

**FINANCIAL STATEMENTS**



**MOTHERS2MOTHERS INTERNATIONAL, INC.**

**FOR THE YEARS ENDED  
DECEMBER 31, 2016 AND 2015**

**MOTHERS2MOTHERS INTERNATIONAL, INC.**

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**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
mothers2mothers International, Inc.  
Los Angeles, California

We have audited the accompanying financial statements of mothers2mothers International, Inc. (m2m I), which comprise the statements of financial position as of December 31, 2016 and 2015, 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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free 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 m2m I as of December 31, 2016 and 2015, 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.

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### Other Matter

Our audit were conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedules of Functional Expenses on pages 14 - 15 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

A handwritten signature in cursive script that reads "Gelman Rosenberg & Freedman".

August 10, 2017

## MOTHERS2MOTHERS INTERNATIONAL, INC.

STATEMENTS OF FINANCIAL POSITION  
AS OF DECEMBER 31, 2016 AND 2015

## ASSETS

	<u>2016</u>	<u>2015</u>
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 1,600,712	\$ 2,542,838
Investments (Notes 2 and 10)	739,913	-
Accounts receivable	-	4,011
Grants and contributions receivable (Note 3)	88,734	288,730
Prepaid expenses	-	4,342
	<u>2,429,359</u>	<u>2,839,921</u>
<b>OTHER ASSETS</b>		
Deposits	2,200	2,200
Grants and contributions receivable, net of current portion (Note 3)	-	33,334
	<u>2,200</u>	<u>35,534</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 2,431,559</u></b>	<b><u>\$ 2,875,455</u></b>

## LIABILITIES AND NET ASSETS

<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued liabilities	\$ 428,697	\$ 348,288
Due to m2m SA (Note 8)	414,641	115,137
	<u>843,338</u>	<u>463,425</u>
<b>NET ASSETS</b>		
Unrestricted	586,217	619,592
Temporarily restricted (Note 4)	1,002,004	1,792,438
	<u>1,588,221</u>	<u>2,412,030</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 2,431,559</u></b>	<b><u>\$ 2,875,455</u></b>

## MOTHERS2MOTHERS INTERNATIONAL, INC.

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS  
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

	2016			2015		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
<b>REVENUE AND SUPPORT</b>						
Corporate and foundation grants	\$ 70,000	\$ 1,981,481	\$2,051,481	\$ 24,925	\$ 2,098,616	\$2,123,541
Affiliate grants and contracts (Note 7)	-	836,726	836,726	-	800,278	800,278
Contributions:						
Individual and private	395,880	-	395,880	363,983	-	363,983
Corporate	860,513	-	860,513	1,027,875	66,667	1,094,542
Investment Income	1,783	-	1,783	-	-	-
Other income	-	-	-	1,923	-	1,923
Net assets released from donor restrictions (Note 4)	3,608,641	(3,608,641)	-	2,578,010	(2,578,010)	-
Total revenue and support	4,936,817	(790,434)	4,146,383	3,996,716	387,551	4,384,267
<b>EXPENSES</b>						
Program Services	3,806,514	-	3,806,514	3,633,955	-	3,633,955
Supporting Services:						
Management and General	318,293	-	318,293	352,629	-	352,629
Fundraising	869,338	-	869,338	589,879	-	589,879
Total supporting services	1,187,631	-	1,187,631	942,508	-	942,508
Total expenses	4,994,145	-	4,994,145	4,576,463	-	4,576,463
Changes in net assets before other item	(57,328)	(790,434)	(847,762)	(579,747)	387,551	(192,196)
<b>OTHER ITEM</b>						
Foreign exchange gain	23,953	-	23,953	42,432	-	42,432
Changes in net assets	(33,375)	(790,434)	(823,809)	(537,315)	387,551	(149,764)
Net assets at beginning of year	619,592	1,792,438	2,412,030	1,156,907	1,404,887	2,561,794
<b>NET ASSETS AT END OF YEAR</b>	<b>\$ 586,217</b>	<b>\$1,002,004</b>	<b>\$1,588,221</b>	<b>\$ 619,592</b>	<b>\$ 1,792,438</b>	<b>\$2,412,030</b>

See accompanying notes to financial statements.

## MOTHERS2MOTHERS INTERNATIONAL, INC.

STATEMENTS OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Changes in net assets	\$ (823,809)	\$ (149,764)
Adjustments to reconcile changes in net assets to net cash (used) provided by operating activities:		
Forgiveness of loan disbursement to m2m UK	-	155,320
Unrealized gain	(215)	-
Realized loss on sale of investments	4,084	-
(Increase) decrease in:		
Accounts receivable	4,011	10,252
Grants and contributions receivable	233,330	(61,649)
Prepaid expenses	4,342	(4,342)
Increase (decrease) in:		
Accounts payable and accrued liabilities	80,409	(17,999)
Due to m2m SA	<u>299,504</u>	<u>115,137</u>
Net cash (used) provided by operating activities	<u>(198,344)</u>	<u>46,955</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of investments	(749,299)	-
Sale of investments	<u>5,517</u>	<u>-</u>
Net cash used by investing activities	<u>(743,782)</u>	<u>-</u>
Net (decrease) increase in cash and cash equivalents	(942,126)	46,955
Cash and cash equivalents at beginning of year	<u>2,542,838</u>	<u>2,495,883</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b><u>\$ 1,600,712</u></b>	<b><u>\$ 2,542,838</u></b>

**MOTHERS2MOTHERS INTERNATIONAL, INC.**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2016 AND 2015**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION**

Organization -

mothers2mothers International, Inc. (m2m I), a non-profit, non-governmental, non-religious organization, was incorporated in November 2008 under the laws of the State of Delaware, pursuant to Section 501(c)(3) of the Internal Revenue Code. m2m I commenced operations in July 2009.

mothers2mothers International, Inc. (m2m I) is one of several separate but affiliated organizations located in different countries..

m2m I is an innovative mentoring program offering comprehensive support for HIV positive pregnant women and new mothers.

Basis of presentation -

The accompanying financial statements are presented on the accrual basis of accounting, and in accordance with FASB ASC 958, *Not-for-Profit Entities*.

Cash and cash equivalents -

m2m I considers all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents.

Bank deposit accounts are insured by the Federal Deposit Insurance Corporation ("FDIC") up to a limit of \$250,000. At times during the year, m2m I maintains cash balances in excess of the FDIC insurance limits. Management believes the risk in these situations to be minimal.

Investments -

Investments are recorded at their readily determinable fair value. Realized and unrealized gains and losses are included in investment income in the Statements of Activities and Changes in Net Assets.

Grants, contributions and accounts receivable -

Grants and contributions receivable and accounts receivable approximate fair value. Management considers all amounts to be fully collectible. Accordingly, an allowance for doubtful accounts has not been established.

All grants receivable are considered to be collectible within one year, unless otherwise stated by the donor.

Fixed assets -

Fixed assets in excess of \$5,000 are capitalized and stated at cost. Fixed assets are depreciated on a straight-line basis over the estimated useful lives of the related assets, generally three to seven years. The cost of maintenance and repairs is recorded as expenses are incurred.

Foreign currency -

The U.S. dollar is the functional currency of m2mI. Transactions in currencies other than dollars are translated into dollars at the rates of exchange in effect during the month of the transaction.



MOTHERS2MOTHERS INTERNATIONAL, INC.

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2016 AND 2015

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION**  
**(Continued)**

Foreign currency (continued) -

Assets and liabilities denominated in non-U.S. currency are translated into dollars at the exchange rate in effect at the date of the balance sheet.

Income taxes -

m2m I is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in the accompanying financial statements. m2m I is not a private foundation.

Uncertain tax positions -

For the year ended December 31, 2016 and 2015, m2m I has documented its consideration of FASB ASC 740-10, *Income Taxes*, that provides guidance for reporting uncertainty in income taxes and has determined that no material uncertain tax positions qualify for either recognition or disclosure in the financial statements.

Net asset classification -

The net assets are reported in two self-balancing groups as follows:

- **Unrestricted net assets** include unrestricted revenue and contributions received without donor-imposed restrictions. These net assets are available for the operation of m2m I and include both internally designated and undesignated resources.
- **Temporarily restricted net assets** include revenue and contributions subject to donor-imposed stipulations that will be met by the actions of m2m I and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statements of Activities and Changes in Net Assets as net assets released from restrictions.

Grants and contributions -

Unrestricted and temporarily restricted grants and contributions are recorded as revenue in the year notification is received from the donor. Conditional grants and contributions are recorded when the conditions have been substantially met. Temporarily restricted grants and contributions are recognized as unrestricted support only to the extent of actual expenses incurred in compliance with the donor-imposed restrictions and satisfaction of time restrictions. Such funds in excess of expenses incurred are shown as temporarily restricted net assets in the accompanying financial statements.

m2m I receives funding under grants and contracts from international organizations and other grantors for direct and indirect program costs. This funding is subject to contractual restrictions, which must be met through incurring qualifying expenses for particular programs. Accordingly, such grants are considered exchange transactions and are recorded as unrestricted income to the extent that related expenses are incurred in compliance with the criteria stipulated in the grant agreements.

MOTHERS2MOTHERS INTERNATIONAL, INC.

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2016 AND 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION  
(Continued)

Use of estimates -

The preparation of the 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 at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Functional allocation of expenses -

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statements of Activities and Changes in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

New accounting pronouncements -

In August 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities* (Topic 958), intended to improve financial reporting for not-for-profit entities. The ASU will reduce the current three classes of net assets into two: with and without donor restrictions. The change in each of the classes of net assets must be reported on the Statements of Activities and Changes in Net Assets. The ASU also requires various enhanced disclosures around topics such as board designations, liquidity, functional classification of expenses, investment expenses, donor restrictions, and underwater endowments. The ASU is effective for years beginning after December 15, 2017. Early adoption is permitted, however, m2m I has not elected to early adopt. The ASU should be applied on a retrospective basis in the year that the ASU is first applied. While the ASU will change the presentation of m2m I's financial statements, it is not expected to alter m2m I's reported financial position.

2. INVESTMENTS

Investments consisted of the following at December 31, 2016:

	<u>Fair Value</u>
Equities	\$ 324,560
Exchange Traded Funds and Closed End Funds	144,622
Corporate Fixed Income	235,582
Mutual Funds	<u>35,149</u>
	<b><u>\$ 739,913</u></b>

Included in investment income are the following:

Interest and dividends	\$ 5,652
Unrealized gain	215
Realized loss	<u>(4,084)</u>
<b>TOTAL INVESTMENT INCOME</b>	<b><u>\$ 1,783</u></b>

**MOTHERS2MOTHERS INTERNATIONAL, INC.**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2016 AND 2015**

**3. GRANTS RECEIVABLE**

As of December 31, 2016 and 2015, contributors to m2m I have made written promises to give totaling \$88,734 and \$322,064, respectively. Grants are due as follows at December 31, 2016 and 2015:

	<u>2016</u>	<u>2015</u>
Less than one year	\$ 88,734	\$ 288,730
One to five years	-	33,334
<b>TOTAL GRANTS RECEIVABLE</b>	<b><u>\$ 88,734</u></b>	<b><u>\$ 322,064</u></b>

**4. TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets consisted of the following at December 31, 2016 and 2015:

	<u>2016</u>	<u>2015</u>
BARR Foundation	\$ 1,123	\$ 176,123
Bohemian Foundation	98,574	6,614
Chevron USA Inc.	105,786	105,786
Elizabeth Taylor AIDS Foundation	12,874	-
Imago Dei Fund	33,334	66,667
Johnson and Johnson Services, Inc.	624,238	1,052,935
m2m SA	75	-
MAC Aids Fund - International	-	248,506
Segal Family Foundation	108,676	110,234
Stephen Lewis Foundation	14,822	23,071
Wallace Global Fund	2,502	2,502
	<b><u>\$ 1,002,004</u></b>	<b><u>\$ 1,792,438</u></b>

The following temporarily restricted net assets were released from donor restrictions by incurring expenses (or through the passage of time) which satisfied the restricted purposes specified by the donors:

	<u>2016</u>	<u>2015</u>
AgeWell Global	\$ -	\$ 1,553
BARR Foundation	175,000	238,541
Bohemian Foundation	8,040	135,603
Chevron USA Inc.	-	2,482
Elizabeth Taylor AIDS Foundation	87,126	112,031
Gilead Foundation	50,000	-
Imago Dei Fund	33,333	-
Johnson and Johnson Services, Inc.	2,128,138	1,071,726
m2m SA	833,713	800,129
MAC Aids Fund-International	248,506	51,494
Merck & Company Inc.	-	3,821
Segal Family Foundation	1,558	6,433
Skoll Foundation	-	124,020
Stephen Lewis Foundation	43,227	18,680
Wallace Global Fund	-	11,497
	<b><u>\$ 3,608,641</u></b>	<b><u>\$ 2,578,010</u></b>

**MOTHERS2MOTHERS INTERNATIONAL, INC.**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2016 AND 2015**

**5. LEASE COMMITMENTS**

m2m I leased office space in Los Angeles, California, under a lease that ended in June 2014, and was extended another year through July 1, 2015, then continued on a month-to-month basis afterwards. Office space was also rented in Washington, D.C., under a lease agreement that ended February 28, 2015.

An extension on this lease was signed in June 2015 for the period July 1, 2015 through June 30, 2016 and then again to continue the lease through June 30, 2017. m2m I signed another extension effective July 1, 2017 through April 1, 2018 which increased the base rent to \$1,530 per month.

**Year Ending December 31,**

2017	\$ 16,980
2018	<u>4,590</u>
<b>TOTAL LEASE COMMITMENTS</b>	<b>\$ <u>21,570</u></b>

Rent expense for the year ended December 31, 2016 and 2015 was \$39,500 and \$56,400, respectively.

**6. RETIREMENT PLAN**

m2m I adopted a retirement plan during 2016 that provides retirement benefits to its employees through a 401(k) plan covering all full-time employees. m2m I pays up to 3% percent of each employee's gross wages. Contributions to the plan during the year ended December 31, 2016 totaled \$43,875.

**7. CONCENTRATION OF REVENUE**

Approximately 41% and 31%, respectively of m2m I's revenue for the years ended December 31, 2016 and 2015 was derived from grants awarded by one funder. m2m I has no reason to believe that relationships with this funder will be discontinued in the foreseeable future. However, any interruption of this relationship (i.e., the failure to renew grant agreements or withholding of funds) would adversely affect m2m I's ability to finance ongoing operations.

**8. TRANSACTIONS WITH MOTHER2MOTHERS SOUTH AFRICA (M2M SA)**

During the years ended December 31, 2016 and 2015, m2m I was involved in several transactions with mothers2mothers South Africa (m2m SA), an affiliated organization that shares the same CEO as m2m I. During 2016 and 2015, m2m I earned \$836,726 and \$800,278, respectively, for technical and professional services revenue from m2m SA.

m2m I awarded \$2,710,993 and \$1,833,378 in sub-awards to m2m SA during the years ended 2016 and 2015, respectively, and also made an unrestricted donation of \$300,000 in 2015. As of December 31, 2016 and 2015, there was a net amount due to m2m SA totaling \$414,641 and \$115,137, respectively.

MOTHERS2MOTHERS INTERNATIONAL, INC.

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2016 AND 2015

9. TRANSACTIONS WITH MOTHERS2MOTHERS UK (M2M UK)

During the year ended December 31, 2014, m2m I approved a non-interest bearing loan to m2m UK, repayable within three years of disbursement. The loan was for 100,000 GBP (\$155,320 USD), with the potential for an additional 50,000 GBP, if needed. During 2015, m2m I's Board of Director's voted unanimously to forgive repayment of the loan. In addition to the forgiven loan, m2m I made an unrestricted donations of \$45,000 to m2m UK in 2015.

10. FAIR VALUE MEASUREMENT

In accordance with FASB ASC 820, *Fair Value Measurement*, the m2m I has categorized its financial instruments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

Investments recorded in the Statements of Financial Position are categorized based on the inputs to valuation techniques as follows:

**Level 1.** These are investments where values are based on unadjusted quoted prices for identical assets in an active market the m2m I has the ability to access.

**Level 2.** These are investments where values are based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, or model-based valuation techniques that utilize inputs that are observable either directly or indirectly for substantially the full-term of the investments.

**Level 3.** These are investments where inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Following is a description of the valuation methodology used for investments measured at fair value.

- *Equities* - Valued at the closing price reported on the active market in which the individual securities are traded.
- *Exchange Traded Funds and Closed End Funds* - A marketable security that tracks an index, a commodity, bonds, or a basket of assets like an index fund, and trades like a common stock on a stock exchange. Valued at the closing price reported on the active market in which the individual securities are traded.
- *Mutual funds* - The fair value is equal to the reported net asset value of the fund, which is the price at which additional shares can be obtained.
- *Corporate debt, U.S. agency bonds, mortgage-backed securities* - The fair value is based upon current yields available on comparable securities of issuers with similar ratings, the security's terms and conditions, and interest rate and credit risk.

**MOTHERS2MOTHERS INTERNATIONAL, INC.**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2016 AND 2015**

**10. FAIR VALUE MEASUREMENT (Continued)**

The table below summarizes, by level within the fair value hierarchy, the m2m I's investments as of December 31, 2016:

<b>Asset Class:</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total December 31, 2016</b>
Equities	\$ 324,560	\$ -	\$ -	\$ 324,560
Exchange Traded Funds and Closed End Funds	144,622	-	-	144,622
Corporate Fixed Income	-	235,582	-	235,582
Mutual Funds	<u>35,149</u>	<u>-</u>	<u>-</u>	<u>35,149</u>
<b>TOTAL</b>	<b><u>\$ 504,331</u></b>	<b><u>\$ 235,582</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 739,913</u></b>

**11. SUBSEQUENT EVENTS**

In preparing these financial statements, m2m I has evaluated events and transactions for potential recognition or disclosure through August 10, 2017, the date the financial statements were issued.

## **SUPPLEMENTAL INFORMATION**

## MOTHERS2MOTHERS INTERNATIONAL, INC.

SCHEDULE OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Supporting Services</u>			<u>Total Supporting Services</u>	<u>Total Expenses</u>
	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>		
Grants, contracts and direct assistance	\$ 2,710,993	\$ -	\$ -	\$ -	\$ 2,710,993
Salaries and wages	696,713	145,479	470,006	615,485	1,312,198
Fringe benefits	300,074	57,193	196,710	253,903	553,977
Professional fees	30,683	74,855	98,911	173,766	204,449
Supplies and printing	2,247	2,752	5,638	8,390	10,637
Communication expenses	886	194	5,372	5,566	6,452
Occupancy expenses	14,300	-	30,614	30,614	44,914
Travel	33,433	12,048	34,651	46,699	80,132
Conferences, conventions, and meetings	8,688	12,797	22,315	35,112	43,800
Insurance	4,574	2,500	446	2,946	7,520
Learning and development	939	-	750	750	1,689
Other expenses	2,984	10,475	3,925	14,400	17,384
<b>TOTAL</b>	<b><u>\$ 3,806,514</u></b>	<b><u>\$ 318,293</u></b>	<b><u>\$ 869,338</u></b>	<b><u>\$ 1,187,631</u></b>	<b><u>\$ 4,994,145</u></b>



## MOTHERS2MOTHERS INTERNATIONAL, INC.

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

	<u>Supporting Services</u>			<u>Total Supporting Services</u>	<u>Total Expenses</u>
	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>		
Grants, contracts and direct assistance	\$ 2,326,398	\$ -	\$ -	\$ -	\$ 2,326,398
Salaries and wages	758,331	156,022	351,581	507,602	1,265,933
Fringe benefits	330,754	113,212	119,643	232,855	563,609
Professional fees	66,435	41,416	31,954	73,370	139,805
Supplies	3,314	101	5,128	5,229	8,543
Communication expenses	1,164	82	5,592	5,673	6,837
Occupancy expenses	47,514	-	20,990	20,990	68,504
Computer maintenance	5,196	-	-	-	5,196
Printing and duplicating	-	138	156	294	294
Travel	69,333	29,813	34,745	64,558	133,891
Conferences, conventions, and meetings	11,449	4,970	10,345	15,315	26,764
Insurance	14,067	-	2,985	2,985	17,052
Learning and development	-	990	49	1,039	1,039
Other expenses	-	5,885	6,711	12,597	12,597
<b>TOTAL</b>	<b><u>\$ 3,633,955</u></b>	<b><u>\$ 352,629</u></b>	<b><u>\$ 589,879</u></b>	<b><u>\$ 942,508</u></b>	<b><u>\$ 4,576,463</u></b>