

EDEYO, INC.
(A NOT-FOR-PROFIT CORPORATION)
REVIEWED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2011

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors
Edeyo, Inc.
New York, NY

We have reviewed the accompanying statement of financial position of Edeyo, Inc. (a not-for-profit organization) as of December 31, 2011 and the related statements of activities, cash flows and functional expenses for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

KBL, LLP

KBL, LLP
New York, NY
December 6, 2012

EDEYO, INC.
(A NOT-FOR-PROFIT CORPORATION)
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2011

Assets

Current assets	
Cash and cash equivalents	\$ 269,088
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Total current assets	269,088
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Fixed assets	
Equipment	800
Less: accumulated depreciation	293
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Net fixed assets	507
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Total assets	\$ 269,595

Liabilities and Net Assets

Current liabilities	
Accounts and accrued expenses payable	\$ 17,954
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Total current liabilities	17,954
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Total liabilities	17,954
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Net assets	
Unrestricted	251,641
Temporarily restricted	--
Permanently restricted	--
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Total net assets	251,641
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Total liabilities and net assets	\$ 269,595

See independent accountants' review report, and the notes to the financial statements.

EDEYO, INC.
(A NOT-FOR-PROFIT CORPORATION)
STATEMENT OF ACTIVITIES
AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED
DECEMBER 31, 2011

	General	Temporary	Permanent	Total
Support and revenue				
Grants and contributions	\$ 182,036	\$ -	\$ -	\$ 182,036
Interest income	118	-		118
Net assets released from restrictions	-	-	-	-
Total support and revenue	182,154			182,154
Expenses				
Management and general	17,696	-	-	17,696
Program services	134,781	-	-	134,781
Fundraising expenses	5,000	-	-	5,000
Total expenses	157,477	-	-	157,477
Changes in net assets	24,677	-	-	24,677
Net assets, beginning of year	226,964	-	-	226,964
Net assets, end of year	\$ 251,641	\$ -	\$ -	\$ 251,641

See independent accountants' review report, and the notes to the financial statements.

EDEYO, INC.
(A NOT-FOR-PROFIT CORPORATION)
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED
DECEMBER 31, 2011

Cash flows from operating activities	
Changes in net assets	\$ 24,677
Adjustments to reconcile changes in net assets to net cash provided by operating activities:	
Depreciation	160
Changes in operating assets and liabilities:	
Increase in accounts and accrued expenses payable	6,667
Net cash provided by operating activities	31,504
Increase in cash and cash equivalents	31,504
Cash and cash equivalents, beginning of year	237,584
Cash and cash equivalents, end of year	\$ 269,088

Supplementary disclosures of cash flow information

Cash paid during the year for:	
Interest expense	\$ 3,346

See independent accountants' review report, and the notes to the financial statements.

EDEYO, INC.
(A NOT-FOR-PROFIT CORPORATION)
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED
DECEMBER 31, 2011

	Program Services	Management and General	Fundraising	Total
Personnel costs	\$ 47,150	\$	\$	\$ 47,150
Travel	20,745	6,914		27,659
Program expenses	16,968			16,968
Accounting	11,250	3,750		15,000
School expenses	14,133			14,133
Event expenses	12,290			12,290
Professional fees	2,411	804	5,000	8,215
Interest expense		3,346		3,346
Office expenses	1,958	652		2,610
Meetings	1,577	526		2,103
Bank and finance charges	1,204	401		1,605
Information technology	948	316		1,264
Rent	1,000			1,000
Telephone	689	230		919
Legal	647	216		863
Postage	558	186		744
Banners and printing	424	141		565
Supplies	301	100		401
Credit card fees	222	74		296
Miscellaneous	186			186
Depreciation	120	40		160
	\$ 134,781	\$ 17,696	\$ 5,000	\$ 157,477

See independent accountants' review report, and the notes to the financial statements.

EDEYO, INC.
(A NOT-FOR-PROFIT CORPORATION)
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 - THE ORGANIZATION

Edeyo, Inc. (“the Organization”) was incorporated in 2007 as a voluntary not-for-profit organization to provide free education, food, and educational supplies to children from kindergarten to 6th grade in the town of Port Au Prince in Haiti.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America.

Grants and contributions

The Organization reports grants and contributions of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor’s 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 activities as net assets released from restrictions.

Gifts of cash and other assets are reported as restricted support if they are received with donor stipulations that limit the use of donated assets. When a restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions.

However, if a restriction is fulfilled in the same time period in which the contributions are received, the Organization reports the support as unrestricted. All contributions received during the year ended December 31, 2011 were unrestricted.

Income taxes

The Organization is a tax-exempt organization under Section 501 (c) (3) of the Internal Revenue Code. The Organization has no unrecognized tax benefits at December 31, 2011. The Organization's Federal and State tax returns prior to fiscal year 2009 are closed and management continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings.

See independent accountants' review report.

EDEYO, INC.
(A NOT-FOR-PROFIT CORPORATION)
NOTES TO THE FINANCIAL STATEMENTS

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

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 disclosures 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 may differ from these estimates.

Revenue recognition

Contributions are recognized when the donor makes a promise to give to the Organization an amount that is in substance, unconditional. Donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Cash and cash equivalents

The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Cash equivalents are carried at cost, which approximates market value.

Depreciation

Fixed assets are stated at cost. Depreciation is computed using straight-line methods over the following periods:

<i>Description</i>	<i>Estimated useful life</i>
Equipment	5 years

Fundraising event

Fundraising event revenue and expenses are recognized in the period of the event. Fundraising event income received in advance of the event is recorded as deferred revenue and related costs expended prior to the event are recorded as prepaid expenses.

See independent accountants' review report.

EDEYO, INC.
(A NOT-FOR-PROFIT CORPORATION)
NOTES TO THE FINANCIAL STATEMENTS

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Concentration of credit

Financial instruments that potentially expose the Organization to concentrations of credit risk consist principally of bank deposits in excess of insurance limits. Cash balances are maintained in a financial institution which, from time to time, exceed the Federal Depository Insurance limit and subject the Organization to concentration of credit risk.

The Organization does not believe that the concentration of credit risk of bank deposits represents a material risk of loss with respect to its financial position as of December 31, 2011.

Fair value of financial instruments

The fair value of financial instruments classified as current assets or liabilities approximate their carrying value due to the short-term maturity of the instruments.

Fundraising event

Fundraising event revenue and expenses are recognized in the period of the event. Fundraising event income received in advance of the event is recorded as deferred revenue and related costs expended prior to the event are recorded as prepaid expenses.

Donated materials and services

In-kind contributions are reflected as revenue and expense in the accompanying statement of activities at their estimated fair market value on the date of receipt.

Functional allocation of expenses

The costs of providing the various programs and other activities of the Organization have been summarized on a functional basis in the statement of activities and changes in net assets, which included all expenses incurred for the year. Accordingly, certain costs have been allocated among the programs and other activities benefited. Such allocations are determined by management in accordance with grant provisions and/or other equitable bases.

See independent accountants' review report.

EDEYO, INC.
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NOTES TO THE FINANCIAL STATEMENTS

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Recently issued accounting pronouncements

The Organization does not believe that any recently issued, but not yet effective accounting pronouncements, if adopted, would have a significant effect to the accompanying financial statements.

NOTE 3 – LEASE AGREEMENTS

The Organization leases space in the town of Port Au Prince, Haiti which is used to provide free education, food, and educational supplies to children from kindergarten to 6th grade. In October 27, 2010 the Organization entered into a lease that expired October 26, 2011 that required a total annual payment of \$1,000. On October 27, 2011 the Organization entered into a new lease for a one year term for an annual cost of \$1,000. Total rent expense recorded by the Organization was \$1,000 for the year ended December 31, 2011.

NOTE 4 – SUBSEQUENT EVENTS

The Organization evaluated additional events occurring between the end of its fiscal year, December 31, 2011, and December 6, 2012 when the financial statements were issued and has no further events to report.

See independent accountants' review report.