

**INTERNATIONAL DEVELOPMENT EXCHANGE**

**(A California Corporation)**

**FINANCIAL STATEMENTS**

**JUNE 30, 2010**

## **INTERNATIONAL DEVELOPMENT EXCHANGE**

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## **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, 2010, 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, 2010, 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  
June, 19, 2011

**INTERNATIONAL DEVELOPMENT EXCHANGE****STATEMENT OF FINANCIAL POSITION - JUNE 30, 2010**

	Unrestricted Fund	Restricted Fund	Total
ASSETS:			
Cash	\$104,035	\$ 91,895	\$195,930
Grant receivable	0	150,000	150,000
Donation receivable	12,395	0	12,395
Prepaid expenses	<u>12,735</u>	<u>0</u>	<u>12,735</u>
TOTAL CURRENT ASSETS	\$129,165	\$241,895	\$371,060
Property and equipment, at cost (Note 1), net of accumulated depreciation of \$58,708	<u>4,900</u>	<u>0</u>	<u>4,900</u>
	<u>\$134,065</u>	<u>\$241,895</u>	<u>\$375,960</u>
LIABILITIES:			
Grant payable	\$ 0	\$ 94,300	\$ 94,300
Accounts payable	1,688	0	1,688
Accrued payroll	<u>36,322</u>	<u>0</u>	<u>36,322</u>
	<u>\$ 38,010</u>	<u>\$ 94,300</u>	<u>\$132,310</u>
NET ASSETS:			
Unrestricted	\$ 96,055	\$ 0	\$ 96,055
Temporarily restricted	0	147,595	147,595
Permanently restricted	<u>0</u>	<u>0</u>	<u>0</u>
	<u>\$ 96,055</u>	<u>\$147,595</u>	<u>\$243,650</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$134,065</u>	<u>\$241,895</u>	<u>\$375,960</u>

See Notes to the Financial Statements



**INTERNATIONAL DEVELOPMENT EXCHANGE****STATEMENT OF ACTIVITIES****YEAR ENDED JUNE 30, 2010**

	Unrestricted <u>Fund</u>	Restricted <u>Fund</u>	<u>Total</u>
REVENUE:			
Foundation grants	\$ 455,536	\$147,595	\$ 603,131
Individual grants	387,762	0	387,762
Corporate grants	9,035	0	9,035
Group grants	1,773	0	1,773
Donated services (Note 3)		0	
Events	3,391	0	3,391
Dividend and interest income	38	0	38
Gain on sale of stock	1,681		1,681
Net assets released from restriction	<u>38,890</u>	<u>( 38,890)</u>	<u>0</u>
TOTAL REVENUE	<u>\$ 898,106</u>	<u>\$108,705</u>	<u>\$1,006,811</u>
EXPENSES (Schedule B-1):			
Program services:			
Program	<u>\$ 909,318</u>	<u>\$ 0</u>	<u>\$ 909,318</u>
Supporting services:			
Management and general	\$ 68,926	\$ 0	\$ 68,926
Fundraising	<u>111,567</u>	<u>0</u>	<u>111,567</u>
Management and general			
Total supporting services	<u>\$ 180,493</u>	<u>0</u>	<u>\$ 180,493</u>
TOTAL EXPENSES	<u>\$1,089,811</u>	<u>\$ 0</u>	<u>\$1,089,811</u>
CHANGE IN NET ASSETS	(\$ 191,705)	\$108,705	(\$ 83,000)
NET ASSETS, July 1, 2009	<u>\$ 287,760</u>	<u>\$ 38,890</u>	<u>\$ 326,650</u>
NET ASSETS, June 30, 2010	<u>\$ 96,055</u>	<u>\$ 147,595</u>	<u>\$243,650</u>

See Notes to the Financial Statements



**INTERNATIONAL DEVELOPMENT EXCHANGE**

**STATEMENT OF FUNCTIONAL EXPENSES**

**YEAR ENDED JUNE 30, 2010**

	<u>Program</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total Expenses</u>
Grants – projects (Restricted)	\$483,984	\$ 0	\$ 0	\$ 483,984
Salaries	242,629	44,495	74,770	361,894
Consulting	50,676	1,405	5,026	57,107
Employee benefits	26,752	4,411	6,778	37,941
Rent	24,178	3,865	5,895	33,938
Payroll taxes	19,678	3,612	5,958	29,248
Utilities	7,302	1,264	1,920	10,486
Travel	7,586	610	853	9,049
Program partnership costs	7,898	10	15	7,923
Services by volunteers (Note 3)	0	0	0	0
Printing	3,546	637	962	5,145
Office supplies	3,439	740	940	5,119
Telecommunications	3,540	607	926	5,073
Accounting	3,350	600	900	4,850
Membership	2,905	520	780	4,205
Conferences	2,481	663	922	4,066
Postage	2,492	436	660	3,588
Bank charges	3,478	54	6	3,538
Workers' compensation	1,978	269	415	2,662
Insurance	1,643	362	564	2,569
Newsletter/website	1,666	295	450	2,411
Payroll service fees	1,649	298	453	2,400
Depreciation	0	1,537	0	1,537
Legal	37	7	11	55
Miscellaneous	<u>6,431</u>	<u>2,229</u>	<u>2,363</u>	<u>11,023</u>
<b>TOTAL EXPENSES</b>	<b><u>\$909,318</u></b>	<b><u>\$68,926</u></b>	<b><u>\$111,567</u></b>	<b><u>\$1,089,811</u></b>

See Notes to the Financial Statements





**INTERNATIONAL DEVELOPMENT EXCHANGE****STATEMENT OF CASH FLOWS****YEAR ENDED JUNE 30, 2010**

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CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets (Exhibit B)		(\$ 83,000)
Adjustments to reconcile excess of expenses over revenue to net cash provided by operating activities:		
Depreciation	\$ 1,537	
(Increase) decrease in:		
Grant receivable	( 150,000)	
Donation receivable	5,560	
Prepaid expenses	( 2,662)	
(Decrease) increase in:		
Accounts payable	( 1,688)	
Grant payable	94,300	
Accrued payroll	<u>3,664</u>	( 49,289)
NET CASH USED BY OPERATING ACTIVITIES		<u>(\$132,289)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of equipment	<u>\$ 3,844</u>	
NET CASH USED BY INVESTING ACTIVITIES		<u>(\$ 3,844)</u>
NET DECREASE IN CASH		(\$136,133)
CASH AT JULY 1, 2009		<u>332,063</u>
CASH AT JUNE 30, 2010		<u>\$195,930</u>

See Notes to the Financial Statement



## **INTERNATIONAL DEVELOPMENT EXCHANGES**

### **NOTES TO FINANCIAL STATEMENTS - JUNE 30, 2010**

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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.

**INTERNATIONAL DEVELOPMENT EXCHANGES**

**NOTES TO FINANCIAL STATEMENTS - JUNE 30, 2010**

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Donated services:

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

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 1,415 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.