

**IBIS REPRODUCTIVE HEALTH, INC.**

Auditors' Report  
And  
Financial Statements

December 31, 2012 and 2011



**Daniel Dennis & Company LLP**  
*Certified Public Accountants*

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# **Ibis Reproductive Health, Inc.**

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## **Daniel Dennis & Company LLP**

*Certified Public Accountants*

To the Board of Directors of  
**Ibis Reproductive Health, Inc.**

### *Independent Auditors' Report*

We have audited the accompanying financial statements of Ibis Reproductive Health, Inc. (a nonprofit organization) (the Organization), which comprise the statements of financial position as of December 31, 2012 and 2011, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

#### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Organization's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Ibis Reproductive Health, Inc. as of December 31, 2012 and 2011, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

*Daniel Dennis & Company LLP*

*June 14, 2013*

**Ibis Reproductive Health, Inc.**  
 Statements of Financial Position  
 December 31, 2012 and 2011

<i>Assets</i>		
	2012	2011
<i>Current Assets</i>		
Cash	\$ 632,794	\$ 893,351
Funds held in trust	27,500	-
Accounts receivable	207,959	55,539
Contributions receivable	301,862	-
Other assets	28,529	13,583
Short-term investments	<u>948,922</u>	<u>1,025,266</u>
Total current assets	<u>2,147,566</u>	<u>1,987,739</u>
<i>Property and Equipment</i>		
Property and equipment	95,596	74,335
Less: accumulated depreciation	<u>(73,018)</u>	<u>(61,803)</u>
Net property and equipment	<u>22,578</u>	<u>12,532</u>
Total assets	<u>\$ 2,170,144</u>	<u>\$ 2,000,271</u>
<i>Liabilities and Net Assets</i>		
<i>Current Liabilities</i>		
Accrued expenses	\$ 50,456	\$ 43,666
Accrued vacation	36,559	42,581
Funds held in trust	<u>27,500</u>	<u>-</u>
Total current liabilities	<u>114,515</u>	<u>86,247</u>
<i>Net Assets</i>		
Unrestricted:		
Undesignated	120,551	106,663
Board designated	<u>153,939</u>	<u>153,019</u>
Total unrestricted	274,490	259,682
Temporarily restricted	<u>1,781,139</u>	<u>1,654,342</u>
Total net assets	<u>2,055,629</u>	<u>1,914,024</u>
Total liabilities and net assets	<u>\$ 2,170,144</u>	<u>\$ 2,000,271</u>

*See accompanying notes to financial statements.*

**Ibis Reproductive Health, Inc.**  
**Statements of Activities**  
For the Years Ended December 31, 2012 and 2011

	<u>2012</u>			<u>2011</u>		
	<i>Unrestricted</i>	<i>Temporarily Restricted</i>	<i>Total</i>	<i>Unrestricted</i>	<i>Temporarily Restricted</i>	<i>Total</i>
<i>Revenues, Gains and Other Support</i>						
Grant and contribution revenues	\$ 32,777	\$ 2,107,344	\$ 2,140,121	\$ 13,881	\$ 2,345,370	\$ 2,359,251
Contract revenues	34,748	-	34,748	-	-	-
In-kind donations	6,116	-	6,116	661	-	661
Interest income	3,563	-	3,563	4,296	-	4,296
Miscellaneous income	1,019	-	1,019	-	-	-
Foreign exchange loss, net	(1,844)	-	(1,844)	(7,336)	-	(7,336)
Net assets released from restrictions	<u>1,980,547</u>	<u>(1,980,547)</u>	<u>-</u>	<u>1,960,240</u>	<u>(1,960,240)</u>	<u>-</u>
 Total revenues, gains and other support	 <u>2,056,926</u>	 <u>126,797</u>	 <u>2,183,723</u>	 <u>1,971,742</u>	 <u>385,130</u>	 <u>2,356,872</u>
<i>Program Services Expenses</i>						
Program services	1,678,318	-	1,678,318	1,614,956	-	1,614,956
Fundraising	39,154	-	39,154	12,990	-	12,990
General and administrative	<u>324,646</u>	<u>-</u>	<u>324,646</u>	<u>339,522</u>	<u>-</u>	<u>339,522</u>
 Total expenses	 <u>2,042,118</u>	 <u>-</u>	 <u>2,042,118</u>	 <u>1,967,468</u>	 <u>-</u>	 <u>1,967,468</u>
 Change in net assets	 14,808	 126,797	 141,605	 4,274	 385,130	 389,404
Net assets at beginning of year	<u>259,682</u>	<u>1,654,342</u>	<u>1,914,024</u>	<u>255,408</u>	<u>1,269,212</u>	<u>1,524,620</u>
Net assets at end of year	<u>\$ 274,490</u>	<u>\$ 1,781,139</u>	<u>\$ 2,055,629</u>	<u>\$ 259,682</u>	<u>\$ 1,654,342</u>	<u>\$ 1,914,024</u>

*See accompanying notes to financial statements.*

**Ibis Reproductive Health, Inc.**  
**Statements of Functional Expenses**  
**For the Years Ended December 31, 2012 and 2011**

<i>Expenses</i>	<i>2012</i>				<i>2011</i>			
	<i>Program Services</i>	<i>General and Administrative</i>	<i>Fundraising</i>	<i>Total Expenses</i>	<i>Program Services</i>	<i>General and Administrative</i>	<i>Fundraising</i>	<i>Total Expenses</i>
Salaries	\$ 779,711	\$ 143,389	\$ 20,519	\$ 943,619	\$ 764,535	\$ 152,817	\$ 10,173	\$ 927,525
Payroll taxes and employee benefits	199,866	37,885	4,974	242,725	191,259	38,031	2,486	231,776
Consultants	339,465	16,440	1,958	357,863	322,088	12,043	-	334,131
Travel and entertainment	152,402	18,463	399	171,264	152,285	16,044	-	168,329
Rent	121,415	17,354	-	138,769	104,787	19,750	-	124,537
Supplies	15,271	10,768	723	26,762	11,234	6,637	-	17,871
Professional fees	15,120	31,270	-	46,390	32,125	26,318	-	58,443
Telephone	5,025	14,959	-	19,984	6,861	24,714	-	31,575
Postage	3,319	1,827	771	5,917	1,539	1,951	-	3,490
Printing	14,040	-	2,318	16,358	5,209	-	-	5,209
Insurance	-	4,179	-	4,179	-	5,819	-	5,819
Meetings and conferences	24,506	1,998	7,087	33,591	8,998	1,612	-	10,610
Miscellaneous	8,178	14,899	405	23,482	14,036	15,430	331	29,797
Depreciation	-	11,215	-	11,215	-	18,356	-	18,356
<b>Total expenses</b>	<b>\$ 1,678,318</b>	<b>\$ 324,646</b>	<b>\$ 39,154</b>	<b>\$ 2,042,118</b>	<b>\$ 1,614,956</b>	<b>\$ 339,522</b>	<b>\$ 12,990</b>	<b>\$ 1,967,468</b>

*See accompanying notes to financial statements.*

**Ibis Reproductive Health, Inc.**  
**Statements of Cash Flows**  
For the Years Ended December 31, 2012 and 2011

	2012	2011
<i>Cash Flows from Operating Activities</i>		
Change in net assets	\$ 141,605	\$ 389,404
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	11,215	18,356
Decrease/(increase) in assets:		
Funds held in trust	(27,500)	-
Accounts receivable	(152,420)	31,847
Promises to give	(301,862)	-
Other assets	(14,946)	8,571
Increase/(decrease) in liabilities:		
Accrued expenses	768	1,138
Funds held in trust	<u>27,500</u>	<u>-</u>
Net cash (used in) provided by operating activities	<u>(315,640)</u>	<u>449,316</u>
<i>Cash Flows from Investing Activities</i>		
Sale of short-term investments	456,987	-
Purchase of short-term investments	(380,643)	(244,795)
Purchase of property and equipment	<u>(21,261)</u>	<u>(8,079)</u>
Net cash provided by (used in) investing activities	<u>55,083</u>	<u>(252,874)</u>
Net change in cash	(260,557)	196,442
Cash - beginning of year	<u>893,351</u>	<u>696,909</u>
Cash - end of year	<u>\$ 632,794</u>	<u>\$ 893,351</u>

*See accompanying notes to financial statements.*

## **Ibis Reproductive Health, Inc.**

Notes to Financial Statements

December 31, 2012 and 2011

### **1. *Organization***

Ibis Reproductive Health, Inc., (the Organization) is a Massachusetts not-for-profit corporation that conducts clinical and social sciences research, advocates for medical reform, and analyzes policy in order to improve women's reproductive autonomy and health throughout the world. The Organization commenced operations in January 2002.

### **2. *Summary of Significant Accounting Policies***

#### *Basis of Accounting*

The financial statements of the Organization have been prepared on the accrual basis of accounting. Accordingly, revenue is recorded when earned and expenses when goods are received or services rendered.

#### *Income Tax Status*

The Organization is exempt from income taxes as a non-profit corporation under Section 501(c)(3) of the U.S. Internal Revenue Code and is also exempt from state income taxes, except for income taxes on unrelated business income, if any. For the years ended December 31, 2012 and 2011, the Organization had no unrelated business income subject to income taxes. Accordingly, no provision for income taxes has been included in these financial statements.

The Organization evaluates tax positions taken or expected to be taken in its tax returns to determine whether the tax positions are *more-likely-than-not* of being sustained by the applicable Federal and state tax authority. Tax positions not deemed to meet the *more-likely-than-not* threshold, along with accrued interest and penalty thereon would be recorded as an expense in the current year financial statements. At December 31, 2012 and 2011 the Organization believes that it has no uncertain tax positions within any of its open tax years. The Organization's 2009 through 2011 tax years remain subject to examination by Federal and state authorities.

#### *Cash and Cash Equivalents*

For the purposes of the statement of financial position and the statement of cash flows, the Organization considers all short-term investments with an original maturity of three months or less to be cash equivalents. Cash and cash equivalents includes all of the bank accounts of the Organization, including a bank account in South Africa maintained in the currency Rands. The balance in this account is translated using the current exchange rate with any gains and losses included in the statement of activities and changes in net assets. As of December 31, 2012 and 2011 the Organization held no cash equivalents.

**Ibis Reproductive Health, Inc.**

Notes to Financial Statements

December 31, 2012 and 2011

**2. Summary of Significant Accounting Policies - continued**

*Investments*

The Organization adopted the *Fair Value Measurement* for the measurement of investments that are recognized and disclosed in the financial statements on a recurring basis. A fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

- Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical investments that the Organization has the ability to access at the measurement date.
- Level 2 - Inputs are measurements other than quoted prices included within Level 1 that are observable for the investments, either directly or indirectly.
- Level 3 - Inputs are unobservable inputs for the investments.

The level in the fair value hierarchy within which a fair value measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement.

Investments are composed of certificates of deposits and money market funds. Realized and unrealized gains and losses are reported in the *Statement of Activities*. Investment income (interest and dividends) is recognized as revenue in the period it is earned and gains and losses are recognized as changes in net assets in the accounting periods in which they occur.

*Accounts Receivable and Allowance for Doubtful Accounts*

Accounts receivable are stated at the amount the Organization expects to collect from outstanding balances. The Organization provides for losses on accounts receivable using the allowance method. This method is based on the review of the current status of the existing receivables, historical collection experience and other circumstances which may affect the ability of the Organization to receive the amount due. At December 31, 2012 and 2011 the Organization believes that all receivables are fully collectible, therefore no allowance is recorded.

*Fixed Assets*

Fixed assets consist of furniture, equipment and leasehold improvements and are recorded at cost or at fair market value at the date of donation. The Organization capitalizes all fixed assets greater than \$500. Depreciation is recognized over the estimated useful life of the asset using the straight-line method.

**Ibis Reproductive Health, Inc.**

Notes to Financial Statements

December 31, 2012 and 2011

2. *Summary of Significant Accounting Policies - continued*

*Donated Services*

The Organization receives contributions of time and resources from various volunteers and foundations to develop its programs. Services that create or enhance non-financial assets or require specialized skills and are performed by people possessing those skills are recorded, at the estimated fair value, as contributions and expenses. The Organization received \$6,116 and \$661 in donated services for the years ended December 31, 2012 and 2011, respectively. These amounts have been reported as both in-kind contribution revenue and in-kind program support expense.

*Financial Statements Presentation*

The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted and permanently restricted. The Organization did not have any permanently restricted net assets at December 31, 2012 and 2011. Net assets and changes therein are reported in the following net asset categories:

*Unrestricted Net Assets* - consist of assets, public support and program revenues, which are available and used for operations and programs. Contributions are considered available for unrestricted use unless specifically restricted by the donor. Unrestricted net assets represent funds available for current operations other than plant and equipment.

*Temporarily Restricted Net Assets* - include the Organization's funds subject to donor-imposed restrictions relevant to time or purpose. These resources are availed upon meeting the purpose restrictions or the passage of time and are then reflected as "net assets released from restrictions." Resources of this nature originate from gifts, grants, bequests and contracts.

*Contributions*

Contributions, including unconditional promises to give, are recognized as revenue in the period received or promised. Restricted contributions are reflected within the appropriate net asset class when received or pledged; amounts released from restrictions are recorded as net assets released from restriction. Temporarily restricted contributions received where related restrictions are met in the same reporting period are classified as released from restriction in that period. Conditional promises to give are not recognized until they become unconditional, that is when the conditions set forth by the contributor are substantially met. Contributions of assets other than cash are recorded at their estimated fair value on the date of contribution.

**Ibis Reproductive Health, Inc.**

Notes to Financial Statements

December 31, 2012 and 2011

**2. Summary of Significant Accounting Policies - continued**

*Use of Estimates*

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**3. Fixed Assets**

Fixed assets consisted of the following as of December 31, 2012 and 2011:

<i>Description</i>	<i>2012</i>	<i>2011</i>
Furniture, fixtures and equipment	\$ 19,291	\$ 14,361
Computer hardware	35,069	25,348
Computer software	35,078	28,468
Leasehold improvements	<u>6,158</u>	<u>6,158</u>
Total	95,596	74,335
Less: Accumulated depreciation	<u>(73,018)</u>	<u>(61,803)</u>
Net	<u>\$ 22,578</u>	<u>\$ 12,532</u>

Depreciation expense was \$11,215 and \$18,356 for the years ended December 31, 2012 and 2011, respectively.

**4. Temporarily Restricted Net Assets**

Net assets represent the cumulative excess of revenue, gains and other support over expenses. Net assets of the Organization consist of two components, unrestricted and temporarily restricted. Unrestricted funds are not restricted as to use. Temporarily restricted funds are restricted to use by donor or grant requirements.

*Temporarily Restricted*

At December 31, 2012 and 2011, temporarily restricted net assets were restricted for the following:

<i>Description</i>	<i>2012</i>	<i>2011</i>
Specific research projects	\$ 826,682	\$ 1,416,655
Time restricted	<u>954,457</u>	<u>237,687</u>
Total restricted	<u>\$ 1,781,139</u>	<u>\$ 1,654,342</u>

**Ibis Reproductive Health, Inc.**

Notes to Financial Statements

December 31, 2012 and 2011

**5. Board Designated Net Assets**

The Board of Directors have designated a portion of the unrestricted net assets at December 31, 2012 and 2011 for future needs of the Organization. This amount is designated in a separate investment account and the earnings thereon will also be board designated. The balance of the board restricted net assets at December 31, 2012 and 2011 was as follows:

	<i>2012</i>	<i>2011</i>
Beginning balance	\$ 153,019	\$ 152,291
Interest earned	920	728
Additions	-	-
Ending balance	<u>\$ 153,939</u>	<u>\$ 153,019</u>

**6. Contributions Receivable**

Contributions receivable represent unconditional promises to give. Unconditional promises to give are included in the financial statements as contributions receivable and revenue within the appropriate net asset category. All the unconditional promises to give are due within one year and represent the fair market value. As of December 31, 2012 and 2011 unconditional promises to give were \$301,862 and \$0, respectively.

**7. Conditional Promises to Give**

During 2012 and 2011 the Organization received conditional promises to give of \$377,058 and \$139,613, respectively that contained both programmatic and time restrictions. Since these funds represent conditional promises to give, they are not recorded as revenue until donor conditions are met.

**8. Lease Commitments**

The Organization leases office space in Cambridge, Massachusetts under an operating lease agreement expiring on June 30, 2016. Under the terms of the operating lease agreement, the Organization pays monthly rent along with certain pass through costs associated with the operation of the building.

The Organization leases office space in San Francisco, California under an operating lease agreement expiring May 31, 2013. Subsequent to year end the Organization entered into a new operating lease expiring May 31, 2014.

**Ibis Reproductive Health, Inc.**

Notes to Financial Statements

December 31, 2012 and 2011

**8. Lease Commitments – continued**

The Organization leases office space in Johannesburg, South Africa under an operating lease agreement. The initial lease expired on March 31, 2012 and a new lease commenced May 1, 2012 and will expire on April 30, 2015. Under the terms of the operating lease agreement, the Organization pays for certain operating costs per month. The lease also includes an 8% escalator per annum.

Future minimum annual rental payments required under these operating lease commitments are as follows:

<i>Year</i>	<i>Amount</i>
2013	\$ 111,123
2014	\$ 96,253
2015	\$ 81,575
2016	\$ 40,788

Rent expense was \$138,769 and \$124,537 in 2012 and 2011, respectively.

**9. Related Party Transactions**

*Grant Income*

During 2011 the Organization received grants from two organizations that employ members of the Organization's Board of Directors. The total grant income from these organizations was \$94,915 for year ended December 31, 2011. The Organization did not receive any grants from these two organizations during 2012.

*Other Related Party Income*

During 2012 and 2011 the Organization paid \$1,385 and \$0, respectively to relatives of employees of the Organization for consulting services.

*Board Meeting Expenses*

During 2012 and 2011 the Organization paid \$4,673 and \$1,973, respectively to board members as reimbursement for travel expenses for board meetings held during the year.

*Due From Employees*

As of December 31, 2012 and 2011 the Organization has receivables of \$522 and \$179, respectively from employees.

**Ibis Reproductive Health, Inc.**

Notes to Financial Statements

December 31, 2012 and 2011

**10. Tax-Deferred Annuity Plan**

The Organization sponsors a tax-deferred annuity plan qualified under Section 403(b) of the Internal Revenue Code. The plan covers the majority of its employees. Employees may make contributions to the plan up to the maximum amount allowed by the Internal Revenue Code. Contributions by the Organization are discretionary and were \$54,157 and \$57,053 for the years ended December 31, 2012 and 2011, respectively.

**11. Short Term Investments**

The following is a summary of the short-term investment portfolio as of December 31, 2012 and 2011 and the total unrealized appreciation or depreciation:

<i>2012</i>	<i>Cost</i>	<i>Fair Market Value</i>	<i>Unrealized Appreciation/ (Depreciation)</i>
Money market funds	\$ 569,002	\$ 569,002	\$ -
Certificates of deposit	<u>380,000</u>	<u>379,920</u>	<u>(80)</u>
Total	<u>\$ 949,002</u>	<u>\$ 948,922</u>	<u>\$ 80</u>

  

<i>2011</i>	<i>Cost</i>	<i>Fair Market Value</i>	<i>Unrealized Appreciation/ (Depreciation)</i>
Money market funds	\$ 645,629	645,629	\$ -
Certificates of deposit	<u>379,637</u>	<u>379,637</u>	<u>-</u>
Total	<u>\$ 1,025,266</u>	<u>\$ 1,025,266</u>	<u>\$ -</u>

The certificates of deposit have been valued using the income approach. The income approach to fair value measurement estimates the fair value by calculating the present value of future cash flows that the asset is expected to generate over its lifetime. The cash flows are discounted to the measurement date at the rate of return that is required to compensate for the risk associated with the receipt of the future cash flows. There were no changes in the valuation technique during the current year.

The money market funds are subject to ongoing market fluctuations. The fair value of the investments included on the *Statement of Financial Position* is measured based on other than quoted prices. There were no changes in the valuation technique during the current year.

**Ibis Reproductive Health, Inc.**

Notes to Financial Statements

December 31, 2012 and 2011

**11. Short Term Investments – continued**

Fair value of the assets is measured on a recurring basis (Level 2) and at December 31, 2012 and 2011 were as follows:

<i>Assets at Fair Value as of December 31, 2012</i>				
<i>Description</i>	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Total</i>
Money market funds	\$ -	\$ 569,002	\$ -	\$ 569,002
Certificates of deposit	-	379,920	-	379,920
Total investments at fair value	<u>\$ -</u>	<u>\$ 948,922</u>	<u>\$ -</u>	<u>\$ 948,922</u>

<i>Assets at Fair Value as of December 31, 2011</i>				
<i>Description</i>	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Total</i>
Money market funds	\$ -	\$ 645,629	\$ -	\$ 645,629
Certificates of deposit	-	379,637	-	379,637
Total investments at fair value	<u>\$ -</u>	<u>\$ 1,025,266</u>	<u>\$ -</u>	<u>\$ 1,025,266</u>

Investment income from the certificates of deposit and money market funds as of December 31, 2012 and 2011 was \$2,156 and \$2,802, respectively, and is included in interest income on the *Statement of Activities*.

**12. Contingency – Foreign Operations**

The Organization maintains an office outside the United States. Foreign operations are subject to risks inherent in operations under different legal systems and various political and economic environments. Among the risks are changes in existing tax laws, possible limitations on foreign investment, government price or foreign exchange controls, and restrictions on currency exchange. Net assets of foreign operations are less than 10% of the Organization's total net assets.

All assets and liabilities of the South African operations are translated at daily exchange rates; support and revenue and expenses are translated at daily exchange rates during the year. Translation adjustments for such assets and liabilities are accumulated separately in unrestricted net assets and the accumulated unrealized loss was \$1,844 and \$7,336 for the years ended December 31, 2012 and 2011 respectively. Gains and losses from foreign currency translation for the period are included in the statement of activities.

**Ibis Reproductive Health, Inc.**

Notes to Financial Statements

December 31, 2012 and 2011

**13. Significant Concentrations**

*Credit Risk*

The Organization holds accounts at the financial institutions in the United States and in South Africa. The Organization maintains its accounts held in the United States at institutions that are insured by the Federal Deposit Insurance Corporation (FDIC). The Organization does not believe it is exposed to any significant credit risk on cash, which at times, exceeds federally insured limits. The accounts held in South Africa are not insured, however the Organization has not experienced any losses and does not believe it is exposed to any significant credit risks.

*Income*

The Organization received approximately 52% and 56% of its support and revenue from four sources during the years ended December 31, 2012 and 2011, respectively.

**14. Fiscal Agent**

During 2012 the Organization acted as a fiscal agent. As of December 31, 2012 the funds received and not disbursed to the third party were \$27,500 and are recorded as an asset and a liability in the *Statement of Financial Position*.

**15. Subsequent Events**

The Organization has performed an evaluation of subsequent events through June 14, 2013 which is the date of the Organization's financial statements were available to be issued. No material subsequent events have occurred since December 31, 2012 that requires recognition or disclosure in these financial statements.