From the CEO, Jake Harriman:

Dear Friends,

2011 was an incredible year of progress for Nuru. Over the next few pages, I’d like to share some of the many highlights from the past year...

Over 10,000 Lives Have Been Changed

Hear how Nuru members lifted themselves out of extreme poverty. This video celebrates Nuru’s third year working in Kuria, Kenya. (2:26 length)

View all of Nuru’s videos at nuruinternational.org/videophoto

NURU INTERNATIONAL IS A SOCIAL VENTURE COMMITTED TO ENDING EXTREME POVERTY IN REMOTE, RURAL AREAS.
New Sustainability Programs

We launched two new programs that will enable us to build a fully functioning NGO that can staff, finance, manage and scale itself without dependence on external resources.

Leadership Program
Three of our local staff share about the Leadership Program in their own words:

Francis Magige
“Service Leadership”*

John Weisiko
“The Risks of Giving Feedback in Kenya”*

Paul Mwita Mogosi
“Challenges of Giving Assessment to Nuru Staff in Kenya”*

*Read the above blogs at NuruInternational.org/blog

Income Generating Activities Program
These businesses generate revenue to pay for Nuru’s programs:

Agribusiness
buying and selling maize grown by Nuru farmers

Dairy Cows
a sustainable and scalable local business

Commodities Sales
making health products available to the local market

Nuru Introduces MPAT in Africa

Our Monitoring and Evaluation (M&E) team is proud to be the first NGO in Africa to implement the Multidimensional Poverty Assessment Tool (MPAT), designed to measure the level of poverty in a community and the presence of an environment enabling families to lift themselves out of extreme poverty. The MPAT was developed by the International Fund for Agricultural Development (IFAD), a specialized agency of the United Nations, and Nuru worked with IFAD to implement this tool.

(1:50 length)
Program Expansion

Our programs scaled to new areas:

Agriculture and CED scaled to Ihore, Moheto & Ngochori

Education scaled to Nyametaburo, Nyangiti, Nyabikaye, and Nyamaharaga

Nuru Fellows Program

We recruit top talent for our international staff through our new Fellows Program. (2:27 length)

For a full recap of our 2011 growth and changes, I invite you to read my blog, Growing Up, found at NurulInternational.org/blog.

None of this would be possible without your selfless support. I want to give special recognition to two groups of donors by listing their names in this report. We are also thankful for the many donors who opened up their homes and offices and invited us to share Nuru with over 4,500 people through nearly 50 events.

Thank you for joining our vision to create a world where people living in extreme poverty have the choice to determine their future. We look forward to 2012.

Stay in the fight,

Jake Harriman
Founder and CEO
PROGRAM AREA UPDATES

LEADERSHIP

The Leadership Program aggressively scaled its work in Kuria, Kenya in 2011. We hired and trained six new facilitators using a “training of trainers” curriculum that was completely written and delivered by our local training team. This growth in our training staff enabled us to increase the number of trainings we deliver each week and expand our services to all levels of management within our Kuria project (approximately 120 people). Furthermore, we delivered additional trainings continuously throughout the year, even as senior training staff took time to write and pilot new curriculum for future training series. Meanwhile in the States, the Leadership Program developed a detailed start-up process of collaboration and co-design for local leaders in a new project. This work is in preparation for Nuru’s expansion to Ethiopia in 2012.

AGRICULTURE

The Agriculture Program grew immensely from 975 farmers taking loans during the 2011 long rains season to 2,783 farmers recruited for loans in 2012. Nuru farmers increased their maize yields significantly with the provision of farm input loans, extension services, and training by the Agriculture Program. To encourage loan repayment, which cumulatively reached 75.7% by year’s end, the Agriculture Program adopted continuous loan repayment, one loan season per year, and closer relationships with Kenya government officials. The Agribusiness Program, with aims of funding Nuru Kenya and benefiting farmers with market access, purchased and resold 279 metric tons of maize valued at $86,000. Agribusiness successfully executed a USAID / Market Linkages Initiative grant to construct and supply five additional village buying stations.

CED

The CED Program has grown in its capacity to train and provide financial services to farmers in extreme poverty. By the close of 2011, 1,534 savings club members were provided access to financial training, savings, and credit. The CED Program reached just under its goal of enrolling half of all Nuru’s farmers—reaching 49.3%. With nearly $16,000 in total group savings, 423 loans issued at combined value of over $45,000, and a repayment rate of 99.86%, the CED Program’s portfolio has nearly quadrupled in size while retaining the high quality of its services. This coming year will be a further test for the program as it reaches its next phase of growth and focus. The program will continue to refine its model and maximize its impact as it scales to new areas in conjunction with the Agriculture Program to reach 60% of Nuru’s farmers.

<table>
<thead>
<tr>
<th></th>
<th>Q1</th>
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<th>Q3</th>
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<td>New loans issued</td>
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<td>$8,100</td>
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<td>Number of loans issued</td>
<td>52</td>
<td>34</td>
<td>68</td>
<td>254</td>
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<td>Repayment Rate</td>
<td>93%</td>
<td>94.4%</td>
<td>95.34%</td>
<td>99.86%</td>
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WATER AND SANITATION

Nuru hosted a nationwide Low Cost Sanitation Workshop taught by the Centre for Affordable Water and Sanitation Technology (CAWST). All 21 members of the Water & Sanitation staff (including 7 women) learned the skills and tools to construct a low cost, safe, long-lasting latrine product that can be purchased by families in incremental steps as funds become available (i.e. buy the foundational lining and slab with profits from this harvest; buy the walls and roof with the profits from next harvest). The price point for complete model is $180; basic models priced at $50. Seven demonstration projects were built at Nuru maize buying stations to generate demand for Nuru latrine construction. Also, our team sold 100 handwashing stations and 80 safe water storage containers. Lastly, we oversaw the drilling of a deep well in Hekima that will serve 300-500 villagers. Hekima, an impoverished community, raised 80,000Ksh (approximately $1,000) in 20Ksh and 30Ksh increments from community members to pay for the hydrology report and permitting process. The community also sourced their own hydrologist and drilling subcontractor.
2011 was a year of R&D for the Healthcare Program. In order to adequately set the stage for an action-filled year of progress in 2012, our focus was on increasing the effectiveness and efficiency of our Home Visit Strategy. To do so, we researched and prepared to create a participatory, behavior change focused base curriculum using the Rainer Arnhold Fellows design iteration flow (DIF) format. The DIF will gauge the program model's ability to have impact and scale in a sustainable manner. We also engaged in an externship with Living Goods to gain a detailed understanding of operational elements that will lead us to improving healthcare in Kuria and beyond. We worked with the Monitoring & Evaluation (M&E) Team to develop our indicators of program success, household survey, and evaluation plan. We also launched the precursor to 2012’s Social Marketing Strategy with a distribution of the Healthy Behavior Calendar and helped to support the Kenyan Ministry of Health’s Malezi Bora maternal and child health campaigns. We trained Community Healthcare Workers (CHWs), village elders, Nuru farmer families, and several schools on topics such as malaria, diarrhea, pneumonia, immunization, newborn health and safe motherhood. To wrap up the year, we made a significant decision to tighten our CHW model framework, shifting from a large number of volunteer, part-time CHWs to a smaller yet quality-focused, full-time team of Nuru Field Officers.

In 2011, Nuru’s Education Program focused on testing and implementing our outreach model. The team partnered with local public primary schools to establish a rotating schedule for Nuru outreach initiatives. After gaining approval and support from the Kenyan Ministry of Education, all schools and the community, Nuru implemented the outreach program in nine public primary schools. During outreach, Nuru facilitators conducted hour-long literacy intensive sessions with classes Standard 1–7, filling lulls in the school day. The team tested the Learning Center concept, offering drop-in programs focused on literacy development during school breaks to a daily average of 400 kids. The team also conducted the Uwezo literacy assessment and completed the literacy baseline in partnership with Nuru’s M&E Team. The Education Team continues to iterate on the model and is currently focused primarily on enhancing the literacy curriculum, increasing saturation of the program and preparing to scale to new sub-locations.

PUBLIC SUPPORT AND REVENUES

<table>
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<tr>
<th>Description</th>
<th>Amount</th>
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<tr>
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<td>Interest</td>
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<td>Total Revenue</td>
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EXPENSE SUMMARY

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FUNCTIONAL EXPENSE BREAKDOWN

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<td>Training and Development</td>
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<td>Travel and Meetings</td>
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<td>Total Expenses</td>
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CURRENT ASSETS

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<td>Ending Net Assets</td>
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Prepared by Morris Chubb, U.S.-based accountant
*All Figures in U.S. Dollars

These 2011 numbers are estimates; starting in 2012, Nuru’s M&E Team will change the way we calculate them.
KENYA PROFIT AND LOSS

PUBLIC SUPPORT AND REVENUES
Donations & Grants ........................................... 788,603
Program Revenue ............................................. 254,821
Interest .......................................................... 12,333
Interest on Deposits .......................................... 2,273
Exchange Gains ................................................ 1,023
Total Revenue .................................................. 1,059,053

EXPENSE SUMMARY
Program Expenses
Healthcare Program ......................................... 20,615
Water & Sanitation ............................................ 37,457
Education Program .......................................... 20,265
Community Economic Dev .................................. 20,484
Agriculture Program ....................................... 359,771
IGA ............................................................... 2,792
Total Program Expenses .................................... 461,384
Management and Administrative ....................... 124,189
Total Functional Expenses ................................. 585,573

FUNCTIONAL EXPENSE BREAKDOWN
Bad Debt Allowance ........................................... 18,984
Books and Subscriptions .................................... 32
Community Development and Welfare ....................... 2,709
Contract Services ............................................ 47,261
Cost of Goods from Program Revenues ................... 255,090
Facilities and Equipment .................................... 16,641
Foundation Team Expenses ................................. 1
Freight & Transportation of Goods ......................... 1,164
Insurance ...................................................... 231
Licences and Fees ............................................. 1,901
Payroll and Benefits ........................................ 112,690
Program Supplies .......................................... 62,087
Other Program Expenses .................................... 1,181
Supplies & Printing .......................................... 14,635
Telecommunications ........................................ 12,697
Travel .......................................................... 38,270
Total Expenses ................................................ 861,571

CURRENT ASSETS
Cash ............................................................ 150,193
Program Loans Receivable .................................. 17,450
Program Inventories ........................................ 303,504
Total Current Assets ......................................... 537,147

Net Assets
Unrestricted .................................................... 861,571
Total Net Assets ............................................. 861,571

Total Liabilities and Net Assets .......................... 895,395
Change in Net Assets ....................................... 473,480
Foreign Exchange Gain (Loss) on Net Assets ........... 22,167
Beginning Net Assets ..................................... 410,314
Ending Net Assets .......................................... 861,571

DONOR RECOGNITION

Donors with Gifts $5000+
We recognize these donors for their contribution of $5000+ in 2011.

Anonymous (4)
Alex and Polly Ryerson
Alpine Management Services III, LLC
Charles Steitz
Christina and Doug Tudor
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David and Joannie Fischer
David and Kathy Carreon
David and Lavilla Nancarrow
Donald Kelley
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GS Gives Annual Giving Fund: Joe Gleberman
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Hoku Foundation
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Jasmine Social Investments
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Marie Halley and Antoine Haddad
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Mulago Foundation
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One Day’s Wages
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Paul and Heather Haaga
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Peter and Amy Wagner
Promod Haque
Rajeev Winfred
Robert and Kristine Clarkson
Robertson Family Foundation
Sevenly
Swartz Foundation
Sykes Family Foundation
The Franklin and Catherine Johnson Foundation
The Grace and Mercy Foundation, Inc
The Matthews Salazar Imagitas Foundation
The Mukesh & Harsha Patel Fund
The Risk Family Fund
The Wolford Family Fund
Todd and Tanya Mace
Williams Family Advised Fund

Nuru International is a 501(c)(3) non-profit, public benefit charity and meets all 20 Better Business Bureau Charity Standards. Nuru has been awarded the Independent Charities Seal of Excellence for certifying, documenting, and demonstrating that we meet the highest standards of public accountability, program effectiveness, and cost effectiveness. “Nuru” is a Kiswahili word meaning light.
Monthly Donors
We thank these donors for their monthly gifts during 2011.

Aaron and Josalyn Mann  
Aaron Hedman  
Abby Hills  
Adam and Juliana Riley  
Adam Fleming  
Aerie and Laura Changala  
Alejandro Nunez  
Alicia Levesque  
Andrew Dawn  
Andres Rivera  
Andres Vargas Lugo  
Andrew Luker  
Andrew Meredith  
Andy and Jenn Cogar  
Anna Siverd  
Bart and Liz Peintner  
Basil and Debbie Fthenakis  
Becky Charlton  
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Ben Oakes  
Ben Whitehair  
Benjamin Kelm  
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Billy and Jamie Williams  
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Brendan Bosch  
Brett and Amanda Jo Huffman  
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Brian Von Kraus  
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Bryan Kidd  
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Charles Wanker  
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Kimberley Kates  
Kirk and Allison Copen  
Kristen Parrinello  
Kurt Scherer and Family  
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Reuben Hernandez  
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Richard Ferrari  
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Ryan Middlemiss  
Ryan Smither  
Sallie Smith  
Scott and Danielle Taylor  
Scott Lambert  
Serguei Tiourine  
Seth Wolcott  
Shawn and Jennifer Carolan  
Sherri Meyer  
Sienna Petree  
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Trey Dunham  
Troy and Stacy Terty  
Tyler Payne  
Vanessa Vancour  
Victor Cardenas and Elizabeth Vaughan  
Vivian Lu  
Wes and Jenna Mace  
Weston Sankey  
Will Winfrey  
Zack Arnold  
Anonymous (6)
THANK YOU FOR AN INCREDIBLE 2011!

United States Staff

Kenyan Staff

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