

Worldwide Diamond Approach - 2018

Ridhwan
Foundation

Friends of
Ridhwan

	PROGRAMS	GEN'I ADMIN	FUNDRAISING	TOTAL	Ridhwan Foundation TOTAL	Friends of Ridhwan TOTAL
EARNED INCOME						
TUITION						
Big Group Tuition	\$ 4,116,717			\$ 4,116,717		
Small Group Tuition	\$ 1,022,004			\$ 1,022,004		
Private Session Fees	\$ 3,833,564			\$ 3,833,564		
Seminary Tuitions	\$ 582,452			\$ 582,452		
TOTAL TUITION	\$ 9,554,737			\$ 9,554,737	\$ 2,403,417	
MEMBERSHIP DUES	\$ 481,192			\$ 481,192	\$ 481,192	
OTHER INCOME	\$ 586,016	\$ 29,148	\$ 8,678	\$ 623,842 *	\$ 365,542	\$ 8,678
TOTAL EARNED INCOME	\$ 10,621,945	\$ 29,148	\$ 8,678	\$ 10,659,770	\$ 3,250,151	\$ 8,678
CONTRIBUTED INCOME (RF + FDH)						
Without Donor Restrictions (Unrestricted)			\$ 595,501	\$ 595,501	\$ 439,047	\$ 156,454
With Donor Restrictions (Temporarily Restricted)			\$ 886,448	\$ 886,448	\$ 523,367	\$ 363,082
With Donor Restrictions (Permanently Restricted)			\$ 14,431	\$ 14,431		\$ 14,431
TOTAL CONTRIBUTED INCOME			\$ 1,496,380	\$ 1,496,380	\$ 962,414	\$ 533,967
Temp Rest Income Released			\$ (689,336)	\$ (689,336)	\$ (483,037)	\$ (206,300)
TOTAL INCOME	\$ 10,621,945	\$ 29,148	\$ 815,722	\$ 11,466,815	\$ 3,729,528	\$ 336,345
EXPENSE						
DIRECT TEACHING EXPENSES						
Payments to Directors & Teachers	\$ 7,174,758			\$ 7,174,758		
Other Group Expenses (incl Admin)	\$ 1,392,738			\$ 1,392,738		
Core Contributions	\$ 645,946	\$ (645,946)				
Teacher Insurance	\$ 25,917			\$ 25,917		
TOTAL DIRECT TEACHING EXPENSES	\$ 9,239,360	\$ (645,946)		\$ 8,593,414	\$ 1,192,472	
DIAMOND APPROACH ONLINE (DAO)	\$ 312,842	\$ (55,328)		\$ 257,514	\$ 257,514	
SEMINARIES	\$ 582,452	\$ (61,484)		\$ 520,967	\$ 520,967	
PROGRAM SUPPORT	\$ 434,540			\$ 434,540	\$ 434,540	
GRANTS	\$ 354,139			\$ 354,139	\$ 58,572	\$ 295,568
FACILITIES (CA and CO)	\$ 129,551	\$ 22,940		\$ 152,492	\$ 152,492	
GENERAL ADMINISTRATIVE SUPPORT	\$ 19,804	\$ 1,006,427		\$ 1,026,232	\$ 1,026,232	
FUNDRAISING			\$ 41,192	\$ 41,192	\$ 1,324	\$ 39,868
TOTAL EXPENSE	\$ 11,072,689	\$ 266,609	\$ 41,192	\$ 11,380,490	\$ 3,644,113	\$ 335,435
NET INCOME FROM ACTIVITIES	\$ (450,744)	\$ (237,462)	\$ 774,530	\$ 86,325	\$ 85,415	\$ 910
DEPRECIATION				\$ 357,474	\$ 357,474	
NET INCOME	\$ (450,744)	\$ (237,462)	\$ 774,530	\$ (271,149)	\$ (272,059)	\$ 910
Core Support fees paid	\$ 762,758	\$ (762,758)	\$ -	\$ -		
TOT EXP w/o CORE SUPPORT ALLOC'N	\$ 10,309,931	\$ 1,029,368	\$ 41,192	\$ 11,380,490		
EXPENSE RATIOS	PROGRAMS	Core Costs	Fundraising			
	91%	9%	0%	100%		

* For Ridhwan, "Other Income" includes DAO income.

Statements of Financial Position December 31, 2018

	Ridhwan Foundation	Friends of Ridhwan
	TOTAL	TOTAL
ASSETS:		
Cash Accounts	\$1,485,238	\$1,256,582
Other Current Assets	\$354,966	\$29,833
Property & Equipment	\$5,153,092	\$0
Long Term Assets	\$0	\$230,000
Other Assets	\$403,951	\$27,626
Total Assets	\$7,397,248	\$1,544,041
LIABILITIES AND NET ASSETS:		
Liabilities:		
Current Liabilities	\$1,177,998	\$118,538
Pre-paid Tuitions	\$285,153	\$0
Other Liability	\$17,380	\$38,653
Total Liability	\$1,480,532	\$157,191
Net Assets:		
Restricted Funds:		
With Donor Restrictions		
Scholarship Funds	\$0	\$329,369
Temporarily Restricted	\$614,947	\$619,314
Permanently Restricted -Endowment	\$0	\$388,166
Board Rest Funds - Emergency Reserve	\$525,000	\$0
Unrestricted Net Assets	\$4,776,768	\$50,000
Total Net Assets	\$5,916,715	\$1,386,849
Total Liability & Equity	\$7,397,248	\$1,544,041

Notes on Diamond Approach Financial Statements – 2018

The income and expenses included in Worldwide Diamond Approach represent the teaching activities of all ordained Ridhwan teacher-ministers worldwide, including the those of the Ridhwan Foundation (a U.S. registered 501(c)3 nonprofit), 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. As many teaching activities are organized autonomously by teachers, a large part of 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 2018 alone:

- 4 new groups (DH Hamburg, DA Asia, Emerald Essence Ireland and CADH 10) were established with 150 new students in total
- 6 new teachers were ordained
- 9 online courses, 2 online workshops, 9 online groups, and 6 webinars through Diamond Approach Online engaged nearly 4,000 participants across Europe, Asia and Asia Pacific, Australia and New Zealand, Africa, the Middle East, and North and South America.
- 4 new books by A.H. Almaas in various stages of writing, editing and publishing

Earned income was \$10.7mm, or 93% of the total organizational revenue. Worldwide teaching activities received \$9.6mm in 2018 of which 6% represented tuitions for Seminary (teacher training) programs. Membership dues contributed an additional \$480k. The remaining \$624k comes from other Diamond Approach activities such as; activities based on the Diamond Approach (book talks, etc.), Online courses (tuition or shared revenue from outside producers), facilities rental fees, AV Library fees, and interest.

Contributed income of \$1.5mm was split between unrestricted donations 40% and restricted income 60%. 42% of the restricted income was for the Parsonage construction at the Ridhwan Center in Berkeley CA, and 20% for the scholarships funds. The net of restricted income released for activities in 2018 was \$689k.

Total worldwide expenses were \$11.4mm. Of this, \$10,309k (91%) was spent on program activities, \$1,029k on core costs /general administration (9%), and \$41k (<0.5%) 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 47% 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 2018, the legal entity showed a gain of \$85K (2.3%). Note that Ridhwan Foundation does not include depreciation in its budget planning, as the organization has always relied on donations to cover capital expenses.

Ridhwan's financial position shows assets and liabilities. The largest asset is the Ridhwan Center property. Cash accounts include the board restricted emergency reserve, the permanently restricted endowment, and scholarship funds. Temporarily restricted funds are donated or saved for specific purposes, including support for teacher training, life service and support for members with hardship, book editing and publication, building improvements, and other specific initiatives.