

**INTERNATIONAL DEVELOPMENT EXCHANGE**

**(A California Corporation)**

**FINANCIAL STATEMENTS**

**JUNE 30, 2015**

## **INTERNATIONAL DEVELOPMENT EXCHANGE**

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
International Development Exchange

We have audited the accompanying financial statements of International Development Exchange (a California nonprofit organization) which comprise the statement of financial position as of June 30, 2015, and the related statements of activities and cash flows for the year then ended and the related notes to the financial statements.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these 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 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 financial statements based on conducting the audit 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 financial statements.

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

**Opinion on the Statement of Financial Position**

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, 2015, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Matter**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of functional expenses on Schedule B-1 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

*Bailey + Utley, CPAs*  
Bailey and Utley, CPAs

San Leandro, Ca  
January 20, 2016

## INTERNATIONAL DEVELOPMENT EXCHANGE

## STATEMENT OF FINANCIAL POSITION - JUNE 30, 2015

	Unrestricted Fund	Restricted Fund	Total
<b>ASSETS:</b>			
Cash	\$ 402,625	\$0	\$402,625
Accounts receivable	7,661	0	7,661
Grant receivable	115,000	0	115,000
Donation receivable	890	0	890
Prepaid expenses	<u>4,170</u>	<u>0</u>	<u>4,170</u>
TOTAL CURRENT ASSETS	\$530,346	\$0	\$530,346
Property and equipment, at cost (Note 1), net of accumulated depreciation of \$7,741	<u>9,328</u>	<u>0</u>	<u>9,328</u>
<b>TOTAL ASSETS</b>	<b><u>\$539,674</u></b>	<b><u>\$0</u></b>	<b><u>\$539,674</u></b>
<b>LIABILITIES:</b>			
Accounts payable	\$ 6,242	0	\$ 6,242
Grant payable	16,392		16,392
Fiscal Sponsor payable	4,250		4,250
Credit card payable	24,298	0	24,298
Accrued payroll	14,769	0	14,769
Accrued vacation	20,530		20,530
Sublease security deposit	<u>2,000</u>	<u>0</u>	<u>2,000</u>
	<b><u>\$ 88,481</u></b>	<b><u>\$0</u></b>	<b><u>\$ 88,481</u></b>
<b>NET ASSETS:</b>			
Unrestricted	\$451,193	\$0	\$451,193
Temporarily restricted	0	0	0
Permanently restricted	<u>0</u>	<u>0</u>	<u>0</u>
	<b><u>\$451,193</u></b>	<b><u>\$0</u></b>	<b><u>\$451,193</u></b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$539,674</u></b>	<b><u>\$0</u></b>	<b><u>\$539,674</u></b>

See Notes to the Financial Statements

## INTERNATIONAL DEVELOPMENT EXCHANGE

## STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2015

	Unrestricted Fund	Restricted Fund	Total
REVENUE:			
Foundation grants	\$1,420,555	\$ 0	\$ 1,420,555
Individual grants	170,836		170,836
Individual stock donations	74,072		74,072
Corporate grants	8,625	0	8,625
Professional services	11,049	0	11,049
Academy, net	1,407		1,407
Fiscal sponsor admin fees	48,999	0	48,999
Events, net	4,516	0	4,516
Dividend and interest income	5	0	5
Gain on sale of stock	170	0	170
Net assets released from restriction	<u>31,203</u>	<u>( 31,203)</u>	<u>0</u>
TOTAL REVENUE	<u>\$1,771,437</u>	<u>(\$31,203)</u>	<u>\$1,740,234</u>
EXPENSES (Schedule B-1):			
Program services:			
Program	<u>\$ 983,738</u>	<u>\$ 0</u>	<u>\$ 983,738</u>
Supporting services:			
Management and general	\$ 146,852	\$ 0	\$ 146,852
Fundraising	<u>199,471</u>	<u>0</u>	<u>199,471</u>
Management and general			
Total supporting services	<u>\$ 346,323</u>	<u>0</u>	<u>\$ 346,323</u>
TOTAL EXPENSES	<u>\$1,330,061</u>	<u>\$ 0</u>	<u>\$1,330,061</u>
CHANGE IN NET ASSETS	\$ 441,376	(\$31,203)	\$ 410,173
NET ASSETS, July 1, 2014	<u>\$ 9,817</u>	<u>\$31,203</u>	<u>\$ 41,020</u>
NET ASSETS, June 30, 2015	<u>\$ 451,193</u>	<u>\$ 0</u>	<u>\$ 451,193</u>

See Notes to the Financial Statements

**INTERNATIONAL DEVELOPMENT EXCHANGE****STATEMENT OF FUNCTIONAL EXPENSES****YEAR ENDED JUNE 30, 2015**

	<u>Program</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total Expenses</u>
Grants – projects (Restricted)	\$526,016	\$ 0	\$ 0	\$ 526,016
Salaries	265,028	84,385	92,778	442,191
Travel	52,097	5,582	31,887	89,566
Consulting	30,761	1,200	20,610	52,571
Payroll taxes	21,520	6,861	7,545	35,926
Employee benefits	20,682	6,595	7,251	34,528
Rent net of sublease	15,268	4,868	5,353	25,489
Legal and Accounting	0	13,326	0	13,326
Alliance building	13,254	61	200	13,515
Board	0	12,126	0	12,126
Printing	333	0	10,203	10,536
Workers' compensation				
Insurance	5,947	1,895	2,085	9,927
Office supplies	5,330	1,700	1,868	8,898
Recruitment	4,530	1,444	1,588	7,562
Bank charges	1,738	419	4,965	7,122
Membership	3,909	200	3,000	7,109
Telecommunications	3,749	1,195	1,315	6,259
Professional development	2,516	1,792	882	5,190
Insurance	1,865	2,323	654	4,842
Development	4,290	0	378	4,668
Website fees	123	0	4,210	4,333
Postage	1,909	78	2,136	4,123
Depreciation	1,971	247	247	2,465
Payroll service fees	902	288	316	1,506
Miscellaneous	0	267	0	267
<b>TOTAL EXPENSES</b>	<b><u>\$983,738</u></b>	<b><u>\$146,852</u></b>	<b><u>\$199,471</u></b>	<b><u>\$1,330,061</u></b>

See Notes to the Financial Statements

## INTERNATIONAL DEVELOPMENT EXCHANGE

## STATEMENT OF CASH FLOWS

YEAR ENDED JUNE 30, 2015

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CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets (Exhibit B)		\$410,173
Adjustments to reconcile excess of expenses over revenue to net cash provided by operating activities:		
Depreciation	\$ 2,465	
(Increase) decrease in:		
Accounts receivable	( 6,312)	
Grant receivable	( 105,000)	
Donation receivable	250	
Prepaid expenses	( 3,109)	
(Decrease) increase in:		
Accounts payable	( 6,777)	
Grant payable	16,392	
Credit card payable	13,879	
Fiscal sponsor payable	4,250	
Accrued vacation	10,291	
Accrued payroll	<u>4,189</u>	( <u>69,482</u> )
NET CASH PROVIDED BY OPERATING ACTIVITIES		\$340,691
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of equipment	<u>(\$ 9,295)</u>	
NET CASH PROVIDED BY INVESTING ACTIVITIES		( <u>9,295</u> )
NET INCREASE IN CASH		\$331,396
CASH AT JULY 1, 2014		<u>71,229</u>
CASH AT JUNE 30, 2015		<u>\$402,625</u>

See Notes to the Financial Statement



## INTERNATIONAL DEVELOPMENT EXCHANGE

### NOTES TO FINANCIAL STATEMENTS - JUNE 30, 2015

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#### Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

##### Nature of activities:

IDEX identifies, evaluates, and grows the best ideas from local leaders and organizations to alleviate poverty and injustice around the world. IDEX connects a passionate and engaged network of supporters to the visionary leaders and organizations creating lasting solutions to their communities' most pressing challenges. IDEX has supported more than 500 grassroots, community-led projects in Africa, Asia and Latin-America. Annually, IDEX's partners serve approximately 1.2 million people in impoverished communities, including marginalized women, small farmers, indigenous communities, low-income urban residents, sexual and ethnic minorities, and youth.

##### Method of accounting:

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles

##### Financial statement presentation:

The Organization reports 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. The Organization has no permanently restricted net assets.

##### Revenue Recognition:

Contributions are recognized as revenue when received or unconditionally promised. Contributions are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/ or nature of any donor restrictions. All donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions

##### Donated Assets:

Donated marketable securities and other noncash donations are recorded as contributions at their fair values at the date of donation.

##### 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.

##### Tax-exempt status:

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

**INTERNATIONAL DEVELOPMENT EXCHANGE**

**NOTES TO FINANCIAL STATEMENTS - JUNE 30, 2015**

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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. NET ASSETS:

Unrestricted Net Assets:

Support is provided to the Organization primarily from individuals, foundations, and corporations which are available for general operations.

Temporarily Restricted:

Net assets subject to donor –imposed stipulations that may or will be met, either by actions of the Organization and /or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Note 4. COMMITMENTS:

The Organization leases office space that expire on December 31, 2016. Future Lease commitments are as follows for the years ended June 30:

2015	51,543
2016	51,912
2017	12,978

The organization had a sublease that expires on June 30, 2015 reverted to a month to month lease. The sublease through 2015 is \$25,200

Note 5. FUNCTIONAL ALLOCATION OF EXPENSES:

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities and on the Functional expense schedule. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

**INTERNATIONAL DEVELOPMENT EXCHANGE**

**NOTES TO FINANCIAL STATEMENTS - JUNE 30, 2015**

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Note 6. CONTINGENCIES:

Grant awards require the fulfillment of certain conditions set forth in the instrument of the grant. Failure to fulfill the conditions could result in the return of the funds to the grantors. The Organization deems this contingency remote since by accepting the grants and their terms, it has accommodated the objectives of the Organization to the provision of the grants. The Organization's management is of the opinion that the Organization has complied with the terms of all grants.

Note 7. SUBSEQUENT EVENTS:

The Organization has evaluated subsequent events through January 20, 2016 the date the financial statements were available to be issued.