

BRAZIL FOUNDATION

**FINANCIAL STATEMENTS
FOR THE YEARS ENDED
DECEMBER 31, 2015 and 2014**

BRAZIL FOUNDATION

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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, 2015 and 2014 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 \$1,252,397 and \$1,917,700 as of December 31, 2015 and 2014, respectively, and total revenues of \$1,581,042 and \$1,697,100 for the years then ended. Those financial statements were audited by other auditors in accordance with Brazilian statutes, 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.

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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, 2015 and 2014, 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

June 29, 2016

Westwood, NJ

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BRAZIL FOUNDATION
Combining Statements of Financial Position

December 31, 2015

	<u>Brazil Foundation</u>	<u>Associacao Brazil Foundation</u>	<u>Total</u>
Assets			
Current Assets			
Cash	\$ 705,388	\$ 1,219,785	\$ 1,925,173
Investments	922,781		922,781
Prepaid expenses and other current assets	11,615	23,213	34,828
Total current assets	<u>1,639,784</u>	<u>1,242,998</u>	<u>2,882,782</u>
Property and equipment, at cost, (net of accumulated depreciation of \$47,203 and \$35,400)	27,968	9,399	37,367
Security deposit	<u>15,600</u>		<u>15,600</u>
Total Assets	<u>\$ 1,683,352</u>	<u>\$ 1,252,397</u>	<u>\$ 2,935,749</u>
Liabilities and Net Assets			
Liabilities			
Accounts payable and accrued expenses	\$ 3,767	\$ 25,247	\$ 29,014
Deferred rent	2,012		2,012
Grants payable		228,322	228,322
Total liabilities	<u>5,779</u>	<u>253,569</u>	<u>259,348</u>
Net Assets	<u>1,677,573</u>	<u>998,828</u>	<u>2,676,401</u>
Total Liabilities and Net Assets	<u>\$ 1,683,352</u>	<u>\$ 1,252,397</u>	<u>\$ 2,935,749</u>

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

December 31, 2015				2014
Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Total
\$ 458,264	\$ 261,140	\$ 1,205,769	\$ 1,925,173	\$ 3,447,746
922,781			922,781	82,700
34,828			34,828	4,632
<u>1,415,873</u>	<u>261,140</u>	<u>1,205,769</u>	<u>2,882,782</u>	<u>3,535,078</u>
37,367			37,367	44,131
<u>15,600</u>			<u>15,600</u>	<u>15,600</u>
<u>\$ 1,468,840</u>	<u>\$ 261,140</u>	<u>\$ 1,205,769</u>	<u>\$ 2,935,749</u>	<u>\$ 3,594,809</u>
\$ 29,014			\$ 29,014	\$ 32,429
2,012			2,012	
<u>228,322</u>			<u>228,322</u>	<u>487,625</u>
259,348			259,348	520,054
<u>1,209,492</u>	<u>\$ 261,140</u>	<u>\$ 1,205,769</u>	<u>2,676,401</u>	<u>3,074,755</u>
<u>\$ 1,468,840</u>	<u>\$ 261,140</u>	<u>\$ 1,205,769</u>	<u>\$ 2,935,749</u>	<u>\$ 3,594,809</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,		
	2015		
	Brazil Foundation	Associacao Brazil Foundation	Total
Public Support and Revenue			
Contributions			
Foundations	\$ 19,141		\$ 19,141
Corporations	8,414	\$ 6,967	15,381
Individuals	49,545	144	49,689
Investment income (loss)	(19,801)	129,671	109,870
Fundraising gala income (net of expenses of \$800,680)	1,082,764	176,938	1,259,702
Donor advised fund income	1,186,677	11,054	1,197,731
Endowment fund income			
Carioca fund income			
Partnership income	18,024	463,195	481,219
Events income and other income (net of expenses of \$8,997)	107,674	15,095	122,769
Contributed services		8,304	8,304
Contributions from Brazil Foundation		769,674	*
Net assets released from restriction			
	2,452,438	1,581,042	3,263,806
Expenses			
Program Services			
Associacao Brazil Foundation		493,778	493,778
Grants to Associacao Brazil Foundation	769,674		*
Discretionary grants	28,385	920,717	949,102
Donor advised grants	1,012,088		1,012,088
Other	226,830		226,830
Total Program Services	2,036,977	1,414,495	2,681,798
Supporting Services			
Management and general	217,875	104,209	322,084
Fundraising	194,594		194,594
Total Supporting Services	412,470	104,209	516,679
Total Expenses	2,449,446	1,518,704	3,198,476
Changes in net assets before foreign exchange loss	2,992	62,338	65,330
Foreign exchange loss		(463,684)	(463,684)
Changes in net assets	2,992	(401,346)	(398,354)
Net assets, beginning of year	1,674,581	1,400,174	3,074,755
Net Assets, End of Year	\$ 1,677,573	\$ 998,828	\$ 2,676,401

* Interfund transfers of \$769,674 and \$1,239,966 are eliminated in the combination of the funds for the years ended December 31, 2015 and 2014, respectively.

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

For the Year Ended December 31,				2014
2015				2014
Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Total
\$ 19,141			\$ 19,141	\$ 21,112
15,381			15,381	9,139
49,689			49,689	59,577
109,870			109,870	141,962
884,122	\$ 375,580		1,259,702	1,350,069
	1,197,731		1,197,731	1,326,615
				25,000
				110,880
	481,219		481,219	206,980
122,769			122,769	190,504
8,304			8,304	
	769,674		*	*
3,024,354	(3,024,354)			
<u>4,233,630</u>	<u>(200,150)</u>		<u>3,263,806</u>	<u>3,441,838</u>
493,778			493,778	1,080,100
769,674			*	*
949,102			949,102	1,084,416
1,012,088			1,012,088	1,280,742
226,830			226,830	207,405
<u>3,451,472</u>			<u>2,681,798</u>	<u>3,652,663</u>
322,084			322,084	307,006
194,594			194,594	187,082
<u>516,679</u>			<u>516,679</u>	<u>494,087</u>
<u>3,968,150</u>			<u>3,198,476</u>	<u>4,146,751</u>
265,480	(200,150)		65,330	(704,913)
<u>(330,981)</u>		\$ (132,703)	<u>(463,684)</u>	<u>(230,352)</u>
(65,501)	(200,150)	(132,703)	(398,354)	(935,265)
<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>\$ 1,209,492</u>	<u>\$ 261,140</u>	<u>\$ 1,205,769</u>	<u>\$ 2,676,401</u>	<u>\$ 3,074,755</u>

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

BRAZIL FOUNDATION
Combining Statements of Cash Flows

	For the Year Ended December 31,		
	2015		
	Brazil	Associacao Brazil	
Cash Flows from Operating Activities	Foundation	Foundation	Total
Changes in net assets	\$ 2,992	\$ (401,346)	\$ (398,354)
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:			
Depreciation expense	8,894	2,909	11,803
(Increase) decrease in cash attributable to changes in assets and liabilities:			
Unconditional promises to give			
Prepaid expenses and other current assets	(9,965)	(20,231)	(30,196)
Accounts payable and accrued expenses	1,239	(4,654)	(3,415)
Deferred rent	2,012		2,012
Grants payable		(259,303)	(259,303)
Reclassification of investments			
Net cash provided by (used in) operating activities	5,172	(682,625)	(677,453)
 Cash Flows from Investing Activities			
Capital expenditures	(4,460)	(579)	(5,039)
Purchase of investments-net	(856,626)		(856,626)
Proceeds from sale of investments	16,545		16,545
Net cash used in investing activities	(844,541)	(579)	(845,120)
Net (decrease) increase in cash	(839,369)	(683,204)	(1,522,573)
Cash, beginning of year	1,544,757	1,902,989	3,447,746
 Cash, End of Year	\$ 705,388	\$ 1,219,785	\$ 1,925,173
 <u>Non-cash operating activities</u>			
Foreign exchange loss recorded arising from contributions made that were converted into Brazilian currency	\$	\$ (463,684)	\$ (463,684)
 <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>2015</u>				<u>2014</u>
<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>	<u>Total</u>
\$ (65,501)	\$ (200,150)	\$ (132,703)	\$ (398,354)	\$ (935,265)
11,803			11,803	9,986
(30,196)			(30,196)	(247)
(3,415)			(3,415)	18,966
2,012			2,012	
228,322	(487,625)		(259,303)	474,430
				<u>2,098,322</u>
<u>143,025</u>	<u>(687,775)</u>	<u>(132,703)</u>	<u>(677,453)</u>	<u>1,666,192</u>
(5,039)			(5,039)	(29,197)
(856,626)			(856,626)	(10,753)
16,545			16,545	
<u>(845,120)</u>			<u>(845,120)</u>	<u>(39,950)</u>
(702,095)	(687,775)	(132,703)	(1,522,573)	1,626,242
<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>\$ 458,264</u>	<u>\$ 261,140</u>	<u>\$ 1,205,769</u>	<u>\$ 1,925,173</u>	<u>\$ 3,447,746</u>
<u>\$ (463,684)</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ (463,684)</u>	<u>\$ (230,352)</u>

\$ 0
\$ 0

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

**BRAZIL FOUNDATION
NOTES TO FINANCIAL STATEMENTS**

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**

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, 2015 and 2014.

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, 2015 and 2014, 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 2011, 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.

Comparative Financial Statements

The 2014 financial statements were restated to conform to the 2015 Financial Statement format.

**BRAZIL FOUNDATION
NOTES TO FINANCIAL STATEMENTS**

Note 2 – Summary of Significant Accounting Policies - continued

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.

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.

**BRAZIL FOUNDATION
NOTES TO FINANCIAL STATEMENTS**

Note 2 – Summary of Significant Accounting Policies - continued

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.

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 June 29, 2016, 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 in Brazil and the United States. As of December 31, 2015, accounts are insured by the Federal Deposit Insurance Corporation up to \$250,000 and by the Fundo Garantidor de Creditos up to R\$250,000. At December 31, 2015, the uninsured cash balances aggregate approximately \$1,200,000.

**BRAZIL FOUNDATION
NOTES TO FINANCIAL STATEMENTS**

Note 4 – Restriction on Assets

Temporarily restricted net assets in the amount of \$948,915 were restricted in 2014 for operations until 2015, when they were released from restriction.

Additionally, contributions received in Brazil of \$625,792 that have not been completed or expended as of December 31, 2015, are classified as temporarily restricted revenues for 2015.

The Foundation has secured long-term grants for an endowment fund for which the principal will be permanently restricted. As of December 31, 2015, \$1,205,769 has been collected for this fund.

Donor restricted grants paid to Brazil Foundation aggregated \$1,197,731 for the year ended December 31, 2015.

Note 5 – Lease Commitments

The Foundation renewed a five-year lease for office space in New York City under a non-cancelable operating lease that expires in June 2020.

Future minimum lease payments under the non-cancelable operating lease as of December 31, 2015 are as follows:

<u>Year Payable</u>	<u>Operating Lease</u>
2016	\$ 66,076
2017	68,059
2018	70,100
2019	72,204
2020	<u>36,635</u>
	<u>\$ 313,074</u>

Future minimum lease payments are expensed on a straight-line basis over the life of the lease term.

Note 6 – Foreign Currency Translation

The Brazilian part of the Foundation translates its Brazilian reals into U.S. dollars based upon a yearly average exchange rate. The value of the Brazilian reals declined in relation to the U.S. dollar with an average exchange rate of 2.451 in 2014 to 3.468 in 2015. Therefore, for the years ended December 31, 2015 and 2014, Brazil Foundation realized a foreign exchange loss of \$463,684 and \$230,352 respectively.

**BRAZIL FOUNDATION
NOTES TO FINANCIAL STATEMENTS**

Note 7 – Related Party Transactions

During the years ended December 31, 2015 and 2014, the Foundation transferred \$769,674 and \$1,239,966, respectively, in funds to Associacao Brazil Foundation, an affiliate, for support of ongoing projects.

Note 8 – Property and Equipment

Property and equipment consisted of the following:

	<u>Life</u>	<u>2015</u>
Office Equipment and Furniture	5 to 7 years	\$84,570
Less: Accumulated Depreciation		<u>47,203</u>
		<u>\$37,367</u>

ADDITIONAL INFORMATION

**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, 2015 and 2014, and have issued our report thereon dated June 29, 2016, 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 2015 and 2014, 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
June 29, 2016

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BRAZIL FOUNDATION
Statement of Functional Expenses - New York
Year Ended December 31, 2015

	Program Services		
	New York Program Costs	Donor Advised Grants	Total Program Services
Grants made	\$ 798,059	\$ 1,012,088	\$ 1,810,147
Salaries and fringe benefits	177,214		177,214
Professional fees	7,617		7,617
Travel	4,002		4,002
Utilities	3,478		3,478
Office equipment and supplies	9,818		9,818
Occupancy	24,700		24,700
Bank service charges	_____	_____	_____
Total expenses before depreciation	1,024,889	1,012,088	2,036,977
Depreciation	_____	_____	_____
Total Expenses	<u>\$ 1,024,889</u>	<u>\$ 1,012,088</u>	<u>\$ 2,036,977</u>

See independent auditors' report on additional information.

Supporting Services			2015
Management and General	Fundraising	Total	Total Expenses
			\$ 1,810,147
\$ 110,759	\$ 155,062	\$ 265,820	443,034
49,509	19,042	68,551	76,168
	1,000	1,000	5,002
3,912	1,304	5,216	8,694
11,008	8,923	19,931	29,748
27,788	9,263	37,051	61,751
6,007		6,007	6,007
208,981	194,594	403,576	2,440,552
8,894		8,894	8,894
<u>\$ 217,875</u>	<u>\$ 194,594</u>	<u>\$ 412,470</u>	<u>\$ 2,449,446</u>

See independent auditors' report on additional information.

BRAZIL FOUNDATION
Statement of Functional Expenses - Brazil
Year Ended December 31, 2015

	Program Services		
	Brazil Program Costs	Grants	Total Program Services
Program Expenses			
Programmatic partnerships	\$ 90,460		\$ 90,460
Carioca fund	2,353		2,353
Grants		\$ 920,717	920,717
Annual selection, monitoring, capacity building	47,511		47,511
Salaries and fringe benefits	163,443		163,443
Professional fees	123,724		123,724
Occupancy	11,091		11,091
Office equipment and supplies	17,746		17,746
Other operating costs	37,450		37,450
Fundraising			
Total expenses before depreciation	493,778	920,717	1,414,495
Depreciation			
Total Expenses	\$ 493,778	\$ 920,717	\$ 1,414,495

See independent auditors' report on additional information.

<u>Supporting Services</u>			<u>2015</u>
<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>	<u>Total Expenses</u>
			\$ 90,460
			2,353
			920,717
			47,511
\$ 67,766		\$ 67,766	231,209
21,834		21,834	145,558
1,957		1,957	13,048
3,132		3,132	20,878
6,611		6,611	44,061
<u>101,300</u>		<u>101,300</u>	<u>1,515,795</u>
<u>2,909</u>		<u>2,909</u>	<u>2,909</u>
\$ <u><u>104,209</u></u>	\$ <u><u> </u></u>	\$ <u><u>104,209</u></u>	\$ <u><u>1,518,704</u></u>

See independent auditors' report on additional information.