

QUECHUA BENEFIT
FINANCIAL STATEMENTS
DECEMBER 31, 2006

KERSHAW & ASSOCIATES

1750 S.W. Harbor Way, Suite 330
Portland, Oregon 97201

(503) 223-1881
FAX 223-6520

To the Board Members
Quechua Benefit

We prepared the statement of financial position of Quechua Benefit (a 501(c)(3) organization) as of December 31, 2006, and the related statement of activities for the twelve months then ended.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not performed an audit examination or a review of the accompanying financial statements, and accordingly, we express no opinion or any other form of assurance thereon.

Sincerely,

T. Matt Bannon, EA, LTC
Kershaw and Associates, Inc.
November 13, 2007

Quechua Benefit
Statement of Financial Position
December 31, 2006

	Dec 31, 06
ASSETS	
Current Assets	
Checking	27,601
Savings	236,384
Other	2
Total Checking/Savings	263,987
Total Current Assets	263,987
Inventory	1,000
Dental Equipment	
Dental Stations	10,000
Instruments	5,000
Other Equipment	1,250
Total Dental Equipment	16,250
TOTAL ASSETS	281,237
LIABILITIES & NET ASSETS	
Liabilities	0
Net Assets	281,237
TOTAL LIABILITIES & NET ASSETS	281,237

Quechua Benefit
Statement of Activities
For Year Ended December 31, 2006

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	
Income					
Contributions	45,665			45,665	
Auction Proceeds	213,823			213,823	See Note A
Product Sales	300			300	
Interest Income (Savings)	4,001				
Total Income	263,789	0	0	259,788	
Expenses					
Fund Raising Expense					
Advertising & Marketing		21,886		21,886	See Note B
Office Expenses	99			99	
Operating Expense	3,807			3,807	
Total Fund Raising Expense	3,906	21,886	0	25,792	
Management and General					
Bank Charges	724				
Professional Fees	660			660	
Total Management and General	1,384	0	0	660	
Program Expenses					
Lodging & Meals	772			772	
Local Dental Supplies	8,782			8,782	
Peruvian Dentist Salary	12,586			12,586	See Note C
Peruvian Assistant Salary				0	
Travel & Transportation	26,123			26,123	See Note D
Vehicle Rental & Fuel				0	
Total Program Expenses	48,263	0	0	48,263	
Charitable Donations	26,448			26,448	See Note E
Total Expense	80,001	21,886	0	26,448	
Change in Net Assets	183,788	(21,886)	0	158,625	
Net Assets at Beginning of Year	119,335			119,335	
Net Assets at End of Year	303,123	(21,886)	0	281,237	

Quechua Benefit
Notes to Fincancial Statements

The organization provides charitable aid to the indigenous Quechua tribes of Peru with an emphasis on aiding children. This is accomplished primarily through free dental services as well as direct handouts of blankets, shoes, and other goods.

A The Organization generates revenue by accepting donations of alpacas and selling the animals at auction.

B To generate additional revenue, the Organization produces an annual calendar and sells advertising space to alpaca breeders. Income and expenses will sometimes occur in contiguous calendar years.

C A local dentist performs services on behalf of the organization year-round. The organization reimburses the dentist for expenses incurred and provides for a monthly salary for the dentist and dental assistant.

D Travel expenses include the cost of volunteers' airfare from the U.S. to Peru and back, as well as travel and transportation costs within Peru.

E The organization makes periodic donations to Peruvian charities, particularly the Mosqu Runa orphanage which is run by the Catholic church. Donations are sometimes cash, but often are in the form of blankets and shoes given directly to the orphanage children.