

THE DENAN PROJECT, INC.

Financial Statements

(With Independent Auditors'  
Report Thereon)

YEAR ENDED DECEMBER 31, 2014  
(with comparative totals for 2013)

**FRIEDBERG, SMITH & Co., P.C.**  
CERTIFIED PUBLIC ACCOUNTANTS

THE DENAN PROJECT, INC.

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# FRIEDBERG, SMITH & Co., P.C.

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## Independent Auditor's Report

The Board of Directors  
The Denan Project, Inc.  
Woodbury, Connecticut

### *Report on the Financial Statements*

We have audited the accompanying financial statements of The Denan Project, Inc. (Project) which comprise the statement of financial position as of December 31, 2014 and the related statements of activities, cash flows, and functional expenses 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 the 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 The Denan Project, Inc. as of December 31, 2014 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.

The Board of Directors  
The Denan Project, Inc.

*Report on Summarized Comparative Information*

We have previously audited The Denan Project, Inc.'s financial statements as of and for the year ended December 31, 2013 and we expressed an unmodified audit opinion on those audited financial statements in our report dated July 15, 2014. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2013 is consistent, in all material respects, with the audited financial statements from which it has been derived (Note 6).

A handwritten signature in black ink, reading "Freese & Smith Co PC". The signature is written in a cursive, flowing style.

July 1, 2015

THE DENAN PROJECT, INC.

## STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2014

(with comparative totals for 2013)

<u>ASSETS</u>	<u>2014</u>	<u>2013</u>
Cash - Checking	\$ 314,705	\$ 276,377
Cash - Savings	<u>393,441</u>	<u>392,207</u>
Total Cash (Note 3)	708,146	668,584
Receivable - Tengo un Sueno (Note 4)	-	22,673
Advances to Projects	17,263	9,300
Receivable - Micro-Loans	<u>21,909</u>	<u>16,427</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 747,318</u></b>	<b><u>\$ 716,984</u></b>
 <u>LIABILITIES AND NET ASSETS</u>		
<u>Liabilities</u>		
Accrued Expenses	\$ 540	\$ 4,072
Refundable Advances - Micro-Loans	<u>21,909</u>	<u>16,427</u>
<b>Total Liabilities</b>	<b><u>22,449</u></b>	<b><u>20,499</u></b>
 <u>Net Assets (Notes 2 and 5)</u>		
Board Designated	643,461	663,868
Unrestricted - Available for Operations	<u>71,408</u>	<u>32,617</u>
Total Unrestricted	714,869	696,485
Temporarily Restricted	<u>10,000</u>	<u>-</u>
<b>Total Net Assets</b>	<b><u>724,869</u></b>	<b><u>696,485</u></b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 747,318</u></b>	<b><u>\$ 716,984</u></b>

THE DENAN PROJECT, INC.  
STATEMENTS OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2014  
(with comparative totals for 2013)

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>2014</u>	<u>2013</u>
<u>Revenues and Other Support (Notes 2 and 4)</u>				
<u>Contributions</u>				
Restricted	\$ -	\$ 10,000	\$ 10,000	\$ -
Designated	213,098	-	213,098	356,422
Undesignated	88,496	-	88,496	62,572
Fund-raising Events	67,695	-	67,695	52,020
Interest	1,235	-	1,235	1,447
Reimbursement - Tingo un Sueno	-	-	-	22,673
<b>Total Revenues and Other Support</b>	<b>370,524</b>	<b>10,000</b>	<b>380,524</b>	<b>495,134</b>
<u>Expenses (Notes 2 and 4)</u>				
<u>Program Services:</u>				
<u>Denan, Ethiopia</u>				
Food and Nutrition	3,000	-	3,000	4,250
Hospital Related Projects	158,294	-	158,294	194,177
Education	-	-	-	9,261
Other Programs	8,391	-	8,391	3,800
Burkina Faso	35,425	-	35,425	35,050
Peru	73,659	-	73,659	62,172
Mongolia	36,507	-	36,507	16,052
United States	500	-	500	-
Unallocated Program Expenses	12,281	-	12,281	15,998
<b>Total Program Expenses</b>	<b>328,057</b>	<b>-</b>	<b>328,057</b>	<b>340,760</b>
<u>Support Services</u>				
Fund Raising	7,763	-	7,763	6,142
<b>Total Functional Expenses</b>	<b>335,820</b>	<b>-</b>	<b>335,820</b>	<b>346,902</b>
Direct Benefit to Donors	16,320	-	16,320	21,239
<b>Total Expenses</b>	<b>352,140</b>	<b>-</b>	<b>352,140</b>	<b>368,141</b>
<b>Change in Net Assets</b>	<b>18,384</b>	<b>10,000</b>	<b>28,384</b>	<b>126,993</b>
<b>Net Assets - Beginning of Year</b>	<b>696,485</b>	<b>-</b>	<b>696,485</b>	<b>569,492</b>
<b>Net Assets - End of Year</b>	<b>\$ 714,869</b>	<b>\$ 10,000</b>	<b>\$ 724,869</b>	<b>\$ 696,485</b>

THE DENAN PROJECT, INC.

**STATEMENTS OF CASH FLOWS**  
**YEAR ENDED DECEMBER 31, 2014**  
 (with comparative totals for 2013)  
 Increase (Decrease) In Cash

	<u>2014</u>	<u>2013</u>
<b><u>Cash Flows from Operating Activities</u></b>		
Change in Net Assets	\$ 28,384	\$ 126,993
Adjustment to Reconcile Change in Net Assets to Net Cash Provided		
<u>(Used) by Operating Activities:</u>		
Change in:		
Inventory	-	2,326
Receivable - Tengo un Sueno	22,673	(22,673)
Advances to Projects	(7,963)	(5,150)
Accrued Expenses	<u>(3,532)</u>	<u>560</u>
Total Adjustments	<u>11,178</u>	<u>(24,937)</u>
Net Cash Provided by Operating Activities	<u>39,562</u>	<u>102,056</u>
<b>Net Increase in Cash</b>	<b>39,562</b>	<b>102,056</b>
<b>Cash - Beginning</b>	<b><u>668,584</u></b>	<b><u>566,528</u></b>
<b>Cash - Ending</b>	<b><u>\$ 708,146</u></b>	<b><u>\$ 668,584</u></b>

THE DENAN PROJECT, INC.  
STATEMENTS OF FUNCTIONAL EXPENSES  
YEAR ENDED DECEMBER 31, 2014  
(with comparative totals for 2013)

	Denan, Ethiopia				Support Services			
	Food and Nutrition	Hospital Related Projects	Other Programs	Unallocated Program Expenses	Total Program Expenses	Fund Raising	Total Expenses 2014	Total Expenses 2013
Denan, Ethiopia	\$ -	\$ -	\$ 200	\$ -	\$ 200	\$ -	\$ 200	\$ -
Agriculture	-	-	-	916	916	-	916	669
Bank Service Charges	-	-	-	-	-	-	-	4,288
Equipment	-	-	-	-	-	-	-	6,142
Fund Raising	-	-	-	1,324	1,324	7,763	7,763	1,433
Insurance	-	28,540	-	-	28,540	-	28,540	38,000
Medicine	-	1,680	-	-	1,680	-	1,680	3,056
Water	-	-	-	-	-	-	-	4,250
Nutrition	3,000	-	8,191	-	11,191	-	11,191	106,058
Wages	-	74,983	-	8,500	83,483	-	83,483	20,079
Professional Services	-	4,800	-	-	4,800	-	4,800	11,281
Travel	-	11,281	-	-	11,281	-	11,281	29,920
Auto Expense	-	19,000	-	-	19,000	-	19,000	2,967
Diesel	-	18,000	-	-	18,000	-	18,000	12,000
Repairs & Maintenance	-	-	-	-	-	-	-	500
Miscellaneous	-	-	-	1,541	1,541	-	1,541	4,246
Burkina Faso	-	-	-	-	-	-	-	1,320
General Operating	-	1,440	-	-	1,440	-	1,440	9,900
Medicine	-	11,025	-	-	11,025	-	11,025	9,426
Wages	-	10,500	-	-	10,500	-	10,500	2,405
Professional Fees	-	2,460	-	-	2,460	-	2,460	10,500
Clinic Expansion	-	10,000	-	-	10,000	-	10,000	1,500
Travel	-	-	-	-	-	-	-	100
Peru	-	-	-	-	-	-	-	71
Bank Charges	-	-	-	-	-	-	-	10,109
Furniture & Equipment	-	-	-	-	-	-	-	2,837
Hospital	-	-	-	-	-	-	-	7,053
Medicine	-	-	-	-	-	-	-	1,066
Professional Fees	-	-	-	-	-	-	-	8,049
Travel	-	-	-	-	-	-	-	32,142
Wages	-	-	-	-	-	-	-	1,280
Fuel	-	-	-	-	-	-	-	5,143
Education	-	-	-	-	-	-	-	427
Other	-	-	-	-	-	-	-	5,482
Micro-loan	-	-	-	-	-	-	-	9,182
Mongolia	-	-	-	-	-	-	-	3,900
Training	-	-	-	-	-	-	-	2,716
General Operating	-	-	-	-	-	-	-	4,907
Heating	-	-	-	-	-	-	-	10,460
Supplies	-	-	-	-	-	-	-	2,267
Medicine	-	-	-	-	-	-	-	1,200
Wages	-	-	-	-	-	-	-	875
Professional Services	-	-	-	-	-	-	-	1,000
Miscellaneous	-	-	-	-	-	-	-	500
United States	-	-	-	-	-	-	-	500
Suicide Prevention	-	-	-	-	-	-	-	323,067
Total Functional Expenses	3,000	158,294	8,391	12,281	182,966	7,763	335,820	346,902
Paid by Board Designated Funds	3,000	92,524	200	-	105,724	-	233,505	-
Paid by Undesignated Funds	-	65,770	8,191	12,281	94,552	7,763	102,315	-

See notes to financial statements.



THE DENAM PROJECT, INC.  
STATEMENTS OF FUNCTIONAL EXPENSES  
YEAR ENDED DECEMBER 31, 2013  
(with comparative totals for 2012)

	Denam, Ethiopia										Support Services	
	Food and Nutrition	Hospital Related Projects	Education	Other Programs	Burkina Faso	Peru	Mongolia	Unallocated Program Expenses	Total Program Expenses	Fund Raising	Total Expenses 2013	Total Expenses 2012
Denam, Ethiopia	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Agriculture	-	-	-	-	-	-	-	669	669	-	669	1,572
Bank Service Charges	-	-	-	-	-	-	-	-	-	-	-	1,698
Education	-	4,288	-	-	-	-	-	-	4,288	-	4,288	1,000
Equipment	-	-	-	-	-	-	-	-	-	6,142	6,142	2,314
Fund Raising	-	-	-	-	-	-	-	1,433	-	6,142	6,142	4,102
Insurance	-	38,000	-	-	-	-	-	1,433	-	-	1,433	1,194
Medicine	-	3,056	-	-	-	-	-	3,056	-	-	3,056	38,000
Water	-	-	-	-	-	-	-	4,250	-	-	4,250	11,008
Nutrition	4,250	-	-	-	-	-	-	-	-	-	-	14,500
Wages	-	92,997	9,261	3,800	-	-	-	-	106,058	-	106,058	107,663
Professional Services	-	9,955	-	-	-	-	-	10,124	20,079	-	20,079	31,650
Travel	-	29,920	-	-	-	-	-	-	29,920	-	29,920	25,081
Auto Expense	-	2,987	-	-	-	-	-	-	2,987	-	2,987	33,723
Micro-loan	-	-	-	-	-	-	-	-	-	-	-	7,390
Diesel	-	12,000	-	-	-	-	-	-	12,000	-	12,000	17,534
Repairs & Maintenance	-	500	-	-	-	-	-	-	500	-	500	2,300
Miscellaneous	-	474	-	-	-	-	-	3,772	4,246	-	4,246	2,677
Burkina Faso	-	-	-	-	1,320	-	-	-	1,320	-	1,320	4,977
General Operating	-	-	-	-	9,900	-	-	-	9,900	-	9,900	17,200
Medicine	-	-	-	-	9,425	-	-	-	9,425	-	9,425	18,812
Wages	-	-	-	-	2,405	-	-	-	2,405	-	2,405	5,350
Professional Fees	-	-	-	-	10,500	-	-	-	10,500	-	10,500	-
Clinic Expansion	-	-	-	-	1,500	-	-	-	1,500	-	1,500	-
Travel	-	-	-	-	-	-	-	-	-	-	-	-
Peru	-	-	-	-	-	100	-	-	100	-	100	45
Bank Charges	-	-	-	-	-	-	-	-	-	-	-	12,745
Furniture & Equipment	-	-	-	-	-	2,695	-	-	2,695	-	2,695	1,200
Hospital	-	-	-	-	16,000	-	-	-	16,000	-	16,000	24,000
Medicine	-	-	-	-	2,858	-	-	-	2,858	-	2,858	3,600
Professional Fees	-	-	-	-	11,928	-	-	-	11,928	-	11,928	12,894
Travel	-	-	-	-	28,556	-	-	-	28,556	-	28,556	33,020
Wages	-	-	-	-	35	-	-	-	35	-	35	-
Other	-	-	-	-	-	-	-	-	-	-	-	1,500
Micro-loan	-	-	-	-	-	-	-	-	-	-	-	7,537
Cottage Industry	-	-	-	-	-	-	-	-	-	-	-	-
Mongolia	-	-	-	-	-	-	3,602	-	3,602	-	3,602	2,145
Training	-	-	-	-	-	-	600	-	600	-	600	1,200
General Operating	-	-	-	-	-	-	1,750	-	1,750	-	1,750	3,500
Heating	-	-	-	-	-	-	1,000	-	1,000	-	1,000	2,000
Supplies	-	-	-	-	-	-	5,600	-	5,600	-	5,600	11,200
Medicine	-	-	-	-	-	-	1,700	-	1,700	-	1,700	3,400
Wages	-	-	-	-	-	-	1,800	-	1,800	-	1,800	3,600
Professional Services	-	-	-	-	-	-	-	-	-	-	-	2,102
Dentist	-	-	-	-	-	-	-	-	-	-	-	100
Miscellaneous	-	-	-	-	-	-	-	-	-	-	-	-
Total Functional Expenses	4,250	194,177	9,261	3,800	35,050	62,172	16,052	15,998	340,760	6,142	346,902	\$ 499,128
Paid by Board Designated Funds	4,250	141,977	7,967	-	35,050	50,144	16,052	1,200	256,640	-	259,640	-
Paid by Undesignated Funds	-	\$ 52,200	\$ 1,294	\$ 3,800	\$ -	\$ 12,028	\$ -	\$ 14,798	\$ 84,120	\$ 6,142	\$ 90,262	-

See notes to financial statements.

THE DENAN PROJECT, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014

(with comparative totals for 2013)

NOTE 1 - NATURE OF OPERATIONS

The Denan Project, Inc. (TDP) was established as a non-stock corporation in Woodbury, Connecticut. TDP is a grassroots organization whose volunteer members secure the necessary resources to provide free medical care, potable water, agricultural training, education, and other critical services for the people of Denan, Ethiopia and the surrounding villages, and to other impoverished communities in the developing world.

TDP is currently managing several active projects and programs in 5 different countries.

In Denan, Ethiopia there is a fully staffed hospital which opened in April 2004. There are programs for polio eradication, TB treatment, vaccination, supplemental feeding, health education, pre-natal and well baby and female anti-genital mutilation. Related to agriculture, TDP also provided a tractor, farm implements and drought-resistant seeds to help the various farming cooperatives grow much needed crops. In the area of education, TDP provides quality teachers and school supplies. As water is scarce, TDP has built large collection reservoirs which are filled by its water tanker which transports water from a well that it has dug. TDP also provides for emergency food shipments on occasion. All medical and other services are provided free to the surrounding villagers. TDP also provides micro-loans to organized groups to help them start cottage industries.

In Burkina Faso and Peru TDP has built 2 facilities. The clinic in Burkina Faso was opened in March 2009 and the health center in Peru was opened in August 2010. In October 2011 TDP agreed to provide funding to an existing hospital in Tariat, Mongolia. The clinic, health center, and hospital are also staffed and provide free medical care to the surrounding villagers.

Beginning in 2014, TDP undertook a suicide prevention program in The United States. This project is an effort to decrease the above average number of suicide victims in the areas served.

The Project's support comes primarily from individual, corporate and foundation contributions worldwide.

The Project is a not-for-profit organization incorporated under the Nonstock Corporation Act of the State of Connecticut and is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. The Project is also exempt from state income tax.

THE DENAN PROJECT, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014

(with comparative totals for 2013)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Net Asset Classes

The net asset classes of the Project consist of the following:

Unrestricted Net Assets

Unrestricted net assets consist of net assets over which the governing Board has control to use in carrying out the operations of the Project in accordance with its charter and by-laws and are neither Permanently restricted nor Temporarily restricted by donor-imposed restrictions.

The Board has Designated certain net assets for projects based upon the advice of the Donors.

Temporarily Restricted Net Assets

Temporarily restricted net assets consist of net assets whose use is limited by donor-imposed restrictions which either expire with the passage of time (Time restriction) or can be fulfilled and removed by actions of the Project pursuant to the restrictions (Purpose restriction). If a restriction is fulfilled, however, in the same time period in which the contribution or grant is received, the Project reflects the Support as Unrestricted at the date the Promise to give is received.

When donor-imposed restrictions expire, that is when a stipulated Time restriction ends or Purpose restriction is accomplished, Temporarily restricted net assets are reclassified to Unrestricted net assets and reported in the accompanying Statements of activities as Net assets released from restrictions.

Temporarily restricted net assets at December 31, 2014, are sponsorships for the 2015 Golf event. The Project had no Temporarily restricted net assets at December 31, 2013.

Permanently Restricted Net Assets

The Project had no Permanently restricted net assets at either December 31, 2014 or 2013.

Contributions

Contributions received or Promises to give without donor-imposed restrictions are reflected as Unrestricted support. Contributions received or Promises to give with donor-imposed restrictions are reflected as either Temporarily or Permanently restricted support in the accompanying financial statements. Contributions or Promises to give with donor-imposed conditions are not recognized as Contributions or Promises to give in the accompanying financial statements until the period when the conditions are met.

Inventory

Inventory consists of supplies and is valued at the lower of cost or market using the first-in first-out (fifo) method.

THE DENAN PROJECT, INC.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014  
(with comparative totals for 2013)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Contributed Goods and Services

Goods and services have been provided by various organizations, and a number of unpaid volunteers have contributed their time. Contributions are recognized if the goods or services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributed goods or services that do not meet the above criteria are not recognized.

During the years ended December 31, 2014 and 2013 a number of volunteers have donated considerable time to the Project. However, detailed records were not maintained and a value for this time could not be computed and therefore is not reported in the accompanying financial statements.

Functional Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis on the accompanying Statements of activities. Accordingly, certain costs have been allocated among the programs and support services benefited.

Income Taxes

Management of the Project has evaluated all significant tax positions as required by generally accepted accounting principles in the United States of America (Note 1).

Management of the Project is of the opinion that the entity has not taken any material tax positions that would require the recording of any or an additional tax liability by the entity (or the Partners/Members of the entity) nor is Management of the Project of the opinion that there are any unrealized tax benefits that would either increase or decrease materially within the next year. If required, the Project's policy is to recognize any estimated interest and penalties in the provision for taxes.

The tax returns of the entity for the three years ended December 31, 2013 are subject to examination by the taxing authorities.

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 financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events

Management has evaluated subsequent events through July 1, 2015, the date the financial statements were available to be issued. Through that date, there were no material events that would require recognition or additional disclosure in the financial statements.

THE DENAN PROJECT, INC.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014  
(with comparative totals for 2013)

NOTE 3 – CONCENTRATION OF RISK – CASH

The Entity maintains Cash Accounts at several commercial banks. The Cash Accounts are insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC). At times during the year the Cash Balances in the Cash Accounts may have exceeded the insured limits.

NOTE 4 – RECEIVABLE DUE FROM TENGO UN SUENO

During the year ended December 31, 2013, the Project terminated its partner in Peru, Tengo un Sueno. The Project discovered discrepancies between expenses noted by the Project and by Tengo un Sueno. The Project obtained information from Tengo un Sueno to perform a reconciliation. Based upon the reconciliation, an agreement was made between the Project and Tengo un Sueno in a settlement amount of \$22,673 that was repaid in July 2014.

THE DENAN PROJECT, INC.

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014  
 (with comparative totals for 2013)

NOTE 5 -- BOARD DESIGNATED FUNDS

The Board of Directors of the Project has Designated funds at December 31, 2014 for the following purpose (Note 1):

	<u>01/01/14</u> <u>Balance</u>	<u>Contributions</u>	<u>Transfers</u>	<u>Expended</u> <u>(Exhibit D)</u>	<u>12/31/14</u> <u>Balance</u>
<u>Denan, Ethiopia</u>					
Agriculture	\$ 11,869	\$ -	\$ -	\$ (200)	\$ 11,669
Food and Nutrition	45,237	4,000	-	(3,000)	46,237
Hospital and Related Projects	288,631	43,575	(18,000)	(68,727)	245,479
Hospital Unallocated	26,129	-	-	(6,211)	19,918
Water	52,250	10,000	-	(13,176)	49,074
Pre-Natal and Well Baby	4,568	-	-	(4,410)	158
Education	27,178	-	-	-	27,178
Medical Outreach	<u>10,239</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,239</u>
Total Denan, Ethiopia	466,101	57,575	(18,000)	(95,724)	409,952
Burkina Faso Clinic	30,888	15,025	-	(35,425)	10,488
Peru Health Center	134,909	72,948	-	(65,349)	142,508
Mongolia Hospital	31,970	17,550	18,000	(36,507)	31,013
United States	<u>-</u>	<u>50,000</u>	<u>-</u>	<u>(500)</u>	<u>49,500</u>
Total	<u>\$663,868</u>	<u>\$213,098</u>	<u>\$ -</u>	<u>(\$233,505)</u>	<u>\$643,461</u>

THE DENAN PROJECT, INC.

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014  
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NOTE 5 – BOARD DESIGNATED FUNDS (continued)

The Board of Directors of the Project has Designated funds at December 31, 2013 for the following purpose (Note 1):

	<u>01/01/13</u> <u>Balance</u>	<u>Contributions</u>	<u>Transfers</u>	<u>Expended</u> <u>(Exhibit D)</u>	<u>12/31/13</u> <u>Balance</u>
<u>Denan, Ethiopia</u>					
Agriculture	\$ 5,619	\$ 6,250	\$ -	\$ -	\$ 11,869
Food and Nutrition	45,487	4,000	-	(4,250)	45,237
Hospital and Related Projects	313,135	85,617	-	(110,121)	288,631
Hospital Unallocated	2,553	50,000	-	(26,424)	26,129
Water	45,000	7,250	-	-	52,250
Pre-Natal and Well Baby	10,000	-	-	(5,432)	4,568
Education	31,145	4,000	-	(7,967)	27,178
Medical Outreach	10,239	-	-	-	10,239
Other Miscellaneous	-	1,200	-	(1,200)	-
Total Denan, Ethiopia	<u>463,178</u>	<u>158,317</u>	<u>-</u>	<u>(155,394)</u>	<u>466,101</u>
Burkina Faso Clinic	14,376	51,562	-	(35,050)	30,888
Peru Health Center	73,241	111,812	-	(50,144)	134,909
Mongolia Hospital	<u>13,291</u>	<u>34,731</u>	<u>-</u>	<u>(16,052)</u>	<u>31,970</u>
Total	<u>\$564,086</u>	<u>\$356,422</u>	<u>\$ -</u>	<u>(\$256,640)</u>	<u>\$663,868</u>

THE DENAN PROJECT, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014

(with comparative totals for 2013)

NOTE 6 - PRIOR YEAR INFORMATION

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Project's financial statements for the year ended December 31, 2013 from which the summarized information was derived.