



AMÉZQUITA & CÍA

NIT. 860.023.380-3

PKF

STATUTORY AUDITOR'S REPORT

Managing Directors, **FONDO PARA LA ACCION AMBIENTAL Y LA NIÑEZ**

1. Report on Financial Statements

Opinion

We have audited the financial statements of **FONDO PARA LA ACCION AMBIENTAL Y LA NIÑEZ**, which include the financial statement as of December 31, 2021, and the statements of income, changes in wealth and cash flows, for the years ended in dates, as well as a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements attached to this report, taken faithfully from the ledgers, reasonably present in all aspects of material importance the financial situation of **FONDO PARA LA ACCION AMBIENTAL Y LA NIÑEZ**, at 31 December 2021, the results of its operations and cash flows for the years ended at that time, in accordance with the Accounting and Financial Reporting Standards in force in Colombia, which were applied uniformly with the previous period.

Foundation of Opinion

We have carried out our audit in accordance with the International Audit Standards in force in Colombia. Our liability in accordance with these rules is described below in the Auditor's Responsibilities section in connection with the audit of financial statements.

We are independent of the **FONDO PARA LA ACCION AMBIENTAL Y LA NIÑEZ**, in accordance with the ethics requirements applicable to the audit of the financial statements, in particular those provided for in the Code of Ethics for Accounting Professionals of the Council of International Standards of Ethics for Accountants and in the Code of Professional Ethics of Law 43 of 1990 in force for Colombia, and we have fulfilled the other ethical responsibilities in accordance with the aforementioned requirements.

We consider that the audit evidence we have obtained provides a sufficient and adequate basis for our opinion.

Key Audit Matters

The key issues of the audit are those issues that, in our professional opinion, have been of the utmost importance in our audit of the financial statements for the current period.

These matters have been considered in the context of our audit of the financial statements as a whole, and in the formation of our opinion on them, therefore we do not express a separate opinion on key audit matters.

www.amezquita.com.co

Calle 37 # 24-28

Tel: 2087500

Bogotá Colombia

Amézquita & Cía., es firma miembro de PFK International Limited, una red de firmas

legalmente independientes y no acepta ninguna responsabilidad por las acciones u omisiones de cualquier miembro individual o firma corresponsal o firmas.





Other Financial Liabilities and Advances Received	
See Financial Statement Notes 3.9 (1-2-3-4)	
Key Issues of the Audit Other Financial Liabilities and advances received (Figures expressed in thousands of Colombian pesos)	How they were addressed in our audit
<p>As of December 31, 2021, the other Financial Liabilities and advances received represent 99% of the total balance of liabilities.</p> <p>Other Financial Liabilities and advances received as of December 2021 consists of short-term committed money of \$59,513, deposits received long term for \$233,674,385, revenue received for third parties for \$329,851 and money long-term commitments for \$131,184,932.</p> <p>The management and control of the other Financial Liabilities and advances received requires compliance with legal standards, the control of existence, and the application of technical judgments to estimate the existence.</p> <p>As described in the accounting policies of FONDO PARA LA ACCION AMBIENTAL Y LA NIÑEZ are recognized as the other Financial Liabilities and advances received as agreements and projects of the social object that it carries out with national and international bodies, are resources managed by the Fund should therefore be recognized as liabilities at the time of receipt of resources and decrease this Liabilities in accordance with disbursements made for the implementation of these projects or agreements.</p>	<p>During the execution of the audit, we carry out tests on controls and balances, including management-level monitoring and management review of results.</p> <p>We evaluate the policies, processes, procedures and other mechanisms adopted by the Fund to manage the risks associated with the Other Financial Liabilities and advances received, considering the instructions issued by the administration.</p> <p>According to the scope, we verify the contracted cooperation agreements, the income of the money and its proper accounting in the assigned trust.</p> <p>According to the scope, we verify the projects subscribed under the following attributes:</p> <ul style="list-style-type: none"> * That has been chosen by means of a call and: <ul style="list-style-type: none"> a. Compliance of the project: Approval Act, Signature, Object (Children or Environment), Beneficiary (Entity) b. Constitution of policies by the beneficiaries, prior to their rotation (Compliance, Management of Advance, Civil Liability, Wages and Benefits). c. That the advances have been duly approved, in addition to verifying quantity, date of first advance, date of last advance and comparing the balance to be rotated with the balance sheet with cut to the evaluation date. d. That there be reports of the technical unit prior to the advance.



Other Financial Liabilities and Advances Received See Financial Statement Notes 3.9 (1-2-3-4)	
Key Issues of the Audit Other Financial Liabilities and advances received (Figures expressed in thousands of Colombian pesos)	How they were addressed in our audit
	<p>e. That there be a project initiation report, accompanying reports and beneficiary reports.</p> <p>f. Present a project budget.</p> <p>g. That the disbursements that are being made comply with the budget and have the corresponding documentation.</p> <p>We carry out an analytical review according to reach account movements 2810 Deposits received.</p> <p>We select a sample of the projects and request the resource allocation form and the disbursements associated with them.</p> <p>We make a selection through the application IDEA of purchases, proofs of progress, excluding those transfers that correspond to areas verified in other programs such as: payroll, PPE, social benefits.</p> <p>We validate disclosures about the Other Financial Liabilities and advances received in the notes to the Financial Statements, in accordance with the relevant and material requirements of the applicable financial reporting framework.</p> <p>The outcome of the procedures described was considered satisfactory.</p>

Other Issues

The Financial Statements to and for the year ended December 31, 2020 were audited by me, who issued an unqualified opinion on March 11, 2021 and did not report situations affecting the control compliance with bylaws, board decisions, or legal and regulatory requirements.



AMÉZQUITA & CÍA

NIT. 860.023.380-3

PKF

Management's Responsibility for the Financial Statements

Management is responsible for the reasonable preparation and presentation of financial statements, in accordance with the Accounting and Accounting Standards Financial information in force in Colombia, and the internal control necessary to prepare financial statements free of material impropriety, due to fraud or error.

In the preparation of the financial statements, management is responsible for assessing and disclosing the Fund's ability to continue as a business in progress and apply the operating company accounting principle, and report, where appropriate, the problems compliance and implementation of the ongoing business accounting principle. Such responsibility includes selecting and implementing appropriate accounting policies; as well as establishing reasonable accounting estimates in the circumstances.

Government officials are responsible for overseeing the financial reporting process of the Fund.

Statutory Auditor's Responsibility

Our objectives are to obtain reasonable assurance that the financial statements as a whole are free from material microcurrent, due to fraud or error, and to issue a report audit with our opinion.

Reasonable security is a high degree of security, but does not guarantee that an audit conducted in accordance with the International Audit Standards in force in Colombia will always detect a material impropriety when it exists. Material inaccuracies may be caused by fraud or error and are considered materials if, individually or in aggregate form, they are deemed to reasonably influence the economic decisions that users make from the financial statements.

As part of our audit, we applied professional judgment and maintained an attitude of professional skepticism throughout the audit. Also:

- We identify and assess potential material impropriety risks in the financial statements, due to fraud or error, design and apply audit procedures to respond to such risks, and obtain sufficient and adequate Audit evidence to support our opinion.

The risk of not detecting a material inaccuracy due to fraud is higher against that caused by an error, as fraud may involve collusion, forgery, deliberate omissions, intentionally erroneous statements, or circumvention of control Internal.

- We gained knowledge of the internal control relevant to the audit in order to design audit procedures that are appropriate depending on the circumstances.
- We assess whether the accounting policies applied are adequate, the

www.amezquita.com.co

Calle 37 # 24-28

Tel: 2087500

Bogotá Colombia

Amézquita & Cía., es firma miembro de PFK International Limited, una red de firmas

legalmente independientes y no acepta ninguna responsabilidad por las acciones u omisiones de cualquier miembro individual o firma corresponsal o firmas.





NIT. 860.023.380-3

reasonableness of the accounting estimates and the disclosures of management in this regard.

- We evaluate the overall presentation, structure, and content of the financial statements, including the information disclosed, and whether the financial statements represent the underlying transactions and facts in a manner that achieves their faithful representation.

- We obtained the necessary information to properly fulfil our functions.

We conclude on the proper use made by the management of the accounting principle of business in progress and based on audit evidence, obtained to date from in our report, we determine that there is no material uncertainty related to facts or conditions that may give rise to significant doubts about the capacity of the Fund to continue as a going on business. However, we draw attention to the disclosure made in Note 3.15 to the Financial Statements on the evolution of the Fund under the economic and social environment of the COVID pandemic.

- We inform government officials, among others, the following matters:
 - The scope and timing of the planned Audit, significant Audit findings, and relevant internal control deficiencies we identified during the Audit.
 - The key matters of the audit which, in our professional opinion, were the most important in the audit of the financial statements of the current period. We describe these matters in our audit report unless legal or regulatory provisions prohibit their public disclosure or, in extremely rare circumstances, conclude that your report may have adverse consequences that outweigh the public interest benefits derived from communication.

2. Auditor's Report on Compliance with numerals 1 and 3 of Article 209 of the Commercial Code

As Auditor of **FONDO PARA LA ACCION AMBIENTAL Y LA NIÑEZ** and in compliance with Articles 1.2.1.2 and 1.2.1.5 of The Single Regulation Decree 2420 of 2015, as amended by Articles 4 and 5 of Decree 2496 of 2015, respectively, we pronounce for 2021 on what is required in numerals 1st) and 3rd) of Article 209 of the Commercial Code, which we detail below:

- 1st) If the acts of the administrators of **FONDO PARA LA ACCION AMBIENTAL Y LA NIÑEZ** are in accordance with the statutes and orders or instructions of the Council, and
2rd) If there are and are appropriate measures of internal control, conservation and custody of the assets of the Fund or of third parties who are in their possession.



AMÉZQUITA & CÍA

NIT. 860.023.380-3

PKF

Conclusion

In our opinion the acts of the administrators of **FONDO PARA LA ACCION AMBIENTAL Y LA NIÑEZ** are in accordance with the statutes and the orders or instructions of the Lords Management Board, the internal control, conservation and measures of internal control and custody of the Fund's assets or third parties in its possession.

Basics of the Conclusion

We have carried out the work in accordance with the international standard on assurance engagements (ISAE) 3000 revised, assurance engagements other than audits or reviews of historical financial information

Our responsibility under this standard is described later in the Auditor's Responsibilities section in connection with the Auditor's report on compliance with numerals 1 and 3 of Article 209 of the Commercial Code

The work of reasonable assurance included implementing the following procedures in 2021:

- Know and understand the social statutes, the minutes of the Lords Governing Council, and the components of internal control implemented by the Fund.
- Obtain a written representation of management on whether the acts of the administrators conform to the statutes and decisions of the Gentlemen Governing Council and whether there are and are appropriate internal control measures, including the systems of administration of implemented risks, the preservation and custody of the Fund's assets and those of third parties in its possession.
- Verify compliance with the bylaws of the Fund.
- Obtain a confirmation from management on the topics covered at meetings of the Gentlemen Governing Council that are pending in the minutes.
- Check whether the acts of management and government officials conform to the statutes and the orders or instructions of the Gentlemen's Board of Directors documented in minutes.
- Confirm with management about changes and/or projects to modify the Fund's bylaws during the period covered and validate its implementation.
- Assess whether internal control measures are and appropriate, including the risk management systems implemented, the conservation and custody of the Fund's assets and those of third parties in its possession, including:
 - Conclude on the presence of the five components to be present in the organization,

www.amezquita.com.co

Calle 37 # 24-28

Tel: 2087500

Bogotá Colombia

Amézquita & Cía., es firma miembro de PFK International Limited, una red de firmas

legalmente independientes y no acepta ninguna responsabilidad por las acciones u omisiones de cualquier miembro individual o firma corresponsal o firmas.





AMÉZQUITA & CÍA

PKF

NIT. 860.023.380-3

designed and operated together in an integrated manner: (i) control environment; (ii) risk assessment; (iii) control activities; (iv) information and communication; and (v) oversight activities.

- Conduct design and implementation tests on the relevant controls of the internal control components on the financial report, and
- Evaluate the design of relevant controls, manual and automatic, of key business processes, related to significant accounts of financial statements.
- Follow up on responses on letters of recommendations addressed to management and determine if there are outstanding matters of material importance that may affect our conclusion.

Our conclusion is based on the evidence obtained on the matters described, and is subject to the inherent limitations set forth in this report.

We consider that the audit evidence we have obtained provides a sufficient and adequate basis for our conclusion.

We follow up on responses on letters of recommendations addressed to management and there are no outstanding materially important issues that may affect our conclusion.

Inherent Limitations

Due to the limitations inherent in any internal control structure, there may be effective controls at the date of our review that change that condition during the evaluated period, because our report is based on selective testing.

In addition, the evaluation of internal control is at risk of becoming inadequate due to changes in conditions or because the degree of compliance with policies and procedures may deteriorate. On the other hand, the limitations inherent in internal control include human error, failures by collusion of two or more people or, inappropriate oversteering controls by management.

Responsibilities of management and those responsible for the government of the Fund in relation to compliance with numerals 1st and 3rd of article 209 of the Commercial Code

The Fund's management and government officials are responsible for compliance with the bylaws and decisions of the Board of Directors and for designing, implementing and maintaining appropriate internal control measures, including management systems risks implemented, the preservation and custody of the Fund's assets and those of third parties in its possession.

www.amezquita.com.co

Calle 37 # 24-28

Tel: 2087500

Bogotá Colombia

Amézquita & Cía., es firma miembro de PFK International Limited, una red de firmas

legalmente independientes y no acepta ninguna responsabilidad por las acciones u omisiones de cualquier miembro individual o firma corresponsal o firmas.





Responsibility of the Auditor in relation to the Auditor's report on compliance with numerals 1st and 3rd of Article 209 of the Commercial Code

Our responsibility is to carry out reasonable assurance work to express a conclusion based on the evidence obtained on compliance with numerals 1st and 3rd of Article 209 of the Commercial Code.

In accordance with international standard on assurance engagements (ISAE) 3000 revised, assurance engagements other than audits or reviews of historical financial information, we meet ethical requirements, plan and execute the procedures that we consider necessary to obtain reasonable assurance on compliance with numerals 1 and 3 of Article 209 of the Commercial Code.

3. Report on Other Legal and Regulatory Requirements

Management is responsible for compliance with regulatory aspects in Colombia.

Our responsibility as a Fiscal Reviewer in these matters is to carry out procedures of review to issue an opinion on its proper compliance. Under this context we express our concept:

- a) Accounting is carried out in accordance with legal standards, accounting technique and when it is of the case, under the special rules issued by the Supervisory Entity.
- b) Transactions recorded in the accounting books comply with the Statutes and the decisions of the Board of Directors.
- c) Correspondence, receipts of accounts and minute books of the Council Manager are properly taken and preserved
- d) The Fund has made its contributions to the Security System in a correct and timely manner Integral Social, with which, the information contained in the self-assessment statements contributions to the Comprehensive Social Security System, in particular that relating to members and to your contribution base income, it is correct, and there is no default in the payment of contributions to the comprehensive social security system.
- e) The administrators recorded in their management report that they did not hinder the free movement of invoices issued by sellers or suppliers.
- f) There is agreement between the accompanying financial statements and the management report presented by the administrators.



AMÉZQUITA & CÍA

NIT. 860.023.380-3

PKF

We follow up on responses on letters of recommendations addressed to management and there are no outstanding matters of material importance that may affect my opinion.

Lizeth Rodriguez C.

LIZETH RODRIGUEZ CABALLERO

Auditor

T.P. 228.937-T

Designated by Amézquita & Cia. S.A.S.

Bogotá, D.C., March 11, 2022

www.amezquita.com.co

Calle 37 # 24-28

Tel: 2087500

Bogotá Colombia

Amézquita & Cía., es firma miembro de PFK International Limited, una red de firmas legalmente independientes y no acepta ninguna responsabilidad por las acciones u omisiones de cualquier miembro individual o firma corresponsal o firmas.

