
HEL PARGENTINA

Financial Statements

For the year ended December 31, 2009

HELPARGENTINA

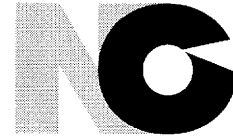
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Independent Auditors' Report

To the Board of Directors
HelpArgentina
New York, New York

We have audited the accompanying statement of financial position of HelpArgentina as of December 31, 2009 and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of HelpArgentina's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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 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 HelpArgentina as of December 31, 2009 and the statements of activities, functional expenses and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

N. Cheng & Co., P.C.

New York, New York
May 23, 2011

HELARGENTINA
Statement of Financial Position
As of December 31, 2009

Assets

Cash	\$ 142,472
Restricted cash – Note 5	14,412
Investments	13,101
Grants receivables	17,520
Computers and peripherals, net of accumulated depreciation of \$2,026	425
Security deposits	4,780
Other assets	<u>481</u>
Total assets	<u><u>\$ 193,191</u></u>

Liabilities and net assets

Liabilities

Accounts and accrued expenses payable	\$ 14,345
Accrued vacation payable	3,113
Other liability – Note 5	<u>14,412</u>
Total liabilities	<u>31,870</u>

Commitments and contingencies – Note 4

Net assets

Unrestricted	54,978
Temporarily restricted	<u>106,343</u>
Total net assets	<u>161,321</u>
Total liabilities and net assets	<u><u>\$ 193,191</u></u>

See notes to financial statements.

HEL PARGENTINA**Statement of Activities**

For the year ended December 31, 2009

	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Total</u>
<u>Revenue and other support</u>			
Grants and contributions	\$ 56,162	\$ 534,481	\$ 590,643
Program fees	30,083		30,083
Special events	23,887		23,887
In-kind contribution	27,301		27,301
Interest income	441		441
Other income	76		76
Releases from restrictions	<u>574,623</u>	<u>(574,623)</u>	<u>-</u>
Total revenue and other support	<u>712,573</u>	<u>(40,142)</u>	<u>672,431</u>
<u>Expenses</u>			
Program services			
Community without borders	19,027		19,027
Strengthening of member organizations	530,482		530,482
Insight Argentina	32,131		32,131
Social marketplaces integration	286		286
Communities foundation research	<u>4,124</u>		<u>4,124</u>
Total program services	<u>586,050</u>		<u>586,050</u>
Supporting services			
Management and general	92,263		92,263
Fund raising	<u>10,866</u>		<u>10,866</u>
Total supporting services	<u>103,129</u>		<u>103,129</u>
Total expenses	<u>689,179</u>		<u>689,179</u>
Change in net assets	23,394	<u>(40,142)</u>	<u>(16,748)</u>
Net assets at beginning of year	<u>31,584</u>	<u>146,485</u>	<u>178,069</u>
Net assets at end of the year	<u>\$ 54,978</u>	<u>\$ 106,343</u>	<u>\$ 161,321</u>

See notes to financial statements.

HELARGENTINA**Statement of Cash Flows**

For the year ended December 31, 2009

Cash flows from operating activities

Change in net assets (\$ 16,748)

Adjustments to reconcile change in net assets to
net cash provided by operating activities:

Depreciation and amortization	1,270
Change in restricted funds	(14,412)
Change in grants receivable	46,360
Change in security deposits	28
Change in other assets	(481)
Change in accounts and accrued expenses payable	(5,175)
Change in other liability	14,412
Change in accrued vacation payable	(2,773)

Net cash provided by operating activities 22,481**Cash flows from investing activities**Fixed assets disposition 1
Purchase of investment (37)

Net cash (used in) investing activities (36)

Net increase in cash 22,445
Cash at beginning of the year 120,027Cash at end of the year \$ 142,472

See notes to financial statements.

Note 1 Organization

HelpArgentina (“HA”) was incorporated on July 22, 2002 under the laws of the State of New York. It was formed to promote Argentina development by creating a competitive, reliable and globally financed social sector. HelpArgentina seeks to build and maintain an international community of investors and social ambassadors that share its mission. These activities are funded primarily through contributions from foundations and individuals.

HA is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

Note 2 Summary of significant accounting policies

Accounting method. The financial statements of HA are prepared on the accrual basis of accounting.

Basis of presentation. Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards SFAS No. 117, “Financial Statements of Not-for-Profit Organizations”. Under SFAS No. 117, HA 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. HA has no permanently restricted net assets.

Support. Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets. Gifts of cash and other assets are reported as restricted support if they are received with donor stipulations that limit the use of the donated assets, or if they are designated as support for future periods. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activity as net assets released from restrictions.

Gifts of goods and equipment are reported 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 or other assets that must be used to acquire long-lived assets are reported as restricted support. In the absence of explicit donor stipulations about how long those long-lived assets must be maintained, HA reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

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Notes to Financial Statements
December 31, 2009

Note 2 Summary of significant accounting policies - (continued)

Fixed assets depreciation and amortization. Amortization of capitalized improvements is provided over the life of the lease. Furniture and equipment are capitalized at cost and depreciated on the straight line method over their estimated useful lives as follows:

	<u>Estimated useful lives (years)</u>
Leasehold improvements	10
Equipment	3
Furniture and fixtures	5

Net assets. Net assets are classified as follows:

Unrestricted - this class includes net assets from unrestricted contributions and from other resources not subject to donor-imposed restrictions.

Temporarily restricted - this class includes net assets from restricted contributions (temporary restrictions) whose donor imposed restrictions have not been met due to actions of HA and/or the passage of time.

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 expenses. The costs of providing the various services have been summarized on a functional basis in the schedule of functional expenses. Accordingly, certain costs have been allocated among the programs benefited.

Transactions in foreign currencies. HA conducts its programs through a field office in Argentina and accordingly transacts in the local currency. These foreign currency transactions are translated in U.S. dollars at the appropriate exchange rates when each transaction is executed. The U.S. dollar is considered to be the functional currency of HA.

Concentrations of credit risk. HA maintains its cash in several bank accounts, which at times may exceed federally insured limits. As of December 31, 2009, there was no excess of the Federal Deposit Insurance Corporation ("FDIC") insured limit.

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Notes to Financial Statements
December 31, 2009

Note 2 Summary of significant accounting policies - (continued)

FASB interpretation No. 48 – Accounting for uncertainty in income taxes – an interpretation of FASB statement No. 109 (FIN 48). Management has considered possible areas of uncertain tax positions and possible areas of risk to its tax-exempt status. Management has concluded that HA has no uncertain tax positions and that a tax examination would sustain HA’s tax exempt status.

Subsequent events. HA evaluated its June 30, 2010 financial statements for subsequent events through May 23, 2011, the date the financial statements were available to be issued. HA is not aware of any subsequent events which would require recognition or disclosure in the financial statements.

Note 3 Temporarily restricted net assets

Activities in temporarily restricted net assets for the year ended December 31, 2009 are as follows:

Purpose	Opening balance	Additions	Releases	Ending balance
Strengthening of member organizations				
Art and culture	\$ 60	\$ 1,452	\$ 1,373	\$ 139
Community development	14,687	67,957	77,237	5,407
Democracy and human rights	12,900	16,796	25,066	4,630
Disabilities	101	5,892	5,663	330
Education	15,289	140,245	118,127	37,407
Environment	25	22,653	22,290	388
Genre	250	50	250	50
Health and scientific research	17,425	39,834	38,586	18,673
Housing development	10	35		45
Micro credit	4,283	546		4,829
Native communities	2,016	4,317	6,278	55
Nutrition	1,510	5410	3,250	3,670
Public politics	3,540	203,395	201,435	5,500
Eldery		25,799	9,977	15,822
Others	100	100		200
Sub-total	72,196	534,481	509,532	97,145
Social marketplaces integration	5,237		361	4,876
Communities foundation research	8,272		3,950	4,322
Insight Argentina	780		780	-
Time restriction	60,000		60,000	-
Total	\$ 146,485	\$ 534,481	\$ 574,623	\$ 106,343

HELPARGENTINA
Notes to Financial Statements
December 31, 2009

Note 4 Commitments and contingencies

On March 04, 2008, HA signed a lease for space under a non-cancelable agreement that expires on February 28, 2011. Future minimum lease payments required under this operating lease are as follows:

For the year ending December 31

2010	\$ 10,133
2011	<u>1,726</u>
	<u>\$ 11,859</u>

Note 5 Fiscal conduit

HelpArgentina provided fiscal agency services for a grant benefiting Fundación Huesped. Under the agreement HelpArgentina coordinated all payments associated with the project outside of Argentina (in Ecuador, Guatemala, and Peru). As of December 31, 2009 the undistributed funds balance of \$14,412 was due to the Foundation.