

**GIVE TO COLOMBIA, INC.**  
**FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019 AND 2018**

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# PINCHASIK · YELEN · MUSKAT · STEIN, LLC

Certified Public Accountants and Associates

## INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of Give to Colombia, Inc., (a nonprofit organization), which comprise the statements of financial position as of December 31, 2019 and 2018, and the related statements of activities, functional expenses and cash flows for the years 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 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 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 Give to Colombia, Inc. as of December 31, 2019 and 2018, 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.

*Pinchasik Yelen Muskat Stein, LLC*

Miami, Florida  
October 12, 2020

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

	2019	2018
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 56,914	\$ 33,095
Pledges receivable	1,561	-
Total current assets	58,475	33,095
Property and equipment, net	122	176
Total assets	\$ 58,597	\$ 33,271
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 3,160	\$ 1,984
<b>NET ASSETS</b>		
Net assets without donor restrictions	55,437	31,287
Total liabilities and net assets	\$ 58,597	\$ 33,271

See accompanying notes to financial statements.

**GIVE TO COLOMBIA, INC.**

**STATEMENTS OF ACTIVITIES**

**FOR THE YEARS ENDED DECEMBER 31,**

	2019			2018		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>SUPPORT AND REVENUE</b>						
Contributions	\$ 28,272	\$ 423,550	\$ 451,822	\$ 46,490	\$ 10,111	\$ 56,601
Special events	-	-	-	-	-	-
Less: Direct costs	-	-	-	(22,263)	-	(22,263)
	-	-	-	(22,263)	-	(22,263)
Net assets released from temporary restrictions	423,550	(423,550)	-	55,624	(55,624)	-
Total support and revenue	451,822	-	451,822	79,851	(45,513)	34,338
<b>EXPENSES</b>						
Program services	412,320	-	412,320	76,805	-	76,805
Fundraising	7,192	-	7,192	3,392	-	3,392
Management and general	8,160	-	8,160	16,546	-	16,546
Total expenses	427,672	-	427,672	96,743	-	96,743
<b>CHANGE IN NET ASSETS</b>	24,150	-	24,150	(16,892)	(45,513)	(62,405)
<b>NET ASSETS - BEGINNING</b>	31,287	-	31,287	48,179	45,513	93,692
<b>NET ASSETS - ENDING</b>	\$ 55,437	\$ -	\$ 55,437	\$ 31,287	\$ -	\$ 31,287

See accompanying notes to financial statements.

**GIVE TO COLOMBIA, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES**

**YEAR ENDED DECEMBER 31, 2019**

	<u>Program Services</u>	<u>Fundraising</u>	<u>Management and General</u>	<u>Total</u>
Accounting fees	\$ -	\$ -	\$ 3,500	\$ 3,500
Contract services	12,000	-	-	12,000
Depreciation	-	-	54	54
Grants to others	400,320	-	-	400,320
Insurance	-	-	1,408	1,408
Licenses and permits	-	-	1,458	1,458
Marketing	-	100	-	100
Office and other	-	-	1,740	1,740
Travel and entertainment	-	7,092	-	7,092
	<u>\$ 412,320</u>	<u>\$ 7,192</u>	<u>\$ 8,160</u>	<u>\$ 427,672</u>

See accompanying notes to financial statements.

**GIVE TO COLOMBIA, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES**

**YEAR ENDED DECEMBER 31, 2018**

	<u>Program Services</u>	<u>Fundraising</u>	<u>Management and General</u>	<u>Total</u>
Accounting fees	\$ -	\$ -	\$ 11,300	\$ 11,300
Contract services	12,000	-	-	12,000
Depreciation	-	-	214	214
Grants to others	64,805	-	-	64,805
Insurance	-	-	1,398	1,398
Licenses and permits	-	-	3,145	3,145
Office and other	-	-	489	489
Travel and entertainment	-	3,392	-	3,392
	<u>\$ 76,805</u>	<u>\$ 3,392</u>	<u>\$ 16,546</u>	<u>\$ 96,743</u>

See accompanying notes to financial statements.

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

	<u>2019</u>	<u>2018</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 24,151	\$ (62,405)
Adjustments to reconcile change in net assets to net cash and cash equivalents provided by (used in) operating activities:		
Depreciation	54	214
Change in operating assets and liabilities:		
(Increase) decrease in pledges receivable	(1,562)	2,242
Increase (decrease) in accounts payable and accrued expenses	<u>1,176</u>	<u>(5,324)</u>
<b>NET CASH AND CASH EQUIVALENTS PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>	<u>23,819</u>	<u>(65,273)</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	23,819	(65,273)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<u>33,095</u>	<u>98,368</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<u>\$ 56,914</u>	<u>\$ 33,095</u>

See accompanying notes to financial statements.



## **GIVE TO COLOMBIA, INC.**

### **NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2019 AND 2018**

#### **NOTE 1 - THE ORGANIZATION**

##### Nature of Activities

Give to Colombia, Inc., (the "Organization") is a nonprofit organization incorporated pursuant to the laws of the State of Florida and was founded in 2003. The Organization seeks to increase the flow of international donations and provide enduring, scalable and sustainable solutions to Colombia's most vulnerable populations in the areas of education, economic development, health and nutrition and environment. It creates, promotes and facilitates alliances between international donors and Colombian grassroots organizations, optimizing the social impact of private and institutional donors' investments in the social sector. To achieve these goals, the Organization selects and partners with local foundations to implement high impact projects, ensuring that they comply with the donors' standards of reporting, accountability and effectiveness.

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. It is registered under the name Organización Give to Colombia (the "Subsidiary"), and was legally established under Colombian laws. The Subsidiary was terminated during 2017.

#### **NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### Adoption of Accounting Pronouncements

In August 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update ("ASU") No. 2016-14, Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities, effective for periods beginning after December 31, 2017. ASU 2016-14 requires significant changes to the financial reporting model of organizations who follow the not-for-profit reporting model. The changes include reducing the classes of net assets from three classes to two – net assets with donor restrictions and net assets without donor restrictions. The ASU also requires changes in the way certain information is aggregated and reported by the Organization, including required disclosures about liquidity and availability of resources, and increased disclosures on functional expenses. The ASU is effective for the Organization's December 31, 2019 and 2018 year-end financial statements, and has been applied to the periods presented, which resulted in no changes to the determination of net asset restrictions.

##### Financial Statement Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP"). GAAP requires the Organization to report information regarding its financial position and activities according to two classes of net assets: net assets with donor restrictions and net assets without donor restrictions.

**GIVE TO COLOMBIA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019 AND 2018**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

The two classes of net asset categories as reflected in the accompanying financial statements are as follows:

- *Net assets without donor restrictions* – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the board of directors.
- *Net assets with donor restrictions* – Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

The Organization did not have any net assets with donor restrictions as of December 31, 2019 and 2018.

Use of 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.

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 assesses its tax positions in accordance with "*Accounting for Uncertainties in Income Taxes*" as prescribed by the Accounting Standards Codification, which provides guidance for financial statement recognition and measurement of uncertain tax positions taken or expected to be taken in a tax return for open tax years (generally a period of three years from the later of each return's due date or the date filed) that remain subject to examination by the Organization's major tax jurisdictions.

The Organization believes that it does not have any significant uncertain tax positions requiring recognition or measurement in the accompanying financial statements.

**GIVE TO COLOMBIA, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2019 AND 2018**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Cash and Cash Equivalents

For the purposes of the statements of cash flows, 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. The Organization's maintains its cash with high credit quality financial institutions, which at times may exceed federally insured limits. The Organization has not experienced any losses on such accounts and believes it is not exposed to any credit risk on cash.

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 pledges receivable. The allowance is based on prior years' experience and management's analysis of specific pledges made. As of December 31, 2019, no allowance was deemed necessary.

Property and Equipment

Purchased property and equipment are recorded at cost. Expenditures for property and equipment in excess of \$500 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. The value of the donated space is immaterial, and therefore no related entry is recorded.

**GIVE TO COLOMBIA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019 AND 2018**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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 and transactions for potential recognition and disclosure in the financial statements through October 12, 2020, the date which the financial statements were available to be issued.

**NOTE 3 - PROPERTY AND EQUIPMENT**

At December 31, property and equipment comprises the following:

	<u>2019</u>	<u>2018</u>
Office equipment	\$ 4,308	\$ 4,308
Less: accumulated depreciation	( 4,186)	( 4,132)
Total property and equipment	<u>\$ 122</u>	<u>\$ 176</u>

**NOTE 4 - AVAILABILITY AND LIQUIDITY**

At December 31, financial assets and liquidity resources available within one year for general expenditures were as follow:

	<u>2019</u>	<u>2018</u>
Cash and cash equivalents	\$ 56,914	\$ 33,095
Pledges receivable	<u>1,561</u>	<u>-</u>
Total financial assets available to management for general expenditures within one year	<u>\$ 58,475</u>	<u>\$ 33,095</u>

Total financial assets are available to pay for operating expenses during the current year. As part of the liquidity plan, the Organization invests excess cash in short-term savings account.

**GIVE TO COLOMBIA, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2019 AND 2018**

**NOTE 5 - ECONOMIC DEPENDENCE**

The Organization provides its program services with funds received from individual and 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 two donor represented 89% and 96% of the Organization's total contributions for the years ended December 31, 2019 and 2018, respectively.

**NOTE 6 - GRANT ALLOCATIONS**

During 2019 and 2018, the Organization awarded grants to the following organizations in Colombia as well as United States based Internal Revenue Code Section 501(c)(3) organizations:

	<u>2019</u>	<u>2018</u>
Fundacion Carlos y Sonia Haime	\$ 285,000	\$ -
A La Rueda Rueda	93,000	-
Corp Matamoros	-	44,000
A La Rueda Rueda	11,160	-
FundApresai	-	9,300
Fundación A La Rueda Rueda	-	9,300
Fundapresai	4,650	-
Fund. Orden de Malta	4,650	-
Fundacion 8 Abrazos	-	1,845
Corp. Enseña Por Colombia	1,395	-
Asociacion ACOMUNDO	465	-
Fundacion Sidoc	-	360
	<u>\$ 400,320</u>	<u>\$ 64,805</u>

**NOTE 7 - SUBSEQUENT EVENT**

The Organization's activities may be affected by the recent and ongoing outbreak of the coronavirus disease 2019 (COVID-19) which was declared a pandemic by the World Health Organization in March 2020. The ultimate disruption, which may be caused by the outbreak, is uncertain; however, it may result in a material adverse impact on the Organization's financial position, statement of activities and cash flows. Possible effects may include, but are not limited to, decline in contributions and assets held by the Organization. While the Organization expects this matter to negatively impact its results, cash flows and financial position, the related impact cannot be reasonably estimated at this time.