

# **Acumen and Subsidiaries**

Consolidated Financial Statements

December 31, 2013 and 2012

## **Independent Auditors' Report**

### **Board of Directors Acumen Fund, Inc.**

We have audited the accompanying consolidated financial statements of Acumen Fund, Inc. and subsidiaries ("Acumen"), which comprise the consolidated statements of financial position as of December 31, 2013 and 2012, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated 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 consolidated financial statements based on our audits. We did not audit the financial statements of Acumen Capital Markets I, LP, which statements reflect total assets constituting 10% and 8%, respectively, of consolidated total assets at December 31, 2013 and 2012, and total revenues constituting 0% of consolidated total revenues for each of the years then ended. These statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for Acumen, is based solely on the reports of the other auditors. 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 audit 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 opinion.

O'CONNOR DAVIES, LLP

665 Fifth Avenue, New York, NY 10022 | Tel: 212.286.2600 | Fax: 212.286.4080 | [www.odpkf.com](http://www.odpkf.com)

### ***Opinion***

In our opinion, based on our audits and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Acumen Fund, Inc. and subsidiaries as December 31, 2013 and 2012 and the changes in their consolidated net assets and their consolidated cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The schedules on pages 21-23 are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express such an opinion or provide any assurance on it.

*O'Connor Davies, LLP*

June 23, 2014

## Acumen Fund, Inc. and Subsidiaries

### Consolidated Statements of Financial Position

	December 31	
	2013	2012
<b>ASSETS</b>		
Operating Assets		
Cash and cash equivalents	\$ 47,381,077	\$ 40,857,136
Certificates of deposit	-	489,169
Contributions and pledges receivable	13,085,600	16,750,653
Interest receivable	57,541	33,274
Accounts and other receivables	13,248	5,326
Prepaid expenses and other current assets	222,337	278,172
Interest in charitable remainder trust	385,599	344,440
Property and equipment, net	234,992	202,814
Security deposits	48,584	61,087
Total Operating Assets	61,428,978	59,022,071
Portfolio Assets		
Cash and cash equivalents	1,867,354	220
Certificates of deposit	294,115	294,017
Interest and dividend receivable	814,944	777,816
Program related equity investments	30,251,818	29,220,281
Program related loans receivable	12,566,635	13,700,659
Total Portfolio Assets	45,794,866	43,992,993
Total Assets	\$ 107,223,844	\$ 103,015,064
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities		
Accounts payable and accrued expenses	\$ 468,508	\$ 470,018
Accrued salaries and related expenses	435,643	605,679
Taxes payable on foreign loan interest income	3,280	-
Notes payable	4,937,297	5,170,250
Accrued interest on notes payable	-	457,063
Total Liabilities	5,844,728	6,703,010
Net Assets		
Unrestricted		
Operating	26,793,846	29,398,821
Portfolio funds	45,794,866	43,992,993
Noncontrolling limited partners' interests		
in Acumen Capital Markets 1, LP	6,051,787	1,798,388
Total Unrestricted	78,640,499	75,190,202
Temporarily restricted	22,738,617	21,121,852
Total Net Assets	101,379,116	96,312,054
	\$ 107,223,844	\$ 103,015,064

See notes to consolidated financial statements

**Acumen Fund, Inc. and Subsidiaries**

Consolidated Statements of Activities  
Year Ended December 31, 2013

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>SUPPORT AND REVENUE</b>			
Operating Support and Revenue			
Contributions	\$ 6,060,003	\$ 10,287,100	\$ 16,347,103
Provision for uncollectible pledges	(3,119)	(613,971)	(617,090)
Donated services	1,113,745	-	1,113,745
Investment income	79,736	15,859	95,595
Change in value of charitable remainder trust	-	41,159	41,159
Other income	67,358	-	67,358
Net assets released from restrictions	<u>7,290,253</u>	<u>(7,290,253)</u>	<u>-</u>
Total Operating Support and Revenue	<u>14,607,976</u>	<u>2,439,894</u>	<u>17,047,870</u>
 Portfolio Revenue			
Interest and dividend income, program related investments	1,307,544	-	1,307,544
Provision for losses	(4,819,337)	-	(4,819,337)
Other portfolio investment expenses	(159,854)	-	(159,854)
Net assets released from restrictions	<u>823,129</u>	<u>(823,129)</u>	<u>-</u>
Total Portfolio Revenue	<u>(2,848,518)</u>	<u>(823,129)</u>	<u>(3,671,647)</u>
Total Support and Revenue	<u>11,759,458</u>	<u>1,616,765</u>	<u>13,376,223</u>
 <b>EXPENSES</b>			
Program Expenses			
Portfolio management	4,997,551	-	4,997,551
Outreach, impact and communications	2,191,159	-	2,191,159
Fellows	<u>1,367,660</u>	<u>-</u>	<u>1,367,660</u>
Total Program Expenses	<u>8,556,370</u>	<u>-</u>	<u>8,556,370</u>
Supporting Expenses			
Management and general	2,609,895	-	2,609,895
Fundraising	<u>1,812,466</u>	<u>-</u>	<u>1,812,466</u>
Total Supporting Expenses	<u>4,422,361</u>	<u>-</u>	<u>4,422,361</u>
Total Expenses	<u>12,978,731</u>	<u>-</u>	<u>12,978,731</u>
Change in Net Assets Before Foreign Currency Translation Loss and Contributed Capital	(1,219,273)	1,616,765	397,492
Foreign currency translation loss	(595,555)	-	(595,555)
Contributed capital	<u>5,265,125</u>	<u>-</u>	<u>5,265,125</u>
Change in Net Assets	3,450,297	1,616,765	5,067,062
 <b>NET ASSETS</b>			
Beginning of the year	<u>75,190,202</u>	<u>21,121,852</u>	<u>96,312,054</u>
End of the year	<u>\$ 78,640,499</u>	<u>\$ 22,738,617</u>	<u>\$ 101,379,116</u>

See notes to consolidated financial statements

## Acumen Fund, Inc. and Subsidiaries

Consolidated Statements of Activities  
Year Ended December 31, 2012

	Unrestricted	Temporarily Restricted	Total
<b>SUPPORT AND REVENUE</b>			
Operating Support and Revenue			
Contributions	\$ 5,448,306	\$ 7,706,403	\$ 13,154,709
Provision for uncollectible pledges	(38,776)	(3,139,342)	(3,178,118)
Donated services	1,996,616	1,171,444	3,168,060
Investment income	138,785	21,203	159,988
Change in value of charitable remainder trust	-	33,652	33,652
Other income	61,139	-	61,139
Net assets released from restrictions	6,705,966	(6,705,966)	-
Total Operating Support and Revenue	14,312,036	(912,606)	13,399,430
Portfolio Revenue			
Interest and dividend income, program related investments	1,027,569		1,027,569
Provision for losses	(1,373,621)	-	(1,373,621)
Other investment expenses	(179,739)	-	(179,739)
Net assets released from restrictions	4,443,660	(4,443,660)	-
Total Portfolio Revenue	3,917,869	(4,443,660)	(525,791)
Total Support and Revenue	18,229,905	(5,356,266)	12,873,639
<b>EXPENSES</b>			
Program Expenses			
Portfolio management	5,869,066	-	5,869,066
Outreach, impact and communications	2,409,776	-	2,409,776
Fellows	905,287	-	905,287
Total Program Expenses	9,184,129	-	9,184,129
Supporting Expenses			
Management and general	1,973,790	-	1,973,790
Fundraising	1,517,048	-	1,517,048
Total Supporting Expenses	3,490,838	-	3,490,838
Total Expenses	12,674,967	-	12,674,967
Change in Net Assets Before Foreign Currency Translation Loss	5,554,938	(5,356,266)	198,672
Foreign currency translation loss	(48,386)	-	(48,386)
Change in Net Assets	5,506,552	(5,356,266)	150,286
<b>NET ASSETS</b>			
Beginning of the year	69,683,650	26,478,118	96,161,768
End of the year	\$ 75,190,202	\$ 21,121,852	\$ 96,312,054

See notes to consolidated financial statements

**Acumen Fund, Inc. and Subsidiaries**

Consolidated Statements of Cash Flows

	Year Ended	
	December 31	
	2013	2012
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 5,067,062	\$ 150,286
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation	92,562	104,125
Provision for uncollectible pledges and write-offs	617,090	3,177,801
Donated securities	-	(226,682)
Change in interest in charitable remainder trust	(41,159)	(33,652)
Foreign currency exchange loss	1,355	(201,358)
Provision for portfolio losses	4,819,337	1,373,621
Change in operating assets and liabilities		
Pledges receivable, net of discount	3,047,963	(2,566,844)
Accrued interest receivable	(61,395)	(146,654)
Accounts and other receivables	(7,922)	11,556
Prepaid expenses and other current assets	55,835	(184,496)
Accounts payable and accrued expenses	(628,609)	222,232
Taxes payable on foreign loan interest income	3,280	-
Deferred income	-	(9,326)
Net Cash from Operating Activities	12,965,399	1,670,609
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property and equipment	(124,839)	(132,402)
Proceeds from maturity of certificates of deposit	489,169	4,145,509
Proceeds from sale of program related equity investments	1,096,245	1,353,720
Program related loans made	(5,325,128)	(9,571,500)
Program related equity investments made	(4,236,057)	(6,088,020)
Repayment of program related loans	3,746,736	4,637,094
Security refunds (deposits)	12,503	(12,073)
Net Cash from Investing Activities	(4,341,371)	(5,667,672)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Principal payments on notes payable	(232,953)	-
Net Cash from Financing Activities	(232,953)	-
Net Change in Cash and Cash Equivalents	8,391,075	(3,997,063)
<b>CASH</b>		
Beginning of year	40,857,356	44,854,419
End of year	\$ 49,248,431	\$ 40,857,356
<b>SUPPLEMENTAL CASH FLOWS INFORMATION</b>		
Cash paid for taxes	\$ 86,139	\$ 88,682
Cash paid for interest	\$ 439,215	\$ -

See notes to consolidated financial statements

## Acumen Fund, Inc. and Subsidiaries

Notes to Consolidated Financial Statements  
December 31, 2013 and 2012

### 1. Organization and Tax Status

Acumen Fund, Inc., a not for profit organization, aims to elevate the lives of the poor by building financially sustainable and scalable organizations (non-profit and for-profit) that deliver affordable critical goods and services. A disciplined process is adhered to in selecting and managing its philanthropic investments as well as in measuring the end result. Acumen manages six portfolio areas of expertise, focused on global social needs: (i) Health, (ii) Housing (iii) Water & Sanitation, (iv) Energy, (v) Agriculture and (vi) Education. In addition, Acumen Fund, Inc. runs a leadership program that consists of a global and three regional fellows program to identify, network and support social change leaders. Acumen Fund, Inc. also focuses on dissemination of ideas, particularly around insights for impact measurement of its work and awareness raising of its approaches to tackling poverty. Acumen Fund, Inc. is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, and has been classified as an organization that is not a private foundation.

In addition to managing its global operations from its New York office, Acumen Fund, Inc. formed Acumen Advisory Services India Private Limited (“Acumen India”) and Acumen (a Pakistan company)(“Acumen Pakistan”); subsidiaries which manage regional operations. Acumen India is a corporation which Acumen Fund, Inc. owns 99.9%. Acumen Pakistan is a company limited by guarantee incorporated in Pakistan under section 42 of the Companies Ordinance, 1984, which is the equivalent to a 501(c)(3) public charity in the United States. Acumen Pakistan is governed by its local Board of Directors. Acumen Fund, Inc. has the right to appoint a majority of the Board of Directors of Acumen Pakistan which comprises of two directors appointed by Acumen Fund, Inc. under the Affiliation and Funding Agreement dated February 2008 and three directors elected by its members. In 2013, Acumen Fund, Inc. formed Acumen Canada, a registered charitable organization in Canada in which Acumen Fund, Inc. is the sole executive and voting member. Acumen Canada is governed by a local Board of Directors, who are appointed by the voting member pursuant to its bylaws. There were no activities in Acumen Canada during fiscal 2013.

In December 2008, Acumen Fund, Inc. formed a Delaware limited partnership, Acumen Capital Markets I, LP (“ACM”), in which it serves as general partner and manager. ACM is to have a total capitalization of \$15.8 million towards which Acumen has made a commitment of \$1.1 million. ACM makes portfolio investments consistent with and as an extension of Acumen’s charitable activities. For income tax purposes, the partners report their respective portions of ACM income and expense in their income tax returns.

The accompanying consolidated financial statements of Acumen Fund, Inc. include the accounts of Acumen Fund, Inc., Acumen India, Acumen Pakistan, Acumen Canada and ACM (collectively Acumen).



## **Acumen Fund, Inc. and Subsidiaries**

Notes to Consolidated Financial Statements  
December 31, 2013 and 2012

### **2. Summary of Significant Accounting Policies**

#### ***Principles of Consolidated Financial Statements***

All significant intercompany account balances and transactions have been eliminated in consolidation.

#### ***Basis of Presentation***

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

#### ***Use of Estimates***

The preparation of financial statements 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. Accordingly actual results could differ from those estimates.

#### ***Cash and Cash Equivalents***

Acumen considers all highly liquid investments available for operations, with a maturity of three months or less at the time of purchase to be cash equivalents.

#### ***Fair Value of Financial Instruments***

Acumen follows United States Generally Accepted Accounting Principles ("U.S. GAAP") guidance on *Fair Value Measurements* which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

#### ***Contributions and Pledges Receivable***

Contributions and unconditional promises to give are recorded as support and are classified as either unrestricted, temporarily restricted, or permanently restricted support.

Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using rates applicable to the years in which the promises are received and consider market and credit risk as applicable. Amortization of the discounts and changes in allowance for doubtful accounts are included in contribution support in the statements of activities.

## **Acumen Fund, Inc. and Subsidiaries**

Notes to Consolidated Financial Statements  
December 31, 2013 and 2012

### **2. Summary of Significant Accounting Policies (*continued*)**

#### ***Allowance for Doubtful Accounts***

An allowance for doubtful accounts is established for contributions receivable where there exists doubt as to whether amounts will be fully collected. The determination of this allowance is an estimate based on Acumen's historical experience, review of account balances and expectations relative to collections.

#### ***Property and Equipment***

Property and equipment are stated at cost. Acumen capitalizes all purchases of property and equipment greater than \$1,000. Depreciation is recognized using the straight-line method over the estimated useful lives of the assets.

#### ***Net Asset Presentation***

Acumen reports information regarding its financial position and activities according to three classes of net assets based on donor restrictions: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets based on the presence or absence of donor imposed restrictions.

#### ***In-Kind Contributions***

Donated services are stated in the financial statements at fair value if those services create or enhance non-financial assets or require specialized skills provided by individuals possessing those skills and that would typically be purchased if not provided by donation.

#### ***Beneficial Interest in a Charitable Remainder Trust***

Acumen has a beneficial interest in a charitable remainder trust. Under the terms of the trust, distributions are made from the trust to designated beneficiaries for the remainder of their lives. The remainder of the assets in the trust will be transferred to Acumen. The trust is held and managed by an independent trustee. As of 2012 the value of Acumen's estimated interest in the remainder trusts was approximated using a 7% discount rate over the remaining life expectancy of the income beneficiaries.

#### ***Program Related Equity Investments***

Equity investments are reflected at cost less an allowance for impairment in value. Whether a valuation allowance is necessary due to impairment is determined based on various factors, including the enterprise's cash flow from operations and other pertinent factors related to the enterprise's operations and ability to attract additional capital from other investors.

## **Acumen Fund, Inc. and Subsidiaries**

Notes to Consolidated Financial Statements  
December 31, 2013 and 2012

### **2. Summary of Significant Accounting Policies (*continued*)**

#### ***Program Related Loans Receivable***

Loans are carried at an amount equal to the assets transferred if the loans are at the market interest rate applicable to the borrower. If the contractual interest rate is lower than the market rate, the difference between the cash transferred to the borrower and the present value of the contractual payments for the loan at the effective interest rate is recognized as contribution expense.

Each loan is analyzed for significant risk factors and appropriate interest rates are charged (currently ranging from 2% to 19%). Determining whether a valuation allowance is necessary due to impairment is based on various factors, including the debtor's cash flow from operations and other pertinent factors related to the debtor's operations and ability to attract additional capital from other investors. Repayment terms differ for each loan.

#### ***Grant Expense***

Grant expense is recognized at the time a grant is authorized. Grants which are conditional on the recipient fulfilling certain obligations prior to receiving funds are recognized at the time those conditions are satisfied. Grants payable later than one year from the end of a fiscal year are discounted to present value.

#### ***Foreign Currency Translation***

The statements of activities of foreign subsidiaries whose functional currencies are other than the U.S. dollar are translated into U.S. dollars using average exchange rates for the period. The net assets of foreign subsidiaries whose functional currencies are other than the U.S. dollar are translated into U.S. dollars using exchange rates as of the statement of financial position date. The translation gains (losses) are included in the statement of activities.

#### ***Foreign Exchange Transactions***

Assets and liabilities denominated in foreign currencies are translated into U.S. dollars at exchange rates in effect on reporting dates. Unrealized exchange gains and losses are included in the statement of activities.

#### ***Allocation of Expenses***

Certain expenses are allocated to program or supporting services based on management's estimates.

#### ***Reclassifications***

Certain amounts in the December 31, 2012 financial statements have been reclassified for comparative purposes only.

## Acumen Fund, Inc. and Subsidiaries

Notes to Consolidated Financial Statements  
December 31, 2013 and 2012

### 2. Summary of Significant Accounting Policies *(continued)*

#### ***Accounting for Uncertainty in Income Taxes***

Acumen recognizes the effect of income tax positions only when they are more than likely than not of being sustained. Management has determined that Acumen had no uncertain tax positions that would require financial statement recognition. Acumen is no longer subject to audits by the United States taxing jurisdictions for periods prior to December 31, 2010.

#### ***Subsequent Events Evaluation by Management***

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is June 23, 2014.

### 3. Concentration of Credit Risk

Financial instruments that potentially subject Acumen to concentrations of credit risk consist principally of cash and cash equivalents and program related portfolio loans and equity investments. At times cash balances held at financial institutions may be in excess of federally insured limits. Acumen also maintains bank accounts in India and Pakistan. There is no insurance on these accounts. Acumen has not experienced any losses on its cash deposits.

Program related portfolio loans receivable and equity investments are associated with projects based in developing countries. As such, the projects and related investments are subject to various uncertainties including, but not limited to, political, commercial and currency risk.

### 4. Contributions and Pledges Receivable

Pledges receivable are shown net of a discount to present value using rates ranging from .4% to 5% on payments due in future years.

Contributions and pledges receivable are due as follows at December 31:

	<u>2013</u>	<u>2012</u>
Due within:		
Up to one year	\$9,155,402	\$12,328,849
One to five years	<u>5,268,389</u>	<u>8,726,896</u>
	14,423,791	21,055,745
Present value discount	(262,081)	(647,842)
Allowance for doubtful accounts	<u>(1,076,110)</u>	<u>(3,657,250)</u>
Contributions and pledges receivable, net	<u>\$ 13,085,600</u>	<u>\$16,750,653</u>

## Acumen Fund, Inc. and Subsidiaries

Notes to Consolidated Financial Statements  
December 31, 2013 and 2012

### 5. Fair Value Measurements

Acumen's beneficial interest in charitable remainder trusts is measured at fair value on a recurring basis. The beneficial interest in charitable remainder trusts are Level 3 inputs using the fair value hierarchy.

The following is a reconciliation of the beginning and ending balances for Level 3 assets for 2013:

Beginning balance	\$ 344,440
Change in present value of beneficial interest in remainder trust	<u>41,159</u>
Ending balance	<u>\$ 385,599</u>

### 6. Property and Equipment

Property and equipment at December 31 consist of the following:

	<u>2013</u>	<u>2012</u>
Computer equipment and website development	\$460,242	\$377,149
Leasehold improvements and equipment	356,175	352,867
Furniture	<u>157,129</u>	<u>125,698</u>
	973,546	855,714
Accumulated depreciation	<u>(738,554)</u>	<u>(652,900)</u>
	<u>\$234,992</u>	<u>\$202,814</u>

Depreciation expense for 2013 and 2012 was \$92,563 and \$104,122, respectively.

### 7. Program Related Loans Receivable

Program related portfolio loans receivable consist of loans advanced to projects located throughout the developing world related to Acumen's portfolio activities. Loans receivable are carried at a cost of \$16,356,687 and \$15,136,195 less an allowance for uncollectible amounts of \$3,564,076 and \$1,208,205 and a foreign currency loss of \$225,976 and \$227,331 at December 31, 2013 and 2012.

Contractual interest rates on program related loans at December 31, 2013 and 2012 were equal to the market rates and therefore no contribution expense was recorded.

Acumen assesses the risk of their financing receivables internally as either performing or monitoring. Performing receivables are investments that meet repayment benchmarks on a timely basis. Monitoring receivables are investments that are either behind in their repayment schedules or the overall health of the investee organization is lessened based upon an assessment of the investee. The following is the recorded investment in financing receivables using Acumen's internally assigned credit quality indicators.

## Acumen Fund, Inc. and Subsidiaries

Notes to Consolidated Financial Statements  
December 31, 2013 and 2012

### 7. Program Related Loans Receivable *(continued)*

	2013		
	Performing	Monitoring	Total
Health	\$ 1,610,535	\$ 2,196,492	\$ 3,807,027
Agriculture	2,514,560	4,191,827	6,706,387
Energy	962,910	-	962,910
Housing	-	202,195	202,195
Water and Sanitation	727,273	134,554	861,827
Education	50,000	-	50,000
Technology	202,265	-	202,265
	<u>6,067,543</u>	<u>6,725,068</u>	<u>12,792,611</u>
Foreign Currency Adjustment			(225,976)
			<u>\$12,566,635</u>

	2012		
	Performing	Monitoring	Total
Health	\$ 2,749,520	\$ 2,381,578	\$ 5,131,098
Agriculture	1,742,230	4,471,354	6,213,584
Energy	1,000,000	-	1,000,000
Housing	-	1,140,620	1,140,620
Water and Sanitation	-	392,688	392,688
Education	50,000	-	50,000
	<u>5,541,750</u>	<u>8,386,240</u>	<u>13,927,990</u>
Foreign Currency Adjustment			(227,331)
			<u>\$13,700,659</u>

The following reflects the activity in the valuation allowance account for 2013 and 2012 by class of financing receivables and the recorded investment in financing receivables related to each balance in the valuation allowance account at December 31, 2013 and 2012.

## Acumen Fund, Inc. and Subsidiaries

Notes to Consolidated Financial Statements  
December 31, 2013 and 2012

### 7. Program Related Loans Receivable *(continued)*

	2013				Total
	Health	Agriculture	Housing	Water and Sanitation	
<b>Allowance for credit losses</b>					
Beginning balance	\$ 853,194	\$ -	\$ 231,529	\$ 123,482	\$ 1,208,205
Recoveries	(136,034)	-	-	(9,355)	(145,389)
Provision	647,792	823,414	1,030,054	-	2,501,260
Ending balance	<u>\$ 1,364,952</u>	<u>\$ 823,414</u>	<u>\$ 1,261,583</u>	<u>\$ 114,127</u>	<u>\$ 3,564,076</u>
Ending balance, individually evaluated for impairment	<u>\$ 1,364,952</u>	<u>\$ 823,414</u>	<u>\$ 1,261,583</u>	<u>\$ 114,127</u>	<u>\$ 3,564,076</u>
<b>Financing receivables</b>					
Ending balance	<u>\$ 2,372,305</u>	<u>\$ 1,176,306</u>	<u>\$ 1,389,976</u>	<u>\$ 152,169</u>	<u>\$ 5,090,756</u>
Ending balance, individually evaluated for impairment	<u>\$ 2,372,305</u>	<u>\$ 1,176,306</u>	<u>\$ 1,389,976</u>	<u>\$ 152,169</u>	<u>\$ 5,090,756</u>
	2012				
	Health	Agriculture	Housing	Water and Sanitation	Total
<b>Allowance for credit losses</b>					
Beginning balance	\$ 761,091	\$ 33,850	\$ 126,490	\$ 67,460	\$ 988,891
Recoveries	(7,897)	(33,850)	-	-	(41,747)
Provision	100,000	-	105,039	56,022	261,061
Ending balance	<u>\$ 853,194</u>	<u>\$ -</u>	<u>\$ 231,529</u>	<u>\$ 123,482</u>	<u>\$ 1,208,205</u>
Ending balance, individually evaluated for impairment	<u>\$ 853,194</u>	<u>\$ -</u>	<u>\$ 231,529</u>	<u>\$ 123,482</u>	<u>\$ 1,208,205</u>
<b>Financing receivables</b>					
Ending balance	<u>\$ 2,034,109</u>	<u>\$ -</u>	<u>\$ 463,058</u>	<u>\$ 164,643</u>	<u>\$ 2,661,810</u>
Ending balance, individually evaluated for impairment	<u>\$ 2,034,109</u>	<u>\$ -</u>	<u>\$ 463,058</u>	<u>\$ 164,643</u>	<u>\$ 2,661,810</u>

All impaired loans at December 31, 2013 and 2012 are included in the ending balance of financing receivables.

## Acumen Fund, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements December 31, 2013 and 2012

#### 7. Program Related Loans Receivable *(continued)*

The following is an analysis by class of the past due program related portfolio loans at December 31, 2013 and 2012:

	2013					
	30-59 Days Past Due	60-89 Days Past Due	Greater Than 90 days	Total Past Due	Current	Total Financing Receivable
	Health	\$ -	\$ -	\$ 1,956,021	\$ 1,956,021	\$ 1,851,006
Water	-	-	12,688	12,688	849,139	861,827
Total	\$ -	\$ -	\$ 1,968,709	\$ 1,968,709	\$ 2,700,145	\$ 4,668,854

  

	2012					
	30-59 Days Past Due	60-89 Days Past Due	Greater Than 90 days	Total Past Due	Current	Total Financing Receivable
	Health	\$ -	\$ -	\$ 991,667	\$ 991,667	\$ 4,139,431
Water	34,240	-	-	34,240	358,448	392,688
Housing	-	-	112,500	112,500	1,028,120	1,140,620
Total	\$ 34,240	\$ -	\$ 1,104,167	\$ 1,138,407	\$ 5,525,999	\$ 6,664,406

Expected repayments (exclusive of provisions for conversion to equity positions in the project) are as follows:

2014	\$ 4,386,436
2015	3,729,519
2016	1,845,913
2017	3,531,559
2018	1,007,868
2019 and thereafter	1,855,392
	\$ 16,356,687



## Acumen Fund, Inc. and Subsidiaries

Notes to Consolidated Financial Statements  
December 31, 2013 and 2012

### 8. Program Related Equity Investments

Program related equity investments consist of funds invested for equity positions in business enterprises in connection with Acumen's portfolio activities. Equity investments are carried at cost of \$36,886,173 and \$34,295,306 less a valuation allowance of \$6,634,355 and \$5,075,025 at December 31, 2013 and 2012.

Acumen holds a significant ownership percentage in certain of its program related equity investments however it does not have controlling financial or majority voting interest in those investments. The shareholder agreements provide for the original project developer or other third party investors to maintain a controlling majority of the voting rights on the board of directors and for Acumen to maintain only a minority of such rights. Acumen does not heavily participate in the management or direction of ongoing operations or operating decisions. In addition, Acumen's significant ownership percentage in some cases is only temporary and will be diluted at such time the enterprise receives further capitalization from local investors. For these reasons, Acumen does not recognize its share of income and losses (equity method) in its accounting for these investments.

### 9. Changes in Noncontrolling Limited Partners' Interests

The changes in noncontrolling limited partners' interests in Acumen Capital Markets 1 LP are as follows:

	<u>Noncontrolling Interest</u>
Balance January 1, 2012	\$ 2,325,287
2012 Changes	
Deficiency of revenue over expenses	<u>(526,899)</u>
Balance December 31, 2012	1,798,388
2013 Changes	
Capital contributions	4,785,125
Deficiency of revenue over expenses	<u>(531,726)</u>
Balance December 31, 2013	<u>\$ 6,051,787</u>

## Acumen Fund, Inc. and Subsidiaries

Notes to Consolidated Financial Statements  
December 31, 2013 and 2012

### 10. Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following at December 31:

	<u>2013</u>	<u>2012</u>
Education	\$ 4,413,331	\$ 3,166,750
Water	1,249,393	1,642,912
Agriculture	1,022,779	1,340,817
Health	597,056	328,593
Energy	2,204,490	2,487,101
Fellows	1,746,662	2,205,425
Other	996,016	-
Donor Imposed	4,254,699	9,605,814
India	33,101	-
Pakistan	53,210	-
East Africa	4,390	-
West Africa	954,813	-
Latin America	3,004,429	-
Pioneer Fund	988,861	-
Technical Assistance	706,998	-
+Acumen Online	122,790	-
Cruit	385,599	344,440
	<u>\$22,738,617</u>	<u>\$ 21,121,852</u>

**Acumen Fund, Inc. and Subsidiaries**

Notes to Consolidated Financial Statements  
December 31, 2013 and 2012

**10. Temporarily Restricted Net Assets (continued)**

Temporarily restricted net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose specified by the donor or as a result of the expiration of donor imposed time restrictions as follows:

	<u>2013</u>	<u>2012</u>
Education	\$ 688,845	\$ 614,979
Water	399,999	526,000
Agriculture	317,168	1,266,031
Health	-	2,750,000
Energy	689,523	2,577,552
Fellows	1,155,313	860,904
Other	-	288,825
Donor Imposed	2,920,360	2,265,335
India	233,435	-
Pakistan	91,785	-
East Africa	260,000	-
West Africa	300,377	-
Latin America	118,534	-
Pioneer Fund	500,000	-
Technical Assistance	160,833	-
+Acumen Online	277,210	-
	<u>\$ 8,113,382</u>	<u>\$ 11,149,626</u>

**11. Notes Payable**

ACM has a \$5,032,977 promissory note and security agreement (the "Notes") with certain of its limited partners and others for the purpose of providing investment capital to social entrepreneurs that seek to build viable businesses that serve the poor.

The Notes are unsecured, unguaranteed, and uninsured with a fixed rate of interest of 3% per annum. The interest is payable quarterly if, in the reasonable discretion of the Investment Manager, cash is available for payment at such time. The principal on the Notes and any unpaid interest shall be payable at the end of the term solely out of the assets of ACM. ACM shall have no obligation to pay interest and principal unless it has unencumbered assets sufficient to pay such amounts. The Investment Manager shall have no obligation to liquidate assets of ACM or make capital calls to its partners in order to make payments of interest at any time prior to maturity of the Note.

## Acumen Fund, Inc. and Subsidiaries

Notes to Consolidated Financial Statements  
December 31, 2013 and 2012

### 11. Notes Payable (continued)

At December 31, 2013 and 2012, ACM had drawn \$5,270,250, representing 100% of the Note commitment, and ACM made net repayments of \$232,953 on the Note in 2013, of which \$100,000 of this commitment was from Acumen Fund, Inc. The remaining capital commitment has been eliminated in consolidation.

### 12. In-Kind Contributions

In-kind contributions for the years ended December 31 are as follows:

	<u>2013</u>	<u>2012</u>
Rent	\$ -	\$1,507,444
Legal services	<u>1,113,745</u>	<u>1,660,616</u>
	<u>\$1,113,745</u>	<u>\$3,168,060</u>

### 13. Retirement Plan

Acumen Fund, Inc. maintains a 401(k) defined contribution retirement plan covering eligible employees. Acumen Fund, Inc. contributes 3% of the employees' compensation, inclusive of bonuses. Acumen Fund, Inc. plan expenses were \$99,354 and \$104,090 for 2013 and 2012.

### 14. Commitments and Contingencies

#### **Leases**

Acumen occupies its primary office location at no charge under an agreement for donated occupancy which expires in October 31, 2015. Donated occupancy recognized in the consolidated statement of activities for 2013 and 2012 totaled \$569,861 and \$336,000, respectively. The deferred portion of donated occupancy of approximately \$602,000 is included in contributions and pledges receivable in the December 31, 2013 consolidated statement of financial position.

Acumen also occupies office space in connection with its global operations under operating leases which provide for minimum annual rental payments as follows:

2014	\$145,993
2015	161,930
2016	<u>138,106</u>
	<u>\$446,029</u>

Rent expense (including donated occupancy) for 2013 and 2012 was \$884,991 and \$575,362, respectively.

## Acumen Fund, Inc. and Subsidiaries

Notes to Consolidated Financial Statements  
December 31, 2013 and 2012

### 14. Commitments and Contingencies *(continued)*

#### ***Program Grants, Loans and Investments***

Since 2001, Acumen has made portfolio loan and equity disbursements in excess of \$74.1 million. Together with committed disbursements approved but not yet made of approximately \$13.1 million, Acumen's cumulative investments under management total over \$87.3 million.

The following summarizes Acumen's portfolio disbursements for the years ended December 31:

	<u>2013</u>	<u>2012</u>
Loans	\$5,325,128	\$ 9,571,500
Equity investments	<u>4,236,057</u>	<u>6,088,020</u>
	<u>\$9,561,185</u>	<u>\$ 15,659,520</u>

At December 31, 2013 and 2012 approximately \$11.2 million and \$11.4 million in program disbursements have been committed and remains contingent upon the approval of interim progress reports and statements. Approximately \$4.6 million of additional program disbursements were committed in 2013. Subsequent disbursements are to be made upon Acumen's satisfaction that recipients have demonstrated progress towards the stated objectives of the disbursements.

#### ***Standby Letters of Credit***

At December 31, 2013 and 2012, Acumen had outstanding standby letters of credit in the total amount of \$294,000, as guarantees for program related lending activities. The letters of credit were issued in lieu of direct portfolio loan disbursements and certificates of deposit were purchased as collateral for the letters of credit.

#### ***Committed Capital***

At December 31, 2013 and 2012, ACM limited partners had a commitment to make program loans or investments of \$9,570,250 and Acumen Fund, Inc. had a commitment to make program loans or investments of \$1,000,000. Acumen Fund, Inc. may draw down these commitments to enable ACM to make investments, to pay fees and expenses or to provide reserves. At December 31, 2013 and 2012, ACM's funded partner commitments amounted to \$9,900,333 and \$4,635,208, respectively. The ratio of total contributed capital to total committed capital is 94% and 44%, respectively.

\* \* \* \* \*

## **Supplementary Financial Information**

**Acumen Fund, Inc. and Subsidiaries**  
**Consolidating Schedule of Financial Position**  
**December 31, 2013**  
(with summarized totals at December 31, 2012)

	Acumen Fund, Inc.			Acumen India	Acumen Pakistan	Acumen Capital Markets I, LP	Eliminating Entries	2013 Total	2012 Total
	Unrestricted	Temporarily Restricted	Total						
<b>ASSETS</b>									
Operating Assets									
Cash and cash equivalents	\$ 33,211,189	\$ 9,539,850	\$ 42,751,039	\$ 1,173,831	\$ 42,561	\$ 3,413,646	\$ -	\$ 47,381,077	\$ 40,857,136
Certificates of deposit	-	-	-	-	-	-	-	-	489,169
Contributions and pledges receivable, net	272,432	12,813,168	13,085,600	-	-	-	-	13,085,600	16,750,653
Interest receivable	-	-	-	-	57,541	-	-	57,541	33,274
Investment in subsidiaries	500,959	-	500,959	-	-	-	(500,959)	-	-
Loans to subsidiaries	750,000	-	750,000	-	-	-	(750,000)	-	-
Accounts and other receivables	(716)	-	(716)	269,458	-	-	(255,494)	13,248	5,326
Prepaid expenses and other current assets	117,325	-	117,325	76,149	13,450	15,413	-	222,337	278,172
Interest in charitable remainder trust	-	385,599	385,599	-	-	-	-	385,599	344,440
Property and equipment, net	158,842	-	158,842	39,912	36,238	-	-	234,992	202,814
Security deposits	5,705	-	5,705	41,405	1,474	-	-	48,584	61,087
Total Operating Assets	35,015,736	22,738,617	57,754,353	1,600,755	151,264	3,429,059	(1,506,453)	61,428,978	59,022,071
Portfolio Assets									
Cash and cash equivalents	1,867,354	-	1,867,354	-	-	-	-	1,867,354	220
Certificates of deposit	294,115	-	294,115	-	-	-	-	294,115	294,017
Interest and dividend receivable	699,640	-	699,640	-	-	115,304	-	814,944	777,816
Program related portfolio equity investments	25,518,460	-	25,518,460	-	237,766	5,495,592	(1,000,000)	30,251,818	29,220,281
Program related portfolio loans receivable	8,434,185	-	8,434,185	-	1,207,938	3,020,192	(95,680)	12,566,635	13,700,659
Total Portfolio Assets	36,813,754	-	36,813,754	-	1,445,704	8,631,088	(1,095,680)	45,794,866	43,992,993
	<u>\$ 71,829,490</u>	<u>\$ 22,738,617</u>	<u>\$ 94,568,107</u>	<u>\$ 1,600,755</u>	<u>\$ 1,596,968</u>	<u>\$ 12,060,147</u>	<u>\$ (2,602,133)</u>	<u>\$ 107,223,844</u>	<u>\$ 103,015,064</u>
<b>LIABILITIES AND NET ASSETS</b>									
Liabilities									
Accounts payable and accrued expenses	\$ 382,195	\$ -	\$ 382,195	\$ 40,254	\$ 55,433	\$ 48,431	\$ (57,805)	\$ 468,508	\$ 470,018
Accrued salaries and related expenses	375,685	-	375,685	37,819	22,139	-	-	435,643	605,679
Taxes payable on foreign loan interest income	3,280	-	3,280	-	-	-	-	3,280	-
Intercompany Loan	-	-	-	-	750,385	-	(750,385)	-	-
Notes payable	-	-	-	-	-	5,032,977	(95,680)	4,937,297	5,170,250
Accrued interest on notes payable	-	-	-	-	-	-	-	-	457,063
Total Liabilities	761,160	-	761,160	78,073	827,957	5,081,408	(903,870)	5,844,728	6,703,010
Net Assets									
Unrestricted									
Operating	34,254,576	-	34,254,576	-	(676,693)	-	(6,784,037)	26,793,846	29,398,821
Portfolio funds	36,813,754	-	36,813,754	-	1,445,704	-	7,535,408	45,794,866	43,992,993
Noncontrolling limited partners' interests in Acumen Capital Markets 1 LP	-	-	-	-	-	-	6,051,787	6,051,787	1,798,388
Total Unrestricted	71,068,330	-	71,068,330	-	769,011	-	6,803,158	78,640,499	75,190,202
Temporarily restricted									
Contributed capital	-	22,738,617	22,738,617	-	-	-	-	22,738,617	21,121,852
Stockholder's equity	-	-	-	554,506	-	-	(554,506)	-	-
Partners' capital	-	-	-	968,176	-	-	(968,176)	-	-
Total Net Assets	71,068,330	22,738,617	93,806,947	1,522,682	769,011	6,978,739	(6,978,739)	101,379,116	96,312,054
	<u>\$ 71,829,490</u>	<u>\$ 22,738,617</u>	<u>\$ 94,568,107</u>	<u>\$ 1,600,755</u>	<u>\$ 1,596,968</u>	<u>\$ 12,060,147</u>	<u>\$ (2,602,133)</u>	<u>\$ 107,223,844</u>	<u>\$ 103,015,064</u>

## Acumen Fund, Inc. and Subsidiaries

### Consolidating Schedule of Activities Year Ended December 31, 2013 (with summarized totals for the year ended December 31, 2012)

	Acumen Fund, Inc.			Acumen			Eliminating Entries	2013 Total	2012 Total
	Unrestricted	Temporarily Restricted	Total	Acumen India	Acumen Pakistan	Capital Markets I, LP			
<b>REVENUE</b>									
Operating Revenue, Gains and Other Support									
Contributions	\$ 5,606,209	\$ 10,287,100	\$ 15,893,309	\$ 18,409	\$ 1,482,015	\$ -	\$ (1,046,630)	\$ 16,347,103	\$ 13,154,709
Provision for uncollectible amounts	(3,119)	(613,971)	(617,090)	-	-	-	-	(617,090)	(3,178,118)
Donated services	1,113,745	-	1,113,745	-	-	-	-	1,113,745	3,168,060
Program fees	427,697	-	427,697	1,125,310	-	-	(1,553,007)	-	-
Investment income	51,251	15,859	67,110	-	18,619	9,866	-	95,595	159,988
Change in value of charitable remainder trust	-	41,159	41,159	-	-	-	-	41,159	33,652
Other income	51,749	-	51,749	1,396	-	14,213	-	67,358	61,139
Net assets released from restrictions	<u>7,290,253</u>	<u>(7,290,253)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Operating Revenue, Gains and Other Support	14,537,785	2,439,894	16,977,679	1,145,115	1,500,634	24,079	(2,599,637)	17,047,870	13,399,430
Portfolio Revenue and Losses									
Interest and dividend income - program related investments	893,638	-	893,638	-	222,423	203,622	(12,139)	1,307,544	1,027,569
Provision for portfolio losses	(4,111,598)	-	(4,111,598)	-	(625,376)	(82,363)	-	(4,819,337)	(1,373,621)
Other portfolio investment expenses	13,246	-	13,246	-	-	(173,100)	-	(159,854)	(179,739)
Net assets released from restriction - portfolio	<u>823,129</u>	<u>(823,129)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Portfolio Revenue and Losses	<u>(2,381,585)</u>	<u>(823,129)</u>	<u>(3,204,714)</u>	<u>-</u>	<u>(402,953)</u>	<u>(51,841)</u>	<u>(12,139)</u>	<u>(3,671,647)</u>	<u>(525,791)</u>
Total Revenues	<u>12,156,200</u>	<u>1,616,765</u>	<u>13,772,965</u>	<u>1,145,115</u>	<u>1,097,681</u>	<u>(27,762)</u>	<u>(2,611,776)</u>	<u>13,376,223</u>	<u>12,873,639</u>
<b>EXPENSES</b>									
Program Services									
Portfolio management	5,754,386	-	5,754,386	719,572	369,629	514,850	(2,360,886)	4,997,551	5,869,066
Outreach, impact and communication	2,128,315	-	2,128,315	46,738	16,106	-	-	2,191,159	2,409,776
Fellows	<u>1,125,080</u>	<u>-</u>	<u>1,125,080</u>	<u>31,487</u>	<u>211,093</u>	<u>-</u>	<u>-</u>	<u>1,367,660</u>	<u>905,287</u>
Total Program Services	9,007,781	-	9,007,781	797,797	596,828	514,850	(2,360,886)	8,556,370	9,184,129
Supporting Services									
Management and general	2,396,133	-	2,396,133	134,060	79,702	-	-	2,609,895	1,973,790
Fundraising	<u>1,622,944</u>	<u>-</u>	<u>1,622,944</u>	<u>128,872</u>	<u>60,650</u>	<u>-</u>	<u>-</u>	<u>1,812,466</u>	<u>1,517,048</u>
Total Supporting Services	<u>4,019,077</u>	<u>-</u>	<u>4,019,077</u>	<u>262,932</u>	<u>140,352</u>	<u>-</u>	<u>-</u>	<u>4,422,361</u>	<u>3,490,838</u>
Total Expenses	<u>13,026,858</u>	<u>-</u>	<u>13,026,858</u>	<u>1,060,729</u>	<u>737,180</u>	<u>514,850</u>	<u>(2,360,886)</u>	<u>12,978,731</u>	<u>12,674,967</u>
Increase (Decrease) in Net Assets Before Foreign Currency									
Translation Loss	(870,658)	1,616,765	746,107	84,386	360,501	(542,612)	(250,890)	397,492	198,672
Foreign currency translation gain (loss)	35,972	-	35,972	(33,593)	(112,819)	16	(485,131)	(595,555)	(48,386)
Contributed capital	-	-	-	-	-	5,265,125	-	5,265,125	-
Change in Net Assets	(834,686)	1,616,765	782,079	50,793	247,682	4,722,529	(736,021)	5,067,062	150,286
<b>NET ASSETS</b>									
Beginning of the year	<u>71,903,016</u>	<u>21,121,852</u>	<u>93,024,868</u>	<u>1,471,889</u>	<u>521,329</u>	<u>2,256,210</u>	<u>(962,242)</u>	<u>96,312,054</u>	<u>96,161,768</u>
End of the year	<u>\$ 71,068,330</u>	<u>\$ 22,738,617</u>	<u>\$ 93,806,947</u>	<u>\$ 1,522,682</u>	<u>\$ 769,011</u>	<u>\$ 6,978,739</u>	<u>\$ (1,698,263)</u>	<u>\$ 101,379,116</u>	<u>\$ 96,312,054</u>

See independent auditors' report



## Acumen Fund, Inc. and Subsidiaries

### Consolidating Schedule of Functional Expenses December 31, 2013 (with summarized totals at December 31, 2012)

	Program Services				Management and General	Fundraising	2013 Total	2012 Total
	Portfolio Management	Outreach, Impact and Communications	Fellows	Total				
Salaries	\$ 2,275,917	\$ 1,015,719	\$ 381,105	\$ 3,672,741	\$ 1,227,774	\$ 1,030,956	\$ 5,931,471	\$ 5,703,810
Payroll taxes and employee benefits	279,954	190,572	71,303	541,829	239,341	156,525	937,695	1,256,086
Professional fees	123,765	6,214	127,661	257,640	131,943	13,916	403,499	343,948
Consulting fees	250,469	501,319	277,965	1,029,753	240,052	50,785	1,320,590	1,398,644
Program grants	147,447	-	-	147,447	-	-	147,447	55,787
Donated legal services	893,797	-	-	893,797	205,931	-	1,099,728	1,660,616
Donated space	108,274	136,767	51,287	296,328	136,766	136,767	569,861	336,000
Travel	287,914	100,156	200,296	588,366	66,176	131,125	785,667	740,965
Meetings	35,576	23,907	157,474	216,957	76,125	74,954	368,036	200,939
Marketing material	11,256	21,653	457	33,366	1,506	6,269	41,141	49,918
Technology expenses	12,546	622	1,666	14,834	21,919	1,528	38,281	183,480
Telephone	102,591	69,580	12,557	184,728	54,708	78,387	317,823	132,915
Office supplies, printing and postage	47,940	24,134	14,245	86,319	27,168	17,892	131,379	80,440
Occupancy	178,226	39,035	26,440	243,701	32,358	39,071	315,130	239,362
Insurance	49,224	10,909	3,868	64,001	14,312	25,777	104,090	73,733
Investment fees and bank charges	103,840	34,531	25,997	164,368	66,576	28,597	259,541	46,233
Corporate tax expense	61,663	2	9,700	71,365	9,765	9,700	90,830	62,444
Miscellaneous	2,225	1,301	709	4,235	21,503	(1,778)	23,960	5,522
Total Expenses before depreciation	<u>4,972,624</u>	<u>2,176,421</u>	<u>1,362,730</u>	<u>8,511,775</u>	<u>2,573,923</u>	<u>1,800,471</u>	<u>12,886,169</u>	<u>12,570,842</u>
Depreciation	<u>24,927</u>	<u>14,738</u>	<u>4,930</u>	<u>44,595</u>	<u>35,972</u>	<u>11,995</u>	<u>92,562</u>	<u>104,125</u>
 Total Expenses	 <u>\$ 4,997,551</u>	 <u>\$ 2,191,159</u>	 <u>\$ 1,367,660</u>	 <u>\$ 8,556,370</u>	 <u>\$ 2,609,895</u>	 <u>\$ 1,812,466</u>	 <u>\$ 12,978,731</u>	 <u>\$ 12,674,967</u>