

Gol Intelligent Airlines Inc.
Form 6-K
February 15, 2008

**SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 6-K

**REPORT OF FOREIGN ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16 OF THE
SECURITIES EXCHANGE ACT OF 1934**

For the month of February, 2008

(Commission File No. 001-32221) ,

GOL LINHAS AÉREAS INTELIGENTES S.A.
(Exact name of registrant as specified in its charter)

GOL INTELLIGENT AIRLINES INC.
(Translation of Registrant's name into English)

**Rua Gomes de Carvalho 1,629
Vila Olímpia
05457-006 São Paulo, São Paulo
Federative Republic of Brazil**
(Address of Registrant's principal executive offices)

Indicate by check mark whether the registrant files or will file
annual reports under cover Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark whether the registrant by furnishing the
information contained in this Form is also thereby furnishing the
information to the Commission pursuant to Rule 12g3-2(b) under
the Securities Exchange Act of 1934.

Yes No

If "Yes" is marked, indicated below the file number assigned to the
registrant in connection with Rule 12g3-2(b):

Financial Statements

GOL Linhas Aéreas Inteligentes S.A.

***Years ended December 31, 2007 and 2006, with Report of
Independent Registered Public Accounting Firm***

GOL LINHAS AÉREAS INTELIGENTES S.A.

FINANCIAL STATEMENTS

December 31, 2007 and 2006

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A free translation from Portuguese into English of Report of Independent Auditors on financial statements in accordance with accounting practices adopted in Brazil

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Shareholders Gol Linhas Aéreas Inteligentes S.A.

1. We have audited the accompanying balance sheets of Gol Linhas Aéreas Inteligentes as of December 31, 2007 and 2006, and the related statements of operations, shareholders' equity and changes in financial position, corresponding to the year ended on those dates. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these consolidated financial statements.
2. We conducted our audits in accordance with generally accepted auditing standards in Brazil, which comprised: (a) the planning of our work, taking into consideration the materiality of balances, the volume of transactions and the accounting and internal control systems of the Company, (b) the examination, on a test basis, of the documentary evidence and accounting records supporting the amounts and disclosures in the financial statements, and (c) an assessment of the accounting practices used and significant estimates made by management, as well as an evaluation of the overall financial statement presentation.
3. In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Gol Linhas Aéreas Inteligentes at December 31, 2007 and 2006, and its results of its operations, changes in its shareholders' equity and changes in its financial position for the year ended December 31, 2007, in conformity with accounting practices adopted in Brazil.
4. We conducted our audits with the purpose of issuing an opinion about the financial statements referred to in the first paragraph. The consolidated social balance sheet and the statements of cash flow and of the value added of the parent company and consolidated prepared according to the accounting practices adopted in Brazil are being presented to provide additional information on the Company, although they are not required as part of the financial statements. These statements have been submitted to audit procedures described in the second paragraph and, in our opinion, are fairly presented in all material aspects concerning the financial statements taken as a whole.
5. The accounting practices adopted in Brazil differ in some significant aspects from the generally accepted accounting principles in the United States of America. The information relative to the nature and effect of such differences are presented in the Note 2 to the financial statements.

São Paulo, February 12, 2008
ERNST & YOUNG
Auditores Independentes S.S.
CRC-2SP015199/O-1

Maria Helena Pettersson
CRC-1SP119891/O-0

A free translation from Portuguese into English of Report of Independent Auditors on financial statements in accordance with accounting practices adopted in Brazil

GOL LINHAS AÉREAS INTELIGENTES S.A.

BALANCE SHEETS
December 31, 2007 and 2006
(In thousands of reais)

		Parent Company		Consolidated	
	Note	2007	2006	2007	2006
Assets					
Current assets					
Cash and cash equivalents		98,656	136,332	916,164	699,990
Short-term investments	3	169,485	473,166	516,637	1,006,356
Accounts receivable	4	-	-	916,133	659,306
Inventories	5	-	-	215,777	75,165
Deferred taxes and carryforwards	6	36,139	13,467	65,247	73,451
Dividends receivable		138,049	173,372	-	-
Prepaid expenses		2,323	464	143,756	64,496
Credits with leasing companies		142,098	86,047	149,729	87,808
Other credits		30	265	144,484	58,009
Total current assets		586,780	883,113	3,067,927	2,724,581
Non-current assets					
Long-term receivables					
Escrow deposits	7	-	-	163,480	72,709
Deferred taxes and carryforwards	6	40,725	-	367,088	23,466
Credits with leasing companies		-	130,068	-	145,593
Credits with related companies	16	90,832	-	-	-
Other credits		740	-	5,601	2,893
Total long-term receivables		132,297	130,068	536,169	244,661
Permanent assets					
Investments	8	1,784,827	1,179,229	884,847	2,281
Property, plant and equipment (including advances for aircraft acquisition of R\$ 695,538 in 2007 and R\$ 436,911 in 2006)	9	-	-	1,251,423	795,393
Deferred charges	10	274	-	24,462	13,252
Total permanent assets		1,785,101	1,179,229	2,160,732	810,926
Total non-current assets		1,917,398	1,309,297	2,696,901	1,055,587
Total assets		2,504,178	2,192,410	5,764,828	3,780,168

GOL LINHAS AÉREAS INTELIGENTES S.A.

BALANCE SHEETS
December 31, 2007 and 2006
(In thousands of reais)

	Note	Parent Company		Consolidated	
		2007	2006	2007	2006
Liabilities					
Current liabilities					
Short-term borrowings	11	-	-	824,132	140,688
Suppliers		597	185	326,364	124,110
Operating leases payable		-	-	35,982	18,250
Payroll and related charges		-	-	163,437	87,821
Tax obligations		1,592	44,478	68,013	100,177
Landing fees and duties		-	-	84,319	39,217
Air traffic liability	2a and 12	-	-	472,860	335,268
Dividends and interest on shareholders equity		75,610	42,961	75,610	42,961
Mileage program	13	-	-	50,080	-
Other obligations		561	36,827	91,727	67,023
Total current liabilities		78,360	124,451	2,192,524	955,515
Non-current liabilities					
Long-term borrowings	11	-	-	1,066,102	726,981
Provision for contingencies	14	-	-	32,075	5,715
Accounts payable to related companies		7,926	-	-	-
Other obligations		6,900	-	63,135	23,998
Total non-current liabilities		14,826	-	1,161,312	756,694
Shareholders equity					
Capital stock		1,363,946	993,654	1,363,946	993,654
Capital reserves		89,556	89,556	89,556	89,556
Income reserves		954,823	989,071	954,823	989,071
Monetary adjustment of capital	2r	2,667	(4,322)	2,667	(4,322)
Total shareholders equity		2,410,992	2,067,959	2,410,992	2,067,959
Total liabilities and shareholders equity		2,504,178	<u>2,192,410</u>	5,764,828	<u>3,780,168</u>

See accompanying notes to financial statements.

GOL LINHAS AÉREAS INTELIGENTES S.A.

STATEMENTS OF INCOME

Years ended December 31, 2007 and 2006

(In thousands of reais, except earnings per share)

	Note	Parent Company		Consolidated	
		2007	2006	2007	2006
Gross operating revenue					
Passenger	2	-	-	4,742,439	3,722,046
Cargo	2	-	-	171,968	126,096
Others	2	-	-	244,019	103,716
				5,158,426	3,951,858
Income taxes and contributions		-	-	(191,164)	(149,841)
Net operating revenues		-	-	4,967,262	3,802,017
Cost of services rendered	19	-	-	(4,403,438)	(2,577,111)
Gross profit		-	-	563,824	1,224,906
Operating expenses (income)					
Commercial expenses	19	-	-	(367,866)	(414,597)
Administrative expenses	19	(8,436)	(8,664)	(256,182)	(201,367)
Financial expenses	20	(131,821)	(11,241)	(407,415)	(132,678)
Financial income	20	136,509	238,201	513,613	399,376
Other income		-	48,665	-	-
		(3,748)	266,961	(517,850)	(349,266)
Results of equity pickup					
Equity accounting		227,133	536,315	-	-
Non-operating results	9	-	-	(34,354)	98,071
Income before income tax and social contribution		223,385	803,276	11,620	973,711
Income tax and social contribution	6	45,142	(118,804)	256,907	(289,239)
Net income		268,527	684,472	268,527	684,472

Number of outstanding shares at the

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balance sheet date	202,300,255	196,206,466	202,300,255	196,206,466
Earnings per share (R\$)	1.33	3.49	1.33	3.49

See accompanying notes to financial statements.

GOL LINHAS AÉREAS INTELIGENTES S.A.**STATEMENTS OF SHAREHOLDERS EQUITY**

Years ended December 31, 2007 and 2006

(In thousands of reais)

	Capital stock		Capital reserves			Income
	Subscribed capital	Unrealized capital	Tax incentives	Subsidiary special goodwill reserve	Legal reserve	Retained earnings
Balance at December 31, 2005	992,943	(1,739)	60,369		29,187	33,215
Realized capital increase	711	1,739	-		-	-
Total comprehensive income, net of taxes	-	-	-		-	-
Net income for the year	-	-	-		-	-
Proposed profit allocation:						
Legal reserve	-	-	-		-	34,224
Dividends and interest on shareholders capital	-	-	-		-	-
Reinvestment reserve	-	-	-		-	-
Balance at December 31, 2006	993,654	-	60,369		29,187	67,439
Capital increase on April 9, 2007	369,860	-	-		-	-
Capital increase by means of stock options exercised	432	-	-		-	-

Total comprehensive income, net of taxes	-	-	-	-	-
Net income for the year	-	-	-	-	-
Reversal of reinvestment reserve parcel	-	-	-	-	-
Proposed profit allocation:					
Legal reserve	-	-	-	-	13,426
Dividends and interest on shareholders capital	-	-	-	-	-
Balance at December 31, 2007	1,363,946	-	60,369	29,187	80,865

See accompanying notes to financial statements.

GOL LINHAS AÉREAS INTELIGENTES S.A.**STATEMENTS OF CHANGES IN FINANCIAL POSITION**

Year ended December 31, 2007 and 2006

(In thousands of reais)

	Note	Parent Company		Consolidated	
		2007	2006	2007	2006
Financial resources					
Resources generated by (used in) operations					
Net income for the period		268,527	684,472	268,527	684,472
From operations:					
Items that not affect working capital:					
Equity accounting		(227,133)	(536,315)	-	-
Exchange rate variation on investments		30,688	-	-	-
Total unrealized hedge result, net of taxes, on invested companies		(6,821)	-	-	-
Depreciation and amortization	19	-	-	101,741	58,252
Deferred taxes	5	(40,725)	(37,782)	(343,622)	(31,533)
		24,535	110,375	26,646	711,191
From shareholders:					
Capital increase	17 a	370,292	2,450	370,292	2,450
		370,292	2,450	370,292	2,450
From third-parties:					
Effect of non-current items on VRG acquisition, net		-	-	27,116	-
Increase in non-current liabilities		7,926	-	64,336	727,279
Reclasification from current to non-current assets		130,068	-	-	-
Transfer of credits with leasing companies from current to non-current assets		-	-	175,163	-
Borrowings		-	-	465,635	-
Dividends received		173,717	-	-	-
Decrease in investments		-	395,763	-	-
Total comprehensive income, net of taxes	23	6,989	-	6,989	-
Total resources		713,527	508,588	1,136,177	1,440,920
Use of resources					
In operations:					
Proposed dividends and interest on shareholders equity		302,775	181,145	302,775	181,145
Investments in subsidiaries		569,148	-	883,296	452

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Acquisition of property, plant and equipment, including				
pre-delivery deposits	-	10,733	-	10,733
Total comprehensive income, net of taxes	-	-	16,157	-
Investments on deferred assets	-	-	132,116	-
Reclassifications to current liabilities	91,846	47,191	130,932	99,051
Increase in credits with related companies	(250,242)	269,519	(893,663)	875,885
Total investments	302,775	181,145	302,775	181,145
Increase (decrease) in other non-current assets	569,148	-	883,296	452
Change in net working capital				
Current assets:				
At end of the period	586,780	883,113	3,067,927	2,724,581
At beginning of the period	883,113	608,447	2,724,581	1,546,707
	(296,333)	274,666	343,346	1,177,874
Current liabilities:				
At end of the period	78,360	124,451	2,192,524	955,515
At beginning of the period	124,451	119,304	955,515	653,526
	(46,091)	5,147	1,237,009	301,989
Increase in net working capital	(250,242)	269,519	(893,633)	875,885

See accompanying notes to financial statements.

GOL LINHAS AÉREAS INTELIGENTES S.A.

CASH FLOW STATEMENTS
 Years ended December 31, 2007 and 2006
 (In thousands of reais)

	Parent Company		Consolidated	
	2007	2006	2007	2006
Net income for the period	268,527	684,472	268,527	684,472
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization	-	-	101,741	58,252
Allowance for doubtful accounts	-	-	12,931	5,476
Deferred income taxes	(45,142)	(37,782)	(368,035)	(31,533)
Equity accounting	(227,133)	(536,315)	-	-
Exchange rate variation of investments	30,688	-	-	-
Exchange rate variation of borrowings	-	-	(137,114)	-
Total comprehensive income, net of taxes	(6,821)	-	-	-
Changes in operating assets and liabilities:				
Receivables	-	-	(232,533)	(100,824)
Inventories	-	-	(129,319)	(34,482)
Prepaid expenses, taxes recoverable and other receivables	53,398	(135,533)	(50,904)	(298,615)
Suppliers	412	185	137,469	50,186
Air traffic liability	-	-	98,800	117,468
Smiles mileage program	-	-	(20,810)	-
Taxes payable	(42,886)	27,427	(32,168)	42,991
Payroll and related charges	-	-	72,169	69,904
Provision for contingencies	-	-	26,360	298
Dividends and interest on shareholders equity	-	(58,521)	-	(58,521)
Other liabilities	(103,545)	36,056	49,978	(6,711)
Net cash used in (generated by) operating activities	(72,502)	(20,011)	(202,908)	498,361
Investing activities:				
Financial investments	303,681	(262,758)	489,719	(266,625)
Investments in permanent assets	(201,297)	571,897	(194,087)	(452)
Dividends	173,717			
Deposits in guarantee	-	-	54,822	(11,169)
Property, plant and equipment acquisition includes				
deposits for aircraft acquisition	-	-	(541,573)	(273,654)
Others	-	-	(16,157)	-
Net cash used in (generated by) investing activities	276,101	309,139	(207,276)	(551,900)

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Financing activities:				
Borrowings	-	-	867,633	813,653
Capital increase	2,441	2,450	2,441	2,450
Dividends and interest on shareholders equity paid	(250,705)	(181,145)	(250,705)	(181,145)
Unrealized hedge result, net of taxes	6,989	(10,733)	6,989	(10,733)
Net cash used in (generated by) financing activities	(241,275)	(189,428)	626,358	624,225
Net cash increase (decrease)	(37,676)	99,700	216,174	570,686
Cash and cash equivalents at the beginning of the period	136,332	36,632	699,990	129,304
Cash and cash equivalents at the end of the period	98,656	136,332	916,164	699,990
Additional information:				
Interest paid for the period	-	-	163,764	64,786
Income tax and social contribution paid for the period	-	81,022	85,070	251,868
Transactions not affecting cash:				
Special goodwill reserve	5,838	5,838	5,838	5,838
Capital increase by issuance of shares for VRG acquisition	367,851	-	367,851	-
Goodwill on capital deficiency of VRG	-	-	507,827	-
See accompanying notes to financial statements.				

GOL LINHAS AÉREAS INTELIGENTES S.A.**ADDED VALUE STATEMENTS**

Year ended December 31, 2007 and 2006

(In thousands of reais)

	Parent Company		Consolidated	
	2007	2006	2007	2006
Revenues				
Passenger, cargo and other transportation revenues	-	-	5,158,426	3,951,858
Allowance for doubtful accounts	-	-	(12,931)	(10,366)
Inputs Acquired From Third Parties (including ICMS and IPI)				
Fuel and lubricant suppliers	-	-	(1,898,840)	(1,227,001)
Material, energy, third-party services and others	(8,121)	(8,664)	(1,181,079)	(666,954)
Aircraft insurance	-	-	(44,646)	(30,169)
Sales and marketing	-	-	(354,935)	(414,597)
Gross added value	(8,121)	(8,664)	1,665,995	1,602,771
Retentions				
Depreciation and amortization	-	-	(101,740)	(58,252)
Net added value generated by the company	(8,121)	(8,664)	1,564,255	1,544,519
Added value received in transfer				
Tax credits arising from accumulated tax losses				