

# **INTERCHURCH MEDICAL ASSISTANCE, INC.**

***FINANCIAL STATEMENTS AND  
REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS***

**JUNE 30, 2009**

# INTERCHURCH MEDICAL ASSISTANCE, INC.

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*TAIT, WELLER & BAKER LLP*  
*Certified Public Accountants*

**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

**Board of Directors**  
**Interchurch Medical Assistance, Inc.**  
**New Windsor, Maryland**

We have audited the accompanying statements of financial position of Interchurch Medical Assistance, Inc. as of June 30, 2009, and the related statements of activities and changes in net assets, and of 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. The prior year summarized information has been derived from Interchurch Medical Assistance, Inc.'s 2008 financial statements and, in our report dated February 13, 2009 we expressed an unqualified opinion on those financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Interchurch Medical Assistance, Inc. at 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.

*Tait, Weller & Baker LLP*

**Philadelphia, Pennsylvania**  
**March 11, 2010**

# INTERCHURCH MEDICAL ASSISTANCE, INC.

## STATEMENTS OF FINANCIAL POSITION

June 30, 2009 and 2008

|  | <u>2009</u>         | <u>2008</u>         |
|--|---------------------|---------------------|
| <b>ASSETS</b>  |                     |                     |
| Cash (including savings account deposits of<br>\$97,386 in 2009 and \$73,552 in 2008)  | \$ 2,013,448        | \$ 1,122,243        |
| Temporary investments, at cost which approximates market   | 108,741             | 173,863             |
| Investments, at value ( <i>Note 2</i> )  | 556,615             | 672,680             |
| Accounts receivable – U.S. Government  | 163,165             | 146,049             |
| Accounts receivable, net   | 191,491             | 289,884             |
| Interest receivable  | 1,509               | 304                 |
| Prepaid expenses and other assets  | 39,005              | 41,027              |
| Project advances to subgrantees  | 1,328,335           | 869,112             |
| Advances to country offices  | 840,417             | 376,099             |
| Equipment and improvements (net of accumulated depreciation of<br>\$227,535 in 2009 and \$202,372 in 2008) ( <i>Note 1</i> ) | <u>151,043</u>      | <u>18,652</u>       |
|  | 5,393,769           | 3,709,913           |
| Inventory of donated drugs and medical supplies ( <i>Note 1</i> )  | <u>34,539,369</u>   | <u>64,182,595</u>   |
| <b>Total assets</b>  | <u>\$39,933,138</u> | <u>\$67,892,508</u> |
| <b>LIABILITIES</b>   |                     |                     |
| Accounts payable and other accrued expenses  | \$ 1,529,242        | \$ 727,911          |
| Deferred revenue   | 884,076             | 264,548             |
| Deposits   | <u>45,741</u>       | <u>1,344</u>        |
| <b>Total liabilities</b>   | <u>2,459,059</u>    | <u>993,803</u>      |
| <b>NET ASSETS</b>  |                     |                     |
| Unrestricted   |                     |                     |
| General operating funds  |                     |                     |
| Undesignated   | 449,500             | 417,560             |
| Designated   | 515,000             | 515,000             |
| Unrealized depreciation of investments   | (152,780)           | (33,419)            |
| Unallocated drugs and medical supplies   | <u>34,539,369</u>   | <u>64,182,595</u>   |
| <b>Total unrestricted</b>  | 35,351,089          | 65,081,736          |
| Temporarily restricted ( <i>Note 3</i> )   | <u>2,122,990</u>    | <u>1,816,969</u>    |
| <b>Total net assets</b>  | <u>37,474,079</u>   | <u>66,898,705</u>   |
| <b>Total liabilities and net assets</b>  | <u>\$39,933,138</u> | <u>\$67,892,508</u> |

# INTERCHURCH MEDICAL ASSISTANCE, INC.

## STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

Year ended June 30, 2009 with Summarized Information for 2008

|   | Unrestricted       |                      |                     | Totals               |                      |
|---|--------------------|----------------------|---------------------|----------------------|----------------------|
|   | General            | Donated Drugs        | Temporarily         | 2009                 | 2008                 |
|   | Operating          | And Medical          |                     |                      |                      |
| Funds   | Supplies Inventory |                      |                     |                      |                      |
| <b>INCOME</b>   |                    |                      |                     |                      |                      |
| Donated drugs and medical supplies<br>(net of destruction in compliance with government regulations –<br>\$20,573,597 in 2009 and \$28,284,389 in 2008) | \$ -               | \$116,848,296        | \$ -                | \$116,848,296        | \$118,405,231        |
| Administrative support  |                    |                      |                     |                      |                      |
| Members   | 16,900             | -                    | -                   | 16,900               | 81,766               |
| Non-members   | 40,179             | -                    | -                   | 40,179               | 54,273               |
| Purchase program  | 10,916             | -                    | -                   | 10,916               | 6,303                |
| U.S. Government grants  | 20,773,469         | -                    | -                   | 20,773,469           | 18,988,628           |
| Contributions and grants  | 584,470            | -                    | 4,703,913           | 5,288,383            | 2,516,324            |
| Investment income   | 12,277             | -                    | 9,754               | 22,031               | 45,144               |
| Medicine box income   | -                  | -                    | 105,233             | 105,233              | 173,616              |
| Other income  | 14,400             | -                    | -                   | 14,400               | -                    |
| <b>Total</b>  | <u>21,452,611</u>  | <u>116,848,296</u>   | <u>4,818,900</u>    | <u>143,119,807</u>   | <u>140,271,285</u>   |
| Net assets released from restrictions ( <i>Note 3</i> )   | <u>4,512,879</u>   | <u>-</u>             | <u>(4,512,879)</u>  | <u>-</u>             | <u>-</u>             |
| <b>Total income</b>   | <u>25,965,490</u>  | <u>116,848,296</u>   | <u>306,021</u>      | <u>143,119,807</u>   | <u>140,271,285</u>   |
| <b>EXPENSES</b>   |                    |                      |                     |                      |                      |
| <b>Program services</b>   |                    |                      |                     |                      |                      |
| Assistance to overseas institutions of healthcare   | <u>23,909,227</u>  | <u>146,491,522</u>   | <u>-</u>            | <u>170,400,749</u>   | <u>133,873,310</u>   |
| <b>Supporting services</b>  |                    |                      |                     |                      |                      |
| General administration  | 1,655,298          | -                    | -                   | 1,655,298            | 1,106,800            |
| Promotion and interpretation  | <u>369,025</u>     | <u>-</u>             | <u>-</u>            | <u>369,025</u>       | <u>150,555</u>       |
| <b>Total supporting services</b>  | <u>2,024,323</u>   | <u>-</u>             | <u>-</u>            | <u>2,024,323</u>     | <u>1,257,355</u>     |
| <b>Total expenses</b>   | <u>25,933,550</u>  | <u>146,491,522</u>   | <u>-</u>            | <u>172,425,072</u>   | <u>135,130,665</u>   |
| <b>Excess (deficiency) of income over expenses</b>  | 31,940             | (29,643,226)         | 306,021             | (29,305,265)         | 5,140,620            |
| <b>OTHER CHANGES</b>  |                    |                      |                     |                      |                      |
| Unrealized loss on investments  | <u>(119,361)</u>   | <u>-</u>             | <u>-</u>            | <u>(119,361)</u>     | <u>(56,940)</u>      |
| <b>NET CHANGE IN NET ASSETS</b>   | <u>(87,421)</u>    | <u>(29,643,226)</u>  | <u>306,021</u>      | <u>(29,424,626)</u>  | <u>5,083,680</u>     |
| <b>NET ASSETS</b>   |                    |                      |                     |                      |                      |
| Beginning of year   | <u>899,141</u>     | <u>64,182,595</u>    | <u>1,816,969</u>    | <u>66,898,705</u>    | <u>61,815,025</u>    |
| <b>End of year</b>  | <u>\$ 811,720</u>  | <u>\$ 34,539,369</u> | <u>\$ 2,122,990</u> | <u>\$ 37,474,079</u> | <u>\$ 66,898,705</u> |

See notes to financial statements.

# INTERCHURCH MEDICAL ASSISTANCE, INC.

## STATEMENTS OF CASH FLOWS

Years ended June 30, 2009 and 2008

|  | <u>2009</u>         | <u>2008</u>         |
|--|---------------------|---------------------|
| <i>Cash flows from operating activities</i>  |                     |                     |
| <i>Net change in net assets</i>  | \$(29,424,626)      | \$ 5,083,680        |
| <i>Adjustments to reconcile changes in net assets<br/>    to net cash provided by (used in) operating activities</i> |                     |                     |
| Depreciation   | 25,164              | 4,322               |
| Loss (gain) on sale of investments   | 14,855              | (6,626)             |
| Unrealized loss on investments   | 119,361             | 56,940              |
| (Increase) decrease in   |                     |                     |
| Accounts receivable – U.S. Government  | (17,116)            | 302,691             |
| Accounts receivable  | 98,393              | (18,666)            |
| Interest receivable  | (1,205)             | 4,442               |
| Prepaid expenses and other assets  | 2,022               | (17,462)            |
| Project advances to subgrantees  | (459,223)           | (397,875)           |
| Advances to country offices  | (464,318)           | (208,185)           |
| Donated inventory  | 29,643,226          | (4,520,098)         |
| Increase (decrease) in   |                     |                     |
| Accounts payable and other accrued expense   | 801,331             | (1,899)             |
| Deferred revenue   | 619,528             | 233,210             |
| Deposits   | 44,397              | (2,436)             |
| <b>Net cash provided by operating activities</b>   | <u>1,001,789</u>    | <u>512,038</u>      |
| <i>Cash flows from investing activities</i>  |                     |                     |
| Purchase of property equipment   | (157,555)           | -                   |
| Purchase of investments  | (106,822)           | (153,829)           |
| Proceeds from sale of investments  | <u>88,671</u>       | <u>131,722</u>      |
| <b>Net cash used in investing activities</b>   | <u>(175,706)</u>    | <u>(22,107)</u>     |
| <b>Net increase in cash and temporary investments</b>  | 826,083             | 489,931             |
| <i>Cash and temporary investments</i>  |                     |                     |
| Beginning of year  | <u>1,296,106</u>    | <u>806,175</u>      |
| <b>End of year</b>   | <u>\$ 2,122,189</u> | <u>\$ 1,296,106</u> |

# INTERCHURCH MEDICAL ASSISTANCE, INC.

## NOTES TO FINANCIAL STATEMENTS

June 30, 2009 and 2008

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### (1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### ***ORGANIZATION AND PURPOSE***

Interchurch Medical Assistance, Inc. (“**IMA**”) is incorporated pursuant to the provisions of the Membership Corporation law of the State of Maryland. As a non-profit organization, it is exempt from federal, state and city corporate income taxes.

The mission of IMA is to advance health and healing to vulnerable and marginalized people.

#### ***SUBSEQUENT EVENTS***

Subsequent events after the balance sheet through the date that the financial statements were available for issuance, March 11, 2010, have been evaluated in the preparation of the financial statements.

#### ***ACCOUNTING ESTIMATES***

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management makes estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

#### ***CONCENTRATION OF CREDIT RISK***

IMA occasionally maintains deposits in excess of federally insured limits. Statement of Financial Accounting Standards No. 107 identifies these items as a concentration of credit risk requiring disclosure, regardless of the degree of risk. The risk is managed by monitoring the financial institutions in which the deposits are made.

#### ***GRANTS AND CONTRIBUTIONS***

IMA reports grants and contributions of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and are reported in the statement of activities and changes in net assets as “***net assets released from restrictions.***”

#### ***INVESTMENTS***

IMA applies Statements of Financial Accounting Standards No. 124, (“**SFAS 124**”), “***Accounting for Certain Investments Held by Not-for-Profit Organizations***”. SFAS No. 124 establishes standards for accounting for certain investments held by not-for-profit organizations and requires that investments in securities be recorded at fair value with the resulting gains and losses reported in the statement of activity. The fair value of investments traded on a securities exchange is determined based on quoted market prices for these investments.

# **INTERCHURCH MEDICAL ASSISTANCE, INC.**

## ***NOTES TO FINANCIAL STATEMENTS – (Continued)***

**June 30, 2009 and 2008**

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### ***ADVANCES TO COUNTRY OFFICES***

Advances to country offices primarily represent cash in foreign bank accounts that will be spent on program activities and are principally located in Congo, Tanzania and South Sudan. Advances to country offices includes both cash advanced to country offices by headquarters and cash disbursed directly to country offices by donors.

### ***INVENTORY OF DONATED DRUGS AND MEDICAL SUPPLIES***

Inventory of donated drugs and medical supplies is valued at their estimated fair value (generally at wholesale cost) at date of receipt.

Donated goods are relieved from inventory at the time of allocation of such goods to user agencies at values assigned on the date of receipt.

### ***FIXED ASSETS***

Office furniture and equipment, computer equipment and leasehold improvements are recorded at cost. Depreciation is provided over the estimated useful lives of 5 to 10 years on a straight-line basis. Equipment purchased through grants/contracts are expensed in the period purchased. Equipment is retained by IMA or returned to the grantor based upon the grant/contract.

### ***U.S. GOVERNMENT GRANTS***

IMA records revenue when expenditures are incurred under U.S. Government contracts.

### ***FUNCTIONAL EXPENSES***

Expenses are charged to program services based on direct expenditures incurred. Any program expenditures not directly chargeable have been allocated to a program or supporting services based on an analysis of personnel time for the related activities.

### ***PRIOR YEAR INFORMATION***

The financial statements include certain prior-year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with IMA's audited financial statements for the year ended June 30, 2008, from which the summarized information was derived.

# INTERCHURCH MEDICAL ASSISTANCE, INC.

## NOTES TO FINANCIAL STATEMENTS – (Continued)

June 30, 2009 and 2008

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### (2) INVESTMENTS

Investments at June 30 consisted of the following:

|              | <u>2009</u>      |                  | <u>2008</u>      |                  |
|--------------|------------------|------------------|------------------|------------------|
|              | <u>Cost</u>      | <u>Market</u>    | <u>Cost</u>      | <u>Market</u>    |
| Mutual Funds |                  |                  |                  |                  |
| Equity       | \$395,892        | \$281,839        | \$361,279        | \$322,314        |
| Bond         | 263,135          | 246,451          | 306,354          | 318,308          |
| Real Estate  | <u>50,368</u>    | <u>28,325</u>    | <u>38,466</u>    | <u>32,058</u>    |
|              | <u>\$709,395</u> | <u>\$556,615</u> | <u>\$706,099</u> | <u>\$672,680</u> |

On July 1, 2008, IMA adopted Financial Accounting Standards Board No. 157, “*Fair Value Measurements*” (“*FAS 157*”) which was issued in September 2006 effective for fiscal years beginning after November 15, 2007. This standard clarifies the definition of fair value and requires additional disclosures about the use of fair value measurements. The three levels of the fair value hierarchy under FAS 157 are described as follows:

Level 1 – quoted prices in active markets for identical securities

Level 2 – other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.)

Level 3 – significant unobservable inputs (including IMA’s own assumptions in determining the fair value of investments)

The inputs methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

All of IMA’s investments are valued based on Level 1 inputs.

### (3) TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets at June 30 are available for the following purposes:

|   | <u>2009</u>        | <u>2008</u>        |
|---|--------------------|--------------------|
| River Blindness/Onchocerciasis – Tanzania             | \$ (1,314)         | \$ 30,574          |
| Various DR Congo Projects                             | 663,143            | 298,964            |
| Medicine Box/Clinic Box Projects                      | 150,666            | 235,912            |
| Lymphatic Filariasis Projects                         | (5,949)            | 17,799             |
| Burkitt’s Lymphoma Project                            | 143,247            | 7,682              |
| Diflucan Donation Program                             | 123,574            | 46,468             |
| World Bank – Lymphatic Filariasis Elimination Project | 801,064            | 1,107,969          |
| PMURR – DR Congo                                      | -                  | 21,931             |
| South Sudan Projects                                  | 67,269             | (61,473)           |
| Other Grant Projects                                  | <u>181,290</u>     | <u>111,143</u>     |
|   | <u>\$2,122,990</u> | <u>\$1,816,969</u> |

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# INTERCHURCH MEDICAL ASSISTANCE, INC.

## NOTES TO FINANCIAL STATEMENTS – (Continued)

June 30, 2009 and 2008

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Net assets for the year ended June 30, 2009 were released from donor restrictions by incurring expenses satisfying the restricted purposes, as follows:

|   |                    |
|---|--------------------|
| River Blindness/Onchocerciasis – Tanzania             | \$ 31,888          |
| Various DR Congo Projects                             | 2,020,938          |
| Medicine Box/Clinic Box Projects                      | 196,247            |
| Lymphatic Filariasis Programs                         | 162,673            |
| Burkitt’s Lymphoma Project                            | 81,892             |
| Diflucan Donation Program                             | 22,893             |
| World Bank – Lymphatic Filariasis Elimination Project | 316,685            |
| PMURR – DR Congo                                      | 21,931             |
| South Sudan Projects                                  | 1,455,140          |
| Other Grant Projects                                  | <u>202,592</u>     |
|   | <u>\$4,512,879</u> |

#### (4) PENSION PLANS

Employees of IMA with at least one year of service are enrolled in a simplified employed pension plan administered by Merrill Lynch or another qualified institution. The contributions made on behalf of these employees are carried on an accumulation basis. Upon retirement, pension benefits are provided by the money-purchase method, that is, to the extent of each employee’s accumulations. No actuarial valuation is needed to determine the required reserves for future pension benefits. Total pension costs were approximately \$109,100 and \$108,600 for the years ended June 30, 2009 and 2008, respectively.

In addition, IMA has a 403(b) plan for employee contributions. IMA does not contribute to this plan.

#### (5) COMMITMENTS

IMA maintains a line-of-credit with a bank on which the maximum permitted outstanding balance is \$50,000. Principal is due on demand and interest is at the prime rate plus 1%. IMA had no balance outstanding as of June 30, 2009 and 2008. Under the line-of-credit agreement, all borrowings are secured by temporary investments.

## **SUPPLEMENTAL INFORMATION**

*TAIT, WELLER & BAKER LLP*  
*Certified Public Accountants*

**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS  
ON SUPPLEMENTAL INFORMATION**

**Board of Directors  
Interchurch Medical Assistance, Inc.  
New Windsor, Maryland**

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of Interchurch Medical Assistance, Inc. as of and for the year ended June 30, 2009, taken as a whole, which are presented in the preceding section of this report. The accompanying supplemental information presented in Pages 10 to 19, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

*Tait, Weller & Baker LLP*

**Philadelphia, Pennsylvania  
March 11, 2010**

# INTERCHURCH MEDICAL ASSISTANCE, INC.

## MEMBER SUPPORT

Year ended June 30, 2009 with Summarized Information for 2008

|   | UNRESTRICTED           |                       |                  |                                  |                  | RESTRICTED                       |                                  |                      |                      |                                |                                |
|---|------------------------|-----------------------|------------------|----------------------------------|------------------|----------------------------------|----------------------------------|----------------------|----------------------|--------------------------------|--------------------------------|
|   | Administrative Support | Purchase Service Fees | Core Grants      | Support For Executive Transition | Membership Dues  | Total Unrestricted June 30, 2009 | Total Unrestricted June 30, 2008 | Medicine Box Program | Other Grant Projects | Total Restricted June 30, 2009 | Total Restricted June 30, 2008 |
| Adventist Development and Relief Agency, International  | \$ -                   | \$ -                  | \$ -             | \$ -                             | \$ 1,000         | \$ 1,000                         | \$ 1,000                         | \$ -                 | \$ -                 | \$ -                           | \$ -                           |
| American Baptist Board of International Ministries *    | -                      | 83                    | -                | -                                | 1,000            | 1,083                            | 1,320                            | -                    | -                    | -                              | -                              |
| Christian Church Disciples of Christ/Week of Compassion | -                      | -                     | 11,000           | 500                              | 1,000            | 12,500                           | 8,000                            | 3,500                | 45,000               | 48,500                         | 12,574                         |
| Church of the Brethren General Board                    | 1,402                  | 35                    | -                | 3,000                            | 1,000            | 5,437                            | 1,060                            | 3,950                | -                    | 3,950                          | 13,100                         |
| Church World Service                                    | -                      | -                     | 1,000            | -                                | 1,000            | 2,000                            | 9,577                            | 9,750                | -                    | 9,750                          | -                              |
| Episcopal Church  | -                      | -                     | 4,000            | -                                | 1,000            | 5,000                            | 1,000                            | -                    | -                    | -                              | -                              |
| Lutheran World Relief, Incorporated                     | -                      | -                     | -                | 4,000                            | 1,000            | 5,000                            | 1,000                            | 5,200                | -                    | 5,200                          | 23,500                         |
| Mennonite Central Committee                             | 35                     | 140                   | 1,500            | -                                | 1,000            | 2,675                            | 1,690                            | -                    | -                    | -                              | 3,500                          |
| Presbyterian Church (U.S.A.) *                          | 35                     | 456                   | -                | -                                | 1,000            | 1,491                            | 2,576                            | 11,550               | 6,581                | 18,131                         | 114,304                        |
| United Church Board for World Ministries                | -                      | -                     | -                | 2,000                            | 1,000            | 3,000                            | 1,000                            | -                    | -                    | -                              | 6,000                          |
| United Methodist Church/UMCOR                           | 15,428                 | 175                   | -                | -                                | 1,000            | 16,603                           | 72,756                           | 8,550                | -                    | 8,550                          | 31,225                         |
| Vellore Christian Medical College Board                 | -                      | 163                   | -                | -                                | 1,000            | 1,163                            | 1,249                            | -                    | -                    | -                              | -                              |
|   | <u>\$ 16,900</u>       | <u>\$ 1,052</u>       | <u>\$ 17,500</u> | <u>\$ 9,500</u>                  | <u>\$ 12,000</u> | <u>\$ 56,952</u>                 | <u>\$ 102,228</u>                | <u>\$ 42,500</u>     | <u>\$ 51,581</u>     | <u>\$ 94,081</u>               | <u>\$ 204,203</u>              |

\* Does not include the value of seconded personnel working in the Democratic Republic of Congo.

# INTERCHURCH MEDICAL ASSISTANCE, INC.

## GENERAL OPERATING FUNDS – COMPARISON OF ACTUAL INCOME AND EXPENSES TO BUDGET

Year ended June 30, 2009

|  | <u>Actual</u>      | <u>Budget</u>      | <u>Variance</u>  |
|--|--------------------|--------------------|------------------|
| <b>BUDGETED INCOME</b>                                   |                    |                    |                  |
| Administrative Support                                   |                    |                    |                  |
| Members  | \$ 16,900          | \$ 45,000          | \$ (28,100)      |
| Non-Members  | 40,179             | 45,000             | (4,821)          |
| Purchase Program   | 10,916             | 6,000              | 4,916            |
| Other shipments  | 596,788            | 445,000            | 151,788          |
| Contributions  | 71,267             | 23,500             | 47,767           |
| Investment income  | <u>12,034</u>      | <u>20,000</u>      | <u>(7,966)</u>   |
| <b>Total income</b>                                      | <u>748,084</u>     | <u>584,500</u>     | <u>163,584</u>   |
| <b>BUDGETED EXPENSES</b>                                 |                    |                    |                  |
| Salaries and housing allowance                           | 1,186,511          | 1,233,702          | 47,191           |
| Employee benefits  | 380,888            | 450,870            | 69,982           |
| Insurance  | 14,984             | 14,401             | (583)            |
| Staff travel   | 132,802            | 63,395             | (69,407)         |
| Office operation and rent                                | 215,182            | 115,378            | (99,804)         |
| Postage and miscellaneous freight                        | 9,089              | 7,000              | (2,089)          |
| Telephone and telecommunications                         | 21,399             | 22,385             | 986              |
| Media and marketing services                             | 20,431             | 31,850             | 11,419           |
| Professional fees  | 176,850            | 68,500             | (108,350)        |
| Publication and printing                                 | 25,889             | 20,500             | (5,389)          |
| Dues and subscriptions                                   | 18,161             | 12,100             | (6,061)          |
| Professional development                                 | 12,536             | 11,200             | (1,336)          |
| Computer services  | 72,790             | 23,825             | (48,965)         |
| Cost of destruction of donated materials                 | 226                | 1,200              | 974              |
| Depreciation   | 19,063             | 3,000              | (16,063)         |
| Equipment maintenance                                    | 10,049             | 9,493              | (556)            |
| Bank fees  | 7,111              | 5,200              | (1,911)          |
| Miscellaneous  | <u>10,257</u>      | <u>9,000</u>       | <u>(1,257)</u>   |
| <b>Total expenses</b>                                    | <u>2,334,218</u>   | <u>2,102,999</u>   | <u>(231,219)</u> |
| <b>Deficiency of income over expenses</b>                | <u>(1,586,134)</u> | <u>(1,518,499)</u> | <u>(67,635)</u>  |
| <b>REIMBURSED INDIRECT COSTS</b>                         | <u>1,618,074</u>   | <u>1,524,342</u>   | <u>93,732</u>    |
| <b>Net excess of income over expenses – undesignated</b> | <u>\$ 31,940</u>   | <u>\$ 5,843</u>    | <u>\$ 26,097</u> |

# INTERCHURCH MEDICAL ASSISTANCE, INC.

## STATEMENT OF FUNCTIONAL EXPENSES

Year ended June 30, 2009 with Summarized Information for 2008

|  | <u>Program<br/>Services</u> | <u>General<br/>Administration</u> | <u>Promotion<br/>And<br/>Interpretation</u> | <u>2009</u>           | <u>2008</u>           |
|--|-----------------------------|-----------------------------------|---|-----------------------|-----------------------|
| Donated inventory shipped                | \$ 146,491,522              | \$ -                              | \$ -  | \$ 146,491,522        | \$ 113,885,133        |
| Grants                                   | 15,957,819                  | -                                 | -   | 15,957,819            | 15,204,432            |
| Procurement of equipment                 | 4,487,026                   | -                                 | -   | 4,487,026             | 1,448,817             |
| Salaries and housing allowance           | 1,031,493                   | 806,332                           | 218,249                                     | 2,056,074             | 1,158,049             |
| Employee benefits                        | 446,661                     | 254,358                           | 65,193                                      | 766,212               | 568,626               |
| Medical drugs and supplies               | 1,179,082                   | -                                 | -   | 1,179,082             | 1,392,613             |
| Insurance                                | 3,897                       | 11,117                            | -   | 15,014                | 23,243                |
| Staff travel                             | 287,349                     | 112,198                           | 4,065                                       | 403,612               | 394,926               |
| Board operations                         | -                           | 26,560                            | -   | 26,560                | 7,897                 |
| Office operation and rent                | 104,261                     | 159,268                           | 22,600                                      | 286,129               | 119,684               |
| Postage and freight                      | 111,253                     | 6,066                             | 2,565                                       | 119,884               | 88,041                |
| Telephone and telecommunications         | 10,071                      | 20,855                            | -   | 30,926                | 24,648                |
| Media and marketing services             | -                           | -                                 | 20,432                                      | 20,432                | 26,321                |
| Professional fees                        | 239,773                     | 146,460                           | 5,843                                       | 392,076               | 669,613               |
| Publication and printing                 | 3,001                       | 4,658                             | 21,231                                      | 28,890                | 30,939                |
| Professional development                 | 6,538                       | 12,418                            | 118   | 19,074                | 17,832                |
| Computer services                        | 300                         | 64,382                            | 8,408                                       | 73,090                | 29,594                |
| Cost of destruction of donated materials | -                           | 226                               | -   | 226                   | 470                   |
| Depreciation                             | 21,432                      | 3,732                             | -   | 25,164                | 4,322                 |
| Equipment maintenance                    | 28                          | 10,049                            | -   | 10,077                | 9,189                 |
| Bank fees                                | 17,142                      | 6,686                             | -   | 23,828                | 12,739                |
| Miscellaneous                            | 2,101                       | 9,933                             | 321   | 12,355                | 13,537                |
|  | <u>\$ 170,400,749</u>       | <u>\$ 1,655,298</u>               | <u>\$ 369,025</u>                           | <u>\$ 172,425,072</u> | <u>\$ 135,130,665</u> |

# INTERCHURCH MEDICAL ASSISTANCE, INC.

## U.S. AID COOPERATIVE AGREEMENT – AXXES SCHEDULE OF REVENUES AND EXPENDITURES

Year ended June 30, 2009 with Cumulative Amounts through June 30, 2009

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|  | <b>Year Ended<br/>June 30,<br/>2009</b> | <b>Cumulative<br/>Amounts<br/>Through<br/>June 30,<br/>2009</b> |
|--|---|---|
| <b>REVENUE</b>                             |   |   |
| U.S. Government Grants                     | \$15,767,330                            | \$37,871,728  |
| Investment income                          | <u>24</u>                               | <u>263</u>  |
| <b>Total revenue</b>                       | <u>15,767,354</u>                       | <u>37,871,991</u>   |
| <b>EXPENDITURES</b>                        |   |   |
| Salaries                                   | 66,893                                  | 177,542   |
| Fringe benefits                            | 186,377                                 | 369,925   |
| Allowances                                 | 72,646                                  | 340,854   |
| Consultant costs                           | 44,418                                  | 177,978   |
| Travel                                     | 47,266                                  | 129,526   |
| Equipment                                  | -                                       | 311,239   |
| Supplies                                   | 4,292,888                               | 5,830,535   |
| Contractual costs                          | 10,085,645                              | 28,436,704  |
| Other direct costs                         | 39,063                                  | 108,377   |
| Indirect costs                             | <u>932,158</u>                          | <u>1,989,311</u>  |
| <b>Total expenditures</b>                  | <u>15,767,354</u>                       | <u>37,871,991</u>   |
| <b>Excess of revenue over expenditures</b> | <u>\$ -</u>                             | <u>\$ -</u>   |

# INTERCHURCH MEDICAL ASSISTANCE, INC.

## WORLD BANK LYMPHATIC FILARIASIS PROJECT – 301 – SCHEDULE OF REVENUE AND EXPENDITURES

Year ended June 30, 2009 with Cumulative Amounts through June 30, 2009

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|  | <b>Year Ended<br/>June 30,<br/>2009</b> | <b>Cumulative<br/>Amounts<br/>Through<br/>June 30,<br/>2009</b> |
|--|---|---|
| <b>REVENUE</b>                             |   |   |
| Contributions and Grants                   | \$ -                                    | \$1,266,492   |
| Investment income                          | <u>9,754</u>                            | <u>24,165</u>   |
| <b>Total revenue</b>                       | <u>9,754</u>                            | <u>1,290,657</u>  |
| <b>EXPENDITURES</b>                        |   |   |
| Subgrants                                  | 259,004                                 | 370,692   |
| IMA Headquarters Support                   | <u>57,681</u>                           | <u>118,927</u>  |
| <b>Total expenditures</b>                  | <u>316,685</u>                          | <u>489,619</u>  |
| <b>Excess of revenue over expenditures</b> | <u>\$(306,931)</u>                      | <u>\$ 801,038</u>   |

# INTERCHURCH MEDICAL ASSISTANCE, INC.

## SUBGRANT FROM CATHOLIC RELIEF SERVICES – AIDS RELIEF PROJECT – SCHEDULE OF REVENUES AND EXPENDITURES

(Funding from President's Emergency Plan for AIDS Relief (PEPFAR))

Year ended June 30, 2009 with Cumulative Amounts through June 30, 2009

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|                                | <b>Year Ended<br/>June 30,<br/>2009</b> | <b>Cumulative<br/>Amounts<br/>Through<br/>June 30,<br/>2009</b> |
|--------------------------------|---|---|
| <b>REVENUE</b>                 |   |   |
| U.S. Government Grants         | \$3,003,424                             | \$18,163,634  |
| Investment income              | <u>218</u>                              | <u>1,924</u>  |
| <b>Total revenue</b>           | <u>3,003,642</u>                        | <u>18,165,558</u>   |
| <b>EXPENDITURES</b>            |   |   |
| Salaries and Wages             | 970,154                                 | 3,239,528   |
| Fringe Benefits and Allowances | 338,986                                 | 1,101,411   |
| Consultants                    | 10,226                                  | 170,712   |
| Equipment/Supplies             | 302,948                                 | 2,616,701   |
| ARV Medicines                  | -                                       | 6,660,777   |
| Travel                         | 513,379                                 | 1,523,955   |
| Other Direct Costs             | 619,297                                 | 1,829,613   |
| Subcontracts                   | <u>-</u>                                | <u>165,914</u>  |
| Total Direct Costs             | 2,754,990                               | 17,308,611  |
| Indirect Costs                 | <u>248,652</u>                          | <u>856,947</u>  |
| <b>Total expenditures</b>      | <u>3,003,642</u>                        | <u>18,165,558</u>   |
| <b>Total Expenditures</b>      | <u>\$ -</u>                             | <u>\$ -</u>   |

# INTERCHURCH MEDICAL ASSISTANCE, INC.

## SUBGRANT FROM RTI INTERNATIONAL – NEGLECTED TROPICAL DISEASES PROJECT SCHEDULE OF REVENUES AND EXPENDITURES

Year ended June 30, 2009 with Cumulative Amounts through June 30, 2009

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|   | <b>Year Ended<br/>June 30,<br/>2009</b> | <b>Cumulative<br/>Amounts<br/>Through<br/>June 30,<br/>2009</b> |
|---|---|---|
| <b>REVENUE</b>                          |   |   |
| U.S. Government Grants                  | \$ 1,147,421                            | \$ 1,355,949  |
| <b>Total revenue</b>                    | <u>1,147,421</u>                        | <u>1,355,949</u>  |
| <b>EXPENDITURES</b>                     |   |   |
| Salary/Fringes (HQ Based)               | 113,843                                 | 119,664   |
| Salary/Fringes (Field Based)            | 106,794                                 | 106,794   |
| International Travel                    | 21,122                                  | 37,731  |
| In-Country Travel                       | 2,584                                   | 3,164   |
| Equipment                               | 6,362                                   | 10,611  |
| Other Direct Costs (Country Management) | 49,167                                  | 49,742  |
| Technical Assistance (Consultants)      | 5,702                                   | 49,137  |
| Mass Drug Administration (MDA)          | 747,009                                 | 867,932   |
| Indirect Costs                          | <u>94,838</u>                           | <u>111,174</u>  |
| Total expenditures                      | <u>1,147,421</u>                        | <u>1,355,949</u>  |
| Excess of revenue over expenditures     | <u>\$ -</u>                             | <u>\$ -</u>   |

# INTERCHURCH MEDICAL ASSISTANCE, INC.

## CAPACITY PROJECT – SUBGRANT FROM INTRAHEALTH INTERNATIONAL SCHEDULE OF REVENUE AND EXPENDITURES

Year ended June 30, 2009 with Cumulative Amounts through June 30, 2009

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|                                     | Year Ended<br>June 30,<br>2009 | Cumulative<br>Amounts<br>Through<br>June 30,<br>2009 |
|-------------------------------------|--------------------------------|--|
| <b>REVENUE</b>                      |                                |  |
| U.S. Government Grants              | \$203,950                      | \$1,156,738  |
| <b>Total revenue</b>                | <u>203,950</u>                 | <u>1,156,738</u>                                     |
| <b>EXPENDITURES</b>                 |                                |  |
| Salaries                            | 35,021                         | 142,528  |
| Fringe Benefits                     | 8,720                          | 37,377   |
| Domestic Travel                     | 15,624                         | 58,629   |
| International Travel                | 45,144                         | 202,121  |
| Other Direct Costs                  | 11,156                         | 146,704  |
| Professional Fees                   | 71,428                         | 466,407  |
| Contractual Costs                   | -                              | 1,951  |
| Indirect Costs                      | <u>16,857</u>                  | <u>101,021</u>                                       |
| <b>Total expenditures</b>           | <u>203,950</u>                 | <u>1,156,738</u>                                     |
| Excess of revenue over expenditures | <u>\$ -</u>                    | <u>\$ -</u>  |

# INTERCHURCH MEDICAL ASSISTANCE, INC.

## ACCESS PROJECT – SUBGRANT FROM JHPIEGO SCHEDULE OF REVENUE AND EXPENDITURES

Year ended June 30, 2009 with Cumulative Amounts through June 30, 2009

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|                                     | <b>Year Ended<br/>June 30,<br/>2009</b> | <b>Cumulative<br/>Amounts<br/>Through<br/>June 30,<br/>2009</b> |
|-------------------------------------|---|---|
| <b>REVENUE</b>                      |   |   |
| U.S. Government Grants              | \$216,864                               | \$1,140,566   |
| <b>Total revenue</b>                | <u>216,864</u>                          | <u>1,140,566</u>  |
| <b>EXPENDITURES</b>                 |   |   |
| Salaries                            | 45,954                                  | 306,466   |
| Fringe Benefits                     | 12,558                                  | 95,182  |
| Domestic Travel                     | 3,411                                   | 19,702  |
| International Travel                | 16,037                                  | 142,337   |
| Other Direct Costs                  | 108,153                                 | 435,059   |
| Professional Fees                   | 12,827                                  | 40,392  |
| Contractual Costs                   | -                                       | 2,059   |
| Indirect Costs                      | <u>17,924</u>                           | <u>99,369</u>   |
| <b>Total expenditures</b>           | <u>216,864</u>                          | <u>1,140,566</u>  |
| Excess of revenue over expenditures | <u>\$ -</u>                             | <u>\$ -</u>   |

# INTERCHURCH MEDICAL ASSISTANCE, INC.

## HOME-BASE CARE PROJECT – SUBGRANT FROM PATHFINDER INTERNATIONAL SCHEDULE OF REVENUE AND EXPENDITURES

Year ended June 30, 2009 with Cumulative Amounts through June 30, 2009

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|                                     | Year Ended<br>June 30,<br>2009 | Cumulative<br>Amounts<br>Through<br>June 30,<br>2009 |
|-------------------------------------|--------------------------------|--|
| <b>REVENUE</b>                      |                                |  |
| U.S. Government Grants              | \$ 339,766                     | \$877,887  |
| <b>Total revenue</b>                | <u>339,766</u>                 | <u>877,887</u>                                       |
| <b>EXPENDITURES</b>                 |                                |  |
| Salaries                            | 60,565                         | 150,128  |
| Fringe Benefits                     | 27,418                         | 73,913   |
| Domestic Travel                     | 16,034                         | 51,262   |
| International Travel                | 726                            | 5,072  |
| Other Direct Costs                  | 20,177                         | 111,452  |
| Professional Fees                   | -                              | 1,630  |
| Drugs and Pharmacy Supplies         | 186,763                        | 409,392  |
| Indirect Costs                      | <u>28,083</u>                  | <u>75,038</u>  |
| <b>Total expenditures</b>           | <u>339,766</u>                 | <u>877,887</u>                                       |
| Excess of revenue over expenditures | <u>\$ -</u>                    | <u>\$ -</u>  |