

GIVE TO COLOMBIA, INC.
FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Give to Colombia, Inc.
Miami, Florida

We have audited the accompanying statements of financial position of Give to Colombia, Inc. ("the Organization") as of December 31, 2009 and 2008, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Give to Colombia, Inc. as of December 31, 2009 and 2008, 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.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The statements of functional expenses on pages four and five are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Pinchasik Strongin Muskat Stein & Company P.A.

March 10, 2010

GIVE TO COLOMBIA, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31,

| | <u>2009</u> | <u>2008</u> |
|--|-------------------|-------------------|
| ASSETS | | |
| Cash and cash equivalents (including \$255,984 and \$218,878 of restricted cash related to fiscal agency funds in 2009 and 2008, respectively) | \$ 737,122 | \$ 699,689 |
| Promises and grants receivable | 146,654 | 83,571 |
| Office equipment, net | <u>-</u> | <u>299</u> |
| Total assets | <u>\$ 883,776</u> | <u>\$ 783,559</u> |
| LIABILITIES AND NET ASSETS | | |
| LIABILITIES | | |
| Accounts payable and accrued expenses | \$ 234,466 | \$ 85,884 |
| Fiscal agency funds | <u>255,984</u> | <u>218,878</u> |
| Total liabilities | <u>490,450</u> | <u>304,762</u> |
| NET ASSETS | | |
| Unrestricted | 352,589 | 441,855 |
| Temporarily restricted | <u>40,737</u> | <u>36,942</u> |
| Total net assets | <u>393,326</u> | <u>478,797</u> |
| Total liabilities and net assets | <u>\$ 883,776</u> | <u>\$ 783,559</u> |

See accompanying notes to financial statements.

GIVE TO COLOMBIA, INC.

STATEMENTS OF ACTIVITIES AND CHANGE IN NET ASSETS

FOR THE YEARS ENDED DECEMBER 31,

| | 2009 | | | 2008 | | |
|---|-------------------|---------------------------|-------------------|-------------------|---------------------------|-------------------|
| | Unrestricted | Temporarily Restricted | Total | Unrestricted | Temporarily Restricted | Total |
| SUPPORT AND REVENUE | | | | | | |
| Contributions | \$ 995,295 | \$ 482,000 | \$ 1,477,295 | \$ 2,020,173 | \$ 663,059 | \$ 2,683,232 |
| Interest income | 517 | | 517 | 3,165 | | 3,165 |
| | <u>995,812</u> | | <u>1,477,812</u> | <u>2,023,338</u> | | <u>2,686,397</u> |
| Special events | 488,807 | | 488,807 | 436,864 | | 436,864 |
| Less: Direct costs | <u>(154,556)</u> | | <u>(154,556)</u> | <u>(271,793)</u> | | <u>(271,793)</u> |
| | <u>334,251</u> | | <u>334,251</u> | <u>165,071</u> | | <u>165,071</u> |
| Net assets released from temporary restrictions | 478,205 | (478,205) | - | 626,117 | (626,117) | - |
| Total support and revenue | <u>1,808,268</u> | <u>3,795</u> | <u>1,812,063</u> | <u>2,814,526</u> | <u>36,942</u> | <u>2,851,468</u> |
| EXPENSES | | | | | | |
| Program services | 1,595,571 | | 1,595,571 | 2,444,795 | | 2,444,795 |
| Fundraising | 188,893 | | 188,893 | 99,664 | | 99,664 |
| Management and general | <u>113,070</u> | | <u>113,070</u> | <u>145,184</u> | | <u>145,184</u> |
| Total expenses | <u>1,897,534</u> | <u>-</u> | <u>1,897,534</u> | <u>2,689,643</u> | <u>-</u> | <u>2,689,643</u> |
| CHANGE IN NET ASSETS | (89,266) | 3,795 | (85,471) | 124,883 | 36,942 | 161,825 |
| NET ASSETS - BEGINNING | <u>441,855</u> | <u>36,942</u> | <u>478,797</u> | <u>316,972</u> | <u>-</u> | <u>316,972</u> |
| NET ASSETS - ENDING | <u>\$ 352,589</u> | <u>\$ 40,737</u> | <u>\$ 393,326</u> | <u>\$ 441,855</u> | <u>\$ 36,942</u> | <u>\$ 478,797</u> |

See accompanying notes to financial statements.

GIVE TO COLOMBIA, INC.

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2009

| | <u>Program Services</u> | <u>Fundraising</u> | <u>Management and General</u> | <u>Total</u> |
|-------------------------------|-----------------------------|--------------------|---------------------------------------|---------------------|
| Accounting fees | | | \$ 18,101 | \$ 18,101 |
| Bank fees | | | 108 | 108 |
| Conference | | | 1,917 | 1,917 |
| Consulting fees | \$ 31,026 | \$ 372 | 23,970 | 55,368 |
| Depreciation | | | 299 | 299 |
| Grants to others | 1,522,806 | | | 1,522,806 |
| Independent contractor fees | 26,410 | 76,295 | 14,550 | 117,255 |
| Legal fees | | | 407 | 407 |
| Licenses and permits | | | 2,093 | 2,093 |
| Marketing | | 16,845 | 3,862 | 20,707 |
| Merchant account fees | | 6,112 | 916 | 7,028 |
| Office supplies | | | 16,594 | 16,594 |
| Postage and shipping | | 1,654 | 420 | 2,074 |
| Printing and publications | | 4,176 | 712 | 4,888 |
| Salaries and related expenses | 15,329 | 43,836 | 18,825 | 77,990 |
| Telephone and communications | | 393 | 3,377 | 3,770 |
| Travel and entertainment | | 39,210 | 6,919 | 46,129 |
| | <u>\$ 1,595,571</u> | <u>\$ 188,893</u> | <u>\$ 113,070</u> | <u>\$ 1,897,534</u> |

See accompanying notes to financial statements.

GIVE TO COLOMBIA, INC.

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2008

| | <u>Program Services</u> | <u>Fundraising</u> | <u>Management and General</u> | <u>Total</u> |
|-------------------------------|-----------------------------|--------------------|---------------------------------------|---------------------|
| Accounting fees | | | \$ 21,000 | \$ 21,000 |
| Bank fees | | | 263 | 263 |
| Conference | | | 1,189 | 1,189 |
| Consulting fees | \$ 24,134 | | 33,328 | 57,462 |
| Depreciation | | | 598 | 598 |
| Grants to others | 2,401,886 | | | 2,401,886 |
| Independent contractor fees | 12,293 | \$ 69,100 | 50,061 | 131,454 |
| Legal fees | | | 10,071 | 10,071 |
| Licenses and permits | | | 6,438 | 6,438 |
| Marketing | | 3,551 | 5,058 | 8,609 |
| Merchant account fees | | | 3,533 | 3,533 |
| Miscellaneous | | | 151 | 151 |
| Office supplies | | | 4,634 | 4,634 |
| Postage and shipping | | 1,373 | 676 | 2,049 |
| Printing and publications | | 5,154 | 329 | 5,483 |
| Salaries and related expenses | 6,482 | 9,723 | | 16,205 |
| Telephone and communications | | | 3,659 | 3,659 |
| Travel and entertainment | | 10,763 | 3,996 | 14,759 |
| Utilities | | | 200 | 200 |
| | <u>\$ 2,444,795</u> | <u>\$ 99,664</u> | <u>\$ 145,184</u> | <u>\$ 2,689,643</u> |

See accompanying notes to financial statements.

GIVE TO COLOMBIA, INC.

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31,

| | <u>2009</u> | <u>2008</u> |
|---|-------------------|-------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Change in net assets | \$ (85,471) | \$ 161,825 |
| Adjustments to reconcile change in net assets to net cash provided (used) by operating activities: | | |
| Depreciation | 299 | 598 |
| Non-cash donations | (101,272) | (94,488) |
| Non-cash expenses | 101,272 | 94,488 |
| Change in operating assets and liabilities: | | |
| Increase in promises and grants receivable | (63,083) | (83,571) |
| Increase in accounts payable and accrued expenses | 148,582 | 43,259 |
| Increase (decrease) in fiscal agency funds | <u>37,106</u> | <u>(151,845)</u> |
| NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES | <u>37,433</u> | <u>(29,734)</u> |
| NET INCREASE (DECREASE) IN CASH | 37,433 | (29,734) |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR | <u>699,689</u> | <u>729,423</u> |
| CASH AND CASH EQUIVALENTS AT END OF YEAR | <u>\$ 737,122</u> | <u>\$ 699,689</u> |

See accompanying notes to financial statements.

GIVE TO COLOMBIA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008

NOTE 1. - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Give to Colombia, Inc. (the "Organization"), a 501(c)(3) nonprofit, is a United States based corporation whose goal is to promote the development of civil society in Colombia by advising and providing project management, supervision and support to long-term sustainable social programs.

The Organization engages corporations, institutions, local and national government agencies and individuals in efforts to develop and mobilize support for cooperative responses to Colombia's social needs. Give to Colombia, Inc. is an umbrella organization that advises potential international donors on channeling resources, talents and technologies to Colombia.

The Organization's innovative model is based on the creation, promotion and facilitation of alliances/coalitions among the Colombian private, public and social sectors. The Organization's capacity to build strong and effective coalitions makes it a catalyst for high impact investment that is transforming philanthropy in Colombia.

Basis of Accounting

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

Income Taxes

As a nonprofit corporation under Internal Revenue Section 501(c)(3), the Organization is exempt from corporate income taxation on income related to its exempt function. Therefore, no provision for income taxes has been included in the accompanying financial statements.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of support, revenue and expenses during the reporting period. Actual results could differ from those estimates; however, management does not believe these differences would have a material effect on the financial statements.

GIVE TO COLOMBIA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008

NOTE 1. - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the statements of activities and change in net assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Cash and Cash Equivalents

Cash equivalents consist of highly liquid investments with an initial maturity of six months or less. As of December 31, 2009 and 2008, the Organization's cash in bank balances exceeded Federally-insured limits by approximately \$494,000 and \$458,000 respectively.

Financial Statement Presentation

Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions and are reported as follows:

Unrestricted – Includes net assets which have no external restrictions and which are available for support of current operations fulfilled by actions of the organization.

Temporarily Restricted – Includes net assets subject to donor-imposed restrictions that can be met either by actions of the Organization and/or the passage of time.

Permanently Restricted – Includes net assets whose use by the Organization is limited by donor-imposed stipulations that either expire with the passage of time or can be fulfilled or otherwise removed by actions of the Organization. The Organization had no permanently restricted net assets as of December 31, 2009 and 2008.

Office Equipment

Purchased assets are recorded at cost. Donated assets are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support.

Office equipment is depreciated using the straight-line method.

The Organization utilizes donated office space in Miami and Washington D.C. The value of the donated space is immaterial. Therefore, no related entry is recorded.

GIVE TO COLOMBIA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008

NOTE 1. - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Reclassifications

The Organization changed the classification of net assets in 2009 and 2008 to properly reflect the existence of temporarily restricted net assets not previously recognized.

Support and Revenue Recognition

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets. Contributions of donated non-cash assets are recorded at their fair values in the year received.

The Organization uses the allowance method to determine uncollectible promises and grants receivable. As of December 31, 2009 and 2008 all promises and grants receivable were deemed fully collectible. Consequently, no allowance was deemed necessary.

NOTE 2. - FAIR VALUES OF FINANCIAL INSTRUMENTS

The carrying amounts of cash and cash equivalents, promises and grants receivable, accounts payable and accrued expenses and fiscal agency funds approximate fair values due to the short-term maturities of these instruments.

NOTE 3. - FISCAL AGENCY FUNDS

During 2009 and 2008, the Organization co-sponsored the BeLive event with other United States based Internal Revenue Section 501(c)(3) organizations as well as Colombian nonprofit organizations in 2008. Each year these entities enter into an agreement to share the proceeds from the event. As of December 31, 2009 and 2008, the funds that have not yet been distributed to the other organizations are recorded as fiscal agency funds in the accompanying statements of financial position.

GIVE TO COLOMBIA, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2009 AND 2008

NOTE 4. - GRANT ALLOCATIONS

During 2009 and 2008, Give to Colombia, Inc. awarded grants to the following charitable organizations in Colombia as well as United States based Internal Revenue Section 501(c)(3) organizations:

| | 2009 | 2008 |
|---|--------------------|--------------------|
| Corporacion Conexion Colombia | \$ 210,344 | \$ 81,552 |
| Fundacion Mi Sangre | 150,000 | 24,141 |
| One Laptop Per Child Association | 105,000 | 548,770 |
| Actuar Famiempresas | 84,888 | 12,800 |
| Fundacion Feria Nacional de Ciencia y Tec | 74,940 | - |
| Formula Smiles | 60,303 | 132,524 |
| Ecoprogreso | 57,000 | - |
| Key for Colombia Corp | 51,315 | 11,635 |
| Fundacion Carvajal | 48,750 | 48,750 |
| United for Colombia | 39,928 | 48,375 |
| Fundacion Juan Felipe Gomez Escobar | 14,820 | 123,550 |
| Fundacion para el Progreso de Antioquia | - | 548,000 |
| Fundacion Mamonal | - | 300,451 |
| Others | 625,518 | 521,338 |
| | <u>\$1,522,806</u> | <u>\$2,401,886</u> |

NOTE 5. - COMMITMENTS

The organization has made contractual commitments to nonprofit consultants which total approximately \$27,000 for the twelve month period ended December 31, 2010.

NOTE 6. - OTHER ACHIEVEMENTS

As a result of the Organization's deep knowledge of Colombia's social sector and identification of Colombia's most innovative and high social impact projects and foundations, two board members of Give to Colombia, Inc. (Orlando Ayala and Angela Maria Tafur) participated in formal interviews and recommended the Empresas Publicas de Medellin Foundation ("EPM") in their nomination to the Bill and Melinda Gates Foundation's 2009 Access to Learning Award which successfully awarded one million dollar to the EPM Foundation. Angela Tafur directly provided advice to EPM in preparing the application for this grant.

NOTE 7. - SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through April 7, 2010, the date which the financial statements were available to be issued.