

# **BRAZIL FOUNDATION**

**FINANCIAL STATEMENTS  
FOR THE YEARS ENDED  
DECEMBER 31, 2014 and 2013**

## BRAZIL FOUNDATION

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# Michael S. Libock & Co., LLC

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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, 2014 and 2013 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 \$1,917,700 and \$2,131,923 as of December 31, 2014 and 2013, respectively, and total revenues of \$1,697,100 and \$1,737,304 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, 2014 and 2013, 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*

Michael S. Libock & Co., LLC

July 13, 2015

Westwood, NJ

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**BRAZIL FOUNDATION**  
**Combining Statements of Financial Position**

	December 31, 2014		
	Brazil Foundation	Associacao Brazil Foundation	Total
<b>Assets</b>			
Current Assets			
Cash	\$ 1,544,757	\$ 1,902,989	\$ 3,447,746
Investments	82,700		82,700
Prepaid expenses and other current assets	1,650	2,982	4,632
Total current assets	1,629,107	1,905,971	3,535,078
Property and equipment, at cost, (net of accumulated depreciation of \$35,400 and \$24,708)	32,402	11,729	44,131
Security deposit	15,600		15,600
Total Assets	\$ 1,677,109	\$ 1,917,700	\$ 3,594,809
<b>Liabilities and Net Assets</b>			
Liabilities			
Accounts payable and accrued expenses	\$ 2,528	\$ 29,901	\$ 32,429
Grants payable		487,625	487,625
Total liabilities	2,528	517,526	520,054
Net Assets	1,674,581	1,400,174	3,074,755
Total Liabilities and Net Assets	\$ 1,677,109	\$ 1,917,700	\$ 3,594,809

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

<b>December 31, 2014</b>				<b>2013</b>
<b>Unrestricted</b>	<b>Temporarily Restricted</b>	<b>Permanently Restricted</b>	<b>Total</b>	<b>Total</b>
\$ 1,160,359	\$ 948,915	\$ 1,338,472	\$ 3,447,746	\$ 1,821,504
82,700			82,700	2,170,269
4,632			4,632	3,679
<u>1,247,691</u>	<u>948,915</u>	<u>1,338,472</u>	<u>3,535,078</u>	<u>3,995,452</u>
44,131			44,131	25,626
<u>15,600</u>			<u>15,600</u>	<u>15,600</u>
<u>\$ 1,307,422</u>	<u>\$ 948,915</u>	<u>\$ 1,338,472</u>	<u>\$ 3,594,809</u>	<u>\$ 4,036,678</u>
\$ 32,429			\$ 32,429	\$ 13,463
<u>32,429</u>	\$ <u>487,625</u>		<u>487,625</u>	<u>13,195</u>
	487,625		520,054	26,658
<u>1,274,993</u>	<u>461,290</u>	\$ <u>1,338,472</u>	<u>3,074,755</u>	<u>4,010,020</u>
<u>\$ 1,307,422</u>	<u>\$ 948,915</u>	<u>\$ 1,338,472</u>	<u>\$ 3,594,809</u>	<u>\$ 4,036,678</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,		
	2014		
	Foundation	Associacao Brazil Foundation	Total
<b>Public Support and Revenue</b>			
Contributions			
Foundations	\$ 21,112		\$ 21,112
Corporations	9,139		9,139
Individuals	57,695	\$ 1,882	59,577
Investment income	12,367	91,070	103,437
Fundraising gala income (net of expenses of \$985,412)	1,229,917	120,152	1,350,069
Donor advised fund income	1,326,615		1,326,615
Endowment fund income	25,000	38,525	63,525
Carioca fund income (net of expenses of \$16)	110,880		110,880
Partnership income	1,475	205,505	206,980
Events income and other income (net of expenses of \$32,303)	190,504		190,504
Contributions from Brazil Foundation		1,239,966	*
Net assets released from restriction			
Total Public Support and Revenue	<u>2,984,704</u>	<u>1,697,100</u>	<u>3,441,838</u>
<b>Expenses</b>			
Program Services			
Associacao Brazil Foundation		1,080,100	1,080,100
Grants to Associacao Brazil Foundation	1,239,966		*
Discretionary grants	103,550	980,866	1,084,416
Donor advised grants	1,263,308	17,434	1,280,742
Other	207,405		207,405
Total Program Services	<u>2,814,229</u>	<u>2,078,400</u>	<u>3,652,663</u>
Supporting Services			
Management and general	198,808	108,198	307,006
Fundraising	187,082		187,082
Total Supporting Services	<u>385,889</u>	<u>108,198</u>	<u>494,087</u>
Total Expenses	<u>3,200,119</u>	<u>2,186,598</u>	<u>4,146,751</u>
Changes in net assets before foreign exchange loss	(215,415)	(489,498)	(704,913)
Foreign exchange loss		(230,352)	(230,352)
Changes in net assets	(215,415)	(719,850)	(935,265)
Net assets, beginning of year	<u>1,889,996</u>	<u>2,120,024</u>	<u>4,010,020</u>
<b>Net Assets, End of Year</b>	<u>\$ 1,674,581</u>	<u>\$ 1,400,174</u>	<u>\$ 3,074,755</u>

\* Interfund transfers of \$1,239,966 and \$1,005,000 are eliminated in the combination of the funds for the years ended December 31, 2014 and 2013, respectively.

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



For the Year Ended December 31,				
2014				2013
Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Total
\$ 21,112			\$ 21,112	\$ 5,143
9,139			9,139	23,396
59,577			59,577	63,977
103,437			103,437	131,871
1,229,917	\$ 120,152		1,350,069	1,144,120
73,091	1,253,524		1,326,615	1,479,428
		\$ 63,525	63,525	25,000
	110,880		110,880	115,284
	206,980		206,980	511,279
190,504			190,504	72,611
	1,239,966		*	*
2,789,945	(2,789,945)			
<u>4,476,722</u>	<u>141,557</u>	<u>63,525</u>	<u>3,441,838</u>	<u>3,572,109</u>
1,080,100			1,080,100	1,113,322
1,239,966			*	*
1,084,416			1,084,416	512,639
1,280,742			1,280,742	1,451,289
207,405			207,405	193,325
<u>4,892,629</u>			<u>3,652,663</u>	<u>3,270,575</u>
307,006			307,006	304,640
187,082			187,082	188,232
<u>494,087</u>			<u>494,087</u>	<u>492,873</u>
<u>5,386,717</u>			<u>4,146,751</u>	<u>3,763,448</u>
(909,995)	141,557	63,525	(704,913)	(191,339)
<u>(140,588)</u>		<u>(89,764)</u>	<u>(230,352)</u>	<u>(243,280)</u>
(1,050,583)	141,557	(26,239)	(935,265)	(434,619)
<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>\$ 1,274,993</u>	<u>\$ 461,290</u>	<u>\$ 1,338,472</u>	<u>\$ 3,074,755</u>	<u>\$ 4,010,020</u>

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

**BRAZIL FOUNDATION**  
**Combining Statements of Cash Flows**

	<b>For the Year Ended December 31,</b>		
	<b>2014</b>		
	<b>Brazil</b>	<b>Associacao Brazil</b>	<b>Total</b>
<b>Cash Flows from Operating Activities</b>	<b>Foundation</b>	<b>Foundation</b>	<b>Total</b>
Changes in net assets	\$ (215,415)	\$ (719,850)	\$ (935,265)
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:			
Depreciation expense	5,066	4,920	9,986
(Increase) decrease in cash attributable to changes in assets and liabilities:			
Unconditional promises to give			
Prepaid expenses and other current assets	(314)	67	(247)
Accounts payable and accrued expenses	964	18,002	18,966
Grants payable	(13,195)	487,625	474,430
Reclassification of investments		2,098,322	2,098,322
<b>Net cash (used in) provided by operating activities</b>	<b>(222,894)</b>	<b>1,889,086</b>	<b>1,666,192</b>
 <b>Cash Flows from Investing Activities</b>			
Capital expenditures	(29,197)		(29,197)
Purchase of investments-net	(10,753)		(10,753)
<b>Net cash (used in) provided by investing activities</b>	<b>(39,950)</b>		<b>(39,950)</b>
 Net increase (decrease) in cash	(262,844)	1,889,086	1,626,242
Cash, beginning of year	1,807,601	13,903	1,821,504
 <b>Cash, End of Year</b>	<b>\$ 1,544,757</b>	<b>\$ 1,902,989</b>	<b>\$ 3,447,746</b>
 <u><b>Non-cash operating activities</b></u>			
Foreign exchange loss recorded arising from contributions made that were converted into Brazilian currency	\$	\$ (230,352)	\$ (230,352)
 <u><b>Supplementary Cash Flow Disclosures:</b></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,**

<b>2014</b>				<b>2013</b>
<b>Unrestricted</b>	<b>Temporarily Restricted</b>	<b>Permanently Restricted</b>	<b>Total</b>	<b>Total</b>
\$ (1,050,583)	\$ 141,557	\$ (26,239)	\$ (935,265)	\$ (434,619)
9,986			9,986	6,577
(247)			(247)	524,000 (1,567)
18,966			18,966	(1,755)
	474,430		474,430	9,017
<u>1,371,067</u>	<u>220,334</u>	<u>506,921</u>	<u>2,098,322</u>	<u>1,501,002</u>
<u>349,189</u>	<u>836,321</u>	<u>480,682</u>	<u>1,666,192</u>	<u>101,653</u>
(29,197)			(29,197)	(13,895)
<u>(10,753)</u>			<u>(10,753)</u>	<u>232,744</u>
<u>(39,950)</u>			<u>(39,950)</u>	<u>218,849</u>
309,239	836,321	480,682	1,626,242	320,502
<u>851,120</u>	<u>112,594</u>	<u>857,790</u>	<u>1,821,504</u>	<u>1,501,002</u>
<u>\$ 1,160,359</u>	<u>\$ 948,915</u>	<u>\$ 1,338,472</u>	<u>\$ 3,447,746</u>	<u>\$ 1,821,504</u>
<u>\$ (230,352)</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ (230,352)</u>	<u>\$ (243,280)</u>

\$ 0  
\$ 0

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

**BRAZIL FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014 and 2013**

**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, 2014 and 2013**

**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, 2014 and 2013.

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, 2014 and 2013, 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, 2014 and 2013**

**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, 2014 and 2013**

**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 July 13, 2015, the date on which these financial statements were available to be issued. The endowment fund of approximately \$884,000 was transferred from a checking account to an investment account. There were no other 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, 2014, accounts are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2014, the uninsured cash balances aggregate approximately \$993,268.

**BRAZIL FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014 and 2013**

**Note 4 – Restriction on Assets**

Temporarily restricted net assets in the amount of \$112,594 were restricted in 2013 for operations until 2014, when they were released from restriction.

Additionally, contributions received in Brazil of \$1,248,539 that have not been completed or expended as of December 31, 2014, are classified as temporarily restricted revenues for 2014.

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, 2014, \$1,338,472 has been collected for this fund.

Donor restricted grants paid to Brazil Foundation aggregated \$1,326,615 for the year ended December 31, 2014.

**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 expired in 2014 but is in the process of being renewed. Until the lease agreement is renewed, they are leasing on a month-to-month basis.

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

Rent expense for the years ended December 31, 2014 and 2013 was \$52,437 and \$47,147, 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, 2014 and 2013, Brazil Foundation realized a foreign exchange loss of \$230,352 and \$243,279 respectively, based upon the average method of exchange rate translation.

**Note 7 – Related Party Transactions**

During the years ended December 31, 2014 and 2013, the Foundation transferred \$1,239,966 and \$1,005,000, respectively, in funds to Associacao Brazil Foundation, an affiliate, for support of ongoing projects.



**BRAZIL FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014 and 2013**

**Note 8 – Property and Equipment**

Property and equipment consisted of the following:

	<u>Life</u>	<u>2014</u>
Office Equipment and Furniture	5 to 7 years	\$79,531
Less: Accumulated Depreciation		<u>35,400</u>
		<u>\$44,131</u>

**ADDITIONAL INFORMATION**

# Michael S. Libock & Co., LLC

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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, 2014 and 2013, and have issued our report thereon dated July, 13, 2015, 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 2014 and 2013, 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*

Michael S. Libock & Co., LLC, CPA's  
New York, NY  
July 13, 2015

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**BRAZIL FOUNDATION**  
**Statement of Functional Expenses - New York**  
**Year Ended December 31, 2014**

	Program Services		Total
	New York Program Costs	Donor Advised Grants	
Grants made	\$ 1,343,516	\$ 1,263,308	\$ 2,606,824
Salaries and fringe benefits	162,777		162,777
Professional fees	8,135		8,135
Travel	6,516		6,516
Utilities	2,822		2,822
Office equipment and supplies	6,178		6,178
Occupancy	20,975		20,975
Bank service charges	_____	_____	_____
Total expenses before depreciation	1,550,921	1,263,308	2,814,229
Depreciation	_____	_____	_____
Total Expenses	\$ 1,550,921	\$ 1,263,308	\$ 2,814,229

See independent auditors' report on additional information.

<b>Supporting Services</b>			<b>2014</b>
<b>Management and General</b>	<b>Fundraising</b>	<b>Total</b>	<b>Total Expenses</b>
			\$ 2,606,824
\$ 101,736	\$ 142,430	\$ 244,165	406,942
52,877	20,337	73,214	81,349
	9,775	9,775	16,291
3,175	1,058	4,234	7,056
6,927	5,616	12,543	18,721
23,597	7,866	31,462	52,437
5,432		5,432	5,432
193,742	187,082	380,823	3,195,053
5,066		5,066	5,066
<u>\$ 198,808</u>	<u>\$ 187,082</u>	<u>\$ 385,889</u>	<u>\$ 3,200,119</u>

See independent auditors' report on additional information.

**BRAZIL FOUNDATION**  
**Statement of Functional Expenses - Brazil**  
**Year Ended December 31, 2014**

	<b>Program Services</b>		
	<b>Brazil Program Costs</b>	<b>Grants</b>	<b>Total Program Services</b>
Program Expenses			
Programatic partnerships	\$ 422,645		\$ 422,645
Carioca fund	43,871		43,871
Grants		\$ 998,300	998,300
Annual selection, monitoring, capacity building	52,713		52,713
Salaries and fringe benefits	307,059		307,059
Professional fees	173,919		173,919
Occupancy	13,979		13,979
Office equipment and supplies	20,356		20,356
Other operating costs	45,558		45,558
Fundraising			
Total expenses before depreciation	1,080,100	998,300	2,078,400
Depreciation			
Total Expenses	<u>\$ 1,080,100</u>	<u>\$ 998,300</u>	<u>\$ 2,078,400</u>

See independent auditors' report on additional information.

<b>Supporting Services</b>			<b>2014</b>
<b>Management and General</b>	<b>Fundraising</b>	<b>Total</b>	<b>Total Expenses</b>
			\$ 422,645
			43,871
			998,300
			52,713
\$ 58,488		\$ 58,488	365,547
30,691		30,691	204,610
2,467		2,467	16,446
3,592		3,592	23,948
8,040		8,040	53,598
	\$		
103,278	-	103,278	2,181,678
4,920		4,920	4,920
\$ <u>108,198</u>	\$ <u>-</u>	\$ <u>108,198</u>	\$ <u>2,186,598</u>

See independent auditors' report on additional information.