and information, as well as increase La Leche League visibility and credibility.

Public Relations responds to the media, organizations, educational groups, health agencies, the general public, and La Leche League membership regarding the mission, philosophy and position on breastfeeding issues. Press releases, web site information, and other communiqués are used to accomplish these goals.

Customer Service/Order Department enters catalog orders, answers questions, and provides information on products and services offered by La Leche League to customers.

LA LECHE LEAGUE INTERNATIONAL, INC.
NOTES TO FINANCIAL STATEMENTS
March 31, 2012

Note 1 – Nature of Activities and Summary of Significant Accounting Policies (cont.)

Help Line through the use of a toll-free telephone number, the La Leche League International will provide mothers with a reference and connection to a local support group and provide additional information as requested.

Management and General includes the functions necessary to maintain an equitable employment program, ensure an adequate working environment, and provide coordination and articulation of La Leche League's programs and mission, as well as the financial and budgetary responsibilities of La Leche League.

Board of Directors establishes policy, governs the business and affairs of La Leche League, and hires the Executive Director. The Board is comprised of no fewer than nine and no more than fourteen members from throughout the world. The Board meets twice a year and conducts business between meetings as necessary.

Fundraising spring and fall appeals are conducted to individual donors. The Fundraising Director sends acknowledgements to donors, explores commercial relationships for the Organization, and pursues financial support from foundations, governments and corporations.

Inventory

Inventory, which primarily consists of finished books on breastfeeding, is valued on the first-in, first-out method.

Property, Office Equipment and Software Development

Property and equipment is recorded at historical cost. La Leche League capitalizes fixed asset additions over \$500. Depreciation is computed by use of the straight-line method for all property and equipment.

The estimated useful lives used in computing depreciation and amortization are as follows:

Office	40 years
Office equipment, furniture, and vehicles	5 - 10 years
Software and software development	5 years

Maintenance and repairs, which neither materially add to the value of the property nor appreciably prolong its life, are charged to expense as incurred. Gains or losses on dispositions or property and equipment are included in the statement of activities.

LA LECHE LEAGUE INTERNATIONAL, INC.
NOTES TO FINANCIAL STATEMENTS
March 31, 2012

Note 1 – Nature of Activities and Summary of Significant Accounting Policies (cont.)

Contributions

Contributions are recognized when the donor makes a promise to give to La Leche League that is, in substance, unconditional. Promises to give payable over more than one year are recorded at present value. Contributions of cash and other assets are recorded as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires; that is, when a stipulated time restriction ends or purpose restriction is fulfilled, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Restrictions on permanently restricted contributions never expire; the assets must be invested in perpetuity.

La Leche League reports gifts of long lived assets as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations regarding how long those long-lived assets must be maintained, La Leche League reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service. La Leche League did not receive any gifts of long-lived assets during the year ended March 31, 2012.

Donated Services

Donated services are required to be recognized if the services received (a) create or enhance non-financial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Donated services are recorded as in-kind contributions in the Statement of Activities as both an expense and contribution. For the year ended March 31, 2012, La Leche League did not receive any donated services meeting these criteria.

La Leche League pays for most services requiring specific expertise. Many individuals volunteer their time and perform a variety of tasks that assist La Leche League with specific assistance programs, mother to mother support, campaign solicitations, and various committee assignments. The value of these services has not been included in the financial statements as these services do not meet the criteria noted above.

In-Kind Contributions

In addition to receiving cash contributions, La Leche League receives in-kind contributions from various donors. It is the policy of the La Leche League to record the estimated fair market value of certain in-kind donations as an expense in its financial statements, and similarly increase donations by a like amount. For the year ending March 31, 2012, the Organization received in-kind contributions valued at \$32,381.

LA LECHE LEAGUE INTERNATIONAL, INC.
NOTES TO FINANCIAL STATEMENTS
March 31, 2012

Note 1 – Nature of Activities and Summary of Significant Accounting Policies (cont.)

Advertising and Promotional Costs

Advertising and promotional costs are expensed as they are incurred. In 2012, La Leche League incurred \$40,439 in promotional expense.

Income Taxes

La Leche League is a nonprofit organization which has been granted a tax-exempt status pursuant to Section 501(c)(3) of the Internal Revenue Code of the United States. La Leche League is required to pay Federal and State income taxes only on its net unrelated business income. For the year ended March 31, 2012, no tax provision was deemed necessary by management.

The tax exempt purpose of La Leche League and the nature in which it operates is described in the first paragraph of this note. La Leche League continues to operate in compliance with its tax exempt purpose and management's assessment is there are no uncertain tax positions. The annual information and income tax returns filed with the federal and state governments are subject to examination for the statutory period.

Reclassifications

Certain items in the prior year financial statements have been reclassified to conform to the current year's presentation.

Note 2 – Concentration of Credit Risk in Cash

La Leche League maintains cash in certain financial institutions. No amounts exceeded the federally insured limits at March 31, 2012.

Note 3 – Fair Value Measurements and Investments

Generally Accepted Accounting Principles defines fair value as the price that would be received for an asset or paid to transfer a liability (an exit price) in La Leche League's principal or most advantageous market in an orderly transaction between market participants on the measurement date.

Generally Accepted Accounting Principles establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

LA LECHE LEAGUE INTERNATIONAL, INC.
NOTES TO FINANCIAL STATEMENTS
March 31, 2012

Note 3 – Fair Value Measurements (cont.)

Level 3: Significant unobservable inputs that reflect a reporting entity’s own assumptions about the assumptions that market participants would use in pricing an asset or liability.

In many cases, a valuation technique used to measure fair value includes inputs from multiple levels of the fair value hierarchy. The lowest level of significant input determines the placement of the entire fair value measurement in the hierarchy. The fair value of debt and equity investments that are readily marketable are determined by obtaining quoted prices on nationally recognized securities exchanges (Level 1 inputs) or by quoted market prices of similar securities with similar due dates or matrix pricing. This is a mathematical technique widely used in the industry to value debt securities without relying exclusively on quoted prices for the specific securities but rather by relying on securities’ relationship to other benchmark quoted securities (Level 2 inputs).

Assets Measured on a Recurring Basis

Assets measured at fair value on a recurring basis are summarized below:

	<u>Fair Value Measurements at March 31, 2012</u>		
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Coporate stocks	<u>\$ 3,261</u>	<u>\$ -</u>	<u>\$ -</u>

Note 4 – Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following purposes as of March 31, 2012:

Leader accreditation development	\$ 433
CBI (reference library)	2,087
Executive Directory Discretionary	500
Editor stipends	2,417
Restricted endowment interest	626
LLLI Isdell - Zambia project	78,535
Medela	2,489
LLLI office/projects	28,744
800 Spanish Line	1,180
Miscellaneous restricted	2,575
	<u>\$ 119,586</u>

LA LECHE LEAGUE INTERNATIONAL, INC.
NOTES TO FINANCIAL STATEMENTS
March 31, 2012

Note 5 – Net Assets Released from Restrictions

Net assets were released from donor restrictions during the year ended March 31, 2012 by incurring expenses satisfying the following restricted purposes specified by donors:

LatchOn	\$ 1,526
CBI (reference library)	2,162
Office projects	770
Zambia project	1,570
Miscellaneous restricted	80
	<u>\$ 6,108</u>

Note 6 – Permanently Restricted Net Assets

In July 1997, a donation of \$10,000 was received to establish an endowment fund. The investment income earned on the endowment fund is to be used to support general operating expenses.

Note 7 – Publication Royalty

During the year ended March 31, 2009, La Leche League entered into an agreement with Random House Publishing for the development and ultimate publication of three manuscripts. Revenue is being recognized by management as agreed-upon milestones are substantially met. If all milestones are met, the aggregate royalty could total \$600,000. As of March 31, 2012, \$500,000 was received pertaining to this agreement.

Note 8 – Lease and Other Commitments

La Leche League is the lessee of office equipment under several operating leases. There is also a contract for software maintenance and ongoing services related to the membership database.

Minimum future payments under operating leases and software agreement are as follows:

<u>Year Ending March 31,</u>	<u>Amount</u>
2013	\$ 3,657
2014	1,131
	<u>\$ 4,788</u>

Note 9 – Income Taxes

La Leche League receives advertising revenues which are considered unrelated business income and are taxed on a net basis after related expenses. For the year ended March 31, 2012, a tax provision was not considered material to the financial statements.

LA LECHE LEAGUE INTERNATIONAL, INC.
NOTES TO FINANCIAL STATEMENTS
March 31, 2012

Note 10 – Lines of Credit

La Leche League is obligated for credit cards issued in its name. At March 31, 2012, La Leche League's total available line of credit related to these credit cards is \$50,000, of which, \$26,644 was available.

A line of credit is being established for \$100,000 with American Chartered Bank. A final Board of Directors resolution authorizing the line has been passed and sent to the Bank.

Note 11 – Global Business Model

La Leche League International plays a critical role in the cohesion of the global La Leche League Community. In October 2008, La Leche League International's Board of Directors approved a business outline for moving forward. La Leche League International will focus on setting policies binding on all leaders of the community worldwide; will focus on the management of the La Leche League International brand including oversight of the publishing of books and licensing and endorsement of products; will focus on the maintenance of leader recruitment, accreditation and education in multiple languages and cultural contexts; will focus on development of public information and education and the assessment and availability of medical and professional information.

La Leche League will concentrate on the external revenue sources of donations, book royalties, brand licensing, royalties, and public book sales. The League has and will continue to pursue cost sharing arrangements with the La Leche League Global Community

Note 12 – Uniform Prudent Management of International Funds Act

La Leche League's endowment includes donor-restricted endowment funds. Net assets associated with La Leche League's endowment fund are classified and reported based on the existence or absence of donor-imposed restrictions.

La Leche League accounts for endowment net assets by preserving the fair value of the original gift as of the gift date of the donor-restricted endowment fund absent explicit donor stipulations to the contrary. As a result, La Leche League 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 permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the endowment fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the organization in a manner consistent with the standard of prudence prescribed by Illinois Uniform Prudent Management of International Funds Act.

LA LECHE LEAGUE INTERNATIONAL, INC.
NOTES TO FINANCIAL STATEMENTS
March 31, 2012

Note 12 – Uniform Prudent Management of International Funds Act (cont.)

It is the policy of La Leche League to manage the endowment fund in a manner that will, at a minimum, preserve and maintain the relative stability of the principal, with income the primary objective and growth secondary. The expectation is that 100% of the investments are held in cash and cash equivalents.

The endowment net asset composition by type of fund at March 31, 2012 is as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Donor-restricted endowment funds	\$ 46	\$ 626	\$ 10,100	\$ 10,772

Changes in endowment net assets for the fiscal year ending March 31, 2012 are as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Donor-restricted endowment funds	\$ 46	\$ 337	\$ 10,100	\$ 10,483
Investment Return				
Investment income	-	289	-	289
Net appreciation (realized/unrealized)	-	-	-	-
	-	289	-	289
Contributions	-	-	-	-
Appropriation of endowment assets for expenditure	-	-	-	-
Endowment net assets, end of year	<u>\$ 46</u>	<u>\$ 626</u>	<u>\$ 10,100</u>	<u>\$ 10,772</u>

Note 13 – Contingency

La Leche League is a party to a lawsuit brought against it as the result of its normal business operations. Legal counsel has not concluded that the likelihood of an unfavorable outcome is either probable or remote.

Note 14 – Subsequent Events

For the year ended March 31, 2012, La Leche League's management has evaluated subsequent events through July 27, 2012, which is the date the financial statements were available to be issued. No subsequent events have been identified that are required to be disclosed.

SUPPLEMENTARY INFORMATION

LA LECHE LEAGUE INTERNATIONAL, INC
SCHEDULE OF EXPENDITURES BY FUNCTION
For the Year Ended March 31, 2012 (with comparative totals for 2011)

	<u>Program</u>	<u>Management and General</u>	<u>Funding and Development</u>	<u>2012 Total</u>	<u>2011 Total</u>
Personnel					
Salaries	\$ 315,831	\$ 138,398	\$ 69,981	\$ 524,210	\$ 526,798
Payroll taxes	15,083	9,549	4,843	29,475	30,093
Benefits	18,705	10,090	8,004	36,799	35,413
Total Salaries	<u>349,619</u>	<u>158,037</u>	<u>82,828</u>	<u>590,484</u>	<u>592,304</u>
Automotive	599	317	112	1,028	675
Bank fees	1,620	857	302	2,779	4,470
Building expenses	15,143	8,008	2,820	25,971	27,686
Charge card fees	12,552	-	178	12,730	15,597
Depreciation and amortization	140,477	74,285	26,160	240,922	304,665
Dues and subscriptions	4,794	751	1,629	7,174	5,286
Equipment rental, repairs and maintenance	10,146	3,570	1,257	14,973	9,399
Filing and license fees	-	249	-	249	31
General insurance	29,573	15,639	5,507	50,719	52,969
Latch On	3,726	-	-	3,726	-
Meals and lodging	36,233	8,719	2,786	47,738	83,228
Miscellaneous expense	885	467	165	1,517	819
Payroll service fees	1,847	977	344	3,168	3,574
Postage	53,524	1,365	5,227	60,116	59,682
Professional/outside services	61,896	15,195	22,346	99,437	91,821
Repairs and maintenance	122,651	21,201	7,466	151,318	140,515
Accounting fees	13,148	6,953	2,449	22,550	24,111
Legal	68,466	19,326	6,806	94,598	45,912
Promotional	34,090	-	6,349	40,439	21,435
Purchase expense	4,282	-	-	4,282	9,296
Supplies	11,722	3,763	1,307	16,792	17,585
Telephone	15,624	8,261	2,910	26,795	17,528
Travel and meetings	50,487	18,016	6,737	75,240	67,061
Unemployment	6,649	-	-	6,649	6,851
Utilities	18,558	9,813	3,456	31,827	32,503
Cost of goods sold	281,006	1,846	2,810	285,662	270,159
	<u>\$ 1,349,317</u>	<u>\$ 377,615</u>	<u>\$ 191,951</u>	<u>\$ 1,918,883</u>	<u>\$ 1,905,162</u>

See independent auditor's report and notes to financial statements.

LA LECHE LEAGUE INTERNATIONAL, INC
SCHEDULE OF PROGRAM SERVICES EXPENSE
For the Year Ended March 31, 2012 (with comparative totals for 2011)

	<u>2012</u>	<u>2011</u>
Publications and periodicals	\$ 752,883	\$ 694,479
Leader support	61,970	76,293
Exhibits	91,251	123,199
External relations and advocacy	60,351	65,820
Public relations	89,791	55,375
Customer service/order department	160,577	176,264
Breastfeeding education support	75,767	97,427
Help line	56,727	53,524
	<u>\$ 1,349,317</u>	<u>\$ 1,342,381</u>

See independent auditor's report and notes to financial statements.