



AMIGOS FOR CHRIST and AFFILIATE

Consolidated Financial Statements
With Independent Auditors' Report

December 31, 2016 and 2015

AMIGOS FOR CHRIST and AFFILIATE

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Amigos for Christ and Affiliate
Buford, Georgia

We have audited the accompanying consolidated financial statements of Amigos for Christ (AFC) and Affiliate (collectively referred to as the Organization), which comprise the consolidated statements of financial position as of December 31, 2016 and 2015, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated financial statements.

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

Board of Directors
Amigos for Christ and Affiliate
Buford, Georgia

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Amigos for Christ and Affiliate as of December 31, 2016 and 2015, and the changes in its net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Capin Crouse LLP

Lawrenceville, Georgia
April 27, 2017

AMIGOS FOR CHRIST and AFFILIATE

Consolidated Statements of Financial Position

	December 31,	
	<u>2016</u>	<u>2015</u>
ASSETS:		
Cash and cash equivalents	\$ 2,300,957	\$ 2,484,596
Prepaid expenses and other current assets	38,863	25,996
Inventory	145,328	63,853
Property and equipment–net	<u>1,200,556</u>	<u>1,278,321</u>
Total Assets	<u><u>\$ 3,685,704</u></u>	<u><u>\$ 3,852,766</u></u>
LIABILITIES AND NET ASSETS:		
Liabilities:		
Accounts payable and accrued expenses	<u>\$ 161,075</u>	<u>\$ 138,653</u>
Net assets:		
Unrestricted	3,524,629	3,689,113
Temporarily restricted	-	25,000
	<u>3,524,629</u>	<u>3,714,113</u>
Total Liabilities and Net Assets	<u><u>\$ 3,685,704</u></u>	<u><u>\$ 3,852,766</u></u>

See notes to consolidated financial statements

AMIGOS FOR CHRIST and AFFILIATE

Consolidated Statements of Activities

Year Ended December 31,

	2016			2015		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
SUPPORT AND REVENUE:						
Contributions	\$ 441,440	\$ 1,644,020	\$ 2,085,460	\$ 846,936	\$ 1,550,562	\$ 2,397,498
Donated goods and services	2,333,512	-	2,333,512	6,406,212	-	6,406,212
Donated securities	22,881	13,115	35,996	143,480	-	143,480
Missions outreach	443,640	-	443,640	755,330	-	755,330
Investment income	14,836	-	14,836	11,167	-	11,167
Other revenue	58,208	-	58,208	53,845	-	53,845
Total Support and Revenue	3,314,517	1,657,135	4,971,652	8,216,970	1,550,562	9,767,532
RECLASSIFICATIONS:						
Net Assets Released from Restrictions:						
Satisfaction of purpose restrictions	1,682,135	(1,682,135)	-	1,591,462	(1,591,462)	-
EXPENSES:						
Program services:						
Water and sanitation	365,313	-	365,313	424,304	-	424,304
Health care	2,123,627	-	2,123,627	5,968,584	-	5,968,584
Education and nutrition	625,368	-	625,368	562,799	-	562,799
Economic development	270,112	-	270,112	188,052	-	188,052
Missions outreach	561,220	-	561,220	515,694	-	515,694
Project support	666,689	-	666,689	747,585	-	747,585
	4,612,329	-	4,612,329	8,407,018	-	8,407,018

(continued)

See notes to consolidated financial statements

AMIGOS FOR CHRIST and AFFILIATE

Consolidated Statements of Activities (continued)

Year Ended December 31,

	2016			2015		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
EXPENSES, continued:						
Supporting activities:						
General and administrative	310,287	-	310,287	420,855	-	420,855
Fund-raising	164,281	-	164,281	169,389	-	169,389
	474,568	-	474,568	590,244	-	590,244
 Total Expenses	 5,086,897	 -	 5,086,897	 8,997,262	 -	 8,997,262
 Change in Net Assets before Translation Adjustment	 (90,245)	 (25,000)	 (115,245)	 811,170	 (40,900)	 770,270
 Translation adjustment	 (74,239)	 -	 (74,239)	 (66,653)	 -	 (66,653)
 Change in Net Assets	 (164,484)	 (25,000)	 (189,484)	 744,517	 (40,900)	 703,617
 Net Assets, Beginning of Year	 3,689,113	 25,000	 3,714,113	 2,944,596	 65,900	 3,010,496
 Net Assets, End of Year	 \$ 3,524,629	 \$ -	 \$ 3,524,629	 \$ 3,689,113	 \$ 25,000	 \$ 3,714,113

See notes to consolidated financial statements

AMIGOS FOR CHRIST and AFFILIATE

Consolidated Statements of Cash Flows

	Year Ended December 31,	
	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ (189,484)	\$ 703,617
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	118,597	117,636
Loss on disposition of property and equipment	743	-
Noncash contributions of securities	(35,996)	(143,480)
Proceeds from sales of noncash contributions	35,996	143,480
Change in:		
Prepaid expenses and other current assets	(12,867)	10,919
Inventory	(81,475)	(63,853)
Accounts payable and accrued expenses	22,422	(27,381)
Net Cash Provided (Used) by Operating Activities	(142,064)	740,938
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisitions of property and equipment	(126,788)	(65,288)
Change in property and equipment due to currency translation	73,691	162,253
Proceeds from disposition of property and equipment	11,522	-
Net Cash Provided (Used) by Investing Activities	(41,575)	96,965
Change in Cash and Cash Equivalents	(183,639)	837,903
Cash and Cash Equivalents, Beginning of Year	2,484,596	1,646,693
Cash and Cash Equivalents, End of Year	\$ 2,300,957	\$ 2,484,596

See notes to consolidated financial statements

AMIGOS FOR CHRIST and AFFILIATE

Notes to Consolidated Financial Statements

December 31, 2016 and 2015

1. NATURE OF ORGANIZATION:

Amigos for Christ (AFC) is a not-for-profit corporation established in 1999. As a not-for-profit corporation, AFC is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code (Code). AFC is also classified as a publicly supported organization, which is not a private foundation as defined by Section 170(b) of the Code.

AFC supports Amigos por Cristo (AFC-NICA), an affiliated Nicaraguan entity, by providing funding, volunteers, and goods and services. The mission of AFC and AFC-NICA (collectively referred to as the Organization) is to serve God by providing opportunities for missionaries and impoverished families to grow through life-changing experiences. The Organization's vision is to be a model community development organization that facilitate water, health, education, economic, and infrastructure improvements in rural Nicaragua. The Organization accomplishes this mission and vision primarily through program services described below:

Water and sanitation - water is the first step to changing lives. We drill wells and build water and sanitation systems. Working alongside the community we are serving, we create an infrastructure to produce 100 gallons of water each day at every home. In addition, our modern bathroom model promotes sanitary living conditions by utilizing a flush-toilet and shower.

Health care - (a) preventative care: through modeling the behaviors of the healthiest families in each community, we create a plan for family hygiene that will decrease the instances of preventable illness such as kidney disease, anemia, and respiratory disease; (b) restorative care: working alongside the Nicaraguan Ministry of Health, we support the existing infrastructure to increase access to medical attention and prescribed medicines for the undeserved; (c) surgical care: working alongside the Nicaraguan Ministry of Health and local hospitals, we provide surgical services to those who are suffering and have no alternatives.

Education and nutrition - working alongside the community and the Nicaraguan Ministry of Education, we create an infrastructure to increase the percentage of children who complete primary and secondary school. We achieve this by building schools and feeding centers, offering scholarships, and encouraging extra-curricular activities, such as after-school and theater programs.

Economic development - for families within the communities we serve, we create and provide capital resources to increase their income level to a minimum of \$15 a day. We do this through agricultural loans, animal ownership and reproduction programs, and community-based cooperative businesses.

Missions outreach - contact with people who voluntarily want to be an instrument of God and serve Him by serving the most dispossessed. The Organization receives over 1,800 volunteers a year to support the execution of various projects.

Project support - AFC-NICA owns, operates, and maintains a mission complex in Nicaragua to house visiting mission trip participants. We have close to 2,000 visitors every year. This complex also holds our Nicaraguan headquarters which includes office space, warehouses, and a fleet of vehicles, all of which are necessary to support our daily operations.

AMIGOS FOR CHRIST and AFFILIATE

Notes to Consolidated Financial Statements

December 31, 2016 and 2015

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The Organization maintains its accounts and prepares its consolidated financial statements on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States. The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The significant accounting policies followed are described below to enhance the usefulness of the consolidated financial statements to the reader.

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements include the balances and financial activities of AFC and AFC-NICA. All significant intercompany transactions and balances have been eliminated from the consolidated financial statements.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash on hand, checking, savings, and money market accounts, with original maturities of three months or less. The amounts held at the bank may, at times, exceed federally insured deposit levels. The Organization has not experienced any losses in such accounts, and management believes it is not exposed to any significant credit risk on cash and cash equivalents.

PREPAID EXPENSES AND OTHER CURRENT ASSETS

Prepaid expenses and other current assets consist of various receivables as well as miscellaneous prepaid expenses. Receivables are reported net of any anticipated losses due to uncollectible accounts. The Organization's policy for determining when receivables are past due or delinquent is 30 days after invoicing. Uncollectible accounts are reported as additions to the allowance for bad debts when it is determined the amounts are uncollectible.

The allowance for doubtful accounts is maintained at a level which, in management's judgment, is adequate to absorb potential losses inherent in the receivable portfolio. The amount of the allowance is based on management's evaluation of the collectability of the receivable portfolio, including the nature of the portfolio, trends in historical loss experience, specific impaired accounts, and economic conditions. For the years ended December 31, 2016 and 2015, in management's opinion, no allowance for doubtful accounts is deemed necessary.

INVENTORY

In July 2015, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2015-11, *Simplifying the Measurement of Inventory* which amends the subsequent measurement of inventory that is measured using first-in, first-out (FIFO) or average cost. An entity should measure inventory within the scope of this ASU at the lower of cost and net realizable value. Net realizable value is the estimated selling prices in the ordinary course of business, less reasonably predictable costs of completion, disposal, and transportation. The ASU is effective for the calendar years beginning after December 15, 2016, and interim periods within those fiscal years, with early application permitted. The Organization has elected to early adopt the updated disclosure.

AMIGOS FOR CHRIST and AFFILIATE

Notes to Consolidated Financial Statements

December 31, 2016 and 2015

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

INVENTORY, continued

Donated inventory is stated at its estimated fair value on the date of receipt and consists of items such as medicines and household goods to be used in Nicaragua. All inventory consists of finished goods.

Purchased inventory is stated at the lower of cost (based on the average cost basis) or net realizable value and consists of materials used in the construction of water and sanitation systems, as well as in the construction of modern bathrooms.

PROPERTY AND EQUIPMENT–NET

Property and equipment is stated at cost at date of acquisition or fair market value at date of donation in the case of gifts. Depreciation is computed on the straight–line method over the estimated useful lives of the related assets ranging from three to seven years. Purchases of property and equipment valued at \$1,000 or more are capitalized. The Organization elects to account for property and equipment in Nicaragua in accordance with the functional currency provisions of the *Foreign Currency Matters* topic of the FASB Accounting Standards Codification (ASC). This has resulted in translation adjustments of \$73,689 and \$142,786 in 2016 and 2015, respectively, to property and equipment with functional currencies that differ from the reporting currency.

CLASSES OF NET ASSETS

The consolidated financial statements report amounts by class of net assets.

Unrestricted net assets are currently available for operating purposes under the direction of the board, designated by the board for specific use, or resources invested in property and equipment.

Temporarily restricted net assets are contributed with donor stipulations for specific operating purposes or programs, with time restrictions, or not currently available for use until commitments regarding their use have been fulfilled.

All contributions are considered available for unrestricted use unless specifically restricted by the donor or subject to other legal restrictions.

SUPPORT AND REVENUE, RECLASSIFICATIONS, AND EXPENSES

Revenue is recognized when earned and support when contributions are made, which may be when cash is received, unconditional promises are made, or ownership of other assets is transferred to the Organization. Donated goods and services are recorded at their estimated fair market value on the date of donation.

The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated amounts. Gifts are reported as unrestricted if they are spent in the same period. When a stipulated time restriction ends or purpose restriction is satisfied, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statements of activities as net assets released from restrictions.

AMIGOS FOR CHRIST and AFFILIATE

Notes to Consolidated Financial Statements

December 31, 2016 and 2015

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

SUPPORT AND REVENUE, RECLASSIFICATIONS, AND EXPENSES, continued

The Organization reports gifts of property and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash and other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service.

Expenses are recorded when incurred in accordance with the accrual basis of accounting. The costs of providing the program services and supporting activities of the Organization have been summarized on a functional basis in the consolidated statements of activities. Accordingly, certain costs have been allocated among the program services and supporting activities benefited.

Donated goods (consisting of medicines and medical supplies) are recorded as contribution revenue at its estimated fair value at the date of donation. The Organization has determined the estimated fair value of donated goods in accordance with fair value measurement accounting standards using Wholesale Acquisition Cost (WAC). WAC is considered to more closely approximate fair value as it is self-reported by manufacturers. While WAC is not based on actual sales transactions, it is defined in the Social Security Act: "Section 1847A(c)(6)(B) of the Act defines WAC as the manufacturer's list price for the drug to wholesalers or direct purchasers, not including prompt pay or other discounts, rebates, or reductions, for the most recent month for which information is available."

WAC is the undiscounted list price that manufacturers report to publishing companies, such as First DataBank and Thompson Reuters, which use these data to produce pricing compendia. The price wholesalers charge pharmacies for a drug is generally based on WAC. In a similar way, the Organization determines fair value from the WAC values published in Redbook© Online by Thomson Reuters. Donated goods not listed in Redbook© have been valued according to an average of current market data derived from international pricing to obtain a reasonable fair market value.

Donated services are reported as contributions if the services (a) create or enhance non-financial assets, or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. Donated services meeting the criteria for recognition in the consolidated financial statements totaled \$111,500 and \$168,246 for the years ended December 31, 2016 and 2015, respectively.

Numerous volunteers donate significant amounts of time and perform a variety of tasks, assisting the Organization in its charitable programs. Although no amounts have been reflected in the consolidated financial statements because the criteria for recognition of such efforts under generally accepted accounting principles have not been satisfied, management estimates the fair value of those services to be approximately \$573,000 and \$497,000 for the years ended December 31, 2016 and 2015, respectively.

AMIGOS FOR CHRIST and AFFILIATE

Notes to Consolidated Financial Statements

December 31, 2016 and 2015

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

FOREIGN OPERATIONS

In connection with its ministry, AFC supports AFC–NICA, an affiliated Nicaraguan entity, by providing funding, volunteers, and goods and services. As of December 31, 2016 and 2015, current assets in Nicaragua, including cash and cash equivalents and prepaid expenses and other current assets totaled \$172,905 and \$70,237, respectively; property and equipment, net of accumulated depreciation, amounted to \$1,200,556 and \$1,278,321, respectively; and liabilities in Nicaragua were \$159,099 and \$128,952, respectively. Total support and revenue received in Nicaragua, before any eliminations, amounted to \$1,645,393 during 2016 and \$1,369,530 during 2015. Account balances relating to Nicaraguan operations are reflected in the consolidated financial statements in United States dollars.

UNCERTAIN TAX POSITIONS

The financial statement effects of a tax position taken or expected to be taken are recognized in the consolidated financial statements when it is more likely than not, based on the technical merits, that the position will be sustained upon examination. Interest and penalties, if any, are included in expenses in the consolidated statements of activities. As of December 31, 2016 and 2015, the Organization had no uncertain tax positions that qualify for recognition or disclosure in the consolidated financial statements.

AFC files information tax returns in the U.S. and various state jurisdictions. AFC is generally no longer subject to U.S. federal and state income tax examinations by tax authorities for years before 2013.

RECLASSIFICATION

Certain amounts from the prior year have been reclassified to conform to the current year presentation.

3. PREPAID EXPENSES AND OTHER CURRENT ASSETS:

Prepaid expenses and other current assets consist of:

	December 31,	
	2016	2015
Receivables	\$ 25,452	\$ 12,549
Prepaid expenses	13,411	13,447
	<u>\$ 38,863</u>	<u>\$ 25,996</u>

Receivables consist of amounts due from communities, advances to employees, and other receivables.

AMIGOS FOR CHRIST and AFFILIATE

Notes to Consolidated Financial Statements

December 31, 2016 and 2015

4. INVENTORY:

Inventory consist of:

	December 31,	
	2016	2015
Purchased	\$ 68,690	\$ 12,467
Donated	76,638	51,386
	\$ 145,328	\$ 63,853

5. PROPERTY AND EQUIPMENT–NET:

Property and equipment–net consist of:

	December 31,	
	2016	2015
Land	\$ 140,816	\$ 149,943
Buildings and improvements	1,180,719	1,257,249
Furniture and equipment	45,731	46,012
Machinery and small tools	102,840	100,686
Vehicles	326,660	244,860
	1,796,766	1,798,750
Less accumulated depreciation	(604,182)	(520,429)
	1,192,584	1,278,321
Construction in process	7,972	-
	\$ 1,200,556	\$ 1,278,321

6. NET ASSETS:

Net assets consist of:

	December 31,	
	2016	2015
Unrestricted:		
Undesignated	\$ 2,324,073	\$ 2,410,792
Equity in property and equipment	1,200,556	1,278,321
	\$ 3,524,629	\$ 3,689,113
Temporarily restricted:		
Chapel	\$ -	\$ 25,000

AMIGOS FOR CHRIST and AFFILIATE

Notes to Consolidated Financial Statements

December 31, 2016 and 2015

7. OPERATING EXPENSES:

Operating expenses, by natural classification, consist of:

	For the Year Ended December 31, 2016			
	Program Services	General and Administrative	Fund-raising	Total
Salaries and related benefits	\$ 1,056,262	\$ 110,462	\$ 109,564	\$ 1,276,288
Operations	129,914	6,798	3,732	140,444
Financial expenses	75,546	7,020	1,599	84,165
Media and advertising	8,521	-	39,818	48,339
Travel and conferences	50,710	4,376	5,471	60,557
Professional services	179,562	38,625	1,741	219,928
Other operating expenses	790,054	22,728	672	813,454
Occupancy	13,500	1,681	1,684	16,865
Donated goods and services	2,308,260	-	-	2,308,260
Depreciation	-	118,597	-	118,597
	\$ 4,612,329	\$ 310,287	\$ 164,281	\$ 5,086,897
	Year Ended December 31, 2015			
	Program Services	General and Administrative	Fund-raising	Total
Salaries and related benefits	\$ 819,643	\$ 120,159	\$ 113,881	\$ 1,053,683
Operations	157,742	12,196	4,368	174,306
Financial expenses	46,417	33,613	-	80,030
Media and advertising	-	-	36,166	36,166
Travel and conferences	116,172	16,083	9,508	141,763
Professional services	243,372	29,348	-	272,720
Other operating expenses	668,846	91,820	970	761,636
Occupancy	-	-	4,496	4,496
Donated goods and services	6,354,826	-	-	6,354,826
Depreciation	-	117,636	-	117,636
	\$ 8,407,018	\$ 420,855	\$ 169,389	\$ 8,997,262

8. RELATED PARTY TRANSACTIONS:

For the years ended December 31, 2016 and 2015, the Organization paid wages to related parties in the amount of \$157,249 and \$41,969, respectively.

AMIGOS FOR CHRIST and AFFILIATE

Notes to Consolidated Financial Statements

December 31, 2016 and 2015

9. LEGAL MATTERS:

From time to time, the Organization may be subject to legal proceedings which arise in the ordinary course of the Organizations operations. Although there can be no assurance as to the ultimate disposition of these matters, the Organization's management believes that the final disposition of such matters will not have a material adverse effect on the financial position or results of operations of the Organization.

10. EMPLOYEE BENEFIT PLAN:

AFC maintains a Simple IRA Plan (the Plan). The Plan allows employees to contribute a percentage of their compensation to the Plan. AFC has elected to make a 3% matching contribution of the employee's compensation. AFC contributions to the Plan totaled \$16,538 and \$8,711 for the years ended December 31, 2016 and 2015, respectively.

11. CONCENTRATIONS:

Two donors contributed 86% and 85% of donated goods and services for the years ended December 31, 2016 and 2015, respectively. All of the foreign operations of AFC are concentrated in Nicaragua.

12. SUBSEQUENT EVENTS:

Subsequent events have been evaluated through the report date, which represents the date the consolidated financial statements were available to be issued. Subsequent events after that date have not been evaluated.

SUPPLEMENTARY DATA

**INDEPENDENT AUDITORS' REPORT
ON SUPPLEMENTARY DATA**

Board of Directors
Amigos for Christ and Affiliate
Buford, Georgia

We have audited the consolidated financial statements of Amigos for Christ (AFC) and Affiliate (collectively referred to as the Organization) as of and for the years ended December 31, 2016 and 2015, and have issued our report thereon dated April 27, 2017, which contained an unmodified opinion on those consolidated financial statements. Our audit was performed for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary data (the Data) on pages 16 - 19 is presented for the purposes of additional analysis and is not a required part of the consolidated financial statements. Such Data is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The Data has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Data is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Capin Crouse LLP

Lawrenceville, Georgia
April 27, 2017

AMIGOS FOR CHRIST and AFFILIATE

Consolidating Statement of Financial Position

December 31, 2016

	<u>Amigos for Christ (United States)</u>	<u>Amigos por Cristo (Nicaragua)</u>	<u>Eliminations</u>	<u>Total</u>
ASSETS:				
Cash and cash equivalents	\$ 2,199,834	\$ 101,123	\$ -	\$ 2,300,957
Prepaid expenses and other current assets	12,587	26,276	-	38,863
Inventory	99,822	45,506	-	145,328
Property and equipment–net	-	1,200,556	-	1,200,556
Total Assets	<u>\$ 2,312,243</u>	<u>\$ 1,373,461</u>	<u>\$ -</u>	<u>\$ 3,685,704</u>
LIABILITIES AND NET ASSETS:				
Liabilities:				
Accounts payable and accrued expenses	\$ 1,976	\$ 159,099	\$ -	\$ 161,075
Net assets	<u>2,310,267</u>	<u>1,214,362</u>	<u>-</u>	<u>3,524,629</u>
Total Liabilities and Net Assets	<u>\$ 2,312,243</u>	<u>\$ 1,373,461</u>	<u>\$ -</u>	<u>\$ 3,685,704</u>

See independent auditors' report on supplementary data

AMIGOS FOR CHRIST and AFFILIATE

Consolidating Statement of Financial Position

December 31, 2015

	Amigos for Christ (United States)	Amigos por Cristo (Nicaragua)	Eliminations	Total
ASSETS:				
Cash and cash equivalents	\$ 2,439,050	\$ 45,546	\$ -	\$ 2,484,596
Prepaid expenses and other current assets	13,772	12,224	-	25,996
Inventory	51,386	12,467	-	63,853
Property and equipment-net	-	1,278,321	-	1,278,321
Total Assets	<u>\$ 2,504,208</u>	<u>\$ 1,348,558</u>	<u>\$ -</u>	<u>\$ 3,852,766</u>
LIABILITIES AND NET ASSETS:				
Liabilities:				
Accounts payable and accrued expenses	\$ 9,701	\$ 128,952	\$ -	\$ 138,653
Net assets	<u>2,494,507</u>	<u>1,219,606</u>	<u>-</u>	<u>3,714,113</u>
Total Liabilities and Net Assets	<u>\$ 2,504,208</u>	<u>\$ 1,348,558</u>	<u>\$ -</u>	<u>\$ 3,852,766</u>

See independent auditors' report on supplementary data

AMIGOS FOR CHRIST and AFFILIATE

Consolidating Statement of Activities

Year Ended December 31, 2016

	Amigos for Christ (United States)	Amigos por Cristo (Nicaragua)	Eliminations	Total
SUPPORT AND REVENUE:				
Contributions	\$ 2,103,818	\$ 1,594,082	\$ (1,612,440)	\$ 2,085,460
Donated goods and services	2,333,512	-	-	2,333,512
Donated securities	35,996	-	-	35,996
Missions outreach	443,640	-	-	443,640
Investment income	12,910	1,926	-	14,836
Other revenue	8,823	49,385	-	58,208
Total Support and Revenue	<u>4,938,699</u>	<u>1,645,393</u>	<u>(1,612,440)</u>	<u>4,971,652</u>
EXPENSES:				
Program services:				
Water and sanitation	411,415	280,834	(326,936)	365,313
Health care	2,137,442	84,153	(97,968)	2,123,627
Education and nutrition	677,138	315,362	(367,132)	625,368
Economic development	296,462	160,512	(186,862)	270,112
Missions outreach	609,045	291,332	(339,157)	561,220
Project support	708,201	252,874	(294,386)	666,689
	<u>4,839,702</u>	<u>1,385,067</u>	<u>(1,612,440)</u>	<u>4,612,329</u>
Supporting activities:				
General and administrative	118,956	191,331	-	310,287
Fund-raising	164,281	-	-	164,281
	<u>283,237</u>	<u>191,331</u>	<u>-</u>	<u>474,568</u>
Total Expenses	<u>5,122,939</u>	<u>1,576,398</u>	<u>(1,612,440)</u>	<u>5,086,897</u>
Change in Net Assets before Translation Adjustment	(184,240)	68,995	-	(115,245)
Translation Adjustment	<u>-</u>	<u>(74,239)</u>	<u>-</u>	<u>(74,239)</u>
Change in Net Assets	(184,240)	(5,244)	-	(189,484)
Net Assets, Beginning of Year	<u>2,494,507</u>	<u>1,219,606</u>	<u>-</u>	<u>3,714,113</u>
Net Assets, End of Year	<u>\$ 2,310,267</u>	<u>\$ 1,214,362</u>	<u>\$ -</u>	<u>\$ 3,524,629</u>

See independent auditors' report on supplementary data

AMIGOS FOR CHRIST and AFFILIATE

Consolidating Statement of Activities

Year Ended December 31, 2015

	Amigos for Christ (United States)	Amigos por Cristo (Nicaragua)	Eliminations	Total
SUPPORT AND REVENUE:				
Contributions	\$ 2,489,652	\$ 1,315,685	\$ (1,407,839)	\$ 2,397,498
Donated goods and services	6,406,212	-	-	6,406,212
Donated securities	143,480	-	-	143,480
Missions outreach	755,330	-	-	755,330
Investment income	11,167	-	-	11,167
Other revenue	-	53,845	-	53,845
Total Support and Revenue	<u>9,805,841</u>	<u>1,369,530</u>	<u>(1,407,839)</u>	<u>9,767,532</u>
EXPENSES:				
Program services:				
Water and sanitation	565,752	368,094	(402,638)	531,208
Health care	5,984,256	75,804	(82,918)	5,977,142
Education and nutrition	413,889	300,920	(329,160)	385,649
Economic development	240,695	98,936	(108,221)	231,410
Missions outreach	584,053	243,778	(266,656)	561,175
Project support	739,159	199,521	(218,246)	720,434
	<u>8,527,804</u>	<u>1,287,053</u>	<u>(1,407,839)</u>	<u>8,407,018</u>
Supporting activities:				
General and administrative	181,572	239,283	-	420,855
Fund-raising	169,389	-	-	169,389
	<u>350,961</u>	<u>239,283</u>	<u>-</u>	<u>590,244</u>
Total Expenses	<u>8,878,765</u>	<u>1,526,336</u>	<u>(1,407,839)</u>	<u>8,997,262</u>
Change in Net Assets before Translation Adjustment	927,076	(156,806)	-	770,270
Translation Adjustment	<u>-</u>	<u>(66,653)</u>	<u>-</u>	<u>(66,653)</u>
Change in Net Assets	927,076	(223,459)	-	703,617
Net Assets, Beginning of Year	<u>1,567,431</u>	<u>1,443,065</u>	<u>-</u>	<u>3,010,496</u>
Net Assets, End of Year	<u>\$ 2,494,507</u>	<u>\$ 1,219,606</u>	<u>\$ -</u>	<u>\$ 3,714,113</u>

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