

**GIVE TO COLOMBIA, INC. AND SUBSIDIARY  
CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2011 AND 2010**

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**INDEPENDENT AUDITOR'S REPORT**

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

We have audited the accompanying consolidated statements of financial position of Give to Colombia, Inc. (the "Organization") and Subsidiary as of December 31, 2011 and 2010 and the related consolidated statements of activities and change in net assets and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Organization's management. 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 audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated 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 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, 2011 and 2010, 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 consolidated financial statements taken as a whole. The consolidated 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 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*

July 11, 2012

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

<b>ASSETS</b>	<u>2011</u>	<u>2010</u>
<b>CURRENT ASSETS</b>		
Cash and cash equivalents (including \$203,036 and \$215,495 of restricted cash related to fiscal agency funds in 2011 and 2010, respectively)	\$ 755,137	\$ 870,913
Promises and grants receivable	228,691	11,739
Prepaid expenses	<u>17,521</u>	<u>269</u>
Total current assets	1,001,349	882,921
Property and equipment, net	<u>4,302</u>	<u>-</u>
Total assets	<u>\$ 1,005,651</u>	<u>\$ 882,921</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 188,624	\$ 42,987
Fiscal agency funds	<u>203,036</u>	<u>215,495</u>
Total current liabilities	<u>391,660</u>	<u>258,482</u>
<b>NET ASSETS</b>		
Unrestricted	326,484	332,324
Temporarily restricted	<u>287,507</u>	<u>292,115</u>
Total net assets	<u>613,991</u>	<u>624,439</u>
Total liabilities and net assets	<u>\$ 1,005,651</u>	<u>\$ 882,921</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,**

	2011			2010		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
<b>SUPPORT AND REVENUE</b>						
Contributions	\$ 1,774,959	\$ 387,330	\$ 2,162,289	\$ 866,792	\$ 1,173,790	\$ 2,040,582
Interest income	533		533	475		475
	<u>1,775,492</u>		<u>2,162,822</u>	<u>867,267</u>		<u>2,041,057</u>
Special events	790,610		790,610	678,000		678,000
Less: Direct costs	(412,703)		(412,703)	(304,533)		(304,533)
	<u>377,907</u>		<u>377,907</u>	<u>373,467</u>		<u>373,467</u>
Net assets released from temporary restrictions	391,938	(391,938)	-	1,012,378	(1,012,378)	-
Total support and revenue	<u>2,545,337</u>	<u>(4,608)</u>	<u>2,540,729</u>	<u>2,253,112</u>	<u>161,412</u>	<u>2,414,524</u>
<b>EXPENSES</b>						
Program services	2,195,757		2,195,757	1,839,114		1,839,114
Fundraising	210,077		210,077	216,716		216,716
Management and general	145,343		145,343	127,581		127,581
Total expenses	<u>2,551,177</u>		<u>2,551,177</u>	<u>2,183,411</u>		<u>2,183,411</u>
<b>CHANGE IN NET ASSETS</b>	(5,840)	(4,608)	(10,448)	69,701	161,412	231,113
<b>NET ASSETS - BEGINNING</b>	<u>332,324</u>	<u>292,115</u>	<u>624,439</u>	<u>262,623</u>	<u>130,703</u>	<u>393,326</u>
<b>NET ASSETS - ENDING</b>	<u>\$ 326,484</u>	<u>\$ 287,507</u>	<u>\$ 613,991</u>	<u>\$ 332,324</u>	<u>\$ 292,115</u>	<u>\$ 624,439</u>

See accompanying notes to financial statements.

GIVE TO COLOMBIA, INC.

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2011

	<u>Program Services</u>	<u>Fundraising</u>	<u>Management and General</u>	<u>Total</u>
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 accompanying notes to financial statements.

GIVE TO COLOMBIA, INC.

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2010

	Program Services	Fundraising	Management and General	Total
Accounting fees	\$ -	\$ -	\$ 17,103	\$ 17,103
Bank and merchant account fees	1,379	6,245	956	8,580
Conference	-	-	26,627	26,627
Consulting fees	14,547	12,563	5,951	33,061
Dues and Subscriptions	-	-	1,943	1,943
Fundraising	-	8,249	-	8,249
Grants to others	1,748,520	-	-	1,748,520
Independent contractor fees	208	7,278	13,308	20,794
Insurance	-	-	840	840
Legal fees	-	-	966	966
Licenses and permits	-	-	3,972	3,972
Office supplies	-	-	16,155	16,155
Postage and shipping	6,258	736	368	7,362
Printing and publications	15,545	4,441	202	20,188
Rent	-	-	3,062	3,062
Salaries and related expenses	51,311	151,601	30,321	233,233
Telephone and communications	1,346	1,346	298	2,990
Travel and entertainment	-	24,257	5,509	29,766
	<u>\$ 1,839,114</u>	<u>\$ 216,716</u>	<u>\$ 127,581</u>	<u>\$ 2,183,411</u>

See accompanying notes to financial statements.

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

	<u>2011</u>	<u>2010</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ (10,448)	\$ 231,113
Adjustments to reconcile change in net assets to net cash and cash equivalents provided (used) by operating activities:		
Depreciation	302	-
Non-cash donations	33,585	(99,913)
Non-cash expenses	(33,585)	99,913
Change in operating assets and liabilities:		
(Increase) decrease in promises and grants receivable	(216,952)	134,915
Increase in prepaid expenses	(17,252)	(269)
Increase (decrease) in accounts payable and accrued expenses	145,637	(191,479)
Decrease in fiscal agency funds	(12,459)	(40,489)
<b>NET CASH AND CASH EQUIVALENTS PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<u>(111,172)</u>	<u>133,791</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property and equipment	<u>(4,604)</u>	<u>-</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(115,776)	133,791
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<u>870,913</u>	<u>737,122</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<u>\$ 755,137</u>	<u>\$ 870,913</u>

See accompanying notes to financial statements.



**GIVE TO COLOMBIA, INC. AND SUBSIDIARY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2011 AND 2010**

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

Organization

Give to Colombia, Inc. (the "Organization"), a 501(c)(3) nonprofit United States based corporation, and its subsidiary, 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, the Organization 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, 2011 and 2010, 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, 2011 AND 2010**

**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, 2011 and 2010.

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 2008 through 2011.

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, 2011 AND 2010**

**NOTE 1. - 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.

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 statement of activities and change in net assets.

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, 2011 and 2010 all promises and grants receivable were deemed fully collectible. Consequently, no allowance was deemed necessary.

Donated Facilities

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, 2011 AND 2010**

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

Reclassifications

Certain accounts in the 2010 consolidated financial statements have been reclassified to conform to the 2011 presentation.

**NOTE 2 - PROPERTY AND EQUIPMENT**

At December 31, 2011, property and equipment comprises the following:

	2011
Office equipment	\$ 3,505
Furniture and fixtures	<u>1,099</u>
Total	4,604
Less: accumulated depreciation	( <u>302</u> )
Total property and equipment	<u>\$ 4,302</u>

**NOTE 3. - FISCAL AGENCY FUNDS**

During 2011 and 2010, 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. Each year these entities enter into an agreement to share the proceeds from the event. As of December 31, 2011 and 2010, 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.

**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 19% and 21% of the Organization's support and revenue for the years ended December 31, 2011 and 2010, respectively.

**NOTE 5. - CONCENTRATION RISK**

The Organization maintains cash balances at several financial institutions. Interest bearing cash balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2010, the Organization's uninsured cash balances totaled approximately \$206,000.

**GIVE TO COLOMBIA, INC. AND SUBSIDIARY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2011 AND 2010**

**NOTE 6. - GRANT ALLOCATIONS**

During 2011 and 2010, the Organization awarded grants to the following charitable organizations in Colombia as well as United States based Internal Revenue Section 501(c)(3) organizations:

	<u>2011</u>	<u>2010</u>
Corporación Conexión Colombia	\$ 447,115	\$ 294,536
Fundación Ecoprogreso	257,897	180,000
Corporación InterActuar	156,264	22,363
Fundación Mario Santodomingo	98,815	-
Fundación Santa Fe de Bogotá	82,550	-
Fundación Amigos Del Choco	74,749	-
Hablando Con Julis	70,200	-
Fundación Malpelo y Otros Ecosistemas Mar	61,150	-
Fundación Gabriel Piedrahita	52,859	49,088
Fundación para la Educación y el Desarrollo	50,000	-
The Nature Conservancy	47,500	-
Fundación Carlos y Sonia Haime	39,813	-
Fundación Juan Felipe Gómez Escobar	34,596	38,703
Intel Latin America	32,550	-
University of Florida Foundation	30,000	-
Dell Columbia	18,446	-
Comité para la Democratización de la Informática Columbia	17,700	-
Fundación Centro Cristiano Internacional	16,216	-
One Laptop Per Child Association	-	505,000
Fundación Mi Sangre	-	141,000
Corp General Gustavo Matamoros D'Acosta	-	72,899
Hogar Bambi	-	23,339
Hogar Integral	-	16,285
Others	<u>535,153</u>	<u>405,307</u>
	<u>\$2,123,573</u>	<u>\$1,748,520</u>

**GIVE TO COLOMBIA, INC. AND SUBSIDIARY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2011 AND 2010**

**NOTE 7. - TEMPORARILY RESTRICTED NET ASSETS**

At December 31, temporarily restricted net assets consist of cash and cash equivalents and promises and grants receivable as follows:

	<u>2011</u>	<u>2010</u>
Tiffany & Co. Foundation	\$ 150,000	\$ -
Camilo Villegas Fund	79,710	79,710
The General Electric Foundation	45,000	-
Julia Ardila Foundation	10,256	10,256
Citi Foundation	-	74,000
IBM International Foundation	-	47,015
Covidien	-	25,000
Dell Foundation	-	19,240
Levi Strauss	-	18,374
Bank of America Charitable Foundation	-	17,000
Motorola Foundation	<u>2,541</u>	<u>1,520</u>
	<u>\$ 287,507</u>	<u>\$ 282,115</u>

**NOTE 8. - SUBSEQUENT EVENTS**

The Organization has evaluated subsequent events through July 11, 2012, the date which the consolidated financial statements were available to be issued.

During December 2011, the Organization was selected by the Inter-American Development Bank ("IDB") as the executive agency for the implementation of the project "Comprehensive Models of Access to Water and Sanitation Systems in Columbia"; the objective of which is the development and implementation of pilot projects in the provision of sustainable potable water and sanitation systems in rural and peri-urban communities in Columbia. The Board of Directors of IDB approved a non-reimbursable technical cooperation of \$2,000,000 to be executed during a period of 24-36 months by the Organization, with the first disbursement planned to be received in the second half of 2012. This non-reimbursable technical cooperation is divided in two separate grants. The grants include the IDB Aqua Fund and the Japan Special Fund Poverty Reduction Program for \$1,300,000 and \$700,000, respectively.