



Independent Auditors Report

Board of Directors

Asociación Dominicana Pro-Bienestar de la Familia, Inc. (PROFAMILIA)

Santo Domingo, Dominican Republic

We have audited the balance sheet of ***Asociación Dominicana Pro-Bienestar de la Familia, Inc. (PROFAMILIA)***, as of December 31, 2014 and 2013, the statement of incomes, expenses and changes in the funds balances, functional expenses and cash flows for the year then ended, and a summary of material accounting policies and explanatory notes.

Responsibility of the Management on the Financial Statements

The management is responsible for the preparation and reasonable presentation of the financial statements in accordance with the accounting practices established by the International Planned Parenthood Federation (IPPF). This responsibility includes designing, implementing and maintaining the relevant internal control for the preparation and reasonable presentation and that the financial statements are free of false or erroneous disclosures, already be for fraud or error; and also to select and apply the proper accounting policies reasonable in the circumstances.

Responsibility of the auditors

Our responsibility is to express an opinion on the financial statements based in our audit. We performed the audit in conformity with the International Standards of Audit issued by the International Federation of Accountants. These standards require ethical fulfillments and to plan and perform the audit to obtain a reasonable degree of assurance that the financial statements are free of false or erroneous material declarations.

An audit includes procedures to obtain evidences of the amounts and disclosures contained in the financial statements. The selected procedures depend on the judgment of the auditors, including the evaluation of the risks that false or erroneous declarations of material importance are included in the financial statements, whether by fraud or error. When carrying out the evaluations of risk, we consider the internal control for the preparation and reasonable presentation of the financial statements, in order to design the audit procedures appropriate given the circumstances, but not with the purpose of expressing an opinion on the effectiveness of the internal control of the Asociación. An audit also includes the evaluation of the accounting policies used and the reasonability of the estimates performed by the Management, and also the evaluation of the general presentation of the financial statements. We consider that the evidence of the audit that we have obtained is sufficient and appropriate to provide the base of our opinion.

Opinion

In our opinion, the financial statements provide a real and reasonable presentation of the financial position of *Asociación Dominicana Pro-Bienestar de la Familia, Inc. (PROFAMILIA)*, as of December 31, 2014 and 2013, its financial performance and the cash flows for the year then ended, in conformity with the accounting practices established by the International Planned Parenthood Federation (IPPF)

Matter of Emphasis

The *Asociación's* policy is to prepare the financial statements in accordance to the accounting policies established by the International Planned Parenthood Federation (IPPF), which is an integral base of accounting different from the International Accounting Standards, consequently these financial statements and its use are designed only for those persons who are informed about the accounting practices and the procedures established by the International Planned Parenthood Federation (IPPF).


Certified Public Accountants
Record I. C. P. A. R. D. No. 71

Santo Domingo, Dominican Republic
April 24, 2015

BALANCE SHEETS

ASOCIACION DOMINICANA PRO-BIENESTAR DE LA FAMILIA, INC.

As of December 31, 2014 and 2013

(Expressed in Dominican Pesos)

	Current year						Prior year	
	DRS			US\$			Total	
	Unrestricted	Restricted by Donors	Total	Unrestricted	Restricted by Donors	Total	DRS	US\$
ASSETS								
CURRENT ASSETS:								
Cash								
Current accounts and cash--Note 18	38,799,913	20,201,616	59,001,529	874,660	455,402	1,330,062	54,477,850	1,273,144
Earned interests accounts--Note 20	850,000	-	850,000	19,161	-	19,161	10,706,437	250,209
Accounts receivable:								
Donors--Note 7	-	4,676,848	4,676,848	-	105,429	105,429	3,791,440	88,606
Loans/Advances to personnel	140,395	-	140,395	3,165	-	3,165	87,928	2,055
Other debtors--Note 21	50,936,568	2,633,056	53,569,624	1,148,254	59,357	1,207,611	51,614,697	1,206,232
Other assets	269,934	-	269,934	6,085	-	6,085	269,934	6,308
Prepaid expenses--Note 19	8,220,157	57,152	8,277,309	185,306	1,288	186,594	5,624,164	131,436
Inventories--Note 3	24,706,888	-	24,706,888	556,963	-	556,963	21,266,037	496,986
TOTAL CURRENT ASSETS	123,923,855	27,568,672	151,492,527	2,793,594	621,476	3,415,070	147,838,487	3,454,976
NON-CURRENT ASSETS:								
Fixed assets--Note 2	50,600,959	-	50,600,959	1,140,689	-	1,140,689	53,713,143	1,255,273
TOTAL NON CURRENT ASSETS	50,600,959	-	50,600,959	1,140,689	-	1,140,689	53,713,143	1,255,273
TOTAL ASSETS	174,524,814	27,568,672	202,093,486	3,934,283	621,476	4,555,759	201,551,630	4,710,249

See notes to the financial statements.

BALANCE SHEETS

ASOCIACION DOMINICANA PRO-BIENESTAR DE LA FAMILIA, INC.

As of December 31, 2014 and 2013

(Expressed in Dominican Pesos)

	Current year						Prior year	
	DR\$			US\$			Total	
	Unrestricted	Restricted by Donors	Total	Unrestricted	Restricted by Donors	Total	DR\$	US\$
LIABILITIES AND FUNDS BALANCES								
LIABILITIES:								
Current liabilities:								
Accounts payable--Note 4	20,442,272	7,974,479	28,416,751	460,827	179,767	640,594	21,881,116	511,359
Accrued expenses--Note 5	2,099,486	-	2,099,486	47,328	-	47,328	1,160,149	27,113
Provisions--Note 6	19,622,217	-	19,622,217	442,340	-	442,340	19,781,723	462,297
Donors	-	-	-	-	-	-	329,465	7,699
Deferred incomes--Note 15	-	19,594,193	19,594,193	-	441,709	441,709	26,103,515	610,038
TOTAL LIABILITIES	42,163,975	27,568,672	69,732,647	950,495	621,476	1,571,971	69,255,968	1,618,506
FUNDS BALANCES--Note 13								
Assigned funds	99,022,909	-	99,022,909	2,232,257	-	2,232,257	94,831,370	2,216,204
Fixed assets funds	19,096,308	-	19,096,308	430,485	-	430,485	22,208,492	519,011
Inventories fund	-	-	-	-	-	-	1,014,178	23,702
General fund	14,241,622	-	14,241,622	321,046	-	321,046	14,241,622	332,826
TOTAL FUNDS BALANCES	132,360,839	-	132,360,839	2,983,788	-	2,983,788	132,295,662	3,091,743
TOTAL LIABILITIES AND FUNDS BALANCES	174,524,814	27,568,672	202,093,486	3,934,283	621,476	4,555,759	201,551,630	4,710,249

CONTINGENT LIABILITIES--Note 8

See notes to the financial statements.

Lic. Darío Rosario Adames
Tesorero

Licda. Magaly Caram de Alvarez
Directora Ejecutiva

STATEMENTS OF INCOME, EXPENSES AND CHANGES IN FUNDS BALANCES

ASOCIACION DOMINICANA PRO-BIENESTAR DE LA FAMILIA, INC.

As of December 31, 2014 and 2013

(Expressed in Dominican Pesos)

	Current year						Prior year	
	DR\$			US\$			Total	
	Unrestricted	Restricted by Donors	Total	Unrestricted	Restricted by Donors	Total	DR\$	US\$
INCOMES OF DONORS:								
IPPF cash subsidy	18,477,915	-	18,477,915	416,545	-	416,545	31,075,484	726,232
	18,477,915	-	18,477,915	416,545	-	416,545	31,075,484	726,232
OTHER INCOMES:								
Governments	-	14,286,036	14,286,036	-	322,048	322,048	10,900,000	254,732
Organizations of cooperation	-	65,719,712	65,719,712	-	1,481,507	1,481,507	79,550,046	1,859,080
Clinical services	318,671,462	-	318,671,462	7,183,757	-	7,183,757	297,620,247	6,955,369
Sales of other services	84,362,637	-	84,362,637	1,901,772	-	1,901,772	69,368,985	1,621,149
Other incomes	51,411,548	-	51,411,548	1,158,962	-	1,158,962	56,015,291	1,309,074
	454,445,647	80,005,748	534,451,395	10,244,491	1,803,555	12,048,046	513,454,569	11,999,404
TOTAL INCOMES	472,923,562	80,005,748	552,929,310	10,661,036	1,803,555	12,464,591	544,530,053	12,725,636
Program No. 1 Clinic								
Program No. 2 Marketing	322,396,457	49,194,658	371,591,115	7,267,729	1,108,987	8,376,716	356,286,882	8,326,405
Program No. 3 Communitary	50,483,296	103,284	50,586,580	1,138,036	2,328	1,140,364	37,938,660	886,625
	6,758,091	28,926,555	35,684,646	152,347	652,086	804,433	49,166,019	1,149,007
TOTAL OF PROGRAMS	379,677,844	78,224,497	457,902,341	8,558,112	1,763,401	10,321,513	443,391,561	10,362,037
Management and administration (direct costs)	64,026,781	1,781,251	65,808,032	1,443,345	40,154	1,483,499	74,308,336	1,736,580
Functional expenses	443,664,625	80,005,748	523,670,373	10,001,457	1,803,555	11,805,012	517,699,897	12,098,617
Other expenses	13,960,635	-	13,960,635	314,712	-	314,712	16,037,188	374,788
TOTAL EXPENSES	457,625,260	80,005,748	537,631,008	10,316,169	1,803,555	12,119,724	533,737,085	12,473,405
Net resources incoming (outgoing) before transfers	15,298,302	-	15,298,302	344,867	-	344,867	10,792,968	252,231
Transfer of reserves--Note 13	542,957	(477,780)	65,177	12,240	(10,771)	1,469	5,159,442	120,576
FUNDS BALANCES AT THE BEGINNING OF THE YEAR	131,817,882	477,780	132,295,662	3,080,577	11,166	3,091,743	127,136,220	3,146,936
Adjustments of conversion accrued	-	-	-	(109,029)	(395)	(109,424)	-	(175,769)
FUNDS BALANCES AT THE END OF THE YEAR	132,360,839	-	132,360,839	2,983,788	-	2,983,788	132,295,662	3,091,743

STATEMENT OF FUNCTIONAL EXPENSES

ASOCIACION DOMINICANA PRO-BIENESTAR DE LA FAMILIA, INC.

For the years ended December 31, 2014 and 2013

(Expressed in Dominican Pesos)

	<i>Current year</i>				<i>Total</i>		<i>Prior year</i>	
	<i>Programs</i>				<i>Total</i>		<i>Total</i>	
	<i>1</i>	<i>2</i>	<i>3</i>		<i>DR\$</i>	<i>US\$</i>	<i>DR\$</i>	<i>US\$</i>
	<i>Clinic</i>	<i>Marketing</i>	<i>Communitarian</i>	<i>Management</i>				
Personnel and fringe benefits	195,831,509	10,639,200	15,315,794	45,063,967	266,850,470	6,015,565	246,357,998	5,757,373
Professional quotas	42,275,534	3,125,451	9,469,000	3,950,157	58,820,142	1,325,973	61,785,623	1,443,927
Travels	5,288,337	1,141,812	4,816,056	1,738,498	12,984,703	292,712	16,232,200	379,345
Transport	864,581	134,825	1,592,272	941,182	3,532,860	79,641	2,822,033	65,950
Supplies and office fuels	3,847,643	68,357	535,261	529,092	4,980,353	112,271	5,390,992	125,987
Supplies and medical expendables	49,942,063	29,287,803	816	442	79,231,124	1,786,094	64,808,904	1,514,580
Communications	3,405,808	205,803	646,328	1,816,907	6,074,846	136,944	6,041,308	141,185
Rents and services	48,679,215	5,614,612	1,632,919	4,236,544	60,163,290	1,356,251	64,380,848	1,504,577
Fixed assets	10,519,877	-	218,541	247,157	10,985,575	247,646	16,049,914	375,086
Other expenses	10,936,548	368,717	1,457,659	7,284,086	20,047,010	451,916	33,830,077	790,607
TOTAL IN DR\$	371,591,115	50,586,580	35,684,646	65,808,032	523,670,373	11,805,013	517,699,897	12,098,617
TOTAL IN US\$	8,376,716	1,140,365	804,433	1,483,499	11,805,013		12,098,617	

See notes to the financial statements

STATEMENT OF CASH FLOWS

ASOCIACION DOMINICANA PRO-BIENESTAR DE LA FAMILIA, INC.

(Expressed in Dominican Pesos)

	<i>Años terminados al 31 de diciembre de</i>	
ACTIVITIES OF OPERATIONS	<u>2014</u>	<u>2013</u>
Conciliation between net results of the year and the net cash used in the activities of the operations:		
(Increase) decrease in accounts receivable	(2,892,802)	5,684,653
(Increase) decrease in inventories	(3,440,851)	2,693,998
Increase in prepaid expenses	(2,653,145)	(646,493)
Increase (decrease) in accrued accounts and expenses payable and provisions	6,855,655	(4,511,696)
Payment of pre-notice and unemployment	(14,047,918)	(6,358,831)
Provision of pre-notice and unemployment	13,888,412	8,400,000
Other funds reserves	3,112,184	2,583,269
NET CASH PROVIDED FOR OPERATIONS	<u>821,535</u>	<u>7,844,900</u>
 ACTIVITIES OF INVESTMENTS		
Cash received (paid) for:		
(Increase) decrease in accounts that generate interests	9,856,437	(9,856,437)
CASH NET PROVIDED FOR (USED IN) INVESTMENTS	<u>9,856,437</u>	<u>(9,856,437)</u>
 ACTIVITIES OF FINANCING		
Cash received (paid) for:		
Bank overdraft	289,852	1,813,977
Decrease in deferred liabilities	(6,509,322)	(4,437,422)
Net transfers of reserves	65,177	5,159,442
NET CASH (USED IN) PROVIDED FOR FINANCING	<u>(6,154,293)</u>	<u>2,535,997</u>
Increase of cash of the year	4,523,679	524,460
Cash at the beginning of the year	54,477,850	53,953,390
CASH AT THE END OF THE YEAR	<u><u>59,001,529</u></u>	<u><u>54,477,850</u></u>

See notes to the financial statements