

Destiny Rescue USA, Inc.
Financial Statements
December 31, 2013 and 2012

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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, 2013 and 2012, 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, 2013 and 2012, 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 14, 2014

Destiny Rescue USA, Inc.
 Statements of Financial Position
 December 31, 2013 and 2012

	2013	2012
<u>ASSETS</u>		
<u>Current Assets:</u>		
Cash and cash equivalents	\$ 383,341	\$ 99,422
Cash with paying agent	20,008	-
Contributions receivable	32,420	-
Prepaid expenses	9,803	-
Inventory	46,437	50,799
Investments	<u>4,722</u>	<u>34,506</u>
Total current assets	496,731	184,727
 <u>Property & Equipment, Net</u>	 <u>149,796</u>	 <u>25,019</u>
 Total assets	 <u>\$ 646,527</u>	 <u>\$ 209,746</u>
<u>LIABILITIES AND NET ASSETS</u>		
<u>Current Liabilities:</u>		
Accounts payable	\$ 23,600	\$ 16,248
Accrued payroll & withholdings	<u>10,681</u>	<u>4,779</u>
Total current liabilities	34,281	21,027
 <u>Long-Term Liabilities:</u>		
Notes payable	<u>123,000</u>	<u>-</u>
Total liabilities	<u>157,281</u>	<u>-</u>
 <u>Net Assets:</u>		
Unrestricted	175,416	143,753
Temporarily restricted	<u>313,830</u>	<u>44,966</u>
Total net assets	<u>489,246</u>	<u>188,719</u>
 Total liabilities and net assets	 <u>\$ 646,527</u>	 <u>\$ 209,746</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, 2013 and 2012

	2013			2012		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
<u>Revenue and support:</u>						
Contributions	\$ 350,961	\$ 1,264,864	\$ 1,615,825	\$ 404,124	\$ 975,350	\$ 1,379,474
Jewelry sales	218,262	-	218,262	211,982	-	211,982
Other	8,740	-	8,740	4,160	-	4,160
Investment income	4,218	-	4,218	158	-	158
Net assets released from restrictions	996,000	(996,000)	-	957,704	(957,704)	-
Total revenue, gains (losses), and other support	<u>1,578,181</u>	<u>268,864</u>	<u>1,847,045</u>	<u>1,578,128</u>	<u>17,646</u>	<u>1,595,774</u>
<u>Program expense:</u>						
Grants to affiliates	992,562	-	992,562	1,082,840	-	1,082,840
Sponsorships	22,686	-	22,686	11,327	-	11,327
Cost of jewelry and apparel	121,851	-	121,851	110,052	-	110,052
Public awareness & education	292,386	-	292,386	188,853	-	188,853
Total program expense	<u>1,429,485</u>	<u>-</u>	<u>1,429,485</u>	<u>1,393,072</u>	<u>-</u>	<u>1,393,072</u>
<u>Supporting services expense:</u>						
Management & general administration	90,641	-	90,641	60,793	-	60,793
Fundraising	96,392	-	96,392	59,532	-	59,532
Total supporting services expense	<u>187,033</u>	<u>-</u>	<u>187,033</u>	<u>120,325</u>	<u>-</u>	<u>120,325</u>
Total expenses	<u>1,616,518</u>	<u>-</u>	<u>1,616,518</u>	<u>1,513,397</u>	<u>-</u>	<u>1,513,397</u>
<u>Other gains and (losses):</u>						
Forgiveness of debt	70,000	-	70,000	-	-	-
Change in net assets	31,663	268,864	300,527	64,731	17,646	82,377
Net assets, beginning of year	143,753	44,966	188,719	79,022	27,320	106,342
Net assets, end of year	<u>\$ 175,416</u>	<u>\$ 313,830</u>	<u>\$ 489,246</u>	<u>\$ 143,753</u>	<u>\$ 44,966</u>	<u>\$ 188,719</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, 2013

	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	\$ 976,217	\$ -	\$ -	\$ -	\$ 976,217	\$ -	\$ -	\$ -	\$ 976,217
Cost of jewelry & apparel	-	-	79,738	-	79,738	-	-	-	79,738
Payroll & related taxes	4,635	18,868	23,210	93,999	140,712	63,565	53,062	116,627	257,339
Contract services	-	-	-	-	-	-	-	-	-
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 & other	293	1,024	1,317	5,415	8,049	3,659	2,927	6,586	14,635
Postage & printing	275	963	1,239	5,093	7,570	3,441	2,753	6,194	13,764
Processing & bank fees	6,802	-	6,803	6,802	20,407	-	6,803	6,803	27,210
Occupancy costs	295	1,036	1,332	5,478	8,141	3,701	2,960	6,661	14,802
Meals & travel	3,817	-	-	-	3,817	3,817	-	3,817	7,634
Mission team trip costs	-	-	-	157,265	157,265	-	-	-	157,265
Depreciation	103	360	463	1,904	2,830	1,286	1,029	2,315	5,145
Telephone	115	401	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	34	43	178	265	120	96	216	481
Total	\$ 992,562	\$ 22,686	\$ 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.
Statement of Functional Expenses
For the Year Ended December 31, 2012

	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	\$ 1,069,157	\$ -	\$ -	\$ -	\$ 1,069,157	\$ -	\$ -	\$ -	\$ 1,069,157
Cost of jewelry & apparel	-	-	82,498	-	82,498	-	2,026	2,026	84,524
Payroll & related taxes	2,228	8,491	13,640	33,823	58,182	28,597	29,821	58,418	116,600
Contract services	-	-	-	-	-	4,305	-	4,305	4,305
Professional fees	-	-	-	-	-	9,921	-	9,921	9,921
Direct fundraising	-	-	-	-	-	-	6,946	6,946	6,946
Conferences and conventions	-	-	5,237	10,473	15,710	-	5,237	5,237	20,947
Office supplies & other	156	593	953	2,363	4,065	1,998	2,083	4,081	8,146
Postage & printing	241	920	1,477	3,663	6,301	3,097	3,229	6,326	12,627
Processing & bank fees	3,713	-	3,713	3,713	11,139	-	3,713	3,713	14,852
Occupancy costs	183	699	1,123	2,785	4,790	2,355	2,455	4,810	9,600
Meals & travel	6,999	-	-	-	6,999	6,998	-	6,998	13,997
Mission team trip costs	-	-	-	129,139	129,139	-	-	-	129,139
Depreciation	67	257	412	1,023	1,759	865	902	1,767	3,526
Telephone	85	325	521	1,293	2,224	1,093	1,140	2,233	4,457
Advertising	-	-	-	-	-	1,012	1,012	2,024	2,024
Vehicle repairs	-	-	410	410	820	410	820	1,230	2,050
Insurance	11	42	68	168	289	142	148	290	579
Total	\$ 1,082,840	\$ 11,327	\$ 110,052	\$ 188,853	\$ 1,393,072	\$ 60,793	\$ 59,532	\$ 120,325	\$ 1,513,397

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, 2013 and 2012

	2013	2012
<u>Cash flows from operating activities:</u>		
Change in net assets	\$ 300,527	\$ 82,377
Adjustments to reconcile changes in net assets to net cash from operating activities:		
Depreciation	5,145	3,526
Donated stocks	-	(34,391)
Realized gain on sale of investments	(3,640)	(112)
Unrealized gain on investments	(574)	-
Loss on disposal of leasehold improvements	3,894	-
(Increase) decrease in:		
Cash with paying agent	(20,008)	-
Contribution receivable	(32,420)	-
Prepaid expenses	(9,803)	-
Inventory	4,362	(14,698)
Accounts receivable	-	17,975
(Decrease) increase in:		
Accounts payables	7,352	(6,737)
Accrued payroll	<u>5,902</u>	<u>1,880</u>
Net cash provided by operating activities	<u>260,737</u>	<u>49,820</u>
 <u>Cash flows from investing activities:</u>		
Purchase of property and equipment	(133,816)	(2,644)
Proceeds from sale of investments	37,931	5,463
Purchase of investments	<u>(3,933)</u>	<u>(5,466)</u>
Net cash (used in) investing activities	<u>(99,818)</u>	<u>(2,647)</u>
 <u>Cash flows from financing activities:</u>		
Proceeds from issuance of notes	<u>123,000</u>	<u>-</u>
Net cash provided by financing activities		
 Net change in cash and cash equivalents	283,919	47,173
 Cash and cash equivalents at beginning of year	<u>99,422</u>	<u>52,249</u>
 Cash and cash equivalents at end of year	<u>\$ 383,341</u>	<u>\$ 99,422</u>

The accompanying notes are an integral part of these financial statements

Destiny Rescue USA, Inc.
Notes to Financial Statements
December 31, 2013 and 2012

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, 2013 and 2012, 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, 2013, the Organization's uninsured cash balance totaled \$123,550. 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. At December 31, 2012, there was not any portion of the Organization's cash balance that was not insured.

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, 2013 and 2012

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, 2013 and 2012, depreciation expense was \$5,145 and \$3,526, 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 2012 and 2013, the Organization 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 and \$9,600 with a correlating donation in the same amount for the year ended December 31, 2013 and 2012, respectively.

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, 2013 and 2012

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, 2013 and 2012, 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, 2013 for potential recognition and/or disclosure and determined that no subsequent events exist. This analysis was performed through, July 14, 2014, 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, 2013, the balance of cash with paying agent was \$20,008.

Note 3: Contributions Receivable – The contributions receivable balance at December 31, 2013 consists of donations received in January 2014 through the U.S. Postal Service from donors whose correspondence was post-marked in December 2013. 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 2014.

Note 4: Investments – Investments consist of the following at December 31, 2013 and 2012:

	2013	2014
Money market	\$ -	\$ 5,462
Equities	2,704	29,000
Mutual funds	2,018	44
	\$ 4,722	\$ 34,506

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, 2013 and 2012

Note 4: Investments (continued) - Investment income as of December 31, 2013 and 2012 is summarized as follows:

	<u>2013</u>	<u>2012</u>
Interest income	\$ 4	\$ 48
Net realized gains	3,640	112
Net unrealized (losses)	<u>574</u>	<u>(2)</u>
	<u>\$ 4,218</u>	<u>\$ 158</u>

Note 5: Property and Equipment - The Organization's property and equipment and the related accumulated depreciation are summarized as follows at December 31, 2013 and 2012:

	<u>2013</u>	<u>2012</u>
Land	\$ 35,965	\$ -
Building	92,982	-
Leasehold improvements	-	3,535
Vehicles	16,815	15,565
Office furniture & equipment	<u>14,597</u>	<u>11,978</u>
	160,359	31,078
Less accumulated depreciation	<u>(10,563)</u>	<u>(6,059)</u>
Property and equipment, net	<u>\$ 149,796</u>	<u>\$ 25,019</u>

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, 2013 and 2012, the Organization's temporarily restricted net assets consisted of the following:

	<u>2013</u>	<u>2012</u>
Mission team trips	\$ 750	\$ 8,310
Rescue efforts in Thailand	12,853	16,656
Rescue efforts in Cambodia	14,739	20,000
Rescue efforts in India	655	-
Rescue efforts in Laos	6,828	-
Rescue efforts in Philippines	25,511	-
Unspecified rescue efforts	<u>252,494</u>	<u>-</u>
Total Temporarily Restricted Net Assets	<u>\$ 313,830</u>	<u>\$ 44,966</u>

Destiny Rescue USA, Inc.
Notes to Financial Statements
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Note 7: Temporarily Restricted Net Assets (continued) - During the year ended December 31, 2013 and 2012, temporarily restricted net assets were used for their intended purposes as follows:

	2013	2012
Unspecified rescue efforts	\$ 332,148	\$ 411,749
Rescue efforts in Mozambique	6,846	6,670
Rescue efforts in India	4,435	4,031
Rescue efforts in Cambodia	97,096	99,033
Rescue efforts in Thailand	352,346	334,297
Rescue efforts in Laos	8,562	-
Rescue efforts in Philippines	316	-
Mission team trips	194,251	101,924
	\$ 996,000	\$ 957,704

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, 2013 and 2012, 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, 2013 and 2012

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, 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>
Fair Value Measurements at December 31, 2012				
	Level 1	Level 2	Level 3	Total
Investments:				
Money Market	\$ -	\$ 5,462	\$ -	\$ 5,462
Equities	29,000	-	-	29,000
Mutual funds	<u>44</u>	<u>-</u>	<u>-</u>	<u>44</u>
Total investments	<u>\$ 29,044</u>	<u>\$ 5,462</u>	<u>\$ -</u>	<u>\$ 34,506</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 \$992,562 and \$1,082,840 for the years ended December 31, 2013 and 2012, respectively.