

**CURAMERICAS GLOBAL, INC.**  
RALEIGH, NORTH CAROLINA

INDEPENDENT AUDITORS' REPORT  
FINANCIAL STATEMENTS  
AND  
SUPPLEMENTARY INFORMATION

Year ended September 30, 2010

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# Buie, Norman & Co., P.A.



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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Curamericas Global, Inc.

We have audited the accompanying statement of financial position of Curamericas Global, Inc. (a nonprofit organization) as of September 30, 2010, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the Organization'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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 the 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 Curamericas Global, Inc. as of September 30, 2010 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.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 3, 2011, on our consideration of Curamericas Global, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of Curamericas Global, Inc. taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Information for the year ended September 30, 2009 is presented for comparative purposes only and was extracted from the financial statements presented by net asset class for that year, on which an unqualified opinion dated February 18, 2010 was expressed.

Buie, Norman & Company, P.A.  
Certified Public Accountants

Fayetteville, North Carolina  
February 3, 2011

**CURAMERICAS GLOBAL, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
September 30, 2010  
(With comparative totals at September 30, 2009)

	2010	2009
<b><u>ASSETS</u></b>		
Current assets:		
Cash	\$ 99,238	\$ 46,307
Sales tax receivable	1,817	443
Prepaid expenses	400	5,756
Total current assets	101,455	52,506
Property and equipment:		
Furniture and equipment	62,204	59,952
	62,204	59,952
Less: accumulated depreciation	49,882	45,962
Net property and equipment	12,322	13,990
Investments, at fair value	39,481	35,944
Total assets	\$ 153,258	\$ 102,440
 <b><u>LIABILITIES AND NET ASSETS</u></b>		
Current liabilities:		
Accounts payable	\$ 7,901	\$ 3,052
Accrued wages and benefits	7,948	8,964
Unearned revenue	36,959	-
Current maturities of long-term debt	28,795	198,484
Total current liabilities	81,603	210,500
Long-Term debt	48,394	-
Net assets:		
Unrestricted	(23,297)	(162,390)
Temporarily restricted	18,601	26,373
Permanently restricted	27,957	27,957
Total net assets	23,261	(108,060)
Total liabilities and net assets	\$ 153,258	\$ 102,440

See accompanying notes to financial statements.

**CURAMERICAS GLOBAL, INC.**  
**STATEMENT OF ACTIVITIES**  
Year ended September 30, 2010  
(With comparative totals for the Year ended September 30, 2009)

	2010			Total	2009 Total
	Unrestricted	Temporarily restricted	Permanently restricted		
<b><u>SUPPORT AND REVENUE</u></b>					
Donations	\$ 314,425	\$ 299,838	\$ -	614,263	\$ 494,205
Federal grants	1,104,374	-	-	1,104,374	586,128
Ronald McDonald grant	77,495	-	-	77,495	-
Service fees	10,121	-	-	10,121	-
Services and materials	182,200	-	-	182,200	28,623
Net assets released from restrictions	307,610	(307,610)	-	-	-
<b>Total support and revenue</b>	<b>1,996,225</b>	<b>(7,772)</b>	<b>-</b>	<b>1,988,453</b>	<b>1,108,956</b>
<b><u>EXPENSES</u></b>					
Program services	1,630,730	-	-	1,630,730	897,945
Supporting services:					
Management and general	192,384	-	-	192,384	193,264
Fundraising	37,386	-	-	37,386	35,585
<b>Total expenses</b>	<b>1,860,500</b>	<b>-</b>	<b>-</b>	<b>1,860,500</b>	<b>1,126,794</b>
Change in net assets before other revenue and expenses	135,725	(7,772)	-	127,953	(17,838)
Other revenue and expenses:					
Interest and dividends	1,147	-	-	1,147	1,524
Market value gain (loss)	2,221	-	-	2,221	524
(Loss) on sale of assets	-	-	-	-	(980)
<b>Total other revenue and expenses</b>	<b>3,368</b>	<b>-</b>	<b>-</b>	<b>3,368</b>	<b>1,068</b>
Change in net assets	139,093	(7,772)	-	131,321	(16,770)
Net assets:					
Beginning of year	(162,390)	26,373	27,957	(108,060)	(91,290)
End of year	<u>\$ (23,297)</u>	<u>\$ 18,601</u>	<u>\$ 27,957</u>	<u>\$ 23,261</u>	<u>\$ (108,060)</u>

See accompanying notes to financial statements.

**CURAMERICAS GLOBAL, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
Year ended September 30, 2010  
(With comparative totals for the Year ended September 30, 2009)

	Program Services	Supporting Services		Total Expenses	
		Management and General Services	Fundraising	2010	2009
Bank and payroll fees	\$ -	\$ 2,868	\$ -	\$ 2,868	\$ 3,902
Board expense	-	-	-	-	2,012
Contract labor	15,910	23,865	-	39,775	-
Depreciation	-	3,920	-	3,920	3,684
Donated services and supplies	182,200	-	-	182,200	18,123
Employee benefits	32,536	9,298	4,649	46,483	41,697
Grant and fund development	6,819	2,273	-	9,092	-
Haiti emergency	14,435	-	-	14,435	-
Insurance	322	1,289	-	1,611	2,450
Interest	-	5,567	-	5,567	6,774
Lease	-	3,219	-	3,219	3,223
Licenses	-	1,554	-	1,554	2,630
Office	-	3,953	-	3,953	15,793
Overseas program costs	1,048,216	-	-	1,048,216	490,764
Payroll taxes	19,364	5,532	2,766	27,662	20,848
Personnel recruitment	-	-	-	-	2,450
Postage and printing	3,673	1,836	1,836	7,345	13,024
Professional fees	4,779	5,842	-	10,621	34,021
Rent	-	38,500	-	38,500	26,475
Repairs	-	5,460	-	5,460	7,658
Retirement	3,309	946	473	4,728	7,637
Telephone and technology	3,045	9,136	-	12,181	18,236
Training	-	4,063	-	4,063	575
Travel	24,918	6,230	-	31,148	38,819
Utilities	-	1,709	-	1,709	4,978
Work team expense	77,569	-	-	77,569	95,276
Wages	193,635	55,324	27,662	276,621	265,745
	<u>\$ 1,630,730</u>	<u>\$ 192,384</u>	<u>\$ 37,386</u>	<u>\$ 1,860,500</u>	<u>\$ 1,126,794</u>

See accompanying notes to financial statements.

**CURAMERICAS GLOBAL, INC.**  
**STATEMENT OF CASH FLOWS**  
Year ended September 30, 2010  
(With comparative totals for the Year ended September 30, 2009)

	2010	2009
Cash flows from operating activities:		
Changes in net assets	\$ 131,321	\$ (16,770)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Loss on sale of assets	-	980
Unrealized (gain) loss on investments	(2,221)	(524)
Depreciation	3,920	3,684
(Increase) decrease in:		
Sales tax receivable	(1,374)	(360)
Prepaid expenses	5,356	(431)
Increase (decrease) in:		
Accounts payable	4,849	(6,241)
Accrued wages and benefits	(1,016)	4,755
Deferred revenue	36,959	-
	177,794	(14,907)
Net cash provided by (used in) operating activities		
Cash flows from investing activities:		
Purchase of investments	(1,147)	(1,524)
Proceeds from sale of fixed assets	-	592
Capital expenditures	(2,252)	(9,530)
	(3,399)	(10,462)
Net cash (used in) investing activities		
Cash flows from financing activities:		
Proceeds from issuance of long-term debt	-	48,884
Principal payments of line of credit	(121,464)	-
	(121,464)	48,884
Net cash provided by (used in) financing		
Net increase (decrease) in cash	52,931	23,515
Cash:		
Beginning of year	46,307	22,792
End of year	\$ 99,238	\$ 46,307

See accompanying notes to financial statements.

**CURAMERICAS GLOBAL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
September 30, 2010

**NOTE 1 – ORGANIZATIONAL STRUCTURE AND PURPOSE**

Curamericas Global, Inc. (the Organization) is a not-for-profit corporation that partners with underserved communities to make measurable and sustainable improvements in their health and wellbeing.

A portion of the Organization's activities is conducted through South American, Latin American, Haitian and Liberian not-for-profit institutions. These institutions are legally separate entities working cooperatively to promote health programs. For financial reporting purposes, these institutions are considered to be subrecipients of federal funds. The financial statements of these institutions are not combined with Curamericas Global, Inc.'s financial statements.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

This summary of significant accounting policies of Curamericas Global, Inc. is presented to assist in understanding its financial statements. The financial statements and notes are representations of Curamericas Global, Inc.'s management who is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

**Basis of Accounting**

Curamericas Global, Inc.'s financial statements are prepared on the accrual basis of accounting, recognizing revenues when earned and expenses when incurred. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires within the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

**Property and Equipment**

Property and equipment are stated at historical cost at the date of acquisition. Donated assets are recorded at fair market value at the date of donation. Depreciation is computed using the straight line method over the estimated useful life of the asset. Repairs and maintenance are expensed as incurred and betterments and improvements are capitalized. Management has elected to expense property and equipment forwarded to foreign locations rather than to capitalize and depreciate these assets over their estimated useful lives. Since it is unlikely that these assets could be economically returned for other uses, their costs are reflected as a part of the program expenditures in the year incurred.

**Accounts Receivable and Allowance for Doubtful Accounts**

Curamericas Global, Inc. considers accounts receivable to be fully collectible at September 30, 2010; therefore, no allowance for doubtful accounts is required.

**Investments**

The Organization carries investments in marketable securities at their determinable fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying statement of activities.

**CURAMERICAS GLOBAL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
September 30, 2010

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Cash**

Curamericas Global, Inc. presents its cash flow statements using the indirect method. For purposes of cash flow presentation, the Organization considers demand deposits with financial institutions to be cash.

**Income Taxes**

Curamericas Global, Inc. files Form 990, *Return of Organization Exempt from Income Tax*. The Organization is exempt from federal income tax under §501(c)(3) of the Internal Revenue Code (IRC). Therefore, no provision for income taxes is made in the accompanying financial statements. In addition, the Internal Revenue Service has determined that Curamericas Global, Inc. is not a "private foundation" within the meaning of §509(a) of the IRC. There was no unrelated business income during the fiscal year.

On October 1, 2009, the Organization adopted the recognition requirements for uncertain income tax positions as required by generally accepted accounting principles, with no cumulative effect adjustment required. Income tax benefits are recognized for income tax positions taken or expected to be taken in a tax return, only when it is determined that the income tax position will more-likely-than-not be sustained upon examination by taxing authorities. The Organization has analyzed tax positions taken for filing with the Internal Revenue Service and all state jurisdictions where it operates. The Organization believes that income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse affect on the Organization's financial condition, results of operations or cash flows. Accordingly, the Organization has not recorded any reserves, or related accruals for interest and penalties for income tax positions at September 30, 2010.

The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Organization believes it is no longer subject to income tax examinations for years prior to 2006.

The Organization's policy is to classify income tax related interest and penalties in interest expense and other expenses, respectively.

**Estimates**

The presentation 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 accounts 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 Allocation**

Curamericas Global, Inc. 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 expenditure classification. Other expenses that are common to several functions are allocated by various statistical bases.

**CURAMERICAS GLOBAL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
September 30, 2010

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Financial Statement Presentation**

The Organization employs *Financial Statements of Not-for-Profit Organizations*. Under *Financial Statements of Not-for-Profit Organizations*, the Organization reports information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted net assets. In addition, the Organization presents a statement of cash flows. Temporarily restricted net assets at September 30, 2010 and 2009 were \$18,601 and \$26,373, respectively. Permanently restricted net assets at September 30, 2010 and 2009 were \$27,957 and \$27,957 respectively.

**Contributions**

Curamericas Global, Inc. also employs *Accounting for Contributions Received and Contributions Made*. In accordance with *Accounting for Contributions Received and Contributions Made*, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions. During the year ended September 30, 2010, donors contributed \$299,838 temporarily restricted for specific use in overseas locations, for support of work teams in these locations and for local purposes.

NOTE 3 – CREDIT CONCENTRATION

Curamericas Global, Inc. is required by *Disclosure of Information about Financial Instruments with Off-Balance-Sheet Risk and Financial Instruments with Concentrations of Credit Risk*, to disclose significant concentrations of credit risk regardless of the degree of risk. The Organization maintains bank deposits in two banks located in Raleigh, North Carolina. Accounts are secured by the Federal Deposit Insurance Corporation up to \$250,000 as of September 30, 2010. At September 30, 2010, bank deposits totaled \$106,003, all of which was insured.

NOTE 4 – INVESTMENTS

Investments consist of money market and mutual funds. They are stated at estimated fair value at September 30, 2010.

	Fair Value	Cost basis
Money Market funds	\$ 3,989	\$ 3,989
Vanguard funds	35,405	38,055
Putnam Growth	87	169
Total	\$ 39,481	\$ 42,213

**CURAMERICAS GLOBAL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
September 30, 2010

**NOTE 5 – FAIR VALUE MEASUREMENTS**

Fair value is defined as the price that Curamericas Global, Inc. would receive upon selling an asset or paid to transfer a liability at the reporting date. Fair value standards established a three-tier hierarchy to maximize the use of observable market data and minimize the use of unobservable inputs, and to establish classification of fair value measurements for disclosure purposes. Inputs refer broadly to the assumptions that market participants would use in pricing an asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing an asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are those that reflect the reporting entity's own assumptions about the factors market participants would use in pricing the asset or liability developed based on the best information available.

The three-tier hierarchy of inputs is summarized in the three broad levels listed below:  
Level 1 - Valuations based on quoted prices in active markets for identical assets or liabilities;  
Level 2 - Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly, and fair value is determined through the use of other valuation methodologies;  
Level 3 - Valuations based on inputs that are not observable and significant to the overall fair value measurement, including the Organization's own assumptions in determining the fair value of assets or liabilities.

The level in the fair value hierarchy within which a fair value measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety. As of September 30, 2010, Curamericas Global Inc.'s assets measured the fair value on a recurring basis were all classified as Level 1 investments.

**NOTE 6 – LONG-TERM DEBT**

Long-term debt at September 30, 2010 and 2009, consisted of the following:

	<u>2010</u>	<u>2009</u>
Branch Bank & Trust:	\$ 77,189	\$ 99,339
\$100,000 line of credit payable in monthly installments of \$2,650 at 4.75%. Secured by personal guarantees with balance due on April 19, 2013.		
Branch Bank & Trust:	-	99,145
\$100,000 line of credit payable in monthly installments of interest only at prime rate. Secured by personal guarantees with balance due on March 10, 2010; paid off on March 8, 2010.		
	<u>77,189</u>	<u>198,484</u>
Less: current maturities	<u>28,795</u>	<u>198,484</u>
Total long-term debt:	<u>\$ 48,394</u>	<u>\$ -</u>

**CURAMERICAS GLOBAL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
September 30, 2010

**NOTE 6 – LONG-TERM DEBT (CONTINUED)**

Maturities of long-term debt are as follows:

<u>Year ending September 30,</u>	
2011	\$ 28,795
2012	30,152
2013	<u>18,242</u>
	<u>\$ 77,189</u>

**NOTE 7 – RESTRICTED NET ASSETS**

Temporarily restricted net assets are available for the following purposes at September 30, 2010:

South America, Latin America, Haiti and Liberia	\$ 18,601
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Permanently restricted net assets consist of endowment fund assets to be held indefinitely. Based on the donor's instructions, Curamericas Global, Inc.'s directors have discretion in the use of all income earned from endowment assets.

**NOTE 8 – IN-KIND CONTRIBUTIONS**

Donated services consist of building rent, labor, supplies and specialized services by medical personnel. These services would ordinarily be purchased by the Organization. They are recorded at the fair value of the good and service on the date of donation. Goods donated consist of medical supplies for use in Curamericas Global, Inc.'s programs. They are recorded at the fair value of the item on the date of donation. The value of the donated goods and services during the year ended September 30, 2010 was \$182,200. This amount is reflected as revenue within the services and materials income and expense as donated services and supplies in the accompanying financial statements.

**NOTE 9 – LEASE COMMITMENTS**

The Organization leases certain equipment and office space for its operations. Total lease and rental payments for the years ended September 30, 2010 and 2009 totaled \$41,719 and \$29,698. Beginning July 1, 2009, the Organization moved its offices to a new location with a monthly lease of \$3,500. Rent during the year is paid to a current Board of Director and is determined to be fair market value. Assuming that Curamericas Global, Inc. maintains its current lease arrangements, minimum lease payments for the next five years will be as follows:

<u>Year ending September 30,</u>	
2011	\$ 42,000
2012	42,000
2013	42,000
2014	42,000
2015	<u>42,000</u>
	<u>\$ 210,000</u>

**CURAMERICAS GLOBAL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
September 30, 2010

NOTE 10 – GRANTS

Curamericas Global, Inc. participates in various grant programs to support the Organization's mission. Grant receipts during the fiscal years 2010 and 2009 were as follows:

<u>Grant Program</u>	<u>2010</u>	<u>2009</u>
Department of Health and Human Services: Managed Care Preventive HIV Services for Haitian Women	\$ 884,054	\$ 329,244
US Agency for International Development: Child Survival and Health Grants Program in Liberia	220,320	256,884
Ronald McDonald House Charities: Support of Nehnwaa Child Survival Project	77,495	-
	<u>\$ 1,181,869</u>	<u>\$ 586,128</u>

NOTE 11 – RETIREMENT BENEFIT PLAN

Curamericas Global, Inc. maintains a profit sharing pension plan. The plan invites exempt employees to participate and contribute to a 401(k) fund that is administered by a third party. Curamericas Global, Inc. matches employee contributions up to a maximum of 4% of gross salary. Employer contributions for 2010 and 2009 were \$4,728 and \$7,637, respectively.

NOTE 12 – COMPENSATED ABSENCES

Employees must be full-time, permanent employees to accrue leave. Accrued leave available at September 30, 2010 and 2009 was \$7,948 and \$8,964, respectively, and is included in accrued wages and benefits in the current liabilities section of the statement of financial position.

NOTE 13 - SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

Cash paid for interest amounted to \$5,567 and \$6,774 during the years ended September 30, 2010 and 2009, respectively.

NOTE 14 - SUBSEQUENT EVENTS

Subsequent events have been evaluated through February 3, 2011, which is the date the financial statements were issued.

**CURAMERICAS GLOBAL, INC.**  
**SCHEDULE OF COMPUTATION OF INDIRECT COST RATE**  
Year ended September 30, 2010

	Total	Exclusion/ Unallowable Expenses	Direct Costs	Indirect Cost Pool
Bank and payroll fees	\$ 2,868	\$ -	\$ -	\$ 2,868
Board expense	-	-	-	-
Contract labor	39,775	-	15,910	23,865
Depreciation	3,920	-	-	3,920
Donated services and supplies	182,200	-	182,200	-
Employee benefits	46,483	4,649	32,536	9,298
Grant and fund development	9,092	-	6,819	2,273
Haiti emergency	14,435	-	14,435	-
Insurance	1,611	-	322	1,289
Interest	5,567	-	-	5,567
Lease	3,219	-	-	3,219
Licenses	1,554	-	-	1,554
Office	3,953	-	-	3,953
Overseas program costs	1,048,216	-	1,048,216	-
Payroll taxes	27,662	2,766	19,364	5,532
Personnel recruitment	-	-	-	-
Postage	7,345	1,836	3,673	1,836
Professional fees	10,621	-	4,779	5,842
Rent	38,500	-	-	38,500
Repairs	5,460	-	-	5,460
Retirement	4,728	473	3,309	946
Telephone and internet	12,181	-	3,045	9,136
Training	4,063	-	-	4,063
Travel	31,148	-	24,918	6,230
Utilities	1,709	-	-	1,709
Work team expense	77,569	-	77,569	-
Wages	276,621	27,662	193,635	55,324
	<u>\$ 1,860,500</u>	<u>\$ 37,386</u>	<u>\$ 1,630,730</u>	<u>\$ 192,384</u>

$$\frac{\text{Indirect Costs}}{\text{Total adjusted expenses - Indirect costs}} = \frac{192,384}{1,678,300 - 192,384} = 13\%$$

**CURAMERICAS GLOBAL, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
Year ended September 30, 2010

<u>Federal Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Federal Expenditures</u>
<u>Federal Awards:</u>		
Department of Health and Human Services: Managed Care Preventive HIV Services for Haitian Women	93.067	\$ 884,054
US Agency for International Development: Child Survival and Health Grants Program in Liberia	98.001	\$ 220,320
Total Federal expenditures		<u>\$ 1,104,374</u>



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Member AICPA, NCACPA

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON  
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

To the Board of Directors  
Curamericas Global, Inc.

We have audited the financial statements of Curamericas Global, Inc. (a nonprofit organization) as of and for the year ended September 30, 2010, and have issued our report thereon dated February 3, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control over Financial Reporting**

In planning and performing our audit, we considered Curamericas Global, Inc.'s internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Curamericas Global, Inc.'s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Curamericas Global, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, others within the entity, the Board of Directors, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Buie, Norman & Company, P.A.  
Certified Public Accountants

Fayetteville, North Carolina  
February 3, 2011



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Member AICPA, NCACPA

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO  
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Board of Directors  
Curamericas Global, Inc.

**Compliance**

We have audited the compliance of Curamericas Global, Inc. (a nonprofit organization) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended September 30, 2010. Curamericas Global, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Curamericas Global, Inc.'s management. Our responsibility is to express an opinion on Curamericas Global, Inc.'s compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Curamericas Global, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Curamericas Global, Inc.'s compliance with those requirements.

In our opinion, Curamericas Global, Inc. complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended September 30, 2010.

**Internal Control Over Compliance**

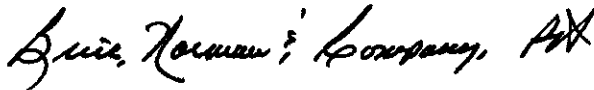
Management of Curamericas Global, Inc. is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Curamericas Global, Inc.'s internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Curamericas Global, Inc.'s internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies,

significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, others within the entity, the Board of Directors, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Buie, Norman & Company, P.A.  
Certified Public Accountants

Fayetteville, North Carolina  
February 3, 2011

**CURAMERICAS GLOBAL, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
Year ended September 30, 2010

**SUMMARY OF AUDIT RESULTS**

*Financial Statements*

Type of auditor's report issued: Unqualified.

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_\_\_ Yes    \_\_X\_\_ No
- Significant deficiency(ies) identified  
not considered to be material weaknesses? \_\_\_\_\_ Yes    \_\_X\_\_ None reported

Noncompliance materials to financial statements noted? \_\_\_\_\_ Yes    \_\_X\_\_ No

Internal control over major programs:

- Material weakness(es) identified? \_\_\_\_\_ Yes    \_\_X\_\_ No
- Significant deficiency(ies) identified  
not considered to be material weaknesses? \_\_\_\_\_ Yes    \_\_X\_\_ None reported

Type of auditor's report issued on compliance for major programs: Unqualified.

Any audit findings disclosed that are required to be reported in accordance with section 501(a) of OMB Circular A-133? \_\_\_\_\_ Yes    \_\_X\_\_ No

Identification of major program(s):

<u>Agency</u>	<u>Title</u>	<u>Grant</u>
US Dept. of Health and Human Services	Managed Care Preventive HIV Services for Haitian Women	\$884,054
US Agency for International Development	Child Survival & Health Grants Program in Liberia	\$220,320

The threshold used to distinguish between Type A and Type B programs was \$300,000.