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Financial Statements

IBS – INSTITUTO BRASIL SOLIDÁRIO

December 31, 2019 and 2018

with Independent Auditors' Report

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August 21, 2020

To the administrators and associates;

IBS – INSTITUTO BRASIL SOLIDÁRIO

Subj.: Independent Auditors' Report on the Financial Statements

Dear Sirs,

We are hereby submitting to your attention the Independent Auditors' Report on the Financial Statements and Explanatory Notes ended on December 31, 2019 of ***IBS - INSTITUTO BRASIL SOLIDÁRIO.***

Best regards,

Audisa Auditores Associados

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IBS – INSTITUTO BRASIL SOLIDÁRIO

Financial Statements

December 31, 2019 and 2018

SUMMARY

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IBS – INSTITUTO BRASIL SOLIDÁRIO

C.N.P.J – 07.456.934/0001-81

Independent Auditors' Report on the Financial Statements

Opinion on the financial statements

We have examined the Financial Statements of ***IBS - INSTITUTO BRASIL SOLIDÁRIO*** comprising the Balance Sheet, as of December 31, 2019, and the respective Period Income Statements, Comprehensive Income Statements, Statement of Changes in Equity, and Cash Flow Statement, for the year ended on that date, as well as the corresponding Explanatory Notes, including the summary of the main Accounting Policies.

In our opinion, except for the effects of the subject described in the following section entitled "Basis for Opinion with a Disclaimer", the above Financial Statements adequately present, in all relevant aspects, the entity's equity and financial position, as of December 31, 2019 , the performance of its operations and its cash flows for the year ended on that date, in accordance with accounting practices adopted in Brazil.

Basis for opinion with a disclaimer about the financial statements

The depreciation expenses of the assets that are part of the Fixed Assets are being recognized through annual rates fixed by the tax legislation, instead of being based on the estimated useful life of those assets as determined by CFC Resolution nº 1.177/09 - NBC TG 27 - Fixed Assets.

The Entity did not perform the calculation and recognized at fair value the services provided by voluntary work, including members of management bodies, in the exercise of its functions, as if the financial disbursement had occurred, as established in CFC Resolution No. 1409/2012 that approved ITG/2002 (R1) in item 19.

Our audit was conducted in accordance with Brazilian and international auditing standards. Our responsibilities, in accordance with these standards, are described in the following section, entitled "Auditor's responsibilities for auditing the financial statements". We are independent from the Entity, in accordance with the relevant ethical principles set out in the Accountant's Code of Professional Ethics and in the professional standards issued by the Federal Accounting Council, and we comply with other ethical responsibilities in accordance with these standards. We believe that the audit evidence obtained is sufficient and appropriate to support our opinion with a disclaimer.

Audit of amounts corresponding to the previous year

The financial statements for the year ended December 31, 2018 have not been audited by us or by other auditors.

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Management's responsibilities for the financial statements

The management is responsible for preparing and presenting the financial statements in accordance with accounting practices adopted in Brazil and for the internal controls that it has determined to be necessary to allow the preparation of financial statements free of material misstatement, whether caused by fraud or error.

In the preparation of the financial statements, management is responsible for assessing the Entity's ability to continue operating, disclosing, when applicable, matters related to its operational continuity and the use of this accounting basis in the preparation of the financial statements, unless the management intends to liquidate the Entity or cease its operations, or has no realistic alternative to avoid closing operations.

Those responsible for managing the Entity are those responsible for supervising the process of preparing the financial statements.

Auditor's responsibility for auditing the financial statements

Our objectives are to obtain reasonable assurance that the financial statements, taken as a whole, are free from material misstatement, whether due to fraud or error, and to issue an audit report containing our opinion. Reasonable security is a high level of security, but not a guarantee that the audit performed in accordance with Brazilian and international auditing standards will always detect any material misstatements existing. The misstatements can be due to fraud or error and are considered material when, individually or jointly, they can influence, within a reasonable perspective, the economic decisions of users made based on said financial statements.

As part of the audit performed, in accordance with Brazilian and international auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. In addition:

- We have identified and assessed the risks of material misstatement in the financial statements, regardless of whether caused by fraud or error, we planned and performed audit procedures in response to such risks, as well as obtained sufficient and appropriate audit evidence to support our opinion. The risk of not detecting material misstatement resulting from fraud is greater than that arising from error, since fraud can involve circumventing internal controls, collusion, forgery, omission or intentional misrepresentation.

- We obtained an understanding of the internal controls 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 the Entity's internal controls.

- We evaluated the adequacy of accounting policies used and the reasonableness of accounting estimates and respective disclosures made by management.

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- We conclude about the adequacy of the use, by management, of the accounting basis for operational continuity and, based on the audit evidence obtained, whether there is a material uncertainty in relation to events or conditions that may raise significant doubts in relation to the Entity's operational continuity capacity. If we conclude that there is material uncertainty, we must draw attention in our audit report to the respective disclosures in the financial statements or include changes in our opinion, if the disclosures are inappropriate. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Entity to no longer remain in operational continuity.

- We assessed the overall presentation, structure and content of the financial statements, including disclosures and whether the financial statements represent the corresponding transactions and events in a manner consistent with the purpose of proper presentation.

We communicated with those responsible for management regarding, among other aspects, the planned scope, the time of the audit and the significant audit findings, including any significant deficiencies in the internal controls that we identified during our work.

São Paulo - SP, August 21, 2020.

AUDISA AUDITORES ASSOCIADOS
CRC/SP 2SP 024.298/O-3

Alexandre Chiaratti do Nascimento
Accountant
CRC- SP 187.003/ O- 0
CNAI – SP – 1620

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The names indicated for signature, as well as their status on 08/28/2020 are:

- ☑ Alexandre Chiaratti Do Nascimento (Signatory) - 147.823.488-19
  em 28/08/2020 15:17 UTC-03:00
  Type: Digital Certificate

BALANÇO PATRIMONIAL
Em 31 de dezembo de 2019 e 2018
(Em milhares de Reais)

ATIVO

	Nota	2019	2018
Circulante			
Caixa e equivalentes de caixa	4 a) b)	2.398.742	2.202.742
Outros Créditos	5	5.676	30.830
Total do Circulante		**2.404.418**	**2.233.572**
Não circulante	4 e)		
Imobilizado	6	610.413	450.954
(-) Depreciação Acumulada	6	(371.111)	(340.457)
Total do Não Circulante		**239.301**	**110.497**
Total do ativo		**2.643.719**	**2.344.069**

PASSIVO

	Nota	2019	2018
Circulante	4 f)		
Fornecedores		3.200	7.558
Obrigações sociais e fiscais		1.970	1.087
Incentivo Fiscal - Lei Rouanet	7)	-	904.700
Projetos a Realizar	8)	1.640.000	-
Total do Circulante		**1.645.170**	**913.345**
Patrimônio líquido	9		
Patrimônio social		1.430.724	1.027.508
Superávit do Período	4 i) 10	(432.175)	403.216
Total do patrimônio líquido		**998.549**	**1.430.724**
Total do passivo e do patrimônio líquido		**2.643.719**	**2.344.069**

As Notas Explicativas são parte integrante das Demonstrações Contábeis
São Paulo, 31 de Dezembro de 2019

Luis Eduardo Cardoso de Almeida Salvatore
RG: 18.114.249-1
CPF: 254.724.858-19
Presidente

Afonso Custódio Tavares
CRC SP – 1SP109218/0-3
CPF: 676.688.608-00
Contador

DEMONSTRAÇÃO DO RESULTADO DO PERÍODO
Em 31 de dezembo de 2019 e 2018
(Em milhares de Reais)

	Nota	2019	2018
Receitas operacionais			
Com Restrição	**11**		
Incentivo Fiscal - Lei Rouanet	**7**	1.147.779	18.504
BANK OF AMERICA MIL		381.270	303.500
Sem Restrição	**4 h)**		
Patrocinios	**11**	-	288.512
Doações PF e PJ	**11**	240.873	87.565
Prestação de serviços	**11**	664.453	1.177.556
Total de Receitas Operacionais		**2.434.375**	**1.875.637**
Outras Receitas			
Receitas Financeiras		49.142	32.112
Ganhos na Venda de Bens		8.667	-
Outros Recursos Recebidos		-	200
Total de Outras Receitas		**57.809**	**32.312**
Total de Receitas		**2.492.183**	**1.907.949**
CUSTOS E DESPESAS OPERACIONAIS	**12**		
CUSTOS OPERACIONAIS			
Custos com Projetos - Lei Rouanet		1.189.176	237.997
Custos com Projetos - Outros Projetos Sociais		1.560.440	1.005.806
DESPESAS OPERACIONAIS			
Despesas ADM C/ Pessoal		586	10.280
Despesas Administrativas		147.437	222.660
Despesas Financeiras;		5.772	3.527
Despesas Tributárias;		20.948	24.463
Total de Custos e Despesas Operacionais		**2.924.358**	**1.504.733**
Déficit/ Superávit do Período		**(432.175)**	**403.216**

As Notas Explicativas são parte integrante das Demonstrações Contábeis
São Paulo, 31 de Dezembro de 2019

Luis Eduardo Cardoso de Almeida Salvatore
RG: 18.114.249-1
CPF: 254.724.858-19
Presidente

Afonso Custódio Tavares
CRC SP – 1SP109218/0-3
CPF: 676.688.608-00
Contador

DEMONSTRAÇÕES DOS RESULTADOS ABRANGENTES
Em 31 de dezembo de 2019 e 2018
(Em milhares de Reais)

	2019	2018
Déficit/ Superávit do Período	(432.175)	403.216
Resultados abrangentes	**(432.175)**	**403.216**

As Notas Explicativas são parte integrante das Demonstrações Contábeis
São Paulo, 31 de Dezembro de 2019

Luis Eduardo Cardoso de Almeida Salvatore
RG: 18.114.249-1
CPF: 254.724.858-19
Presidente

Afonso Custódio Tavares
CRC SP – 1SP109218/0-3
CPF: 676.688.608-00
Contador

DEMONSTRAÇÕES DAS MUTAÇÕES DO PATRIMÔNIO LÍQUIDO
Em 31 de dezembo de 2019 e 2018
(Em milhares de Reais)

	Patrimônio Social	Déficit/ Superávit do Período	Patrimônio Liquido
Saldos em 31 de dezembro de 2017	**1.119.881**	**(92.374)**	**1.027.508**
Incorporação do Déficit do Período	(92.374)	92.374	-
Superávit do Período		403.216	403.216
Saldos em 31 de dezembro de 2018	**1.027.508**	**403.216**	**1.430.724**
Incorporação do Superávit do Período	403.216	(403.216)	-
Déficit do Período		(432.175)	(432.175)
Saldos em 31 de dezembro de 2019	**1.430.724**	**(432.175)**	**998.549**

As Notas Explicativas são parte integrante das Demonstrações Contábeis
São Paulo, 31 de Dezembro de 2019

Luis Eduardo Cardoso de Almeida Salvatore
RG: 18.114.249-1
CPF: 254.724.858-19
Presidente

Afonso Custódio Tavares
CRC SP – 1SP109218/0-3
CPF: 676.688.608-00
Contador

INSTITUTO BRASIL SOLIDÁRIO

CNPJ: 07.456.934/0001-81

Management's explanatory notes to the financial statements As

of December 31, 2019 and 2018

Note 1 - Operational Context

Instituto Brasil Solidário is a non-profit entity, under private law, registered with the CNPJ/MF under number 07.456.934/0001-81, headquartered at Rua Jose Ricardo Athayde Marcondes, 129, São Paulo, CEP 05.622-030 , with predominant activity in the assistance area, according to article 4.1 of the Bylaws, with the title of Public Interest Civil Society Organization, as published in the DOU of December 16, 2005, in accordance with Law No. 9.790, of March 23, 1999. Its statutory purpose is Article 4:

- Develop social assistance activities and develop programs and projects related to the environment, culture, education, social assistance, health and economic and social development;
- Integrate social assistance activities with health and dental and medical assistance programs;
- Promote volunteering;
- Develop support programs for needy communities;
- Provide scholarships and grants;
- Develop training, capacity building and professional updating activities;
- Promote internships with students from technical, professional and undergraduate courses;
- Organize lectures, courses, seminars and events;
- Develop studies and research in the area of health and education;
- Disseminate information and technical and scientific knowledge regarding matters related to the Institute's activities and actions;
- Integrate activities with the government and private sectors;
- Develop prevention programs and activities related to oral health;
- Organize free health care in accordance with current legislation;
- Develop campaigns and community support systems;
- Promote, maintain and support, free of charge, programs aimed at social assistance, culture, health, food security, volunteering and, also, incentive to the development of economic and social programs aimed at fighting illiteracy and poverty.

In order to fulfill its purposes, Instituto Brasil Solidário will be able to sign agreements, contracts, terms of partnership, terms of cooperation and to articulate in a convenient manner with national and foreign public and private bodies or entities, as well as with companies.

Management remains focused on diversifying funding, so that there is no concentration of credits, maintaining: (i) an annual plan registered under Tax Incentive Laws (Rouanet Law); (ii) a social exchange project with Colégio Miguel de Cervantes; (iii) partnerships with private companies; and (iv) provision of services to implement social programs for private companies.

Note 2 - Presentation of the Financial Statements

In preparing the financial statements for 2019 and 2018, the Entity adopted Law No. 11.638/2007, Law No. 11.941/09 that amended articles of Law No. 6.404/76 in relation to the aspects related to the preparation and disclosure of the financial statements. The financial statements were prepared in compliance with the accounting practices adopted in Brazil, qualitative characteristics of the accounting information, Resolution CFC Nº. 1.374/11 (NBC TG), which deals with the Conceptual Framework for the Preparation and Presentation of Financial Statements, Resolution CFC No. 1.376/11 (NBC TG 26), which deals with the Presentation of Financial Statements, Deliberations of the Securities and Exchange Commission (CVM) and the Standards issued by the Federal Accounting Council (CFC), in particular CFC Resolution No. 1409/12, which approved the ITG 2002 (R1), for Non-Profit Entities, which establishes specific criteria and procedures for valuation, component records and equity variations and structuring of the financial statements, and the minimum information to be disclosed in an explanatory note of non-profit entities.

Functional and presentation currency of financial statements

The items included in the financial statements are measured in *Reais*, the functional and presentation currency of the financial statements, which represents the currency of the main economic environment in which the Entity operates.

Use of estimates and judgments

The preparation of the financial statements is in accordance with accounting practices adopted in Brazil applicable to non-profit entities, and require Management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.
Estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.
There is no information on critical judgments regarding the accounting policies adopted that have an effect on the amounts recognized in the financial statements.

Note 3 - Accounting bookkeeping formalities Resolution CFC nº 1.330/11 (NBC ITG 2000)

The entity maintains a uniform bookkeeping system for its administrative acts and facts, through an electronic process.

The accounting record contains the identification number of the entries related to the respective document of external or internal origin or, in its absence, elements that prove or evidence facts and the practice of administrative acts.

The financial statements, including the explanatory notes, prepared by legal and statutory provisions, will be transcribed in the Entity's "Diary", and later registered with the Legal Entity Registry Office.

The Entity's accounting documentation is made up of all documents, books, papers, records and other documents that support or compose the bookkeeping.

The accounting documentation is skillful, covered with the essential intrinsic or extrinsic characteristics, defined in the legislation, in the accounting technique or accepted by the "uses and customs". The entity keeps the accounting documentation in good order.

Note 4 - Main accounting practices adopted

a) **Cash and cash equivalents:** As determined by CFC Resolution No. 1.296/10 (NBC –TG03) - Cash Flow Statement and Resolution CFC No. 1.376/11 (NBC TG 26) - Presentation Financial Statements, the amounts recorded in this subgroup represent currency in cash and demand deposits in a bank account, as well as resources that have the same characteristics of cash liquidity and immediate availability or up to 90 (ninety) days and which are subject to an insignificant risk of change in value;

	31/12/2019	31/12/2018
Caixas e bancos Rec. Livres	*2.108.269*	*787.078*
Caixas e bancos Rec. Restritos	*290.473*	*1.415.663*
	2.398.742	***2.202.742***

b) **Immediate Liquidity Investments:** Financial investments are stated at the original amounts invested, plus pro-rata income up to the balance sheet date;

c) **Financial Instruments:** The Entity did not contract operations considered to be derivative financial instruments.

d) **Other credits:** These are amounts collected through other means of electronic payments, available in up to 30 (thirty) days and which are subject to an insignificant risk of change in value;

e) **Fixed Assets -** Fixed assets are recorded at acquisition or construction cost, less depreciation calculated using the straight-line method based on the rates mentioned in Note 06 and take into account the useful life and use of assets (Resolution CFC No. 1.177/09 (NBC - TG 27). Other expenses are capitalized only when there is an increase in the economic benefits of this item of fixed assets. Any other type of expense is recognized in income as an expense when incurred.

f) **Current Liabilities:** Current liabilities are stated at known or estimated amounts plus, when applicable, the corresponding charges incurred up to the balance sheet date. When applicable, current liabilities are recorded based on interest rates that reflect the term, currency and risk of each transaction. - Provisions - A provision is recognized as a result of a past event that gave rise to a liability, and it is probable that an economic resource may be required to settle the obligation. Provisions are recorded when deemed probable and based on the best estimates of the risk involved.

g) **Expenses and Revenue:** They are appropriate according to the accrual basis.

- **Revenue recognition:** Recognition of income and expenses is made in accordance with the accrual accounting regime and in accordance with NBC TG 07 Subsidies and government assistance.

Revenues are classified into (2) subgroups: (a) With restriction - Tax Incentive and BANK OF América Mil; (b) Without restriction - sponsorships, donations by individuals and companies; and service provision.

The purpose of this practice is to demonstrate how the Institute's revenues are raised and to align donations for specific purposes with the corresponding expenses.

The amounts received and used in the projects are recorded as follows:

- **Resource receipts:** When funds are received, the cash and cash equivalents debit and the credit to a specific account of projects linked to current liabilities are recognized.

- **Consumption as an expense:** When expenditures for donations and incentive resources occur, the corresponding expenses are recognized, and the expenses are recognized against the liability of the specific project accounts.

h) **Result Calculation:** The result was determined according to the Competence Regime. The income and charges levied on the Assets and Liabilities and their realizations are recognized in the result.

Note 5 - Other credits

This group consists of advances to suppliers made for the provision of services and subsequent issuance of invoices, as well as amounts to be recovered and other amounts receivable from the Entity's core activities.

	31/12/2019	31/12/2018
ADIANTAMENTO A FORNECEDORES	*3.100*	*850*
THE FOOB	*-*	*2.500*
NOVA VENTOS DO MORRO	*-*	*29.180*
IRRF A RECUPERAR	*2.576*	*-*
	5.676	***32.530***

Note 6 - Fixed Assets

Fixed assets are recorded at acquisition or construction cost, less depreciation for the period, giving rise to the net book value.

The recovery value of property and fixed assets are periodically evaluated so that it is possible to record potential losses or review the depreciation rate criteria in order to comply with Law No. 11.638/07, Resolution CFC No. 1.177/2009 (NBC TG 27) and Resolution CFC No. 1.303/10 (NBC TG 04).

	Taxas anuais de depreciação %	Custo	Depreciação acumu./Baixa	Líquido	
				31/12/2019	31/12/2018
Moveis e Utensilios Veículos	10%	20.143	(6.998)	13.145	11.701
Aparelhos e Ferramentas Sistema	20%	443.500	(309.167)	134.333	36.184
COM.E PROC. Dados	10%	55.000	(6.792)	48.208	53.708
Total	20%	91.769	(48.155)	43.615	8.905
		610.413	**(371.111)**	**239.301**	**110.497**

The movement of fixed assets is shown below:

(*) Sale of Fixed Assets *- The entity exchanged one of its vehicles in an isolated event, thereby registering the sale transaction in specific accounts, as well as the decrease in the value of the asset and its accumulated depreciation until the date of the sale.*

Note 7 - Tax Incentive - Rouanet Law

Instituto Brasil Solidário is a proponent of cultural projects, approved by the Ministry of Culture (Minc), with tax incentives for supporters provided for in art. 18 of the Rouanet Law (8.313/91).

In December/2017, the Entity started the Cultural Project through the Ministry of Culture - PRONAC 177488 Bienal Activity Plan - Brasil Solidário. The project aimed to maintain the activities of Instituto Brasil Solidário - IBS. To this end, performing arts and instrumental music workshops, in addition to auxiliary visual arts and photography workshops, and a cultural exhibition resulting from the workshops were developed as planned. In addition, the project also provided for the donation of a book collection together with training workshops for maintenance of this collection, according to a specific photographic report on this theme attached to the system.
The donation of the collection consisted of 100 titles per location, which had been planned for 21 cities in social risk zones and, during the reality of the execution, 23 municipalities were served, as agreed by the Special Secretariat for Culture, and donation terms attached to the system. The audience formations, performing arts and instrumental music workshops along with auxiliary visual arts and photography workshops, and cultural exhibitions that had been planned to be held in the municipalities of Eusébio (CE) and Pindoretama (CE), were transferred, with consent from the Special Secretariat of Culture, for the municipalities of Cascavel (CE), Petrolina (PE) and Jijoca de Jericoacoara (CE), and the results can be seen in the photographic reports by municipality attached to the system. The agenda was fulfilled for 4 hours for the realization of 3 seminars, and 1 was not carried out.

We emphasize that the event aimed to promote the exchange of knowledge between teachers, managers and students participating in activities on topics of cultural relevance addressed in the activities taught in the municipalities mentioned. 100% of the work steps foreseen in the production phase of the project initially presented were executed, with the exception of the production of the book, the videographic record scheduled for 2018, and 1 audience formation seminar, since the budget for the project was not fully raised. The workshops, as provided for in the approval, were held in public schools, cultural centers and public or hotel auditoriums, always observing the accessibility of the classrooms and bathrooms where the activities took place, as determined by the accessibility standards.

In all the places where the results were presented, the seats in front of the mounted stage were destined to people with special needs, as illustrated by the report on accessibility and democratization of access, containing photos of the events, attached to the SALIC system. It was also observed if the places had a ramp, so that people with disabilities were able to move independently and fully participate in the event. Finally, we emphasize that access to the entire project was entirely free.

The Project ended in 2019 and directly generated 45 jobs, including self-employed professionals and service providers. Indirectly, we estimate that 100 jobs have been generated, considering accommodation, transportation, meals, hiring suppliers, graphic material production, making t-shirts and others.

The free workshops for book collection maintenance, theater, puppet theater, music, art and drawing, woodcut, photography and others qualified 1,098 participants, including children, educators and members of the communities.

In the audience formation seminars we had 272 participants, and in the shows held by the beneficiaries at the end of the workshops we estimate the public to be 2,200 people.

Note 8 - Advances from Customers

Through the Private Instrument of Services, the Entity signed a contract with Vila Rio Grande do Norte 1 e 2 Empreendimentos e Participações to provide services for the implementation of social projects in the Municipality of Serra do Mel, state of Rio Grande do Norte ("Services"), whose objective is specific training aimed at social and territorial development, for the construction and renovation of the school, implementation of technical education, training on cognitive axes and prevention with health care, in order to contribute significantly to the local education, with courses in electrotechnics and renewable energies at the Vila Rio Grande do Norte municipal school, including the mobilization of the Municipal and State audiences, as well as public and private institutions to participate in the implementation processes of technical education on site. The Project started in 2019 with effect until 01/31/2021, however due to the Pandemic it has been stopped in 2020.

Note 9 - Net equity

Equity is substantially composed of social equity and deficits/surpluses calculated annually.

In the event that the Association loses the attribution conferred by Law No. 9.790, of March 23, 1999, the assets will be transferred to another qualified legal entity.

Note 10 - Income for the Period

The Entity's total deficit for the 2019 period (432.175) will be incorporated into Net Equity in accordance with legal, statutory requirements and Resolution CFC No. 1.409/12, which approved NBC ITG2002, in particular in item 14, which describes that the deficit/surplus for the period must be recorded in the Social Equity account.

Note 11 - Revenue (Resolution CFC No. 1.412/2012)

In compliance with Resolution CFC No. 1.412/12 which approves NBC TG 30, the Entities' revenue (sources of funds) from the core activities, according to art. 82 of the Bylaws, are measured by the value of the vacancy of the consideration received or receivable. Other revenues (end and sustainable) also follow the same criteria, that is, they are recognized when it is probable that the economic benefits associated with the transaction will flow to the entity.

		31/12/2019	31/12/2018
Com Restrição			
Incentivo Fiscal - Lei Rouanet	***a)***	*1.147.779*	*18.504*
BANK OF AMERICA MIL	***b)***	*381.270*	*303.500*
Sem Restrição			
Patrocínios	***c)***	*-*	*288.512*
Doações PF e PJ	***c)***	*240.873*	*87.565*
Prestação de serviços	***d)***	664.453	1.177.556
		2.434.375	***1.875.637***

a) *Incentivo Fiscal para execução do Projeto Plano Bienal de Atividades;*
b) *Doação para execução de Projetos de Educação Financeira do PDE;*
c) *O patrocínio e doações de PF e PJ para custeio geral de todos os Projetos da Entidade;*
d) *A prestação de serviços foi a contratação para atuação em regiões pré-determinadas.*

Note 12 - Operating Costs and Expenses

The Project costs of Instituto Brasil Solidário are shown as follows:

	31/12/2019	31/12/2018
CUSTOS OPERACIONAIS		
Custos com Projetos - Lei Rouanet	*1.189.176*	*237.997*
Custos com Projetos - Outros Projetos Sociais	*1.560.440*	*1.005.806*
DESPESAS OPERACIONAIS		
Despesas ADM C/ Pessoal	*586*	*10.280*
Despesas Administrativas	*147.437*	*222.660*
Despesas Financeiras;	*5.772*	*3.527*
Despesas Tributárias;	*20.948*	*24.463*
	2.924.358	***1.504.733***

Note 13 - Provision for labor risks

The Institute, in the normal course of its activities, is subject to tax, labor and civil lawsuits. Management, supported by the opinion of its legal advisors and, when applicable, based on specific opinions issued by specialists on the same date, assesses the expectation of the outcome of the lawsuits in progress and determines the need or not to set up a provision for contingencies.

Note 14 - Management compensation

The Entity does not grant any type of remuneration, advantages or benefits, directly or indirectly, by any form or title, due to the competences, functions or activities that have been attributed to them by the respective constitutive acts.

NOTE 15 - Cash Flow Statement (DFC)

The Cash Flow Statement was prepared in accordance with Resolution CFC No. 1.152/2009, which approved NBC TG 13 also with Resolution CFC No. 1.296/10 that approved NBC TG 03 - Cash Flow Statement.

The Entity chose the indirect method to prepare the Cash Flow.

Note 16 - Tax Immunity

Instituto Brasil Solidário is immune to the incidence of taxes under art. 150, Paragraph VI, item "C" and its paragraph 4 and article 195, paragraph 7 of the Federal Constitution of October 5, 1988, as well as of art. 14 of the National Tax Code.

Note 17 - Insurance coverage

In order to comply with preventive measures adopted permanently, the Entity takes out insurance in an amount considered sufficient to cover possible losses, and thus mainly complying with the Continuity Accounting Principle.

The insured values are defined by the Entity's management according to the market value or the value of the new good, as the case may be.

31/12/2019	31/12/2018
500.000	*210.000*
500.000	***210.000***

Note 18 - Legal form according to current legislation

Instituto Brasil Solidário is a non-profit and economic association governed by its Bylaws that contemplates articles 44 to 61 of the Civil Code.

Note 19 - Immunity Characteristic

Instituto Brasil Solidário is a non-profit social institution, provided for in Article 9. of the CTN, and therefore immune, in which it enjoys the following characteristics:

- the Institution is governed by the Federal Constitution;
- immunity cannot be revoked, not even by constitutional amendment;
- there is no taxable event (birth of the tax obligation);
- there is no right (by the Government) to institute, nor to charge tax.

Note 20 - Requirements for Tax Immunity

The only Complementary Law that provides requirements for the enjoyment of tax immunity is the National Tax Code (CTN).

Article 14 of the National Tax Code establishes the requirements for the enjoyment of tax immunity, these are provided for in the Entity's Bylaws and its fulfillment (operationalization) can be proven by its bookkeeping (Financial Statements, Journal and General Ledger), which we transcribe:

a) do not distribute any portion of their assets or income, under any title (art.94 of the Bylaws);

b) fully invest their resources in the country in maintaining their institutional objectives (art.7 of the Bylaws);

c) keep the recording of their income and expenses in books covered with formalities capable of ensuring their accuracy (art.88 of the Bylaws).

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