

**IVUMED, FORMERLY  
INTERNATIONAL VOLUNTEERS IN UROLOGY, INC.  
FINANCIAL REPORT  
MARCH 31, 2010**

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INDEPENDENT ACCOUNTANT'S REPORT

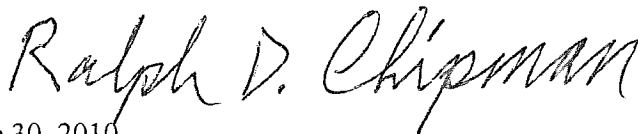
To the Board of Directors  
IVUmed, formerly  
International Volunteers in Urology, Inc.  
3269 South Main Street, Suite 230  
Salt Lake City, UT 84115

We have reviewed the accompanying statement of financial position of **IVUmed, formerly International Volunteers in Urology, Inc.** (a non-profit organization) as of March 31, 2010 and the related statements of activities, functional expenses, and cash flows for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the Organization's management.

A review consists principally of inquiries of the Organizations personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

Ralph D. Chipman, CPA



June 30, 2010

**IVUmed, formerly  
International Volunteers in Urology, Inc.**  
Statement of Financial Position  
As of March 31, 2010

ASSETS

Current Assets		
Cash and Cash Equivalents	\$ 415,789	
Inventory	95,433	
Total Current Assets	<u>          </u>	\$ 511,222
Fixed Assets		
Medical and Office Equipment & Furniture	318,722	
Less: Accumulated Depreciation	(219,268)	
Fixed Assets (net)	<u>          </u>	99,454
Other Assets		
Investments	75,080	
Rent Guarantee	12,733	
Total Other Assets	<u>          </u>	87,813
 Total Assets	 <u>          </u>	 <u>\$ 698,489</u>

LIABILITIES AND NET ASSETS

Current Liabilities		
Accounts Payable	\$ 543	
Total Liabilities	<u>          </u>	\$ 543
Net Assets		
Unrestricted	\$ 631,802	
Temporarily Restricted	66,144	
Total Net Assets	<u>          </u>	\$ 697,946
 Total Liabilities and Net Assets	 <u>          </u>	 <u>\$ 698,489</u>

The accompanying notes and accountant's report are an integral part of the financial statements.

**IVUmed, formerly  
International Volunteers in Urology, Inc.  
Statement of Activities  
For the Year  
April 1, 2009 thru March 31, 2010**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Support and Revenue				
Contributions	\$ 626,527	\$ -	\$ -	\$ 626,527
In-kind Donations	175,281	-	-	175,281
Volunteer Services	1,326,800	-	-	1,326,800
Benefit Income	112,106	-	-	112,106
Other Misc. Income	-	-	-	-
Interest Income	4,691	-	-	4,691
Net assets released from restrictions	<u>24,511</u>	<u>(24,511)</u>	<u>-</u>	<u>-</u>
Total Support and Revenue	<u>2,269,916</u>	<u>(24,511)</u>	<u>-</u>	<u>2,245,405</u>
Expenses				
Program Services	1,966,579	-	-	1,966,579
General and Administrative	154,031	-	-	154,031
Development and Fundraising	<u>82,243</u>	<u>-</u>	<u>-</u>	<u>82,243</u>
Total Expenses	<u>2,202,853</u>	<u>-</u>	<u>-</u>	<u>2,202,853</u>
Change in Net Assets	67,063	(24,511)	-	42,552
Prior Period Adjustment	5,936	-	-	5,936
Net Assets, Beginning of Period	<u>558,803</u>	<u>90,655</u>	<u>-</u>	<u>649,458</u>
Net Assets, End of Period	<u>\$ 631,802</u>	<u>\$ 66,144</u>	<u>\$ -</u>	<u>\$ 697,946</u>

The accompanying notes and accountant's report are an integral part of the financial statements.

**IVUmed, formerly  
International Volunteers in Urology, Inc.  
Statement of Functional Expenses  
For the Year  
April 1, 2009 thru March 31, 2010**

	Program Services	Supporting Services		TOTAL
		Management and General	Fund- raising	
Salaries and Wages	\$ 127,409	\$ 101,927	\$ 25,482	\$ 254,818
Employee Benefits	14,834	11,867	2,967	29,668
Payroll Taxes	10,103	8,082	2,020	20,205
Total Salaries and Related Expenses	152,346	121,876	30,469	304,691
Overseas & Specific Program Expenses	1,694,922	-	-	1,694,922
Conferences, conventions and meetings	1,998	4,556	34,587	41,141
Occupancy	11,859	7,547	2,156	21,562
Printing & Publications	10,250	3,075	7,175	20,500
Legal and Professional Services	6,446	4,103	1,172	11,721
Equipment Rental	7,263	855	427	8,545
Education & Training	4,150	2,641	755	7,546
Office Expenses	3,699	2,589	1,110	7,398
Software	5,251	292	292	5,835
Postage	2,083	1,457	625	4,165
Insurance	2,231	1,420	406	4,057
Technical Support	3,016	355	177	3,548
Telecommunications	2,952	347	174	3,473
Equipment Repairs	2,300	406	-	2,706
Dues & Subscriptions	1,255	878	377	2,510
Merchant Fees	1,247	249	996	2,492
Internet Service	245	155	44	444
Bank Charges	218	44	174	436
License & Permits	292	35	17	344
Expenses Before Depreciation & Interest	1,914,023	152,880	81,133	2,148,036
Depreciation	52,464	1,093	1,093	54,650
Interest Expense	92	58	17	167
Total Expenses	<u>\$ 1,966,579</u>	<u>\$ 154,031</u>	<u>\$ 82,243</u>	<u>\$ 2,202,853</u>

The accompanying notes and accountant's report are an integral part of the financial statements.

**IVUmed, formerly  
International Volunteers in Urology, Inc.  
Statement of Cash Flows  
For the Year  
April 1, 2009 thru March 31, 2010**

Cash Flows from Operating Activities	
Change in Net Assets	\$ 42,552
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities	
Depreciation Expense	54,650
(Increase) in Equipment	(10,016)
Changes in current assets and liabilities:	
(Increase) Decrease in inventory	34,562
Increase (Decrease) in accounts payable	<u>(634)</u>
Total operating adjustments	<u>78,562</u>
Net cash from Operating Activities	121,114
Cash Flows from Investing Activities	
Decrease (Increase) of Other Assets	(75,080)
Sale (Purchase) of Depreciable Assets	<u>-</u>
Net cash from Investing Activities	(75,080)
Cash Flows from Financing Activities	
Increase (Decrease) in Long Term Debt	<u>-</u>
Net cash from Financing Activities	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	46,034
Cash and Equivalents at Beginning of Period	<u>369,755</u>
Cash and Equivalents at End of Period	<u><u>\$ 415,789</u></u>

Supplemental Cash Flow Information:

**During the period ended March 31, 2010, non-cash contributions of inventory and equipment of \$175,281, and 5,250 hours or \$866,300 of medical volunteer services were received. In addition, 4,605 hours or \$460,500 of non-medical services were contributed to IVUmed.**

The accompanying notes and accountant's report are an integral part of the financial statements.

**IVUMED, FORMERLY  
INTERNATIONAL VOLUNTEERS IN UROLOGY, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2010**

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**Note 1**      **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

This summary of significant accounting policies of IVUmed, formerly International Volunteers in Urology, Inc. (the Corporation) is presented to assist in understanding the Corporation's management, which is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

***Business Activity*** - IVUmed, formerly International Volunteers in Urology, Inc. is a non-profit corporation, originally incorporated under the laws of the State of Georgia in November 1995. The Corporation relocated to Salt Lake City, Utah during the year ended December 31, 2000 and was registered in the State of Utah, Department of Commerce, Division of Corporations & Commercial Code on April 28, 2006. The Corporation is committed to making quality urological and other health care available to people worldwide. In fulfilling this mission, the Corporation provides medical and surgical education to physicians and nurses and treatment to suffering children and adults, while providing much needed surgical service. The Corporation derives its revenue from donations (cash and non-cash) from the general public.

***Accounting*** - The financial statements of the Corporation have been prepared on the accrual basis of accounting.

***Basis of Presentation*** - The Corporation has adopted FASB Accounting Standards Codification: Topic 958 for Not-For-Profit Entities; Subtopic 205 for Presentation of Financial Statements; Section 05 for Overview and Background, "Financial Statements of Not-for-Profit Organizations." Under FASB ASC 958-205-05, the Corporation is required to present a complete set of financial statements, including a statement of cash flows, and to group expenses according to the purpose or function for which costs are incurred (rather than natural category). The primary functional classifications are: Program Services and Supporting Activities, such as Management & General and Fund-Raising. The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefitted.

FASB ASC 958-205-05 also requires that the various funds be categorized into three distinct categories of net assets. Accordingly, Net Assets are reported in three classes (unrestricted net assets, restricted net assets and permanently restricted net assets) based upon the existence or absence of



donor-imposed restrictions and the nature of those restrictions. The Corporation has not received any contributions with donor-imposed restrictions that would result in permanently restricted net assets.

***In-Kind Donations*** - Contributions of donated non-cash assets meet the requirements of FASB ASC 958-205-05 and are, therefore, recorded at their fair values in the period received.

***Volunteer Services*** - The Corporation received a significant amount of donated services, \$866,300 from unpaid medical volunteers who assisted in providing medical care and training, and \$460,500 of other non-medical services. These amounts have been recognized in the statement of activities because the criteria for recognition under FASB ASC 958-205-05 has been satisfied.

***Use of Estimates*** - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

***Property & Equipment*** - The Corporation follows the practice of capitalizing all expenditures for furniture and medical equipment in excess of \$1,000; the fair value of donated fixed assets is similarly capitalized. Depreciation is calculated over the estimated useful lives of the assets. The estimated useful lives of the furniture and medical equipment range between three and seven years. Depreciation expense for the period ended March 31, 2010 was \$52,464.

***Income Taxes*** - The Corporation is exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code and therefore has made no provisions for federal income taxes in the accompanying financial statements. There was no unrelated business income for the period ended March 31, 2010.

***Cash and Cash Equivalents*** - Cash and cash equivalents consist of deposits with Wells Fargo Bank, N.A. and Morgan Stanley & Co. Accounts are insured by the Federal Deposit Insurance Company (FDIC) up to \$250,000, and by a combination of coverage provided by the Securities Investor Protection Corporation (SIPC), a non-profit organization created by an Act of Congress, and additional protection purchased from a private insurer by Morgan Stanley (the Excess Coverage). SIPC protects up to \$500,000 of each client's securities, of which up to \$100,000 may be uninvested cash.

***Inventories*** - Inventories are stated at discounted hospital catalog prices. Inventory consists of medical supplies and equipment value at less than \$1,000 used to provide surgical care.

**Investments** - Investments in securities are represented at the market value of all priced positions provided by correspondent custodians, minus the unrealized gains or losses for the period.

**Note 2 LEASE AGREEMENT**

The Corporation entered into an Office Space Lease for a period of five-years on August 18, 2008. Note that \$12,733 was paid as a "Rent Guarantee" toward the last six months of the contract. This agreement calls for monthly lease payments of \$1,745.94 for the first 12 months starting on October 1, 2008, \$1,833.23 for the next 12 months, \$1,924.87 for the 12 months on the third year, \$2,021.14 for the 12 months on the fourth year, and \$2,122.12 for the final twelve months.

Future Minimum Payments:

Fiscal Year Ended March 31, 2011	\$ 22,549
Fiscal Year Ended March 31, 2012	23,676
Fiscal Year Ended March 31, 2013	<u>24,860</u>
	<u>\$ 71,085</u>

**Note 3 PROPERTY AND EQUIPMENT**

Property and equipment consist of the following as of March 31, 2010:

Office Furniture and Equipment	\$ 92,684
Medical Equipment	<u>226,038</u>
	318,722
Accumulated Depreciation	<u>219,268</u>
Total Property and Equipment	<u>\$ 99,454</u>

**Note 4 TEMPORARILY RESTRICTED NET ASSETS**

As of March 31, 2010 there is a total of \$66,144 in temporarily restricted net assets to be used for the following purposes:

Latin America Program	\$ 15,390
Various Contributors for Resident Scholars	(3,405)
Chrouser for Development Program	4,448
Badlani for Development Program	<u>49,711</u>
Total temporarily restricted net assets	<u>\$ 66,144</u>

**Note 5 SUBSEQUENT EVENTS**

Management evaluated all activity of IVUmed through June 30, 2010 (the date the financial statements were available for issuance) and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.