THE WORLDWIDE FISTULA FUND, INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2014

Mueller Prost
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Board of Directors
The Worldwide Fistula Fund, Inc.
Chicago, Illinois

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of *The Worldwide Fistula Fund, Inc.* (a nonprofit organization) (the "Organization"), which comprise the statement of financial position as of December 31, 2014, 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.

Auditors' 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 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 *The Worldwide Fistula Fund, 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.

Mueller Prost LC

July 30, 2015
St. Louis, Missouri

Certified Public Accountants

WORLDWIDE FISTULA FUND

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2014

ASSETS

Current Assets		
Cash and cash equivalents	$	910,128
Donation receivable		67,932
Surgical supplies		20,483
Total Current Assets		998,543
Fixed Assets, at Cost		
Hospital buildings and improvements		1,558,981
Medical equipment		84,459
Computer equipment		14,837
Transportation equipment		44,267
Total Fixed Assets, at Cost		1,702,544
Less: Accumulated depreciation		(222,698)
Net Fixed Assets		1,479,846
Total Assets	**$**	**2,478,389**

LIABILITIES AND NET ASSETS

Current Liabilities		
Accounts payable	$	89,632
Total Current Liabilities		89,632
Total Liabilities		89,632
Net Assets		
Unrestricted		1,928,260
Temporarily restricted		460,497
Total Net Assets		2,388,757
Total Liabilities and Net Assets	**$**	**2,478,389**

The Notes to Financial Statements are an integral part of these statements.

WORLDWIDE FISTULA FUND
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2014

	Unrestricted	Temporarily Restricted	Total
Changes in Net Assets			
Operating Revenue			
Donations	$ 700,880	$ 10,114	$ 710,994
Investment income, net	151	-	151
Total Operating Revenue	701,031	10,114	711,145
Net Assets Released from Restrictions			
Expenses and transfers	197,957	(197,957)	-
Total Net Assets Released from Restrictions	197,957	(197,957)	-
Expenses			
Program services	815,677	-	815,677
Management and general	85,523	-	85,523
Fundraising	37,614	-	37,614
Total Expenses	938,814	-	938,814
Decrease in Net Assets	(39,826)	(187,843)	(227,669)
Net Assets - Beginning of the Year	1,915,423	648,340	2,563,763
Prior Period Adjustment	52,663	-	52,663
Net Assets - Beginning of the Year (Restated)	1,968,086	648,340	2,616,426
Net Assets - End of the Year	**$ 1,928,260**	**$ 460,497**	**$ 2,388,757**

WORLDWIDE FISTULA FUND

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2014

	Program Services	Management and General	Fundraising	Total
Consulting and professional fees	$ -	$ 7,249	$ 199	$ 7,448
Depreciation	72,098	-	-	72,098
Education and awareness	195,485	-	-	195,485
Equipment and supplies	6,190	503	-	6,693
Fundraising expense	-	-	821	821
Information technology	-	916	-	916
Management fee	113,434	51,741	33,829	199,004
Meeting expense	-	10,387	-	10,387
Office expense	-	11,124	-	11,124
Patient care	234,331	-	-	234,331
Postage	3,524	1,218	-	4,742
Printing and reproduction	-	-	2,765	2,765
Program development	4,887	-	-	4,887
Salaries and benefits	24,248	-	-	24,248
Shipping and storage	19	-	-	19
Telephone	-	133	-	133
Travel expenses	161,461	2,252	-	163,713
Total Functional Expenses	**$ 815,677**	**$ 85,523**	**$ 37,614**	**$ 938,814**

The Notes to Financial Statements are an integral part of these statements.

WORLDWIDE FISTULA FUND

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2014

Cash Flows From Operating Activities		
Decrease in net assets	$	(227,669)
Adjustments to reconcile decrease in net assets to net cash used by operating activities		
Depreciation		72,100
Change in assets - (increase) decrease		
Donations receivable		(15,269)
Other assets		3,600
Change in liabilities - decrease		
Accrued expenses		(78,356)
Total Adjustments		(17,925)
Net Cash Used by Operating Activities		(245,594)
Net Decrease in Cash and Cash Equivalents		(245,594)
Cash and Cash Equivalents - Beginning of Year		1,155,722
Cash and Cash Equivalents - End of Year	**$**	**910,128**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of certain significant accounting policies followed in the preparation of these financial statements.

Nature of Organization

The Worldwide Fistula Fund, Inc. (the "Organization") is one of the oldest charitable organizations in the world devoted exclusively to the problem of obstetric fistulas. Originally founded in 1995 as The Worldwide Fund for Mothers Injured in Childbirth, the Fund was reorganized as The Worldwide Fistula Fund, Inc. in 2003. The Organization is a secular, non-denominational, not-for-profit charitable organization registered in the States of Colorado, Illinois, and Missouri.

The aims of The Worldwide Fistula Fund, Inc. are set out concisely in their mission statement, which clearly differentiates the Organization from many other organizations working in the field of international women's health:

> "Our enduring mission is to promote excellent, ethical, comprehensive care for women with obstetric fistulas."

The Organization's strategy is to bring together and support a network of committed individuals with fistula expertise who share this common ideal. To obtain this goal, the Organization:

- Supports the direct provision of high-quality, clinical care for women with obstetric fistulas.
- Promotes excellent training for fistula surgeons incorporating these values.
- Advocates relentlessly for the unmet needs of women suffering from fistula.
- Encourages scientifically valid research in fistula treatment and prevention.

The Worldwide Fistula Fund, Inc. has pursued the goals articulated in this mission statement by directly subsidizing the costs of clinical care for African women with fistulas, by sponsoring teams of qualified fistula surgeons to travel to hospitals across Africa to perform fistula surgery and to help train other surgeons in these techniques by sponsoring the education of African doctors and nurses in the care of fistula patients, by contributing to the costs of construction of dedicated fistula facilities, by participating as an active voice in international medical forums where the problem of fistulas is discussed, by contributing to public advocacy efforts on the part of fistula victims in print, film, and other media, by purchasing supplies needed for the performance of fistula operations, by engaging in scientific research and scholarly publication on the fistula problem, and by persistently advocating for higher ethical standards in the care and treatment of women with obstetric fistulas.

Obstetric fistula is a vast problem with deep roots in local culture, and its ultimate solution lies far beyond the capabilities of any one charitable organization, no matter how great its resources. Prior to 2008, the Organization functioned primarily in an advisory capacity, providing technical resources and small amounts of seed money to further fistula projects across Africa. The technical resources possessed by the Organization are both unique and substantial. Within the fistula world, its leadership team possesses an unparalleled combination of academic, cross-cultural, clinical and medical expertise.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Nature of Organization (continued)

The Organization is committed, wherever possible, to strengthening, maintaining, and establishing full-time programs dedicated exclusively to fistula repair in African hospitals. In 2008, the Organization broke ground on its own model fistula surgery center in Danja, Niger, which was subsequently completed in February 2012.

Method of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting standards generally accepted in the United States of America.

Use of Estimates

The preparation of financial statements 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 the reported amounts of revenue and expenses during the reporting period. Actual results could differ from estimated amounts.

Cash and Cash Equivalents

The Organization considers all short-term investments with original maturities of less than three months from the date of purchase to be cash equivalents.

Concentrations of Credit Risk Arising from Cash Deposits in Excess of Insured Limits

The Organization maintains its cash balances at a financial institution. The balance is insured by the Federal Deposit Insurance Corporation ("FDIC") up to $250,000 per financial institution. At various times during the year ended December 31, 2014, the Organization's cash balance exceeded this limit.

Donations Receivable

Unconditional promises to give due in future periods are recognized in the period the promises are received. The Organization provides an allowance for doubtful accounts equal to the estimated collection losses that will be incurred. Any estimated losses are based on a review of the current status of the existing receivables. Management determined no allowance is considered necessary as of December 31, 2014.

Surgical Supplies

Surgical supplies are stated at the lower of cost or market, determined using the first-in, first-out method.

Fixed Assets

Fixed assets are recorded at cost and fair value when donated. Major additions and improvements are capitalized to property accounts, while replacements, maintenance and repairs, which do not improve or extend the useful life of the respective assets, are expensed as incurred.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fixed Assets (continued)

Depreciation on fixed assets is calculated using the straight-line method over an estimated life of 5-40 years. Total depreciation expense was $72,098 for the year ended December 31, 2014.

Contributions

Contributions, including unconditional promises to give (pledges), are recorded as made. All contributions are available for unrestricted use unless specifically restricted by the donor. Unconditional promises to give, which are due in subsequent months, are reported at the estimated net realizable value and included in pledges receivable. Conditional promises to give are recognized when the conditions on which they depend are substantially met. There were no conditional promises to give for the year ended December 31, 2014.

Donated Services

Donated services are recognized as contributions if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. For the year ended December 31, 2014, the Organization received no donated services.

Financial Statement Presentation

The Organization has adopted the provisions of the Financial Accounting Standards Board ("FASB") in regard to financial statements of not-for-profit organizations as discussed under this topic of the ASC 958-210, *Financial Statements of Not-For-Profit Organizations*. This provision requires the reporting of total assets, liabilities and net assets in a statement of financial position, and reporting the change in net assets in a statement of activities. This provision also requires that net assets, revenue, expenses, gains and losses be classified as unrestricted, temporarily restricted, or permanently restricted based on the existence or absence of donor-imposed restrictions. Under ASC 958-210, the Organization is required to report information regarding its financial position and activities according to three classes of net assets:

Unrestricted Net Assets

Unrestricted net assets are assets that are not subject to donor-imposed restrictions.

Temporarily Restricted Net Assets

Temporarily restricted net assets are assets subject to donor-imposed restrictions that may be met, either by actions of the Organization and/or the passage of time. When a restriction expires, temporarily restricted assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. As permitted under ASC 958-210, the Organization reports temporarily restricted contributions as unrestricted in the current year when the Organization meets the donor restrictions in the same period as receipt of the contributions.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Statement Presentation (continued)

Permanently Restricted Net Assets

Permanently restricted net assets are assets subject to donor-imposed restrictions that are to be maintained permanently by the Organization. The donors of these assets permit the Organization to use all or part of the income earned on any related investments for general or donor restricted purposes. The Organization did not have any permanently restricted net assets as of December 31, 2014.

Under ASC 958-210, expenses are generally recorded as decreases in unrestricted net assets.

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and applicable state law. Therefore, there are no provisions for income taxes reflected in these financial statements.

The accounting standard on accounting for uncertainty in income taxes addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under that 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 (“UBIT”). The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. There were no unrecognized tax benefits identified or recorded as liabilities for the year ended December 31, 2014.

The Organization's information returns, for the years ending 2014, 2013, 2012 and 2011 are subject to examination by the IRS, generally for 3 years after they were filed.

NOTE 2 DONATIONS RECEIVABLE

The Organization treats all donations receivable as expected to be received within a year, and classifies them as current in the statement of financial position. As of December 31, 2014, the Organization had donations receivable totaling $67,932.

NOTE 3 TEMPORARILY RESTRICTED NET ASSETS

As of December 31, 2014, the Organization had net assets totaling $460,497 that were temporarily restricted due to time and purpose restrictions by its contributors. The net assets restricted due to time restrictions totaled $0. The net assets restricted due to donor restrictions totaled $460,497 and will be used for Mekelle and other projects.

NOTE 4 PRIOR PERIOD RESTATEMENT

During 2014, management performed an analysis of the accounts receivable balance and determined that the balance of donations receivable was not adequately recorded in 2013. As a result, the beginning net asset balance has been restated to reflect an increase in unrestricted net assets of $52,663.

NOTE 5 NET ASSETS RELEASED FROM DONOR RESTRICTIONS

During the year ended December 31, 2014, net assets in the amount of $197,957 were released from donor-imposed restrictions by incurring expenses satisfying the restricted purposes relating to the Danja Project as specified by the donors.

NOTE 6 REGIONAL SERVICES

The Organization serves a variety of regions by sponsoring teams of surgeons to travel to hospitals in other countries. The following is a breakout of expenses by program. All other expenses were for the general operations and mission and related fundraising expenditures of the Organization.

The following expenses include travel, patient care, and other mission expenses:

Ethiopia	$	92,075
Niger		423,191
Uganda		153,413
Total Regional Services	**$**	**668,679**

NOTE 7 MEMORANDUM OF UNDERSTANDING

The Organization entered into a memorandum of understanding with SIM-Niger in June 2011 relating to the Model Fistula Surgery and Training Center in Danja, Niger (“the Center”). The Center is being constructed on the grounds of the Centre de Sante et de Leprologie, which SIM-Niger is the owner/operator. The land is owned by the government of Niger and holds a ninety-nine year lease with SIM-Niger. The buildings and improvements at the Center will be jointly owned by SIM-Niger and the Organization. The Center will be governed and operated by a self-perpetuating local governing board. The Organization may appoint up to two members to the governing board. Funds from the Organization donated or provided to the Center will only be used for medical, clinical and rehabilitative purposes. The memorandum also addresses the naming rights and other aspects of the operations of the Center. The memorandum of understanding is to be formally reviewed by both parties every five years.

NOTE 8 SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date of the independent auditors' report, the date the financial statements were available to be issued.

On December 21, 2014, the Organization awarded a grant in support of its mission totaling $115,000 to be paid throughout 2015 if the recipient meets the quarterly reporting requirements stated in the award letter.