

GIVE TO COLOMBIA, INC.
FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

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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, 2020 and 2019, 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, 2020 and 2019, and the changes in its net assets and its 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
August 20, 2021

GIVE TO COLOMBIA, INC.

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31,

	<u>2020</u>	<u>2019</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 165,661	\$ 56,914
Pledges receivable	-	1,561
Total current assets	<u>165,661</u>	<u>58,475</u>
Property and equipment, net	-	122
Total assets	<u>\$ 165,661</u>	<u>\$ 58,597</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	<u>\$ 12,858</u>	<u>\$ 3,160</u>
NET ASSETS		
Net assets without donor restrictions	103,159	55,437
Net assets with donor restrictions	<u>49,644</u>	<u>-</u>
Total net assets	<u>152,803</u>	<u>55,437</u>
Total liabilities and net assets	<u>\$ 165,661</u>	<u>\$ 58,597</u>

See accompanying notes to financial statements.

GIVE TO COLOMBIA, INC.

STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED DECEMBER 31,

	2020		2019		Total
	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions	
SUPPORT AND REVENUE					
Contributions	\$ 58,218	\$ 397,632	\$ 28,272	\$ 423,550	\$ 451,822
		\$ 455,850			
Net assets released from temporary restrictions	347,988	(347,988)	423,550	(423,550)	-
Total support and revenue	<u>406,206</u>	<u>49,644</u>	<u>451,822</u>	<u>-</u>	<u>451,822</u>
EXPENSES					
Program services	325,839		412,320		412,320
Fundraising	319		7,192		7,192
Management and general	32,326		8,160		8,160
Total expenses	<u>358,484</u>		<u>427,672</u>		<u>427,672</u>
CHANGE IN NET ASSETS	47,722	49,644	24,150	-	24,150
NET ASSETS - BEGINNING	<u>55,437</u>	<u>-</u>	<u>31,287</u>	<u>-</u>	<u>31,287</u>
NET ASSETS - ENDING	<u>\$ 103,159</u>	<u>\$ 49,644</u>	<u>\$ 55,437</u>	<u>\$ -</u>	<u>\$ 55,437</u>

See accompanying notes to financial statements.

GIVE TO COLOMBIA, INC.

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2020

	<u>Program Services</u>	<u>Fundraising</u>	<u>Management and General</u>	<u>Total</u>
Accounting fees	\$ -	\$ -	\$ 13,120	\$ 13,120
Bad debt expense	2,240	-	-	2,240
Bank and merchant account fees	945	-	115	1,060
Contract services	2,600	-	12,998	15,598
Depreciation	-	-	122	122
Grants to others	320,054	-	-	320,054
Insurance	-	-	1,398	1,398
Licenses and permits	-	-	1,179	1,179
Marketing	-	319	-	319
Office and other	-	-	1,859	1,859
Travel and entertainment	-	-	1,535	1,535
	<u>\$ 325,839</u>	<u>\$ 319</u>	<u>\$ 32,326</u>	<u>\$ 358,484</u>

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.

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31,

	<u>2020</u>	<u>2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 97,366	\$ 24,150
Adjustments to reconcile change in net assets to net cash and cash equivalents provided by operating activities:		
Depreciation	122	54
Change in operating assets and liabilities:		
(Increase) decrease in pledges receivable	1,561	(1,561)
Increase in accounts payable and accrued expenses	<u>9,698</u>	<u>1,176</u>
NET CASH AND CASH EQUIVALENTS PROVIDED BY OPERATING ACTIVITIES	<u>108,747</u>	<u>23,819</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	108,747	23,819
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>56,914</u>	<u>33,095</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u><u>\$ 165,661</u></u>	<u><u>\$ 56,914</u></u>

See accompanying notes to financial statements.

GIVE TO COLOMBIA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

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.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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") and in accordance with the Financial Accounting Standard Board ("FASB"). In accordance with these standards, the Organization is required to report information regarding its financial position and activities according to two classes of net assets, according to external imposed restrictions, 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.

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.

GIVE TO COLOMBIA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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 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 net assets without donor restriction or net assets with donor restriction depending on the nature of the restriction. When a restriction expires, net assets with donor restriction are reclassified to net assets without donor restriction. 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, 2020, no allowance was deemed necessary.

Property and Equipment

Purchased property and equipment are recorded at cost. Expenditures for property and equipment in excess of \$2,500 are capitalized, lesser amounts are expensed. Expenditures for repairs and maintenance are charged to expense as incurred. Donated property and

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NOTES TO FINANCIAL STATEMENTS
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NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment (Continued)

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.

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.

Adopted Accounting Pronouncements

Accounting Guidance for Contributions Received and Contributions Made: During the year ended December 31, 2020, the Organization *adopted Accounting Standards Update ("ASU") 2018-08, Not for Profit Entities (Topic 958) – Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*. The update provides guidance in evaluating whether transactions should be accounted for as contributions or as an exchange transaction and determining whether a contribution is conditional or not.

Revenue from Contracts with Customers (Topic 606): In June 2020, the FASB issued ASU 2020-05, *Revenue from Contracts with Customers (Topic 606)*, in response to the ongoing impacts to U.S. businesses in response to the coronavirus pandemic. This update amends the effective date for implementing the previously issued ASC 606 to give immediate relief to certain entities as a result of the widespread adverse economic effects and business disruptions caused by the coronavirus pandemic. ASU 2020-05 permits private and non-profit entities that have not yet issued their financial statements or made financial

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NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Adopted Accounting Pronouncements (Continued)

statements available for issuance as of June 3, 2020, to adopt ASU 606 for annual reporting periods beginning after December 15, 2019, and in the interim periods beginning after December 15, 2020. In January 2020, the Organization adopted this ASU and noted that it did not have an effect on its financial statements.

Subsequent Events

The Organization has evaluated subsequent events and transactions for potential recognition and disclosure in the financial statements through August 20, 2021, the date which the financial statements were available to be issued.

NOTE 3 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following purposes at December 31,

	<u>2020</u>	<u>2019</u>
Stand Up Providencia Renace	\$ <u>49,644</u>	\$ <u>-</u>

NOTE 4 - PROPERTY AND EQUIPMENT

Property and equipment comprises the following at December 31,

	<u>2020</u>	<u>2019</u>
Office Equipment	\$ 4,308	\$ 4,308
Less: accumulated depreciation	(4,308)	(4,186)
Total property and equipment	<u>\$ -</u>	<u>\$ 122</u>

NOTE 5 - AVAILABILITY AND LIQUIDITY

Financial assets and liquidity resources available within one year for general expenditures were as follow at December 31,

	<u>2020</u>	<u>2019</u>
Cash and cash equivalents	\$ 165,661	\$ 56,914
Pledges receivable	<u>-</u>	<u>1,561</u>
Total financial assets available to management for general expenditures within one year	<u>\$ 165,661</u>	<u>\$ 58,475</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

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NOTE 6 - 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. Contributions received from two donors represented 56% and 89% of the Organization's total support and revenue for the years ended December 31, 2020 and 2019, respectively.

NOTE 7 - GRANT ALLOCATIONS

During 2020 and 2019, 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>2020</u>	<u>2019</u>
Fundacion Carlos y Sonia Haime	\$ -	\$ 285,000
Fundacion Para la Reconciliacion	186,000	-
A La Rueda Rueda	-	93,000
Fundación Grupo Argos	50,510	-
Pies Descalzos Foundation	50,000	-
A La Rueda Rueda	-	11,160
Fundacion Bahia y Ecosistemas	7,191	-
Fundación MarViva	7,040	-
Aldeas Infantiles SOS Colombia (AISOS)	7,000	-
Fundacion Formemos	6,316	-
Alianza por la Solidaridad/Action Aid (APC)	5,997	-
Fundapresai	-	4,650
Fund. Orden de Malta	-	4,650
Corp. Enseña Por Colombia	-	1,395
Asociacion ACOMUNDO	-	465
	<u>\$ 320,054</u>	<u>\$ 400,320</u>

During the year ended December 31, 2020, the Organization joined alliance with Fundación Grupo Argos, a nonprofit organization in Colombia, and Col5vid, a network of students in the United States, to double fundraising efforts and use the funds to deliver aid for food to certain low income families affected by the Covid-19 pandemic in Colombia. The Organization raised \$40,662 during 2020 and these funds were transferred to low income families in Colombia through one of the allied nonprofit organizations.

NOTE 8 - RISKS AND UNCERTAINTIES

Since January 2020, the coronavirus ("COVID-19") outbreak has caused substantial disruption in international and U.S. economies and markets. The fear of further spread of COVID-19 has caused quarantines, cancellation of events and travel, business and school shutdowns and overall reduction in business and economic activity. On March 11, 2020, the World Health Organization designated COVID-19 as a pandemic.

GIVE TO COLOMBIA, INC.
NOTES TO FINANCIAL STATEMENTS
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NOTE 8 - RISKS AND UNCERTAINTIES (Continued)

The Organization is unable to predict the impact it will have on the financial position, statement of activities and cash flows due to numerous uncertainties. These uncertainties include the severity of the virus and any potential variants, success of vaccination efforts, the duration of the outbreak, and impact of the virus on donor behavior. The Organization continues to evaluate the potential effect this matter will have on its financial position, statement of activities and cash flows.