

**NURU INTERNATIONAL
REPORT ON THE AUDIT
OF THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED
DECEMBER 31, 2013 AND 2012**

NURU INTERNATIONAL
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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
NURU International

We have audited the accompanying financial statements of NURU International (a California not-for-profit corporation), which comprise the statements of financial position as of December 31, 2013 and 2012, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for 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.

Auditors' 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. 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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 used 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 opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of NURU International as of December 31, 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.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of functional expenses on pages 16 - 17 are presented for purposes of additional analysis and are 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 audits 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.

Knuttle & Associates, P.C.

**NURU INTERNATIONAL
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2013 AND 2012**

ASSETS

	2013	2012
CURRENT ASSETS		
Cash	\$ 1,862,662	\$ 737,768
Investments	5,233	176,758
Grants Receivable (Net of Allowance for Doubtful Accounts of \$0, Respectively)	225,000	175,000
Prepaid Expenses	30,747	46,832
Prepaid Supplies	0	5,150
TOTAL CURRENT ASSETS	2,123,642	1,141,508
FIXED ASSETS		
Furniture and Equipment	85,029	78,030
Less – Accumulated Depreciation	58,834	41,162
TOTAL FIXED ASSETS	26,195	36,868
OTHER ASSETS		
Long Term Grants Receivable (Net of Allowance for Doubtful Accounts of \$0, Respectively)	2,955,381	236,686
TOTAL OTHER ASSETS	2,955,381	236,686
TOTAL ASSETS	\$ 5,105,218	\$ 1,415,062

LIABILITIES AND NET ASSETS

	2013	2012
CURRENT LIABILITIES		
Accounts Payable	\$ 78,453	\$ 12,619
Accrued Liabilities	74,504	86,192
TOTAL CURRENT LIABILITIES	<u>152,957</u>	<u>98,811</u>
TOTAL LIABILITIES	<u>152,957</u>	<u>98,811</u>
NET ASSETS		
Unrestricted	118,119	904,565
Temporarily Restricted	4,834,142	411,686
TOTAL NET ASSETS	<u>4,952,261</u>	<u>1,316,251</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 5,105,218</u></u>	<u><u>\$ 1,415,062</u></u>

See Accompanying Notes To The Financial Statements.

**NURU INTERNATIONAL
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2013**

	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>PERMANENTLY RESTRICTED</u>	<u>TOTAL</u>
PUBLIC SUPPORT, REVENUES AND GAINS				
Grants and Donations	\$ 3,144,715	\$ 4,672,456	\$ 0	\$ 7,817,171
In-Kind Donations	528,522	0	0	528,522
Realized Gain on Investments	24,460	0	0	24,460
Interest Income	320	0	0	320
Unrealized Gain on Investments	36	0	0	36
Net Assets Released from Restrictions	250,000	(250,000)	0	0
TOTAL PUBLIC SUPPORT, REVENUES AND GAINS	<u>3,948,053</u>	<u>4,422,456</u>	<u>0</u>	<u>8,370,509</u>
EXPENSES AND LOSSES				
Functional Expenses				
Program Services				
International Development	3,319,736	0	0	3,319,736
International Awareness	412,493	0	0	412,493
Total Program Services	<u>3,732,229</u>	<u>0</u>	<u>0</u>	<u>3,732,229</u>
Management and General	664,273	0	0	664,273
Fundraising	336,959	0	0	336,959
Total Functional Expenses	<u>4,733,461</u>	<u>0</u>	<u>0</u>	<u>4,733,461</u>
Loss on Disposition of Fixed Assets	1,038	0	0	1,038
TOTAL EXPENSES AND LOSSES	<u>4,734,499</u>	<u>0</u>	<u>0</u>	<u>4,734,499</u>
CHANGE IN NET ASSETS	(786,446)	4,422,456	0	3,636,010
NET ASSETS,				
BEGINNING OF YEAR	<u>904,565</u>	<u>411,686</u>	<u>0</u>	<u>1,316,251</u>
END OF YEAR	<u>\$ 118,119</u>	<u>\$ 4,834,142</u>	<u>\$ 0</u>	<u>\$ 4,952,261</u>

See Accompanying Notes To The Financial Statements.

**NURU INTERNATIONAL
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2012**

	UNRESTRICTED	TEMPORARILY RESTRICTED	PERMANENTLY RESTRICTED	TOTAL
PUBLIC SUPPORT, REVENUES AND GAINS				
Grants and Donations	\$ 2,555,067	\$ 538,343	\$ 0	\$ 3,093,410
In-Kind Donations	226,572	0	0	226,572
Special Events (Net of Direct Benefits to Donors of \$0)	3,233	0	0	3,233
Interest Income	1,401	0	0	1,401
Realized Gain on Investments	44	0	0	44
Sales (Net of Cost of Sales of \$3,569)	(295)	0	0	(295)
Net Assets Released from Restrictions	770,000	(770,000)	0	0
TOTAL PUBLIC SUPPORT, REVENUES AND GAINS	3,556,022	(231,657)	0	3,324,365
EXPENSES AND LOSSES				
Functional Expenses				
Program Services				
International Development	2,281,423	0	0	2,281,423
International Awareness	691,480	0	0	691,480
Total Program Services	2,972,903	0	0	2,972,903
Management and General	714,621	0	0	714,621
Fundraising	193,199	0	0	193,199
Total Functional Expenses	3,880,723	0	0	3,880,723
Unrealized Loss on Investments	1,228	0	0	1,228
Loss on Disposition of Fixed Assets	3,530	0	0	3,530
TOTAL EXPENSES AND LOSSES	3,885,481	0	0	3,885,481
CHANGE IN NET ASSETS	(329,459)	(231,657)	0	(561,116)
NET ASSETS,				
BEGINNING OF YEAR	1,234,024	643,343	0	1,877,367
END OF YEAR	\$ 904,565	\$ 411,686	\$ 0	\$ 1,316,251

See Accompanying Notes To The Financial Statements.

**NURU INTERNATIONAL
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012**

	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Received from Supporters and Other Sources	\$ 5,048,476	\$ 3,331,574
Interest Received	320	1,401
Paid to Suppliers and Employees	(4,620,958)	(3,830,696)
Interest Paid	0	0
Income Taxes Paid	0	0
	427,838	(497,721)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for the Purchase of Fixed Assets	(11,402)	(39,843)
Proceeds from the Disposal of Fixed Assets	1,450	16,103
Proceeds from Sale of Investments	707,008	35,981
	697,056	12,241
NET CASH PROVIDED BY INVESTING ACTIVITIES		
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,124,894	(485,480)
CASH AND CASH EQUIVALENTS,		
BEGINNING OF YEAR	737,768	1,223,248
END OF YEAR	\$ 1,862,662	\$ 737,768
NON-CASH OPERATING ACTIVITIES		
Donated Services	\$ 9,135	\$ 253
Donated Space	8,400	8,400
Donated Goods	0	3,996
	\$ 17,535	\$ 12,649
TOTAL NON-CASH OPERATING ACTIVITIES		
NON-CASH INVESTING ACTIVITIES		
Donated Investments	\$ 510,987	\$ 213,923
	\$ 510,987	\$ 213,923
TOTAL NON-CASH INVESTING ACTIVITIES		

See Accompanying Notes To The Financial Statements.

**NURU INTERNATIONAL
STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012**

	2013	2012
RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Change in Net Assets	<u>\$ 3,636,010</u>	<u>\$ (561,116)</u>
Adjustments to Reconcile Change in Net Assets to Net Cash Provided By (Used In) Operating Activities:		
Donated Investments	(510,987)	(213,923)
Unrealized (Gain) Loss on Investments	(36)	1,228
Realized Gain on Investments	(24,460)	(44)
Loss on Disposal of Fixed Assets	1,038	3,530
Depreciation	19,587	22,057
Changes in Certain Assets and Liabilities:		
Grants Receivable	(2,768,695)	231,657
Prepaid Expenses	16,085	(12,335)
Prepaid Supplies	5,150	6,967
Accounts Payable	65,834	(4,598)
Accrued Liabilities	(11,688)	28,856
Total Adjustments	<u>(3,208,172)</u>	<u>63,395</u>
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u><u>\$ 427,838</u></u>	<u><u>\$ (497,721)</u></u>

See Accompanying Notes To The Financial Statements.

**NURU INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012**

NOTE 1 - NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

A) Organization and Nature of Activities

NURU International (the "Organization") is a California not-for-profit organization that was incorporated in October 2007. The mission of the Organization is to end extreme poverty in remote rural areas. The Organization is committed to restoring hope and meaning to the lives of the poor and the oppressed by creating sustainable, measurable solutions that result in significant lasting changes in the most impoverished rural communities. The following is a summary of the Organization's programs services:

International Development - Focuses on addressing four basic needs in the areas of agriculture, community economic development, healthcare, and education for rural populations living in extreme poverty. The Organization offers development programs in Kenya and Ethiopia.

International Awareness - Provides events and presentations throughout the country and publishes videos and educational information through social media. This program builds empathy for the poor by showing glimpses of what those living in extreme poverty experience: Chronic hunger, sickness and disease, illiteracy, high child mortality rates, contaminated water, and lack of access to resources.

B) Method of Accounting

The Organization's accounts are maintained on the accrual basis of accounting. Grants and other contributions are reported as temporarily restricted support if they are received with stipulations that limit the use of the funding. When the restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Expenses are recorded when incurred.

The Organization reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. As permitted by the statement, the Organization does not use fund accounting.

NURU INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

NOTE 1 - NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

C) Accounting Policies

Cash and Cash Equivalents - For purposes of reporting cash flows, cash is defined as cash on hand, amounts held at financial institutions, and short-term highly liquid investments that are readily convertible to known amounts of cash. As of December 31, 2013 and 2012, the Organization's reconciled cash balance amounts to \$1,862,662 and \$737,768, respectively. Of the \$1,862,662 December 31, 2013 reconciled balance, \$1,653,761 relates to 2014 fiscal year restricted grant monies received in advance during December, 2013, hence the restricted grant monies may not be expended on general operations.

Investments - Investments with an original maturity of three months or less are considered short-term for purposes of reporting cash flows. Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values. Fair value is determined by reference to quoted market prices and other relevant information generated by market transactions. Unrealized and realized gains and losses are included in the change in net assets.

Grants Receivable - When a donor has unconditionally promised to contribute funds in future periods, the Organization recognizes the fair value of the grant receivable. Grants expected to be collected within one year are recorded as a donation and a receivable at net realizable value, which approximates fair value. Grants expected to be collected in future years are recorded as a donation and a receivable at the present value of the expected future cash flows. Additionally, grants receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through an adjustment to a valuation allowance based on its assessment of the current status of individual receivables. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to the applicable accounts receivable. The allowance for doubtful accounts at December 31, 2013 and 2012 is \$0, respectively.

Fixed Assets - Property and equipment are recorded at cost when purchased, while donated fixed assets are recorded at their estimated fair value on the date of donation. Expenditures for repairs and maintenance are charged to expense as incurred, whereas renewals and betterments that extend the lives of fixed assets are capitalized. Depreciation is computed on the straight-line method over various useful lives. Depreciation expense for the years ended December 31, 2013 and 2012 is \$19,587 and \$22,057, respectively.

**NURU INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012**

**NOTE 1 - NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

C) Accounting Policies (Continued)

Income Taxes - The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and is classified by the Internal Revenue Service as other than a private foundation. Accordingly, a provision for income taxes has not been made on the financial statements. The Organization has no unrelated business income during the years ended December 31, 2013 and 2012, respectively.

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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 - CONCENTRATION OF CREDIT RISK

The Organization has deposits at one financial institution in excess of federally insured limits of approximately \$1,560,000 and \$55,000 at December 31, 2013 and 2012, respectively. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk.

NOTE 3 - INVESTMENTS

At December 31, 2013 and 2012, investments are stated at fair value and consist of corporate stocks, as follows:

December 31, 2013:

	Balance at December 31, 2013	Quoted Prices in Active Markets (Level 1)
Corporate Stocks	\$ 5,233	\$ 5,233
	<u>\$ 5,233</u>	<u>\$ 5,233</u>

NURU INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

NOTE 3 - INVESTMENTS (CONTINUED)

December 31, 2012:

	Balance at December 31, 2012	Quoted Prices in Active Markets (Level 1)
Corporate Stocks	\$ 176,758	\$ 176,758
	<u>\$ 176,758</u>	<u>\$ 176,758</u>

Generally accepted accounting principles provide the definition of fair value for financial reporting, establish a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value, and require disclosure about the use of fair value measurements. The Organization uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Organization measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. No Level 2 or Level 3 inputs were used.

Level 1 Fair Value Measurements

The fair value of corporate stocks is based on unadjusted quoted prices for identical assets in active markets.

The following schedule summarizes the investment return and its classification in the statements of activities:

December 31, 2013:

	Unrestricted	Temporarily Restricted	Total
Interest Income	\$ 320	\$ 0	\$ 400
Realized Gain on Investments	24,460	0	24,380
Unrealized Gain on Investments	36	0	36
	<u>\$ 24,816</u>	<u>\$ 0</u>	<u>\$ 24,816</u>

December 31, 2012:

	Unrestricted	Temporarily Restricted	Total
Interest Income	\$ 1,401	\$ 0	\$ 1,401
Realized Gain on Investments	44	0	44
Unrealized Loss on Investments	(1,228)	0	(1,228)
	<u>\$ 217</u>	<u>\$ 0</u>	<u>\$ 217</u>

**NURU INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012**

NOTE 4 - GRANTS RECEIVABLE

During the years ended December 31, 2013 and 2012, grantors to the Organization have made unconditional promises to give totaling \$3,351,745 and \$425,000, respectively. Grants due in more than one year have been recorded at the present value of the estimated cash flows using a discount rate of 4%. Grants are due as follows at December 31, 2013 and 2012:

	2013	2012
Less than One Year	\$ 225,000	\$ 175,000
One to Three Years	3,126,745	250,000
Total	3,351,745	425,000
Less - Allowance to Discount Balance to Present Value	(171,364)	(13,314)
Grants Receivable	\$ 3,180,381	\$ 411,686

NOTE 5 - IN-KIND DONATIONS

Donated Services - Donated services are recognized as revenues at their estimated fair value when they create or enhance nonfinancial assets or they require specialized skills which would need to be purchased if they were not donated. For the years ended December 31, 2013 and 2012, donated professional services amount to \$9,135 and \$253, respectively. These amounts are included within in-kind donations revenue on the statements of activities and also allocated between the categories of functional expenses on the schedules of functional expenses.

For the years ended December 31, 2013 and 2012, respectively, the Organization also received a significant amount of donated services from volunteers who assist with the operations. No amounts have been recognized in the accompanying statements of activities for these volunteer services because the criteria for recognition of such volunteer effort have not been satisfied.

Donated Space - The Organization occupies free of charge office space in West Virginia. Accordingly, donated space has been recorded at an estimated fair value of \$8,400 for the years ended December 31, 2013 and 2012, respectively. These amounts are included within in-kind donations revenue on the statements of activities and also allocated between the categories of functional expenses on the schedules of functional expenses.

NURU INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

NOTE 5 - IN-KIND DONATIONS (CONTINUED)

Donated Investments and Goods - Donated investments and goods are recorded at their estimated fair value on the date of donation and included within in-kind donations revenue on the statements of activities. During the years ended December 31, 2013 and 2012, the Organization received donated goods valued at \$0 and \$3,996, respectively. Additionally, during the years ended December 31, 2013 and 2012, the Organization received shares of corporate stocks valued at \$510,987 and \$213,923, respectively. The Organization's policy is to sell any donated securities soon after their receipt. Donated shares that were sold during the years ended December 31, 2013 and 2012 realized a net gain on the sales of \$24,380 and \$44, respectively. A portion of the donated stock amounting to \$5,233 and \$176,758 remains with the Organization as of December 31, 2013 and 2012, respectively.

NOTE 6 - NET ASSET RESTRICTIONS

Net assets are temporarily restricted for the following years at December 31:

Time Restriction	2013	2012
For use in the year ended December 31, 2013	\$ 0	\$ 175,000
2014	1,878,761	144,230
2015	1,677,759	92,456
2016	1,277,622	0
Total Temporarily Restricted Net Assets	<u>\$ 4,834,142</u>	<u>\$ 411,686</u>

Net assets were released from donor restrictions by incurring expenses satisfying the purpose restrictions specified by donors during the years ended December 31, 2013 and 2012, respectively:

Time or Purpose Restrictions Accomplished:	2013	2012
Support for 2013	\$ 250,000	\$ 0
Support for 2012	0	525,000
Consulting	0	125,000
International Development	0	100,000
Training	0	20,000
Total Time or Purpose Restrictions Released	<u>\$ 250,000</u>	<u>\$ 770,000</u>

**NURU INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012**

NOTE 7 - RELATED PARTY TRANSACTIONS

In October 2008, Nuru International Self Help Group was established as a separate not-for-profit organization registered in the Republic of Kenya, which conducts agricultural, water and sanitation, health care, educational, and economic development projects in rural areas of that country. In August of 2012, an additional Self Help site was put into operation in Ethiopia. Nuru International Self Help Group was established with the intent of becoming a self-sustaining organization through revenues derived from its programs. Until such financial independence is achieved, Nuru International has assumed responsibility for financing Nuru International Self Help Group as needed via periodic grants. For the years ended December 31, 2013 and 2012, the Organization was the primary grantor, shared resources, and collaborated on projects with Nuru International Self Help Group. The organizations also share a common chief executive officer. For the years ended December 31, 2013 and 2012, the Organization contributed directly, or incurred expenses on behalf of Nuru International Self Help Group Kenya totaling \$1,505,098 and \$941,069, respectively. Additionally, the Organization contributed directly, or incurred expenses on behalf of Nuru International Self Help Group Ethiopia totaling \$234,738 and \$247,719 for the years ended December 31, 2013 and 2012, respectively.

NOTE 8 - PENSION PLAN

The Organization maintains a defined contribution 401(k) plan. The Organization has made no employer matching contributions to the plan for the years ended December 31, 2013 and 2012, respectively.

NOTE 9 - ACCOUNTING FOR UNCERTAIN TAX POSITIONS

The Organization files its tax returns with the U.S. federal and various state and local tax jurisdictions. With few exceptions, the Organization is no longer subject to examinations by major tax jurisdictions for the tax years 2010 and prior. The Organization had no income tax expense for the years ended December 31, 2013 and 2012, respectively.

The Organization includes accrued interest and penalties related to unrecognized tax benefits in functional expenses. The expense for interest and penalties related to unrecognized tax benefits amounts to \$0 for the years ended December 31, 2013 and 2012, respectively.

NOTE 10 - SUBSEQUENT EVENTS

The date to which events occurring after December 31, 2013, the date of the most recent balance sheet, have been evaluated for possible adjustment to the financial statements or disclosure is February 14, 2014, which is the date on which the financial statements were available to be issued.

**NURU INTERNATIONAL
SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2013**

PROGRAM SERVICES						
	International Development	Awareness	Total Program Services	Management and General	Fundraising	Total
FUNCTIONAL EXPENSES						
Accounting	\$ 0	\$ 0	\$ 0	\$ 9,000	\$ 0	\$ 9,000
Books, Subscriptions and References	139	0	139	1,121	4,120	5,380
Contractual Services	171,302	120,960	292,262	51,126	40,135	383,523
Depreciation	10,089	0	10,089	4,036	5,462	19,587
Equipment Rental and Maintenance	1,298	0	1,298	24	163	1,485
Health Insurance	101,835	0	101,835	46,720	42,345	190,900
Information Technology	14,180	0	14,180	21,872	16,271	52,323
Insurance	17,656	0	17,656	3,232	6,906	27,794
Legal	0	0	0	9,285	0	9,285
Licenses and Fees	1,675	0	1,675	8,214	13,827	23,716
Nuru International Self Help Group Support	1,739,836	0	1,739,836	0	0	1,739,836
Payroll Taxes	76,757	0	76,757	33,576	32,791	143,124
Postage	1,600	0	1,600	3,256	1,046	5,902
Printing and Copying	195	0	195	60	13,105	13,360
Recruiting	295	0	295	5,294	0	5,589
Rent	0	0	0	0	8,400	8,400
Salaries	960,303	291,533	1,251,836	415,671	122,252	1,789,759
Supplies	1,717	0	1,717	1,834	5,197	8,748
Telecommunications	12,126	0	12,126	9,289	5,816	27,231
Training and Development	585	0	585	3,238	613	4,436
Travel and Meetings	208,148	0	208,148	37,425	18,510	264,083
TOTAL FUNCTIONAL EXPENSES	\$ 3,319,736	\$ 412,493	\$ 3,732,229	\$ 664,273	\$ 336,959	\$ 4,733,461

**NURU INTERNATIONAL
SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2012**

PROGRAM SERVICES						
	International Development	Awareness	Total Program Services	Management and General	Fundraising	Total
FUNCTIONAL EXPENSES						
Accounting	\$ 0	\$ 0	\$ 0	\$ 4,000	\$ 0	\$ 4,000
Books, Subscriptions and References	528	1,370	1,898	541	4	2,443
Contractual Services	149,497	161,918	311,415	201,653	8,275	521,343
Depreciation	10,579	4,426	15,005	5,289	1,763	22,057
Equipment Rental and Maintenance	1,899	169	2,068	1,323	0	3,391
Foundation Team	0	471	471	0	0	471
Health Insurance	65,624	40,258	105,882	31,788	14,434	152,104
Information Technology	1,154	5,272	6,426	19,048	129	25,603
Insurance	9,937	5,375	15,312	14,929	1,708	31,949
Legal	2,348	154	2,502	253	0	2,755
Licenses and Fees	2,228	9,854	12,082	6,895	0	18,977
Miscellaneous	277	0	277	5	34	316
Nuru International Self Help Group Support	1,188,788	0	1,188,788	0	0	1,188,788
Payroll Taxes	49,627	29,641	79,268	23,480	10,779	113,527
Postage	196	1,093	1,289	3,535	150	4,974
Printing and Copying	275	4,712	4,987	415	111	5,513
Recruiting	0	0	0	40,881	0	40,881
Rent	3,925	8,400	12,325	0	0	12,325
Salaries	623,175	365,332	988,507	297,605	134,171	1,420,283
Supplies	853	658	1,511	748	11	2,270
Telecommunications	14,201	4,155	18,356	6,601	2,368	27,325
Training and Development	777	70	847	3,160	2,058	6,065
Travel and Meetings	153,676	47,852	201,528	51,404	16,177	269,109
Website	1,859	300	2,159	1,068	1,027	4,254
TOTAL FUNCTIONAL EXPENSES	\$ 2,281,423	\$ 691,480	\$ 2,972,903	\$ 714,621	\$ 193,199	\$ 3,880,723