

Destiny Rescue USA, Inc.
Financial Statements
December 31, 2014 and 2013

Contents

	Page
Independent auditor's report	1
Statements of financial position	3
Statements of activities	4
Statements of functional expenses	5
Statements of cash flows	7
Notes to financial statements	8

To the Board of Directors
Destiny Rescue USA, Inc.
Syracuse, Indiana

Independent Auditor's Report

We have audited the accompanying financial statements of Destiny Rescue USA, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2014 and 2013, and the related statements of activities, functional expenses and cash flows for the years 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 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 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 Destiny Rescue USA, Inc. as of December 31, 2014 and 2013, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

David Culp & Co. LLP

David Culp & Co. LLP
Certified Public Accountants

Goshen, Indiana
July 15, 2015

Destiny Rescue USA, Inc.
 Statements of Financial Position
 December 31, 2014 and 2013

	2014	2013
<u>ASSETS</u>		
<u>Current Assets:</u>		
Cash and cash equivalents	\$ 417,128	\$ 383,341
Cash with paying agent	-	20,008
Contributions receivable	19,180	32,420
Prepaid expenses	17,463	9,803
Inventory	66,686	46,437
Investments	<u>2,048</u>	<u>4,722</u>
Total current assets	522,505	496,731
<u>Intangible Asset, Net</u>	5,708	-
<u>Property And Equipment, Net</u>	<u>159,084</u>	<u>149,796</u>
Total assets	<u>\$ 687,297</u>	<u>\$ 646,527</u>
<u>LIABILITIES AND NET ASSETS</u>		
<u>Current Liabilities:</u>		
Accounts payable	\$ 54,344	\$ 23,600
Accrued payroll and withholdings	<u>5,909</u>	<u>10,681</u>
Total current liabilities	60,253	34,281
<u>Long-Term Liabilities:</u>		
Notes payable	<u>123,000</u>	<u>123,000</u>
Total liabilities	<u>183,253</u>	<u>157,281</u>
<u>Net Assets:</u>		
Unrestricted	168,682	175,416
Temporarily restricted	<u>335,362</u>	<u>313,830</u>
Total net assets	<u>504,044</u>	<u>489,246</u>
Total liabilities and net assets	<u>\$ 687,297</u>	<u>\$ 646,527</u>

The accompanying notes are an integral part of these financial statements

Destiny Rescue USA, Inc.
 Statements of Activities
 For the Years Ended December 31, 2014 and 2013

	2014			2013		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
<u>Revenue and support:</u>						
Contributions	\$ 964,627	\$ 961,124	\$ 1,925,751	\$ 350,961	\$ 1,264,864	\$ 1,615,825
Jewelry sales	256,043	-	256,043	218,262	-	218,262
Other	4,217	-	4,217	8,740	-	8,740
Investment income	33	-	33	4,218	-	4,218
Net assets released from restrictions	939,592	(939,592)	-	996,000	(996,000)	-
Total revenue, gains, and other support	<u>2,164,512</u>	<u>21,532</u>	<u>2,186,044</u>	<u>1,578,181</u>	<u>268,864</u>	<u>1,847,045</u>
<u>Program expense:</u>						
Grants to affiliates	1,357,319	-	1,357,319	992,562	-	992,562
Sponsorships	22,417	-	22,417	22,686	-	22,686
Cost of jewelry and apparel	160,500	-	160,500	121,851	-	121,851
Public awareness and education	324,978	-	324,978	292,386	-	292,386
Total program expense	<u>1,865,214</u>	<u>-</u>	<u>1,865,214</u>	<u>1,429,485</u>	<u>-</u>	<u>1,429,485</u>
<u>Supporting services expense:</u>						
Management and general administration	154,651	-	154,651	90,641	-	90,641
Fundraising	151,381	-	151,381	96,392	-	96,392
Total supporting services expense	<u>306,032</u>	<u>-</u>	<u>306,032</u>	<u>187,033</u>	<u>-</u>	<u>187,033</u>
Total expenses	<u>2,171,246</u>	<u>-</u>	<u>2,171,246</u>	<u>1,616,518</u>	<u>-</u>	<u>1,616,518</u>
<u>Other gains and (losses):</u>						
Forgiveness of debt	-	-	-	70,000	-	70,000
Change in net assets	(6,734)	21,532	14,798	31,663	268,864	300,527
Net assets, beginning of year	175,416	313,830	489,246	143,753	44,966	188,719
Net assets, end of year	<u>\$ 168,682</u>	<u>\$ 335,362</u>	<u>\$ 504,044</u>	<u>\$ 175,416</u>	<u>\$ 313,830</u>	<u>\$ 489,246</u>

The accompanying notes are an integral part of these financial statements

Destiny Rescue USA, Inc.
Statement of Functional Expenses
For the Year Ended December 31, 2014

	Program Expenses				Supporting Services			Total Expenses	
	Grants to Affiliates	Sponsorships	Cost of Jewelry & Apparel	Public Awareness & Education	Total Program	Management & General	Fundraising		Total Supporting Services
Grants to affiliates	\$ 1,331,981	\$ -	\$ -	\$ -	\$ 1,331,981	\$ -	\$ -	\$ -	\$ 1,331,981
Cost of jewelry and apparel	-	-	86,541	-	86,541	-	-	-	86,541
Payroll and related taxes	5,023	18,381	42,203	146,015	211,622	101,319	102,485	203,804	415,426
Professional fees	-	-	-	-	-	17,422	-	17,422	17,422
Direct fundraising	-	-	-	-	-	-	268	268	268
Conferences and conventions	-	-	11,541	23,083	34,624	-	11,541	11,541	46,165
Office supplies and other	354	1,295	2,973	10,286	14,908	7,138	7,220	14,358	29,266
Postage and printing	233	851	1,954	6,760	9,798	4,691	4,745	9,436	19,234
Processing and bank fees	9,185	-	9,186	9,185	27,556	-	9,186	9,186	36,742
Occupancy costs	266	973	2,234	7,728	11,201	5,362	5,424	10,786	21,987
Meals and travel	10,026	-	-	-	10,026	10,027	-	10,027	20,053
Mission team trip costs	-	-	-	112,874	112,874	-	-	-	112,874
Depreciation and amortization	129	471	1,081	3,742	5,423	2,596	2,626	5,222	10,645
Telephone	105	384	882	3,053	4,424	2,118	2,143	4,261	8,685
Advertising	-	-	-	-	-	1,875	1,875	3,750	3,750
Vehicle repairs	-	-	1,763	1,762	3,525	1,763	3,525	5,288	8,813
Insurance	17	62	142	490	711	340	343	683	1,394
Total	\$ 1,357,319	\$ 22,417	\$ 160,500	\$ 324,978	\$ 1,865,214	\$ 154,651	\$ 151,381	\$ 306,032	\$ 2,171,246

The accompanying notes are an integral part of these financial statements

Destiny Rescue USA, Inc.
Statement of Functional Expenses
For the Year Ended December 31, 2013

	Program Expenses				Supporting Services			Total Expenses
	Grants to Affiliates	Cost of Jewelry & Apparel	Public Awareness & Education	Total Program	Management & General	Fundraising	Total Supporting Services	
Grants to affiliates	\$ 976,217	\$ -	\$ -	\$ 976,217	\$ -	\$ -	\$ -	\$ 976,217
Cost of jewelry and apparel	-	79,738	-	79,738	-	-	-	79,738
Payroll and related taxes	4,635	23,210	93,999	140,712	63,565	53,062	116,627	257,339
Professional fees	-	-	-	-	9,360	-	9,360	9,360
Direct fundraising	-	-	-	-	-	18,166	18,166	18,166
Conferences and conventions	-	6,943	13,886	20,829	-	6,943	6,943	27,772
Office supplies and other	293	1,317	5,415	8,049	3,659	2,927	6,586	14,635
Postage and printing	275	1,239	5,093	7,570	3,441	2,753	6,194	13,764
Processing and bank fees	6,802	6,803	6,802	20,407	-	6,803	6,803	27,210
Occupancy costs	295	1,332	5,478	8,141	3,701	2,960	6,661	14,802
Meals and travel	3,817	-	-	3,817	3,817	-	3,817	7,634
Mission team trip costs	-	-	157,265	157,265	-	-	-	157,265
Depreciation and amortization	103	463	1,904	2,830	1,286	1,029	2,315	5,145
Telephone	115	515	2,118	3,149	1,431	1,145	2,576	5,725
Advertising	-	-	-	-	13	12	25	25
Vehicle repairs	-	248	248	496	248	496	744	1,240
Insurance	10	43	178	265	120	96	216	481
Total	\$ 992,562	\$ 121,851	\$ 292,386	\$ 1,429,485	\$ 90,641	\$ 96,392	\$ 187,033	\$ 1,616,518

The accompanying notes are an integral part of these financial statements

Destiny Rescue USA, Inc.
 Statements of Cash Flows
 For the Years Ended December 31, 2014 and 2013

	2014	2013
<u>Cash flows from operating activities:</u>		
Change in net assets	\$ 14,798	\$ 300,527
Adjustments to reconcile changes in net assets to net cash from operating activities:		
Depreciation and amortization	10,645	5,145
Realized gain on sale of investments	-	(3,640)
Unrealized gain on investments	-	(574)
Loss on disposal of leasehold improvements	-	3,894
(Increase) decrease in:		
Cash with paying agent	20,008	(20,008)
Contribution receivable	13,240	(32,420)
Prepaid expenses	(7,660)	(9,803)
Inventory	(20,249)	4,362
(Decrease) increase in:		
Accounts payables	30,744	7,352
Accrued payroll	<u>(4,772)</u>	<u>5,902</u>
Net cash provided by operating activities	<u>56,754</u>	<u>260,737</u>
 <u>Cash flows from investing activities:</u>		
Purchase of property and equipment	(19,770)	(133,816)
Purchase of trademark	(5,871)	
Proceeds from sale of investments	2,674	37,931
Purchase of investments	<u>-</u>	<u>(3,933)</u>
Net cash (used in) investing activities	<u>(22,967)</u>	<u>(99,818)</u>
 <u>Cash flows from financing activities:</u>		
Proceeds from issuance of notes	<u>-</u>	<u>123,000</u>
Net cash provided by financing activities	<u>-</u>	<u>123,000</u>
 Net change in cash and cash equivalents	33,787	283,919
 Cash and cash equivalents at beginning of year	<u>383,341</u>	<u>99,422</u>
 Cash and cash equivalents at end of year	<u>\$ 417,128</u>	<u>\$ 383,341</u>
 Interest paid	<u>\$ 7,380</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

Destiny Rescue USA, Inc.
Notes to Financial Statements
December 31, 2014 and 2013

Note 1: Nature of Organization and Significant Accounting Policies

Nature of organization – Destiny Rescue USA, Inc. (the "Organization"), is an Indiana not-for-profit corporation organized for the purpose of raising awareness regarding human trafficking and child sex slavery, and for the purpose of raising financial assistance to support organizations involved in the rescue efforts of those children, their rehabilitation after rescue and activities to prevent future trafficking of children overseas.

Basis of accounting - The financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Under the accrual basis of accounting, revenues are recorded as earned and expenses are recorded when liabilities are incurred.

Basis of presentation - Pursuant to current accounting standards, the Organization classifies its net assets as either unrestricted, temporarily restricted or permanently restricted. Each category is described as follows:

Unrestricted net assets represent the net assets of the Organization that are not subject to donor-imposed stipulations. However, unrestricted net assets may be designated for particular uses by action of the Organization's board of directors, or may be otherwise limited by contractual agreements with outside parties.

Temporarily restricted net assets represent the net assets of the Organization that are subject to donor-imposed stipulations that can be fulfilled by actions of the Organization pursuant to those stipulations, or that expire by the passage of time.

Permanently restricted net assets represent the net assets of the Organization resulting from contributions and other inflows of assets whose use by the Organization is limited by donor-imposed stipulations that neither expire by passage of time, nor can be fulfilled or otherwise removed by actions of the Organization. At December 31, 2014 and 2013, the Organization did not have any permanently restricted net assets.

Use of estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and cash equivalents - For purposes of the statements of cash flows, the Organization considers all highly liquid investments purchased from operating revenues, and having a maturity of three months or less to be cash equivalents. The Organization has cash on deposit with two financial institutions, and is insured up to \$250,000 by the FDIC. At December 31, 2014 and December 31, 2013, the Organization's uninsured cash balance totaled \$163,696 and \$123,550, respectively. However, the risk is managed by maintaining all deposits in high quality financial institutions. The Organization has not experienced any losses on these accounts, and management believes it is not subject to any significant credit risk on the excess amounts.

Inventories - Inventories consist primarily of jewelry items created by girls who have been rescued from sex slavery. These items are for resale, the proceeds from which support the ongoing care, counseling, and nurturing of these children. The inventory is valued at the lower of cost or market under the first-in, first-out method.

Destiny Rescue USA, Inc.
Notes to Financial Statements
December 31, 2014 and 2013

Investments - The Organization's investments are carried at fair value based on quoted market prices. Donated securities are recorded at fair value on the date of donations, or if sold immediately after receipt, at the amount of the sales proceeds realized. Investment income, which includes realized and unrealized gains and losses, dividends and interest are reported under the revenue and support section in the statement of activities.

Property and equipment - Property and equipment are stated at cost. Donated property and equipment is recorded at its estimated fair value as of the date of donation. Additionally, expenditures for new additions and repairs that substantially increase the useful lives of existing property and equipment are also capitalized. Normal repairs and maintenance are recorded as operating expenditures. When properties are retired or otherwise disposed of, the related cost and accumulated depreciation are removed from the respective accounts and any gain or loss on disposition is credited to, or charged against, operations for the period.

Donations of property and equipment are reported as increases in unrestricted net assets unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations on donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time.

Depreciation of property and equipment is computed by the straight-line method over the estimated useful lives of the assets. For the year ended December 31, 2014 and 2013, depreciation expense was \$10,645 and \$5,145, respectively.

Revenue and support - Contributions and investment earnings are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

Gifts of cash and other assets are presented as restricted support if they are received with donor stipulations that limit the use of the donated assets. All donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (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 statement of activities as net assets released from restrictions. Contributions are included in income in the period the gifts are pledged or received.

Donated materials and services – During 2013, the Organization was donated the use of its office space. Management obtained an estimated value for the space of \$800 per month from a local real estate agent. In September 2013, the Organization closed on its new office complex, and effective October 1, 2013 there was no longer use of the donated office space. Accordingly, the statement of activities reflects occupancy expense of \$7,200 with a correlating donation in the same amount for the year ended December 31, 2013.

Functional allocation of expenses - The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Destiny Rescue USA, Inc.
Notes to Financial Statements
December 31, 2014 and 2013

Income taxes - The Organization is exempt from income taxes under Section 501(c) (3) of the Internal Revenue Code and applicable state law, except for taxes pertaining to unrelated business income. Additionally, the Organization is not considered to be a private foundation under section 509(a) of the Internal Revenue Code.

Current accounting standards require the Organization to address the determination of whether tax benefits claimed, or expected to be claimed, on a tax return should be recorded in the financial statements. Under this guidance, the Organization may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities, based on the technical merits of the position. Examples of tax positions include the tax-exempt status of the Organization, and various positions related to the potential sources of unrelated business taxable income. The tax benefits that could be recognized in the financial statements from such positions would be measured based on the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement. The guidance on accounting for uncertainty in income taxes also addresses de-recognition, classification, interest and penalties on income taxes, and accounting in interim periods. At December 31, 2014 and 2013, there were no unrecognized tax benefits identified or recorded as liabilities. The Foundation files Form 990 and the related state of Indiana return, and remains subject to examination by the Internal Revenue Service for the most recent three years.

Subsequent events - Management has evaluated the activities and transactions subsequent to December 31, 2014 for potential recognition and/or disclosure and determined that no subsequent events exist. This analysis was performed through, July 15, 2015, the date the financial statements were available to be issued.

Note 2: Cash with Paying Agent – During 2013, the Organization engaged the services of a payroll processing company. The services include the remittance of payroll taxes to federal, state and local taxing agencies on behalf of the Organization and its employees. This arrangement results in cash transfers from the Organization’s bank account at the time payroll processing occurs, even though the actual tax payments are not remitted before the end of any given month. Accordingly, the Organization accounts for these transfers as “cash with paying agent”, which is reflected within the statement of financial position as a current asset. At December 31, 2014 and December 31, 2013, the balance of cash with paying agent was \$-0- and \$20,008, respectively.

Note 3: Contributions Receivable – The contributions receivable balance at December 31, 2014 and 2013 consists of donations received in January 2015 and 2014, respectively, through the U.S. Postal Service from donors whose correspondence was post-marked in December 2014 and 2013, respectively. Therefore, the entire balance of the contributions receivable account is classified as current, and there was no consideration of an allowance for doubtful accounts as the entire balance was collected in January 2015 and 2014, respectively.

Note 4: Investments – Investments consist of the following at December 31, 2014 and 2013:

	2014	2013
Money market	\$ 61	\$ -
Equities	1,987	2,704
Mutual funds	-	2,018
	<u>\$ 2,048</u>	<u>\$ 4,722</u>

Investments, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. As such, it is reasonably possible that changes in values of investments will occur in the near term and that such changes could materially affect the amounts reported in the consolidated statements of financial position and the statements of activities.

Destiny Rescue USA, Inc.
Notes to Financial Statements
December 31, 2014 and 2013

Note 4: Investments (continued) - Investment income as of December 31, 2014 and 2013 is summarized as follows:

	2014	2013
Interest income	\$ 33	\$ 4
Net realized gains	-	3,640
Net unrealized gains	-	574
	\$ 33	\$ 4,218

Note 5: Property and Equipment - The Organization's property and equipment and the related accumulated depreciation are summarized as follows at December 31, 2014 and 2013:

	2014	2013
Land	\$ 35,965	\$ 35,965
Building	92,982	92,982
Vehicles	30,706	16,815
Office furniture and equipment	20,476	14,597
	180,129	160,359
Less accumulated depreciation	21,045	10,563
Property and equipment, net	\$ 159,084	\$ 149,796

Note 6: Notes Payable – During 2013, the Organization secured financing for its new administrative offices through the issuance of three notes with private investors totaling \$123,000. The notes call for monthly, interest only, payments at a rate of 6% per annum beginning December 1, 2013 through November 1, 2018. On November 1, 2018, the entire principal balance is due to be paid with the last of the interest payments. These obligations are not secured by the land and building acquired by the Organization, nor any other assets held by the Organization.

Note 7: Temporarily Restricted Net Assets - Temporarily restricted net assets are subject to donor-imposed stipulations that may or will be met by actions of the Organization and/or passage of time. As of December 31, 2014 and 2013, the Organization's temporarily restricted net assets consisted of the following:

	2014	2013
Mission team trips	\$ 12,508	\$ 750
Missionary support	20,080	-
Rescue efforts in Thailand	1,928	12,853
Rescue efforts in Cambodia	700	14,739
Rescue efforts in India	6,443	655
Rescue efforts in Laos	3,510	6,828
Rescue efforts in Philippines	-	25,511
Rescue efforts in Dominican Republic	144,033	-
Rescue efforts in Myanmar	1,165	-
Unspecified rescue efforts	144,995	252,494
Total Temporarily Restricted Net Assets	\$ 335,362	\$ 313,830

Destiny Rescue USA, Inc.
Notes to Financial Statements
December 31, 2014 and 2013

Note 7: Temporarily Restricted Net Assets (continued) - During the year ended December 31, 2014 and 2013, temporarily restricted net assets were used for their intended purposes as follows:

	2014	2013
Mission team trips	\$ 151,560	\$ 194,251
Missionary support	1,920	-
USA office plants	58,998	-
Unspecified rescue efforts	560,511	332,148
Rescue efforts in Mozambique	-	6,846
Rescue efforts in India	100	4,435
Rescue efforts in Cambodia	22,011	97,096
Rescue efforts in Thailand	91,282	352,346
Rescue efforts in Laos	3,398	8,562
Rescue efforts in Dominican Republic	6,449	-
Rescue efforts in Myanmar	16,157	-
Rescue efforts in Philippines	<u>27,206</u>	<u>316</u>
	<u>\$ 939,592</u>	<u>\$ 996,000</u>

Note 8: Fair Value Measurements – Current accounting standards define fair value as the price that would be received for an asset or paid to transfer a liability (an exit price) in the Organization’s principle or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The Organization determines the fair market values of its readily marketable investments and certain other assets based on the fair value hierarchy established, which requires the Organization to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. Observable inputs are inputs that reflect the assumptions obtained from sources independent of the Organization. Unobservable inputs are inputs that reflect the Organization’s own assumptions based on market data and assumptions that market participants would use in pricing the asset or liability developed, based on the best information available in the circumstances. Accounting standards further describe three levels of inputs within its hierarchy that may be used to measure fair value:

Level 1 Inputs: Quoted price for identical assets or liabilities in active markets that the Organization has the ability to access as of the measurement date. The fair values of debt and equity investments that are readily marketable are determined by obtaining quoted prices from nationally recognized securities exchanges.

Level 2 Inputs: Inputs other than quoted prices included in Level 1, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data. The fair values of the Organization’s money market investments are determined through inquiries of the financial institutions from which they originated. The fair market values are typically the original principle value plus accrued interest earned.

Level 3 Inputs: Unobservable inputs. At December 31, 2014 and 2013, the Organization did not have any investments that were considered Level 3 investments.

In many cases, a valuation technique used to measure fair value includes inputs from multiple levels of the fair value hierarchy. The lowest level of significant input determines the placement of the entire fair value measurement in the hierarchy.

Destiny Rescue USA, Inc.
Notes to Financial Statements
December 31, 2014 and 2013

Note 8: Fair Value Measurements (continued) – The investments of the Organization are assets measured at fair value on a recurring basis and are summarized below:

Fair Value Measurements at December 31, 2014				
	Level 1	Level 2	Level 3	Total
Investments:				
Money Market	\$ 61	\$ -	\$ -	\$ 61
Equities	1,987	-	-	1,987
Mutual funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Investments	<u>\$ 2,048</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,048</u>

Fair Value Measurements at December 31, 2013				
	Level 1	Level 2	Level 3	Total
Investments:				
Money Market	\$ -	\$ -	\$ -	\$ -
Equities	2,703	-	-	2,703
Mutual funds	<u>2,019</u>	<u>-</u>	<u>-</u>	<u>2,019</u>
Total investments	<u>\$ 4,722</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,722</u>

Note 9: Related Party Transactions – The Organization provides grants to other Destiny Rescue organizations around the world that are directly involved in the rescue efforts within the countries in which they are located. Currently there are no actual ownership interests in existence between the Organization and the other Destiny Rescue organizations that would require the consolidation or combination of financial statements pursuant to accounting principles generally accepted in the United States. However, the Organization’s board president is also a member of the board of directors of the other Destiny Rescue organizations that are receiving grants from the Organization. Grants to the other Destiny Rescue organizations totaled \$1,357,319 and \$992,562 for the years ended December 31, 2014 and 2013, respectively.