

**SOLAR COOKERS  
INTERNATIONAL, INC.**

Independent Accountant's  
Review Report and Financial Statements

Year Ended June 30, 2014

**SOLAR COOKERS INTERNATIONAL, INC.  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

TABLE OF CONTENTS

	<u>PAGE(S)</u>
Independent Accountant's Review Report .....	1
FINANCIAL STATEMENTS:	
Statement of Financial Position .....	2
Statement of Activities .....	3
Statement of Functional Expenses .....	4
Statement of Cash Flows .....	5
Notes to Financial Statements .....	6-8



To the Board of Directors of  
Solar Cookers International, Inc.  
Sacramento, CA

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

We have reviewed the accompanying statement of financial position of Solar Cookers International, Inc. (a nonprofit organization) as of June 30, 2014, and the related statements of activities, functional expenses, and cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Organization management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

*Fritzsche Associates, Inc.*

Certified Public Accountant  
Sacramento, California  
August 8, 2014

**SOLAR COOKERS INTERNATIONAL, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2014**

**Assets**

Current assets:

Cash and equivalents	\$	207,376
Certificate of deposit		25,100
Accounts receivable		491
Unconditional promise to give		500
Inventory		5,610
Prepaid expenses		35,454
		274,531
Total current assets		274,531

Property and equipment, at cost less accumulated depreciation of \$12,800		1,792
Cash reserved for long-term purposes		35,000
		36,792
Total assets	\$	311,323

**Liabilities and Net Assets**

Current liabilities:

Accounts payable	\$	3,062
Accrued expenses		18,932
		22,000
Total current liabilities		22,000

Net assets:

Unrestricted:		
Undesignated		165,452
Board designated		90,000
		255,452
Total unrestricted		255,452
Temporarily restricted		8,877
Permanently restricted		25,000
		33,877
Total net assets		289,329
Total liabilities and net assets	\$	311,323

The accompanying notes are an integral part of these financial statements.

**SOLAR COOKERS INTERNATIONAL, INC.**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2014**

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>Support &amp; Revenue:</b>				
Contributions	\$ 382,177	\$ 4,383	\$ -	\$ 386,560
Grants & contracts	68,784	-	-	68,784
Sales of cookits & materials	31,334	-	-	31,334
Interest & dividends	220	-	-	220
Net assets released from restrictions	<u>28,350</u>	<u>(28,350)</u>	<u>-</u>	<u>-</u>
<b>Total support &amp; revenue</b>	<u>510,865</u>	<u>(23,967)</u>	<u>-</u>	<u>486,898</u>
<b>Expenses:</b>				
Program services	<u>265,510</u>	<u>-</u>	<u>-</u>	<u>265,510</u>
<b>Total program services</b>	<u>265,510</u>	<u>-</u>	<u>-</u>	<u>265,510</u>
<b>Supporting Services:</b>				
Fund development	74,616	-	-	74,616
General & administrative	<u>64,675</u>	<u>-</u>	<u>-</u>	<u>64,675</u>
<b>Total supporting services</b>	<u>139,291</u>	<u>-</u>	<u>-</u>	<u>139,291</u>
<b>Total expenses</b>	<u>404,801</u>	<u>-</u>	<u>-</u>	<u>404,801</u>
<b>Change in net assets</b>	106,064	(23,967)	-	82,097
Net assets, beginning of year	<u>149,388</u>	<u>32,844</u>	<u>25,000</u>	<u>207,232</u>
Net assets, end of year	<u>\$ 255,452</u>	<u>\$ 8,877</u>	<u>\$ 25,000</u>	<u>\$ 289,329</u>

The accompanying notes are an integral part of these financial statements.

**SOLAR COOKERS INTERNATIONAL, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2014**

	Program Services	Fund Development	General & Administrative	Total
Salaries & wages	\$ 87,435	\$ 36,654	\$ 25,701	\$ 149,790
Payroll taxes	7,108	2,980	2,089	12,177
Employee benefits	1,266	531	372	2,169
Accounting & audit fees	-	-	17,539	17,539
Advertising & promotion	289	27	54	370
Bank & payroll charges	-	-	7,760	7,760
Cookits & other materials	23,079	-	-	23,079
Depreciation	614	-	-	614
Dues & subscriptions	2,692	1,336	336	4,364
Grants to organizations	89,161	-	-	89,161
Insurance	1,634	111	467	2,212
Miscellaneous	1,568	1,217	208	2,993
Office expenses	-	-	1,008	1,008
Outreach	11,990	244	244	12,478
Postage & shipping	4,933	3,166	690	8,789
Printing & copying	5,316	14,540	316	20,172
Professional fees	5,198	7,911	4,059	17,168
Rent	9,198	1,314	2,628	13,140
Supplies	5,387	1,245	402	7,034
Telephone, fax & email	2,512	356	712	3,580
Travel & meetings	6,130	2,984	90	9,204
Total expenses	<u>\$ 265,510</u>	<u>\$ 74,616</u>	<u>\$ 64,675</u>	<u>\$ 404,801</u>

The accompanying notes are an integral part of these financial statements.

**SOLAR COOKERS INTERNATIONAL, INC.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2014**

Cash flows from operating activities:

Change in net assets	\$	82,097
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation		614
Increase in certificates of deposit		(50)
Increase in accounts receivable		(491)
Decrease in promises to give		24,500
Decrease in inventory		4,598
Increase in prepaid expenses		(33,312)
Increase in cash reserved for long-term purposes		(10,000)
Decrease in accounts payable		(3,177)
Increase in accrued expenses		8,218
Net cash provided by operating activities		<u>72,997</u>
 Net increase in cash		 72,997
Cash and equivalents, June 30, 2013		<u>134,379</u>
Cash and equivalents, June 30, 2014	\$	<u><u>207,376</u></u>

The accompanying notes are an integral part of these financial statements.

**SOLAR COOKERS INTERNATIONAL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2014**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Nature of Organization

Solar Cookers International, Inc. (SCI) is a nonprofit organization whose primary purpose is to promote solar thermal cooking to help people and environments worldwide. SCI strives to alleviate widespread suffering resulting from fuel scarcity, waterborne diseases, and environmental deterioration occurring worldwide.

Basis of Presentation

The financial statements of SCI have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Net assets are classified based on the existence of absence of donor-imposed restrictions. Accordingly, SCI classifies its net assets and changes in net assets as follows:

**Unrestricted net assets** – Net assets that are not subject to donor-imposed restrictions or the restrictions have expired.

**Temporarily restricted net assets** – Net assets that are subject to donor-imposed restrictions that may or will be met either by actions of SCI and/or the passage of time.

**Permanently restricted net assets** – Net assets to be held in perpetuity as directed by donors. The income from the contributions is available to support activities as designated by donors.

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on assets and liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor restriction or by law.

Use of Estimates

In preparing financial statements in conformity with generally accepted accounting principles in the United States of America, management is required to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates under different assumptions or conditions.

Inventory

Inventories consist of solar cookers and educational materials which are sold to the public and are stated at the lower of cost or market, with cost determined by the first-in first-out method.

**SOLAR COOKERS INTERNATIONAL, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2014**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Fixed Assets

Acquisitions of furniture and equipment of \$500 or more are capitalized. Furniture and equipment are stated at cost if purchased or fair value if donated.

Income Tax Status

SCI is exempt from income taxes under Internal Revenue Code (IRC) Section 501(c)(3) and related California code sections. SCI is considered a public charity and has been classified as an organization that is not a private foundation under IRC Section 170(b)(1)(A)(vi).

Management of SCI has evaluated the tax positions and related income tax contingencies. Management does not believe that any material uncertain tax positions exist. With few exceptions, SCI are no longer subject to income tax examinations by federal authorities for years before 2009 and state authorities for years before 2008.

Functional Expenses

The costs of providing the program and supporting services have been summarized on a functional basis in the statement of activities and the statement of functional expenses. Accordingly, certain costs have been allocated among the program and supporting services based on estimates of employees' time and on the usage of resources.

Cash and Equivalents

Cash and equivalents consist of cash on hand and highly liquid investments with original or remaining maturities of three months or less as of the statement of financial position date.

**NOTE B – FIXED ASSETS**

Fixed assets consisted of the following as of June 30, 2014:

Furniture and equipment	\$ 14,592
Less: accumulated depreciation	<u>(12,800)</u>
Total fixed assets	<u>\$ 1,792</u>

Depreciation expense was \$614 for the year ended June 30, 2014.

**SOLAR COOKERS INTERNATIONAL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2014**

**NOTE C – RESTRICTED AND DESIGNATED NET ASSETS**

Temporarily restricted net assets consist of unspent earnings on permanently restricted funds and prepaid contributions for the Global conference and totaled \$8,877 at June 30, 2014.

Permanently restricted net assets consist of assets to be held indefinitely and totaled \$25,000 at June 30, 2014. The income from the assets can be used to support SCI's general activities in Latin America.

The Board of Directors designated \$10,000 of unrestricted net assets to start the Solar Cooker's International Endowment Fund and \$80,000 of unrestricted net assets for operational expenses during the year ended June 30, 2014.

**NOTE D – DONATED SERVICES**

SCI received donated services from a variety of unpaid volunteers assisting in leadership, committees, fund-raising activities and program services. The value of this donated time is not reflected in the accompanying financial statements since it does not meet the criteria for recognition as a contribution.

**NOTE E – FAIR VALUE OF FINANCIAL INSTRUMENTS**

The fair values of substantially all reported assets and liabilities which represent financial instruments (none of which are held for trading purposes) approximate the carrying value of such amounts.

**NOTE F – SUBSEQUENT EVENTS**

Management of SCI has reviewed the results of operations for the period of time from its year end June 30, 2014 through August 8, 2014, the date the financial statements were available to be issued, and have determined that no adjustments are necessary to the amounts reported in the accompanying financial statements nor have any subsequent events occurred, the nature of which would require disclosure.