

INTERNATIONAL DEVELOPMENT EXCHANGE

(A California Corporation)

FINANCIAL STATEMENTS

JUNE 30, 2009

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, 2009, 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, 2009, 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 29, 2009

INTERNATIONAL DEVELOPMENT EXCHANGE**STATEMENT OF FINANCIAL POSITION - JUNE 30, 2009**

	Unrestricted Fund	Restricted Fund	Total
ASSETS:			
Cash	\$293,173	\$ 38,890	\$332,063
Donation receivable	17,955	0	17,955
Prepaid expenses	<u>10,073</u>	<u>0</u>	<u>10,073</u>
TOTAL CURRENT ASSETS	\$321,201	\$ 38,890	\$360,091
Property and equipment, at cost (Note 1), net of accumulated depreciation of \$57,171	<u>2,593</u>	<u>0</u>	<u>2,593</u>
	<u>\$323,794</u>	<u>\$ 38,890</u>	<u>\$362,684</u>
LIABILITIES:			
Accounts payable	\$ 3,376	\$ 0	\$ 3,376
Accrued payroll	<u>\$ 32,658</u>	<u>0</u>	<u>32,658</u>
	<u>\$ 36,034</u>	<u>\$ 0</u>	<u>\$ 36,034</u>
NET ASSETS:			
Unrestricted	\$287,760	\$ 0	\$287,760
Temporarily restricted	0	38,890	38,890
Permanently restricted	<u>0</u>	<u>0</u>	<u>0</u>
	<u>\$287,760</u>	<u>\$ 38,890</u>	<u>\$326,650</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$323,794</u>	<u>\$ 38,890</u>	<u>\$362,684</u>

INTERNATIONAL DEVELOPMENT EXCHANGE**STATEMENT OF ACTIVITIES****YEAR ENDED JUNE 30, 2009**

	Unrestricted <u>Fund</u>	Restricted <u>Fund</u>	<u>Total</u>
REVENUE:			
Foundation grants	\$ 644,515	\$ 0	\$644,515
Individual grants	261,942	0	261,942
Corporate grants	5,983	0	5,983
Group grants	1,050	0	1,050
Donated services (Note 3)	16,980	0	16,980
Events	3,920	0	3,920
Dividend and interest income	2,352	0	2,352
Net assets released from restriction	<u>93,759</u>	<u>(93,759)</u>	<u>0</u>
TOTAL REVENUE	<u>\$1,030,501</u>	<u>(\$ 93,759)</u>	<u>\$936,742</u>
EXPENSES (Schedule B-1):			
Program services:			
Program	<u>\$ 727,430</u>	<u>\$ 0</u>	<u>\$727,430</u>
Supporting services:			
Management and general	\$ 59,282	\$ 0	\$ 59,282
Fundraising	<u>86,569</u>	<u>0</u>	<u>86,569</u>
Management and general			
Total supporting services	<u>\$ 145,851</u>	<u>0</u>	<u>\$145,851</u>
TOTAL EXPENSES	<u>\$ 873,281</u>	<u>\$ 0</u>	<u>\$873,281</u>
CHANGE IN NET ASSETS	\$ 157,220	(\$ 93,759)	\$ 63,461
NET ASSETS, July 1, 2008	<u>\$ 130,540</u>	<u>\$132,649</u>	<u>\$263,189</u>
NET ASSETS, June 30, 2009	<u>\$ 287,760</u>	<u>\$ 38,890</u>	<u>\$326,650</u>

INTERNATIONAL DEVELOPMENT EXCHANGE**STATEMENT OF FUNCTIONAL EXPENSES****YEAR ENDED JUNE 30, 2009**

	<u>Program</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total Expenses</u>
Grants – projects (Restricted)	\$404,491	\$ 0	\$ 0	\$404,491
Salaries	194,549	40,913	56,502	291,964
Rent	21,369	4,379	6,018	31,766
Employee benefits	18,746	3,810	5,761	28,317
Payroll taxes	11,781	2,433	4,678	18,892
Travel	18,150	157	226	18,533
Services by volunteers (Note 3)	16,980	0	0	16,980
Utilities	6,787	1,342	1,978	10,107
Consulting	6,083	839	1,290	8,212
Printing	5,488	1,156	1,661	8,305
Accounting	3,206	674	970	4,850
Telecommunications	2,690	558	812	4,060
Insurance	2,087	235	570	2,892
Workers' compensation	1,713	370	533	2,616
Payroll service fees	1,607	332	490	2,429
Equipment rental/maintenance	1,515	317	458	2,290
Postage	1,331	258	419	2,008
Office supplies	1,137	0	653	1,790
Conferences	1,109	222	333	1,664
Depreciation	0	0	1,537	1,537
Legal	955	194	287	1,436
Bank charges	1,266	25	37	1,328
Membership	852	196	267	1,315
Newsletter/website	706	146	212	1,064
Miscellaneous	<u>2,832</u>	<u>726</u>	<u>877</u>	<u>4,435</u>
TOTAL EXPENSES	<u>\$727,430</u>	<u>\$59,282</u>	<u>\$86,569</u>	<u>\$873,281</u>

INTERNATIONAL DEVELOPMENT EXCHANGE**STATEMENT OF CASH FLOWS****YEAR ENDED JUNE 30, 2009**

CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets (Exhibit B)		\$ 63,461
Adjustments to reconcile excess of expenses over revenue to net cash provided by operating activities:		
Depreciation	\$ 1,537	
(Increase) decrease in:		
Grant receivable	1,500	
Donation receivable	(8,678)	
Prepaid grants	15,000	
Prepaid expenses	(2,597)	
(Decrease) increase in:		
Accounts payable	1,826	
Grant payable	(12,000)	
Accrued payroll	<u>9,070</u>	<u>5,658</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES		<u>\$ 69,119</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of equipment	\$ 800	
NET CASH USED BY INVESTING ACTIVITIES		(\$ 800)
NET INCREASE IN CASH		\$ 68,319
CASH AT JULY 1, 2008		<u>263,744</u>
CASH AT JUNE 30, 2009		<u>\$332,063</u>

INTERNATIONAL DEVELOPMENT EXCHANGES

NOTES TO FINANCIAL STATEMENTS - JUNE 30, 2009

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, 2009

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.