

BRAZIL FOUNDATION

**FINANCIAL STATEMENTS
FOR THE YEARS ENDED
DECEMBER 31, 2013 and 2012**

BRAZIL FOUNDATION

Table of Contents

	<u>Page</u>
Independent Auditors' Report	1-2
Financial Statements	
Statements of Combining Financial Position as of December 31, 2013 (with comparative totals as of December 31, 2012)	3-4
Statements of Combining Activities and Changes in Net Assets for the Years Ended December 31, 2013 and 2012	5-6
Statements of Combining Cash Flows for the Years Ended December 31, 2013 and 2012	7-8
Notes to Financial Statements	9-14
Additional Information	
Independent Auditors' Report on Additional Information	15
Statements of Functional Expenses for the Year Ended December 31, 2013	16-19

Michael S. Libock & Co., LLC

Certified Public Accountants

Independent Auditors' Report

To the Board of Directors
Brazil Foundation

Report on the Financial Statements

We have audited the accompanying financial statements of Brazil Foundation (a nonprofit organization), which comprise the combining statements of financial position as of December 31, 2013 and 2012 and the related combining statements of activities and changes in net assets, and combining 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of Associacao Brazil Foundation, an affiliated non government organization organized under the laws in Brazil and combined with Brazil Foundation. Those financial statements reflect total assets of \$2,131,923 and \$2,441,780 as of December 31, 2013 and 2012, respectively, and total revenues of \$2,662,657 and \$2,428,851 for the years then ended. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Associacao Brazil Foundation, is based solely on the report of the other auditors.

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 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.

Auditors' Responsibility - continued

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material aspects, the financial position of Brazil Foundation as of December 31, 2013 and 2012, 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.

Michael S. Libock & Co., LLC, CPA's

Michael S. Libock & Co., LLC

August 19, 2014

New York, NY

This page intentionally left blank.

BRAZIL FOUNDATION
Combining Statements of Financial Position

	December 31, 2013		
	Brazil Foundation	Associacao Brazil Foundation	Total
Assets			
Current Assets			
Cash	\$ 1,807,601	\$ 13,903	\$ 1,821,504
Investments	71,947	2,098,322	2,170,269
Unconditional promises to give			
Prepaid expenses and other current assets	1,336	2,343	3,679
Total current assets	1,880,884	2,114,568	3,995,452
Property and equipment, at cost, (net of accumulated depreciation of \$24,708 and \$18,130)	8,271	17,355	25,626
Security deposit	15,600		15,600
Total Assets	\$ 1,904,755	\$ 2,131,923	\$ 4,036,678
Liabilities and Net Assets			
Liabilities			
Accounts payable and accrued expenses	\$ 1,564	\$ 11,899	\$ 13,463
Grants payable	13,195		13,195
Total liabilities	14,759	11,899	26,658
Net Assets	1,889,996	2,120,024	4,010,020
Total Liabilities and Net Assets	\$ 1,904,755	\$ 2,131,923	\$ 4,036,678

See independent auditors' report and accompanying notes to financial statements.

December 31, 2013				2012
Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Total
\$ 851,120	\$ 112,594	\$ 857,790	\$ 1,821,504	\$ 1,501,002
1,443,014	220,334	506,921	2,170,269	2,403,013
<u>3,679</u>			<u>3,679</u>	<u>524,000</u>
2,297,813	<u>332,928</u>	<u>1,364,711</u>	<u>3,995,452</u>	<u>4,430,127</u>
25,626			25,626	18,307
<u>15,600</u>			<u>15,600</u>	<u>15,600</u>
<u>\$ 2,339,039</u>	<u>\$ 332,928</u>	<u>\$ 1,364,711</u>	<u>\$ 4,036,678</u>	<u>\$ 4,464,034</u>
\$ 13,463			\$ 13,463	\$ 15,217
<u>13,463</u>	<u>\$ 13,195</u>		<u>13,195</u>	<u>4,178</u>
	13,195		26,658	19,395
<u>2,325,576</u>	<u>319,733</u>	<u>\$ 1,364,711</u>	<u>4,010,020</u>	<u>4,444,639</u>
<u>\$ 2,339,039</u>	<u>\$ 332,928</u>	<u>\$ 1,364,711</u>	<u>\$ 4,036,678</u>	<u>\$ 4,464,034</u>

See independent auditors' report and accompanying notes to financial statements.

BRAZIL FOUNDATION
Combining Statements of Activities and Changes in Net Assets

	For the Year Ended December 31,		
	2013		
	Brazil Foundation	Associacao Brazil Foundation	Total
Public Support and Revenue			
Contributions			
Foundations	\$ 5,143		\$ 5,143
Corporations	23,396		23,396
Individuals	63,977		63,977
Investment income	2,435	\$ 129,436	131,871
Fundraising gala income (net of expenses of \$554,797)	1,065,065	79,055	1,144,120
Donor advised fund income	1,479,428		1,479,428
Endowment fund income	25,000		25,000
Carioca fund income	114,794	490	115,284
Partnership income		511,279	511,279
Events income and other income (net of expenses of \$28,874)	60,567	12,044	72,611
Contributions from Brazil Foundation		1,005,000	*
Net assets released from restriction			
Total Public Support and Revenue	<u>2,839,805</u>	<u>1,737,304</u>	<u>3,572,109</u>
Expenses			
Program Services			
Associacao Brazil Foundation		1,113,322	1,113,322
Grants to Associacao Brazil Foundation	1,005,000		*
Discretionary grants		512,639	512,639
Donor advised grants	1,412,112	39,177	1,451,289
Other	193,325		193,325
Total Program Services	<u>2,610,437</u>	<u>1,665,138</u>	<u>3,270,575</u>
Supporting Services			
Management and general	182,525	122,115	304,640
Fundraising	171,537	16,695	188,232
Total Supporting Services	<u>354,062</u>	<u>138,810</u>	<u>492,873</u>
Total Expenses	<u>2,964,500</u>	<u>1,803,948</u>	<u>3,763,448</u>
Changes in net assets before foreign exchange loss	(124,695)	(66,644)	(191,339)
Foreign exchange loss		(243,280)	(243,280)
Changes in net assets	(124,695)	(309,924)	(434,619)
Net assets, beginning of year	<u>2,014,691</u>	<u>2,429,948</u>	<u>4,444,639</u>
Net Assets, End of Year	<u>\$ 1,889,996</u>	<u>\$ 2,120,024</u>	<u>\$ 4,010,020</u>

* Interfund transfers of \$1,005,000 and \$1,232,900 are eliminated in the combination of the funds for the years ended December 31, 2013 and 2012, respectively.

See independent auditors' report and accompanying notes to financial statements.

For the Year Ended December 31,				
2013				2012
Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Total
\$ 5,143			\$ 5,143	\$ 2,000
23,396			23,396	141,556
63,977			63,977	40,225
131,871			131,871	130,038
1,065,065	\$ 79,055		1,144,120	893,519
	1,479,428		1,479,428	978,928
		\$ 25,000	25,000	202,000
	115,284		115,284	242,567
	511,279		511,279	1,762,340
72,611			72,611	47,721
	1,005,000		*	*
42,355	(42,355)			
<u>1,404,418</u>	<u>3,147,691</u>	<u>25,000</u>	<u>3,572,109</u>	<u>4,440,894</u>
640,073	473,249		1,113,322	1,152,274
	1,005,000		*	*
	512,639		512,639	655,333
	1,451,289		1,451,289	963,846
193,325			193,325	160,379
<u>833,398</u>	<u>3,442,177</u>		<u>3,270,575</u>	<u>2,931,832</u>
304,640			304,640	226,002
188,232			188,232	151,283
492,873			492,873	377,285
<u>1,326,271</u>	<u>3,442,177</u>		<u>3,763,448</u>	<u>3,309,117</u>
78,147	(294,486)	25,000	(191,339)	1,131,777
(234,417)		(8,863)	(243,280)	(157,737)
(156,270)	(294,486)	16,137	(434,619)	974,040
<u>2,481,846</u>	<u>614,219</u>	<u>1,348,574</u>	<u>4,444,639</u>	<u>3,470,599</u>
<u>\$ 2,325,576</u>	<u>\$ 319,733</u>	<u>\$ 1,364,711</u>	<u>\$ 4,010,020</u>	<u>\$ 4,444,639</u>

See independent auditors' report and accompanying notes to financial statements.

BRAZIL FOUNDATION
Combining Statements of Cash Flows

	For the Year Ended December 31,		
	2013		
	Brazil	Associacao Brazil	Total
	Foundation	Foundation	Foundation
Cash Flows from Operating Activities			
Changes in net assets	\$ (124,695)	\$ (309,924)	\$ (434,619)
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:			
Depreciation expense	3,069	3,508	6,577
(Increase) decrease in cash attributable to changes in assets and liabilities:			
Unconditional promises to give	524,000		524,000
Prepaid expenses and other current assets		(1,567)	(1,567)
Accounts payable and accrued expenses	(1,822)	67	(1,755)
Grants payable	9,017		9,017
Net cash provided by (used in) operating activities	409,569	(307,916)	101,653
 Cash Flows from Investing Activities			
Capital expenditures	(4,629)	(9,266)	(13,895)
Purchase of investments-net	(444)	233,188	232,744
Net cash provided by (used in) investing activities	(5,073)	223,922	218,849
Net increase (decrease) in cash	404,496	(83,994)	320,502
Cash, beginning of year	1,403,105	97,897	1,501,002
 Cash, End of Year	\$ 1,807,601	\$ 13,903	\$ 1,821,504
 <u>Non-cash operating activities</u>			
Foreign exchange loss recorded arising from contributions made that were converted into Brazilian currency	\$	\$ (243,280)	\$ (243,280)
 <u>Supplementary Cash Flow Disclosures:</u>			
Cash paid during the period for			
Interest	\$ 0	\$ 0	\$ 0
Income tax	\$ 0	\$ 0	\$ 0

See independent auditors' report and accompanying notes to financial statements.

For the Year Ended December 31,

<u>2013</u>				<u>2012</u>
<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>	<u>Total</u>
\$ (156,270)	\$ (294,486)	\$ 16,137	\$ (434,619)	\$ 974,040
6,577			6,577	5,242
524,000			524,000	(524,000)
(1,567)			(1,567)	(226)
(1,755)			(1,755)	1,990
	9,017		9,017	908
<u>370,985</u>	<u>(285,469)</u>	<u>16,137</u>	<u>101,653</u>	<u>457,954</u>
(13,895)			(13,895)	(5,532)
271,220	(59,321)	20,845	232,744	(363,192)
<u>257,325</u>	<u>(59,321)</u>	<u>20,845</u>	<u>218,849</u>	<u>(368,724)</u>
628,310	(344,790)	36,982	320,502	89,230
<u>222,810</u>	<u>457,384</u>	<u>820,808</u>	<u>1,501,002</u>	<u>1,411,772</u>
<u>\$ 851,120</u>	<u>\$ 112,594</u>	<u>\$ 857,790</u>	<u>\$ 1,821,504</u>	<u>\$ 1,501,002</u>
<u>\$ (243,280)</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ (243,280)</u>	<u>\$ (157,737)</u>

\$ 0
\$ 0

See independent auditors' report and accompanying notes to financial statements.

BRAZIL FOUNDATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013 and 2012

Note 1 – Nature of Organization

Brazil Foundation (the “Foundation”) promotes and raises awareness of education, health, economic and social justice in Brazil and within Brazilian communities. The Foundation consists of two (2) separate entities. Brazil Foundation is established as a New York not-for-profit organization and Associacao Brazil Foundation is a not-for-profit public interest organization under the laws of Brazil. Brazil Foundation raises funds through various U.S. initiatives and the Associacao Brazil Foundation carries out and oversees the implementation of the Brazilian programs.

The Foundation is exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Service Code and has been classified as a publicly supported organization as described in Code sections 509(a)(1) and 170(b)(A)(VI).

Note 2 – Summary of Significant Accounting Policies

Accounting Method

The financial statements of the Foundation have been prepared using the accrual method of accounting in conformity with accounting principles generally accepted in the United States of America (“GAAP”).

Net Asset Accounting

The Foundation’s net assets, revenues, and expenses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Foundation and changes therein are classified and reported as follows:

Permanently Restricted – Net assets resulting from contributions and other inflows of assets whose use by the organization is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the organization.

Temporarily Restricted – Net assets resulting from contributions and other inflows of assets whose use is limited by the donor, or have imposed stipulations that either expire by the passage of time or can be fulfilled and removed by the actions of the organization pursuant to those stipulations. When such stipulations end or are fulfilled, such temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities and changes in net assets.

Unrestricted – The part of the net assets that is neither permanently nor temporarily restricted by donor-imposed stipulations.

BRAZIL FOUNDATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013 and 2012

Note 2 – Summary of Significant Accounting Policies – continued

Income Taxes

In accordance with Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) 740, *Income Taxes*, the Foundation applies the “more likely than not” threshold to the recognition and derecognition of tax positions for its financial statements. Using that guidance, the Foundation believes that it has no uncertain tax positions that qualify for either recognition or disclosure in the financial statements as of December 31, 2013 and 2012.

The Internal Revenue Service (“IRS”) has determined that the Foundation is exempt from federal income tax under Section 501(c)(3) of the United States Internal Revenue Code (the “Code”) and from state and local income taxes under comparable laws. As a not-for-profit entity, the Foundation is subject to unrelated business income tax (“UBIT”), if applicable. For the tax years ended December 31, 2013 and 2012, the Organization did not owe any UBIT.

Management has evaluated the Foundation’s tax positions for all open tax years and has concluded that the Foundation had taken no uncertain tax position that require adjustment to the financial statements to comply with the provisions of GAAP. Generally, the Foundation is no longer subject to income tax examinations by U.S. Federal, State or Local tax authorities for years before 2010, which is the standard statute of limitations look-back period.

Unconditional Promises to Give and Contributions

Unconditional grants, contributions, and gifts including promises to give cash and other assets, are reported at fair value at the date the contribution is received or unconditionally promised. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Foundation considers all highly liquid debt instruments, purchased with a maturity of three months or less, to be cash equivalents.

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Purchases and sales of securities are recorded on a trade-date basis.

BRAZIL FOUNDATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013 and 2012

Note 2 – Summary of Significant Accounting Policies - continued

Fair Value Measurements

Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) 820, *Fair Value Measurements and Disclosures*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). Categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. Under the new standard, fair value is defined as the exit price, or the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants as of the measurement date.

The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that The Foundation has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the assets or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the assets or liabilities have a specified (contractual) term, Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Property and Equipment

Property and equipment are recorded at cost and are being depreciated using the straight-line method over the estimated useful life of the asset. Expenditures for repairs and maintenance are charged to expense as incurred.

BRAZIL FOUNDATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013 and 2012

Note 2 – Summary of Significant Accounting Policies - continued

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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

Functional Allocation of Expenses

The cost of providing the various program and supporting services has been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the program and support services in reasonable ratios determined by management.

Subsequent Events

The Foundation has evaluated subsequent events through August 19, 2014, the date on which these financial statements were available to be issued. There were no material subsequent events that required recognition or disclosure on these financial statements.

Financial Statement Presentation

The financial statements are presented in accordance with ASC subtopic 958-205 (formerly SFAS No. 117), *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, the Foundation is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets.

Note 3 – Concentration of Credit Risk

The Foundation maintains cash amounts with several financial institutions. As of December 31, 2013, accounts are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2013, the uninsured cash balances aggregate approximately \$1,038,000.

BRAZIL FOUNDATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013 and 2012

Note 4 – Restriction on Assets

Temporarily restricted net assets in the amount of \$42,355 were restricted in 2012 for operations until 2013, when they were released from restriction.

Additionally, contributions received in Brazil of \$1,734,982 that have not been completed or expended as of December 31, 2013, are classified as temporarily restricted revenues for 2013.

The Foundation is in the process of securing long-term grants for an endowment fund for which the principal will be permanently restricted. As of December 31, 2013, \$1,364,711 has been collected for this fund.

Donor restricted grants paid to Brazil Foundation aggregated \$1,479,428 for the year ended December 31, 2013.

Note 5 – Lease Commitments

The Foundation entered into a lease with its landlord in order to lease office space for its office in New York City. The Foundation occupies office space under a lease agreement, which provides for minimum annual payments as follows:

<u>Year ending December 31,</u>	<u>Amount</u>
2014	\$ 35,700

The lease also required the Foundation to provide a security deposit to the landlord.

Rent expense for the years ended December 31, 2013 and 2012 was \$47,147 and \$45,791, respectively.

Note 6 – Foreign Currency Translation

The Foundation translates its Brazilian currency into U.S. dollars based upon an average of high and low exchange rates when transactions take place. For the years ended December 31, 2013 and 2012, Brazil Foundation realized a foreign exchange loss of \$243,279 and \$157,737 respectively, based upon the average method of exchange rate translation.

Note 7 – Related Party Transactions

During the years ended December 31, 2013 and 2012, the Foundation transferred \$1,005,000 and \$1,232,900, respectively, in funds to Associacao Brazil Foundation, an affiliate, for support of ongoing projects.

BRAZIL FOUNDATION
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013 and 2012

Note 8 – Property and Equipment

Property and equipment consisted of the following:

	<u>Life</u>	<u>2013</u>
Office Equipment and Furniture	5 to 7 years	\$50,334
Less: Accumulated Depreciation		<u>24,708</u>
		<u>\$25,626</u>

ADDITIONAL INFORMATION

Michael S. Libock & Co., LLC

Certified Public Accountants

Independent Auditors' Report on Additional Information

To the Board of Directors of
Brazil Foundation

We have audited the financial statements of Brazil Foundation as of and for the years ended December 31, 2013 and 2012, and have issued our report thereon dated August 19, 2014, which contained an unmodified opinion on those financial statements. Our report, along with other auditors' reports on the audits of the basic financial statements of Brazil Foundation for 2013 and 2012, appears on page 1. Our audit was performed for the purposes of forming an opinion on the financial statements as a whole.

The schedule of functional expenses is presented for the purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements taken as a whole.

Michael S. Libock & Co., LLC, CPA's

Michael S. Libock & Co., LLC, CPA's

New York, NY

August 19, 2014

BRAZIL FOUNDATION
Statement of Functional Expenses - New York
Year Ended December 31, 2013

	Program Services		Total
	New York Program Costs	Donor Advised Grants	
Grants made	\$ 1,005,000	\$ 1,412,112	\$ 2,417,112
Salaries and fringe benefits	153,068		153,068
Professional fees	6,722		6,722
Travel	4,154		4,154
Utilities	2,612		2,612
Office equipment and supplies	6,647		6,647
Occupancy	20,122		20,122
Bank service charges			
	1,198,325	1,412,112	2,610,437
Total expenses before depreciation			
Depreciation			
	1,198,325	1,412,112	2,610,437
Total Expenses	\$ 1,198,325	\$ 1,412,112	\$ 2,610,437

See independent auditors' report on additional information.

Supporting Services			2013
Management and General	Fundraising	Total	Total Expenses
			\$ 2,417,112
\$ 95,667	\$ 133,934	\$ 229,601	382,669
43,690	16,804	60,494	67,216
	6,231	6,231	10,385
2,938	979	3,917	6,529
7,452	6,043	13,495	20,142
22,637	7,546	30,183	50,305
7,072		7,072	7,072
179,456	171,537	350,993	2,961,430
3,069		3,069	3,069
<u>\$ 182,525</u>	<u>\$ 171,537</u>	<u>\$ 354,062</u>	<u>\$ 2,964,499</u>

See independent auditors' report on additional information.

BRAZIL FOUNDATION
Statement of Functional Expenses - Brazil
Year Ended December 31, 2013

	Program Services		
	Brazil Program Costs	Grants	Total Program Services
Program Expenses			
Programatic partnerships	\$ 265,314		\$ 265,314
Carioca fund	86,274		86,274
Grants		\$ 551,816	551,816
Annual selection, monitoring, capacity building	121,661		121,661
Salaries and fringe benefits	348,624		348,624
Professional fees	28,459		28,459
Occupancy	174,951		174,951
Office equipment and supplies	32,767		32,767
Other operating costs	55,272		55,272
Fundraising			
Total expenses before depreciation	1,113,322	551,816	1,665,138
Depreciation			
Total Expenses	<u>\$ 1,113,322</u>	<u>\$ 551,816</u>	<u>\$ 1,665,138</u>

See independent auditors' report on additional information.

<u>Supporting Services</u>			<u>2013</u>
<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>	<u>Total Expenses</u>
			\$ 265,314
			86,274
			551,816
			121,661
\$ 67,175		\$ 67,175	415,799
5,022		5,022	33,481
30,874		30,874	205,825
5,782		5,782	38,549
9,754		9,754	65,026
	\$ 16,695	16,695	16,695
118,607	16,695	135,302	1,800,440
3,508		3,508	3,508
\$ <u>122,115</u>	\$ <u>16,695</u>	\$ <u>138,810</u>	\$ <u>1,803,948</u>

See independent auditors' report on additional information.