

**INTERNATIONAL DEVELOPMENT EXCHANGE**

**(A California Corporation)**

**FINANCIAL STATEMENTS**

**JUNE 30, 2008**

## **INTERNATIONAL DEVELOPMENT EXCHANGE**

---

---

### TABLE OF CONTENTS

Independent auditors' report	Page 2
Statement of financial position - June 30, 2008	Exhibit A
Statement of activities for the year ended June 30, 2008	Exhibit B
Statement of functional expenses for the year ended June 30, 2008	Schedule B-1
Statement of cash flows for the year ended June 30, 2008	Exhibit C
Notes to financial statements - June 30, 2008	Exhibit D

## **Independent Auditors' Report**

Board of Directors  
International Development Exchange

We have audited the accompanying statement of financial position of International Development Exchange (a nonprofit organization) as of June 30, 2008, and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of International Development Exchange as of June 30, 2008, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Certified Public Accountants

San Leandro, California  
October 21, 2008

**INTERNATIONAL DEVELOPMENT EXCHANGE****STATEMENT OF FINANCIAL POSITION - JUNE 30, 2008**

---

---

	Unrestricted <u>Fund</u>	Restricted <u>Fund</u>	<u>Total</u>
ASSETS:			
Cash	\$134,095	\$129,649	\$263,744
Grants receivable	1,500	0	1,500
Donation receivable	9,277	0	9,277
Prepaid grants	0	15,000	15,000
Prepaid expenses	<u>7,476</u>	<u>0</u>	<u>7,476</u>
 TOTAL CURRENT ASSETS	 \$152,348	 \$144,649	 \$296,997
 Property and equipment, at cost (Note 1), net of accumulated depreciation of \$55,634	 <u>3,330</u>	 <u>0</u>	 <u>3,330</u>
	<u>\$155,678</u>	<u>\$144,649</u>	<u>\$300,327</u>
LIABILITIES:			
Accounts payable	\$ 1,550	\$ 0	\$ 1,550
Grant payable	0	12,000	12,000
Accrued payroll	<u>\$ 23,588</u>	<u>0</u>	<u>23,588</u>
	<u>\$ 25,138</u>	<u>\$ 12,000</u>	<u>\$ 37,138</u>
NET ASSETS:			
Unrestricted	\$130,540	\$ 0	\$130,540
Temporarily restricted	0	132,649	132,649
Permanently restricted	<u>0</u>	<u>0</u>	<u>0</u>
	<u>\$130,540</u>	<u>\$132,649</u>	<u>\$263,189</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$155,678</u>	 <u>\$144,649</u>	 <u>\$300,327</u>

**INTERNATIONAL DEVELOPMENT EXCHANGE****STATEMENT OF ACTIVITIES****YEAR ENDED JUNE 30, 2008**

	Unrestricted <u>Fund</u>	Restricted <u>Fund</u>	<u>Total</u>
REVENUE:			
Foundation grants	\$ 50,324	\$312,086	\$362,410
Individual grants	298,765	59,407	358,172
Donated services (Note 3)	15,168		15,168
Events	6,343	0	6,343
Group grants	5,384		5,384
Dividend and interest income	3,170	0	3,170
Corporate grants	13,007	0	13,007
Loss on marketable securities	( 673)	0	( 673)
Net assets released from restriction	<u>195,722</u>	<u>( 195,722)</u>	<u>0</u>
TOTAL REVENUE	<u>\$587,210</u>	<u>\$175,771</u>	<u>\$762,981</u>
EXPENSES (Schedule B-1):			
Program services:			
Program	<u>\$381,418</u>	<u>\$295,702</u>	<u>\$677,120</u>
Supporting services:			
Fundraising	\$109,071	\$ 0	\$109,071
Management and general	<u>44,903</u>	<u>0</u>	<u>44,903</u>
Total supporting services	<u>\$153,974</u>	<u>0</u>	<u>\$153,974</u>
TOTAL EXPENSES	<u>\$535,392</u>	<u>\$295,702</u>	<u>\$831,094</u>
CHANGE IN NET ASSETS	\$ 51,818	(\$119,931)	(\$ 68,113)
NET ASSETS, July 1, 2007	<u>\$ 78,722</u>	<u>\$252,580</u>	<u>\$331,302</u>
NET ASSETS, June 30, 2008	<u>\$130,540</u>	<u>\$132,649</u>	<u>\$263,189</u>

**INTERNATIONAL DEVELOPMENT EXCHANGE****STATEMENT OF FUNCTIONAL EXPENSES****YEAR ENDED JUNE 30, 2008**

	<u>Program</u>	<u>Fundraising</u>	<u>Management and General</u>	<u>Total Expenses</u>
Grants – projects (Restricted)	\$392,446	\$ 0	\$ 0	\$392,446
Salaries	172,052	71,271	27,377	270,700
Rent	20,216	7,487	3,084	30,787
Employee benefits	16,330	6,024	2,486	24,840
Payroll taxes	14,689	5,426	2,240	22,355
Consulting	9,956	3,493	2,184	15,633
Services by volunteers (Note 3)	12,134	3,034	0	15,168
Travel	9,163	265	109	9,537
Utilities	4,717	1,731	798	7,246
Office supplies	3,146	1,493	577	5,216
Printing	3,131	1,201	494	4,826
Accounting	2,966	1,088	446	4,500
Telecommunications	2,623	970	698	4,291
Postage	2,490	920	528	3,938
Conferences	2,329	854	726	3,909
Insurance	1,547	742	304	2,593
Workers' compensation	1,059	692	286	2,037
Equipment rental/maintenance	1,331	489	202	2,022
Depreciation	0	0	1,537	1,537
Newsletter/website	832	306	151	1,289
Payroll service fees	426	473	195	1,094
Membership	736	244	100	1,080
Legal	451	166	68	685
Bank charges	426	24	10	460
Miscellaneous	<u>1,924</u>	<u>678</u>	<u>303</u>	<u>2,905</u>
TOTAL EXPENSES	<u>\$677,120</u>	<u>\$109,071</u>	<u>\$ 44,903</u>	<u>\$831,094</u>

**INTERNATIONAL DEVELOPMENT EXCHANGE****STATEMENT OF CASH FLOWS****YEAR ENDED JUNE 30, 2008**

---

---

## CASH FLOWS FROM OPERATING ACTIVITIES:

Change in net assets (Exhibit B)		(\$ 68,113)
Adjustments to reconcile excess of expenses over revenue to net cash provided by operating activities:		
Depreciation	\$ 1,537	
(Increase) decrease in:		
Grant receivable	22,200	
Donation receivable	3,912	
Prepaid grants	( 15,000)	
Prepaid expenses	( 3,595)	
(Decrease) increase in:		
Accounts payable	1,550	
Grant payable	12,000	
Accrued payroll	( 2,078)	<u>20,526</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES		<u>(\$ 47,587)</u>
NET DECREASE IN CASH		(\$ 47,587)
CASH AT JULY 1, 2007		<u>311,331</u>
CASH AT JUNE 30, 2008		<u>\$263,744</u>

## **INTERNATIONAL DEVELOPMENT EXCHANGES**

### **NOTES TO FINANCIAL STATEMENTS - JUNE 30, 2008**

---

---

Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Nature of activities:

IDEX is a social change organization challenging social and economic forces that marginalize people worldwide.

IDEX builds mutually empowering alliances with people who share a common vision to confront global systems of inequality, through channeling funds, mutual learning, networking, capacity building and outreach.

Contributions:

On July 1, 1996, IDEX elected to adopt SFAS No. 116, Accounting for Contributions Received and Contributions Made. Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Financial statement presentation:

On July 1, 1996, IDEX elected to adopt Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-For-Profit Organizations. Under SFAS No. 117, IDEX is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. In addition, the Organization is required to present a statement of cash flows.

Support, revenue and expenses:

Unless restricted for a specific purpose by the donor, all contributions are considered to be available for unrestricted use. Support, revenue and expenses are accounted for on the accrual method.

Property and equipment:

Property and equipment are stated at cost. Depreciation is computed on the straight-line method of accounting over useful lives of three to five years.

Grants:

The Organization records income from grants in the period designated by the donor.

Tax-exempt status:

The Organization has been granted tax-exempt status by the Internal Revenue Service and the California Franchise Tax Board.

Donated services:

The value of donated services is included in revenue and expenses of the accompanying financial statements. See Note 3 for additional information.



## **INTERNATIONAL DEVELOPMENT EXCHANGES**

### **NOTES TO FINANCIAL STATEMENTS - JUNE 30, 2008**

---

---

Note 2. NATURE OF ESTIMATES:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosure. Accordingly, actual results could differ from those estimates.

Note 3. DONATED SERVICES:

The services of volunteers are an indispensable part of the Organization's program. A value for the services of specialized volunteers is included in the financial statements in agreement with guidelines established by the American Institute of Certified Public Accountants.

In addition, the Organization received approximately 1,264 volunteer hours for non-specialized services. These services are of great value but are not included in the financial statements in accordance with guidelines established by the American Institute of Certified Public Accountants.