

**NURU INTERNATIONAL  
REPORT ON THE AUDIT  
OF THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED  
DECEMBER 31, 2016 AND 2015**

**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, 2016 and 2015, 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, 2016 and 2015, 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.

*Kuntle & Associates, P.C.*

**NURU INTERNATIONAL  
STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2016 AND 2015**

**ASSETS**

	<b>2016</b>	<b>2015</b>
<b>CURRENT ASSETS</b>		
Cash	\$ 526,566	\$ 967,243
Investments	81,876	138,728
Grants Receivable (Net of Allowance for Doubtful Accounts of \$0, Respectively)	100,000	633,334
Accounts Receivable (Net of Allowance for Doubtful Accounts of \$0, Respectively)	1,363	1,900
Prepaid Expenses	37,094	47,188
Security Deposit	2,648	2,648
<b>TOTAL CURRENT ASSETS</b>	<b>749,547</b>	<b>1,791,041</b>
<b>FIXED ASSETS</b>		
Furniture and Equipment	85,014	86,197
Less – Accumulated Depreciation	69,089	72,770
<b>TOTAL FIXED ASSETS</b>	<b>15,925</b>	<b>13,427</b>
<b>OTHER ASSETS</b>		
Long Term Grants Receivable (Net of Allowance for Doubtful Accounts of \$0, Respectively)	720,000	96,000
<b>TOTAL OTHER ASSETS</b>	<b>720,000</b>	<b>96,000</b>
<b>TOTAL ASSETS</b>	<b>\$ 1,485,472</b>	<b>\$ 1,900,468</b>

**LIABILITIES AND NET ASSETS**

	<b>2016</b>	<b>2015</b>
<b>CURRENT LIABILITIES</b>		
Accounts Payable	\$ 9,110	\$ 15,154
Accrued Liabilities	122,486	134,172
<b>TOTAL CURRENT LIABILITIES</b>	<u>131,596</u>	<u>149,326</u>
<b>TOTAL LIABILITIES</b>	<u>131,596</u>	<u>149,326</u>
<b>NET ASSETS</b>		
Unrestricted	533,876	(226,480)
Temporarily Restricted	820,000	1,977,622
<b>TOTAL NET ASSETS</b>	<u>1,353,876</u>	<u>1,751,142</u>
 <b>TOTAL LIABILITIES AND NET ASSETS</b>	 <u><u>\$ 1,485,472</u></u>	 <u><u>\$ 1,900,468</u></u>

See Accompanying Notes To The Financial Statements.

**NURU INTERNATIONAL  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>PERMANENTLY RESTRICTED</u>	<u>TOTAL</u>
<b>PUBLIC SUPPORT AND REVENUES</b>				
Grants and Donations	\$ 3,492,256	\$ 2,157,500	\$ 0	\$ 5,649,756
In-Kind Donations	412,582	0	0	412,582
Interest Income	188	0	0	188
Miscellaneous Income	4	0	0	4
Net Assets Released from Restrictions	3,315,122	(3,315,122)	0	0
<b>TOTAL PUBLIC SUPPORT AND REVENUES</b>	<u>7,220,152</u>	<u>(1,157,622)</u>	<u>0</u>	<u>6,062,530</u>
<b>EXPENSES AND LOSSES</b>				
Functional Expenses				
Program Services				
International Development	5,419,189	0	0	5,419,189
International Awareness	254,684	0	0	254,684
Total Program Services	<u>5,673,873</u>	<u>0</u>	<u>0</u>	<u>5,673,873</u>
Management and General	567,167	0	0	567,167
Fundraising	201,233	0	0	201,233
Total Functional Expenses	<u>6,442,273</u>	<u>0</u>	<u>0</u>	<u>6,442,273</u>
Unrealized Loss on Investments	9,674	0	0	9,674
Realized Loss on Investments	4,910	0	0	4,910
Loss on Disposition of Fixed Assets	2,939	0	0	2,939
<b>TOTAL EXPENSES AND LOSSES</b>	<u>6,459,796</u>	<u>0</u>	<u>0</u>	<u>6,459,796</u>
<b>CHANGE IN NET ASSETS</b>	760,356	(1,157,622)	0	(397,266)
<b>NET ASSETS,</b>				
<b>BEGINNING OF YEAR</b>	<u>(226,480)</u>	<u>1,977,622</u>	<u>0</u>	<u>1,751,142</u>
<b>END OF YEAR</b>	<u>\$ 533,876</u>	<u>\$ 820,000</u>	<u>\$ 0</u>	<u>\$ 1,353,876</u>

See Accompanying Notes To The Financial Statements.

**NURU INTERNATIONAL  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>PERMANENTLY RESTRICTED</u>	<u>TOTAL</u>
<b>PUBLIC SUPPORT, REVENUES AND GAINS</b>				
Grants and Donations	\$ 3,582,021	\$ 767,110	\$ 0	\$ 4,349,131
In-Kind Donations	701,389	0	0	701,389
Realized Gain on Investments	67,066	0	0	67,066
Gain on Disposition of Fixed Assets	1,457	0	0	1,457
Interest Income	1,165	0	0	1,165
Miscellaneous Income	1,077	0	0	1,077
Net Assets Released from Restrictions	1,744,869	(1,744,869)	0	0
<b>TOTAL PUBLIC SUPPORT, REVENUES AND GAINS</b>	<u>6,099,044</u>	<u>(977,759)</u>	<u>0</u>	<u>5,121,285</u>
<b>EXPENSES AND LOSSES</b>				
Functional Expenses				
Program Services				
International Development	5,756,230	0	0	5,756,230
International Awareness	211,212	0	0	211,212
Total Program Services	<u>5,967,442</u>	<u>0</u>	<u>0</u>	<u>5,967,442</u>
Management and General	617,154	0	0	617,154
Fundraising	343,891	0	0	343,891
Total Functional Expenses	<u>6,928,487</u>	<u>0</u>	<u>0</u>	<u>6,928,487</u>
Unrealized Loss on Investments	80,532	0	0	80,532
<b>TOTAL EXPENSES AND LOSSES</b>	<u>7,009,019</u>	<u>0</u>	<u>0</u>	<u>7,009,019</u>
<b>CHANGE IN NET ASSETS</b>	(909,975)	(977,759)	0	(1,887,734)
<b>NET ASSETS,</b>				
<b>BEGINNING OF YEAR</b>	<u>683,495</u>	<u>2,955,381</u>	<u>0</u>	<u>3,638,876</u>
<b>END OF YEAR</b>	<u>\$ (226,480)</u>	<u>\$ 1,977,622</u>	<u>\$ 0</u>	<u>\$ 1,751,142</u>

See Accompanying Notes To The Financial Statements.



**NURU INTERNATIONAL  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015**

	<b>2016</b>	<b>2015</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Received from Supporters and Other Sources	\$ 5,559,631	\$ 6,656,379
Interest Received	188	1,165
Paid to Suppliers and Employees	(6,434,472)	(6,944,870)
Interest Paid	0	0
Income Taxes Paid	0	0
	<u>(874,653)</u>	<u>(287,326)</u>
<b>NET CASH USED IN OPERATING ACTIVITIES</b>		
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for the Purchase of Fixed Assets	(13,795)	(6,559)
Proceeds from the Disposal of Fixed Assets	1,292	3,994
Proceeds from Sale of Investments	446,479	698,370
	<u>433,976</u>	<u>695,805</u>
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>		
<b>NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>	(440,677)	408,479
<b>CASH AND CASH EQUIVALENTS,</b>		
<b>BEGINNING OF YEAR</b>	967,243	558,764
<b>END OF YEAR</b>	<u>\$ 526,566</u>	<u>\$ 967,243</u>
<b>NON-CASH OPERATING ACTIVITIES</b>		
Donated Services	\$ 7,006	\$ 1,760
Donated Goods	1,365	1,090
Donated Space	0	4,800
	<u>\$ 8,371</u>	<u>\$ 7,650</u>
<b>TOTAL NON-CASH OPERATING ACTIVITIES</b>		
<b>NON-CASH INVESTING ACTIVITIES</b>		
Donated Investments	\$ 404,211	\$ 693,739
	<u>\$ 404,211</u>	<u>\$ 693,739</u>
<b>TOTAL NON-CASH INVESTING ACTIVITIES</b>		

See Accompanying Notes To The Financial Statements.

**NURU INTERNATIONAL**  
**STATEMENTS OF CASH FLOWS (CONTINUED)**  
**FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015**

	<b>2016</b>	<b>2015</b>
<b>RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH USED IN OPERATING ACTIVITIES</b>		
Change in Net Assets	<u>\$ (397,266)</u>	<u>\$ (1,887,734)</u>
Adjustments to Reconcile Change in Net Assets to Net Cash Used In Operating Activities:		
Donated Investments	(404,211)	(693,739)
Unrealized Loss on Investments	9,674	80,532
Realized (Gain) Loss on Investments	4,910	(67,066)
(Gain) Loss on Disposal of Fixed Assets	2,939	(1,457)
Depreciation	7,066	12,378
Changes in Certain Assets and Liabilities:		
Grants Receivable	(90,666)	2,307,470
Accounts Receivable	537	(1,300)
Prepaid Expenses	10,094	(2,396)
Security Deposit	0	(2,648)
Accounts Payable	(6,044)	(12,465)
Accrued Liabilities	(11,686)	(18,901)
Total Adjustments	<u>(477,387)</u>	<u>1,600,408</u>
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	<u><u>\$ (874,653)</u></u>	<u><u>\$ (287,326)</u></u>

See Accompanying Notes To The Financial Statements.

**NURU INTERNATIONAL  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015**

**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, financial inclusion, 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, 2016 AND 2015**

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

C) Accounting Policies

Cash and Cash Equivalents - In 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 cash. As of December 31, 2016 and 2015, the Organization's reconciled cash balance amounts to \$526,566 and \$967,243, respectively.

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, 2016 and 2015 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, 2016 and 2015 is \$7,066 and \$12,378 respectively.

**NURU INTERNATIONAL  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015**

**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, 2016 and 2015. With few exceptions, the Organization is no longer subject to examinations by major tax jurisdictions for tax years 2013 and prior. The Organization had no income tax expense for the years ended December 31, 2016 and 2015.

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 \$222,000 and \$705,000 at December 31, 2016 and 2015, 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, 2016 and 2015, investments are stated at fair value and consist of corporate stocks, as follows:

*December 31, 2016:*

	Balance at December 31, 2016	Quoted Prices in Active Markets (Level 1)
Corporate Stocks	\$ 81,876	\$ 81,876
	<u>\$ 81,876</u>	<u>\$ 81,876</u>

**NURU INTERNATIONAL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015**

**NOTE 3 - INVESTMENTS (CONTINUED)**

*December 31, 2015:*

	Balance at December 31, 2015	Quoted Prices in Active Markets (Level 1)
Corporate Stocks	\$ 138,728	\$ 138,728
	<u>\$ 138,728</u>	<u>\$ 138,728</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, 2016:*

	Unrestricted	Restricted	Total
Interest Income	\$ 188	\$ 0	\$ 188
Realized Loss on Investments	(4,910)	0	(4,910)
Unrealized Loss on Investments	(9,674)	0	(9,674)
	<u>\$ (14,396)</u>	<u>\$ 0</u>	<u>\$ (14,396)</u>

*December 31, 2015:*

	Unrestricted	Restricted	Total
Interest Income	\$ 1,165	\$ 0	\$ 1,165
Realized Gain on Investments	67,066	0	67,066
Unrealized Loss on Investments	(80,532)	0	(80,532)
	<u>\$ (12,301)</u>	<u>\$ 0</u>	<u>\$ (12,301)</u>

**NURU INTERNATIONAL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015**

**NOTE 4 - GRANTS RECEIVABLE**

During the years ended December 31, 2016 and 2015, grantors to the Organization have made unconditional promises to give totaling \$850,000 and \$733,344, 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, 2016 and 2015:

	<b>2016</b>	<b>2015</b>
Less than One Year	\$ 100,000	\$ 633,334
One to Two Years	750,000	100,000
Total	850,000	733,334
Less - Allowance to Discount Balance to Present Value	(30,000)	(4,000)
Grants Receivable	\$ 820,000	\$ 729,334

**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, 2016 and 2015, donated professional services amount to \$7,006 and \$1,760, 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, 2016 and 2015, 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 - During the year ended December 31, 2015, the Organization occupied free of charge office space in West Virginia. Accordingly, donated space has been recorded at an estimated fair value of \$4,800 for the year ended December 31, 2015. This amount is included within in-kind donations revenue on the statement of activities and also allocated between the categories of functional expenses on the schedule of functional expenses. No donated space was received during the year ended December 31, 2016.

**NURU INTERNATIONAL  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015**

**NOTE 5 - IN-KIND DONATIONS (CONTINUED)**

Donated Investments - Donated investments are recorded at their estimated fair value on the date of donation and are included within in-kind donations revenue on the statements of activities. During the years ended December 31, 2016 and 2015, the Organization received shares of corporate stocks with a fair market value of \$404,211 and \$693,739, 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, 2016 and 2015 realized a net gain (loss) on the sales of \$(4,910) and \$67,066, respectively. A portion of the donated stock amounting to \$81,876 and \$138,728 remains with the Organization as of December 31, 2016 and 2015, respectively.

Donated Goods - Donated goods are recorded at their estimated fair value on the date of donation. During the years ended December 31, 2016 and 2015, the Organization received donated goods valued at \$1,365 and \$1,090, 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.

**NOTE 6 - NET ASSET RESTRICTIONS**

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

Time Restriction	<b>2016</b>	<b>2015</b>
For the Year Ended December 31, 2016	\$ 0	\$ 1,877,622
2017	100,000	100,000
2018	720,000	0
Total Temporarily Restricted Net Assets	\$ 820,000	\$ 1,977,622

Net assets were released from donor restrictions by incurring expenses satisfying the purpose restrictions specified by donors during the years ended December 31, 2016 and 2015, respectively:

Time or Purpose Restrictions Accomplished:	<b>2016</b>	<b>2015</b>
Support for 2015	\$ 0	\$ 1,744,869
Support for 2016	3,315,122	0
Total Time or Purpose Restrictions Released	\$ 3,315,122	\$ 1,744,869



**NURU INTERNATIONAL  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015**

**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, 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, 2016 and 2015, 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, 2016 and 2015, the Organization contributed directly, or incurred expenses on behalf of Nuru International Self Help Group Kenya totaling \$2,122,143 and \$2,747,802, respectively. Additionally, the Organization contributed directly, or incurred expenses on behalf of Nuru International Self Help Group Ethiopia totaling \$1,170,664 and \$832,384 for the years ended December 31, 2016 and 2015, 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, 2016 and 2015.

**NOTE 9 - SUBSEQUENT EVENTS**

The date to which events occurring after December 31, 2016, the date of the most recent balance sheet, have been evaluated for possible adjustment to the financial statements or disclosure is February 28, 2017, 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, 2016**

	<b>PROGRAM SERVICES</b>					
	<b>International Development</b>	<b>Awareness</b>	<b>Total Program Services</b>	<b>Management and General</b>	<b>Fundraising</b>	<b>Total</b>
<b>FUNCTIONAL EXPENSES</b>						
Accounting	\$ 0	\$ 0	\$ 0	\$ 9,500	\$ 0	\$ 9,500
Books, Subscriptions and References	8,159	1,500	9,659	2,778	2,014	14,451
Contractual Services	303,246	81,853	385,099	1,998	74,547	461,644
Depreciation	5,047	0	5,047	1,262	757	7,066
Equipment Rental and Maintenance	6,783	0	6,783	627	0	7,410
Health Insurance	140,004	0	140,004	40,721	15,457	196,182
Information Technology	3,458	0	3,458	14,471	10,389	28,318
Insurance	23,618	49	23,667	5,694	2,816	32,177
Legal	214	0	214	7,226	0	7,440
Licenses and Fees	44,352	0	44,352	17,106	6,349	67,807
Nuru International Self Help Group Support	3,292,807	0	3,292,807	0	0	3,292,807
Payroll Taxes	97,626	0	97,626	29,783	10,936	138,345
Postage	1,173	0	1,173	2,705	1,992	5,870
Printing and Copying	268	0	268	0	1,100	1,368
Rent	0	0	0	24,460	0	24,460
Salaries	1,216,986	158,513	1,375,499	344,514	51,714	1,771,727
Supplies	600	93	693	1,911	66	2,670
Telecommunications	15,156	55	15,211	2,678	1,240	19,129
Training and Development	9,753	0	9,753	4,182	11,749	25,684
Travel and Meetings	249,939	12,621	262,560	55,551	10,107	328,218
<b>TOTAL FUNCTIONAL EXPENSES</b>	<b>\$ 5,419,189</b>	<b>\$ 254,684</b>	<b>\$ 5,673,873</b>	<b>\$ 567,167</b>	<b>\$ 201,233</b>	<b>\$ 6,442,273</b>

**NURU INTERNATIONAL  
SCHEDULE OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2015**

<b>PROGRAM SERVICES</b>						
	<b>International Development</b>	<b>Awareness</b>	<b>Total Program Services</b>	<b>Management and General</b>	<b>Fundraising</b>	<b>Total</b>
<b>FUNCTIONAL EXPENSES</b>						
Accounting	\$ 300	\$ 0	\$ 300	\$ 9,500	\$ 0	\$ 9,800
Books, Subscriptions and References	425	1,750	2,175	6,041	5,130	13,346
Contractual Services	124,658	89,506	214,164	22,813	93,771	330,748
Depreciation	9,332	0	9,332	1,839	1,207	12,378
Equipment Rental and Maintenance	3,417	0	3,417	17	238	3,672
Health Insurance	159,665	0	159,665	43,651	25,353	228,669
Information Technology	8,090	0	8,090	19,029	7,708	34,827
Insurance	23,747	0	23,747	5,592	3,062	32,401
Legal	407	0	407	1,157	0	1,564
Licenses and Fees	3,649	0	3,649	13,236	4,189	21,074
Nuru International Self Help Group Support	3,580,186	0	3,580,186	0	0	3,580,186
Payroll Taxes	114,510	0	114,510	31,744	18,561	164,815
Postage	1,483	0	1,483	3,068	5,121	9,672
Printing and Copying	166	0	166	57	1,405	1,628
Rent	0	0	0	0	4,800	4,800
Salaries	1,461,855	119,030	1,580,885	394,893	155,814	2,131,592
Supplies	1,119	0	1,119	147	364	1,630
Telecommunications	22,464	0	22,464	5,559	3,600	31,623
Training and Development	1,174	750	1,924	3,017	670	5,611
Travel and Meetings	239,583	176	239,759	55,794	12,898	308,451
<b>TOTAL FUNCTIONAL EXPENSES</b>	<b>\$ 5,756,230</b>	<b>\$ 211,212</b>	<b>\$ 5,967,442</b>	<b>\$ 617,154</b>	<b>\$ 343,891</b>	<b>\$ 6,928,487</b>