

FINANCIAL STATEMENTS

WAYUU TAYA FOUNDATION, INC.

DECEMBER 31, 2023

KHOZEM MASTER CPA P.C.
Certified Public Accountant

WAYUU TAYA FOUNDATION, INC.

Financial Statements

December 31, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Wayuu Taya Foundation, Inc.

Opinion

We have audited the accompanying financial statements of Wayuu Taya Foundation, Inc. (a nonprofit organization) which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, cash flows and functional expenses for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Wayuu Taya Foundation, Inc. as of December 31, 2023, 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.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Wayuu Taya Foundation, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibility of Management 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, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Wayuu Taya Foundation, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Wayuu Taya Foundation, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Wayuu Taya Foundation, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

January 17, 2025

Khozem Master, CPA, P.C.

WAYUU TAYA FOUNDATION, INC.
Statement of Financial Position
As of December 31, 2023

	<u>2023</u>
Assets	
Current Assets	
Cash in bank	\$ 415,264
Advances to employees	18,246
Pledges Receivable	<u>32,500</u>
Total current assets	466,010
 Total assets	 <u>\$ 466,010</u>
 Liabilities and Net Assets	
Current Liabilities	
Deferred Grants	20,000
Accrued expenses	<u>43,756</u>
Total current liabilities	63,756
 Total Liabilities	 <u>63,756</u>
 Net Assets	
Without donor restrictions	402,254
 Total Liabilities and Net Assets	 <u>\$ 466,010</u>

See Notes to Financial Statements

WAYUU TAYA FOUNDATION, INC.
Statement of Activities
As of December 31, 2023

	2023
	Without Donor Restrictions
Revenue and Support	
Direct public support	\$ 1,001,982
Grants	387,149
In-Kind contributions	10,725,608
Donated Services	56,631
Interest Income	1,060
Total Revenue and Support	<u>12,172,430</u>
Expenses	
Program services	11,345,759
General and administration	36,915
Fundraising	297,346
Total Expenses	<u>11,680,020</u>
Change in net assets	492,410
Net assets, Beginning of the Year	<u>(90,156)</u>
Net assets, End of the Year	<u><u>\$ 402,254</u></u>

See Notes to Financial Statements

WAYUU TAYA FOUNDATION, INC.
Statement of Cash Flows
As of December 31, 2023

	<u>2023</u>
Cash flows from operating activities:	
Change in net assets	\$ 492,410
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:	
Advances to employees	(18,199)
Pledges Receivable	(32,500)
Change in current liabilities:	
Deferred Grant	(222,148)
Accrued expenses	28,256
Net cash provided by (used in) operating activities	<u>247,819</u>
Net change in cash	\$ 247,819
Cash at beginning of the year	\$ 167,445
Cash at end of the year	<u><u>\$ 415,264</u></u>

See Notes to Financial Statements

WAYUU TAYA FOUNDATION, INC.
Statement of Functional Expenses
As of December 31, 2023

	2023			
	<u>Program Services</u>	<u>Fundraising</u>	<u>General and Administration</u>	<u>Total</u>
Personnel related expenses	\$ 108,853	14,514	21,770	\$ 145,137
Program expenses	11,078,610	-	-	11,078,610
Computer expense & support services	1,544	206	309	2,059
Marketing	-	651	-	651
Miscellaneous	1,031	137	206	1,374
Office expenses	5,623	750	1,124	7,497
Travel & Meetings	35,954	4,794	7,190	47,938
Telephone & Internet	5,990	799	1,198	7,987
Postage, shipping & other supplies	1,469	196	293	1,958
Bank fees	2,799	373	560	3,732
Professional Fees	81,035	-	-	81,035
Occupancy	21,326	2,844	4,265	28,435
Fundraising and Development expenses	-	271,573	-	271,573
Insurance	1,525	509	-	2,034
Total Expenses	<u>\$ 11,345,759</u>	<u>297,346</u>	<u>36,915</u>	<u>\$ 11,680,020</u>

See Notes to Financial Statements

WAYUU TAYA FOUNDATION, INC.
Notes to Financial Statements
For the Year Ended December 31, 2023

Note 1: Summary of Significant Accounting Policies

Organization

Wayuu Taya Foundation, Inc. (the “Organization”) was created with the objective of improving the living quality of the indigenous communities in Latin America, maintaining and respecting their traditions, cultures and beliefs. The Organization achieves its goal with the help of various International Charitable and Service Organizations that provide support through in-kind donation of goods and services and direct cash donations from the general public. The Organization procures goods mainly for a Venezuelan foundation but also collaborates with many other local organizations by providing medication, food, and education to women and children, and other programs that provide food, healthcare, education to the underprivileged indigenous people of Latin and South America. The Organization designs various projects locally to achieve its sustainability.

Wayuu Taya Foundation, Inc. is incorporated in New York under Not-for-Profit Corporation Law on November 22, 2002, and is exempt from federal income tax under Section 501(c) (3) of the Internal Revenue Code. The Organization maintains offices in California and Florida.

Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States (U.S. GAAP) using the accrual basis of accounting. The Organization’s financial statements distinguish between net assets without donor restrictions and net assets with donor restrictions, based upon the existence or absence of donor-imposed restrictions, as follows:

Net Assets Without Donor Restrictions- Net assets that are not subject to donor-imposed stipulations and that may be expended for any purpose in achieving the primary objectives of the Organization.

Net Assets with Donor Restrictions- Net assets that are subject to donor-imposed stipulations that will be met either by the actions of the Organization and/or the passage of time. As the restrictions are satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the accompanying statements of activities and change in net assets as net assets released from restrictions. Net assets with donor restrictions also include net assets that are subject to donor-imposed stipulations that neither expire by the passage of time, nor can be fulfilled or removed by actions of the Organization.

WAYUU TAYA FOUNDATION, INC.
Notes to Financial Statements
For the Year Ended December 31, 2023

Note 1: Summary of Significant Accounting Policies (Continued)

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the Organization's 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 financial statements and reported amounts of revenues and expenses during the year. Actual results could differ from those estimates and assumptions.

Functional Allocation of Expenses

The Organization allocates its expenses on a functional basis among its various programs and support services. Expenses that can be identified with a specific program and support service are allocated directly according to their natural expense classification.

Fair Value Measurements

Financial Accounting Standards Board (FASB) Statement No 157 (ASC 820) Fair Value Measurements, establishes a framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value:

Level 1: Observable quoted price for identical assets & liabilities in an active market

Level 2: Observable quoted price for similar but not identical assets & liabilities or assets & liabilities quoted in an inactive market

Level 3: Unobservable inputs, such as internally generated assumptions

The valuation method used by the Organization is unobservable inputs. Under this method the Organization considers the fair value of all its assets and liabilities equal to the book value.

Recent Account Pronouncements

In 2020, the Organization adopted FASB Accounting Standards Update (ASU) 2014-09, Revenue from Contracts with Customers (Topic 606). The core principle of ASU 2014-09 requires recognition of revenue to depict the transfer of goods or services to customers at an amount that reflects the consideration for what an organization expects it will receive in association with this exchange. The adoption of ASU 2014-09 did not impact the Organization's revenue recognition methodology.

In 2020, the Organization adopted FASB ASU 2018-08, Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made on the modified prospective basis. The new guidance is intended to clarify

WAYUU TAYA FOUNDATION, INC.
Notes to Financial Statements
For the Year Ended December 31, 2023

Note 1: Summary of Significant Accounting Policies (Continued)

Recent Account Pronouncements (Continued)

and improve accounting guidance for contributions received and contributions made. This ASU provides guidance to assist the Organization in evaluating the transfer of assets and the nature of the related transactions. The Organization considers whether a contribution is conditional based on whether an agreement includes a barrier that must be overcome and a right of return of assets transferred or a right of release of a promisor's obligation to transfer assets. The presence of both indicates that the recipient is not entitled to the transferred assets or a future transfer of assets until it has overcome any barriers in the agreement. The adoption of ASU 2018-08 did not impact the Organization's revenue recognition methodology.

In 2020, the Organization adopted FASB ASU 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. The adoption standard changed the following aspects of the Organization's financial statements:

- The unrestricted net asset class has been renamed Net Assets Without Donor Restrictions
- The temporarily restricted net asset class has been renamed Net Assets With Donor Restrictions
- The statements of functional expenses are included as basic financial statements and disclosure of methodologies used to allocate costs among programs and supporting functions is included (Note 1).
- Disclosure of liquidity and availability of resources is included (Note 8).

Note 2: Revenue Recognition

Contributions, including unconditional promises to give, are recognized as revenues in the same period received. Contributions subject to donor-imposed stipulations that are met in the same reporting period are reported as unrestricted support. Conditional promises to give are not recognized until they become unconditional, that is when the condition on which they depend is substantially met. Contributions of assets other than cash are recorded at their estimated fair value. Contributions to be received after one year are discounted at an appropriate discount rate commensurate with the risk involved, when such amounts are considered material.

The Organization reports gifts of cash and other assets as net assets with donor restrictions 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

WAYUU TAYA FOUNDATION, INC.
Notes to Financial Statements
For the Year Ended December 31, 2023

Note 2: Revenue Recognition (Continued)

accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities and change in net assets as net assets released from restrictions.

The Organization reports gifts of land, building, and equipment as net assets without donor restrictions 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 -Kind Contribution and Donated Assets

The Organization records various types of in-kind support including contributed facilities, professional services and materials. Contributed professional services are recognized if the services received: (a) create or enhance long-lived assets, or (b) require specialized skills, or are provided by individuals possessing those skills, or would typically need to be purchased if not provided by donation.

Donated legal services received valued at \$56,631, were recognized as contributions and the corresponding expense was recognized in the financial statements for the year ended December 31, 2023.

Additionally, the Organization receives a significant amount of skilled donated time, which does not meet the recognition criteria described above. Accordingly, the value of this donated time has not been determined and is not reflected in the accompanying financial statements.

The Organization receives contributions of donated consumable food and medical supplies. The fair value of donated food and medical supplies received and distributed are determined by the donor and reflected in the accompanying financial statements as in-kind contributions and expense. Contributions of tangible assets are recognized at fair market value when received.

Note 3: Pledges Receivable

As of December 31, 2023, pledges receivable includes \$10,000 of grant from Fed Ex, \$7,500 from CORE and \$15,000 from various individuals. All pledges have been received in full subsequently.

WAYUU TAYA FOUNDATION, INC.
Notes to Financial Statements
For the Year Ended December 31, 2023

Note 4: Grants

During the year, the Organization received from Center for Disaster Philanthropy, Inc. (“CDP”) a grant of \$200,000. The goal of the grant is to provide increased and sustainable access to free, clean water to prevent the spread of infectious diseases to 10,900 beneficiaries. The grant term is for a period of one year. The grant funds were used to acquire one water truck, fix two water wells, and sell water to generate income to offset the expenses of free water deliveries. Also Installed 30 hand-washing stations, helping approximately 6,000 people, and distributing donated water to surrounding water-deprived communities, benefiting 3,840 people. In the year 2022, \$13,979 has been expended in accordance with the provisions of the grant.

The Organization also received a grant of \$100,000 from World Center Kitchen (WCK) to handle and transport produce donated by Acceso (Columbia) to support children and families in indigenous communities in Venezuela, including the contracting, hiring, and payment of all weekly deliveries. In the year 2022, \$43,872 has been spent in accordance with the provisions of the grant.

During the year, the Organization received from Community Organized Relief Effort (“CORE”) an unrestricted grant of \$150,000. The purpose of this Grant is to support program operating costs of Wayuu Tayas’ program activities in Venezuela and U.S. operations, such as providing weekly meals to over 12,000 children a week, sustainable farming program, continuing water distribution, education programs, training to the Wayuu Indigenous communities.

All grant funds expended in 2023 are reported as grant income in the statement of activities. Funds not spent in the current year are reported as deferred grants in the Statement of Financial Position.

Following is the summary of grant receipts and expenses for the year ended December 31, 2023.

WAYUU TAYA FOUNDATION, INC.
Notes to Financial Statements
For the Year Ended December 31, 2023

CORE

Core grant receipts	<u>\$ 142,500</u>
Expenses Incurred in Venezuela	
Medicine	36,315
Education	9,516
Payroll	74,660
General administration	11,030
US administration expenses	<u>10,979</u>
Total expenses	<u><u>\$ 142,500</u></u>

CDP

CDP grant balance from 2022	<u>\$ 186,021</u>
Expenses Incurred in Venezuela	
Water	153,592
US administration expenses	<u>32,429</u>
Total expenses	<u><u>\$ 186,021</u></u>

WCK

WCK grant balance from 2022	<u>\$ 56,128</u>
Expenses Incurred in Venezuela	
Food	13,514
US administration expenses	<u>22,614</u>
Total expenses	<u><u>\$ 36,128</u></u>
Deferred Grant revenue	<u>\$ 20,000</u>

FED EX

FedEx grant receipt	<u>\$ 5,000</u>
Expenses Incurred in Venezuela	
Education expenses	<u>5,000</u>
Total expenses	<u><u>\$ 5,000</u></u>

Note 5: Income Tax Status

The Organization is a not-for-profit organization as described in Section 501(c) (3) of the Internal Revenue Code and is determined to be an organization which is not a private foundation and accordingly, is exempt from federal and New York state income taxes. The Organization adopted the provision pertaining to uncertain tax positions (ASC Topic740) and has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements. The Organization is subject to routine

WAYUU TAYA FOUNDATION, INC.
Notes to Financial Statements
For the Year Ended December 31, 2023

Note 5: Income Tax Status (Continued)

audits by taxing jurisdictions, however, there are currently no audits for any tax periods in progress.

Note 6: Fund Raising

During the year, the Wayuu Taya Foundation organized a successful fund raising event. The total funds raised and pledged under the Gala fund raising efforts were \$936,360. According to the management funds raised were in excess of their expectation. Total direct public support of \$1,001,982 for the current year was 596 % higher than the previous year. The funds raised are used to strengthen programs in Venezuela, directly benefiting communities in need.

Note 7: Concentration

For the year ended December 31, 2023, ninety eight percent (98 %) of the Organization's contributed food and medical supplies was provided by a single donor. However, the management believes that these donors will continue to support its efforts to reach out the under privileged people of Venezuela and other Latin and South American countries as the Organization has well established programs to distribute in-kind donations of food, medicine and supplies.

For the year ended December 31, 2023, eighty-one percent (81 %) of the Organization's direct public support was provided by thirty-four (34) donors; of which three (3) donors accounted for thirty five percent (35%) and six (6) for seventeen percent (17%) respectively.

Note 8: Liquidity and Availability of Resources

The Organization regularly monitors liquidity required to meet its operating needs. It does not have any other contractual commitments. Only sources of liquidity the Organization has at its disposal includes cash in bank.

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available to meet its day-to-day expenditures. As of December 31, 2023, the Organization has available cash on hand to cover approximately five (5) months of operating expenses.

Note 9: Subsequent Events

Subsequent events have been evaluated through January 17, 2025, which is the date the financial statements were available to be issued.