

Worldwide Diamond Approach - 2016

	PROGRAMS	GEN'l ADMIN	FUNDRAISING	TOTAL	Ridhwan Foundation TOTAL	Friends of Ridhwan TOTAL
EARNED INCOME						
TUITION						
Big Group Tuition	\$ 3,668,369		\$ -	\$ 3,668,369		
Small Group Tuition	\$1,157,633		\$ -	\$ 1,157,633		
Private Session Fees	\$ 3,908,500		\$ -	\$ 3,908,500		
Seminary Tuitions	\$ 637,990		\$ -	\$ 637,990		
TOTAL TUITION	\$ 9,372,493		\$ -	\$ 9,372,493	\$ 1,955,926	
MEMBERSHIP DUES	\$ 437,997		\$ -	\$ 437,997	\$ 437,997	
OTHER INCOME	\$ 375,262	\$ 27,109	\$ 8,395	\$ 410,766 *	\$ 627,271	\$ 8,395
TOTAL EARNED INCOME	\$ 10,185,752	\$ 27,109	\$ 8,395	\$ 10,221,255	\$ 3,021,194	\$ 8,395
CONTRIBUTED INCOME (RF + FOR)						
Unrestricted donations	\$ -		\$ 286,743	\$ 286,743	\$ 195,595	\$ 91,148
Temporarily Restricted Income	\$ -	\$ -	\$ 453,597	\$ 453,597	\$ 227,548	\$ 226,050
Permanently Restricted Income	\$ -		\$ 34,097	\$ 34,097	\$ -	\$ 34,097
TOTAL CONTRIBUTED INCOME	\$ -	\$ -	\$ 774,437	\$ 774,437	\$ 423,143	\$ 351,295
Temp Rest Income Released	\$ -		\$ (218,835)	\$ (218,835)	\$ (72,748)	\$ (146,086)
In-kind Income	\$ -		\$ 12,450	\$ 12,450	\$ -	\$ 12,450
TOTAL INCOME	\$ 10,185,752	\$ 27,109	\$ 576,447	\$ 10,789,308	\$ 3,371,588	\$ 226,053
EXPENSE						
DIRECT TEACHING EXPENSES						
Payments to Directors & Teachers	\$ 7,063,480			\$ 7,063,480		
Other Group Expenses (incl Admin)	\$ 1,254,125			\$ 1,254,125		
Core Contributions	\$ 416,897	\$ (416,897)		\$ -		
Teacher Insurance	\$ 20,977			\$ 20,977		
TOTAL DIRECT TEACHING EXPENSES	\$ 8,755,479	\$ (416,897)	\$ -	\$ 8,338,582	\$ 1,146,915	
DIAMOND APPROACH ONLINE (DAO)	\$ 253,287	\$ (110,963)	\$ -	\$ 142,324	\$ 142,324	
SEMINARIES	\$ 637,994	\$ (70,423)	\$ -	\$ 567,570	\$ 567,570	
PROGRAM SUPPORT	\$ 238,594	\$ -	\$ -	\$ 238,594	\$ 238,594	
GRANTS	\$ 264,845	\$ -	\$ -	\$ 264,845	\$ 152,859	\$ 111,985
FACILITIES (CA and CO)	\$ 109,822	\$ 18,009	\$ -	\$ 127,831	\$ 127,831	
GENERAL ADMINISTRATIVE SUPPORT	\$ 16,867	\$ 979,955		\$ 996,822	\$ 996,822	
FUNDRAISING			\$ 47,411	\$ 47,411	\$ 1,940	\$ 45,471
TOTAL EXPENSE	\$ 10,276,887	\$ 399,681	\$ 47,411	\$ 10,723,979	\$ 3,374,856	\$ 157,457
NET INCOME FROM ACTIVITIES	\$ (91,135)	\$ (372,572)	\$ 529,036	\$ 65,329	\$ (3,268)	\$ 68,596
DEPRECIATION				\$ 200,309	\$ 200,309	
NET INCOME	\$ (91,135)	\$ (372,572)	\$ 529,036	\$ (134,980)	\$ (203,576)	\$ 68,596
Core Support fees paid	\$ 598,283	\$ (598,283)	\$ -	\$ (0)		
TOT EXP w/o CORE SUPPORT ALLOC'N	\$ 9,678,604	\$ 997,964	\$ 47,411	\$ 10,723,979		
EXPENSE RATIOS	PROGRAMS	Core Costs	Fundraising			
	90%	9%	0%	100%		

* For Ridhwan, "Other Income" includes teacher percentage payments. DAO is included in "Other Income" worldwide and for Ridhwan.

Statements of Financial Position December 31, 2016

Ridhwan Foundation

Friends of Ridhwan

	TOTAL	TOTAL
ASSETS:		
Cash Accounts	\$2,178,545	\$387,734
Other Current Assets	\$124,655	\$2,688
Property & Equipment	\$4,705,566	\$0
Long Term Assets	\$0	\$230,000
Other Assets	\$315,319	\$399,132
Total Assets	\$7,324,085	\$1,019,553
LIABILITIES AND NET ASSETS:		
Liabilities:		
Current Liabilities	\$559,466	\$22,826
Pre-paid Tuitions	\$283,814	\$0
Other Liability	\$24,450	\$23,552
Total Liability	\$867,730	\$46,378
Net Assets:		
Restricted Funds:		
Scholarship Funds	\$0	\$287,877
Restricted Funds Other	\$665,515	\$429,815
Permanent Restricted Fund	\$0	\$203,473
Board Rest Funds	\$525,000	\$0
Unrestricted Net Assets	\$5,265,840	\$52,009
Total Net Assets	\$6,456,355	\$973,175
Total Liability & Equity	\$7,324,085	\$1,019,553

Notes on Diamond Approach Financial Statements – 2016

The income and expenses included in Worldwide Diamond Approach represent the teaching activities of all ordained Ridhwan teacher-ministers worldwide, as well as the activities of the U.S. registered 501(c)3 nonprofit religious association, the Ridhwan Foundation, and its Affiliated Auxiliary fundraising organization, Friends of Ridhwan, which support the worldwide activities of the Ridhwan School in offering the Diamond Approach. Results for the two legal entities Ridhwan Foundation and Friends of Ridhwan (FOR) individually appear in adjacent columns. Because many teaching activities are organized autonomously by teachers, a large part of the student tuition does not flow through the central organization, although all teachers pay a portion of their tuition revenue to the Ridhwan Foundation to support its core costs.

As interest in the teaching grows, the Ridhwan School continues to offer new ways for seekers to access and engage the Diamond Approach. In the 2016 alone:

- 3 new groups were established worldwide with 130 new students
- 17 new teachers were ordained
- 4 courses through Diamond Approach Online engaged 1,961 participants from countries in Europe, Asia, Australia, Africa, and North and South America.
- 4 new books by A.H. Almaas and Karen Johnson were in various stages of writing, editing and publishing

Earned income was \$10.2mm, or 95% of the total organizational revenue. Worldwide teaching activities brought in \$9.4mm in 2016, of which 7% represented tuitions for our Seminary (teacher training) programs. Membership dues contributed an additional \$438k. The remaining \$411k is made up of income from Diamond Approach Online courses (tuition or shared revenue from outside producers), facilities rental fees, AV Library fees, and interest and foreign exchange income.

Contributed income of \$568k was split evenly between unrestricted donations (\$287k) and restricted income, primarily used for scholarship activity. The net of restricted income released for activities in 2016 was \$235k. In addition, the organization received an in-kind donation of fundraising support for Friends of Ridhwan's end-of-year campaign equal to \$12,450.

Total worldwide expenses were \$10.7mm. Of this, \$9,679k (90%) was spent on program activities, \$998k on core costs /general administration (9%), and \$47,411 (<1%) on fundraising activities. Note that, for organizations of this size, Guidestar's National Nonprofit Research Database shows a median core cost percentage of 12.2%; 13.7% for educational institutions.

Membership dues covered about 44% of the core costs (general administration) of running the Ridhwan organization. The rest is covered from the teaching percentages paid from worldwide activities and unrestricted donations.

Ridhwan Foundation's budget is designed to break even on operational activities. In 2016, the legal entity showed a loss of \$3,268 (<.1%). Note that Ridhwan Foundation does not include depreciation in its budget planning, as the organization has always relied on donations to cover capital expenses.