The Grant Foundation
d/b/a Hôpital Albert Schweitzer
Haiti

Financial Statements and
Other Information

Years Ended December 31, 2013 and 2012
with Independent Auditor's Report

MaherDuessel
Certified Public Accountants

Pittsburgh | Harrisburg | Butler

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THE GRANT FOUNDATION
D/B/A HÔPITAL ALBERT SCHWEITZER HAITI

YEARS ENDED DECEMBER 31, 2013 AND 2012

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Independent Auditor's Report

Board of Directors
The Grant Foundation
d/b/a Hôpital Albert Schweitzer Haiti

We have audited the accompanying financial statements of The Grant Foundation d/b/a Hôpital Albert Schweitzer Haiti (HAS), which comprise the statements of financial position as of December 31, 2013 and 2012, and the related statements of unrestricted revenues and expenses, changes in net assets, 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 did not audit the financial statements of the Haiti-based operations of HAS, whose assets constitute twenty-five percent in 2013 and twenty-six percent in 2012 of HAS as a whole, and whose total unrestricted support and revenues constitute twenty-four percent in 2013 and twenty-four percent in 2012, of the related totals as presented in Note 14. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Haiti-based operations of HAS, is based solely on the report of the other auditors. 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 audits 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.

Basis for Qualified Opinion

In common with other not-for-profit organizations, HAS derives some revenues in Haiti from fees and non-cash contributions. Accordingly, the Haitian auditors' audit of these fees and contributions was limited to the amounts recorded in the books of HAS Haiti and they were not able to determine whether adjustments might be necessary to fees, contributions, changes in net assets, and net assets.

In 2012, the accrued pension liability of $100,000 for the defined benefit pension plan was not based upon an actuarial valuation. Therefore, the provision of $100,000 and the related expenses of $31,625 for 2012, as described in Note 10, have not been calculated according to accounting principles generally accepted (GAAP) in the United States of America, and the Haitian auditors could not determine the effect of this departure from GAAP on the total expenses, total liabilities, and on the changes in unrestricted net assets, and on net assets. In 2013, an actuarial valuation was obtained and the accrued pension liability and related expense were adjusted accordingly, in accordance with GAAP.

Qualified Opinion

In our opinion, based on our audits and the report of the other auditors for 2013 and 2012, and except for the effect of such adjustments, if any, which the other auditors might have determined to be necessary concerning the completeness of Haitian fees and non-cash contributions for 2013 and 2012, and that could be related to the accrued pension liability as of December 31, 2012 and to the related expense for the year then ended, if an actuarial evaluation had been relied upon, the financial statements referred to above present fairly, in all material respects, the financial position of HAS as of December 31, 2013 and 2012, and the changes in its net assets and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Other Matter

Other Information

Our audits were conducted for the purpose of forming an opinion on the financial statements taken as a whole. The other information listed in the table of contents is presented for the purpose of additional analysis and is not a required part of the above financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Maher Duessel

Pittsburgh, Pennsylvania
June 9, 2014

THE GRANT FOUNDATION
D/B/A HÔPITAL ALBERT SCHWEITZER HAITI

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2013 AND 2012

	2013	2012
Assets		
Current assets:		
Cash and cash equivalents (Note 3)	$ 1,143,977	$ 1,496,831
Accounts receivable (Note 4)	94,838	101,273
Grants receivable (Note 5)	27,000	30,014
Inventories (Note 6)	1,628,618	1,406,183
Security deposit	27,445	-
Advances to suppliers and prepaid expenses	15,264	39,341
Total current assets	2,937,142	3,073,642
Non-current assets:		
Investments (Note 7)	10,954,521	10,967,153
Fixed assets (Note 8)	1,933,412	1,937,877
Total non-current assets	12,887,933	12,905,030
Total Assets	$ 15,825,075	$ 15,978,672
Liabilities and Net Assets		
Liabilities:		
Current liabilities:		
Accounts payable and accrued expenses (Note 9)	$ 147,829	$ 651,170
Accrued pension liability - current	20,000	-
Total current liabilities	167,829	651,170
Non-current liabilities:		
Deferred gift annuities	1,395	4,244
Accrued pension liability (Note 10)	91,000	100,000
Total non-current liabilities	92,395	104,244
Total Liabilities	260,224	755,414
Net Assets:		
Unrestricted	11,971,934	11,340,300
Unrestricted, board-designated	2,285,662	2,285,662
Total unrestricted	14,257,596	13,625,962
Temporarily restricted (Note 11)	1,307,255	1,597,296
Total Net Assets	15,564,851	15,223,258
Total Liabilities and Net Assets	$ 15,825,075	$ 15,978,672

See accompanying notes to financial statements.

THE GRANT FOUNDATION
D/B/A HÔPITAL ALBERT SCHWEITZER HAITI

STATEMENTS OF UNRESTRICTED REVENUES AND EXPENSES

YEARS ENDED DECEMBER 31, 2013 AND 2012

	2013	2012
Unrestricted Revenues:		
Contributions	$ 1,787,197	$ 1,362,975
Fundraising revenue	359,197	362,316
Hospital and community services fees	497,093	451,915
Contributed drugs, supplies, and services	747,270	296,431
Sundry (loss) income	(19,286)	(76,445)
Foreign exchange (loss) gain, net	14,890	4,294
Investment income (loss)	1,254,158	262,610
Other	38,454	8,990
	4,678,973	2,673,086
Net unrealized gain (loss) in fair value of investments	632,572	1,186,379
Net assets released from restrictions (Note 11)	2,714,218	2,545,058
Total unrestricted revenues	8,025,763	6,404,523
Expenses:		
Operational expenses:		
Hospital operations (Note 13)	3,738,137	3,440,105
Integrated Community Services	1,286,877	1,325,202
Physical plant	661,539	708,497
Depreciation (Note 8)	291,649	301,435
Total operational expenses	5,978,202	5,775,239
Administrative expenses:		
Hospital and programs administration	314,119	381,607
Foundation administration and fundraising	1,035,553	652,767
Pension expense (Note 10)	66,255	52,109
Total administrative expenses	1,415,927	1,086,483
Total expenses (Note 13)	7,394,129	6,861,722
Excess (Deficiency) of Unrestricted Revenues Over Expenses	$ 631,634	$ (457,199)

See accompanying notes to financial statements.

THE GRANT FOUNDATION
D/B/A HÔPITAL ALBERT SCHWEITZER HAITI

STATEMENTS OF CHANGES IN NET ASSETS

YEARS ENDED DECEMBER 31, 2013 AND 2012

		2013		2012
Unrestricted Net Assets:				
Beginning of year	$	13,625,962	$	14,083,161
Change in unrestricted net assets		631,634		(457,199)
Balance at end of year	$	14,257,596	$	13,625,962
Temporarily Restricted Net Assets:				
Beginning of year	$	1,597,296	$	1,719,086
Contributions during the year		2,424,177		2,423,268
Net assets released from restrictions		(2,714,218)		(2,545,058)
Change in restricted net assets		(290,041)		(121,790)
Balance at end of year (Note 11)	$	1,307,255	$	1,597,296
Total Net Assets:				
Beginning of year	$	15,223,258	$	15,802,247
Change in net assets		341,593		(578,989)
Balance at end of year	$	15,564,851	$	15,223,258

See accompanying notes to financial statements.

THE GRANT FOUNDATION
D/B/A HÔPITAL ALBERT SCHWEITZER HAITI

STATEMENTS OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2013 AND 2012

	2013	2012
Cash Flows From Operating Activities:		
Change in net assets	$ 341,593	$ (578,989)
Adjustments to reconcile change in unrestricted net assets to net cash provided by (used in) operating activities:		
Net unrealized (increase) decrease in fair value of investments	(632,572)	(1,186,379)
Net realized (gain) loss on sale of investments	(1,095,509)	(93,444)
Depreciation (Note 8)	291,649	301,434
Change in:		
Accounts receivable	6,435	(6,985)
Grants receivable	3,014	120,377
Inventories	(222,435)	(373,267)
Security deposit	(27,445)	-
Advances to suppliers and prepaid expenses	24,077	52,670
Accounts payable and accrued expenses	(503,341)	303,450
Accrued pension liability - current	20,000	-
Gift annuity liability	(2,849)	(2,876)
Accrued pension liability	(9,000)	-
Net cash provided by (used in) operating activities	(1,806,383)	(1,464,009)
Cash Flows From Investing Activities:		
Additions to land, buildings, construction in progress, and equipment (Note 8)	(287,184)	(104,015)
(Purchase) sales of investments, net	1,740,713	1,233,973
Net cash provided by (used in) investing activities	1,453,529	1,129,958
Net Increase (Decrease) in Cash and Cash Equivalents	(352,854)	(334,051)
Cash and Cash Equivalents:		
Beginning of year	1,496,831	1,830,882
End of year (Note 3)	$ 1,143,977	$ 1,496,831

See accompanying notes to financial statements.

1. ORGANIZATION

The Grant Foundation, doing business as Hôpital Albert Schweitzer Haiti (HAS), is a not-for-profit corporation, registered in the State of Pennsylvania, USA, which supports and maintains operations in Deschapelles, Haiti. In le Moniteur (the Official Publication of the Government of Haiti) of October 1, 1953, reference is made to a contract between the Haitian Government and HAS, whereby the Haitian Government authorized HAS to establish and maintain a hospital in Haiti.

HAS was founded in 1956 and its mission is to collaborate with the people in the Artibonite Valley District of Haiti, as they strive to improve their health and quality of life. The financial statements include the operations of HAS USA and the operations of HAS Haiti.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) on the accrual basis of accounting, recognizing revenues when earned and recording expenses when incurred. Net assets, revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of HAS and changes therein are reported as follows:

Unrestricted Net Assets

Net assets that are not subject to donor-imposed stipulations. Certain unrestricted net assets are designated by the Board of Directors (Board) for specific purposes.

Temporarily Restricted Net Assets

Net assets whose use is limited by donor-imposed stipulations that either expire with the passage of time or can be fulfilled and removed by actions of HAS pursuant to those stipulations.

When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, restricted net assets are reclassified as unrestricted net assets and reported in the statements of unrestricted revenues and expenses as net assets released from restriction.

(b) Cash and Cash Equivalents

For purposes of the statements of cash flows, HAS considers all highly liquid investments with original maturity of three months or less when purchased to be cash equivalents.

(c) Investments

Investments are stated at fair value, which is based on quoted market prices. Gains or losses realized on sales are included in the determination of revenue in the year in which they occur. Net unrealized gains or losses are presented in the statements of unrestricted revenues and expenses.

HAS utilizes various investment instruments. Investment securities are stated at fair value and, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near-term and that such changes could materially affect the amounts reported in the financial statements.

Earnings on the investment of temporarily restricted net assets are reflected within the unrestricted net asset class; as such, these investment earnings are not determined to be themselves temporarily restricted.

(d) Accounts Receivable

Receivables are reported at net realizable value. Uncollectible accounts are expensed annually using the direct write-off method.

(e) Inventories

Inventories are valued at the lower of average cost and net realizable value. Pharmaceutical and medical supplies are expensed per usage reports or earlier when their dates of expiry are reached.

(f) Contributions

All contributions are available for unrestricted use unless the use is restricted by the donor. Unrestricted contributions are recorded as revenue upon receipt. When contributions are received for a restricted use, they are recorded as temporarily restricted contributions. When used for the intended purposes or time period, those contributions are recorded as net assets released from restrictions.

Unconditional promises to give cash and other assets to HAS are recorded at fair value at the date the promise is received. Promises expected to be collected in future years are recorded as temporarily restricted net assets, at the present value of their estimated future cash flows. The discounts on those amounts are computed using appropriate interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue.

Non-cash contributions, such as drugs, supplies, and services, are recorded as unrestricted revenue when received, at their estimated fair market value to the organization. Contributed medical services are recorded as revenue and expensed at the time the services are received.

(g) Grants

HAS maintains contractual agreements with international donors whereby it manages programs funded by those donors. Grants received under those programs are recorded as temporarily restricted net assets until related expenses are incurred; at that time, they are recorded as net assets released from restrictions.

Grants receivable represent expenses already incurred for which funds will be forthcoming under the terms of the agreements and grants promised.

(h) Accounting Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(i) Concentration of Credit Risk

HAS's financial instruments exposed to credit risk consist primarily of cash and investments and of grants and accounts receivable. When valuing those instruments, HAS routinely assesses the financial strength of the financial institutions it uses and the quality of its receivables, and as a consequence, believes that its cash and cash equivalents, grants, and accounts receivable, credit risk exposure is very limited.

(j) Income Taxes

HAS is a not-for-profit corporation as described in Section 501(c)(3) of the United States Internal Revenue Code and is exempt from federal income taxes on related income pursuant to Section 509(a)(1) of the Internal Revenue Code. Accordingly, no provision for federal or state income taxes is necessary. HAS is also exempt from sales and income taxes. Further, HAS annually files a Form 990 and a Form 990T. The forms filed are subject to examination by the IRS generally for three years after they are filed.

(k) Fixed Assets

Land, building, and equipment are recorded at cost or, if donated, at fair market value at date of receipt. The cost of buildings and equipment is depreciated over the estimated useful lives of the various classes using the straight-line method, as follows:

	Years
Buildings	20
Vehicles	4
Equipment	4, 5, and 10
Computer equipment	5
Generators	5

Depreciation methods and useful lives are reviewed at each financial year-end and adjusted if appropriate.

Major costs for improvements and reconditioning are capitalized and costs for maintenance and repairs are charged directly to expenses.

Gains or losses realized on disposals of buildings and equipment are recognized in the statements of unrestricted revenue and expenses.

(l) Hospital and Dispensary Fees

HAS charges a fee to all clinic patients and in-patients for treatment, if they are able to pay, and only amounts collected are reflected in the financial statements. A moderate charge is made for any elective surgeries which may be performed for a patient and for several other services performed for out-district patients.

(m) Defined Benefit Pension Plan

The defined benefit pension plan was closed as of December 31, 2006 and, as of the beginning of 2007, HAS was committed to pay a retirement pension to pensioners as of that date. The pension plan provides defined pension benefits based upon years of credited services and final average earnings. From 2007 to 2012, expenses recorded were equivalent to amounts paid to pensioners during the year, and the liability was determined based upon an estimate from management; this was not in accordance with GAAP in the United States of America. In 2013, an actuarial valuation was obtained to support the accrued pension liability as of December 31, 2013, and the actuarial loss for the year then ended. They are presented in accordance with GAAP as of December 31, 2013.

The initial net transition obligation has been amortized over the expected future lifetime of the plan participants at the date established using 4.90 years and a straight-line amortization method. Cumulative gains and losses in excess of 10% of the Projected Benefit Obligation have been amortized over the expected future lifetime of the plan participants.

The pension plan does not maintain any assets; benefits are funded on a pay-as-you-go basis.

(n) Deferred Gift Annuities

Deferred gift annuities represent contributions invested per a contractual agreement that provides for a reimbursement of the investment, plus interest, over a predetermined period of time, in accordance with restrictions imposed by the donor.

These types of investments provide some tax relief to the donors, while at the same time providing funding to HAS.

(o) Foreign Exchange Risk

HAS is exposed to the effects of fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows.

The table below summarizes the allocation of HAS's financial assets and liabilities carried in Haitian gourdes converted to US Dollars below as of December 31, 2013 and 2012:

	2013	2012
Cash and cash equivalents	$ 107,949	$ 260,660
Accounts and grants receivable	33,605	31,019
Total assets	141,554	291,679
Accounts payable and accrued liabilities	31,964	57,325
Net	$ 109,590	$ 234,354

The rates of exchange published by the Central Bank of Haiti as of December 31, 2013 and 2012, respectively, were G 43.8820 and G 42.5530 for one US Dollar. As of December 31, 2013 and 2012, for each variation of one Gourde versus the US Dollar, the currency position in Haitian Gourdes converted would result in an exchange gain or loss of $2,497 and $5,507, respectively, as the case may be.

(p) Operational Risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the hospital's processes, personnel, technology, and infrastructure, and from external factors other than credit, foreign exchange, and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behavior. Operational risk arises from all of the hospital's operations.

The hospital's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the hospital's reputation with overall cost effectiveness.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management. This responsibility is supported by the development of overall standards for the management of operational risk in the following areas:

- Requirements for appropriate segregation of duties, including the independent authorization of transactions
- Requirements for the reconciliation and monitoring of transactions
- Compliance with regulatory and other legal requirements
- Documentation of controls and procedures

- Requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified
- Development of contingency plans
- Training and professional development
- Ethical and business standards
- Risk mitigation, including insurance where this is effective

(q) Subsequent Events

Subsequent events have been evaluated through the Independent Auditor's Report date, which is the date the financial statements were available to be issued.

(r) Reclassification

Certain reclassifications have been made to Note 13 to conform to the current year's presentation.

3. Cash and Cash Equivalents

As of December 31, cash and cash equivalents are as follows:

	2013	2012
Cash on hand	$ 13,789	$ 21,583
Non-interest bearing accounts	907,914	551,890
Interest bearing accounts	222,274	923,358
	$ 1,143,977	$ 1,496,831

Interest-bearing accounts in Haiti represent overnight deposits, which bear interest at 0.5% in US dollars as of December 31, 2012. There were no interest-bearing accounts in Haiti in 2013. Interest-bearing accounts in the United States of America represent bank accounts and money market accounts which earn interest at the prevailing rate.

Cash and cash equivalents in gourdes and US Dollars are as follows:

	2013	2012
In Haitian Gourdes (as converted to US Dollars)	$ 107,949	$ 260,660
In US Dollars	1,036,028	1,236,171
	$ 1,143,977	$ 1,496,831

HAS's United States bank account balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000 for the years ended December 31, 2013 and 2012. At December 31, 2013 and 2012, HAS had bank balances of $136,485 and $241,591, respectively, in excess of FDIC insured limits.

4. Accounts Receivable

As of December 31, accounts receivable are as follows:

	2013	2012
Other	$ 94,838	$ 101,273

All receivables are expected to be collected within one year.

5. Grants Receivable

As of December 31, 2013 and 2012, HAS had grants receivables of $27,000 and $30,014, respectively. Receivables are expected to be collected in one year.

6. Inventories

As of December 31, inventories are as follows:

	2013	2012
Pharmaceutical and medical supplies	$ 1,349,126	$ 1,105,100
Parts, supplies, and materials	229,207	267,637
Fuel, gas, and oil	50,285	33,446
	$ 1,628,618	$ 1,406,183

7. INVESTMENTS

Investments consist of cash investments, money market funds, stocks, mutual funds, and other instruments. The fair market value of the investments as of December 31, 2013 and 2012 is $10,954,521 and $10,967,153, respectively.

The total returns on investments and cash equivalents for the years ended December 31, 2013 and 2012 are summarized as follows:

	2013 Unrestricted	2012 Unrestricted
Interest on cash and cash equivalents	$ 19	$ 1,255
Interest/dividend income	197,964	201,072
Total interest and dividends	197,983	202,327
Realized gains (losses) on sale of investments	1,092,596	93,444
Investment advisor fees	(36,421)	(33,161)
Total investment income (loss)	1,254,158	262,610
Unrealized gains (losses)	632,572	1,186,379
Total investment gain (loss) recognized	$ 1,886,730	$ 1,448,989

Fair values of assets measured on a recurring basis as of December 31, 2013 and 2012 are as follows:

Description	12/31/13	Fair Value Measurements at Reporting Date Using Quoted Prices in Active Markets for Identical Assets (Level 1)	Other Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash investments:				
Money market funds	$ 554,931	$ 554,931	$ -	$ -
Equities - domestic	7,581,845	7,581,845	-	-
Equities - international	341,008	341,008	-	-
Equities - emerging markets	674,099	674,099	-	-
Fixed income - bond funds	1,201,675	1,201,675	-	-
Fixed income - other	191,562	191,562	-	-
Alternative investments - Strategy Fund	354,976	-	354,976	-
Alternative investments - Private Equity	54,425	-	-	54,425
Totals	$ 10,954,521	$ 10,545,120	$ 354,976	$ 54,425

Description	12/31/12	Fair Value Measurements at Reporting Date Using Quoted Prices in Active Markets for Identical Assets (Level 1)	Other Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash investments:				
Money market funds	$ 636,147	$ 636,147	$ -	$ -
Equities - domestic	7,191,034	7,191,034	-	-
Equities - international	325,537	325,537	-	-
Equities - emerging markets	806,868	806,868	-	-
Fixed income - bond funds	1,633,703	1,633,703	-	-
Fixed income - other	-	-	-	-
Alternative investments - Strategy Fund	310,814	-	310,814	-
Alternative investments - Private Equity	63,050	-	-	63,050
Totals	$ 10,967,153	$ 10,593,289	$ 310,814	$ 63,050

Fair values for Level 1 financial instruments are determined by quoted prices in the active market for identical financial instruments. Fair values for Level 2 financial instruments are determined by other significant observable inputs (quoted prices for similar financial instruments, interest rates, prepayment speeds, credit risk, etc.). Fair values for Level 3 financial instruments are determined by significant unobservable inputs, including HAS's own assumptions in determining the fair value of financial instruments.

Return Objectives and Risk Parameters

To satisfy its long-term rate-of-return objectives, HAS relies on returns in excess of the rate of inflation. HAS targets a diversified asset allocation that places greater emphasis on equity based investments to achieve its long-term return objectives within prudent risk constraints.

8. Fixed Assets

Fixed assets at cost are stated as follows at December 31, 2013 and 2012:

	Balance as of December 31, 2012	Additions	Transfers	Disposals	Balance as of December 31, 2013
Land	$ 183,295	$ -	$ -	$ -	$ 183,295
Buildings	5,581,296	-	-	-	5,581,296
Vehicles	1,075,561	55,986	75,007	(213,393)	993,161
Equipment	1,450,383	85,105	-	-	1,535,488
Computer equipment	342,403	-	-	-	342,403
Generators	322,043	8,429	-	-	330,472
Investments in progress	83,455	137,664	(75,007)	-	146,112
Total fixed assets	$ 9,038,436	$ 287,184	$ -	$ (213,393)	$ 9,112,227

	Balance as of December 31, 2011	Additions	Transfers	Disposals	Balance as of December 31, 2012
Land	$ 183,295	$ -	$ -	$ -	$ 183,295
Buildings	5,581,296	-	-	-	5,581,296
Vehicles	1,063,561	12,000	-	-	1,075,561
Equipment	1,441,823	8,560	-	-	1,450,383
Computer equipment	342,403	-	-	-	342,403
Generators	735,385	-	-	(413,342)	322,043
Investments in progress	-	83,455	-	-	83,455
Total fixed assets	$ 9,347,763	$ 104,015	$ -	$ (413,342)	$ 9,038,436

During 2013 and 2012, accumulated depreciation is as follows:

Accumulated Depreciation	Balance as of December 31, 2012	Additions	Disposals	Balance as of December 31, 2013
Buildings	$ 4,164,246	$ 162,702	$ -	$ 4,326,948
Vehicles	997,360	58,867	(213,393)	842,834
Equipment	1,386,913	35,114	-	1,422,027
Computer equipment	334,376	2,692	-	337,068
Generators	217,664	32,274	-	249,938
Total accumulated depreciation	$ 7,100,559	$ 291,649	$ (213,393)	$ 7,178,815

Accumulated Depreciation	Balance as of December 31, 2011	Additions	Disposals	Balance as of December 31, 2012
Buildings	$ 4,003,439	$ 160,807	$ -	$ 4,164,246
Vehicles	944,066	53,294	-	997,360
Equipment	1,342,832	44,081	-	1,386,913
Computer equipment	326,003	8,373	-	334,376
Generators	596,127	34,879	(413,342)	217,664
Total accumulated depreciation	$ 7,212,467	$ 301,434	$ (413,342)	$ 7,100,559

9. Accounts Payable and Accrued Expenses

	2013	2012
HASUC (a)	$ 49,262	$ 59,255
Trade payables	98,567	467,992
Salaries and related taxes payable	-	23,923
Other (b)	-	100,000
	$ 147,829	$ 651,170

(a) The Hôpital Albert Schweitzer Credit Union (HASUC) receives deposits from its members to whom it makes loans. The balance deposited with HAS represents the net outstanding deposits, including interest earned.

(b) This amount represents the total amount due to Global Fund as of December 31, 2012. The payment was made on February 8, 2013.

10. Pension Plans

Defined Benefit Pension Plan

Management recorded a liability of $100,000 in 2002 relating to an estimate of the future payments, which could be payable under the plan for past services rendered. As of December 31, 2012, an actuarial valuation was not performed, as no reliable actuarial data was known to be available and, therefore, the 2012 expenses have not been calculated according to GAAP. In 2013, the plan was subjected to an actuarial valuation. To establish the provision at year-end, the actuaries used the following components:

- Mortality tables: sex-distinct RP-2000 set forward 15 years with mortality improvement projected to 2020 using scale AA
- Discount rate of 3.4%
- Weighting for benefit payments of 13/24
- Average future life expectancy of 4.90
- Average age of 76.5

During 2013 and 2012, the change in the accrued pension liability was as follows:

	2013	2012
Provision at the beginning of the year	$ 100,000	$ 100,000
Benefits paid from the plan	(21,927)	(31,625)
Actuarial loss	32,927	31,625
Provision at the end of the year	$ 111,000	$ 100,000
Current portion	$ 20,000	$ -
Non-current portion	91,000	100,000
	$ 111,000	$ 100,000

In 2013 and 2012, payments to pensioners under the defined benefit pension plan totaled $21,927 and $31,625, respectively. An additional pension expense of $11,000 was also incurred in 2013.

Defined Contribution Plan

In 2000, HAS established a qualified contribution plan and a tax-deferred annuity plan covering its employees in the United States. Those plans are administered by Teachers

Insurance and Annuity Association – College Retirement Equities Fund (TIAA CREF) as a single plan. The plan qualifies under Code Section 403(b) of the Internal Revenue Code. Under this plan, HAS contributes 4% of a full-time employee's compensation to a trust and, in addition, will match an employee's contribution to the plan up to an additional 4% of compensation. Total employer contributions under the plan were $33,328 and $20,484 in 2013 and 2012, respectively.

11. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets as of December 31 were comprised of the following:

	2013	2012
Agricultural Services	$ -	$ 32,347
Hospital Services	753,580	817,689
Infrastructure	10,000	18,364
Other	181,493	318,106
Primary Health Services	250,123	334,970
Water/Sanitation Services	112,059	75,820
	$ 1,307,255	$ 1,597,296

For the year ended December 31, 2013, net assets of $2,714,218 were released from donor restrictions by incurring expenses satisfying the restricted purpose. For the year ended December 31, 2012, net assets of $2,545,058 were released from donor restrictions by incurring expenses satisfying the restricted purpose.

12. LEASE

HAS leases its office space in the United States. The expenses relating to this lease for the years ended December 31, 2013 and 2012 were $34,284 and $25,964, respectively. Future minimum non-cancelable lease payments are anticipated to be as follows:

2014	$ 34,146
2015	34,146
2016	34,146
2017	34,146
Thereafter	5,691
	$ 142,275

13. EXPENSES

For 2013 and 2012, expenses by nature are as follows:

	2013					
	Haiti Program Services			Institutional Support		
	Hospital	Community Health	Community Development	Administration	Fundraising	Total
Salaries, benefits, and taxes	$ 2,648,011	$ 574,936	$ 124,344	$ 98,372	$ 358,637	$ 3,804,300
Supplies and pharmaceuticals	1,237,196	237,062	92,167	4,124	22,677	1,593,226
Professional services	152,820	14,399	8,352	18,230	252,878	446,679
Depreciation	288,489	-	-	3,160	-	291,649
Training and education	699	41,137	19,849	-	1,289	62,974
Transportation and travel	161,049	54,003	75,200	46,563	39,132	375,947
Plant maintenance and electrical power generation	456,634	2,127	96	-	-	458,857
Others	95,662	11,205	32,000	80,008	141,622	360,497
	$ 5,040,560	$ 934,869	$ 352,008	$ 250,457	$ 816,235	$ 7,394,129

	2012					
	Haiti Program Services			Institutional Support		
	Hospital	Community Health	Community Development	Administration	Fundraising	Total
Salaries, benefits, and taxes	$ 2,524,109	$ 627,553	$ 120,875	$ 94,607	$ 161,396	$ 3,528,540
Supplies and pharmaceuticals	1,140,470	310,213	78,420	4,697	19,625	1,553,425
Professional services	108,732	132	4,002	20,666	204,886	338,418
Depreciation	298,532	-	-	2,903	-	301,435
Training and education	1,766	3,931	12,681	-	195	18,573
Transportation and travel	175,408	41,719	41,662	8,194	18,582	285,565
Plant maintenance and electrical power generation	534,082	20,914	30,880			585,876
Others	85,056	219	32,001	58,575	74,039	249,890
	$ 4,868,155	$ 1,004,681	$ 320,521	$ 189,642	$ 478,723	$ 6,861,722

Fundraising expenses increased in 2013 as HAS rebranded the Organization.

Hospital operations of $5,040,560 and $4,868,155 for 2013 and 2012, respectively, represent the major component of total expenses. They consist of salaries of physicians, nurses, nurses' aides, nurse assistants, clinical technicians in pharmacy, laboratory, radiology, finance, front desk, clerical, housekeeping, and other general support personnel; in addition, they also included all medical costs such as pharmaceuticals, medical supplies and equipment, and information technology and communications expenses.

14. Geographic Distributions

As of December 31, assets are distributed as follows:

	United States		Haiti		Total	
	2013	2012	2013	2012	2013	2012
ASSETS:						
Cash and banks	$ 761,628	$ 810,608	$ 382,349	$ 686,223	$ 1,143,977	$ 1,496,831
Accounts receivable	598	911	20,396	38,364	20,994	39,275
Grants receivable	27,000	30,014	-	-	27,000	30,014
Contributions receivable	73,844	61,998	-	-	73,844	61,998
Inventories	-	-	1,628,618	1,406,183	1,628,618	1,406,183
Security deposits	2,845	-	24,600	-	27,445	-
Advances and prepaids	15,264	7,144	-	32,197	15,264	39,341
Investments	10,954,521	10,967,153	-	-	10,954,521	10,967,153
Land, buildings, and equipment, net	8,585	9,229	1,924,827	1,928,648	1,933,412	1,937,877
Total	$ 11,844,285	$ 11,887,057	$ 3,980,790	$ 4,091,615	$ 15,825,075	$ 15,978,672
	75%	74%	25%	26%	100%	100%

	United States		Haiti		Total	
	2013	2012	2013	2012	2013	2012
UNRESTRICTED REVENUES:						
Contributions	$ 2,146,394	$ 1,725,291	$ -	$ -	$ 2,146,394	$ 1,725,291
Sundry income and sales	-	-	(19,286)	(76,445)	(19,286)	(76,445)
Investment income	1,254,158	262,610	-	-	1,254,158	262,610
Net unrealized (decline) increase in fair value of investments	632,572	1,186,379	-	-	632,572	1,186,379
Net assets released from restrictions	2,169,573	1,947,173	544,645	597,885	2,714,218	2,545,058
Other	38,454	8,990	1,259,253	752,640	1,297,707	761,630
Total	$ 6,241,151	$ 5,130,443	$ 1,784,612	$ 1,274,080	$ 8,025,763	$ 6,404,523
	76%	76%	24%	24%	100%	100%

The revenue percentages above do not include the change in the fair value of investments.

15. SUNDRY LOSS

For 2013 and 2012, sundry loss is as follows:

	2013	2012
Overhead revenues collected	$ 125,069	$ 109,938
Cost of drugs - pharmacy sales	(205,122)	(271,437)
Housing income (a)	47,051	43,325
Others	13,716	41,729
	$ (19,286)	$ (76,445)

(a) Housing income represents hosting fees paid by visitors to the hospital.

16. CONTINGENT LIABILITIES

As per the 1953 agreement with the Haitian Government, HAS has the option at its discretion to remit the hospital and its equipment to the Haitian Government or to a private organization duly approved by the Haitian Government. Management of HAS does not believe it will exercise that option in the foreseeable future.

17. RELATED PARTY TRANSACTION

The wife of a member of the Board of Directors (Board) of HAS is on the Board of Buendner Partnerschaft Hôpital Albert Schweitzer Haiti (BPHASH). BPHASH, a non-profit organization, contributed a total of $760,175 and $723,013 in 2013 and 2012, respectively, for the support of HAS. This non-profit expands awareness of the need for health services in Haiti.

A board member of HAS also serves on the Board of Friends of Hôpital Albert Schweitzer. Friends of Hôpital Albert Schweitzer, a non-profit organization, contributed $154,517 and $315,934 in 2013 and 2012, respectively, to HAS. This non-profit expands awareness of the need for health services in Haiti.

A board member of HAS also serves on the Board of the Canadian Friends of Hôpital Albert Schweitzer. Canadian Friends of Hôpital Albert Schweitzer, a non-profit organization, contributed $100,000 and $102,795 in 2013 and 2012, respectively to HAS. This non-profit expands awareness of the need for health services in Haiti.

Significant donations are made to HAS by its board members.

Other Information

THE GRANT FOUNDATION
D/B/A HÔPITAL ALBERT SCHWEITZER HAITI

SCHEDULE OF EXPENSES

YEAR ENDED DECEMBER 31, 2013

	Earthquake	Unrestricted	Restricted	Total
Expenses:				
Operational expenses:				
Hospital operations	$ 119,935	$ 3,527,865	$ 90,337	$ 3,738,137
Community health operations	-	485,304	449,565	934,869
Physical plant and other	-	661,539	-	661,539
Depreciation	-	291,649	-	291,649
Community development	-	347,265	4,743	352,008
Total operational expenses	119,935	5,313,622	544,645	5,978,202
Administrative expenses:				
Hospital and programs administration	-	1,349,672	-	1,349,672
Pension expense	-	66,255	-	66,255
Total administrative expenses	-	1,415,927	-	1,415,927
Total expenses	$ 119,935	$ 6,729,549	$ 544,645	$ 7,394,129

See accompanying note to schedule of expenses.

THE GRANT FOUNDATION
D/B/A HÔPITAL ALBERT SCHWEITZER HAITI

NOTE TO SCHEDULE OF EXPENSES

YEAR ENDED DECEMBER 31, 2013

1. SCHEDULE OF EXPENSES

On January 12, 2010, a tragic earthquake destroyed much of Haiti's capital city of Port-au-Prince, including most of its hospitals. HAS was one of the few surgical hospitals available to treat earthquake victims within hours of the tragedy. HAS received an outpouring of contributions for earthquake relief and these funds were used in 2011, and to a lesser extent in 2012 and 2013, to pay for large demands from earthquake victims and displaced persons for hospital and community services, including prosthetics and rehabilitation services. The schedule of expenses allocates the 2013 expenses between earthquake and non-earthquake activities.