

**IVUMED, FORMERLY  
INTERNATIONAL VOLUNTEERS IN UROLOGY, INC.  
FINANCIAL REPORT  
MARCH 31, 2009**

**IVUMED, FORMERLY  
INTERNATIONAL VOLUNTEERS IN UROLOGY, INC.  
FINANCIAL REPORT  
MARCH 31, 2009**

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, 2009 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



August 11, 2009

**IVUmed, formerly  
International Volunteers in Urology, Inc.  
Statement of Financial Position  
As of March 31, 2009**

ASSETS

Current Assets		
Cash and Cash Equivalents	\$ 369,755	
Inventory	129,995	
Total Current Assets	<u>          </u>	\$ 499,750
Fixed Assets		
Medical and Office Equipment & Furniture	308,706	
Less: Accumulated Depreciation	<u>(164,618)</u>	
Fixed Assets (net)		144,088
Other Assets		
Rent Guarantee	<u>12,733</u>	
Total Other Assets		12,733
Total Assets		<u><u>\$ 656,571</u></u>

LIABILITIES AND NET ASSETS

Current Liabilities		
Accounts Payable		<u>\$ 7,113</u>
Total Liabilities		<u>\$ 7,113</u>
Net Assets		
Unrestricted	\$ 558,803	
Temporarily Restricted	<u>90,655</u>	
Total Net Assets		\$ 649,458
Total Liabilities and Net Assets		<u><u>\$ 656,571</u></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, 2008 thru March 31, 2009**

	<u>Unrestricted</u>	Temporarily <u>Restricted</u>	Permanently <u>Restricted</u>	<u>Total</u>
Support and Revenue				
Contributions	\$ 639,615	\$ 57,000	\$ -	\$ 696,615
In-kind Donations	192,214	-	-	192,214
Volunteer Services	884,400	-	-	884,400
Benefit Income	107,690	-	-	107,690
Other Misc. Income	-	-	-	-
Interest Income	3,070	-	-	3,070
Net assets released from restrictions	<u>73,622</u>	<u>(73,622)</u>	<u>-</u>	<u>-</u>
Total Support and Revenue	<u>1,900,611</u>	<u>(16,622)</u>	<u>-</u>	<u>1,883,989</u>
Expenses				
Program Services	1,410,373	-	-	1,410,373
General and Administrative	144,092	-	-	144,092
Development and Fundraising	<u>78,031</u>	<u>-</u>	<u>-</u>	<u>78,031</u>
Total Expenses	<u>1,632,496</u>	<u>-</u>	<u>-</u>	<u>1,632,496</u>
Change in Net Assets	268,115	(16,622)	-	251,493
Net Assets, Beginning of Period	<u>290,688</u>	<u>107,277</u>	<u>-</u>	<u>397,965</u>
Net Assets, End of Period	<u>\$ 558,803</u>	<u>\$ 90,655</u>	<u>\$ -</u>	<u>\$ 649,458</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, 2008 thru March 31, 2009**

	Program Services	Supporting Services		TOTAL
		Management and General	Fund- raising	
Salaries and Wages	\$ 104,080	\$ 83,264	\$ 20,816	\$ 208,160
Employee Benefits	15,706	12,565	3,141	31,412
Payroll Taxes	8,057	6,445	1,611	16,113
Total Salaries and Related Expenses	127,843	102,274	25,568	255,685
Overseas & Specific Program Expenses	1,159,288	-	-	1,159,288
Conferences, conventions and meetings	2,361	6,802	32,110	41,273
Occupancy	11,409	7,260	2,074	20,743
Legal and Professional Services	14,982	10,203	2,795	27,980
Printing & Publications	11,600	3,480	8,120	23,200
Office Expenses	4,797	3,358	1,439	9,594
Web Development	8,617	479	479	9,575
Equipment Repairs	6,634	1,171	-	7,805
Postage & Delivery	2,735	1,915	821	5,471
Equipment Rental	4,110	484	242	4,836
Insurance	2,231	1,420	406	4,057
Dues & Subscriptions	1,573	1,101	472	3,146
Software	2,772	154	154	3,080
Accounting Fees	1,485	945	270	2,700
Merchant Fees	1,344	269	1,076	2,689
Bank Charges	680	136	545	1,361
Copying & Reproduction	575	402	173	1,150
License & Permits	273	32	16	321
Expenses Before Depreciation & Interest	1,365,309	141,885	76,760	1,583,954
Depreciation	43,003	896	896	44,795
Interest Expense	2,061	1,311	375	3,747
Total Expenses	<u>\$ 1,410,373</u>	<u>\$ 144,092</u>	<u>\$ 78,031</u>	<u>\$ 1,632,496</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, 2008 thru March 31, 2009**

Cash Flows from Operating Activities	
Change in Net Assets	\$ 251,493
Adjustments to Reconcile Change in Net Assets to	
Net Cash Provided by Operating Activities	
Depreciation Expense	44,795
Increase in Equipment	(142,759)
Changes in current assets and liabilities:	
(Increase) Decrease in inventory	71,357
Increase (Decrease) in accounts payable	<u>1,392</u>
Total operating adjustments	<u>(25,215)</u>
Net cash from Operating Activities	226,278
Cash Flows from Investing Activities	
Decrease (Increase) of Other Assets	(12,733)
Sale (Purchase) of Depreciable Assets	<u>-</u>
Net cash from Investing Activities	(12,733)
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	213,545
Cash and Equivalents at Beginning of Period	<u>156,210</u>
Cash and Equivalents at End of Period	<u><u>\$ 369,755</u></u>

Supplemental Cash Flow Information:

**During the period ended March 31, 2009, non-cash contributions of inventory and equipment of \$192,215, and 4,420 hours or \$702,500 of medical volunteer services were received. In addition, 1,819 hours or \$181,900 of non-medical services were contributed to IVU.**

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, 2009**

---

**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 men, women and children, 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 Statements of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations." Under SFAS 117, the Corporation is required to group expenses according to the purpose for which costs are incurred. The primary functional classifications are: Program Services and Supporting Activities, such as Management & General and Fund-Raising.

The Corporation has also adopted SFAS 116, "Accounting for Contributions Received and Contributions Made." In accordance with SFAS No. 116, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. 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. 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 SFAS No. 116 and are, therefore, recorded at their fair values in the period received.

***Volunteer Services*** - The Corporation received a significant amount of donated services, \$702,500 from unpaid medical volunteers who assisted in providing medical care and training, and \$181,900 of other non-medical services. These amounts have been recognized in the statement of activities because the criteria for recognition under SFAS No. 116 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, 2009 was \$44,795.

***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, 2009.

***Cash and Cash Equivalents*** - Cash and cash equivalents consist of deposits with Wells Fargo Bank, N.A., JP Morgan Chase Bank, N.A., formerly Washington Mutual Bank, and Morgan Stanley. Accounts are insured by the Federal Deposit Insurance Company up to \$250,000. On January 1, 2010, basic FDIC insurance will go back to \$100,000 unless Congress extends the \$250,000 coverage.

***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. Accordingly, certain costs have been allocated among the programs and supporting services benefitted.

***Inventories*** - Inventories are stated at discounted hospital catalog prices. Inventory consists of medical supplies and equipment used to provide surgical care.

**Note 2**    COMPREHENSIVE INCOME

Statement of Financial Accounting Standards No. 130, "Reporting Comprehensive Income," requires that total comprehensive income be reported in the financial statements. The Corporation has no instances of comprehensive income to report.

**Note 3**    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, 2010	\$ 21,475
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>\$ 92,560</u>

**Note 4**    PROPERTY AND EQUIPMENT

Property and equipment consist of the following as of March 31, 2009:

Office Furniture and Equipment	\$ 92,684
Medical Equipment	<u>216,022</u>
	308,706
Accumulated Depreciation	<u>164,618</u>
Total Property and Equipment	<u>\$ 144,088</u>

**Note 5**    TEMPORARILY RESTRICTED NET ASSETS

As of March 31, 2009 there is a total of \$90,655 in temporarily restricted net assets to be used for the following purposes:

Various Contributors for Resident Scholars	\$ 31,195
Chrouser for Development Program	9,748
Budlani for Development Program	<u>49,712</u>
Total temporarily restricted net assets	<u>\$ 90,655</u>