

**GIVE TO COLOMBIA, INC. AND SUBSIDIARY
CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011**

CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT	1
CONSOLIDATED FINANCIAL STATEMENTS	
Consolidated Statements of Financial Position	2
Consolidated Statements of Activities and Change in Net Assets	3
Consolidated Statements of Cash Flows	4
Notes to Consolidated Financial Statements	5 - 11
SUPPLEMENTARY INFORMATION	
Independent Auditor's Report on Supplementary Information	13
Consolidated Statements of Functional Expenses	14 - 15

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Give to Colombia, Inc. and Subsidiary

We have audited the accompanying consolidated financial statements of Give to Colombia, Inc. and Subsidiary, (a nonprofit organization), which comprise the consolidated statements of financial position as of December 31, 2012 and 2011, and the related consolidated statements of activities and change in net assets and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

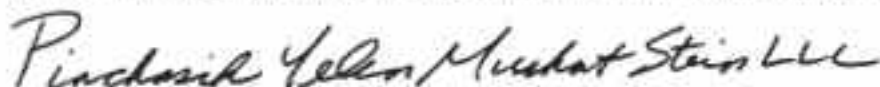
Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of Give to Colombia, Inc. and Subsidiary as of December 31, 2012 and 2011, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.



Miami, Florida
September 30, 2013

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

	<u>2012</u>	<u>2011</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents (including \$62,500 and \$203,036 of restricted cash related to fiscal agency funds in 2012 and 2011, respectively)	\$ 772,732	\$ 755,137
Pledges and grants receivable	1,747,330	228,691
Prepaid expenses	-	17,521
Total current assets	<u>2,520,062</u>	<u>1,001,349</u>
Property and equipment, net	<u>6,114</u>	<u>4,302</u>
Total assets	<u>\$ 2,526,176</u>	<u>\$ 1,005,651</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 25,352	\$ 188,624
Fiscal agency funds	62,500	203,036
Deferred revenue	<u>1,584,202</u>	<u>-</u>
Total liabilities	<u>1,672,054</u>	<u>391,660</u>
NET ASSETS		
Unrestricted	327,744	326,484
Temporarily restricted	<u>526,378</u>	<u>287,507</u>
Total net assets	<u>854,122</u>	<u>613,991</u>
Total liabilities and net assets	<u>\$ 2,526,176</u>	<u>\$ 1,005,651</u>

See accompanying notes to financial statements.

GIVE TO COLOMBIA, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGE IN NET ASSETS
FOR THE YEARS ENDED DECEMBER 31,

	2012			2011		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
SUPPORT AND REVENUE						
Contributions	\$ 1,723,962	\$ 726,545	\$ 2,450,507	\$ 1,774,959	\$ 387,330	\$ 2,162,289
Interest income	257		257	533		533
Other Income	3,570		3,570	-		-
	<u>1,727,789</u>		<u>2,454,334</u>	<u>1,775,492</u>		<u>2,162,822</u>
Special events	468,003		468,003	790,610		790,610
Less: Direct costs	(355,162)		(355,162)	(412,703)		(412,703)
	<u>112,841</u>		<u>112,841</u>	<u>377,907</u>		<u>377,907</u>
Net assets released from temporary restrictions	487,674	(487,674)	-	391,938	(391,938)	-
Total support and revenue	<u>2,328,304</u>	<u>238,871</u>	<u>2,567,175</u>	<u>2,545,337</u>	<u>(4,608)</u>	<u>2,540,729</u>
EXPENSES						
Program services	1,910,662		1,910,662	2,195,757		2,195,757
Fundraising	204,406		204,406	210,077		210,077
Management and general	211,976		211,976	145,343		145,343
Total expenses	<u>2,327,044</u>		<u>2,327,044</u>	<u>2,551,177</u>		<u>2,551,177</u>
CHANGE IN NET ASSETS	1,260	238,871	240,131	(5,840)	(4,608)	(10,448)
NET ASSETS - BEGINNING	<u>326,484</u>	<u>287,507</u>	<u>613,991</u>	<u>332,324</u>	<u>292,115</u>	<u>624,439</u>
NET ASSETS - ENDING	<u>\$ 327,744</u>	<u>\$ 526,378</u>	<u>\$ 854,122</u>	<u>\$ 326,484</u>	<u>\$ 287,507</u>	<u>\$ 613,991</u>

See accompanying notes to financial statements.

GIVE TO COLOMBIA, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31,

	<u>2012</u>	<u>2011</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 240,131	\$ (10,448)
Adjustments to reconcile change in net assets to net cash and cash equivalents provided (used) by operating activities:		
Depreciation	2,130	302
Non-cash donations	108,619	33,585
Non-cash expenses	(108,619)	(33,585)
Change in operating assets and liabilities:		
Increase in pledges and grants receivable	(1,518,639)	(216,952)
(Increase) decrease in prepaid expenses	17,521	(17,252)
Increase (decrease) in accounts payable and accrued expenses	(163,272)	145,637
Decrease in fiscal agency funds	(140,536)	(12,459)
Increase in deferred revenue	<u>1,584,202</u>	<u>-</u>
NET CASH AND CASH EQUIVALENTS PROVIDED (USED) BY OPERATING ACTIVITIES	<u>21,537</u>	<u>(111,172)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	<u>(3,942)</u>	<u>(4,604)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	17,595	(115,776)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>755,137</u>	<u>870,913</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 772,732</u>	<u>\$ 755,137</u>

See accompanying notes to financial statements.

GIVE TO COLOMBIA, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

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

During 2010, Give to Colombia, Inc. created a wholly owned non-profit private entity in Colombia to support and facilitate administrative procedures of the Organization, as well as to monitor grantees. It is registered under the name Organization Give to Colombia (the "Subsidiary"), and was legally established under Colombian laws. For the years ended December 31, 2012 and 2011, the accompanying consolidated financial statements include the accounts of Give to Colombia, Inc. and its Subsidiary. All intercompany balances and transactions, if any, have been eliminated in consolidation.

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. and its Subsidiary 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.

Financial Statement Presentation

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting and are presented in accordance with accounting principles generally accepted in the United States of America. The Financial Accounting Standards Board ("FASB") implemented the Accounting Standards Codification ("ASC") which establishes FASB ASC as the source of authoritative U.S. accounting and reporting standards for non-governmental entities.

These consolidated financial statements are presented in accordance with FASB ASC 958-205, *Presentation of Financial Statements*. In accordance with these standards, the Organization is required to classify its resources into three separate classes of net assets as follows:

Unrestricted

Unrestricted net assets include all net assets, which are neither temporarily or permanently restricted and are not subject to any donor-imposed stipulations.

GIVE TO COLOMBIA, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Statement Presentation (Continued)

Temporarily Restricted

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 pursuant to those stipulations. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is fulfilled, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities and change in net assets as net assets released from temporary restrictions.

Permanently Restricted

Net assets whose use by the Organization is limited by donor-imposed stipulations that neither expire with the passage of time nor can be fulfilled or otherwise removed by actions of the Organization. The Organization had no permanently restricted net assets as of December 31, 2012 and 2011.

Income Taxes

The Internal Revenue Service has determined that the Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. Accordingly, the accompanying consolidated financial statements reflect no provision for income taxes. The Organization's income tax filings are subject to audit by federal tax authorities. The Organization's open audit years are 2009 through 2012.

Estimates

The preparation of consolidated 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 consolidated 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 consolidated financial statements.

Cash and Cash Equivalents

The Organization considers deposits with banks and highly liquid investments available for current use purchased with a maturity of three months or less to be cash equivalents.

GIVE TO COLOMBIA, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

Deferred revenue represents amounts from refundable and non-refundable grants. Deferred revenue from non-refundable grants includes the gross amount of the grant less cash received. Deferred revenue from refundable grants includes the unexpended portion of the grant.

The Organization uses the allowance method to determine uncollectible pledges and grants receivable. As of December 31, 2012 and 2011 all pledges and grants receivable were deemed fully collectible. Consequently, no allowance was deemed necessary.

Property and Equipment

Purchased property and equipment are recorded at cost. Expenditures for property and equipment in excess of \$1,000 are capitalized, lesser amounts are expensed. Expenditures for repairs and maintenance are charged to expense as incurred. Donated property and equipment 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. Property and equipment 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.

Property and equipment is depreciated using the straight-line method over the estimated useful life of the assets, ranging from three to seven years. Upon the sale or disposition, the related costs and accumulated depreciation are removed from the accounts and any resulting gain or loss is recognized in the consolidated statements of activities and change in net assets.

Contributions In-Kind

Contributions of donated non-cash assets are recorded at their fair values in the period received. Contribution of donated services that create or enhance non-financial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received. The Organization utilizes donated office space in Miami and Washington D.C. The value of the donated space is immaterial, and therefore no related entry is recorded.

GIVE TO COLOMBIA, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Reclassifications

Certain accounts in the 2011 consolidated financial statements have been reclassified to conform to the 2012 presentation.

Allocation of Functional Expenses

The cost of providing the various programs and other activities has been summarized on a functional basis in the consolidated statements of activities and change in net assets and the consolidated statements of functional expenses. Accordingly, certain common expenses have been allocated among the programs and supporting services based upon management's estimate of factors such as time spent or space utilized.

Subsequent Events

The Organization has evaluated subsequent events through September 30, 2013, the date which the consolidated financial statements were available to be issued.

NOTE 2 - PROPERTY AND EQUIPMENT

At December 31, property and equipment comprises the following:

	<u>2012</u>	<u>2011</u>
Office equipment	\$ 8,123	\$ 4,181
Furniture and fixtures	<u>460</u>	<u>460</u>
Total	8,583	4,641
Less: accumulated depreciation	(2,469)	(339)
Total property and equipment	<u>\$ 6,114</u>	<u>\$ 4,302</u>

NOTE 3 - FISCAL AGENCY FUNDS

During 2012 and 2011, the Organization co-sponsored the BeLive event with other United States based Internal Revenue Code Section 501(c)(3) organizations as well as Colombian nonprofit organizations. Each year these entities enter into an agreement to share the proceeds from the event. As of December 31, 2012 and 2011, the funds that have not yet been distributed to the other organizations are recorded as fiscal agency funds with a corresponding amount included as restricted cash in the accompanying consolidated statements of financial position.

GIVE TO COLOMBIA, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

NOTE 4 - ECONOMIC DEPENDENCE

The Organization provides its program services with funds received from various corporate charitable foundations. A reduction in the level of this funding, if this were to occur, may have a significant effect on the Organization's programs and activities. Revenues received from one donor represented 16% and 19% of the Organization's support and revenue for the years ended December 31, 2012 and 2011, respectively. At December 31, 2012, grants receivable with one donor represented approximately 91% of total pledges and grants receivable. At December 31, 2011, pledges from two donors represented approximately 60% of total pledges and grants receivable.

NOTE 5 - CONCENTRATION RISK

The Organization maintains cash balances at several financial institutions in the United States. Interest bearing cash accounts are insured by the Federal Deposit Insurance Corporation up to \$250,000. Unlimited Federal Deposit Insurance Corporation insurance for noninterest-bearing accounts became effective on December 31, 2010 and continues through December 31, 2012. There are currently no uninsured cash balances at financial institutions in the United States.

The Organization's Subsidiary in Colombia maintains cash balances at one Colombian financial institution. The Colombia Guarantee Fund for Financial Institutions manages the system of deposit insurance in Colombia and offers a current coverage limit of approximately \$11,000 per depositor per financial institution. The Organization's Colombian Subsidiary's uninsured cash balances totaled approximately \$399,000 and \$29,000 at December 31, 2012 and 2011, respectively.

NOTE 6 - TEMPORARILY RESTRICTED NET ASSETS

At December 31, temporarily restricted net assets consist of the following:

	<u>2012</u>	<u>2011</u>
Banco Ineramericano De Desarrollo	\$ 369,956	\$ -
Tiffany & Co. Foundation	75,000	150,000
Fundacion Carlos & Sonia Haime	42,122	-
JP Morgan Chase Foundation	27,000	-
The General Electric Foundation	12,300	45,000
Motorola Foundation	-	2,541
Camilo Villegas Fund	-	79,710
Julia Ardila Foundation	-	10,256
	<u>\$ 526,378</u>	<u>\$ 287,507</u>

GIVE TO COLOMBIA, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

NOTE 7 - GRANT ALLOCATIONS

During 2012 and 2011, the Organization awarded grants to the following charitable organizations in Colombia as well as United States based Internal Revenue Code Section 501(c) (3) organizations:

	<u>2012</u>	<u>2011</u>
Fundación Ecoprogreso	\$ 389,856	\$ 257,897
Corporacion Conexion Colombia	353,517	447,115
Orquesta Filarmónica de Medellín	203,317	-
Fundacion Carlos y Sonia Haime	186,641	39,813
Fundacion Juan Felipe Gomez Escobar	83,497	34,596
Alianza para la Minería Responsable	75,000	-
Fundacion Santa Fe de Bogota	74,080	82,550
Formula Smiles Foundation	70,672	126,166
Banca de Inversión Social	58,600	-
Fundación Gabriel Piedrahita Uribe	57,846	52,859
Enseña Por Colombia	42,200	2,325
Fundación Servioptica	29,760	-
Fundación CINARA	24,200	-
Corporacion InterActuar	20,560	156,264
Genesis Foundation	20,182	46,615
Fe y Alegría Colombia	15,000	-
Fundacion Un Techo Para Mi Pais	15,000	4,000
Fundación Telcel	12,168	36,189
Fundacion Mario Santo Domingo	-	98,815
Fundacion Amigos Del Choco	-	74,749
Hablando Con Julis	-	70,200
Fundacion Malpelo y Otros Ecosistemas Mar	-	61,150
Fundacion para la Educacion y el Desarrollo	-	50,000
The Nature Conservancy	-	47,500
Intel Latin America	-	32,550
University of Florida Foundation	-	30,000
Dell Colombia	-	18,446
Comité para la Democratizacion de la Informatica Colombia	-	17,700
Fundación Centro Cristiano Internacional	-	16,216
Others	<u>112,562</u>	<u>319,858</u>
	<u>\$1,844,658</u>	<u>\$2,123,573</u>

GIVE TO COLOMBIA, INC. AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

NOTE 8 - GRANT FROM INTER-AMERICAN DEVELOPMENT BANK

In March 2012, the Organization entered into a non-reimbursable technical cooperation grant with the Inter-American Development Bank as the executive agency for the implementation of a project to develop sustainable water and sanitation systems in rural and pre-urban communities in Colombia. The grant is divided into two separate grants totaling \$2,000,000.

SUPPLEMENTARY INFORMATION

**INDEPENDENT AUDITOR'S REPORT
ON SUPPLEMENTARY INFORMATION**

To the Board of Directors
Give to Colombia, Inc. and Subsidiary

We have audited the consolidated financial statements of Give to Colombia, Inc. and Subsidiary as of and for the year ended December 31 2012 and 2011, and have issued our report thereon dated September 30, 2013, which contained an unmodified opinion on those consolidated financial statements. Our audits were performed for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidated statements of functional expenses are presented for the purposes of additional analysis and are not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements as a whole.

Pinchasik Yelen Muskat Stein LLC

Miami, Florida
September 30, 2013

GIVE TO COLOMBIA, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2012

	Program Services	Fundraising	Management and General	Total
Accounting Fees	\$ -	\$ -	\$ 20,700	\$ 20,700
Bank and merchant account fees	245	1,113	1,435	2,793
Conference	-	-	5,153	5,153
Consulting fees	2,643	27,226	72,242	102,111
Depreciation	-	-	2,130	2,130
Fundraising	-	3,366	-	3,366
Grants to Others	1,844,658	-	-	1,844,658
Insurance	-	-	3,210	3,210
Legal Fees	-	-	4,591	4,591
Licenses and permits	-	-	4,329	4,329
Office supplies	-	-	4,620	4,620
Postage and shipping	2,605	307	153	3,065
Printing and publications	4,095	1,170	53	5,318
Rent	-	-	24,119	24,119
Repairs and maintenance	-	-	5,506	5,506
Salaries and related expenses	54,077	159,774	61,607	275,458
Telephone and communications	2,339	2,340	520	5,199
Travel and entertainment	-	9,110	1,608	10,718
	<u>\$ 1,910,662</u>	<u>\$ 204,406</u>	<u>\$ 211,976</u>	<u>\$ 2,327,044</u>

See Independent Auditor's Report on Supplementary Information

GIVE TO COLOMBIA, INC. AND SUBSIDIARY
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2011

	Program Services	Fundraising	Management and General	Total
Accounting fees	\$ -	\$ -	\$ 18,425	\$ 18,425
Bank and merchant account fees	-	-	3,620	3,620
Conference	-	-	1,462	1,462
Consulting fees	14,798	34,914	47,850	97,562
Depreciation	-	-	302	302
Fundraising	-	1,841	-	1,841
Grants to others	2,123,573	-	-	2,123,573
Insurance	-	-	2,390	2,390
Legal fees	-	-	6,002	6,002
Licenses and permits	-	-	8,666	8,666
Office supplies	-	-	8,160	8,160
Postage and shipping	1,228	144	72	1,444
Printing and publications	5,610	1,603	73	7,286
Rent	-	-	8,209	8,209
Repairs and Maintenance	-	-	1,785	1,785
Salaries and related expenses	49,464	146,144	30,465	226,073
Telephone and communications	1,084	1,084	241	2,409
Travel and entertainment	-	24,347	7,621	31,968
	<u>\$ 2,195,757</u>	<u>\$ 210,077</u>	<u>\$ 145,343</u>	<u>\$ 2,551,177</u>

See Independent Auditor's Report on Supplementary Information