

**ASEORES FINANCIEROS COMUNITARIOS , INC.**

**Financial Statements**

**December 31, 2009 and 2008**

**(With Independent Auditors' Reports Thereon)**

**CRUZ, IZAGUIRRE & CO., PSC**  
**Certified Public Accountants**

**ASESORES FINANCIEROS COMUNITARIOS, INC.**

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## INDEPENDENT AUDITOR'S REPORT

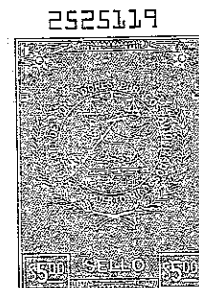
To the Board of Directors of  
Asesores Financieros Comunitarios, Inc.  
San Juan, Puerto Rico

We have audited the accompanying statement of financial position of Asesores Financieros Comunitarios, Inc., (a nonprofit organization) as of December 31, 2009, and the related statements of activities, and cash flows for the year then ended. These financial statements are the responsibility of Asesores Financieros Comunitarios, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements of Asesores Financieros Comunitarios, Inc., as of December 31, 2008, were audited by other auditors whose report dated May 20, 2009, expressed an unqualified opinion on those statements.

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 includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Asesores Financieros Comunitarios, Inc.'s internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Asesores Financieros Comunitarios, Inc. as of December 31, 2009, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

*Cruz Izaguirre & Co., PSC*  
Cruz, Izaguirre & Co., CPA, PSC  
Lic. 159  
San Juan, Puerto Rico  
June 3, 2010



ASESORES FINANCIEROS COMUNITARIOS, INC.

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
ASSETS		
CURRENT ASSETS		
Cash	\$ 35,154	\$ 25,514
Accounts receivable	<u>152</u>	<u>20,209</u>
TOTAL CURRENT ASSETS	<u>35,306</u>	<u>45,723</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 225	\$ 3,053
Accrued expenses	<u>1,730</u>	<u>744</u>
TOTAL CURRENT LIABILITIES	1,955	3,797
NET ASSETS		
Unrestricted	<u>33,351</u>	<u>41,926</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 35,306</u>	<u>\$ 45,723</u>

The accompanying notes are an integral part of this statement.

ASESORES FINANCIEROS COMUNITARIOS, INC.

STATEMENTS OF ACTIVITIES  
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
SUPPORT AND REVENUES		
Grants	\$ 9,000	\$ 25,000
Corporate donations	30,975	10,750
Individuals donations	1,235	-
Contribution from the PR Society of CPA	200	5,000
Seminar revenues	5,050	2,580
Fund raising activities	4,437	-
In-kind contributions	36,046	72,217
Interest income	213	85
	<u>87,156</u>	<u>115,632</u>
TOTAL SUPPORT AND REVENUES		
EXPENSES		
Salaries, payroll and fringe benefits	17,083	1,438
Executive director	22,299	8,378
In kind legal services	9,591	10,500
Accounting and audit (In kind: \$1,150 for 2009 and \$26,313 for 2008)	1,184	26,313
Design and development of workshops (In kind: \$5,800 for 2009 and \$12,500 for 2008)	14,054	14,600
Workshops' facilitators (In kind: \$8,150 for 2009 and \$4,375 for 2008)	8,900	4,375
Workshops' material and other expenses (In kind: \$960 for 2009)	3,584	1,021
In kind rent	6,000	2,000
In kind consulting services	3,700	-
In kind advertising and promotion	500	9,360
Internet and web page (In kind: \$6,738 for 2008)	2,282	6,738
Fund raising expenses	2,126	-
Miscellaneous (In kind: \$195 for 2009 and \$431 for 2008)	4,428	3,283
	<u>95,731</u>	<u>88,006</u>
TOTAL EXPENSES		
INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS	(8,575)	27,626
NET ASSETS, beginning of year	<u>41,926</u>	<u>14,300</u>
NET ASSETS, end of year	<u>\$ 33,351</u>	<u>\$ 41,926</u>

The accompanying notes are an integral part of this statement.

**ASESORES FINANCIEROS COMUNITARIOS, INC.**

**STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase (decrease) in net assets	\$ (8,575)	\$ 27,626
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities		
Decrease (increase) in accounts receivable	20,057	(5,909)
Increase (decrease) in accounts payable	(2,828)	3,053
Increase in accrued expenses	<u>986</u>	<u>744</u>
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>9,640</u>	<u>25,514</u>
<b>NET INCREASE IN CASH</b>	9,640	25,514
CASH, beginning of year	<u>25,514</u>	<u>-</u>
CASH, end of year	<u>\$ 35,154</u>	<u>\$ 25,514</u>

The accompanying notes are an integral part of this statement.

# ASESORES FINANCIEROS COMUNITARIOS, INC.

## Notes to Financial Statements December 31, 2009 and 2008

### 1. Organization and Summary of Significant Accounting Policies

#### a. Organization

Asesores Financieros Comunitarios, Inc. (the Organization), was incorporated under the laws of the Commonwealth of Puerto Rico as a nonprofit organization on August 10, 2007 and commenced operations in December, 2007. The primary objective of the Organization is to empower non-profit and community based organizations to improve their fiscal administration and ensure their financial viability in the long run. Also, the Organization provides training services to non-profit organizations personnel in the areas of organizational structure, accounting and general administration.

#### b. Significant Accounting Policies

##### Basis of Accounting

The financial statements of Asesores Financieros Comunitarios, Inc. have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

##### Basis of Presentation

As required by the Not-for-Profit Entities Topic of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC), the Organization reports 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. In addition, the Organization is required to present a statement of cash flows. When a restriction expires, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

##### Contributions and Revenue Recognition

As required by the Not-for-Profit Entities Topic of the FASB ASC, contributions received are recorded as increases in unrestricted, temporarily restricted, or permanently restricted net assets, depending on the existence or nature of any donor restrictions.

## ASESORES FINANCIEROS COMUNITARIOS, INC.

### Notes to Financial Statements December 31, 2009 and 2008

Contributions are recognized as revenues when they are received or unconditionally pledged.

#### **Donated Services**

As required by the Not-for-Profit Entities Topic of the FASB ASC, donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization.

#### **Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

#### **Accounts receivable**

Management considers accounts receivable balance to be fully collectible; accordingly, no allowance for doubtful accounts is required. If amounts become uncollectible, they are charged to operations when that determination is made.

#### **Subsequent Events**

In preparing these financial statements, the Organization has evaluated events and transactions that occurred subsequent to December 31, 2009, in accordance with the Subsequent Events Topic of the FASB ASC, for potential recognition or disclosure through June 3, 2010, the date the Organization's financial statements were available to be issued. No material subsequent events have occurred since December 31, 2009 that required recognition or disclosure in the current period financial statements.

## **2. Tax Status**

The Organization is exempt from the payment of income tax, municipal and property taxes, under Section 1101(12) of the Puerto Rico Income Tax Code, section 9(7) of



**ASESORES FINANCIEROS COMUNITARIOS, INC.**

**Notes to Financial Statements  
December 31, 2009 and 2008**

the Municipal License Tax Act, and section 5.01(e) of the Municipal Property Tax Act, respectively.

Also, the Organization filed the application for the exemption from the payment of federal taxes under Section 501(c) (9) of the Internal Revenue Code.

**3. Reclassifications**

Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.