MANNA PROJECT INTERNATIONAL  
Nashville, Tennessee  

FINANCIAL STATEMENTS  

December 31, 2013  

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INDEPENDENT AUDITOR'S REPORT

To The Board of Directors of Manna Project International
Nashville, Tennessee

Report on the Financial Statements

We have audited the accompanying financial statements of Manna Project International, which comprise statements of financial position as of December 31, 2013, and the related statements of activities and changes in net assets and cash flows for the year 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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 auditor's 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 opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Manna Project International as of December 31, 2013, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Zeal Financial Services
Brentwood, Tennessee
April 6, 2014
MANNA PROJECT INTERNATIONAL
STATEMENT OF FINANCIAL POSITION
December 31, 2013

ASSETS
Current assets

Cash and cash equivalents
  Unrestricted $37,579
  Donor restricted support 28,166
Undeposited funds 44,477
Accounts receivable 7,105
Prepaid expenses 8,615
Total current assets 125,942

Fixed assets, net of accumulated depreciation 3,249

$129,191

LIABILITIES AND NET ASSETS
Current liabilities

Accrued expenses $3,681
Total current liabilities 3,681

Net assets

Unrestricted 97,344
Temporarily Restricted 28,166
Total net assets 125,510

$129,191

See accompanying notes to financial statements.
MANNA PROJECT INTERNATIONAL
STATEMENT OF ACTIVITIES
Year Ended December 31, 2013

<table>
<thead>
<tr>
<th>Support and revenue</th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual and corporate donations</td>
<td>$414,999</td>
<td>$13,500</td>
<td>$428,499</td>
</tr>
<tr>
<td>Foundation and trust donations</td>
<td>41,465</td>
<td>2,000</td>
<td>43,465</td>
</tr>
<tr>
<td>Grant income</td>
<td>20,000</td>
<td>22,500</td>
<td>42,500</td>
</tr>
<tr>
<td>In-kind contributions</td>
<td>5,569</td>
<td>-</td>
<td>5,569</td>
</tr>
<tr>
<td>Program related income</td>
<td>12,258</td>
<td>-</td>
<td>12,258</td>
</tr>
<tr>
<td>Miscellaneous income</td>
<td>4,219</td>
<td>-</td>
<td>4,219</td>
</tr>
<tr>
<td>Interest income</td>
<td>89</td>
<td>-</td>
<td>89</td>
</tr>
<tr>
<td><strong>Total support and revenue</strong></td>
<td><strong>498,599</strong></td>
<td><strong>38,000</strong></td>
<td><strong>536,599</strong></td>
</tr>
<tr>
<td>Net assets released from restrictions</td>
<td>44,118</td>
<td>(44,118)</td>
<td>-</td>
</tr>
</tbody>
</table>

**Expenses**

| Program expenses                                 | 405,983      | -                      | 405,983 |
| Management and general expenses                  | 74,036       | -                      | 74,036 |
| Fundraising expenses                             | 26,498       | -                      | 26,498 |
| **Total expenses**                               | **506,517**  | -                      | **506,517** |

Change in net assets: 36,200 (6,118) 30,082

Net assets - beginning of period: 61,144 34,284 95,428

Net assets - end of period: $97,344 $28,166 $125,510

See accompanying notes to financial statements.
MANNA PROJECT INTERNATIONAL
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended December 31, 2013

<table>
<thead>
<tr>
<th></th>
<th>Program Services</th>
<th>Support Services</th>
<th>Management and General</th>
<th>Fund Raising</th>
<th>Total</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and related expenses</td>
<td>$94,927</td>
<td>$45,419</td>
<td>$21,486</td>
<td>$66,905</td>
<td>$161,832</td>
<td></td>
</tr>
<tr>
<td>Bank fees</td>
<td>-</td>
<td>1,785</td>
<td>-</td>
<td>1,785</td>
<td>1,785</td>
<td></td>
</tr>
<tr>
<td>Community programs</td>
<td>106,569</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>106,569</td>
<td></td>
</tr>
<tr>
<td>Conferences</td>
<td>3,863</td>
<td>682</td>
<td>-</td>
<td>682</td>
<td>4,545</td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td>2,460</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2,460</td>
<td></td>
</tr>
<tr>
<td>Donation processing fees</td>
<td>-</td>
<td>4,673</td>
<td>-</td>
<td>4,673</td>
<td>4,673</td>
<td></td>
</tr>
<tr>
<td>Insurance</td>
<td>17,843</td>
<td>1,243</td>
<td>-</td>
<td>1,243</td>
<td>19,086</td>
<td></td>
</tr>
<tr>
<td>Occupancy expenses</td>
<td>50,499</td>
<td>1,310</td>
<td>-</td>
<td>1,310</td>
<td>51,809</td>
<td></td>
</tr>
<tr>
<td>Postage and printing</td>
<td>268</td>
<td>4,189</td>
<td>-</td>
<td>4,189</td>
<td>4,457</td>
<td></td>
</tr>
<tr>
<td>Professional fees</td>
<td>-</td>
<td>5,403</td>
<td>-</td>
<td>5,403</td>
<td>5,403</td>
<td></td>
</tr>
<tr>
<td>Publicity and recruitment</td>
<td>740</td>
<td>2,294</td>
<td>3,012</td>
<td>5,306</td>
<td>6,046</td>
<td></td>
</tr>
<tr>
<td>Staff development</td>
<td>22,700</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>22,700</td>
<td></td>
</tr>
<tr>
<td>Supplies</td>
<td>4,051</td>
<td>968</td>
<td>-</td>
<td>968</td>
<td>5,019</td>
<td></td>
</tr>
<tr>
<td>Telephone and telecommunications</td>
<td>8,444</td>
<td>153</td>
<td>-</td>
<td>153</td>
<td>8,597</td>
<td></td>
</tr>
<tr>
<td>Travel</td>
<td>30,698</td>
<td>1,887</td>
<td>-</td>
<td>1,887</td>
<td>32,585</td>
<td></td>
</tr>
<tr>
<td>Volunteer meals and stipends</td>
<td>59,401</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>59,401</td>
<td></td>
</tr>
<tr>
<td>Website</td>
<td>-</td>
<td>480</td>
<td>2,000</td>
<td>2,480</td>
<td>2,480</td>
<td></td>
</tr>
<tr>
<td>Miscellaneous expenses</td>
<td>3,520</td>
<td>3,550</td>
<td>-</td>
<td>3,550</td>
<td>7,070</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$405,983</strong></td>
<td><strong>$74,036</strong></td>
<td><strong>$26,498</strong></td>
<td><strong>$100,534</strong></td>
<td><strong>$506,517</strong></td>
<td></td>
</tr>
</tbody>
</table>

See accompanying notes to financial statements.
MANNA PROJECT INTERNATIONAL
STATEMENT OF CASH FLOWS
Year Ended December 31, 2013

Cash flows from operating activities:
Change in net assets $ 30,082
Adjustments to reconcile change in net assets to
net cash from operating activities
   Depreciation 2,460
   Changes in operating assets and liabilities:
      Accounts receivable 10,483
      Undeposited funds (24,639)
      Prepaid expenses 220
      Accrued expenses (786)
Net cash from operating activities 17,820

Cash flows from investing activities:
   Purchase of land (2,000)
Net cash from investing activities (2,000)

Cash flows from financing activities:
   Payments on note payable (1,000)
Net cash from financing activities (1,000)

Net change in cash 14,820
Cash at beginning of year 50,925
Cash at end of year $ 65,745

See accompanying notes to financial statements.
NOTE 1 – ORGANIZATION

Manna Project International is a non-profit organization that exists to utilize the passion and energy of young people to empower developing international communities through hands-on learning and service in Nicaragua, Ecuador and Guatemala. The Organization is incorporated under the laws of the State of Tennessee.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Basis of Presentation: The accompanying financial statements are prepared on the accrual basis and conform to accounting principles generally accepted in the United States of America and in accordance with the principles of not-for-profit accounting.

Cash and Cash Equivalents: Cash and cash equivalents include all unrestricted cash on hand and in banks. The Organization also considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents. For the purpose of the statement of cash flows, cash includes cash and cash equivalents with original maturities of 90 days or less.

Fixed Assets: Fixed assets are stated at cost or, if donated, at the estimated fair value at the time of the donation. Depreciation is provided by use of the straight-line method over the estimated useful lives of the assets. Depreciation expense for the year ended December 31, 2013 was $2,460.

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. These estimates and assumptions may change in the near future resulting in different actual results.

Income Taxes: The Organization is a not-for-profit corporation as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal income taxes pursuant to Section 501(a) of the Internal Revenue Code.

Allocation of Functional Expenses: Expenses that can be directly attributed to a particular function are charged to that function. Certain costs have been allocated among more than one program or activity based on objectively evaluated financial and nonfinancial data or reasonable subjective methods determined by management.
NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contributions: The Organization is required to report information regarding its financial position and activities according to three classes of net assets (unrestricted net assets, temporarily restricted and permanently restricted) based upon the existence or absence of donor-imposed restrictions.

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as an increase in temporarily restricted or permanently restricted support depending on the nature of the restriction. When a restriction is fulfilled (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted and reported in the statement of activities as net assets released in satisfaction of program restrictions. However, if a restriction is fulfilled in the same time period in which the contribution is received, the support is reported as unrestricted.

Donated Services: Donated services are reflected as contributions based on their estimated fair value at the date of receipt. Additionally, contributions of service are recognized if they create or enhance nonfinancial assets or the donated service requires specialized skills, was performed by a donor who possesses such skills, and would have been purchased if not donated. A number of unpaid officers, members of the Board of Directors, and other volunteers have made significant contributions of their time to assist in implementing various programs. The value of contributed time is not reflected in these financial statements since it is not susceptible to objective measurement or valuation.

Allowance for Uncollectible Amounts: The allowance for doubtful amounts is determined by management based on specific donor circumstances, and general economic conditions. Periodically, management reviews receivables and adjusts the allowance based on current circumstances and charges off uncollectible receivables when all attempts to collect have failed. Management has determined that no allowance is necessary at December 31, 2013.

Subsequent Events: Subsequent events have been updated through April 6, 2014, the date the financial statements were available to be issued.
NOTE 3 – TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for future program expenses.

Net assets were released from donor restrictions by incurring expenses satisfying the purpose or time restriction specified by the donors for program expenses.