

INTERNATIONAL FUNDERS FOR INDIGENOUS PEOPLES, INC.

FINANCIAL STATEMENTS

June 30, 2023

(with comparative totals for 2022)

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
International Funders for Indigenous Peoples, Inc.
San Francisco, California

Opinion

We have audited the accompanying financial statements of International Funders for Indigenous Peoples, Inc. (a nonprofit corporation), which comprise the statement of financial position as of June 30, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of International Funders for Indigenous Peoples, Inc. (the Organization) as of June 30, 2023, 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.

Emphasis of Matter

As discussed in Note 2, beginning July 1, 2022, the Organization adopted Accounting Standards Update (ASU) No. 2016-02, *Leases* (Topic 842) and its related amendments using the modified retrospective transition method. Our opinion is not modified with respect to this matter.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited the Organization's financial statements as of and for the year ended June 30, 2022, and we expressed an unmodified opinion on those financial statements in our report dated December 15, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.



Long Beach, California
October 12, 2023

INTERNATIONAL FUNDERS FOR INDIGENOUS PEOPLES, INC.

**STATEMENT OF FINANCIAL POSITION
JUNE 30, 2023
(WITH COMPARATIVE TOTALS FOR 2022)**

ASSETS

	2023	2022
ASSETS		
Cash and cash equivalents	\$ 2,699,342	\$ 1,125,346
Contributions receivable	110,000	30,000
Prepaid expenses and other assets	40,081	16,344
Operating lease right-of-use asset, net	36,211	-
Property and equipment, net	<u>6,277</u>	<u>8,327</u>
TOTAL ASSETS	<u>\$ 2,891,911</u>	<u>\$ 1,180,017</u>

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable and accrued expenses	\$ 37,962	\$ 77,472
Accrued payroll and vacation	21,286	19,107
Operating lease liability	39,678	-
Deferred rent	-	2,629
	<u>98,926</u>	<u>99,208</u>

COMMITMENTS AND CONTINGENCIES (NOTE 8)

NET ASSETS

Without donor restrictions		
Undesignated	563,276	697,809
Board designated	<u>2,000,000</u>	<u>-</u>
	<u>2,563,276</u>	<u>697,809</u>
With donor restrictions	<u>229,709</u>	<u>383,000</u>
Total net assets	<u>2,792,985</u>	<u>1,080,809</u>

TOTAL LIABILITIES AND NET ASSETS	<u>\$ 2,891,911</u>	<u>\$ 1,180,017</u>
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The accompanying notes are an integral part of these financial statements.

INTERNATIONAL FUNDERS FOR INDIGENOUS PEOPLES, INC.

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023
(WITH COMPARATIVE TOTALS FOR 2022)**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>	<u>2023</u>	<u>2022</u>
SUPPORT AND REVENUE					
Grants and contributions	\$ 2,305,454	\$ 165,000	\$ 2,470,454	\$ 600,641	
Membership revenue	339,205	-	339,205	255,250	
Conference fees, net of scholarships	252,224	-	252,224	28,355	
Contributed services	20,488	-	20,488	-	
Interest and other income	9,191	-	9,191	13	
Net assets released from restriction	318,291	(318,291)	-	-	
Total support and revenue	<u>3,244,853</u>	<u>(153,291)</u>	<u>3,091,562</u>	<u>884,259</u>	
EXPENSES					
Program	1,105,882	-	1,105,882	527,022	
Management and general	177,930	-	177,930	104,411	
Fundraising	95,574	-	95,574	59,881	
Total expenses	<u>1,379,386</u>	<u>-</u>	<u>1,379,386</u>	<u>691,314</u>	
CHANGES IN NET ASSETS	1,865,467	(153,291)	1,712,176	192,945	
NET ASSETS, BEGINNING OF YEAR	<u>697,809</u>	<u>383,000</u>	<u>1,080,809</u>	<u>887,864</u>	
NET ASSETS, END OF YEAR	<u>\$ 2,563,276</u>	<u>\$ 229,709</u>	<u>\$ 2,792,985</u>	<u>\$ 1,080,809</u>	

The accompanying notes are an integral part of these financial statements.

INTERNATIONAL FUNDERS FOR INDIGENOUS PEOPLES, INC.

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2023
(WITH COMPARATIVE TOTALS FOR 2022)**

	<u>Program</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>	
				<u>2023</u>	<u>2022</u>
EXPENSES					
Personnel costs	\$ 302,690	\$ 33,766	\$ 30,214	\$ 366,670	\$ 346,610
Professional fees	203,071	99,102	61,046	363,219	171,922
Phone, software, and bank fees	50,509	3,784	1,686	55,979	34,432
Insurance and other fees	13,667	18,562	556	32,785	34,978
Occupancy	15,997	-	1,577	17,574	12,038
Contributed services	-	20,488	-	20,488	-
Travel and conference expenses	461,748	2,228	495	464,471	90,107
Grants and donations to others	<u>58,200</u>	<u>-</u>	<u>-</u>	<u>58,200</u>	<u>1,227</u>
	<u>\$ 1,105,882</u>	<u>\$ 177,930</u>	<u>\$ 95,574</u>	<u>\$ 1,379,386</u>	<u>\$ 691,314</u>

The accompanying notes are an integral part of these financial statements.

INTERNATIONAL FUNDERS FOR INDIGENOUS PEOPLES, INC.

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023
(WITH COMPARATIVE TOTALS FOR 2022)**

	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 1,712,176	\$ 192,945
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation and amortization	2,050	721
Amortization on operating leases	17,420	-
Change in operating assets and liabilities:		
Contributions receivable	(80,000)	130,000
Prepaid expenses and other assets	(23,737)	(13,902)
Accounts payable and accrued expenses	(39,510)	72,980
Accrued payroll and vacation	2,179	1,165
Operating lease liability	(13,953)	-
Deferred rent	(2,629)	2,629
Net Cash Provided By Operating Activities	<u>1,573,996</u>	<u>386,538</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Purchases of property and equipment	-	(7,248)
Net Cash Used In Financing Activities	<u>-</u>	<u>(7,248)</u>
NET CHANGE IN CASH AND EQUIVALENTS	1,573,996	379,290
CASH AND EQUIVALENTS AT BEGINNING OF YEAR	<u>1,125,346</u>	<u>746,056</u>
CASH AND EQUIVALENTS AT END OF YEAR	<u>\$ 2,699,342</u>	<u>\$ 1,125,346</u>

The accompanying notes are an integral part of these financial statements.

INTERNATIONAL FUNDERS FOR INDIGENOUS PEOPLES, INC.

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2023

(WITH COMPARATIVE TOTALS FOR 2022)

NOTE 1 – Organization

International Funders for Indigenous Peoples, Inc. (the Organization) is a nonprofit organization formed under New York laws and was incorporated on April 6, 2005. The Organization moved to San Francisco during 2013. The purpose of the Organization is to provide a voice for the increased, dedicated funding for Indigenous Peoples' rights and self-determined initiatives and a venue for communications and resource sharing among international funders of Indigenous Peoples.

The Organization offers global conferences (biannual) and regional dialogues devoted to convening and educating donors and Indigenous Peoples to build capacity and enhance funding partnerships that improve the lives of Indigenous Peoples around the world. The Organization also acts as a resource for Indigenous Peoples and funding sources. The Organization receives funding from foundation grants, contributions, memberships, and conference revenue.

NOTE 2 – Summary of Significant Accounting Policies

Basis of Presentation

The Organization reports information regarding its financial position and activities on an accrual basis according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions – Net assets that are not subject to donor-imposed restrictions. These also may be designated for specific purposes by action of the Board of Directors. (See Note 6.)

Net assets with donor restrictions – Net assets subject to donor-imposed restrictions that may be temporary in nature and that will be met either by actions of the Organization or the passage of time. As the restrictions are satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the accompanying statement of activities as net assets released from restrictions. When donor restrictions are satisfied in the same period as the receipt of the contribution, the Organization reports both the revenue and the related expense in the net assets without donor restrictions category. Other donor stipulations may be perpetual in nature. The Organization had no net assets with donor restrictions that are restricted in perpetuity as of June 30, 2023 and June 30, 2022.

INTERNATIONAL FUNDERS FOR INDIGENOUS PEOPLES, INC.

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2023

(WITH COMPARATIVE TOTALS FOR 2022)

NOTE 2 – Summary of Significant Accounting Policies (Continued)

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Prior-Year Comparative 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 the Organization's financial statements for the year ended June 30, 2022, from which the summarized information was derived.

Cash and Cash Equivalents

The Organization considers cash on hand, certificates of deposit, and money market instruments with a maturity of less than three months to be cash and cash equivalents.

Contributions Receivable

Contributions receivable mainly consist of grants and pledges receivable. Management estimates an allowance for doubtful accounts based on historical collection trends, type of donor, the age of outstanding receivables, and existing economic conditions. Past due receivable balances are written off when internal collection efforts have been unsuccessful in collecting the amount due. At June 30, 2023, the Organization evaluated the collectability of receivables and determined that no allowance for doubtful accounts was necessary.

Discounts for receivables due over one year are recorded as reductions to contribution revenue and receivables when deemed material. The Organization did not discount any long-term receivables due to the immaterial nature of the discount.

INTERNATIONAL FUNDERS FOR INDIGENOUS PEOPLES, INC.

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2023

(WITH COMPARATIVE TOTALS FOR 2022)

NOTE 2 – Summary of Significant Accounting Policies (Continued)

Property and Equipment

Property and equipment is recorded at cost if purchased, or at fair value at the date of donation, if donated. Depreciation and amortization are provided on a straight-line basis over the useful lives of the assets as follows:

Furniture, fixtures, & equipment	3 - 5 years
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The Organization capitalizes assets costing \$1,500 and over that meet its capitalization criteria. Expenditures for major renewals and betterments that extend the useful lives of the property and equipment are capitalized. At the time of retirement or disposition of property and equipment, the cost and related accumulated depreciation and amortization are removed from the accounts, and any resulting gain or loss is reflected in the statement of activities. Expenditures for maintenance and repairs are charged to expense as incurred.

Revenue Recognition

Earned income is generally recognized as the Organization's performance obligations are satisfied, in an amount that reflects the consideration the Organization expects to receive.

Unconditional contributions, including promises to give, are recognized as revenue and support in the period the promise to give is received and recorded at estimated fair value. Revenue and support are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Membership dues are considered unconditional contributions.

Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

Scholarships

The Organization accepted applications from and awarded scholarships to qualified individuals for its biannual conference. Conference revenue is recognized at the amount the Organization expects to receive in exchange for providing the conference, net of scholarships awarded.

INTERNATIONAL FUNDERS FOR INDIGENOUS PEOPLES, INC.

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2023

(WITH COMPARATIVE TOTALS FOR 2022)

NOTE 2 – Summary of Significant Accounting Policies (Continued)

Functional Expenses

Expenses that can be identified with a specific program or supporting service are charged directly to the related program or supporting service. Expenses that are associated with more than one program or supporting service are allocated based on the percentage of salary allocated to a specific program.

Concentration of Credit Risk

The Organization places its cash and cash equivalents with high-credit, quality financial institutions. At times, such cash may exceed federally insured limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant risk on its cash and cash equivalents.

With respect to contributions receivable, the Organization routinely assesses the financial strength of its donors and, consequently, believes that the receivable credit risk exposure is limited. For the year ended June 30, 2023, revenue from one donor accounted for 65% of total revenue, and 91% of contributions receivable at June 30, 2023.

Income Taxes

The Organization is exempt from income taxation under Section 501(c)(3) of the Internal Revenue Code and Section 23701d of the California Revenue and Taxation Code. The Internal Revenue Service has determined the Organization is not a private foundation under Section 509(a)(2). Management of the Organization considers the likelihood of changes by taxing authorities in its filed tax returns and recognizes a liability for or discloses potential significant changes if management believes it is more likely than not for a change to occur, including changes to the Organization's status as a not-for-profit entity. Management believes the Organization met the requirements to maintain its tax-exempt status and has no income subject to unrelated business income tax; therefore, no provision for income taxes has been provided in these financial statements.

The Organization is subject to potential income tax audits on open tax years by any taxing jurisdiction in which it operates. The statute of limitations for federal purposes is three years and for California is four years.

INTERNATIONAL FUNDERS FOR INDIGENOUS PEOPLES, INC.

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2023

(WITH COMPARATIVE TOTALS FOR 2022)

NOTE 2 – Summary of Significant Accounting Policies (Continued)

Contributed Services and Items

Contributions of noncash assets are recorded at fair value in the period received within the accompanying statement of activities. Contributed services are recognized if the services received (a) create or enhance long-lived assets, or (b) require specialized skills, are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. Management estimates the fair value of such services at the date of donation. Total in-kind contributions were \$20,488 for the year ended June 30, 2023, and have been included in the statements of activities and functional expenses as contributed services. (See Note 10.)

A substantial number of volunteers have donated significant amounts of their time to the Organization. The services that these individuals rendered, however, do not meet the above criteria and, as such, are not recognized as revenue.

Leasing Arrangements

In February 2016, the Financial Accounting Standards Board (FASB) issued new lease accounting guidance in Accounting Standards Update (ASU) 2016-02 *Leases* (Topic 842) (ASU 2016-02), which modifies lease accounting for lessees to increase transparency and comparability by requiring the Organization to recognize a lease liability and related right-of-use asset for all leases (with the exception of short-term leases) at the commencement date of the lease and to disclose key information about leasing arrangements.

Effective July 1, 2022, the Organization adopted ASU 2016-02. The Organization determines if an arrangement contains a lease at inception based on whether the Organization has the right to control the asset during the contract period and other facts and circumstances. The Organization elected the package of practical expedients permitted under the transition guidance within the new standard, which among other things, allowed it to carry forward the historical lease classification.

The Organization's policy for determining its lease discount rate used for measuring the lease liability is to use the rate implicit in the lease whenever that rate is readily determinable. If the rate implicit in the lease is not readily determinable, then the Organization has elected to use its incremental borrowing rate or the risk-free discount rate, as permitted by U.S. GAAP, determined using a period comparable with that of the lease term.

INTERNATIONAL FUNDERS FOR INDIGENOUS PEOPLES, INC.

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2023

(WITH COMPARATIVE TOTALS FOR 2022)

NOTE 2 – Summary of Significant Accounting Policies (Continued)

Leasing Arrangements (Continued)

The Organization has elected a policy to account for short-term leases, defined as any lease with a term of less than 12 months, by recognizing all components of the lease payment in the statement of activities in the period in which the obligation for the payments is incurred.

The Organization adopted ASU 2016-02 utilizing the modified-retrospective transition method through a cumulative-effect adjustment. The adoption of ASU 2016-02 resulted in the recognition of an operating lease right-of-use asset, net of prepaid lease payments and lease incentives, of \$53,631 and an operating lease liability of \$53,631 as of July 1, 2022. Results for periods beginning prior to July 1, 2022, continue to be reported in accordance with the Organization's historical accounting treatment. The adoption of ASU 2016-02 did not have a material impact on the Organization's results of operations or cash flows.

Subsequent Events

The Organization has evaluated subsequent events through October 12, 2023, which is the date the financial statements were available to be issued and determined that there are no further items that are required to be disclosed.

INTERNATIONAL FUNDERS FOR INDIGENOUS PEOPLES, INC.

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023
(WITH COMPARATIVE TOTALS FOR 2022)

NOTE 3 – Liquidity

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

Financial assets at year-end	
Cash and cash equivalents	\$ 2,699,342
Contributions receivable	<u>110,000</u>
	<u>2,809,342</u>
Less amounts not available to be used within	
one year due to:	
Donor-imposed purpose or time restrictions	(229,709)
Board designated	<u>(1,680,000)</u>
	<u>(1,909,709)</u>
Financial assets available to meet general	
expenditures within one year	<u>\$ 899,633</u>

The Organization maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Organization's board of directors has designated a portion of its unrestricted resources for a general reserve. Those amounts are identified as board-designated in the table above. These funds are invested for long-term appreciation but remain available and may be spent at the discretion of the board of directors.

NOTE 4 – Contributions Receivable

Contributions receivable at June 30, 2023 are expected to be collected as follows:

Within one year	\$ 43,334
Within two to five years	<u>66,666</u>
	<u>\$ 110,000</u>

The Organization's receivables are composed of two funders. Credit risk associated with these receivables is considered limited due to historical collection rates.

INTERNATIONAL FUNDERS FOR INDIGENOUS PEOPLES, INC.

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023
(WITH COMPARATIVE TOTALS FOR 2022)**

NOTE 5 – Property and Equipment

The Organization’s property and equipment consisted of the following:

	<u>2023</u>	<u>2022</u>
Furniture, fixtures, & equipment	\$ 9,048	\$ 9,048
Less accumulated depreciation	<u>(2,771)</u>	<u>(721)</u>
Property and equipment, net	<u>\$ 6,277</u>	<u>\$ 8,327</u>

Depreciation expense for the years ended June 30, 2023 and 2022 was \$2,050 and \$721, respectively.

NOTE 6 – Net Assets

The following is a summary of the Organization’s net assets with donor restrictions:

	<u>Balance at 6/30/2022</u>	<u>Contributions</u>	<u>Releases</u>	<u>Balance at 6/30/2023</u>
Net assets with donor restrictions:				
Indigenous led funds	\$ 8,000	\$ -	\$ (8,000)	\$ -
Indigenous women	-	65,000	(21,958)	43,042
Indigenous territories	15,000	-	(15,000)	-
Time	<u>360,000</u>	<u>100,000</u>	<u>(273,333)</u>	<u>186,667</u>
	<u>\$ 383,000</u>	<u>\$ 165,000</u>	<u>\$ (318,291)</u>	<u>\$ 229,709</u>

The Organization’s governing board has designated \$2,000,000 of net assets without donor restrictions to be spent over a five-year period.

INTERNATIONAL FUNDERS FOR INDIGENOUS PEOPLES, INC.

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2023

(WITH COMPARATIVE TOTALS FOR 2022)

NOTE 7 – Commitments and Contingencies

In the normal course of business, the Organization may become a party to litigation. Management believes there are no asserted or unasserted claims or contingencies that would have a significant impact on the financial statements of the Organization as of June 30, 2023.

NOTE 8 – Retirement Plan

The Organization provides a retirement program for eligible full-time employees. The Organization will match employee contributions and/or contribute up to five percent of the annual salary to the employee's retirement plan when the employee becomes vested after one year of employment. The Organization's percentage contributions to the retirement program are reviewed and determined annually by the Board of Directors. The Organization contributed \$8,797 and \$9,977 to the plan for the years ended June 30, 2023 and 2022, respectively.

NOTE 9 – Professional Fees

The Organization utilizes consultants for a range of services, including accounting, auditing and tax, financial management, human resources, information technology, fundraising, legal and compliance, and communications. The Organization also uses consultants for its annual conference and for strategic planning. These expenses are categorized as professional fees in the statement of functional expenses and are classified based on service performed.

NOTE 10 – Contributed Services

During the year ended June 30, 2023, contributed services consisted of the following:

	<u>Revenue Recognized</u>	<u>Valuation Techniques and Inputs</u>
Legal Services	\$20,488	Hours are an estimate of time used performing legal services for the Organization. The rate used to value the hours is the professional's market rate for their services.

All donated services were utilized by the Organization's administrative functions. There were no donor-imposed restrictions associated with the donated services.

INTERNATIONAL FUNDERS FOR INDIGENOUS PEOPLES, INC.

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023
(WITH COMPARATIVE TOTALS FOR 2022)

NOTE 11 – Lease Arrangements

The Organization leases an office suite in California under an operating lease agreement that expires in October 2025. The arrangement provides for minimum lease payments. Variable payments are not determinable at lease commencement and are not included in the measurements of the operating right-of-use lease asset and operating lease liability. The lease agreement does not include any material residual guarantees or restrictive covenants.

The components of operating lease expenses that are included in occupancy in the statement of functional expenses are as follows at June 30, 2023:

Occupancy	<u>\$ 17,420</u>
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The following summarizes the cash flow information related to leases for the year ended June 30, 2023:

Noncash investing and financing activity:

Right-of-use assets obtained in exchange for new operating lease liability	\$ 53,631
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At June 30, 2023, the remaining lease term was approximately two years and discount rate was 2.41 %

The maturities of operating lease liabilities as of June 30, 2023 are as follows:

<u>Year Ending June 30,</u>	<u>Operating Leases</u>
2024	\$ 16,389
2025	18,740
2026	<u>4,549</u>
Total minimum lease payments	39,678
Less amount representing interest	<u>(1,097)</u>
Present value of minimum lease payments	<u>\$ 38,581</u>