Pro Mujer International

Consolidated Financial Statements and Supplementary Information

Years Ended December 31, 2017 and 2016

The report accompanying these financial statements was issued by
BDO USA, LLP, a Delaware limited liability partnership and the U.S. member of
BDO International Limited, a UK company limited by guarantee.

Pro Mujer International

Consolidated Financial Statements and Supplementary Information

Years Ended December 31, 2017 and 2016

Pro Mujer International

Contents

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Independent Auditor's Report

Board of Directors
Pro Mujer International

We have audited the accompanying consolidated financial statements of Pro Mujer International ("Pro Mujer"), which comprise the consolidated statements of financial position as of December 31, 2017 and 2016, and the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Pro Mujer as of December 31, 2017 and 2016, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary consolidating schedules of financial position as of December 31, 2017 and 2016 and consolidating schedules of activities for the years then ended are presented for purposes of additional analysis and are not a required part of the basic consolidated financial statements. The consolidating schedules of financial position and consolidating schedules of activities are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the consolidated financial statements. Such information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

BDO USA, LLP

June 22, 2018

Pro Mujer International

Consolidated Statements of Financial Position

December 31,	**2017**	2016
Assets		
Current:		
Cash and cash equivalents (Note 2)	**$ 30,363,242**	$ 28,352,991
Assets whose use is limited (Note 2)	**4,076,598**	6,264,218
Investments, at fair value (Notes 2 and 3)	**544,045**	1,446,430
Accounts receivable, net (Note 2)	**1,660,030**	1,024,434
Grants and pledges receivable (Notes 2 and 5)	**300,880**	566,072
Loans receivable, net (Notes 2 and 4)	**142,838,876**	134,784,442
Interest and commissions receivable (Note 2)	**3,595,609**	3,010,891
Prepaid and other assets (Note 2)	**1,995,422**	1,921,909
Total Current Assets	**185,374,702**	177,371,387
Property and Equipment, Net (Notes 2 and 6)	**4,234,379**	5,122,869
Intangible Assets, Net (Notes 2 and 7)	**1,042,180**	828,288
Total Assets	**$190,651,261**	$183,322,544
Liabilities and Net Assets		
Current Liabilities:		
Accounts payable and accrued liabilities	**$ 10,849,108**	$ 9,432,182
Income taxes payable (Note 8)	**3,045,554**	2,467,612
Guarantees payable (Note 9)	**2,679,773**	5,316,029
Interest payable (Note 10)	**2,528,091**	2,089,237
Notes payable, current portion (Notes 10 and 11)	**59,965,726**	58,643,403
Total Current Liabilities	**79,068,252**	77,948,463
Notes Payable, Less Current Portion (Notes 10 and 11)	**50,473,098**	46,789,552
Other Long-Term Liabilities (Note 8)	**2,113,175**	2,358,020
Total Liabilities	**131,654,525**	127,096,035
Commitments and Contingencies (Notes 8, 9, 10, 11, 12, 13, 14, 15 and 16)		
Net Assets (Notes 2, 12 and 13):		
Unrestricted	**58,206,935**	54,314,856
Temporarily restricted (Note 12)	**638,853**	1,770,780
Permanently restricted (Note 13)	**150,948**	140,873
Total Net Assets	**58,996,736**	56,226,509
Total Liabilities and Net Assets	**$190,651,261**	$183,322,544

See accompanying notes to consolidated financial statements.

Pro Mujer International

Consolidated Statement of Activities

Year ended December 31, 2017

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Operating Revenues:				
Financial revenues:				
Interest and commissions:				
From loans	$ 65,260,171	$ -	$ -	**$ 65,260,171**
From cash and cash equivalents	491,602	-	-	**491,602**
	65,751,773	-	-	**65,751,773**
Financial expenses:				
Interest expense	(10,627,034)	-	-	**(10,627,034)**
Allowance for loan losses (Note 4)	(6,744,929)	-	-	**(6,744,929)**
Financial Revenues, Net	48,379,810	-	-	**48,379,810**
Contributions and other revenue:				
Grants, contributions and pledges	1,359,951	752,012	10,075	**2,122,038**
In-kind contributions (Note 2)	208,324			**208,324**
Net assets released from restrictions (Notes 12 and 13)	1,887,956	(1,883,939)	(4,017)	**-**
Other program revenue	5,535,885	-	4,017	**5,539,902**
Other income	862,908	-	-	**862,908**
Total Contributions and Other Revenue (Expense)	9,855,024	(1,131,927)	10,075	**8,733,172**
Operating Revenues (Expenses), Net	58,234,834	(1,131,927)	10,075	**57,112,982**
Operating Expenses:				
Program and supporting expenses:				
Credit and other program services	43,306,666	-	-	**43,306,666**
Management and general	4,145,587	-	-	**4,145,587**
Fundraising and development	2,067,238	-	-	**2,067,238**
Total Operating Expenses	49,519,491	-	-	**49,519,491**
Change in Net Assets Before Nonoperating Expenses	8,715,343	(1,131,927)	10,075	**7,593,491**
Nonoperating Expenses:				
Income tax expense (Notes 2 and 8)	(4,466,636)	-	-	**(4,466,636)**
Translation adjustment	(270,300)	-	-	**(270,300)**
Prior year adjustment	(86,328)	-	-	**(86,328)**
Total Nonoperating Expenses	(4,823,264)	-	-	**(4,823,264)**
Change in Net Assets	3,892,079	(1,131,927)	10,075	**2,770,227**
Net Assets, Beginning of Year	54,314,856	1,770,780	140,873	**56,226,509**
Net Assets, End of Year	**$ 58,206,935**	**$ 638,853**	**$150,948**	**$ 58,996,736**

See accompanying notes to consolidated financial statements.

Pro Mujer International

Consolidated Statement of Activities

Year ended December 31, 2016

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Operating Revenues:				
Financial revenues:				
Interest and commissions:				
From loans	$58,366,932	$ -	$ -	$58,366,932
From cash and cash equivalents	181,065	-	-	181,065
	58,547,997	-	-	58,547,997
Financial expenses:				
Interest expense	(8,930,833)	-	-	(8,930,833)
Allowance for loan losses (Note 4)	(4,017,849)	-	-	(4,017,849)
Financial Revenues, Net	45,599,315	-	-	45,599,315
Contributions and other revenue:				
Grants, contributions and pledges	1,521,983	1,007,593	-	2,529,576
In-kind contributions (Note 2)	201,211	-	-	201,211
Net assets released from restrictions (Notes 12 and 13)	2,901,707	(2,897,503)	(4,204)	-
Other program revenue	4,113,896	-	4,204	4,118,100
Total Contributions and Other Revenue (Expense)	8,738,797	(1,889,910)	-	6,848,887
Operating Revenues, Net	54,338,112	(1,889,910)	-	52,448,202
Operating Expenses:				
Program and supporting expenses:				
Credit and other program services	41,404,944	-	-	41,404,944
Management and general	4,091,229	-	-	4,091,229
Fundraising and development	2,309,930	-	-	2,309,930
Total Operating Expenses	47,806,103	-	-	47,806,103
Change in Net Assets Before Nonoperating Expenses	6,532,009	(1,889,910)	-	4,642,099
Nonoperating Expenses:				
Income tax expense (Notes 2 and 8)	(3,280,730)	-	-	(3,280,730)
Translation adjustment	(1,455,494)	-	-	(1,455,494)
Prior year adjustment	26,980	-	-	26,980
Total Nonoperating Expenses	(4,709,244)	-	-	(4,709,244)
Change in Net Assets	1,822,765	(1,889,910)	-	(67,145)
Net Assets, Beginning of Year	52,492,091	3,660,690	140,873	56,293,654
Net Assets, End of Year	$54,314,856	$ 1,770,780	$140,873	$56,226,509

See accompanying notes to consolidated financial statements.

Pro Mujer International

Consolidated Statement of Functional Expenses

Year ended December 31, 2017

	Credit and Other Program Services	Management and General	Fundraising and Development	Total
Salaries	$17,210,631	$1,850,213	$1,080,909	**$20,141,753**
Fringe benefits (Note 15)	7,342,210	636,067	223,577	**8,201,854**
Professional fees (Note 2(n))	2,605,759	385,601	276,374	**3,267,734**
Travel and transportation	1,196,630	161,963	147,413	**1,506,006**
Office supplies and expenses	1,678,124	117,210	6,039	**1,801,373**
Rent and utilities (Note 16)	4,315,514	438,733	141,344	**4,895,591**
Printing and copying	259,807	24,729	11,971	**296,507**
Vehicles, registration and insurance	607,585	68,112	20,276	**695,973**
Training and professional development	356,337	6,088	4,013	**366,438**
Depreciation and amortization	1,557,254	135,785	20,506	**1,713,545**
Events and advertising	187,077	16,868	30,523	**234,468**
Miscellaneous taxes	1,158,351	49,140	-	**1,207,491**
Other program operating expenses	3,108,520	-	-	**3,108,520**
Other expenses	1,647,232	131,821	22,616	**1,801,669**
Financial expenses	75,635	123,257	81,677	**280,569**
Total	**$43,306,666**	**$4,145,587**	**$2,067,238**	**$49,519,491**

See accompanying notes to consolidated financial statements.

Pro Mujer International

Consolidated Statement of Functional Expenses

Year ended December 31, 2016

	Credit and Other Program Services	Management and General	Fundraising and Development	Total
Salaries	$18,114,712	$2,073,616	$1,451,247	$21,639,575
Fringe benefits (Note 15)	6,611,030	585,725	246,651	7,443,406
Professional fees (Note 2(n))	1,835,079	442,984	189,931	2,467,994
Travel and transportation	1,138,040	98,779	134,197	1,371,016
Office supplies and expenses	2,165,426	141,815	6,932	2,314,173
Rent and utilities (Note 16)	4,190,161	404,215	132,807	4,727,183
Printing and copying	211,101	19,357	15,509	245,967
Vehicles, registration and insurance	458,417	43,388	16,214	518,019
Training and professional development	298,251	15,343	11,265	324,859
Depreciation and amortization	1,623,810	122,303	20,332	1,766,445
Events and advertising	400,428	17,696	29,091	447,215
Miscellaneous taxes	618,302	22,390	-	640,692
Other program operating expenses	1,934,718	-	-	1,934,718
Other expenses	1,572,842	63,726	15,924	1,652,492
Impaired asset (Note 2(m))	149,929	-	-	149,929
Financial expenses	82,698	39,892	39,830	162,420
Total	$41,404,944	$4,091,229	$2,309,930	$47,806,103

See accompanying notes to consolidated financial statements.

Pro Mujer International

Consolidated Statements of Cash Flows

Year ended December 31,	**2017**	2016
Cash Flows From Operating Activities:		
Change in net assets	**$ 2,770,227**	$ (67,145)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	**1,261,257**	1,446,554
Amortization	**452,288**	319,891
Donated stock	**(134,362)**	(289,181)
Realized gain on sale of investments, net	**(27)**	(1,670)
Unrealized gain on investments, net	**(34,596)**	(4,533)
Loan receivable write-offs	**(8,716,333)**	(2,247,930)
Provision for allowance for doubtful accounts on loans receivable	**10,751,566**	6,913,470
Effect of foreign currency movements on loans receivable	**(773,583)**	(3,070,507)
Decrease in present value discount on grants and pledges receivable	**-**	(13,223)
Loss on disposal of furniture and equipment	**526,622**	92,407
Change in valuation of capital assets	**(48,723)**	(31,295)
Loss on disposal of intangible assets	**2,819**	46,840
Change in valuation of intangible assets	**-**	92,528
Change in valuation of notes payable	**291,950**	(2,334,926)
Change in other long-term liabilities	**(244,845)**	612,221
(Increase) decrease in:		
Assets whose use is limited	**2,187,620**	(2,177,741)
Accounts receivable, net	**(635,596)**	(553,951)
Grants and pledges receivable, net	**265,192**	973,483
Loans receivable	**(9,316,084)**	(7,034,685)
Interest and commissions receivable, net	**(584,718)**	(151,696)
Prepaid and other assets	**(73,513)**	(310,890)
Increase in:		
Accounts payable and accrued liabilities	**1,416,926**	853,097
Income taxes payable	**438,854**	1,933,687
Interest payable	**577,942**	335,498
Net Cash Provided By (Used In) Operating Activities	**380,883**	(4,669,697)
Cash Flows From Investing Activities:		
Purchases of investments	**(96,362)**	(1,163,428)
Proceeds from sales of investments	**1,167,732**	620,808
Purchases of property and equipment	**(850,666)**	(1,003,982)
Purchases of intangible assets	**(668,999)**	(239,972)
Net Cash Used In Investing Activities	**(448,295)**	(1,786,574)
Cash Flows From Financing Activities:		
Payments on guarantees payable	**(2,636,256)**	(204,266)
Proceeds from notes payable	**67,395,101**	68,176,712
Principal payments on notes payable	**(62,681,182)**	(46,976,631)
Net Cash Provided By Financing Activities	**2,077,663**	20,995,815
Net Increase in Cash and Cash Equivalents	**2,010,251**	14,539,544
Cash and Cash Equivalents, Beginning of Year	**28,352,991**	13,813,447
Cash and Cash Equivalents, End of Year	**$ 30,363,242**	$ 28,352,991
Supplemental Disclosures of Cash Flow Information:		
Interest paid	**$ 10,188,180**	$ 8,940,998
Income taxes paid	**3,888,694**	1,347,043

See accompanying notes to consolidated financial statements.

1. Description of Organization

(a) Pro Mujer International ("Pro Mujer") consists of Pro Mujer, Inc., a not-for-profit organization incorporated in Washington DC, under the laws of the United States as a tax-exempt public charity under section 501(c)(3) of the Internal Revenue Code with operations in New York City, and includes operations of affiliated entities in Argentina, Bolivia, Mexico, Nicaragua, and Peru. Founded in 1990, Pro Mujer is a mission-driven organization that empowers women by creating sustainable economic, health, and social opportunities for underserved women and their families in Latin America.

Currently, Pro Mujer serves nearly 300,000 women in Latin America through a robust suite of financial, health and skill-building services to help them reach their full potential. The financial services that Pro Mujer currently offers include loans, savings, and insurance products. In addition, Pro Mujer offers primary healthcare and well-being services, preventative health education, and business and empowerment training. To date, Pro Mujer has disbursed nearly $3 billion United States ("U.S.") dollars ("Dollars") in small loans to women in Latin America and provided over 8 million health interventions.

In order to fulfill its mission of empowering undeserved women to realize their full potential, Pro Mujer's mandate is to build a large-scale and sustainable platform that provides relevant and transformative products and services to women throughout their life cycle. As part of Pro Mujer's 2017-2021 Strategic Plan, the organization has started to expand its services, including digital literacy, entrepreneurship support, workforce development, and gender-based violence prevention programs. By leveraging alliances and technology, Pro Mujer is building a one-stop shop for women's empowerment in Latin America.

(b) Pro Mujer operates through Pro Mujer, Inc. ("PMI – New York"), which maintains operational control and oversight of the following affiliated entities:

United States of America

- Pro Mujer Nicaragua, LLC ("PMN LLC") is incorporated as a limited liability corporation under the laws of the State of Delaware in the United States of America. PMI - New York holds directly 100% of the Class A Member interests of PMN LLC (Class A Member is the only class with economic rights).
- Pro Mujer Social Enterprises, LLC ("PMSE LLC") is incorporated as a limited liability corporation under the laws of the State of Delaware in the United States of America and currently has no operations.

Argentina

- Fundación Pro Mujer Argentina ("Pro Mujer – Argentina") is incorporated as a non-profit organization under the laws of Argentina.

Bolivia

- Fundación Pro Mujer IFD ("Pro Mujer – Bolivia") is incorporated under the laws of Bolivia as a non-profit institution to provide financial services in the micro credit sector. On November 15, 2017, Pro Mujer - Bolivia obtained its license to officially operate as a Financial Development Institution, beginning February 11, 2018.
- Pro Mujer, Inc. – Bolivia ("PMI - Bolivia") is incorporated under the laws of the United States, and authorized to operate in Bolivia.

Nicaragua

- Pro Mujer Nicaragua, LLC (Sucursal Nicaragua) ("Pro Mujer – Nicaragua") is a branch in Nicaragua of PMN LLC.
- Pro Mujer, Inc. – Nicaragua ("PMI - Nicaragua") is incorporated under the laws of the United States, and authorized to operate in Nicaragua.
- PMI - New York made a contribution to Pro Mujer - Nicaragua for its creation. As a result, the assets (net assets) of Pro Mujer - Nicaragua are considered assets (net assets) of PMI - New York, which was eliminated upon consolidation.
- At December 31, 2017 and 2016, the investments held by PMI - New York in Pro Mujer - Nicaragua and PMI - Nicaragua totaled $4,900,876 and $5,145,914, respectively, which was eliminated upon consolidation.

Mexico

- Asociación Promujer de México, S.A. de C.V., SOFOM, ENR, ("Pro Mujer – Mexico") is incorporated as a commercial entity under the laws of Mexico.
- PMI - New York owns 99.99% of the voting shares in Pro Mujer - Mexico and PMSE LLC owns the remaining .01% of the voting shares. The Deetken Group through Deetken Impact Investments Limited Partnership owns 1,000 of preferred shares that represent an investment value of $1,000,000. At December 31, 2017 and 2016, the investment held by PMI - New York in Pro Mujer - Mexico totaled $5,599,320 and $5,159,515, respectively, which was eliminated upon consolidation.
- Pro Mujer Mexico Apoyo, A.C. ("Pro Mujer – Mexico NGO") is incorporated as a non-profit organization under the laws of Mexico. PMI - New York and PMSE LLC are the only members of the organization, with equal rights and obligations to the organization.

Peru

- Pro Mujer Inc. ("PMI – Peru") - incorporated under the laws of the United States. PMI - Peru operates as a branch office of PMI – New York.

(c) Principles of Consolidation

The accompanying consolidated financial statements include the accounts of Pro Mujer International and all entities mentioned above which are related by common members of the Board of Directors. Intercompany transactions have been eliminated in consolidation. All entities are collectively referred to as "Pro Mujer."

2. Summary of Significant Accounting Policies

(a) Basis of Presentation

The accompanying consolidated financial statements are presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States ("U.S. GAAP"). In the consolidated statements of financial position, assets and liabilities are presented in order of liquidity or conversion to cash and their maturity resulting in the use of cash, respectively.

(b) Financial Statement Presentation

The classification of a not-for-profit organization's net assets and its support, revenue and expenses is based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of the classes of net assets, permanently restricted, temporarily restricted, and unrestricted be displayed in a statement of financial position and that the amounts of change in each of those classes of net assets be displayed in a statement of activities.

These classes are defined as follows:

Permanently Restricted - Net assets resulting from contributions and other inflows of assets whose use by Pro Mujer is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of Pro Mujer. The income from permanently restricted net assets are available for unrestricted and temporarily restricted purposes.

Temporarily Restricted - Net assets resulting from contributions and other inflows of assets whose use by Pro Mujer is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of Pro Mujer pursuant to those stipulations. When such stipulations end or are fulfilled, such temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statement of activities. Temporarily restricted contributions and grants, the requirements of which are met in the year of donation, are reported as unrestricted.

Unrestricted - The part of net assets that is neither permanently nor temporarily restricted by donor-imposed stipulations.

(c) Cash and Cash Equivalents

Pro Mujer considers all highly liquid instruments purchased with a maturity of three months or less to be cash equivalents.

(d) Accounts Receivable, Net

Accounts receivable are comprised of advances to staff and amounts due from credits from vendors. All amounts are stated at fair value. The allowance with respect to accounts receivable at December 31, 2017 and 2016 was $88,041 and $98,839, respectively.

(e) Loans Receivable, Net

Loans receivable include loans made by Pro Mujer to low-income individuals or families in Argentina, Bolivia, Mexico, Nicaragua and Peru.

Pro Mujer adjusts the allowance for doubtful accounts to represent the best estimate of probable or expected losses in the loan portfolio. Pro Mujer maintains provisions for uncollectible accounts in two types: Generic and Specific. Refer to Note 4 for more information.

At December 31, 2017 and 2016, the allowance for doubtful accounts was $8,677,898 and $7,416,248, respectively.

(f) Grants, Contributions and Pledges, Net

Contributions, which include unconditional promises to give (pledges), are recognized as revenue in the period received. Contributions to be received after one year are discounted at an appropriate discount rate. The carrying values of grants and pledges receivable have been reduced by an appropriate allowance for uncollectible accounts, based on historical collection experience, and therefore, approximates net realizable value. Grants and pledges receivable are written off in the period in which they are deemed to be uncollectible and payments subsequently received are recorded as income in the period received. Management determined that there was no allowance that needed to be recorded for the years ended December 31, 2017 and 2016.

(g) Interest and Commissions Receivable

Interest and commissions receivable represent amounts currently due on loans and advances to customers. The allowance with respect to interest and commissions receivables is included in the allowance for the loans receivable found in Note 4.

(h) Prepaid and Other Assets

Prepaid expenses and other assets include deposits for rent expense, transfers in transit and various prepayments made for subscriptions, insurance expenses and payments for taxes.

(i) Intangible Assets, Net

Intangible assets arising from computer software development costs and related licenses are recognized as capital assets and are amortized using the straight-line method over the estimated useful lives of the related assets, generally two to five years. The threshold for capitalization is $300 for PMI – New York while all other Pro Mujer entities use useful lives over one year regardless of costs.

Yearly, the intangible assets are reviewed for impairment and when the asset's carrying amount exceeds its respective recoverable amount, an impairment charge is recorded for the excess of the carrying amount over the fair value of the asset.

(j) Write-Off Policy

Pro Mujer will write off a loan when it is determined uncollectible; it is written off against the related allowance for doubtful accounts. Such loans are written off after all the necessary collection procedures have been completed and the amount of the loss has been determined. Subsequent recoveries of amounts previously written off decrease the amount of the provision for credit losses in the consolidated statements of activities and are recorded when cash is received.

Loans are written off after a loan is 180 days past due. Loans in default are not refinanced. If loans are recovered after they are written off, they are recorded as revenue in interests in the year of the recovery and included in the loan interest and commissions from loans line of the consolidated statements of activities, in the case of the recovered interest, they are recorded in the other program revenue line, in the case when the principal of the loan is received. Refer to Note 4 for more information.

(k) Assets Whose Use is Limited

Assets whose use is limited balances include deposits from loan recipients, which are held in bank accounts in PMI - Peru and Pro Mujer - Mexico.

As of December 31, 2017 and 2016, the balance consisted of:

December 31,	**2017**	2016
PMI - Peru	**$ 823,564**	$3,425,244
Pro Mujer - Mexico	**3,253,034**	2,838,974
	$4,076,598	$6,264,218

The funds are client savings in Peru and a liquid guarantee in Mexico as a form of collateral.

(l) Property and Equipment, Net

Property and equipment are recorded at cost or, if contributed, at their market value at date of contribution. Property and equipment over $300 for PMI – New York is capitalized. All other Pro Mujer entities capitalize all assets with a useful life over 1 year regardless of cost. Maintenance and repairs are charged to expense and betterments to the asset's life are capitalized. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Leasehold improvements are amortized over the shorter of the lease term or the estimated useful lives of the related assets.

Buildings and offices	20 years
Leasehold improvements	5 - 20 years
Computer equipment	5 years
Furniture and office equipment	2 - 20 years
Vehicles	2 - 8 years
Other	3 - 5 years

(m) Impairment of Long-Lived Assets to be Disposed Of

U.S. GAAP requires Pro Mujer to review long-lived assets, including property and equipment and intangible assets, for impairment whenever events or changes in business circumstances indicate that the carrying amount of an asset may not be fully recoverable. An impairment loss would be recognized when the estimated future cash flows from the use of the asset are less than the carrying amount of that asset. There were no impairments losses. For 2016, software development costs of $149,929 were written off.

(n) Contributed Services

Services provided for legal, advertising and other services were donated to Pro Mujer. The estimated fair market value of these services for 2017 and 2016 was $208,324 and $201,211, respectively. These services are reflected as in-kind contributions and expenses of services in the accompanying consolidated statements of activities, and in the accompanying consolidated statements of functional expenses under professional fees.

(o) Income Taxes

PMI – New York is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

Pro Mujer - Argentina is exempt from Argentinean income taxes in accordance with Argentinean tax law as it relates to non-profit organizations operating in Argentina.

Pro Mujer - Bolivia is subject to income tax of 25% of net current earnings. In addition, a new law requires an additional 25% to be applied to institutions that exceed 6% of the coefficient of return on its equity. Pro Mujer - Bolivia incurred income tax expenses for 2017 and 2016 of $2,263,009 and $1,374,086, respectively.

Pro Mujer – Mexico NGO is exempt from Mexican income taxes in accordance with Mexican tax law as it relates to non-profit organizations operating in Mexico.

Pro Mujer – Mexico due to the nature of its operations, is subject to income tax of 30% on net current earnings. Pro Mujer – Mexico incurred income tax expense for 2017 and 2016 of $1,169,377 and $824,053, respectively.

Pro Mujer – Nicaragua is subject to income taxes in accordance with Nicaraguan law which requires that income taxes are calculated based on the greater of either one (1) percent of total net assets or 30% of net taxable income. Pro Mujer – Nicaragua incurred income tax expense of $669,771 and $502,714 during 2017 and 2016, respectively.

PMI - Nicaragua is exempt from income taxes in Nicaragua in accordance with Nicaragua tax law as it operates as a non-profit organization.

In accordance with U.S. GAAP, an organization must recognize a tax liability associated with tax positions taken for tax return purposes when it is more likely than not that the position will not be sustained upon examination by a taxing authority. Pro Mujer does not believe it has taken any material uncertain tax positions and, accordingly, it has not recorded any liability for unrecognized tax benefits. For PMI – Peru, discussed further in Note 8, a tax liability has been established and recorded.

For the years ended December 31, 2017 and 2016, there was no interest or penalties recorded or included in the accompanying consolidated statements of activities.

(p) Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, as well as the disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

(q) Allocation Methodology

Common costs incurred for Pro Mujer for the various programs are allocated directly to respective programs as incurred and/or utilizing predetermined allocation rates established by management based upon the programs benefited by the related expenses.

(r) Net Asset Classification

In accordance with the professional standard for "Endowments of Not-for-Profit Organizations: Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act ("UPMIFA") and Enhanced Disclosures for All Endowment Funds," Pro Mujer treats all donor restricted endowment funds as permanently restricted net assets. These endowment funds are invested in a pool with all other investments of Pro Mujer.

In the years when there is a deficit return on investments related to the endowment funds, the deficit results in a reduction of endowment-related temporarily restricted net assets. When no further amount remains in temporarily restricted net assets, the losses are used to reduce unrestricted net assets. In the years when there is a positive return on endowment investments, the returns are initially adjusted against previous amounts that had been recorded as reductions in unrestricted net assets, after adjustment of which all remaining balances are included in temporarily restricted net assets.

In 2010, New York State enacted the New York Prudent Management of Institutional Funds Act ("NYPMIFA"). This law, which is a modified version of UPMIFA, made significant changes to the rules governing how New York not-for-profit organizations may manage, invest and spend their endowment funds. The law is designed to allow organizations to cope more easily with fluctuations in the value of their endowments and to afford them greater access to funds needed to support their programs and services in difficult financial times. It also expanded the options available to organizations seeking relief from donor restrictions on funds that have become obsolete, impracticable or wasteful. NYPMIFA applies to New York not-for-profit, education and religious corporations, associations organized and operated exclusively for charitable purposes, and certain trusts. The adoption of this law did not have a material effect on Pro Mujer's consolidated financial statements.

(s) Fair Value Measurements

Professional standards establish a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that inputs that are most observable be used when available. Observable inputs are inputs that market participants operating within the same marketplace as Pro Mujer would use in pricing its assets based on independently derived and objectively determinable market data. Unobservable inputs are inputs that cannot be sourced from a broad active market in which assets identical or similar to those which Pro Mujer holds are traded. Pro Mujer estimates the price of any assets for which there are only unobservable inputs by using assumptions that market participants that have investments in the same or similar assets would use as determined by the money managers administering each investment based on the best information available in the circumstances. The input hierarchy is broken down into three levels based on the degree to which the exit price is independently observable or determinable as follows:

Level 1 – Valuation based on quoted market prices in active markets for identical assets or liabilities at the measurement date.

Level 2 - Valuations based on: (a) quoted prices for similar assets or liabilities in active markets, (b) quoted prices for identical or similar assets or liabilities in inactive markets, (c) inputs other than quoted prices that are observable for the asset or liability, and (d) inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Valuation based on inputs that are unobservable and reflect management's best estimate of what market participants would use as fair value.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Pro Mujer's investments consist of a variety of investment securities. Investments in general are exposed to various risks, such as interest rate, credit, and overall market volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the value of the organization's investments will occur in the near term and that such changes could materially affect the amounts reported in the accompanying consolidated financial statements.

(t) Investment Income

Investment income is recognized when earned and consists of interest and dividends. Dividends are recorded on the ex-dividend date. Purchases and sales are recorded on a trade-date basis.

(u) Accounting Pronouncements Issued But Not Yet Adopted

In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2014-09, "Revenue from Contracts with Customers," which is a comprehensive new revenue recognition standard that will supersede existing revenue recognition guidance. The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The FASB also issued ASU 2015-14 which deferred the effective date for Pro Mujer until annual periods beginning after December 15, 2018. Earlier adoption is permitted subject to certain limitations. The amendments in this update are required to be applied retrospectively to each prior reporting period presented or with the cumulative effect being recognized at the date of initial application. Management is currently evaluating the impact of this ASU on its consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02, "Leases," to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the statement of financial position and disclosing key information about leasing arrangements for lessees and lessors. The new standard applies a right-of-use ("ROU") model that requires, for all leases with a lease term of more than 12 months, an asset representing its right to use the underlying asset for the lease term and a liability to make lease payments to be recorded. The ASU is effective for Pro Mujer's fiscal years beginning after December 15, 2019 with early adoption permitted. Management is currently evaluating the impact of this ASU on its consolidated financial statements.

In August 2016, the FASB issued ASU 2016-14, "Not-for-Profit Entities and Health Care Entities - Presentation of Financial Statements of Not-for-Profit Entities." The ASU amends the current reporting model for nonprofit organizations and enhances their required disclosures. The major changes include: (a) requiring the presentation of only two classes of net assets now entitled "net assets without donor restrictions" and "net assets with donor restrictions," (b) modifying the presentation of underwater endowment funds and related disclosures, (c) requiring the use of the placed in service approach to recognize the expirations of restrictions on gifts used to acquire or construct long-lived assets absent explicit donor stipulations otherwise, (d) requiring that all nonprofits present an analysis of expenses by function and nature in either the statement of activities, a separate statement, or in the notes and disclose a summary of the allocation methods used to allocate costs, (e) requiring the disclosure of quantitative and qualitative information regarding liquidity and availability of resources, (f) presenting investment return net of external and direct expenses, and (g) modifying other financial statement reporting requirements and disclosures intended to increase the usefulness of nonprofit financial statements. The ASU is effective for fiscal years beginning after December 15, 2017. Early adoption is permitted. The provisions of the ASU must be applied on a retrospective basis for all years presented although certain optional practical expedients are available for periods prior to adoption. Management is currently evaluating the impact of this ASU on its consolidated financial statements.

In January 2017, the FASB issued ASU 2017-04, "Intangibles - Goodwill and Other," to simplify how all entities assess goodwill impairment by eliminating Step 2 from the goodwill impairment test. As amended, the goodwill impairment test will consist of one step comparing the fair value of a reporting unit with its carrying amount. An entity should recognize a goodwill impairment charge for the amount by which the carrying amount exceeds the reporting unit's fair value. The standard is effective for non-public business entities for fiscal years beginning after December 15, 2021 and Pro Mujer is currently evaluating the impact of the pending adoption of ASU 2017-04.

In August 2016, the FASB issued ASU 2015-15, "Classification of Certain Cash Receipts and Cash Payments (Topic 230)," which clarifies how certain cash receipts and cash payments are presented and classified in the statement of cash flows. The amendments are intended to reduce diversity in practice. This ASU contains additional guidance clarifying when an entity should separate cash receipts and cash payments and classify them into more than one class of cash flows (including when reasonable judgment is required to estimate and allocate cash flows) versus when an entity should classify the aggregate amount into one class of cash flows on the basis of predominance. The ASU is effective for fiscal years beginning after December 15, 2018, with early adoption permitted. Management is currently evaluating the impact of this ASU on its consolidated financial statements.

In November 2016, the FASB issued ASU 2016-18, "Statement of Cash Flows: Restricted Cash (Topic 230)," to address the classification and presentation of changes in restricted cash on the statement of cash flows. The ASU requires that a statement of cash flows explains the change in the total cash, cash equivalents, and amounts generally described as restricted cash and restricted cash equivalents. Thus, amounts generally described as restricted cash or restricted cash equivalents should be included with cash and cash equivalents when reconciling the beginning of period and end of period total amounts shown on the consolidated statements of cash flows. The ASU is effective for the Pro Mujer's consolidated financial statements for fiscal years beginning after December 15, 2018. Early adoption is permitted and should be applied on a retrospective transition method to each period presented. Management is currently evaluating the impact of this ASU on its consolidated financial statements.

(v) Recently Adopted Accounting Pronouncements

In May 2015, the FASB issued ASU 2015-07, "Disclosures for Investments in Certain Entities That Calculate Net Asset Value Per Share (or Its Equivalent)." ASU 2015-07 was issued to address diversity in practice related to how certain investments measured at net asset value ("NAV") with redemption dates in the future (including periodic redemption dates) are categorized within the fair value hierarchy. The amendments eliminate the requirement to categorize within the fair value hierarchy all investments for which fair value is measured using the NAV per share practical expedient. As such, certain fair value leveling disclosures are no longer required, although information must be disclosed so that users can reconcile amounts reported in the fair value hierarchy to the statement of financial position. The amendments are effective retrospectively for annual reporting periods beginning after December 15, 2016. Pro Mujer has adopted this standard which is reflected in these consolidated financial statements.

In August 2014, the FASB issued ASU 2014-15, "Presentation of Financial Statements - Going Concern: Disclosures of Uncertainties about an Entity's Ability to Continue as a Going Concern." This ASU provides guidance about management's responsibility to evaluate whether there is substantial doubt about an entity's ability to continue as a going concern and to provide related footnote disclosures. Specifically, this ASU provides a definition of the term substantial doubt and requires an assessment for a period of one year after the date that the financial statements are issued (or available to be issued). It also requires certain disclosures when substantial doubt is alleviated as a result of consideration of management's plans and requires an express statement and other disclosures when substantial doubt is not alleviated. The new standard is effective retrospectively for annual reporting periods beginning after December 15, 2016, with early adoption permitted. Pro Mujer adopted the provisions of this standard and there was no material effect on its consolidated financial statements.

(w) Foreign Currency Translation

The United States Dollar is the functional currency for Pro Mujer's worldwide operations. Transactions in currencies other than Dollars are translated to the respective functional currencies of Pro Mujer's foreign operations at exchange rates at the dates of the transactions. Current assets and liabilities denominated in non-U.S. currency are translated into Dollars at the exchange rate in effect at the date of the consolidated statement of financial position. Foreign currency differences arising on foreign currency transactions and translation at year end are recognized in the consolidated statements of activities. Currency translation adjustments for 2017 and 2016 amounted to \$(270,300) and \$(1,455,494), respectively, and are reflected in the consolidated statements of activities.

(x) Operational Risk

Market Risk

Market risk is defined as external influences, generally outside of the control of Pro Mujer's executive management, but which can be identified, assessed and mitigating actions put in place to reduce any adverse impact.

Credit Risk

Credit risk is the potential for financial loss resulting from the failure of a client or counterparty to honor its financial or contractual obligations. Credit risk is principally from Pro Mujer's microfinance activity.

Pro Mujer takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Allowances for impairment are accounted for where there is objective evidence that the loans and advances to customers are impaired. Refer to Note 4 for more information.

Pro Mujer's loan portfolio is made up entirely of loans made to individuals and groups of individuals for a specific purpose.

Interest Rate Risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates.

Pro Mujer takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on both its fair value and cash flow risks. Interest margins may increase as a result of such changes, but may reduce or create losses in the event that unexpected movements arise. Management sets limits on the level of mismatch of interest rate re-pricing that may be undertaken, which is monitored monthly.

The loans receivable, as well as notes payable, are at fixed interest rates. The loans receivable mature much faster than the related borrowings, a fact that allows Pro Mujer to adjust the fixed interest of its receivables to market conditions.

As part of its financing strategy, Pro Mujer also seeks to attract longer term, fixed rate financing.

Currency Risk

Pro Mujer is exposed to currency risk through transactions in foreign currencies against the U.S. Dollar. There is also a consolidated statement of financial position risk that the net monetary liabilities in foreign currencies will take a higher value when translated into US Dollars as a result of foreign currency movements. Management actively monitors currency risk exposure and has a strategy in place to mitigate currency risk in each country.

Operational Environment Risk

Recently, the banking sector faced a sovereign debt crisis triggered by significant fiscal disequilibria and large public debt positions in several countries.

The ongoing fears that the deteriorating financial conditions could contribute, at a later stage, to a further retrenchment in confidence prompted coordinated efforts of governments and central banks to adopt special measures aimed at countering the vicious circle of growing risk aversion and to helping restore normal market functioning.

The identification and valuation of investments influenced by the illiquid market conditions, the determination of compliance with debt agreements and other contract covenants, and the evaluation of significant uncertainties, including uncertainties associated with an entity's ability to continue as a going concern for a reasonable period of time, bring their own challenges. The effects of these on the financial markets have been seen in the form of volatility of the foreign exchange rates and an increase in the country's credit default swap.

The debtors of Pro Mujer may also be affected by the lower liquidity and solvency situations, which could in turn impact their ability to repay their outstanding loans. Deteriorating operating conditions for customers may also have an impact on the management of cash flow forecasts and assessments of the impairment of financial and non-financial assets. To the extent that information is available, management has reflected revised estimates of expected future cash flows in its impairment assessment.

Management is unable to predict all development which could have an impact on the foreign financial institutions sector and, consequently, what effect, if any, they could have on these consolidated financial statements.

Liquidity Risk

Liquidity risk is the risk that a company will be unable to meet its net funding requirements.

Liquidity risk can be caused by market disruptions or credit downgrades, which may cause certain sources of funding to dry up immediately. To mitigate this risk, management has diversified funding sources and assets are managed with a liquidity approach, maintaining a healthy balance of cash, cash equivalents, and readily marketable securities. Management monitors the maturity profile of its financial assets and liabilities to ensure that adequate liquidity is maintained. The average loan term is less than 12 months.

(y) Reclassifications

Certain prior year balances have been reclassified to be consistent with the current year consolidated financial statement presentation.

3. Investments and Fair Value Measurements

Investments at cost and respective fair value consist of the following at December 31, 2017:

	Cost	Fair Value
Money market funds	**$114,875**	**$140,558**
Equity securities	**121,199**	**121,199**
Mutual funds	**54,446**	**78,048**
Certificates of deposit	**204,240**	**204,240**
	$494,760	**$544,045**

Investment income, net consists of the following:

December 31, 2017	
Net realized gains	**$ 27**
Net unrealized gains	**34,596**
	$34,623

Investments at cost and respective fair value consist of the following at December 31, 2016:

	Cost	Fair Value
Money market funds	$ 113,356	$ 117,251
Equity securities	123,692	123,692
Mutual funds	1,073,232	1,090,728
Certificates of deposit	114,759	114,759
	$1,425,039	$1,446,430

Investment income, net consists of the following:

December 31, 2016	
Net realized gains	$1,670
Net unrealized gains	4,533
	$6,203

Pro Mujer's assets recorded at fair value have been categorized based upon a fair value hierarchy in accordance with professional standards. See Note 2 for a discussion of Pro Mujer's policies regarding this hierarchy. A description of the valuation techniques applied to Pro Mujer's major categories of assets and liabilities measured at fair value are as follows:

Money Market Funds

Money market deposit accounts are valued at cost plus interest, which approximates fair value and are classified as Level 1.

Equities

These investments are priced using nationally recognized pricing services based on observable market data and are classified as Level 1.

Certificates of Deposit

Certificates of deposit are valued at the last reported value by the banking institution and are classified as Level 1.

Mutual Funds

Mutual funds are valued at the last reported net asset value ("NAV") of shares held by Pro Mujer at year-end and are classified as Level 1.

Pro Mujer had no financial assets and liabilities that were measured at fair value on a non-recurring basis during the years ended December 31, 2017 and 2016. In addition, there were no transfers between levels during the years ended December 31, 2017 and 2016.

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Total at December 31, 2017
Investments at fair value:		
Money market funds	**$140,558**	**$140,558**
Equity securities	**121,199**	**121,199**
Mutual funds	**78,048**	**78,048**
Certificates of deposit	**204,240**	**204,240**
Total investments at fair value	**$544,045**	**$544,045**

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Total at December 31, 2016
Investments at fair value:		
Money market funds	$ 117,251	$ 117,251
Equity securities	123,692	123,692
Mutual funds	1,090,728	1,090,728
Certificates of deposit	114,759	114,759
Total investments at fair value	$1,446,430	$1,446,430

4. Loans Receivable and Allowance for Loan Losses

Loans receivable include loans made by Pro Mujer to low-income individuals or families in Argentina, Bolivia, Mexico, Nicaragua and Peru.

Following is an analysis of the change in the allowance accounts for the year ended December 31, 2017:

Year ended December 31, 2017	
Allowance for doubtful accounts:	
Balance at January 1, 2017	**$ 7,416,248**
Credit loss provision for the year:	
Charges	**10,751,566**
Amounts written off	**(8,716,333)**
Effect of foreign currency movements	**(773,583)**
Balance at December 31, 2017	**$ 8,677,898**

Year ended December 31, 2017	
Total loan principal	**$151,516,774**
Allowance for loan losses	**(8,677,898)**
Total loans receivable, net	**$142,838,876**

Following is an analysis of the change in the allowance accounts for the year ended December 31, 2016:

Year ended December 31, 2016	
Allowance for doubtful accounts:	
Balance at January 1, 2016	$ 5,821,215
Credit loss provision for the year:	
Charges	6,913,470
Amounts written off	(2,247,930)
Effect of foreign currency movements	(3,070,507)
Balance at December 31, 2016	$ 7,416,248

Year ended December 31, 2016	
Total loan principal	$142,200,690
Allowance for loan losses	(7,416,248)
Total loans receivable, net	$134,784,442

Impaired loans are loans for which Pro Mujer determines that it is probable that it will be unable to collect all principal and interest due according to the contractual terms of the loan agreement.

On a monthly basis, Pro Mujer adjusts an allowance for doubtful accounts that represents the best estimate of probable or expected losses in the loan portfolio. Pro Mujer maintains provisions for uncollectible accounts in two types: Generic and Specific.

Generic: Pro Mujer maintains a generic provision in allowance for bad debt equivalent up to 2% of the loan portfolio, which was determined by management based on historical data.

Specific: The specific provision is adjusted at period end based on the number of days of the actual past due loan amounts and applying a percentage based on the expected loan losses as follows:

Category	Days Past Due	Provision %
I	(≤) 5 days	1%
II	6 and 30 days	5
III	31 and 60	20
IV	61 and 90	50
V	(≥) 91 days	100

In regulated countries like Bolivia and Nicaragua, other reserves can be constituted for credit risk as instructed by the local regulator.

Refer to Note 2(j) for the write-off policy.

5. Grants and Pledges Receivable, Net

Grants receivable consist of awards from various foundations and corporations. Pledges receivable consist of commitments made to Pro Mujer from individuals. All payments are expected to be collected during the following 12 months, unless otherwise stipulated by the donor. Total gross grants receivable at December 31, 2017 and 2016 were $300,000 and $566,072, respectively.

The net present value of grants and pledges receivable at December 31, 2017 and 2016 is as follows:

Year ended December 31,	**2017**	2016
Total grants receivable	**$300,000**	$566,072
Total pledges receivable	**880**	-
Net present value of grants and pledges receivables	**$300,880**	$566,072

6. Property and Equipment, Net

As of December 31, 2017, property and equipment, net consisted of the following:

	Land	Buildings and Offices	Leasehold Improvements	Computer Equipment	Furniture and Office Equipment	Vehicles	Other	Total
Cost balance, January 1, 2017	$308,553	$1,774,950	$1,355,899	$4,172,044	$4,348,835	$1,543,843	$209,807	**$13,713,931**
Acquisitions	-	-	121,275	219,123	433,819	76,449	-	**850,666**
Disposals	(10,251)	(470,653)	(231,841)	(121,445)	(207,603)	(298,512)	(51,649)	**(1,391,954)**
Currency translation	6,752	17,642	-	(37,454)	(1,248)	11,381	-	**(2,927)**
Cost balance, December 31, 2017	305,054	1,321,939	1,245,333	4,232,268	4,573,803	1,333,161	158,158	**13,169,716**
Accumulated depreciation balance, January 1, 2017	-	410,829	993,232	3,303,035	2,659,431	1,133,629	90,906	**8,591,062**
Depreciation	-	44,150	222,005	413,293	434,154	133,910	13,745	**1,261,257**
Disposals	-	(129,180)	(228,882)	(120,384)	(148,794)	(216,636)	(21,456)	**(865,332)**
Currency translation	-	2,425	(17,421)	(54,728)	4,517	13,557	-	**(51,650)**
Accumulated depreciation balance, December 31, 2017	-	328,224	968,934	3,541,216	2,949,308	1,064,460	83,195	**8,935,337**
Property and equipment, net, December 31, 2017	**$305,054**	**$ 993,715**	**$ 276,399**	**$ 691,052**	**$1,624,495**	**$ 268,701**	**$ 74,963**	**$ 4,234,379**

As of December 31, 2016, property and equipment, net consisted of the following:

	Land	Buildings and Offices	Leasehold Improvements	Computer Equipment	Furniture and Office Equipment	Vehicles	Other	Total
Cost balance, January 1, 2016	$300,409	$1,753,668	$1,264,692	$3,723,317	$4,247,246	$1,476,822	$208,320	$12,974,474
Acquisitions	-	-	176,018	508,384	180,220	129,522	9,838	1,003,982
Disposals	-	-	(24,860)	(68,563)	(106,418)	(76,878)	(8,351)	(285,070)
Currency translation	8,144	21,282	(59,951)	8,906	27,787	14,377	-	20,545
Cost balance, December 31, 2016	308,553	1,774,950	1,355,899	4,172,044	4,348,835	1,543,843	209,807	13,713,931
Accumulated depreciation balance, January 1, 2016	-	350,635	700,088	2,874,420	2,307,329	1,037,871	77,578	7,347,921
Depreciation	-	53,631	371,377	474,348	387,550	143,917	15,731	1,446,554
Disposals	-	-	(18,282)	(66,016)	(42,220)	(63,742)	(2,403)	(192,663)
Currency translation	-	6,563	(59,951)	20,283	6,772	15,583	-	(10,750)
Accumulated depreciation balance, December 31, 2016	-	410,829	993,232	3,303,035	2,659,431	1,133,629	90,906	8,591,062
Property and equipment, net, December 31, 2016	$308,553	$1,364,121	$ 362,667	$ 869,009	$1,689,404	$ 410,214	$118,901	$ 5,122,869

7. Intangible Assets, Net

The composition of the intangible assets, net at December 31, 2017 is as follows:

December 31, 2017

	Software	Licenses	Total
Gross balance, January 1, 2017	**$399,508**	**$2,345,405**	**$2,744,913**
Acquisitions	**515,695**	**153,304**	**668,999**
Disposals	**(37,994)**	**(23,668)**	**(61,662)**
Currency translation	**-**	**11,520**	**11,520**
Gross balance, December 31, 2017	**877,209**	**2,486,561**	**3,363,770**
Accumulated amortization balance, January 1, 2016	**344,035**	**1,572,590**	**1,916,625**
Amortization	**169,678**	**282,610**	**452,288**
Disposals	**(31,596)**	**(27,247)**	**(58,843)**
Currency translation	**-**	**11,520**	**11,520**
Accumulated amortization balance, December 31, 2017	**482,117**	**1,839,473**	**2,321,590**
Intangible assets, net, December 31, 2017	**$395,092**	**$ 647,088**	**$1,042,180**
Weighted average amortization period (years)	**3**	**5**	

The composition of the intangible assets, net at December 31, 2016 is as follows:

December 31, 2016

	Software	Licenses	Total
Gross balance, January 1, 2016	$436,770	$2,287,597	$2,724,367
Acquisitions	38,186	201,786	239,972
Disposals	(75,448)	(18,100)	(93,548)
Currency translation	-	(125,878)	(125,878)
Gross balance, December 31, 2016	399,508	2,345,405	2,744,913
Accumulated amortization balance, January 1, 2016	330,026	1,346,766	1,676,792
Amortization	42,617	277,274	319,891
Disposals	(28,608)	(18,100)	(46,708)
Currency translation	-	(33,350)	(33,350)
Accumulated amortization balance, December 31, 2016	344,035	1,572,590	1,916,625
Intangible assets, net, December 31, 2016	$ 55,473	$ 772,815	$ 828,288
Weighted average amortization period (years)	3	5	

The estimated remaining amortization associated with finite-lived intangible assets is expected to be expensed as follows:

Year ending December 31,	Amount
2018	$ 307,298
2019	226,808
2020	195,465
2021	119,155
2022	193,454
	$1,042,180

8. Income Taxes

Income tax expense of $4,466,636 and $3,280,730 for 2017 and 2016, respectively, has been reported as a separate line item in the accompanying consolidated statements of activities for those entities that are subject to income taxes (Pro Mujer – Mexico, Pro Mujer - Bolivia, Pro Mujer – Nicaragua and PMI - Peru).

As of December 31, 2017, the Superintendencia Nacional de Administracion Tributaria ("SUNAT") (Peruvian Internal Revenue Service) has not yet approved PMI – Peru's request to renew its registration at its Registry of income tax exempted entities. PMI – Peru, with the assistance of legal counsel, is vigorously contesting SUNAT's position of revocation of its exempted entity income tax registration.

As of December 31, 2017 and 2016, PMI - Peru has recorded a liability of $2,113,175 and $2,358,020, respectively, as a tax liability which is included as other long-term liabilities in the accompanying consolidated statements of financial position. PMI - Peru incurred a tax expense in 2017 and 2016 of $364,479 and $579,877, respectively.

PMI - Nicaragua submits its annual income tax declaration without any payment of such tax, based on the Supreme Court of Justice or Nicaragua ruling number 141 dated October 14, 2003. According to this court ruling, the payment of the income tax is inapplicable to non-profit associations, because it is considered unconstitutional, since a taxable event occurs only when there is distribution of dividends among the shareholders, which is not the case for these kind of associations. In addition, Nicaraguan Law 822 (Ley de Concertación Tributaria), once more establishes that nonprofit associations, foundations, federations and confederations, which have legal personality, are exempt from income taxes.

Notwithstanding the foregoing, an appeal is pending before the Supreme Court of Justice on the issuance of the certificate of tax exemption in favor of PMI - Nicaragua which has not been issued by the General Directorate of Taxes in its favor since 2014. However, to this date, PMI - Nicaragua has a certificate of good standing issued by the General Directorate of Taxes. Such certificate is issued exclusively to institutions that are up to date in the payment of their taxes.

There are no other uncertain tax positions which require disclosure or recognition within the consolidated financial statements with respect to the other entities.

See Note 18 for additional information related to income taxes.

9. Guarantees Payable

As of December 31, 2017 and 2016, guarantees payable amounted to $2,679,773 and $5,316,029, respectively. In Peru, PMI - Peru collects and maintains savings deposits from clients, which are held in a bank account with Banco de Crédito de Peru. The funds are comprised primarily of the amount that clients must submit to the institution as collateral when granting loans. The amounts are equivalent to 10-20 percent of total outstanding loan portfolio, and returned when the client has fulfilled her liability. By order of PMI - Peru management, funds can only be applied to unpaid balances and/or refunds to clients.

During 2017, PMI - Peru contracted with the trustee, La Fiduciaria S.A, to administrate part of the client savings which were put in an escrow account for the amount of $520,305.

The loan agreement signed by PMI – Peru's clients include a clause by which parties agree that PMI - Peru will be responsible for ownership and internal account management where client savings are deposited.

In Mexico, the liability is a liquid guarantee that constitutes 10% of the loan amount, which is provided by Pro Mujer - Mexico. The liquid guarantee is fully reimbursed to the client upon successful repayment of the outstanding loan amount. If the loan is renewed, a new liquid guarantee amount is provided for the new loan. See Note 2(k) for further discussion on assets whose use is limited.

Following is a summary of guarantees payable as of December 31:

December 31,	**2017**	2016
Pro Mujer – Mexico	**$1,874,000**	$1,887,670
PMI – Peru	**805,773**	3,428,359
	$2,679,773	$5,316,029

10. Interest Payable

The majority of the note agreements are unsecured and bear interest at rates ranging from 1% to 32%. As of December 31, 2017 and 2016, the interest liability totaled $2,528,091 and $2,089,237, respectively. See Note 11 for further discussion on notes payable.

11. Notes Payable

Pro Mujer has entered into note agreements with various organizations with the funds being used to further Pro Mujer's mission. As of December 31, 2017 and 2016, the total liability to these organizations aggregated $110,438,824 and $105,432,955, respectively. The majority of the note agreements are unsecured.

The notes payable interest rates, maturity years and balances at December 31, 2017 by entity consisted of the following:

	Interest Rate Ranging from	Maturity Dates Ranging from	Total	Eliminations	Balance at December 31, 2017
Pro Mujer – Argentina	**2.5 - 32.0%**	**2018 - 2021**	**$ 4,406,668**	**$ -**	**$ 4,406,668**
Pro Mujer - Bolivia	**4.0 - 9.6**	**2018 - 2022**	**63,459,181**	**-**	**63,459,181**
Pro Mujer - Mexico	**2.8 - 14.0**	**2018 - 2018**	**35,470**	**-**	**35,470**
Pro Mujer – Mexico NGO	**4.2 - 13.5**	**2018 - 2021**	**19,148,004**	**(2,000,000)**	**17,148,004**
PMI - New York	**1.0 - 5.0**	**2018 - 2022**	**6,382,500**	**-**	**6,382,500**
Pro Mujer - Nicaragua	**6.0 - 17.2**	**2018 - 2022**	**19,848,110**	**(841,109)**	**19,007,001**
PMI - Peru	**7.5 - 7.5**	**2018 - 2020**	**2,700,000**	**(2,700,000)**	**-**
			$115,979,933	**$(5,541,109)**	**$110,438,824**

The notes payable interest rates, maturity years and balances at December 31, 2016 by entity consisted of the following:

	Interest Rate Ranging from	Maturity Dates Ranging from	Total	Eliminations	Balance at December 31, 2016
Pro Mujer – Argentina	2.5 - 32.0%	2017 - 2021	$ 2,092,125	$ -	$ 2,092,125
Pro Mujer - Bolivia	4.0 - 9.6	2017 - 2022	60,331,294	-	60,331,294
Pro Mujer - Mexico	4.2 - 13.5	2017 - 2019	16,129,332	-	16,129,332
PMI - New York	1.0 - 5.0	2017 - 2021	3,682,500	-	3,682,500
Pro Mujer - Nicaragua	6.0 - 17.2	2017 - 2022	16,118,959	(883,164)	15,235,795
PMI - Peru	5.9 - 14.0	2017 - 2018	9,961,909	(2,000,000)	7,961,909
			$108,316,119	$(2,883,164)	$105,432,955

Notes payable activity consisted of the following:

Year ended December 31,	**2017**	2016
Balance at January 1, 2017	**$105,432,955**	$ 86,567,800
Notes repaid	**(62,681,182)**	(46,976,631)
New notes issued	**67,395,101**	68,176,712
Effect of foreign currency	**291,950**	(2,334,926)
Balance at December 31, 2017	**$110,438,824**	$105,432,955

Following is a schedule of maturities:

Year ending December 31,	
2018	$ 59,965,726
2019	27,584,059
2020	18,745,565
2021	2,626,198
2022	1,517,276
	110,438,824
Less: Current portion	(59,965,726)
	$ 50,473,098

Pro Mujer is required to comply with certain covenants under its debt agreements. All such covenants were complied with or waived by the debt holder.

12. Temporarily Restricted Net Assets

Temporarily restricted net assets, which are all restricted for program use, consisted of the following at December 31:

December 31,	**2017**	2016
PMI - New York	**$638,853**	$1,222,538
PMI - Nicaragua	**-**	548,242
	$638,853	$1,770,780

Temporarily restricted net assets released from donor restrictions by incurring expenses which satisfied the restricted purposes specified by the donors consist of the following for the year ended December 31:

Year ended December 31,	**2017**	2016
PMI - New York	**$1,335,698**	$2,856,346
PMI - Nicaragua	**548,241**	25,011
PMI – Peru	**-**	16,146
	$1,883,939	$2,897,503

13. Permanently Restricted Net Assets

Pro Mujer’s endowment consists of donor-restricted endowment funds. As required by U.S. GAAP, net assets associated with endowment funds are classified and reported based on the existence of donor-imposed restrictions.

The Board of Directors has interpreted UPMIFA and NYPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary.

As a result of this interpretation, Pro Mujer classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the organization in a manner consistent with the standard of prudence prescribed by UPMIFA and NYPMIFA.

In accordance with UPMIFA and NYPMIFA, Pro Mujer considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- the duration and preservation of the fund;
- the purpose of the organization and the donor-restricted endowment fund;
- general economic conditions and the possible effect of inflation and deflation;
- the expected total return from income and the appreciation of investments; and
- investment policies of the organization.

At December 31, 2017 and 2016 the endowment fund balance was $150,948 and $140,873, respectively. The endowment fund balance was established during 2004. All contributions to the endowment fund are to remain in perpetuity. Investment income generated by the invested endowment fund may be used to support general operations.

Endowment is invested in mutual funds at December 31, 2017 and 2016.

The following table provides a reconciliation of the changes in the schedule of activities for permanently restricted net assets for the year ended December 31, 2017:

Year ended December 31, 2017	
Permanently restricted net assets as of January 1, 2017	**$140,873**
New contributions	**10,075**
Investment income	**4,017**
Appropriation of endowment assets for expenditures	**(4,017)**
Permanently restricted net assets as of December 31, 2017	**$150,948**

The following table provides a schedule of activities for permanently restricted net assets for the year ended December 31, 2016:

Year ended December 31, 2016	
Permanently restricted net assets as of January 1, 2016	$140,873
Investment income	4,204
Appropriation of endowment assets for expenditures	(4,204)
Permanently restricted net assets as of December 31, 2016	$140,873

14. Contingencies

Pro Mujer is a party to various legal actions arising out of the normal course of its operations, the final outcome of which cannot presently be determined. Management is of the opinion that the ultimate liability, if any, with respect to all of these matters may not have a material effect on Pro Mujer's financial position.

Pro Mujer provides capital assistance and training in several developing countries. Pro Mujer also maintains cash accounts as well as loan portfolios in certain of those countries. The future results of those programs could be adversely affected by a number of potential factors, such as currency devaluations or changes in the political climate.

15. Retirement Plans

All full-time employees are covered by retirement plans which are in compliance with the laws of each respective country. Based upon the laws and regulations of each country, contributions are made to employee retirement accounts at varying rates.

Retirement expense for the years ended December 31, 2017 and 2016 totaled $2,790,307 and $2,828,863, respectively.

16. Commitments

Leases of Premises

Pro Mujer has entered into various operating lease agreements for office space rentals, which expire at various dates though 2022. Certain of these leases include a pro rata share of the rented space real estate taxes and operating costs.

Under U.S. GAAP, lease expense is recognized on a straight-line basis over the term of the respective leases. Rent expense, including utilities, for the years ended December 31, 2017 and 2016 totaled $2,233,619 and $3,551,236, respectively.

Future minimum lease payments under the lease agreements are as follows at December 31, 2017:

Year ending December 31,	
2018	$1,210,387
2019	574,802
2020	310,538
2021	113,381
2022	24,511
	$2,233,619

See Note 18 for additional information related to income taxes.

17. Related Party Transactions

In the course of business, PMI - New York executes transactions with its branch offices in Argentina, Bolivia, Mexico, Nicaragua and Peru.

As of December 31, 2017 and 2016, PMI – New York owes $309,839 and was owed $246,185, respectively, from these offices, which are included in accounts payable and accounts receivable in the accompanying consolidating statements of financial position, respectively.

Following is a summary of the amounts due from (to) each branch office, its related entities and its affiliates:

December 31,	**2017**	2016
Pro Mujer – Argentina	**$ 351,592**	$ 163,177
Pro Mujer - Bolivia	**(44,668)**	321,107
Pro Mujer – Mexico	**(334,625)**	(146,847)
Pro Mujer – Mexico NGO	**(974)**	(273)
Pro Mujer – Nicaragua	**1,233**	792
PMI – Nicaragua	**(12,709)**	(12,997)
PMI - Peru	**(269,688)**	(78,774)
	$(309,839)	$ 246,185

PMI - New York receives cost sharing fees from the aforementioned offices. The cost sharing fees are calculated based on various methods like the percentage of client participation based on number of clients and percentage of past due receivables in the countries. For countries that present losses, the allocated shared cost is not allocated. All cost sharing fee activities are eliminated in consolidation.

For the years ended December 31, 2017 and 2016, PMI – New York recognized cost sharing fee revenue of $4,096,108 and $3,200,000, respectively, from the aforementioned offices which was eliminated in consolidation.

PMI - New York also provided contributions in 2017 and 2016 totaling $710,961 and $1,579,442, respectively, which is included and eliminated in the credit and other program services line of the consolidating schedules of activities.

Following is a summary of the amounts contributed to each branch office, its related entities and its affiliates:

December 31,	**2017**	2016
Argentina (related)	**$ -**	$ 427,337
Bolivia (related)	**-**	215,566
Mexico (affiliate)	**687,761**	552,663
Nicaragua (related)	**-**	190,868
Peru (branch office)	**23,200**	193,008
	$710,961	$1,579,442

18. Subsequent Events

In preparing the accompanying consolidated financial statements, Pro Mujer has evaluated events and transactions for potential recognition or disclosure through June 22, 2018, the date the consolidated financial statements were issued. No events arose during the period which would require adjustments or additional disclosures other than:

On February 1, 2018, Wasi Social Innovation, Inc. (“Wasi”) was incorporated as a new Delaware nonprofit nonstock corporation that qualifies as a Type I supporting organization under section 509(a)(3)(B)(i) the Internal Revenue Code of 1986, as amended. WASI was organized and will be operated exclusively for the benefit of, to perform the functions of, and to carry out the purposes of: (i) PMI; and (ii) other organizations described in sections 501(c)(3) and 509(a)(1) or 509(a)(2) of a class the purposes and activities of which are similar to and consistent with the purposes of PMI. PMI is the sole member of WASI, and WASI’s bylaws provide that PMI has the authority to appoint and remove all of WASI’s directors.

As of February 28, 2018, PMI - Peru maintains two tax claims that are in dispute. The first tax claim for years 2009-2014 is pending resolution by the tax court. The second claim for years 2007-2008 is at the judicial state.

- First claim: In December 2017, SUNAT issued a resolution partially favorable to PMI - Peru, reducing $2,136,490 of the resulting potential contingency of this claim. As of February 28, 2018 the approximate total contingency determined within the tax claim amounts to $12,000,000.
- Second claim: During the year 2017, the total amount of the debt assessed for years 2007-2008 was fully paid in the amount of $691,776. However, if the lawsuit favors PMI – Peru, a refund will be made in the amounts paid plus an interest.

See Note 8 for additional information related to income taxes.

Supplementary Information

Pro Mujer International

Consolidating Schedule of Financial Position

December 31, 2017

	Pro Mujer, Inc. and Subsidiaries												
	Pro Mujer, Inc.						Subsidiaries						
	PMI - New York	PMI - Bolivia	PMI - Nicaragua	PMI - Peru	Eliminations	Total	Pro Mujer - Bolivia	Pro Mujer - Argentina	Pro Mujer - Nicaragua	Pro Mujer - Mexico	Pro Mujer - Mexico NGO	Eliminations	Total
Assets													
Current:													
Cash and cash equivalents	$ 6,359,513	$7,843,740	$2,071,452	$ 801,899	$ -	$17,076,604	$ 7,445,993	$ 293,377	$ 1,620,431	$ 3,872,041	$54,796	$ -	**$ 30,363,242**
Assets whose use is limited	-	-	-	823,564	-	823,564	-	-	-	3,253,034	-	-	**4,076,598**
Investments, at fair value	217,661	31,400		945	-	250,006	87,799	204,240	2,000	-	-	-	**544,045**
Investments in affiliates	5,599,320	-	4,900,876	-	-	10,500,196	-	-	-	-	-	(10,500,196)	**-**
Accounts receivable, net	439,251	2,441	1,214,029	964,379	(336,347)	2,283,753	128,610	82,395	501,601	610,846	1,030	(1,948,205)	**1,660,030**
Grants and pledges receivable	300,880	-	-	-	-	300,880	-	-	-	-	-	-	**300,880**
Loans receivable, net	4,558,999	-	-	11,024,191	(2,700,000)	12,883,190	78,022,345	7,479,291	27,358,014	19,096,036	-	(2,000,000)	**142,838,876**
Interest and commissions receivable	57,589	-	68,410	332,695	(50,137)	408,557	1,285,790	229,484	1,231,677	520,010	-	(79,909)	**3,595,609**
Prepaid and other assets	89,637	16,688	9,299	90,851	-	206,475	992,050	-	76,887	719,802	208	-	**1,995,422**
Total Current Assets	17,622,850	7,894,269	8,264,066	14,038,524	(3,086,484)	44,733,225	87,962,587	8,288,787	30,790,610	28,071,769	56,034	(14,528,310)	**185,374,702**
Property and Equipment, Net	70,778	754,986	245,989	710,094	-	1,781,847	1,137,562	392,849	297,640	615,540	8,941	-	**4,234,379**
Intangible Assets, Net	-	-	-	537,820	-	537,820	87,623	380,103	14,981	21,653	-	-	**1,042,180**
Total Assets	**$17,693,628**	**$8,649,255**	**$8,510,055**	**$15,286,438**	**$(3,086,484)**	**$47,052,892**	**$89,187,772**	**$9,061,739**	**$31,103,231**	**$28,708,962**	**$64,975**	**$(14,528,310)**	**$190,651,261**
Liabilities and Net Assets													
Current Liabilities:													
Accounts payable and accrued liabilities	$ 1,171,825	$1,397,416	$ 655,012	$ 573,646	$ (336,347)	$ 3,461,552	$ 3,977,133	$ 686,547	$ 2,269,173	$ 1,537,468	$24,331	$ (1,107,096)	**$ 10,849,108**
Income taxes payable	-	-	-	-	-	-	2,263,009	20,105	505,838	256,602	-	-	**3,045,554**
Guarantees payable	-	-	-	805,773	-	805,773	-	-	-	1,874,000	-	-	**2,679,773**
Interest payable	21,239	-	-	52,295	(50,137)	23,397	1,646,782	168,674	472,093	293,007	4,047	(79,909)	**2,528,091**
Notes payable, current portion	3,094,167	-	-	2,000,000	(2,000,000)	3,094,167	35,409,573	1,346,304	8,313,256	13,766,957	35,469	(2,000,000)	**59,965,726**
Total Current Liabilities	4,287,231	1,397,416	655,012	3,431,714	(2,386,484)	7,384,889	43,296,497	2,221,630	11,560,360	17,728,034	63,847	(3,187,005)	**79,068,252**
Notes Payable, Less Current Portion	3,288,334	-	-	700,000	(700,000)	3,288,334	28,049,608	3,060,364	11,534,855	5,381,046	-	(841,109)	**50,473,098**
Other Long-Term Liabilities	-	-	-	2,113,175	-	2,113,175	-	-	-	-	-	-	**2,113,175**
Total Liabilities	7,575,565	1,397,416	655,012	6,244,889	(3,086,484)	12,786,398	71,346,105	5,281,994	23,095,215	23,109,080	63,847	(4,028,114)	**131,654,525**
Commitments and Contingencies													
Net Assets:													
Unrestricted	9,328,262	7,251,839	7,855,043	9,041,549	-	33,476,693	17,841,667	3,779,745	8,008,016	5,599,882	1,128	(10,500,196)	**58,206,935**
Temporarily restricted	638,853	-	-	-	-	638,853	-	-	-	-	-	-	**638,853**
Permanently restricted	150,948	-	-	-	-	150,948	-	-	-	-	-	-	**150,948**
Total Net Assets	10,118,063	7,251,839	7,855,043	9,041,549	-	34,266,494	17,841,667	3,779,745	8,008,016	5,599,882	1,128	(10,500,196)	**58,996,736**
Total Liabilities and Net Assets	**$17,693,628**	**$8,649,255**	**$8,510,055**	**$15,286,438**	**$(3,086,484)**	**$47,052,892**	**$89,187,772**	**$9,061,739**	**$31,103,231**	**$28,708,962**	**$64,975**	**$(14,528,310)**	**$190,651,261**

Pro Mujer International

Consolidating Schedule of Financial Position

December 31, 2016

	Pro Mujer, Inc. and Subsidiaries												
	Pro Mujer, Inc.						Subsidiaries						
	PMI - New York	PMI - Bolivia	PMI - Nicaragua	PMI - Peru	Eliminations	Total	Pro Mujer - Bolivia	Pro Mujer - Argentina	Pro Mujer - Nicaragua	Pro Mujer - Mexico	Pro Mujer - Mexico NGO	Eliminations	Total
Assets													
Current:													
Cash and cash equivalents	$ 4,445,956	$8,780,565	$1,838,505	$ 438,627	$ -	$15,503,653	$ 8,515,450	$ 350,721	$ 2,781,603	$ 1,162,336	$39,228	$ -	$ 28,352,991
Assets whose use is limited	-	-	-	3,425,244	-	3,425,244	-	-	-	2,838,974	-	-	6,264,218
Investments, at fair value	199,639	31,400	-	1,008,340	-	1,239,379	90,292	114,759	2,000	-	-	-	1,446,430
Investments in affiliates	5,159,515	-	5,145,914	-	-	10,305,429	-	-	-	-	-	(10,305,429)	-
Accounts receivable, net	572,269	6,411	917,372	161,840	(91,770)	1,566,122	85,165	260,182	62,749	265,865	274	(1,215,923)	1,024,434
Grants and pledges receivable	566,072	-	-	-	-	566,072	-	-	-	-	-	-	566,072
Loans receivable, net	1,940,000	-	-	19,149,661	(2,000,000)	19,089,661	70,127,677	4,214,379	22,034,669	19,318,056	-	-	134,784,442
Interest and commissions receivable	145,938	-	71,831	542,310	(50,137)	709,942	1,150,425	126,541	728,124	463,490	-	(167,631)	3,010,891
Prepaid and other assets	409,832	21,042	5,674	129,670	-	566,218	814,030	-	66,309	475,153	199	-	1,921,909
Total Current Assets	13,439,221	8,839,418	7,979,296	24,855,692	(2,141,907)	52,971,720	80,783,039	5,066,582	25,675,454	24,523,874	39,701	(11,688,983)	177,371,387
Property and Equipment, Net	120,386	827,243	287,862	1,301,392	-	2,536,883	1,343,827	78,422	443,555	708,350	11,832	-	5,122,869
Intangible Assets, Net	720	120	-	645,418	-	646,258	73,655	41,214	14,254	52,907	-	-	828,288
Total Assets	$13,560,327	$9,666,781	$8,267,158	$26,802,502	$(2,141,907)	$56,154,861	$82,200,521	$5,186,218	$26,133,263	$25,285,131	$51,533	$(11,688,983)	$183,322,544
Liabilities and Net Assets													
Current Liabilities:													
Accounts payable and accrued liabilities	$ 557,993	$1,561,090	$ 312,363	$ 1,024,568	$ (91,770)	$ 3,364,244	$ 3,092,958	$ 396,377	$ 1,668,855	$ 1,242,507	$ -	$ (332,759)	$ 9,432,182
Income taxes payable	-	-	-	-	-	-	1,374,086	11,095	376,827	705,604	-	-	2,467,612
Guarantees payable	-	-	-	3,428,359	-	3,428,359	-	-	-	1,887,670	-	-	5,316,029
Interest payable	22,024	-	-	169,546	(50,137)	141,433	1,402,744	128,497	424,210	159,984	-	(167,631)	2,089,237
Notes payable, current portion	2,200,000	-	-	6,709,558	(2,000,000)	6,909,558	36,986,052	681,469	4,786,894	9,279,430	-	-	58,643,403
Total Current Liabilities	2,780,017	1,561,090	312,363	11,332,031	(2,141,907)	13,843,594	42,855,840	1,217,438	7,256,786	13,275,195	-	(500,390)	77,948,463
Notes Payable, Less Current Portion	1,482,500	-	-	3,252,348	-	4,734,848	23,345,242	1,410,656	11,332,065	6,849,905	-	(883,164)	46,789,552
Other Long-Term Liabilities	-	-	-	2,358,020	-	2,358,020	-	-	-	-	-	-	2,358,020
Total Liabilities	4,262,517	1,561,090	312,363	16,942,399	(2,141,907)	20,936,462	66,201,082	2,628,094	18,588,851	20,125,100	-	(1,383,554)	127,096,035
Commitments and Contingencies													
Net Assets:													
Unrestricted	7,934,399	8,105,691	7,406,553	9,860,103	-	33,306,746	15,999,439	2,558,124	7,544,412	5,160,031	51,533	(10,305,429)	54,314,856
Temporarily restricted	1,222,538	-	548,242	-	-	1,770,780	-	-	-	-	-	-	1,770,780
Permanently restricted	140,873	-	-	-	-	140,873	-	-	-	-	-	-	140,873
Total Net Assets	9,297,810	8,105,691	7,954,795	9,860,103	-	35,218,399	15,999,439	2,558,124	7,544,412	5,160,031	51,533	(10,305,429)	56,226,509
Total Liabilities and Net Assets	$13,560,327	$9,666,781	$8,267,158	$26,802,502	$(2,141,907)	$56,154,861	$82,200,521	$5,186,218	$26,133,263	$25,285,131	$51,533	$(11,688,983)	$183,322,544

Pro Mujer International

Consolidating Schedule of Activities

Year ended December 31, 2017

	Pro Mujer, Inc. and Subsidiaries													
	Pro Mujer, Inc.						Subsidiaries							
	PMI - New York	PMI - Bolivia	PMI - Nicaragua	PMI - Peru	Eliminations	Total	Pro Mujer - Bolivia	Pro Mujer - Argentina	Pro Mujer - Nicaragua	Pro Mujer - Mexico	Pro Mujer - Mexico NGO	Eliminations	Total
Operating Revenues:														
Financial revenues:														
Interest and commissions:														
From loans	$ 201,466	$ 200,631	$ 146,605	$ 6,135,494	$ (340,817)	$ 6,343,379	$25,364,208	$4,773,913	$14,933,813	$13,856,349	$ -	$ (11,491)	**$65,260,171**
From cash and cash equivalents	11,106	-	19,751	18,228	-	49,085	67,696	60,170	41,687	272,964	-	-	**491,602**
	212,572	200,631	166,356	6,153,722	(340,817)	6,392,464	25,431,904	4,834,083	14,975,500	14,129,313	-	(11,491)	**65,751,773**
Financial expenses:														
Interest expense	-	(26,944)	-	(886,031)	340,817	(572,158)	(4,133,930)	(697,089)	(2,895,241)	(2,335,871)	(4,236)	11,491	**(10,627,034)**
Allowance for loan losses	-	-	-	(1,652,221)	-	(1,652,221)	(1,842,769)	(188,232)	(974,258)	(2,087,449)	-	-	**(6,744,929)**
Financial Revenues, Net	212,572	173,687	166,356	3,615,470	-	4,168,085	19,455,205	3,948,762	11,106,001	9,705,993	(4,236)	-	**48,379,810**
Contributions and other revenue:														
Grants, contributions and pledges	1,467,601	-	-	23,200	(23,200)	1,467,601	-	519,875	54,167	741,586	160,376	(821,567)	**2,122,038**
Cost share (Note 17)	4,096,108	-	-	-	(1,161,214)	2,934,894	-	-	-	-	-	(2,934,894)	**-**
In-kind contributions	208,324	-	-	-	-	208,324	-	-	-	-	-	-	**208,324**
Other program revenue	997,905	2,695,093	686,251	155,268	(394,431)	4,140,086	132,580	437,618	300,768	968,655	-	(439,805)	**5,539,902**
Other income	-	29,283	-	820,389	-	849,672	13,236	-	-	-	-	-	**862,908**
Total Contributions and Other Revenue (Expense)	6,769,938	2,724,376	686,251	998,857	(1,578,845)	9,600,577	145,816	957,493	354,935	1,710,241	160,376	(4,196,266)	**8,733,172**
Operating Revenues (Expenses), Net	6,982,510	2,898,063	852,607	4,614,327	(1,578,845)	13,768,662	19,601,021	4,906,255	11,460,936	11,416,234	156,140	(4,196,266)	**57,112,982**
Operating Expenses:														
Program and supporting expenses:														
Credit and other program services	2,115,101	3,881,990	626,928	5,052,487	(1,578,845)	10,097,661	14,701,442	2,819,219	9,596,758	9,651,315	196,732	(3,756,461)	**43,306,666**
Management and general	1,972,633	113,833	43,951	364,741	-	2,495,158	706,888	168,325	420,916	354,300	-	-	**4,145,587**
Fundraising and development	2,067,238	-	-	-	-	2,067,238	-	-	-	-	-	-	**2,067,238**
Total Operating Expenses	6,154,972	3,995,823	670,879	5,417,228	(1,578,845)	14,660,057	15,408,330	2,987,544	10,017,674	10,005,615	196,732	(3,756,461)	**49,519,491**
Change in Net Assets Before Nonoperating Expenses	827,538	(1,097,760)	181,728	(802,901)	-	(891,395)	4,192,691	1,918,711	1,443,262	1,410,619	(40,592)	(439,805)	**7,593,491**
Nonoperating Expenses:														
Income tax expense	-	-	-	(364,479)	-	(364,479)	(2,263,009)	-	(669,771)	(1,169,377)	-	-	**(4,466,636)**
Translation adjustment	(7,285)	243,908	(281,480)	403,425	-	358,568	(87,454)	(697,090)	(309,887)	222,028	(1,503)	245,038	**(270,300)**
Prior year adjustment	-	-	-	(54,599)	-	(54,599)	-	-	-	(23,419)	(8,310)	-	**(86,328)**
Total Nonoperating Expenses	(7,285)	243,908	(281,480)	(15,653)	-	(60,510)	(2,350,463)	(697,090)	(979,658)	(970,768)	(9,813)	245,038	**(4,823,264)**
Change in Net Assets	820,253	(853,852)	(99,752)	(818,554)	-	(951,905)	1,842,228	1,221,621	463,604	439,851	(50,405)	(194,767)	**2,770,227**
Net Assets, Beginning of Year	9,297,810	8,105,691	7,954,795	9,860,103	-	35,218,399	15,999,439	2,558,124	7,544,412	5,160,031	51,533	(10,305,429)	**56,226,509**
Net Assets, End of Year	**$10,118,063**	**$7,251,839**	**$7,855,043**	**$ 9,041,549**	**$ -**	**$34,266,494**	**$17,841,667**	**$3,779,745**	**$ 8,008,016**	**$ 5,599,882**	**$ 1,128**	**$(10,500,196)**	**$58,996,736**

Pro Mujer International

Consolidating Schedule of Activities

Year ended December 31, 2016

	Pro Mujer, Inc. and Subsidiaries												
	Pro Mujer, Inc.						Subsidiaries						
	PMI - New York	PMI - Bolivia	PMI - Nicaragua	PMI - Peru	Eliminations	Total	Pro Mujer - Bolivia	Pro Mujer - Argentina	Pro Mujer - Nicaragua	Pro Mujer - Mexico	Pro Mujer - Mexico NGO	Eliminations	Total
Operating Revenues:													
Financial revenues:													
Interest and commissions:													
From loans	$ 244,408	$ 31,277	$ 272,294	$ 7,940,499	$ (190,790)	$ 8,297,688	$23,758,397	$3,067,274	$11,814,750	$11,686,515	$ -	$ (257,692)	$58,366,932
From cash and cash equivalents	17	-	13,006	59,361	-	72,384	8,240	10,596	26,397	63,445	3	-	181,065
	244,425	31,277	285,300	7,999,860	(190,790)	8,370,072	23,766,637	3,077,870	11,841,147	11,749,960	3	(257,692)	58,547,997
Financial expenses:													
Interest expense	-	-	(7,101)	(1,241,316)	190,790	(1,057,627)	(4,358,534)	(411,044)	(2,023,367)	(1,705,989)	-	625,728	(8,930,833)
Allowance for loan losses	-	-	-	(760,935)	-	(760,935)	(1,651,101)	(2,407)	(409,848)	(1,193,558)	-	-	(4,017,849)
Financial Revenues, Net	244,425	31,277	278,199	5,997,609	-	6,551,510	17,757,002	2,664,419	9,407,932	8,850,413	3	368,036	45,599,315
Contributions and other revenue:													
Grants, contributions and pledges	1,817,751	-	82,745	191,495	45,925	2,137,916	-	438,564	130,641	785,438	-	(962,983)	2,529,576
Cost share	3,200,000	-	-	-	(1,441,524)	1,758,476	-	-	-	-	-	(1,758,476)	-
In-kind contributions	201,211	-	-	-	-	201,211	-	-	-	-	-	-	201,211
Other program revenue	37,909	2,701,102	573,108	204,808	(57,806)	3,459,121	137,466	246,295	211,600	845,749	-	(782,131)	4,118,100
Total Contributions and Other Revenue (Expense)	5,256,871	2,701,102	655,853	396,303	(1,453,405)	7,556,724	137,466	684,859	342,241	1,631,187	-	(3,503,590)	6,848,887
Operating Revenues (Expenses), Net	5,501,296	2,732,379	934,052	6,393,912	(1,453,405)	14,108,234	17,894,468	3,349,278	9,750,173	10,481,600	3	(3,135,554)	52,448,202
Operating Expenses:													
Program and supporting expenses:													
Credit and other program services	4,647,300	2,882,549	625,803	6,000,882	(830,833)	13,325,701	13,287,379	1,881,928	7,890,437	8,132,521	22,532	(3,135,554)	41,404,944
Management and general	2,132,825	40,181	-	386,024	-	2,559,030	818,731	84,527	384,790	244,151	-	-	4,091,229
Fundraising and development	2,309,930	-	-	-	-	2,309,930	-	-	-	-	-	-	2,309,930
Total Operating Expenses	9,090,055	2,922,730	625,803	6,386,906	(830,833)	18,194,661	14,106,110	1,966,455	8,275,227	8,376,672	22,532	(3,135,554)	47,806,103
Change in Net Assets Before Nonoperating Expenses	(3,588,759)	(190,351)	308,249	7,006	(622,572)	(4,086,427)	3,788,358	1,382,823	1,474,946	2,104,928	(22,529)	-	4,642,099
Nonoperating Expenses:													
Income tax expense	-	-	-	(579,877)	-	(579,877)	(1,374,086)	-	(502,714)	(824,053)	-	-	(3,280,730)
Translation adjustment	(45,635)	283,183	(374,038)	7,704	-	(128,786)	(50,280)	(331,686)	(503,252)	(694,455)	(4,328)	257,293	(1,455,494)
Cost share forgiveness	(622,572)	-	-	-	622,572	-	-	-		-	-	-	-
Transfer of equity	5,159,515	-	-	-	-	5,159,515	-	-		-	-	(5,159,515)	-
Prior year adjustment	-	-	-	(18,129)	-	(18,129)	-	184,127	-	(139,018)	-	-	26,980
Total Nonoperating Expenses	4,491,308	283,183	(374,038)	(590,302)	622,572	4,432,723	(1,424,366)	(147,559)	(1,005,966)	(1,657,526)	(4,328)	(4,902,222)	(4,709,244)
Change in Net Assets	902,549	92,832	(65,789)	(583,296)	-	346,296	2,363,992	1,235,264	468,980	447,402	(26,857)	(4,902,222)	(67,145)
Net Assets, Beginning of Year	8,395,261	8,012,859	8,020,584	10,443,399	-	34,872,103	13,635,447	1,322,860	7,075,432	4,712,629	78,390	(5,403,207)	56,293,654
Net Assets, End of Year	$ 9,297,810	$8,105,691	$7,954,795	$ 9,860,103	$ -	$35,218,399	$15,999,439	$2,558,124	$ 7,544,412	$ 5,160,031	$51,533	$(10,305,429)	$56,226,509