

**THE INTERNATIONAL PARURESIS
ASSOCIATION, INC.**

**FINANCIAL STATEMENTS AND
ACCOUNTANTS' REVIEW REPORT**

DECEMBER 31, 2009

THE INTERNATIONAL PARURESIS ASSOCIATION, INC.

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IRA MARC MILLER & CO., PA
CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors
The International Paruresis
Association, Inc.
Baltimore, Maryland

We have reviewed the accompanying statements of financial position of The International Paruresis Association, Inc. (a non-profit corporation) as of December 31, 2009, and the related statements of activities, functional expenses, and cash flows for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of The International Paruresis Association, Inc.

A review consists principally of inquiries of Organization personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

Ira Marc Miller & Co., P.A.

November 1, 2010

THE INTERNATIONAL PARURESIS ASSOCIATION, INC. (IPA)
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2009

ASSETS

CURRENT ASSETS

Cash in banks \$ 78,398

Total current assets 78,398

Office furniture, net of accumulated
depreciation of \$2,000 -

Total assets \$ 78,398

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

\$ -

Total current liabilities -

NET ASSETS

Unrestricted 78,398

Total net assets 78,398

Total liabilities and net assets \$ 78,398

See accountants' review report and notes to financial statement.

THE INTERNATIONAL PARURESIS ASSOCIATION, INC. (IPA)
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Temporarily Restricted</u>	<u>Unrestricted</u>	<u>Total</u>
REVENUE			
Contributions and dues	\$ -	\$ 110,450	\$ 110,450
Workshops	-	35,128	35,128
Book sales, royalties and other	-	2,621	2,621
Interest income	-	36	36
	<hr/>	<hr/>	<hr/>
Total revenue	-	148,235	148,235
FUNCTIONAL EXPENSES			
Program services	-	106,162	106,162
Management and general	-	16,888	16,888
	<hr/>	<hr/>	<hr/>
Total functional expenses	-	123,050	123,050
	<hr/>	<hr/>	<hr/>
Increase in net assets	-	25,185	25,185
NET ASSETS			
Beginning of year	-	53,213	53,213
	<hr/>	<hr/>	<hr/>
End of year	\$ -	\$ 78,398	\$ 78,398
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

See accountants' review report and notes to financial statements.

THE INTERNATIONAL PARURESIS ASSOCIATION, INC. (IPA)
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2009

	Program services	Management and general	Total
FUNCTIONAL EXPENSES			
Bank fees	\$ 74	\$ 18	\$ 92
Computer related costs	2,246	562	2,808
Consulting fees	2,351	-	2,351
Fundraising	998	-	998
Insurance	268	67	335
Meetings and conferences	1,896	-	1,896
Office and administrative	2,814	703	3,517
Payroll processing fees	1,133	283	1,416
Payroll taxes	3,484	871	4,355
Postage	1,559	390	1,949
Professional fees	1,360	340	1,700
Rent	7,240	1,810	9,050
Salaries	44,840	11,210	56,050
Subscriptions and publications	1,213	-	1,213
Telephone	1,895	474	2,369
Training	860	-	860
Utilities	642	161	803
Website related costs	8,451	-	8,451
Workshop expenses	22,837	-	22,837
	\$ 106,162	\$ 16,888	\$ 123,050

See accountants' review report and notes to financial statements.

THE INTERNATIONAL PARURESIS ASSOCIATION, INC.(IPA)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31,2009

CASH FLOWS FROM OPERATING ACTIVITIES	
Increase in net assets	\$ <u>25,185</u>
Adjustments to reconcile increase in net assets to net cash provided by operating activities	
Decrease in accounts receivable	<u>2,567</u>
 Total adjustments	 <u>2,567</u>
 Net cash provided by operating activities	 <u>27,752</u>
 Net increase in cash	 27,752
CASH	
Beginning of year	<u>50,646</u>
 End of year	 <u>\$ <u>78,398</u></u>

See accountants' review report and notes to financial statements.

THE INTERNATIONAL PARURESIS ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009

NOTE 1 - ORGANIZATION

The International Paruresis Association, Inc. (IPA) is a nonprofit organization whose purpose is to help those afflicted with paruresis overcome the stigma, embarrassment and isolation associated with the condition by educating the public, advocating effective treatments and advancing related research.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- A. Basis of accounting – The financial statements of The International Paruresis Association, Inc. have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.
- B. Basis of presentation - Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-For-Profit Organizations*. Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.
- C. Contributions – IPA accounts for contributions in accordance with the recommendations of the Financial Accounting Standards Board in SFAS No. 116, *Accounting for Contributions Received and Contributions Made*. In accordance with SFAS No. 116, contributions received are recorded as increases in unrestricted, temporarily restricted, or permanently restricted net assets, depending on the existence or nature of any donor restrictions. All net assets are unrestricted.
- D. Use of estimates in preparing financial statements - Management uses estimates and assumptions in preparing financial statements in accordance with the cash method of accounting. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.
- E. Income taxes – The International Paruresis Association, Inc. qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and is not subject to federal and state income taxes. .
- F. Statement of cash flows - For purposes of the cash flows statement, cash in the checking account and saving account are considered to be cash. No interest or income taxes were paid in the current year.

THE INTERNATIONAL PARURESIS ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- G. Property and depreciation - Property is stated at cost at the date of acquisition or fair market value at the date of donation. Major additions and betterments are charged to the asset accounts while maintenance and repairs which do not improve or extend the lives of the assets are expensed currently. Depreciation of office furniture and equipment is provided using the straight line method over 5 years. Depreciation expense for the year ended December 31, 2009 was \$0.

- H. Expense allocation - The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities and in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.