Over 10,000 Lives Have Been Changed

Hear how Nuru members lifted themselves out of extreme poverty. This video celebrates Nuru’s third year working in Kuria, Kenya. (2:26 length)

From the CEO, Jake Harriman:

Dear Friends,

2011 was an incredible year of progress for Nuru. Over the next few pages, I’d like to share some of the many highlights from the past year...

NURU INTERNATIONAL IS A SOCIAL VENTURE COMMITTED TO ENDING EXTREME POVERTY IN REMOTE, RURAL AREAS.

View all of Nuru’s videos at nuruinternational.org/videophoto
New Sustainability Programs

We launched two new programs that will enable us to build a fully functioning NGO that can staff, finance, manage and scale itself without dependence on external resources.

Leadership Program
Three of our local staff share about the Leadership Program in their own words:

Francis Magige
“Service Leadership”*

John Weisiko
“The Risks of Giving Feedback in Kenya”*

Paul Mwita Mogosi
“Challenges of Giving Assessment to Nuru Staff in Kenya”*

*Read the above blogs at NurulInternational.org/blog

Income Generating Activities Program
These businesses generate revenue to pay for Nuru’s programs:

Agribusiness
buying and selling maize grown by Nuru farmers

Dairy Cows
a sustainable and scalable local business

Commodities Sales
making health products available to the local market

Nuru Introduces MPAT in Africa

Our Monitoring and Evaluation (M&E) team is proud to be the first NGO in Africa to implement the Multidimensional Poverty Assessment Tool (MPAT), designed to measure the level of poverty in a community and the presence of an environment enabling families to lift themselves out of extreme poverty. The MPAT was developed by the International Fund for Agricultural Development (IFAD), a specialized agency of the United Nations, and Nuru worked with IFAD to implement this tool.

(1:50 length)
Program Expansion

Our programs scaled to new areas:

Agriculture and CED scaled to Ihore, Moheto & Ngochoni

Education scaled to Nyametaburo, Nyangiti, Nyabikaye, and Nyamaharaga

Nuru Fellows Program

We recruit top talent for our international staff through our new Fellows Program.

For a full recap of our 2011 growth and changes, I invite you to read my blog, Growing Up, found at NuruInternational.org/blog.

None of this would be possible without your selfless support. I want to give special recognition to two groups of donors by listing their names in this report. We are also thankful for the many donors who opened up their homes and offices and invited us to share Nuru with over 4,500 people through nearly 50 events.

Thank you for joining our vision to create a world where people living in extreme poverty have the choice to determine their future. We look forward to 2012.

Stay in the fight,

Jake Harriman
Founder and CEO
PROGRAM AREA UPDATES

LEADERSHIP

The Leadership Program aggressively scaled its work in Kuria, Kenya in 2011. We hired and trained six new facilitators using a “training of trainers” curriculum that was completely written and delivered by our local training team. This growth in our training staff enabled us to increase the number of trainings we deliver each week and expand our services to all levels of management within our Kuria project (approximately 120 people). Furthermore, we delivered additional trainings continuously throughout the year, even as senior training staff took time to write and pilot new curriculum for future training series. Meanwhile in the States, the Leadership Program developed a detailed start-up process of collaboration and co-design for local leaders in a new project. This work is in preparation for Nuru’s expansion to Ethiopia in 2012.

AGRICULTURE

The Agriculture Program grew immensely from 975 farmers taking loans during the 2011 long rains season to 2,783 farmers recruited for loans in 2012. Nuru farmers increased their maize yields significantly with the provision of farm input loans, extension services, and training by the Agriculture Program. To encourage loan repayment, which cumulatively reached 75.7% by year’s end, the Agriculture Program adopted continuous loan repayment, one loan season per year, and closer relationships with Kenya government officials. The Agribusiness Program, with aims of funding Nuru Kenya and benefiting farmers with market access, purchased and resold 279 metric tons of maize valued at $86,000. Agribusiness successfully executed a USAID / Market Linkages Initiative grant to construct and supply five additional village buying stations.

CED

The CED Program has grown in its capacity to train and provide financial services to farmers in extreme poverty. By the close of 2011, 1,534 savings club members were provided access to financial training, savings, and credit. The CED Program reached just under its goal of enrolling half of all Nuru’s farmers – reaching 49.3%. With nearly $16,000 in total group savings, 423 loans issued at combined value of over $45,000, and a repayment rate of 99.86%, the CED Program’s portfolio has nearly quadrupled in size while retaining the high quality of its services. This coming year will be a further test for the program as it reaches its next phase of growth and focus. The program will continue to refine its model and maximize its impact as it scales to new areas in conjunction with the Agriculture Program to reach 60% of Nuru’s farmers.

<table>
<thead>
<tr>
<th></th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
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<tr>
<td>CED New loans issued</td>
<td>$14,065</td>
<td>$8,100</td>
<td>$1,363</td>
<td>$12,942</td>
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<tr>
<td>Number of loans issued</td>
<td>52</td>
<td>34</td>
<td>68</td>
<td>254</td>
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<tr>
<td>Repayment Rate</td>
<td>93%</td>
<td>94.4%</td>
<td>95.34%</td>
<td>99.86%</td>
</tr>
</tbody>
</table>

WATER AND SANITATION

Nuru hosted a nationwide Low Cost Sanitation Workshop taught by the Centre for Affordable Water and Sanitation Technology (CAWST). All 21 members of the Water & Sanitation staff (including 7 women) learned the skills and tools to construct a low cost, safe, long-lasting latrine product that can be purchased by families in incremental steps as funds become available (i.e. buy the foundational lining and slab with profits from this harvest; buy the walls and roof with the profits from next harvest). The price point for complete model is $180; basic models priced at $50. Seven demonstration projects were built at Nuru maize buying stations to generate demand for Nuru latrine construction. Also, our team sold 100 handwashing stations and 80 safe water storage containers. Lastly, we oversaw the drilling of a deep well in Hekima that will serve 300-500 villagers. Hekima, an impoverished community, raised 80,000Ksh (approximately $1,000) in 20Ksh and 30Ksh increments from community members to pay for the hydrology report and permitting process. The community also sourced their own hydrologist and drilling subcontractor.
HEALTHCARE

2011 was a year of R&D for the Healthcare Program. In order to adequately set the stage for an action-filled year of progress in 2012, our focus was on increasing the effectiveness and efficiency of our Home Visit Strategy. To do so, we researched and prepared to create a participatory, behavior change focused base curriculum using the Rainer Arnhold Fellows design iteration flow (DIF) format. The DIF will gauge the program model’s ability to have impact and scale in a sustainable manner. We also engaged in an externship with Living Goods to gain a detailed understanding of operational elements that will lead us to improving healthcare in Kuria and beyond. We worked with the Monitoring & Evaluation (M&E) Team to develop our indicators of program success, household survey, and evaluation plan. We also launched the precursor to 2012’s Social Marketing Strategy with a distribution of the Healthy Behavior Calendar and helped to support the Kenyan Ministry of Health’s Malezi Bora maternal and child health campaigns. We trained Community Healthcare Workers (CHWs), village elders, Nuru farmer families, and several schools on topics such as malaria, diarrhea, pneumonia, immunization, newborn health and safe motherhood. To wrap up the year, we made a significant decision to tighten our CHW model framework, shifting from a large number of volunteer, part-time CHWs to a smaller yet quality-focused, full-time team of Nuru Field Officers.

EDUCATION

In 2011, Nuru’s Education Program focused on testing and implementing our outreach model. The team partnered with local public primary schools to establish a rotating schedule for Nuru outreach initiatives. After gaining approval and support from the Kenyan Ministry of Education, all schools and the community, Nuru implemented the outreach program in nine public primary schools. During outreach, Nuru facilitators conducted hour-long literacy intensive sessions with classes Standard 1–7, filling lulls in the school day. The team tested the Learning Center concept, offering drop-in programs focused on literacy development during school breaks to a daily average of 400 kids. The team also conducted the Uwezo literacy assessment and completed the literacy baseline in partnership with Nuru’s M&E Team. The Education Team continues to iterate on the model and is currently focused primarily on enhancing the literacy curriculum, increasing saturation of the program and preparing to scale to new sub-locations.

These 2011 numbers are estimates; starting in 2012, Nuru’s M&E Team will change the way we calculate them.

FINANCIALS / US PROFIT AND LOSS

PUBLIC SUPPORT AND REVENUES

<table>
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<tr>
<th>Description</th>
<th>Amount</th>
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<tr>
<td>Donations &amp; Grants</td>
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<td>Gifts in Kind</td>
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<td>Sales (Net of Cost of Sales of $1,074)</td>
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<td>Interest</td>
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<td><strong>Total Revenue</strong></td>
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EXPENSE SUMMARY

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<th>Description</th>
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<td>International Programs</td>
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<td>Awareness Programs</td>
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<td>Management and Administrative</td>
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<td><strong>Total Functional Expenses</strong></td>
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FUNCTIONAL EXPENSE BREAKDOWN

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<tr>
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<td>Contract Services</td>
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<td>Depreciation</td>
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<td>Equipment Rental and Maintenance</td>
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<td>Fundraising Expenses</td>
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<td>Legal Fees</td>
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<td>Other Expenses</td>
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<td>Payroll and Benefits</td>
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<td>Rent</td>
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<td>Supplies &amp; Printing</td>
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<td>Telecommunications</td>
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<td>Training and Development</td>
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<td>Travel and Meetings</td>
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<td><strong>Total Expenses</strong></td>
<td><strong>2,518,393</strong></td>
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CURRENT ASSETS

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<td>Prepaid Supplies</td>
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<td>Fixed Assets</td>
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<td>Long Term Grants Receivable and Deposits</td>
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<td><strong>Total Assets</strong></td>
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<td>Unrestricted</td>
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<td>Temporarily Restricted</td>
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<td><strong>Total Net Assets</strong></td>
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<td>Total Liabilities and Net Assets</td>
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<td>Change in Net Assets</td>
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<td>Beginning Net Assets</td>
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<td>Ending Net Assets</td>
<td>1,877,367</td>
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Prepared by Morris Chubb, U.S.-based accountant
*All Figures in U.S. Dollars
KENYA PROFIT AND LOSS

PUBLIC SUPPORT AND REVENUES
Donations & Grants ........................................... 788,603
Program Revenue ........................................... 254,821
Interest ..................................................... 12,333
Interest on Deposits ......................................... 2,273
Exchange Gains ............................................... 1,023
Total Revenue ............................................. 1,059,053

EXPENSE SUMMARY
Program Expenses
Healthcare Program ....................................... 20,615
Water & Sanitation .......................................... 37,457
Education Program ......................................... 20,265
Community Economic Dev ................................ 20,484
Agriculture Program ......................................... 359,771
IGA .................................................................... 2,792
Total Program Expenses ................................... 461,384
Management and Administrative ......................... 124,189
Total Functional Expenses ................................ 585,573

FUNCTIONAL EXPENSE BREAKDOWN
Bad Debt Allowance ......................................... 18,984
Books and Subscriptions ................................... 32
Community Development and Welfare ................. 2,709
Contract Services ............................................. 47,261
Cost of Goods from Program Revenues ............... 255,090
Facilities and Equipment ................................... 16,641
Foundation Team Expenses ............................... 303,504
Freight & Transportation of Goods ....................... 1,164
Insurance ..................................................... 231
Licences and Fees ............................................ 1,901
Payroll and Benefits ........................................ 112,690
Program Supplies ............................................ 620,087
Other Program Expenses ................................... 1,181
Supplies & Printing ........................................... 14,635
Telecommunications ......................................... 12,697
Travel .................................................................. 38,270
Total Expenses ................................................ 303,504

CURRENT ASSETS
Cash .................................................................. 150,193
Program Loans Receivable ................................ 17,450
Program Inventories .......................................... 303,504
Total Current Assets ......................................... 530,147

Net Assets
Unrestricted .................................................... 861,571
Total Net Assets .............................................. 861,571

Total Liabilities and Net Assets ............................ 895,395

Change in Net Assets ......................................... 473,480
Foreign Exchange Gain (Loss) on Net Assets ........ (22,167)
Beginning Net Assets ........................................ 410,314
Ending Net Assets ............................................ 861,571

DONOR RECOGNITION
Donors with Gifts $5000+
We recognize these donors for their contribution of $5000+ in 2011.

Anonymous (4) .................................................. Matthew Ocko
Alex and Polly Ryerson ...................................... Mulago Foundation
Alpine Management Services III, LLC .................... No Fluff Just Stuff Software Symposium
Charles Steitz ................................................... Series Tour
Christina and Doug Tudor .................................. One Day’s Wages
David and Heidi Welch Foundation ....................... Paul and Catalina Haaga
David and Joannie Fischer .................................. Paul and Heather Haaga
David and Kathy Carreon ................................... Peery Foundation
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Donald Kelley .................................................. Promod Haque
Don and Katie Faul ............................................ Rajeef Winfred
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GS Gives Annual Giving Fund: Joe Gleberman ...... Swartz Foundation
HEDCO Foundation .......................................... Sykses Family Foundation
Hoku Foundation .............................................. The Franklin and Catherine Johnson Foundation
HP U.S. Employee Product Giving Program ............ The Grace and Mercy Foundation, Inc
Jasmine Social Investments ................................. The Matthews Salazar Imagitas Foundation
Joe and Jill Lervold ............................................ The Wolford Family Fund
John and Melissa Hancox ................................... The Robertson Family Foundation
John and Wendy Cadeddu ................................... The Robertson Family Foundation
John Hurley ..................................................... Todd and Tanya Mace
John Rosekrans .............................................. Williams Family Advised Fund
Johnson Charitable Gift Fund ................................
Kate and Bill Duhamel .......................................
Kim Do .............................................................
Krishnan-Shah Family Foundation .......................
Margueritte Bassali ..........................................  
Marie Halley and Antoine Haddad ........................

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Monthly Donors

We thank these donors for their monthly gifts during 2011.

Aaron and Josalyn Mann
Aaron Hedman
Abby Hills
Adam and Juliana Riley
Adam Fleming
Aerie and Laura Changala
Alejandro Nunez
Alicia Levesque
Andew Dawn
Andres Rivera
Andres Vargas Lugo
Andrew Luker
Andrew Meredith
Andy and Jenn Cogar
Anna Siverd
Bart and Liz Peintner
Basil and Debbie Fthenakis
Becky Charlton
Ben and Lorrie Young
Ben Oakes
Ben Whitehair
Benjamin Kelm
Benjamin Parks and Lucy Jordan Parks
Bill and Jean Ghera
Billy and Jamie Williams
Bradley Prugh
Brandon Wong
Brendan and Kim Higgins
Brendan Bosch
Brett and Amanda Jo Huffman
Brian and Megan Shope
Brian Braat
Brian Von Kraus
Brook Changala
Bryan Kidd
Cameron and Sarah King
Cammy LoRe
Carmen Abreu
Caroline Barlier
Carter Chapman
Cevin and Colleen
Thornbrugh
Chad and Jenee Gremel
Charles Steitz
Charles Wanker
Charlie Williams
Chelsea Trotter
Cheri Dial
Chris and Kelly Lagioia
Chris Dalton
Christa Falk
Christopher and Caryn
Doggett
Christopher and Staci
Baker
Christopher Curran
Christopher Lang
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David Inman
David Klaus
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Dennis and Peg Donahue
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Dione Hickerson
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Swearingen
Doug and Nicole Scott
Douglas and Anne Wood
Drew and Ali Bray
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Eric and Sally Benson
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Geoff Blum
Giovanni Portogallo
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Jeremy Dailey
Jeremy Jaureguy
Jessie Wagner
Jim Eaton
Jim Ferron
JJ Ethridge
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Joe and Tiffany Conner
Joe Goodwin
Joey andBrittani
Swearingen
John and Ann Walz
John and Hannah Park
John and Melissa Hancox
John and Nancy Ortberg
John Jansen
Jonathan Steyn
Josephine Reese
Josh Lauman
Joy and Jared Goor
Katherine Charles
Keith Galloway
Kennedy Family
Kent and Sarah McBride
Kiersten Regelin
Kim Raymond
Kimberley Kates
Kirk and Allison Copen
Kristen Parrinello
Kurt Scherer and Family
Kylee Underwood
Larry and Linda Snyder
Lars Simonsen and Suzi
Oud
Lauren Faul
Leah Esmont
Leslie Morley
Lisa Hough
Lori Herrmann
Luzia Tedesco
Luke and Diane Harriman
Luke Semple
Lyn Few
Lynn Marmer
Mallory Minor
Marc and Amanda Hinkle
Mare Stewart
Margaret Hummelman
Margaret Nyweide
Margaret Robinson
Mariano Werner
Mark and Karen Blocher
Mark and Lauren Byrer
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Matt and Sarah Wilkerson
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Meghan Baird
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Patricia Olson
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Rainer Fe henbacher
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Richard Ferrari
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Robert Bourne
Robin Konrad
Rodney and Connie
Roberts
Ryan and Sarah Trommer
Ryan Middlemiss
Ryan Smither
Salie Smith
Scott and Danielle Taylor
Scott Lambert
Serguei Tiurine
Seth Wolcott
Shawn and Jennifer
Carolan
Sherri Meyer
Sienna Petree
Smart Choice Computer
Solutions
Stephen Ridenour
Steve and Liz Powell
Steve Rossi
Steven and Teresa
Sorenson
Stuart Godwin
Terri Stupar
Thomas and Allison
Stettner
Thomas and Joni Albrecht
Tibet Kaan Demirtas
Tim Hopewell
Tim Van Gorp
Timothy Whalen
Todd and Tanya Mace
Todd Katter
Tom and Andrea Kazarian
Tom and Ann Keefer
Tony and Diane Tarantini
Trent and Mary Margaret
Park
Trey Dunham
Troy and Stacy Tertany
Tyler Payne
Vanessa Vancour
Victor Cardenas and
Elizabeth Vaughan
Vivian Lu
Wes and Jenna Mace
Weston Sankey
Will Winfrey
Zack Arnold
Anonymous (6)
THANK YOU FOR AN INCREDIBLE 2011!

Kenyan Staff