

CURAMERICAS GLOBAL, INC.
RALEIGH, NORTH CAROLINA

INDEPENDENT AUDITOR'S REPORT
FINANCIAL STATEMENTS
AND
SUPPLEMENTARY INFORMATION

Year ended September 30, 2013

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Curamericas Global, Inc.
Raleigh, North Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of Curamericas Global, Inc. (a nonprofit organization), which comprise the statement of financial position as of September 30, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Curamericas Global, Inc. as of September 30, 2013, 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.

Other Matters

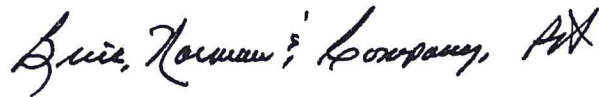
Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 28, 2014, on our consideration of Curamericas Global, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Curamericas Global, Inc.'s internal control over financial reporting and compliance.

Information for the year ended September 30, 2012 is presented for comparative purposes only and was extracted from the financial statements presented by net asset class for that year, on which an unqualified opinion dated February 24, 2013 was expressed.



Buie, Norman & Company, P.A.
Certified Public Accountants
Fayetteville, North Carolina

February 28, 2014

CURAMERICAS GLOBAL, INC.
STATEMENT OF FINANCIAL POSITION
September 30, 2013
(With comparative totals at September 30, 2012)

	2013	2012
<u>ASSETS</u>		
Current assets:		
Cash	\$ 344,247	\$ 325,397
Accounts receivable	40,405	8,124
Field advances	-	215,994
Prepaid expenses	354	350
Total current assets	385,006	549,865
Property and equipment:		
Furniture and equipment	50,692	53,901
	50,692	53,901
Less: accumulated depreciation	44,418	44,822
Net property and equipment	6,274	9,079
Investments, at fair value	63,129	48,349
Total assets	\$ 454,409	\$ 607,293
 <u>LIABILITIES AND NET ASSETS</u>		
Current liabilities:		
Accounts payable	\$ 80,898	\$ 81,042
Accrued wages and benefits	3,529	14,770
Unearned revenue	220,183	430,330
Current maturities of long-term debt	-	18,380
Total current liabilities	304,610	544,522
Net assets:		
Unrestricted	72,295	(23,008)
Temporarily restricted	49,547	57,822
Permanently restricted	27,957	27,957
Total net assets	149,799	62,771
Total liabilities and net assets	\$ 454,409	\$ 607,293

The accompanying notes to the financial statements are an integral part of this statement.

CURAMERICAS GLOBAL, INC.
STATEMENT OF ACTIVITIES
Year ended September 30, 2013
(With comparative totals for the Year ended September 30, 2012)

	2013			Total	2012 Total
	Unrestricted	Temporarily restricted	Permanently restricted		
<u>SUPPORT AND REVENUE</u>					
Donations	\$ 489,655	\$ 101,443	\$ -	591,098	\$ 629,421
Federal grants	888,725	-	-	888,725	841,522
Ronald McDonald grant	244,620	-	-	244,620	120,147
Grants	84,872	-	-	84,872	
Service fees	843	-	-	843	9,620
Services and materials	121,692	-	-	121,692	189,245
Other revenue	6,865	-	-	6,865	
Net assets released from restrictions	109,718	(109,718)	-	-	-
Total support and revenue	1,946,990	(8,275)	-	1,938,715	1,789,955
<u>EXPENSES</u>					
Program services	1,495,877	-	-	1,495,877	1,291,911
Supporting services:					
Management and general	337,111	-	-	337,111	410,985
Fundraising	24,257	-	-	24,257	24,663
Total expenses	1,857,245	-	-	1,857,245	1,727,559
Change in net assets before other revenue and expenses	89,745	(8,275)	-	81,470	62,396
Other revenue and expenses:					
Interest and dividends	15	-	-	15	655
Market value gain (loss)	5,543	-	-	5,543	7,027
Total other revenue and expenses	5,558	-	-	5,558	7,682
Change in net assets	95,303	(8,275)	-	87,028	70,078
Net assets:					
Beginning of year	(23,008)	57,822	27,957	62,771	(7,307)
End of year	\$ 72,295	\$ 49,547	\$ 27,957	\$ 149,799	\$ 62,771

The accompanying notes to the financial statements are an integral part of this statement.

CURAMERICAS GLOBAL, INC.
STATEMENT OF FUNCTIONAL EXPENSES
Year ended September 30, 2013
(With comparative totals for the Year ended September 30, 2012)

	Program Services	Supporting Services		Total Expenses	
		Management and General Services	Fundraising	2013	2012
Bank and payroll fees	\$ -	\$ 4,727	\$ -	\$ 4,727	\$ 4,962
Contract labor	88,142	36,459	-	124,601	106,301
Depreciation	-	2,805	-	2,805	3,569
Donated services and supplies	109,693	-	-	109,693	180,245
Dues and memberships	-	12,470	-	12,470	-
Employee benefits - field	30,852	-	-	30,852	34,704
Grant and fund development	-	-	901	901	2,704
Insurance	377	1,832	-	2,209	3,089
Interest	-	280	-	280	2,259
Lease	-	5,946	-	5,946	4,366
Licenses	-	-	-	-	1,859
Office	-	5,111	-	5,111	6,073
Office - Liberia	-	-	-	-	83,319
USAID repayment	-	-	-	-	63,919
Other payroll costs	-	-	-	-	24,721
Overseas program costs	604,883	-	-	604,883	210,549
Payroll taxes and fees	33,242	33,439	4,169	70,850	81,579
Postage and printing	5,073	2,536	2,537	10,146	4,627
Professional fees	5,200	8,500	-	13,700	7,750
Accounting outsourcing	-	52,424	-	52,424	48,950
Recruitment	-	-	-	-	2,889
Rent	12,945	12,000	-	24,945	21,885
Repairs	-	4,487	-	4,487	5,305
Repairs - field	16,630	-	-	16,630	22,488
Retirement	4,942	4,984	634	10,560	7,994
Telephone and technology	5,700	9,224	-	14,924	14,820
Training	-	6,919	-	6,919	14,581
Travel	86,923	2,082	-	89,005	70,129
Utilities	-	2,428	-	2,428	2,284
Work team	9,583	-	-	9,583	82,170
Wages - field	353,990	-	-	353,990	343,532
Wages	127,702	128,458	16,016	272,176	263,937
	<u>\$ 1,495,877</u>	<u>\$ 337,111</u>	<u>\$ 24,257</u>	<u>\$ 1,857,245</u>	<u>\$ 1,727,559</u>

The accompanying notes to the financial statements are an integral part of this statement.

CURAMERICAS GLOBAL, INC.
STATEMENT OF CASH FLOWS
Year ended September 30, 2013
(With comparative totals for the Year ended September 30, 2012)

	<u>2013</u>	<u>2012</u>
Cash flows from operating activities:		
Changes in net assets	\$ 87,028	\$ 70,078
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Unrealized (gain) loss on investments	(5,543)	(7,027)
Depreciation	2,805	3,569
(Increase) decrease in:		
Accounts receivable	(32,281)	(6,871)
Field advances	215,994	(215,994)
Prepaid expenses	(4)	905
Increase (decrease) in:		
Accounts payable	(144)	62,234
Accrued wages and benefits	(11,241)	7,795
Deferred revenue	<u>(210,147)</u>	<u>186,294</u>
Net cash provided by operating activities	<u>46,467</u>	<u>100,983</u>
Cash flows from investing activities:		
Purchase of investments	<u>(9,237)</u>	<u>(661)</u>
Net cash (used in) investing activities	<u>(9,237)</u>	<u>(661)</u>
Cash flows from financing activities:		
Principal payments on line of credit	<u>(18,380)</u>	<u>(30,114)</u>
Net cash (used in) financing activities	<u>(18,380)</u>	<u>(30,114)</u>
Net increase in cash	18,850	70,208
Cash:		
Beginning of year	<u>325,397</u>	<u>255,189</u>
End of year	<u>\$ 344,247</u>	<u>\$ 325,397</u>

The accompanying notes to the financial statements are an integral part of this statement.

CURAMERICAS GLOBAL, INC.
NOTES TO FINANCIAL STATEMENTS
September 30, 2013

NOTE 1 – ORGANIZATIONAL STRUCTURE AND PURPOSE

Curamericas Global, Inc. (the Organization) is a not-for-profit corporation that partners with underserved communities to make measurable and sustainable improvements in their health and well-being.

A portion of the Organization's activities is conducted through South American, Latin American, Haitian and Liberian not-for-profit institutions. These institutions are legally separate entities working cooperatively to promote health programs. For financial reporting purposes, these institutions are considered to be subrecipients of federal funds. The financial statements of these institutions are not combined with Curamericas Global, Inc.'s financial statements.

During the years ended September 30, 2013 and 2012 Curamericas Global, Inc. has taken financial control of certain of its projects. These projects are combined with Curamericas Global, Inc.'s financial statements.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of Curamericas Global, Inc. is presented to assist in understanding its financial statements. The financial statements and notes are representations of Curamericas Global, Inc.'s management who is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Basis of Accounting

Curamericas Global, Inc.'s financial statements are prepared on the accrual basis of accounting, recognizing revenues when earned and expenses when incurred. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires within the reporting period in which the support is recognized. All other 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, temporarily restricted net assets are reclassified to unrestricted net assets.

Property and Equipment

Property and equipment are stated at historical cost at the date of acquisition. Donated assets are recorded at fair market value at the date of donation. Depreciation is computed using the straight line method over the estimated useful life of the asset. Repairs and maintenance are expensed as incurred and betterments and improvements are capitalized. Management has elected to expense property and equipment forwarded to foreign locations rather than to capitalize and depreciate these assets over their estimated useful lives. Since it is unlikely that these assets could be economically returned for other uses, their costs are reflected as a part of the program expenditures in the year incurred.

Accounts Receivable and Allowance for Doubtful Accounts

Curamericas Global, Inc. considers accounts receivable to be fully collectible at September 30, 2013; therefore, no allowance for doubtful accounts is required.

Investments

The Organization carries investments in marketable securities at their determinable fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying statement of activities.

CURAMERICAS GLOBAL, INC.
NOTES TO FINANCIAL STATEMENTS
September 30, 2013

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash

Curamericas Global, Inc. presents its cash flow statements using the indirect method. For purposes of cash flow presentation, the Organization considers demand deposits with financial institutions to be cash.

Income Taxes

Curamericas Global, Inc. files Form 990, *Return of Organization Exempt from Income Tax*. The Organization is exempt from federal income tax under §501(c)(3) of the Internal Revenue Code (IRC). Therefore, no provision for income taxes is made in the accompanying financial statements. In addition, the Internal Revenue Service has determined that Curamericas Global, Inc. is not a "private foundation" within the meaning of §509(a) of the IRC. There was no unrelated business income during the fiscal year.

On October 1, 2009, the Organization adopted the recognition requirements for uncertain income tax positions as required by generally accepted accounting principles, with no cumulative effect adjustment required. Income tax benefits are recognized for income tax positions taken or expected to be taken in a tax return, only when it is determined that the income tax position will more-likely-than-not be sustained upon examination by taxing authorities. The Organization has analyzed tax positions taken for filing with the Internal Revenue Service and all state jurisdictions where it operates. The Organization believes that income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse affect on the Organization's financial condition, results of operations or cash flows. Accordingly, the Organization has not recorded any reserves, or related accruals for interest and penalties for income tax positions at September 30, 2013.

The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Organization believes it is no longer subject to income tax examinations for years prior to 2009.

The Organization's policy is to classify income tax related interest and penalties in interest expense and other expenses, respectively.

Estimates

The presentation 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 accounts of assets and liabilities and disclosure of contingent 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.

Functional Allocation

Curamericas Global, Inc. allocates its expenses on a functional basis among its various programs and support services. Expenses that can be identified with a specific program and support service are allocated directly according to their natural expenditure classification. Other expenses that are common to several functions are allocated by various statistical bases.

CURAMERICAS GLOBAL, INC.
NOTES TO FINANCIAL STATEMENTS
September 30, 2013

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Statement Presentation

The Organization employs *Financial Statements of Not-for-Profit Organizations*. Under *Financial Statements of Not-for-Profit Organizations*, the Organization reports information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted net assets. In addition, the Organization presents a statement of cash flows. Temporarily restricted net assets at September 30, 2013 and 2012 were \$49,547 and \$57,822, respectively. Permanently restricted net assets at September 30, 2013 and 2012 were \$27,957 and \$27,957 respectively.

Contributions

Curamericas Global, Inc. also employs *Accounting for Contributions Received and Contributions Made*. In accordance with *Accounting for Contributions Received and Contributions Made*, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions. During the year ended September 30, 2013, donors contributed \$101,443 temporarily restricted for specific use in overseas locations, for support of work teams in these locations and for local purposes.

NOTE 3 – CREDIT CONCENTRATION

Curamericas Global, Inc. is required by *Disclosure of Information about Financial Instruments with Off-Balance-Sheet Risk and Financial Instruments with Concentrations of Credit Risk*, to disclose significant concentrations of credit risk regardless of the degree of risk. The Organization maintains bank deposits in two banks located in Raleigh, North Carolina. Accounts are secured by the Federal Deposit Insurance Corporation up to \$250,000 as of September 30, 2013. At September 30, 2013, bank deposits totaled \$4,127 in one bank and \$335,563 in the second bank. Of those amounts, \$85,563 was uninsured.

NOTE 4 – INVESTMENTS

Investments consist of money market and mutual funds. They are stated at estimated fair value at September 30, 2013.

	Fair Value	Cost basis
Cash	\$ 1,693	\$ 1,693
Equity security	10,027	7,211
Money market funds	3,993	3,991
Vanguard funds	47,329	38,055
Putnam Growth	87	169
Total	\$ 63,129	\$ 51,119

CURAMERICAS GLOBAL, INC.
NOTES TO FINANCIAL STATEMENTS
September 30, 2013

NOTE 5 – FAIR VALUE MEASUREMENTS

Fair value is defined as the price that Curamericas Global, Inc. would receive upon selling an asset or paid to transfer a liability at the reporting date. Fair value standards established a three-tier hierarchy to maximize the use of observable market data and minimize the use of unobservable inputs, and to establish classification of fair value measurements for disclosure purposes. Inputs refer broadly to the assumptions that market participants would use in pricing an asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing an asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are those that reflect the reporting entity's own assumptions about the factors market participants would use in pricing the asset or liability developed based on the best information available.

The three-tier hierarchy of inputs is summarized in the three broad levels listed below:

- Level 1 - Valuations based on quoted prices in active markets for identical assets or liabilities;
- Level 2 - Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly, and fair value is determined through the use of other valuation methodologies;
- Level 3 - Valuations based on inputs that are not observable and significant to the overall fair value measurement, including the Organization's own assumptions in determining the fair value of assets or liabilities.

The level in the fair value hierarchy within which a fair value measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety. As of September 30, 2013, Curamericas Global Inc.'s assets measured the fair value on a recurring basis were all classified as Level 1 investments.

NOTE 6 – LONG-TERM DEBT

Long-term debt at September 30, 2013 and 2012, consisted of the following:

	2013	2012
Branch Bank & Trust:	\$ -	\$ 18,380
\$100,000 line of credit payable in monthly installments of \$2,650 at 4.75%. Secured by personal guarantees with balance due on April 19, 2013.		
	-	18,380
Less: current maturities	-	18,380
Total long-term debt:	\$ -	\$ -

CURAMERICAS GLOBAL, INC.
NOTES TO FINANCIAL STATEMENTS
September 30, 2013

NOTE 7 – RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purposes at September 30, 2013:

South America, Latin America,
Haiti and Liberia

Permanently restricted net assets consist of endowment fund assets to be held indefinitely. Based on the donor's instructions, Curamericas Global, Inc.'s Directors have discretion in the use of all income earned from endowment assets.

The composition of permanently restricted net assets and changes in net assets as of June 30, 2013 are as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Balance at October 1, 2012	\$ 19,223	\$ -	\$ 27,957	\$ 47,180
Investment income	4,142	-	-	4,142
Balance at September 30, 2013	<u>\$ 23,365</u>	<u>\$ -</u>	<u>\$ 27,957</u>	<u>\$ 51,322</u>

NOTE 8 – IN-KIND CONTRIBUTIONS

Donated services consist of building rent, labor, supplies and specialized services by medical personnel. These services would ordinarily be purchased by the Organization. They are recorded at the fair value of the good and service on the date of donation. Goods donated consist of medical supplies for use in Curamericas Global, Inc.'s programs. They are recorded at the fair value of the item on the date of donation. The value of the donated goods and services during the year ended September 30, 2013 was \$109,693. This amount is reflected as revenue within the services and materials income and expense as donated services and supplies in the accompanying financial statements.

NOTE 9 – LEASE COMMITMENTS

The Organization leases certain equipment and office space for its operations. Total lease and rental payments for the years ended September 30, 2013 and 2012 totaled \$30,891 and \$26,251. Rent of \$12,000 during the year is paid to a current Board of Director and is determined to be fair market value. Rent for office space in an overseas location is \$1,875 per month. Assuming that Curamericas Global, Inc. maintains its current lease arrangements, minimum lease payments for the next five years will be as follows:

<u>Year ending September 30,</u>	
2014	\$ 40,446
2015	40,446
2016	40,446
2017	40,446
2018	40,446
	<u>\$ 202,230</u>

CURAMERICAS GLOBAL, INC.
NOTES TO FINANCIAL STATEMENTS
September 30, 2013

NOTE 10 – GRANTS

Curamericas Global, Inc. participates in various grant programs to support the Organization's mission. Grant receipts during the fiscal years 2013 and 2012 were as follows:

<u>Grant Program</u>	<u>2013</u>	<u>2012</u>
Department of Health and Human Services:	\$ 231,212	\$ 378,034
Managed Care Preventive HIV Services for Haitian Women		
US Agency for International Development (US AID):	290,559	187,116
Child Survival and Health Grants Program in Liberia		
Ronald McDonald House Charities:	244,620	120,147
Support of Nehnwaa Child Survival Project		
US AID	366,954	276,372
Child Survival and Health Grants Program in Guatemala		
Other Grants		
Various Organizations	84,872	-
	<u>\$ 1,218,217</u>	<u>\$ 961,669</u>

NOTE 11 – RETIREMENT BENEFIT PLAN

Curamericas Global, Inc. maintains a profit sharing pension plan. The plan invites exempt employees to participate and contribute to a 401(k) fund that is administered by a third party. Curamericas Global, Inc. matches employee contributions up to a maximum of 4% of gross salary. Employer contributions for 2013 and 2012 were \$10,560 and \$7,994, respectively.

NOTE 12 – COMPENSATED ABSENCES

Employees must be full-time, permanent employees to accrue leave. Accrued leave available at September 30, 2013 and 2012 was \$3,529 and \$14,770, respectively, and is included in accrued wages and benefits in the current liabilities section of the statement of financial position.

NOTE 13 - SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

Cash paid for interest amounted to \$280 and \$2,259 during the years ended September 30, 2013 and 2012, respectively.

CURAMERICAS GLOBAL, INC.
NOTES TO FINANCIAL STATEMENTS
September 30, 2013

NOTE 14 - ECONOMIC DEPENDENCY

The Organization received proceeds from federal grants and from significant individual donations. Any significant change in funding from these entities could result in a material change in the Organization's operations.

NOTE 15 - CONTINGENCIES

The Organization has received proceeds from federal and state grants. These grants require the fulfillment of certain conditions as set forth in the instrument of the grant. Failure to fulfill the conditions could result in the refund of grant monies to the grantor agencies. Although that is a possibility, the Organization deems the contingency remote, since by accepting the grants and their terms, it has accommodated the objectives of the Organization to the provisions of the grant.

As of September 30, 2013 the Organization has a payable due to a federal agency of \$43,919 due to a computation error in prior years.

NOTE 16 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through February 28, 2014, which is the date the financial statements were available to be issued.

CURAMERICAS GLOBAL, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year ended September 30, 2013

<u>Federal Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Federal Expenditures</u>
<u>Federal Awards:</u>		
Department of Health and Human Services: Managed Care Preventive HIV Services for Haitian Women	93.067	\$ 231,212
US Agency for International Development: Child Survival and Health Grants Program in Liberia	98.001	290,559
US Agency for International Development: Child Survival and Health Grants Program in Guatemala	98.001	366,954
Total Federal expenditures		<u>\$ 888,725</u>



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Board of Directors
Curamericas Global, Inc.
Raleigh, North Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Curamericas Global, Inc. (a nonprofit organization), which comprise the statement of financial position as of September 30, 2013, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated February 28, 2014.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Curamericas Global, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Curamericas Global, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Curamericas Global, Inc.'s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

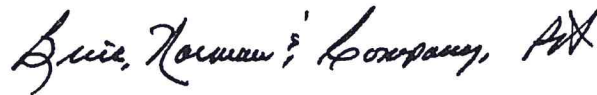
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Curamericas Global, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Buie, Norman & Company, P.A.
Certified Public Accountants
Fayetteville, North Carolina

February 28, 2014



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY
OMB CIRCULAR A-133**

To the Board of Directors
Curamericas Global, Inc.
Raleigh, North Carolina

Report on Compliance for Each Major Federal Program

We have audited Curamericas Global, Inc.'s compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Curamericas Global, Inc.'s major federal programs for the year ended September 30, 2013. Curamericas Global, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Curamericas Global, Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Curamericas Global, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Curamericas Global, Inc.'s compliance.

Opinion on Each Major Federal Program

In our opinion, Curamericas Global, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2013.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and

questioned costs as items 2012-1. Our opinion on each major federal program is not modified with respect to these matters.

Curamericas Global, Inc.'s response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Curamericas Global, Inc.'s response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

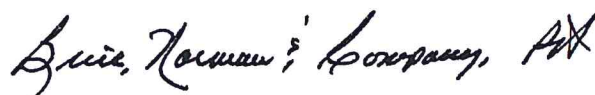
Report on Internal Control Over Compliance

Management of Curamericas Global, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Curamericas Global, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Curamericas Global, Inc.'s internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



Buie, Norman & Company, P.A.
Certified Public Accountants
Fayetteville, North Carolina

February 28, 2014

CURAMERICAS GLOBAL, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year ended September 30, 2013

SECTION 1 - SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditor's report issued: Unqualified.

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified not considered to be material weaknesses? Yes None reported

Noncompliance materials to financial statements noted? Yes No

Internal control over major programs:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified not considered to be material weaknesses? Yes None reported

Type of auditor's report issued on compliance for major programs: Unqualified.

Any audit findings disclosed that are required to be reported in accordance with section 501(a) of OMB Circular A-133? Yes No

Identification of major program(s):

CFDA Number(s)	Title	Grant
98.001	U.S. Agency for Int'l Development: Child Survival and Health Grants Program	\$657,513

The threshold used to distinguish between Type A and Type B programs was \$300,000.

Auditee qualified as low-risk auditee? Yes No

CURAMERICAS GLOBAL, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year ended September 30, 2013

SECTION 2 – FINANCIAL STATEMENT FINDINGS

No reportable findings.

SECTION 3 – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

93.067: U.S. Dept of Health & Human Services: Managed Care Preventive HIV Services for Haitian Woman

98.001: US Agency for International Development (US AID): Child Survival and Health Grants Program in Liberia & Guatemala

Finding 2012-1: Reporting Requirements – Submission of Single Audit package to Federal Audit Clearinghouse [Sec 320(a); 2011 Compliance Supplement, Appendix VII]

Condition:	The Organization has not consistently and timely submitted the Single Audit reporting package and data collection form to the Federal Audit Clearinghouse.
Questioned Costs:	None.
Context:	All Single Audits of organizations that receive over \$500,000 of Federal assistance within one fiscal year must submit the audit's reporting package and data collection form to the Federal Audit Clearinghouse.
Effect:	Failure to timely submit the required audit information to the Federal Audit Clearinghouse does not meet the Organization's reporting obligations when receiving Federal assistance over \$500,000 within one fiscal year and could expose the Organization to compliance risk for current and future Federal grants/assistance.
Cause:	Process to submit required information to Federal Audit Clearinghouse was not established.
Recommendation:	The Organization's audit reporting package and data collection form should be submitted to the Federal Audit Clearinghouse within the established deadline. Submission should be executed by an Organization employee or their designee.
Organization input:	Curamericas Global, Inc. agrees with the finding and will establish a procedure to submit the required documentation for future audits to the Federal Audit Clearinghouse within the prescribed deadline. Curamericas Global, Inc. will contact the Clearinghouse to submit all previous reporting packages and data collection forms that have not been submitted.