

**GIVE TO COLOMBIA, INC.**  
**FINANCIAL STATEMENTS**  
**DECEMBER 31, 2007**

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## INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying statement of financial position of Give to Colombia, Inc. (a nonprofit organization) as of December 31, 2007, and the related statements of activities and cash flows for the year 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 audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit 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 audit provides 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, 2007, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The statement of functional expenses on page four is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit 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*

May 30, 2008

**GIVE TO COLOMBIA, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2007**

**ASSETS**

Cash and cash equivalents(including \$370,723 of restricted cash related to fiscal agency funds)	\$ 729,423
Office equipment, net	<u>897</u>
Total assets	<u>\$ 730,320</u>

**LIABILITIES AND NET ASSETS**

**LIABILITIES**

Accounts payable and accrued expenses	\$ 42,625
Fiscal agency funds	<u>370,723</u>
Total liabilities	413,348

**NET ASSETS**

Unrestricted	<u>316,972</u>
Total liabilities and net assets	<u>\$ 730,320</u>

See accompanying notes to financial statements.

**GIVE TO COLOMBIA, INC.**

**STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS**

**FOR THE YEAR ENDED DECEMBER 31, 2007**

	<u>Unrestricted</u>
<b>SUPPORT AND REVENUE</b>	
Contributions	<u>\$ 1,482,471</u>
Interest income	<u>684</u>
Special events	227,336
Less: Direct costs	<u>(154,453)</u>
	<u>72,883</u>
Total support and revenue	<u>1,556,038</u>
<b>EXPENSES</b>	
Program services	1,171,665
Fundraising	61,516
Management and general	<u>158,798</u>
Total expenses	<u>1,391,979</u>
<b>CHANGE IN NET ASSETS</b>	164,059
<b>NET ASSETS - BEGINNING</b>	<u>152,913</u>
<b>NET ASSETS - ENDING</b>	<u>\$ 316,972</u>

See accompanying notes to financial statements.

**GIVE TO COLOMBIA, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES**

**YEAR ENDED DECEMBER 31, 2007**

	<u>Program Services</u>	<u>Fundraising</u>	<u>Management and General</u>	<u>Total</u>
Accounting fees			\$ 1,000	\$ 1,000
Bank fees			274	274
Communications			1,014	1,014
Conference			3,244	3,244
Consulting fees			36,041	36,041
Depreciation			598	598
Dues and subscriptions			320	320
Grants to others	\$ 1,161,977			1,161,977
Independent contractor fees	9,688	\$ 27,516	65,066	102,270
Legal fees			1,474	1,474
Licenses and permits			421	421
Marketing			8,300	8,300
Merchant account fees			6,009	6,009
Office			1,588	1,588
Postage and shipping			2,651	2,651
Printing and publications		1,500	7,616	9,116
Telephone			6,036	6,036
Travel		32,500	12,601	45,101
Utilities			4,545	4,545
	<u>\$ 1,171,665</u>	<u>\$ 61,516</u>	<u>\$ 158,798</u>	<u>\$ 1,391,979</u>

See accompanying notes to financial statements.

**GIVE TO COLOMBIA, INC.**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED DECEMBER 31, 2007**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Change in net assets	\$ 164,059
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	598
Non-cash donations	(78,556)
Non-cash expenses	78,556
Change in operating assets and liabilities:	
Increase in accounts payable and accrued expenses	42,493
Increase in fiscal agency funds	<u>370,723</u>

**NET CASH PROVIDED BY OPERATING ACTIVITIES** 577,873

**NET INCREASE IN CASH** 577,873

**CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR** 151,550

**CASH AND CASH EQUIVALENTS AT END OF YEAR** \$ 729,423

See accompanying notes to financial statements.

**GIVE TO COLOMBIA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2007**

**NOTE 1. - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Organization

Give to Colombia, Inc. (the "Organization"), a 501(c)(3) nonprofit, is a U.S. 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 in Colombia.

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 has been augmenting the impact of Colombia's social responsibility initiatives, avoiding duplication of efforts.

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 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, 2007**

**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 statement 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, 2007, the Organization's cash in bank balances exceeded Federally-insured limits by approximately \$630,000.

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 subject to donor-imposed restrictions that are to be maintained indefinitely by the Organization.

The Organization currently has no temporarily or permanently restricted net assets.

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.

**GIVE TO COLOMBIA, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2007**

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

Support and Revenue Recognition

Contributions and grants are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions and grants 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.

**NOTE 2. - CONCENTRATIONS**

During 2007, one contributor was responsible for 54% of the Organization's total support and revenue.

**NOTE 3. - FAIR VALUES OF FINANCIAL INSTRUMENTS**

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

**NOTE 4. - FISCAL AGENCY FUNDS**

During 2007, the Organization co-sponsored the BeLive event with four other U.S. based Internal Revenue Section 501(c)(3) organizations as well as one Colombian charitable organization. The six entities entered into an agreement to share the proceeds from the event. As of December 31, 2007, these funds had not yet been distributed to the other five organizations and are recorded as fiscal agency funds in the accompanying statement of financial position.

**NOTE 6. - GRANT ALLOCATIONS**

During 2007, Give to Colombia, Inc. awarded grants to the following charitable organizations in Colombia as well as U.S. based Internal Revenue Section 501(c)(3) organizations:

Fundacion para el Progreso de Antioquia	\$ 833,000
Fundacion Mario Santodomingo	55,000
Compartamos con Colombia	54,238
Hogar Integral	37,738
Fundacion Actuar Famiempresas	33,770
Others	<u>148,231</u>
	<u>\$1,161,977</u>