



NURU INTERNATIONAL

FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT

For the Years Ended December 31, 2021 and 2020



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NURU INTERNATIONAL
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13400 Bishops Lane, Suite 300
Brookfield, WI 53005
262.754.9400

SIKICH.COM

INDEPENDENT AUDITOR'S REPORT

Board of Directors
NURU International
Washington D.C.

Opinion

We have audited the accompanying financial statements of NURU International (a nonprofit organization), which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities, cash flows, and functional expenses for the years then ended, and the related notes to the financial statements.

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, 2021 and 2020, and the change 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of NURU International and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about NURU International's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 NURU International's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about NURU International's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Sikich LLP

Brookfield, Wisconsin
April 11, 2022

FINANCIAL STATEMENTS

NURU INTERNATIONAL
STATEMENTS OF FINANCIAL POSITION

As of December 31, 2021 and 2020

	2021	2020
ASSETS		
Cash and cash equivalents	\$ 382,293	\$ 651,487
Investments	99,619	-
Contributions receivable, current portion	1,067,912	768,433
Prepaid expenses	84,775	63,235
Total current assets	1,634,599	1,483,155
Contributions receivable, less current portion, net	679,655	292,883
Property and equipment	22,463	18,586
Less accumulated depreciation	(10,740)	(4,301)
Total fixed assets	11,723	14,285
TOTAL ASSETS	\$ 2,325,977	\$ 1,790,323
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 143,551	\$ 54,478
Accrued liabilities	73,495	67,460
Refundable grant advance	-	296,152
Notes payable - current portion	254,956	252,273
Total current liabilities	472,002	670,363
LONG TERM LIABILITIES		
Notes payable - long term portion	495,044	397,727
Total liabilities	967,046	1,068,090
NET ASSETS (DEFICIT)		
Without donor restrictions	(400,162)	(347,564)
With donor restrictions	1,759,093	1,069,797
Total net assets	1,358,931	722,233
TOTAL LIABILITIES AND NET ASSETS	\$ 2,325,977	\$ 1,790,323

See accompanying notes to the financial statements.

NURU INTERNATIONAL

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES AND PUBLIC SUPPORT			
Contributions	\$ 1,884,555	\$ 2,561,246	\$ 4,445,801
Net investment return	(289)	-	(289)
Grant income - Paycheck			
Protection Program	549,247	-	549,247
Miscellaneous income	655	-	655
Net assets released from restriction	1,871,950	(1,871,950)	-
Total revenues and other support	4,306,118	689,296	4,995,414
EXPENSES			
Program services			
International development	3,564,878	-	3,564,878
International awareness	100,413	-	100,413
Management and general	354,803	-	354,803
Fundraising	338,622	-	338,622
Total expenses	4,358,716	-	4,358,716
CHANGE IN NET ASSETS	(52,598)	689,296	636,698
NET ASSETS, BEGINNING OF YEAR	(347,564)	1,069,797	722,233
NET ASSETS, END OF YEAR	\$ (400,162)	\$ 1,759,093	\$ 1,358,931

See accompanying notes to the financial statements.

NURU INTERNATIONAL

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES AND PUBLIC SUPPORT			
Contributions	\$ 3,341,576	\$ 1,496,215	\$ 4,837,791
Net investment return	17,544	-	17,544
Miscellaneous income	2,773	-	2,773
Net assets released from restriction	1,612,337	(1,612,337)	-
	<hr/>		
Total revenues and other support	4,974,230	(116,122)	4,858,108
EXPENSES			
Program services			
International development	3,410,456	-	3,410,456
International awareness	497,296	-	497,296
Management and general	341,557	-	341,557
Fundraising	478,851	-	478,851
	<hr/>		
Total expenses	4,728,160	-	4,728,160
CHANGE IN NET ASSETS	246,070	(116,122)	129,948
NET ASSETS, BEGINNING OF YEAR	(593,634)	1,185,919	592,285
	<hr/>		
NET ASSETS, END OF YEAR	\$ (347,564)	\$ 1,069,797	\$ 722,233

See accompanying notes to the financial statements.

NURU INTERNATIONAL

STATEMENTS OF CASH FLOWS

For the Years Ended December 31, 2021 and 2020

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 636,698	\$ 129,948
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation	6,439	4,338
Noncash contributions	(251,880)	(187,117)
Unrealized (gain) loss on investments	345	(17,417)
Gain on sale of property and equipment	-	(1,621)
(Increase) decrease in:		
Prepaid expenses	(21,540)	17,153
Contributions receivable	(686,251)	18,825
Increase (decrease) in:		
Accounts payable	89,073	(115,977)
Accrued liabilities	6,035	(26,386)
Refundable grant advance	(296,152)	296,152
Net cash from operating activities	(517,233)	117,898
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(3,877)	(23,290)
Proceeds from sale of property and equipment	-	13,270
Proceeds from sales of investments	151,916	208,692
Net cash from investing activities	148,039	198,672
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from note payable	350,000	150,000
Payments on note payable	(250,000)	(250,000)
Net cash from financing activities	100,000	(100,000)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(269,194)	216,570
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	651,487	434,917
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 382,293	\$ 651,487
SUPPLEMENTAL CASH FLOW INFORMATION		
Cash paid for interest	\$ 7,653	\$ 18,658
Proceeds from Paycheck Protection Program	\$ 253,095	\$ 296,152
Noncash forgiveness of Paycheck Protection Program	\$ 549,247	\$ -

See accompanying notes to the financial statements.

NURU INTERNATIONAL

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2021

	Program Services			Supporting Services		
	International Development	International Awareness	Total Program Services	Management and General	Fundraising	Total
Accounting	\$ -	\$ -	\$ -	\$ 9,785	\$ -	\$ 9,785
Books, subscriptions, and references	15,816	187	16,003	1,113	4,146	21,262
Contractual services	470,908	10,000	480,908	28,285	79,939	589,132
Depreciation	3,622	-	3,622	1,006	1,811	6,439
Equipment rental and maintenance	421	-	421	-	125	546
Information technology	4,332	215	4,547	5,823	8,712	19,082
Insurance	12,869	-	12,869	5,594	6,435	24,898
Interest	-	-	-	14,073	-	14,073
Legal	-	-	-	9,761	-	9,761
Licenses and fees	2,411	28	2,439	983	891	4,313
Grants made	2,256,534	-	2,256,534	-	-	2,256,534
Miscellaneous	421	-	421	-	420	841
Payroll taxes	39,911	5,131	45,042	15,279	11,460	71,781
Postage	2,486	258	2,744	842	3,042	6,628
Printing and copying	83	-	83	-	1,500	1,583
Rent	20	-	20	2,851	811	3,682
Salaries	559,425	71,926	631,351	214,465	160,630	1,006,446
Staff benefits	111,524	12,591	124,115	42,658	40,778	207,551
Supplies	1,478	6	1,484	391	501	2,376
Telecommunications	523	-	523	150	-	673
Training and development	1,774	-	1,774	1,092	5,219	8,085
Travel and meeting	80,320	71	80,391	652	12,202	93,245
TOTAL FUNCTIONAL EXPENSES	\$ 3,564,878	\$ 100,413	\$ 3,665,291	\$ 354,803	\$ 338,622	\$ 4,358,716

See accompanying notes to the financial statements.

NURU INTERNATIONAL

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2020

	Program Services			Supporting Services		
	International Development	International Awareness	Total Program Services	Management and General	Fundraising	Total
Accounting	\$ -	\$ -	\$ -	\$ 9,500	\$ -	\$ 9,500
Books, subscriptions, and references	23,207	-	23,207	1,473	3,212	27,892
Contractual services	495,718	120,000	615,718	13,465	47,419	676,602
Depreciation	2,169	-	2,169	1,183	986	4,338
Equipment rental and maintenance	1,093	-	1,093	223	612	1,928
Health insurance	95,088	-	95,088	29,386	45,872	170,346
Information technology	3,004	-	3,004	5,720	8,822	17,546
Insurance	14,130	-	14,130	9,721	6,423	30,274
Interest	-	-	-	23,250	-	23,250
Legal	-	-	-	29,656	-	29,656
Licenses and fees	1,781	-	1,781	1,321	775	3,877
Grants made	2,437,308	-	2,437,308	-	-	2,437,308
Miscellaneous	13,302	-	13,302	-	13,301	26,603
Payroll taxes	44,474	-	44,474	13,745	21,456	79,675
Postage	3,057	-	3,057	854	2,734	6,645
Printing and copying	8	-	8	78	1,863	1,949
Rent	530	-	530	700	-	1,230
Salaries	230,826	375,975	606,801	187,530	292,734	1,087,065
Supplies	1,118	-	1,118	282	337	1,737
Telecommunications	465	-	465	-	360	825
Training and development	3,704	-	3,704	3,217	1,839	8,760
Travel and meeting	39,474	1,321	40,795	10,253	30,106	81,154
TOTAL FUNCTIONAL EXPENSES	\$ 3,410,456	\$ 497,296	\$ 3,907,752	\$ 341,557	\$ 478,851	\$ 4,728,160

See accompanying notes to the financial statements.

NURU INTERNATIONAL

NOTES TO FINANCIAL STATEMENTS

For the Years Ended December 31, 2021 and 2020

1. NATURE OF ORGANIZATION

Nuru International (the Organization) is a Washington D.C. not-for-profit organization that was incorporated in October 2007. Nuru's vision is to cultivate lasting meaningful choices in the most vulnerable and marginalized communities in the world. The Organization is committed to building resilience in fragile rural areas through the cultivation of capable farmers, profitable agribusiness, and connected communities. The following is a summary of the Organization's program services:

International Development - Unites communities around shared economic goals, using sustainable agriculture programs to help farmers adapt to changing climates, markets, and political landscapes. The Organization offers development programs in Kenya, Ethiopia, and Nigeria.

International Awareness - Provides events and presentations throughout the country and publishes videos and educational information through social media. This program educates audiences on the value of locally-led development, climate-resilient agriculture, and resilience building as solutions for extreme poverty, climate change, and state fragility, and inspires action to improve the lives of our global neighbors.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Method of Accounting

The accompanying financial statements have been prepared using the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America (USGAAP). Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor imposed stipulations. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Without Donor Restrictions

Net assets that are not subject to donor-imposed restrictions.

Net Assets With Donor Restrictions

Net assets subject to donor-imposed restrictions that either expire by passage of time, can be fulfilled and removed by actions of the Organization pursuant to those restrictions, or are maintained in perpetuity by the Organization. Generally, the donors of the assets permit the Organization to use all or a part of the income earned on any related investments for general or specific purposes. The Organization does not have any restricted assets required to be held in perpetuity as of December 31, 2021 or 2020.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates

The preparation of financial statements in conformity with USGAAP 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.

Cash and Cash Equivalents

Cash and cash equivalents include all highly liquid investments and money market accounts with original maturities of three months or less.

The Organization maintains its cash balance in financial institutions, which at times may exceed federally insured limits. At December 31, 2021 and 2020, the Organization's cash accounts did not exceed FDIC limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.

Investments

Investments in marketable securities with readily determinable fair value 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. Net investment return is reported in the statement of activities and consists of interest and dividend income, realized and unrealized gains and losses, less external and direct internal investment expenses.

Contributions Receivable

Unconditional gifts expected to be collected within one year are reported at their net realizable value. Unconditional gifts expected to be collected in future years are initially reported at fair value determined using the discounted present value of estimated future cash flows technique. The resulting discount is amortized and is reported as contribution revenue. The Organization believes that all contributions receivable at December 31, 2021 and 2020 will be fully collected. Accordingly, no allowance for doubtful accounts is necessary.

Conditional gifts depend on the occurrence of a specified future and uncertain event to bind the potential donor and are recognized as assets and revenue when the conditions are substantially met and the gift becomes unconditional. There were no conditional gifts as of as of December 31, 2021. Conditional gifts dependent on raising matching funds were \$202,722 as of December 31, 2020.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fixed Assets

Property and equipment purchases in excess of \$1,000 are recorded at cost. Donated assets are recorded at their estimated fair value at the date they are received. Depreciation for electronics is recorded on a straight-line basis over an estimated useful life of three years.

Depreciation expense for the years ended December 31, 2021 and 2020 is \$6,439 and \$4,338, respectively.

Revenue Recognition

Contribution and In-Kind Income

The Organization recognizes contributions when an unconditional promise to give cash, securities, other assets, services, or space is received. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met.

Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Donated Services and Assets

Donated services are recorded in the financial statements at their estimated fair value on the date the services are rendered if such services create or enhance nonfinancial assets or require specialized skills that are provided by individuals possessing those skills and would need to be purchased if not donated. Donated assets are recorded in the financial statements as assets and revenue at their estimated fair value on the date the assets are contributed. The Organization receives services from volunteers who give significant amounts of their time to the Organization's programs. No amounts have been reflected in the financial statements for these services because they do not meet the criteria for financial statement recognition.

The Organization's policy is to sell any donated securities soon after their receipt. Donated goods and services are recorded as contributions on the statements of activities.

Functional Allocation of Expenses

The costs of providing the various programs and supporting services have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The majority of expenses are directly allocated to the relevant department. Salaries are allocated to the programs and supporting services based on estimated time spent. Overhead costs such as insurance are allocated based on headcount.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

The Organization is a not-for profit organization which is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code as other than a private foundation.

New Accounting Pronouncement

In September 2020, the FASB issued ASU No. 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, to increase the transparency of contributed nonfinancial assets for not-for-profit entities through enhancements to presentation and disclosure. The new guidance requires contributed nonfinancial assets be presented as a separate line items in the statement of activities, a disclosure with the disaggregation of the amount of contributed nonfinancial assets by category as well as certain qualitative information. ASU No. 2020-07 is effective for annual periods beginning after June 15, 2021, and interim periods within annual periods beginning after June 15, 2022. Early adoption is permitted. The Organization is currently assessing the impact of this new standard.

3. LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise of the following:

	2021	2020
Cash and cash equivalents	\$ 382,293	\$ 651,487
Investments	99,619	-
Current contributions receivable	1,067,912	768,433
Total financial assets and liquid resources	1,549,824	1,419,920
Less donor imposed restrictions:		
Purpose restrictions	(86,981)	(594,886)
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 1,462,843</u>	<u>\$ 825,034</u>

The Organization manages its liquidity guided by the goal of operating within a prudent range of financial soundness and stability and maintaining adequate liquid assets to fund near-term operating needs. To maintain adequate cash for operations, the entity forecasts its future cash flows and monitors its liquidity and reserves regularly.

NURU INTERNATIONAL
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CONTRIBUTIONS RECEIVABLE

Contributions receivable at December 31, 2021 and 2020 consisted of the following:

	<u>2021</u>	<u>2020</u>
Due within one year	\$1,067,912	\$ 768,433
Due in one to five years	725,000	317,455
Subtotal	1,792,912	1,085,888
Less present value discount	(45,345)	(24,572)
TOTAL CONTRIBUTIONS RECEIVABLE	<u><u>\$1,747,567</u></u>	<u><u>\$ 1,061,316</u></u>

Contributions receivable are discounted using a risk adjusted rate of 4%.

5. DONATED SERVICES AND ASSETS

During 2021 and 2020, the Organization received the following amounts for donated goods and services:

	<u>2021</u>	<u>2020</u>
Donated goods - investments	\$ 351,880	\$ 187,115
Donated services - legal	3,484	29,598
TOTAL	<u><u>\$ 355,364</u></u>	<u><u>\$ 216,713</u></u>

Donated goods and services are recorded in contributions on the statements of activities.

6. FAIR VALUE MEASUREMENTS

USGAAP establishes a framework for measuring fair value. That framework uses a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. USGAAP requires the Organization to maximize the use of observable inputs when measuring fair value. The hierarchy describes three levels of inputs, which are as follows:

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Quoted prices for similar assets or liabilities in active markets; quoted prices for identical assets or liabilities in inactive markets; or inputs that are derived principally from or corroborate by observable market data by correlation or other means.

Level 3: Significant unobservable inputs.

6. FAIR VALUE MEASUREMENTS (Continued)

In many cases, a valuation technique used to measure fair value includes inputs from more than one level of the fair value hierarchy. The lowest level of significant input determines the placement of the entire fair value measurement in the hierarchy. The categorization of an investment within the hierarchy reflects the relative ability to observe the fair value measure and does not necessarily correspond to the perceived risk of that investment.

If an investment that is measured using net asset value (NAV) has a readily determinable fair value (that is, it can be traded at the measurement date at its published NAV), it is included in Level 1 of the hierarchy. Otherwise, investments measured using NAVs are not included in Level 1, 2, or 3, but are separately reported.

The Organization recognizes transfers into and out of levels within the fair value hierarchy at the end of the reporting period. There were no transfers between levels in the years ended December 31, 2021 and 2020.

Valuation Techniques

Following is a description of the valuation techniques used for assets measured at fair value on a recurring basis. There have been no changes to the techniques used during the years ended December 31, 2021 and 2020.

Common stock: Valued at the closing quoted price in an active market.

Recurring Measurements

Assets measured at fair value on a recurring basis as of December 31, 2021 are as follows:

	December 31, 2021			
	Level 1	Level 2	Level 3	Total
Common stock	\$ 99,619	\$ -	\$ -	\$ 99,619
	<u>\$ 99,619</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 99,619</u>

There were no assets measured at fair value as of December 31, 2020.

7. NET ASSETS WITH DONOR RESTRICTIONS

At December 31, 2021 and 2020, there were net assets with donor restrictions of \$1,759,093 and \$1,069,797, respectively. \$1,672,112 and \$677,633 were restricted for time as of December 31, 2021 and 2020, respectively. The remaining \$86,981 of donor restricted funds at December 31, 2021 consists of \$75,133 restricted for USAID projects and the remaining \$11,848 for mental health and wellbeing initiatives. The remaining \$392,164 of donor restricted funds at December 31, 2020 consists of \$348,171 restricted for Ethiopia projects and the remaining \$43,993 for mental health and wellbeing initiatives.

NURU INTERNATIONAL
NOTES TO FINANCIAL STATEMENTS (Continued)

8. NOTES PAYABLE

The Organization has an agreement for borrowings of \$750,000 with a bank dated September 3, 2019. The agreement calls for annual principal payments of \$250,000, plus interest at the bank's prime rate (3.25% as of December 31, 2021 and 2020), and is due on September 3, 2022. The agreement is secured by an unconditional guaranty of payment from an anonymous donor. Amounts outstanding as of December 31, 2021 and 2020 were \$250,000 and \$500,000, respectively.

The Organization has an agreement for borrowings of \$150,000 with the SBA dated June 5, 2020. The agreement called for annual principal payments of \$641 beginning twelve months from the date of the note, plus interest at the 2.75%, and was due on May 5, 2050. The loan was modified on September 2, 2021 to increase the borrowings to \$500,000. The updated agreement calls for monthly payments of \$2,208 beginning twelve months from the date of the note, plus interest at 2.75% and is due on May 5, 2050. The amount outstanding as of December 31, 2021 and 2020 was \$500,000 and \$150,000, respectively.

The minimum principal maturities of the note payable are as follows:

2022	\$ 254,956
2023	13,228
2024	13,597
2025	13,975
2026	14,364
Thereafter	<u>439,880</u>
TOTAL	<u>\$ 750,000</u>

9. RELATED PARTIES

In October 2008, Nuru Kenya 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 organization, Nuru Ethiopia, was put into operation in Ethiopia. In 2017, Nuru Nigeria was launched. In 2021, Nuru International began initial launch activity for Nuru Burkina Faso, with plans to launch the new organization in 2022. These locally-led nonprofits, along with Nuru International, form a collective of organizations with distinct, localized missions united by a common vision.

NURU INTERNATIONAL
NOTES TO FINANCIAL STATEMENTS (Continued)

9. RELATED PARTIES (Continued)

For the years ended December 31, 2021 and 2020, the Organization contributed directly, or incurred expenses on behalf of these organizations as follows:

	<u>2021</u>	<u>2020</u>
Nuru Kenya	\$ 845,595	\$ 791,604
Nuru Ethiopia	923,809	898,123
Nuru Nigeria	484,130	747,581
TOTAL	<u>\$ 2,253,534</u>	<u>\$ 2,437,308</u>

10. EMPLOYEE BENEFIT PLAN

The Organization maintains a defined contribution 401(k) plan for all eligible employees. Employer matching contributions for the year ended December 31, 2021 were \$31,474. The Organization has made no employer matching contributions to the plan for the year ended December 31, 2020.

11. REFUNDABLE GRANT ADVANCE

On May 1, 2020, the Organization was granted a loan through the Paycheck Protection Program (PPP) under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) in the amount of \$296,152. All or a portion of this loan may be forgiven if it was used for qualifying expenses under the terms of the CARES Act. Amounts determined unforgivable will be charged interest at a rate of 1% with 18 monthly payments commencing November 1, 2020 and due October 1, 2021. As of December 31, 2021, the Organization met the requirements to receive full forgiveness and recognized the loan forgiveness on the statement of activities. Formal forgiveness was received from the SBA on March 29, 2021.

On February 21, 2021, the Organization was granted a loan through the Paycheck Protection Program (PPP) under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) in the amount of \$253,095. All or a portion of this loan may be forgiven if it was used for qualifying expenses under the terms of the CARES Act. Amounts determined unforgivable will be charged interest at a rate of 1% with 60 monthly payments commencing February 21, 2021 and due February 21, 2026. As of December 31, 2021, the Organization met the requirements to receive full forgiveness and recognized the loan forgiveness on the statement of activities. Formal forgiveness was received from the SBA on September 27, 2021.

12. SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after year end but before financial statements are issued or are available to be issued. These events and transactions either provide additional evidence about conditions that existed at year end, including estimates inherent in the process of preparing financial statements (that is, recognized subsequent events), or provide evidence about conditions that did not exist at year end but arose after that date (that is, nonrecognized subsequent events).

The Organization has evaluated subsequent events through April 11, 2022 which was the date that these financial statements were available to be issued.