

**IVUMED, FORMERLY
INTERNATIONAL VOLUNTEERS IN UROLOGY, INC.
FINANCIAL REPORT
MARCH 31, 2014**

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Table of Contents

	<u>Page</u>
Independent Accountant's Report	1
Financial Statements	
Statement of Financial Position	2
Statement of Activities	3
Statement of Functional Expenses	4
Statement of Cash Flows	5
Notes to Financial Statements	6

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, 2014 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



July 11, 2014

IVUmed, formerly
International Volunteers in Urology, Inc.
Statement of Financial Position
As of March 31, 2014

ASSETS

Current Assets		
Cash and Cash Equivalents	\$ 389,706	
Accounts Receivable		
Inventory	83,239	
Total Current Assets		\$ 472,945
Fixed Assets		
Medical and Office Equipment & Furniture	424,208	
Less: Accumulated Depreciation	(344,412)	
Fixed Assets (net)		79,796
Other Assets		
Investments	530,924	
Rent Guarantee		
Total Other Assets		530,924
Total Assets		<u>\$ 1,083,665</u>

LIABILITIES AND NET ASSETS

Current Liabilities		
Accounts Payable	\$ -	
Total Liabilities		<u>\$ -</u>
Net Assets		
Unrestricted	\$ 985,696	
Temporarily Restricted	97,969	
Total Net Assets		\$ 1,083,665
Total Liabilities and Net Assets		<u>\$ 1,083,665</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, 2013 thru March 31, 2014

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Support and Revenue				
Contributions	\$ 679,713		\$ -	\$ 679,713
In-kind Donations	107,703	-	-	107,703
Volunteer Services	1,786,700	-	-	1,786,700
Benefit Income	76,919	-	-	76,919
Other Misc. Income		-	-	-
Interest Income	17,661	-	-	17,661
Net Assets released from restrictions	69,219	(69,219)	-	-
Total Support and Revenue	2,737,915	(69,219)	-	2,668,696
Expenses				
Program Services	2,514,835			2,514,835
General and Administrative	207,601	-	-	207,601
Development and Fundraising	96,866	-	-	96,866
Total Expenses	2,819,302	-	-	2,819,302
Change in Net Assets	(81,387)	(69,219)	-	(150,606)
Net Assets, Beginning of Period	1,067,083	167,188	-	1,234,271
Net Assets, End of Period	\$ 985,696	\$ 97,969	\$ -	\$ 1,083,665

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, 2013 thru March 31, 2014

	Program Services	Supporting Services Management and General	Fund- raising	TOTAL
Salaries and Wages	\$ 169,320	\$ 135,456	\$ 33,864	\$ 338,640
Employee Benefits	43,514	34,811	8,703	87,028
Payroll Taxes	15,955	12,764	3,191	31,910
Total Salaries and Related Expenses	228,789	183,031	45,758	457,578
Overseas & Specific Program Expenses	2,196,155	-	-	2,196,155
Conferences, conventions and meetings	1,641	4,171	35,499	41,311
Occupancy	7,370	4,689	1,341	13,400
Printing & Publications	7,529	2,259	5,271	15,059
Legal and Professional Services	3,316	2,110	602	6,028
Equipment Rental	4,069	479	239	4,787
Equipment Repairs	357	42	21	420
Education & Training	3,796	2,415	690	6,901
Office Expenses	1,129	790	339	2,258
Office Supplies	1,734	1,214	520	3,468
Software	5,141	287	285	5,713
Postage	432	302	130	864
Insurance	2,638	1,679	480	4,797
Technical Support	7,100	836	417	8,353
Telecommunications	3,386	398	199	3,983
Dues & Subscriptions	783	548	235	1,566
Merchant Fees	1,792	358	1,434	3,584
Internet Service	743	473	135	1,351
Bank Charges	97	19	78	194
Local Events	2,154	431	1,723	4,308
Miscellaneous	10	7	3	20
Payroll Service	861	172	689	1,722
License & Permits	1,933	227	114	2,274
Expenses Before Depreciation & Interest	2,482,955	206,937	96,202	2,786,094
Depreciation	31,880	664	664	33,208
Interest Expense	-	-	-	-
Total Expenses	<u>\$2,514,835</u>	<u>\$ 207,601</u>	<u>\$ 96,866</u>	<u>\$2,819,302</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, 2013 thru March 31, 2014**

Cash Flows from Operating Activities		
Change in Net Assets		\$(150,606)
Adjustments to Reconcile Change in Net Assets to		
Net Cash Provided by Operating Activities		
Depreciation Expense	33,208	
Program expenses - donated medical equipment	27,741	
Changes in current assets and liabilities:		
(Increase) Decrease in accounts receivable		
(Increase) Decrease in inventory	4,057	
Increase (Decrease) in accounts payable		
Total operating adjustments		65,006
Net cash from Operating Activities		(85,600)
Cash Flows from Investing Activities		
Decrease (Increase) of Other Assets	(4,676)	
Sale (Purchase) of Depreciable Assets		
Net cash from Investing Activities		(4,676)
Cash Flows from Financing Activities		
Increase (Decrease) in Long Term Debt	-	
Net cash from Financing Activities		-
Net Increase (Decrease) in Cash and Cash Equivalents		(90,276)
Cash and Equivalents at Beginning of Period		479,982
Cash and Equivalents at End of Period		<u>\$ 389,706</u>

Supplemental Cash Flow Information:

During the period ended March 31, 2014, non-cash contributions of inventory and equipment of \$107,703, and 9,020 hours or \$1,434,500 of medical volunteer services were received. In addition, 3,522 hours or \$352,200 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, 2014**

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, \$1,434,500 from unpaid medical volunteers who assisted in providing medical care and training, and \$352,200 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, 2014 was \$33,208.

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, 2014.

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 63 months on June 6, 2013. This lease shall terminate Sept 30, 2018. Monthly payments of \$1,824 paid in advance on the first day of each month were agreed to.

Note 3 PROPERTY AND EQUIPMENT

Property and equipment consist of the following as of March 31, 2014:

Office Furniture and Equipment	\$ 120,907
Medical Equipment	<u>303,301</u>
	424,208
Accumulated Depreciation	<u>(344,412)</u>
Total Property and Equipment	\$ <u>79,796</u>

Note 4 TEMPORARILY RESTRICTED NET ASSETS

As of March 31, 2014 there is a total of \$ 97,969 in temporarily restricted net assets to be used for the following purposes:

Various Contributors for Resident Scholars	25,635
India Camps	13,831
Societe Internationale d'Urologic	4,500
Johnson & Johnson	20,000
Sorenson Impact Foundation - Rwanda	(4,733)
Lavine Family Trust - Haiti	38,697
Santucci - Reconstructive	<u>40</u>
Total temporarily restricted net assets	\$ <u>97,969</u>

Note 5 SUBSEQUENT EVENTS

Management evaluated all activity of IVUmed through June 30, 2014 (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.