CRY-CHILD RIGHTS AND YOU AMERICA, INC.

FINANCIAL STATEMENTS

December 31, 2013

HURLEY, O'NEILL & COMPANY, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

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Hurley, O'Neill & Company, P.C.
Certified Public Accountants

J. Thomas Hurley, C.P.A. *Gene O'Neill, C.P.A.*

INDEPENDENT AUDITORS' REPORT

To The Board of Directors
CRY-Child Rights and You America, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of CRY-Child Rights and You America, Inc. (a Delaware not for profit), which comprise the statement of financial position as of December 31, 2013, and the related statements of activities, functional expenses 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 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.

Tel. (617) 376-6226 *36 Miller Stile Road, Quincy, MA 02169* *Fax (617) 376-6220*

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of CRY-Child Rights and You America, Inc., as of December 31, 2013 and the results of its operations and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Quincy, Massachusetts
October 3, 2014

CRY - CHILD RIGHTS AND YOU AMERICA, INC.

STATEMENT OF FINANCIAL POSITION
December 31, 2013

ASSETS	
Current Assets	
Cash	$ 985,660
Accounts receivable	143,950
Prepaid expenses	14,010
Total Current Assets	1,143,620
Property and Equipment	
Office equipment	5,654
Less accumulated depreciation	(5,654)
Total Property and Equipment	-
Security Deposit	1,400
Total Assets	$ 1,145,020
LIABILITIES AND NET ASSETS	
Current Liabilities	
Accounts payable	$ 13,532
Grants payable	71,429
Accrued expenses	8,000
Total Current Liabilities	92,961
Unrestricted Net Assets	1,052,059
Total Liabilities and Net Assets	$ 1,145,020

The accompanying footnotes are an integral part of these financial statements

CRY - CHILD RIGHTS AND YOU AMERICA, INC.

STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2013

Revenue and Support	
Contributions	$ 723,326
Fundraising Events	
Revenue raised	595,976
Expenses incurred	(123,572)
Net Fundraising Event Revenue	472,404
Interest income	338
Total Revenue and Support	1,196,068
Expenses	
Program/grant expenses	731,429
Fundraising expenses	263,053
Administrative expenses	188,843
Total Expenses	1,183,325
Increase in Net Assets	12,743
Net Assets, Beginning of Year	1,039,316
Net Assets, End of Year	$ 1,052,059

The accompanying footnotes are an integral part of these financial statements

CRY - CHILD RIGHTS AND YOU AMERICA, INC.

STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2013

Cash Flows from Operating Activities		
Increase in net assets	$	12,743
Adjustments to Reconcile Change in Net Assets to Net Cash Provided from Operating Activities		
Increase in accounts receivable		(23,255)
Increase in prepaid expenses		(2,383)
Increase in grants payable		19,601
Decrease in accrued expenses		(400)
Increase in accounts payable		1,053
Net Cash Provided by Operating Activities		7,359
Net Increase in Cash		7,359
Cash at Beginning of Year		978,301
Cash at End of Year	$	985,660

CRY - CHILD RIGHTS AND YOU AMERICA, INC.

STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2013

Program/Grant Expenses		
India projects	$	671,429
US projects		60,000
Total Program/Grant Expenses	$	731,429
Fundraising Expenses		
Marketing	$	230,290
Professional fees		19,772
Postage		12,991
Total Fundraising Expenses	$	263,053
Administrative Expenses		
Payroll	$	104,189
Professional services		33,402
Travel and seminar/conference		13,675
Rent		9,720
Service charges		7,701
Insurance		6,875
Office supplies		4,159
Telephone and internet services		3,438
License and registration fees		2,538
Postage		1,603
Dues		1,095
Electricity		448
Total Administrative Expenses	$	188,843

CRY – CHILD RIGHTS AND YOU AMERICA, INC.

NOTES TO FINANCIAL STATEMENTS
December 31, 2013

NOTE 1 – ORGANIZATION

CRY-Child Rights and You America, Inc. (the Organization) was established in November 2002 as a Delaware Corporation, and is a not-for-profit organized under Section 501(c)(3) of the United States Tax Code. The mission of the Organization is to raise funds for and public awareness of the problems that face underprivileged children, with emphasis on children living in India.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The Organization maintains its records on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America. Revenue is recognized as it is earned rather than received and expenses are recognized when the obligation is incurred.

Net assets are broken down into three specific categories as follows:

Unrestricted Net Assets – All contributions are considered to be available for unrestricted use unless specifically restricted by the donor or by law.

Temporarily Restricted Net Assets – Assets resulting from contributions whose use by the Organization is limited by donor/grantor imposed restrictions that either expire by the passage of time or can be fulfilled by actions of the Organization. Once these restrictions expire, temporarily restricted net assets are reported in the statement of activities as net assets released from restrictions.

Permanently Restricted Net Assets – Assets resulting from an endowment to be held in perpetuity. Investment income earned on this endowment is temporarily restricted for programs.

B. Use of Estimates

The preparation of financial statements in accordance with the accrual method of accounting requires the use of estimates that affect reported amounts of sources and uses of funds and related disclosures. Actual amounts could differ from those estimates.

C. Cash Equivalents

Cash and cash equivalents consist of cash on deposit with financial institutions and other debt securities that are readily convertible into cash and purchased with original maturities of three months or less.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

D. Concentration of Credit Risk

The Organization places its temporary cash investments with high credit quality financial institutions. During the fiscal year, balances in the accounts may exceed the federally insured limit. The Organization has not experienced any losses on such accounts and believes it is not exposed to any significant credit risk to cash.

E. Fixed Assets and Depreciation

Fixed assets are stated at cost. When assets are retired or otherwise disposed of, the cost and accumulated depreciation are removed from the accounts, and any resulting gain or loss is recognized in income for the period. Maintenance and repairs are charged to expense as incurred; major renewals and betterments are capitalized. Depreciation is provided for using straight-line and accelerated methods over the following estimated useful lives:

Equipment	5 years

The composition of fixed assets at December 31, 2013 is as follows:

Office Equipment	$	5,654
Less: Accumulated Depreciation		(5,654)
Net Fixed Assets	$	-

F. Income Taxes

No provision has been made for income taxes since the Organization was formed as a tax exempt organization and has been granted Section 501(c)(3) status by the Internal Revenue Service.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Organization to report information regarding its exposure to various tax positions taken by the Organization. The Organization has determined whether any tax positions have met the recognition threshold and has measured the Organization's exposure to those tax positions. Management believes that the Organization has adequately addressed all relevant tax positions and that there are no unrecorded tax liabilities. Federal and state tax authorities generally have the right to examine and audit the previous three years of tax returns filed. Any interest or penalties assessed to the Organization are recorded in operating expenses. No interest or penalties from federal or state tax authorities were recorded in the accompanying financial statements.

NOTE 3 – LICENSING AGREEMENT WITH CHILD RELIEF AND YOU, INDIA

The Organization has entered into an agreement, dated July 23, 2004, with Child Relief and You, India, a public charity trust of India. The agreement allows the Organization to use the CRY India name, trademark and logo. This agreement also outlines services provided to the Organization by CRY India for the purpose of facilitating grants made to India based projects. The Organization has also entered into an agreement with CRY India under which CRY India will provide grant management services for all grants made in India.

NOTE 4 – SUBSEQUENT EVENTS

Events that occur after the balance sheet date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the balance sheet date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the balance sheet date require disclosure in the accompanying notes. Management evaluated the activity of the Organization through October 3, 2014 (the date the financial statements were available to be issued) and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.