

**IDE INTERNATIONAL  
DEVELOPMENT ENTERPRISES  
ASSOCIATION INC.**

**Financial Statements**  
For the year ended December 31, 2009

# **IDE INTERNATIONAL DEVELOPMENT ENTERPRISES ASSOCIATION INC.**

**Financial Statements**  
For the year ended December 31, 2009

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## Auditors' Report

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**To the Members of  
IDE INTERNATIONAL DEVELOPMENT ENTERPRISES ASSOCIATION INC.**

We have audited the statement of financial position of **IDE INTERNATIONAL DEVELOPMENT ENTERPRISES ASSOCIATION INC.** as at December 31, 2009 and the statements of operations and changes in net assets 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.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance 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.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the organization as at December 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

*BDO Canada LLP*

Chartered Accountants

Winnipeg, Manitoba  
February 25, 2010

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**IDE INTERNATIONAL DEVELOPMENT ENTERPRISES  
ASSOCIATION INC.  
Statement of Financial Position**

December 31	2009	2008
<b>Assets</b>		
<b>Current Assets</b>		
Cash and bank	\$ 258,192	\$ 357,860
Accounts receivable	11,230	14,617
Project advances	151,617	132,269
	<u>421,039</u>	<u>504,746</u>
Capital assets (Note 2)	15,592	1,898
	<u>\$ 436,631</u>	<u>\$ 506,644</u>

**Liabilities and Net Assets**

<b>Current Liabilities</b>		
Accounts payable and accrued liabilities	\$ 82,142	\$ 12,177
Deferred revenue	139,734	147,118
	<u>221,876</u>	<u>159,295</u>
<b>Net Assets</b>		
Invested in capital assets	15,592	1,898
Internally restricted	124,599	124,599
Unrestricted	74,564	220,852
	<u>214,755</u>	<u>347,349</u>
	<u>\$ 436,631</u>	<u>\$ 506,644</u>

Approved on behalf of the Board:



Director



Director

**IDE INTERNATIONAL DEVELOPMENT ENTERPRISES ASSOCIATION INC.**  
**Statement of Changes in Net Assets**

<b>For the year ended December 31</b>	<b>2009</b>				<b>2008</b>	
	<b>Invested in Capital Assets</b>	<b>Internally Restricted</b>	<b>Unrestricted</b>	<b>Total</b>		
<b>Net assets</b> , beginning of year	\$ 1,898	\$ 124,599	\$ 220,852	\$ 347,349	\$ 499,564	
<b>Excess (deficiency) of revenue over expenditures for the year</b>	(632)	-	(131,962)	(132,594)	(152,215)	
Purchase of capital assets	14,326	-	(14,326)	-	-	
<b>Net assets</b> , end of year	<b>\$ 15,592</b>	<b>\$ 124,599</b>	<b>\$ 74,564</b>	<b>\$ 214,755</b>	<b>\$ 347,349</b>	

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

**IDE INTERNATIONAL DEVELOPMENT ENTERPRISES  
ASSOCIATION INC.  
Statement of Operations**

<b>For the year ended December 31</b>	<b>2009</b>	<b>2008</b>
<b>Revenue</b>		
Donations		
Undesignated	\$ 304,841	\$ 440,620
Designated - Myanmar	500	33,175
- Zambia	197,880	174,700
- Ethiopia	10,000	-
Government Grants - designated		
Canadian International Development Agency		
Cambodia - Rural Prosperity Initiative	270,904	45,415
Ethiopia - Smallholder Prosperity Initiative	94,855	-
Zambia - Gardens for Better Health	-	89,879
Manitoba Council for International Cooperation	36,088	70,230
Human Resources Development Canada	3,898	-
CSIH	-	55,045
Interest	363	4,774
Other	301	249
Program services	87,274	43,940
Sponsorships	43,250	750
	<b>1,050,154</b>	<b>958,777</b>
<b>Expenditures</b>		
International programs		
Bangladesh	47,077	-
Cambodia	307,163	100,932
Ethiopia	120,542	2,238
International support	131,193	196,979
Myanmar	-	68,687
Nepal	52,017	6,589
Nicaragua	77,920	108,748
Other program support	-	246
Vietnam	33,122	2,583
Zambia	195,276	353,575
Zimbabwe	3,713	125,284
	<b>968,023</b>	<b>965,861</b>
Fundraising	136,104	64,684
General and administrative expenses	57,089	39,400
Public engagement and education	21,532	41,047
	<b>1,182,748</b>	<b>1,110,992</b>
<b>Deficiency of revenue over expenditures for the year</b>	<b>\$ (132,594)</b>	<b>\$ (152,215)</b>

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

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## IDE INTERNATIONAL DEVELOPMENT ENTERPRISES ASSOCIATION INC. Summary of Significant Accounting Policies

**For the year ended December 31, 2009**

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<b>Revenue Recognition</b>	<p>Donation revenue is recorded when received or receivable.</p> <p>Grant revenue is recorded as deferred revenue when received and is recognized as income in the year which related expenses are recognized.</p>												
<b>Capital Assets</b>	<p>Capital assets are stated at cost less accumulated amortization. Amortization based on the estimated useful life of the asset is calculated as follows:</p> <table border="0" style="margin-left: 40px;"> <tr> <td style="padding-right: 40px;">Computer equipment</td> <td>5 year straight-line</td> </tr> </table>	Computer equipment	5 year straight-line										
Computer equipment	5 year straight-line												
<b>Internally Restricted Net Assets</b>	<p>This reserve fund was established by the Board of Directors to provide continuity of operations in the event of future shortfalls in revenue over expenditures.</p>												
<b>Foreign Currency Translation</b>	<p>Foreign currency accounts are translated into Canadian dollars as follows:</p> <p>At the transaction date, each asset, liability, revenue and expense is translated into Canadian dollars by the use of the exchange rate in effect at that date. At the year end date, monetary assets and liabilities are translated into Canadian dollars by using the exchange rate in effect at that date. The resulting foreign exchange gains and losses are included in income in the current period.</p>												
<b>Financial Instruments</b>	<p>The organization utilizes various financial instruments. Unless otherwise noted, it is management's opinion that the organization is not exposed to significant interest, currency or credit risks arising from these financial instruments and the carrying amounts approximate fair values.</p> <p>All transactions related to financial instruments are recorded on a settlement date basis.</p> <p>The organization classifies its financial instruments as follows based on the purpose for which the asset was acquired and follows the disclosed accounting policy for each category.</p> <table border="0" style="margin-left: 40px;"> <thead> <tr> <th style="text-align: left;"><u>Assets/Liability</u></th> <th style="text-align: left;"><u>Category</u></th> <th style="text-align: left;"><u>Measurement</u></th> </tr> </thead> <tbody> <tr> <td>Cash</td> <td>Held for trading</td> <td>Fair value</td> </tr> <tr> <td>Accounts receivable</td> <td>Loans and receivables</td> <td>Amortized cost</td> </tr> <tr> <td>Accounts payable and accrued liabilities</td> <td>Other financial liabilities</td> <td>Amortized cost</td> </tr> </tbody> </table>	<u>Assets/Liability</u>	<u>Category</u>	<u>Measurement</u>	Cash	Held for trading	Fair value	Accounts receivable	Loans and receivables	Amortized cost	Accounts payable and accrued liabilities	Other financial liabilities	Amortized cost
<u>Assets/Liability</u>	<u>Category</u>	<u>Measurement</u>											
Cash	Held for trading	Fair value											
Accounts receivable	Loans and receivables	Amortized cost											
Accounts payable and accrued liabilities	Other financial liabilities	Amortized cost											

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# IDE INTERNATIONAL DEVELOPMENT ENTERPRISES ASSOCIATION INC.

## Summary of Significant Accounting Policies

For the year ended December 31, 2009

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### Financial Instruments (continued)

- Held for trading items are carried at fair value, with changes in their fair value recognized in the statement of operations.
- Other financial liabilities are carried at amortized cost, using the effective interest method.
- Loans and receivables are carried at amortized cost, using the effective interest rate method, less any provision for impairment.

Transaction costs are expensed as incurred.

### New Accounting Pronouncements

Recent accounting pronouncements that have been issued but are not yet effective, and have a potential implication for the organization, are as follows:

*Future for Not-for-Profit Organizations (NPO)* - In October 2009, the Accounting Standards Board (AcSB) tentatively decided that it will propose a choice between the accounting standards for private enterprises plus the current NPO standards appropriately modified to fit with those standards, International Financial Reporting Standards or Public Sector Accounting standards (PSAB) with NPO standards added on to PSAB. The Public Sector Accounting Board agreed that there was sufficient support to develop an NPO series to add onto the PSAB standards similar to the current NPO standards, but appropriately modified to fit with PSAB. The two boards are working together and intend to issue an Exposure Draft for comment in the first half of 2010. Until the Boards make a final decision all NPOs will continue to follow the current Canadian Institute of Chartered Accountants Handbook – Accounting.

The organization continues to monitor the developments in this area and evaluate the implications of the potential changes in financial reporting standards.

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**IDE INTERNATIONAL DEVELOPMENT ENTERPRISES  
ASSOCIATION INC.  
Notes to Financial Statements**

**For the year ended December 31, 2009**

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**1. Nature of Business**

The IDE International Development Enterprises Association Inc. is a not-for-profit organization without share capital, incorporated under the laws of Manitoba. The organization is a registered charity under the Income Tax Act.

The organization is the Canadian arm of IDE. As part of IDE's global operations, the organization is responsible for the development and oversight of specific projects implemented through IDE field offices. IDE's consolidated global operations are reported on separately and only its Canadian operations are reflected in these financial statements.

**2. Capital Assets**

	2009		2008	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Computer equipment	\$ 20,662	\$ 5,070	\$ 6,336	\$ 4,438
Net book value		\$ 15,592		\$ 1,898

**3. Statement of Cash Flows**

A statement of cash flows has not been provided as the sources and uses of cash are apparent based on a review of these financial statements.

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**IDE INTERNATIONAL DEVELOPMENT ENTERPRISES  
ASSOCIATION INC.  
Notes to Financial Statements**

**For the year ended December 31, 2009**

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**4. International Programs**

In 2009, international programs consisted primarily of:

- (a) The development of affordable irrigation technologies and market opportunities for people living with HIV/AIDS in Zambia, Africa.
- (b) The development of affordable drip irrigation systems to boost the yield and quality of production for smallholder coffee farmers in Nicaragua, Latin America.
- (c) Integrating Smallholders into Expanding Market Program: Agricultural training and business consulting services from smallholder farmers in various niche markets including vegetable and spice production in Bangladesh, Asia.
- (d) Market research to identify and develop opportunities for smallholder vegetable farmers in an area outside of the capital Harare, Zimbabwe, Africa.

**5. Capital Management**

The organization considers its capital to comprise its unrestricted net assets, internally restricted fund balances and invested in capital assets. There have been no changes to what the organization considers to be its capital since the previous period.

The organization manages its capital to ensure it retains sufficient cash resources to enable it to carry out its mission. Invested in capital assets represent the organization's investment in capital assets and do not represent cash resources. The organization endeavours to manage its unrestricted net assets and internally restricted fund balances on a break even basis in the longer term.

**IDE INTERNATIONAL DEVELOPMENT ENTERPRISES  
ASSOCIATION INC.  
CIDA Schedules**

**For the year ended December 31, 2009**

**Schedule A - Summary Statement of Revenue**

	CIDA Funded	Non-CIDA	Activities	Total
<b><u>Government Revenue</u></b>				
CIDA NGO/IC D division	\$ 365,759	\$ -	\$ -	\$ 365,759
Other federal government	-	3,898	-	3,898
Provincial government	-	-	36,088	36,088
<b><u>Private Revenue</u></b>				
Canadian matchable	121,920	433,406	1,145	556,471
Interest income	31	-	332	363
Other (program service sales, rebates)	-	-	87,575	87,575
Total revenue	<b>\$ 487,710</b>	<b>\$ 437,304</b>	<b>\$ 125,140</b>	<b>\$ 1,050,154</b>

**Schedule B - Restricted Funds Received But Not Disbursed by Year-end**

Liability and/or Fund Accounts(s) (1) Deferred revenue	\$ 139,734
Not disbursed by year-end (3)	139,734

Summary of: Total restricted funds received but not disbursed by year end:

	2009	2010
CIDA funds	\$ 104,585	\$ 113,497
Other Contributions:		
Manitoba government matching grant program	42,533	26,237
Total restricted funds but not disbursed by year end (4)	\$ 147,118	\$ 139,734

**Schedule C - Summary of CIDA Funding, Disbursements and Transfer of Funds**

Funding Channel	Project/ Program#	Project/ Prog. Name	CIDA Funding Received	CIDA Funds Disbursed	Organization's Funds Disbursed
NGO/ICD	S-064234	Rural Prosperity Initiative in Cambodia	\$ 224,671	\$ 203,179	\$ 67,726
	S-064703	Smallholder Prosperity Initiative in Ethiopia	150,000	71,142	23,714
NGO/ICD division total (cash basis)			374,671	274,321	91,440
Add (less) reconciling revenue amount			8,912		
Total NGO/ICD division funding (accrual basis) (5)			<b>\$ 365,759</b>		