

IDEAS BEYOND BORDERS, INC.
FINANCIAL REPORT
DECEMBER 31, 2019
WITH INDEPENDENT AUDITORS' REPORT

IDEAS BEYOND BORDERS, INC.
FOR THE YEAR ENDED DECEMBER 31, 2019

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INDEPENDENT AUDITORS' REPORT

The Board of Directors
Ideas Beyond Borders, Inc.
244 Fifth Avenue # 2594
New York, New York 10001

We have audited the accompanying financial statements of the Ideas Beyond Borders, Inc. (a nonprofit organization) which comprise the statement of financial position as of December 31, 2019, and the related statements of activities and cash flows for the year 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. 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 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 auditors' 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 auditors consider internal control relevant to the entity'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 entity'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.

DEVITO & CO., LLC
CERTIFIED PUBLIC ACCOUNTANTS

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Ideas Beyond Borders, Inc. as of December 31, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

DeVito & Co., LLC
DEVITO & CO., LLC

Florham Park, NJ
August 19, 2021

IDEAS BEYOND BORDERS, INC.

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2019

ASSETS

CURRENT ASSETS:

Cash and Cash Equivalents	1,416,342
Prepaid Expense	2,098
Total Current Assets	1,418,440

PROPERTY AND EQUIPMENT, NET	3,812
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SECURITY DEPOSIT	4,150
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TOTAL ASSETS	1,426,402
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:

Accounts Payable and Accrued Expenses	103,371
TOTAL LIABILITIES	103,371

NET ASSETS:

With Donor Restrictions	-
Without Donor Restrictions	1,323,031
Total Net Assets	1,323,031

TOTAL LIABILITIES AND NET ASSETS	1,426,402
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See notes to financial statements.

IDEAS BEYOND BORDERS, INC.

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2019

	Total	Without Donor Restrictions	With Donor Restrictions
REVENUES:			
Contributions and Grants	1,628,587	1,628,587	-
Donated Services	22,430	22,430	-
Interest Income	7,959	7,959	-
Total Revenues	1,658,976	1,658,976	-
EXPENSES:			
Program Services			
Knowledge Beyond Borders	615,928	615,928	-
Campus	75,611	75,611	-
Combating Violent Extremism	51,145	51,145	-
Other	67,964	67,964	-
Supporting Services	318,894	318,894	-
Development	83,377	83,377	-
Total Expenses	1,212,919	1,212,919	-
INCREASE IN NET ASSETS			
	446,057	446,057	-
NET ASSETS - Beginning	876,974	876,974	-
NET ASSETS - Ending	1,323,031	1,323,031	-

See notes to financial statements.

IDEAS BEYOND BORDERS, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2019

CASH FLOWS FROM OPERATING ACTIVITIES:

Increase in Net Assets	446,057
Adjustments to Reconcile Increase in Net Assets to Net Cash	
Provided by Operating Activities:	
Depreciation	1,088
Net Change in Operating Assets and Liabilities:	
Contributions and Grants Receivable	1,776
Accounts Payable and Accrued Expenses	88,472
Net Cash Provided by Operating Activities	91,336
	537,393

NET INCREASE IN CASH AND CASH EQUIVALENTS 537,393

CASH AND CASH EQUIVALENTS - Beginning 878,949

CASH AND CASH EQUIVALENTS - Ending 1,416,342

See notes to financial statements.

IDEAS BEYOND BORDERS, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Nature of Activities:

Ideas Beyond Borders, Inc. (the “Organization”) was incorporated in the State of New York as a nonprofit organization in April 2017. The Organization promotes the free exchange of ideas and defends human rights through education, partnerships, research, and technology to counter extremist narrative and authoritarian institutions. The Organization fulfills its mission in the follow programs:

Bayt al Hikm

University Translators (aka Translators for Democracy)

These program aims include the following:

The translation of books and articles on science, critical thinking and human rights from English to Arabic and distributes and disseminate these works among the Arab-speaking public.

Training college students to translate relevant material and helping them encourage peers and others to read, consider, and understand these ideas.

Use of Estimates:

The process of preparing financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

Cash and Cash Equivalents:

Management considers all highly liquid debt instruments purchased with a maturity of three months or less and money market accounts to be cash equivalents.

IDEAS BEYOND BORDERS, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Credit Risk Arising from Cash Deposits in Excess of Insured Limits:

The Organization maintains cash balances at various financial institutions, in which deposits are insured by a federal agency up to \$250,000. At various times, cash balances at these institutions may exceed the insurance limits.

Property and Equipment:

Property and equipment are recorded at cost or fair market value at the date of contribution. Depreciation is provided using the straight-line method over the estimated useful lives of the assets.

Expenditures for maintenance and repairs are expensed as incurred, whereas major improvements are capitalized.

Contributions and Grants:

Contributions and grants received are recorded as net assets with donor restrictions or net assets without donor restrictions depending on the existence or nature of any donor restrictions.

Contributions and grants to the Organization, including unconditional promises to give, are recognized as revenue upon receipt of the early of the unconditional pledge or commitment or the cash or other assets, either with or without donor restrictions. Contributions and grants are considered available for unrestricted use unless the donor restricts the use thereof, either on a temporary or permanent basis.

When a restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restriction and reported in the statement of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as assets without donor restriction support.

Donated Services and In-Kind Contributions:

Contributed goods are recorded at their fair market value at the date of donation. Donated professional services are recorded at their respective fair values of the services received.

IDEAS BEYOND BORDERS, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Advertising Costs:

Advertising costs are expensed as incurred. Advertising costs for the year ended December 31, 2019 were \$14,898.

Functional Allocation of Expenses:

The costs of providing program and other activities have been summarized on a functional basis in the statement of activities. Accordingly, some costs have been allocated among program services, supporting services and development. Such allocations are determined by management on an equitable basis based upon the time spent on each activity.

Income Taxes:

The Organization qualifies as a tax-exempt organization under Section 501(c) (3) of the Internal Revenue Code. Therefore, no provision or liability for federal and state income taxes has been included in these financial statements.

The Organization adopted the income tax standard for uncertain tax positions. As a result of the implementation, the Organization has evaluated its tax position and determined it has no uncertain tax positions as of December 31, 2019. The Organization classifies interest and penalties related to income tax liabilities, if applicable, as a component of income tax expense.

Income tax returns for 2017, 2018 and 2019 are subject to examination by the IRS and other state taxing authorities, generally for three years after they were filed.

Subsequent Events:

Management has evaluated subsequent events through August 19, 2021, the date the financial statements were available to be issued.

IDEAS BEYOND BORDERS, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2019

NOTE 2 - PROPERTY AND EQUIPMENT:

Property and equipment consist of the following:

Computer Equipment	5,441
Less: Accumulated Depreciation	<u>1,629</u>
Total Property and Equipment, Net	<u>3,812</u>

NOTE 3 - PAYMENT OF TAXES:

The Organization has filed all required tax returns. Taxes including, but not limited to, payroll taxes have been paid for the years ended December 31, 2019.

NOTE 4 - LIQUIDITY:

The organizations financial assets available within one year of the balance sheet date for general expenditure was cash and cash equivalents of \$1,416,342.

NOTE 5 - PENSION PLAN:

The Organization maintains a 401(k) defined contribution plan covering all employees based on age and employment criteria. Employee contributions to the plan are limited to IRS Code annual limits. In that plan is a discretionary plan; employer contributions may or may not be made. If the employer elects to make a contribution the contribution is based on the employee's contribution. There were no matching contributions for the year ended December 31, 2019.

NOTE 6 - SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:

There was no cash paid for interest for the year ended December 31, 2019.

DEVITO & CO., LLC
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

The Board of Directors
Ideas Beyond Borders, Inc.
244 Fifth Avenue # 2594
New York, New York 10001

We have audited the financial statements of the Ideas Beyond Borders, Inc. as of and for the year ended December 31, 2019, and our report thereon dated August 19, 2021 which expressed an unmodified opinion on those financial statements, appears on pages 1 through 2. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of functional expenses is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

DEVITO & CO., LLC
DEVITO & CO., LLC

Florham Park, NJ
August 19, 2021

IDEAS BEYOND BORDERS, INC.

SCHEDULE OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2019

	Total	Program Services	Supporting Services	Development
Salaries and Wages	501,520	356,684	86,637	58,199
Professional Fees	539,983	399,018	139,565	1,400
Travel and Conferences	17,455	4,310	1,553	11,592
Employee Benefits	60,953	35,290	22,705	2,958
Occupancy	48,057		48,057	
Marketing	12,899	6,884	6,015	
Meals and Entertainment	3,339	439	2,117	783
Bank Charges and Fees	3,166		3,166	
Office Supplies	2,605		2,605	
Dues and Subscriptions	425		425	
Insurance	4,283		4,283	
Depreciation	1,088		1,088	
Other	17,146	8,023	678	8,445
TOTAL	<u>1,212,919</u>	<u>810,648</u>	<u>318,894</u>	<u>83,377</u>

See independent auditors' report on supplementary information.