

**IVUMED, FORMERLY  
INTERNATIONAL VOLUNTEERS IN UROLOGY, INC.  
FINANCIAL REPORT  
MARCH 31, 2012**

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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, 2012 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 5, 2012

**IVUmed, formerly**  
**International Volunteers in Urology, Inc.**  
**Statement of Financial Position**  
**As of March 31, 2012**

ASSETS

Current Assets		
Cash and Cash Equivalents	\$ 431,086	
Accounts Receivable	\$ (26)	
Inventory	85,005	
Total Current Assets		\$ 516,065
Fixed Assets		
Medical and Office Equipment & Furniture	378,526	
Less: Accumulated Depreciation	(283,099)	
Fixed Assets (net)		95,427
Other Assets		
Investments	478,030	
Rent Guarantee	12,733	
Total Other Assets		490,763
Total Assets		<u>\$ 1,102,255</u>

LIABILITIES AND NET ASSETS

Current Liabilities		
Accounts Payable	\$ (2,697)	
Total Liabilities		<u>\$ (2,697)</u>
Net Assets		
Unrestricted	\$ 931,389	
Temporarily Restricted	173,563	
Total Net Assets		\$ 1,104,952
Total Liabilities and Net Assets		<u>\$ 1,102,255</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, 2011 thru March 31, 2012**

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Support and Revenue				
Contributions	\$ 690,423	\$ -	\$ -	\$ 690,423
In-kind Donations	198,733	-	-	198,733
Volunteer Services	1,745,100	-	-	1,745,100
Benefit Income	68,650	-	-	68,650
Other Misc. Income		-	-	-
Interest Income	12,216	-	-	12,216
Net Assets released from restrictions	48,477	(48,477)	-	-
Total Support and Revenue	2,763,599	(48,477)	-	2,715,122
Expenses				
Program Services	2,391,675			2,391,675
General and Administrative	158,320	-	-	158,320
Development and Fundraising	72,142	-	-	72,142
Total Expenses	2,622,137	-	-	2,622,137
Change in Net Assets	141,462	(48,477)	-	92,985
Prior Period Adjustment		-	-	-
Net Assets, Beginning of Period	789,927	222,040	-	1,011,967
Net Assets, End of Period	\$ 931,389	\$ 173,563	\$ -	\$ 1,104,952

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, 2011 thru March 31, 2012**

	Program Services	Supporting Services Management and General	Fund- raising	TOTAL
Salaries and Wages	\$ 122,278	\$ 97,822	\$ 24,455	\$ 244,555
Employee Benefits	32,224	25,779	6,443	64,446
Payroll Taxes	10,907	8,725	2,181	21,813
Total Salaries and Related Expenses	165,409	132,326	33,079	330,814
Overseas & Specific Program Expenses	2,122,602	-	-	2,122,602
Conferences, conventions and meetings	1,178	3,000	24,987	29,165
Occupancy	13,074	8,320	2,378	23,772
Printing & Publications	7,428	2,229	5,202	14,859
India Camps	8,500	1,000	500	10,000
Legal and Professional Services	2,571	1,636	468	4,675
Equipment Rental	3,452	406	203	4,061
Education & Training	5,997	3,816	1,091	10,904
Office Expenses	1,231	861	369	2,461
Software	4,983	277	276	5,536
Postage	461	323	138	922
Insurance	2,565	1,632	466	4,663
Technical Support	1,195	141	70	1,406
Telecommunications	2,590	305	152	3,047
Equipment Repairs	30	5		35
Dues & Subscriptions	224	157	67	448
Merchant Fees	1,823	365	1,459	3,647
Internet Service	716	455	130	1,301
Bank Charges	161	32	128	321
Property taxes	22	14	4	40
License & Permits	744	88	44	876
Expenses Before Depreciation & Interest	2,346,956	157,388	71,211	2,575,555
Depreciation	44,719	932	931	46,582
Interest Expense	-	-	-	-
Total Expenses	<u>\$ 2,391,675</u>	<u>\$ 158,320</u>	<u>\$ 72,142</u>	<u>\$ 2,622,137</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, 2011 thru March 31, 2012**

Cash Flows from Operating Activities		
Change in Net Assets		\$ 92,985
Adjustments to Reconcile Change in Net Assets to		
Net Cash Provided by Operating Activities		
Depreciation Expense	46,582	
(Increase) in Equipment		
Changes in current assets and liabilities:		
(Increase) Decrease in accounts receivable	100	
(Increase) Decrease in inventory	(22,150)	
Increase (Decrease) in accounts payable	(2,811)	
Total operating adjustments		21,721
Net cash from Operating Activities		114,706
 Cash Flows from Investing Activities		
Decrease (Increase) of Other Assets	(150,885)	
Sale (Purchase) of Depreciable Assets		
Net cash from Investing Activities		(150,885)
 Cash Flows from Financing Activities		
Increase (Decrease) in Long Term Debt	-	
Net cash from Financing Activities		-
Net Increase (Decrease) in Cash and Cash Equivalents		(36,179)
 Cash and Equivalents at Beginning of Period		467,265
Cash and Equivalents at End of Period		<u>\$ 431,086</u>

Supplemental Cash Flow Information:

**During the period ended March 31, 2012, non-cash contributions of inventory and equipment of \$198,733, and 9,380 hours or \$1,419,500 of medical volunteer services were received. In addition, 3,256 hours or \$325,600 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, 2012**

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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, \$1,419,500 from unpaid medical volunteers who assisted in providing medical care and training, and \$325,600 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, 2012 was \$46,582.

***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, 2012.

***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, 2013	<u>24,860</u>
	<u>\$ 24,860</u>

**Note 3 PROPERTY AND EQUIPMENT**

Property and equipment consist of the following as of March 31, 2012:

Office Furniture and Equipment	\$ 92,684
Medical Equipment	<u>285,842</u>
	378,526
Accumulated Depreciation	<u>283,099</u>
Total Property and Equipment	<u>\$ 95,427</u>

**Note 4 TEMPORARILY RESTRICTED NET ASSETS**

As of March 31, 2012 there is a total of \$182,966 in temporarily restricted net assets to be used for the following purposes:

Various Contributors for Resident Scholars	22,988
Lavine Family Trust - Haiti	83,949
Johnson & Johnson	12,955
Other Program Funds	2,700
All sections of AUA	24,000
Badlani for Development Program	<u>26,971</u>
Total temporarily restricted net assets	<u>\$ 173,563</u>

**Note 5 SUBSEQUENT EVENTS**

Management evaluated all activity of IVUmed through June 4, 2012 (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.