



ASSYRIAN AID SOCIETY of AMERICA  
(A NON-PROFIT CORPORATION)

FINANCIAL STATEMENTS  
  
(WITH INDEPENDENT AUDITOR'S REPORT)

AS OF  
DECEMBER 31<sup>st</sup> 2013



## Table of Contents

<b>ACCOUNTANTS' AUDIT REPORT .....</b>	<b>2</b>
<b>FINANCIAL STATEMENTS</b>	
Statement of Financial Position .....	3
Statement of Activities .....	4
Statement of Functional Expenses .....	5
Statement of Cash Flows .....	6
Notes to Financial Statements .....	7-13



3390 Todd Way, San Jose CA 95124. Tel: (408) 702 2608  
visit us at : [www.kyrishcpa.com](http://www.kyrishcpa.com) email : [sunita@kyrishcpa.com](mailto:sunita@kyrishcpa.com)

### INDEPENDENT AUDITORS' REPORT

To,  
The Board of Directors of  
Assyrian Aid Society of America

We have audited the accompanying financial statements of Assyrian Aid Society of America (a nonprofit organization) which comprise the statement of financial position as of December 31, 2013, 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.

#### **Auditor's 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 auditor's 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 auditor considers 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.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Assyrian Aid Society of America as of December 31, 2013, 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.

**Kyrish CPA Inc.**

San Jose, California



**ASSYRIAN AID SOCIETY OF AMERICA  
STATEMENT OF FINANCIAL POSITION  
AS OF DECEMBER 31, 2013**

	<u>December 31, 2013</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 123,632
Accounts Receivable	73,417
Equipment, net of accumulated depreciation	479
Security Deposit	<u>1,000</u>
<b>TOTAL ASSETS</b>	198,528
<b>LIABILITIES</b>	
Accounts Payable	3,588
<b>NET ASSETS</b>	
Unrestricted Net Assets	168,202
Temporarily Restricted	<u>26,738</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 198,528</u>

See accompanying notes and accountant's report

**ASSYRIAN AID SOCIETY OF AMERICA  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2013**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>REVENUE AND OTHER SUPPORT</b>			
<b>DIRECT PUBLIC SUPPORT:</b>			
Arizona	\$ 2,000	-	\$ 2,000
Chicago	38,400	-	38,400
Central Valley	14,000	-	14,000
Michigan	1,000	-	1,000
Los Angeles	30,000	-	30,000
San Diego	1,500	2,000	3,500
Sacramento	2,000	1,000	3,000
	<u>88,900</u>	<u>3,000</u>	<u>91,900</u>
<b>GRANTS AND CONTRIBUTIONS RECEIVED</b>	<b>103,742</b>	<b>2,800</b>	<b>106,542</b>
Special Events	19,510	-	19,510
Lifeline Support	66,529	-	66,529
Matching Funds	4,115	-	4,115
Refugee Relief	-	32,300	32,300
Interest Income	78	-	78
NTOTM	3,500	-	3,500
Mesopotamian Night	203,614	5,000	208,614
Net assets released from restrictions	49,850	(49,850)	-
	<u>539,838</u>	<u>(6,750)</u>	<u>533,088</u>
<b>Total Revenue and Other Support</b>	<b>539,838</b>	<b>(6,750)</b>	<b>533,088</b>
<b>EXPENSES</b>			
Program Expenses			
Support to Assyrian Aid Society - Iraq	304,400	-	304,400
Other Assyrian Support	68,636	-	68,636
	<u>373,036</u>	<u>-</u>	<u>373,036</u>
Supporting Expenses			
General & Management	59,991	-	59,991
Fundraising	133,208	-	133,208
	<u>193,199</u>	<u>-</u>	<u>193,199</u>
<b>Total Expenses</b>	<b>566,235</b>	<b>-</b>	<b>566,235</b>
CHANGE IN NET ASSETS	(26,397)	(6,750)	(33,147)
<b>NET ASSETS, beginning of year</b>	<b>194,599</b>	<b>33,488</b>	<b>228,087</b>
<b>NET ASSETS, end of year</b>	<b>\$ 168,202</b>	<b>\$ 26,738</b>	<b>\$ 194,940</b>

**ASSYRIAN AID SOCIETY OF AMERICA  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2013**

	<u>PROGRAM SERVICES</u>		<u>SUPPORT SERVICES</u>		<b>Total Program &amp; Support Services</b>
	<u>Assyrian Aid Society - Iraq</u>	<u>Other Assyrian Support</u>	<u>General &amp; Management</u>	<u>Fundraising</u>	
Cash Grants	\$ 131,000	\$ -	\$ -	\$ -	\$ 131,000
Refugee Relief	40,000	-	-	-	40,000
School Support	22,000	-	-	-	22,000
Dorm Renovation	11,400	-	-	-	11,400
Education	100,000	-	-	-	100,000
Medical Relief	-	5,000	-	-	5,000
Media Support	-	16,400	-	-	16,400
Others	-	47,236	-	-	47,236
Advertising	-	-	-	8,250	8,250
Accounting and Professional fees	-	-	5,100	-	5,100
Salaries	-	-	24,039	10,303	34,342
Payroll taxes	-	-	9,351	4,008	13,359
Depreciation Expense	-	-	480	-	480
Postage and Delivery	-	-	-	5,792	5,792
Office Supplies	-	-	1,070	-	1,070
Telephone and Telecommunications	-	-	940	2,193	3,133
Other Office Expenses	-	-	3,694	-	3,694
Insurance - Liability D & O	-	-	1,301	-	1,301
Workers Compensation Insurance	-	-	466	-	466
Sales Tax	-	-	2,533	-	2,533
Mesopotamian Nights	-	-	-	102,662	102,662
Board of Directors - Travel Expenses	-	-	11,017	-	11,017
	<u>\$ 304,400</u>	<u>\$ 68,636</u>	<u>\$ 59,991</u>	<u>\$ 133,208</u>	<u>\$ 566,235</u>



**ASSYRIAN AID SOCIETY OF AMERICA  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2013**

	<u>December 31, 2013</u>
Cash Flows for Operating Activities	
Change in Net Assets	\$ (33,147)
Adjustments to reconcile net increase in net assets to net cash provided (Used in) operating activities:	
Depreciation	480
Accounts Receivable	(36,111)
Security Deposit	(1,000)
Accounts Payable	<u>(6,074)</u>
Net Cash used in operating activities	(75,852)
Increase/(Decrease) in cash and cash equivalents	(75,852)
Cash and cash equivalents at the beginning of the year	<u>199,484</u>
Cash and cash equivalents at the end of the year	<u><u>\$ 123,632</u></u>

See accompanying notes and accountant's report





**ASSYRIAN AID SOCIETY OF AMERICA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2013**

**NOTE 1 – NATURE OF THE ORGANIZATION**

Description of The Organization - The Assyrian Aid Society of America (the Organization) was founded in San Francisco, California in November 1991 to assist Assyrian refugees in Iraq during the First Gulf War.

Working in collaboration with its sister organization, the Assyrian Aid Society-Iraq, the Organization over the past 20 years has, in addition to ongoing refugee relief, gone on to fund village reconstruction programs, irrigation and electrification projects, medical clinics and pharmacies, life-saving surgeries in the United States for Assyrians from the Middle East, agricultural projects, and education programs from pre-school through college.

Today the Organization's primary focus is on education in northern Iraq. Nearly 9000 students in 60 schools are being taught all subjects in Assyrian and using textbooks translated into Assyrian and published by the Assyrian Aid Society.

The Organization is a 501(c)(3) non-profit organization incorporated in the State of California with a 15-person Board of Directors and chapters in Chicago, Michigan, Nevada, Los Angeles, Central Valley, Arizona, San Diego, and Santa Clara. The national headquarters is located in Berkeley, California.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Risks And Uncertainties - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and would impact future results of operations and cash flows.

Basis of Accounting - The financial statements have been prepared on the accrual basis of accounting.

Functional Classification of Expenses - The costs of providing various program services have been summarized on a functional basis in the statements of activities and functional expenses. Accordingly, certain costs have been allocated, principally on a direct costs basis, among the program and supporting services.



**ASSYRIAN AID SOCIETY OF AMERICA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2013**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Financial Statement Presentation - The Organization has adopted Statement of Financial Accounting Standards No. 117, "Financial Statements of Not-for-Profit Organizations." Under this statement, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted and permanently restricted.

Cash and Cash Equivalents - For purposes of the Statement of Cash Flows, the Organization considers all highly liquid debt instruments purchased with maturities of three months or less to be cash equivalents.

Categories of Net Assets - The net assets of the Organization are reported in the following categories:

*Unrestricted net assets* generally have no donor-imposed restrictions. This category includes those revenues and expenses associated with programs and supporting services. It also includes those net assets which have been designated by the Organization's Board of Directors as reserves or as funds functioning as endowment.

*Temporarily restricted net assets* include gifts for which donor-imposed restrictions have not been met and funds for which the ultimate purpose of the proceeds is not permanently restricted.

*Permanently restricted net assets* include gifts which require by donor-imposed restriction that the corpus be invested in perpetuity and only the income be made available for Organization operations in accordance with donor restrictions, if any. The Organization does not have any permanently restricted net assets as of December 31, 2013.



**ASSYRIAN AID SOCIETY OF AMERICA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2013**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

Contributed Support - The Organization recognizes all unconditional gifts and promises to give in the period notified. Contributed support is reported as unrestricted, temporarily or permanently restricted depending on the existence of donor stipulations that limit the use of the support.

In-kind Support - The Organization receives various types of in-kind support including professional services and tangible assets. Contributed professional 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. Contributions of tangible assets are recognized at fair value when received. Additionally, the Organization receives a significant amount of contributed time which does not meet the two recognition criteria described above. Accordingly, the value of this contributed time has not been determined and is not reflected in the accompanying financial statements.

Donated Office Space - The Organization uses office space provided by the Chairman Emeritus of the Board at no extra cost. The fair value of the rent-free use of the office space was \$ 4,800 for the year ended December 31, 2013.

Expiration of Donor- Imposed Restrictions - The expiration of a donor-imposed restriction on a contribution is recognized in the period in which the restriction expires, and at that time the related resources are reclassified to unrestricted net assets. A restriction expires when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

The Organization follows the policy of reporting donor-imposed restricted contributions whose restrictions are met in the same period as received as unrestricted support.

Long-lived assets acquired with gifts of cash restricted for those acquisitions are reported as unrestricted based on the Organization's policy of lifting restrictions on contributions of cash used for the acquisition of long-lived assets when the long-lived assets are acquired or construction commences.

**ASSYRIAN AID SOCIETY OF AMERICA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2013**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

Tax Exempt Status - Assyrian Aid Society of America, is a not-for-profit organization that is exempt from income taxes under Section 501 (c )(3) of the Internal Revenue Code and Section 2370 1 (d) of the California Revenue and Taxation Code.

**NOTE 3 – ASSYRIAN AID SOCIETY OF IRAQ ACTIVITIES AND PROJECTS**

The monthly non-designated grants from Assyrian Aid Society of America to Assyrian Aid Society of Iraq are intended to fully or partially fund the full range of routine Assyrian Aid Society of Iraq activities and projects. These activities and projects include but are not limited to:

- i. Support of pre-school day care centers
- ii. Salaries for Teachers and school bus drivers and other needs of the Assyrian primary and secondary schools
- iii. Maintaining student dormitories and computer labs
- iv. Stocking and running of pharmacies that provide medicines free or at-cost as well as some basic medical diagnostic services
- v. Repair, reconstruction, or new construction of some civic buildings such as community centers and churches
- vi. Repairing and building new irrigation systems and electric networks
- vii. Supports refugees who are displaced or remain displaced in north Iraq
- viii. Supporting youth sports organizations and social societies

The grants given to Assyrian Aid Society of Iraq to support the above activities were \$368,036 as of December 31<sup>st</sup>, 2013.



**ASSYRIAN AID SOCIETY OF AMERICA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2013**

**NOTE 4 - TEMPORARILY RESTRICTED PROJECTS**

Temporarily restricted projects are restricted by donors. These amounts are released from donor restrictions by incurring expenses satisfying the restricted purposes.

Refugee Relief Projects - Due to sporadic but continued religious violence inside Iraq and due to the growing civil war in neighboring Syria, bursts of refugee migrations into northern Iraq required the Assyrian Aid Society to mount relief projects for hundreds of displaced Assyrian families. The scope of these relief efforts included but were not limited to distribution of food, heating oil, blankets, clothing, and personal hygiene necessities; providing temporary shelter in Assyrian Aid Society of America-Iraq student dormitories and/or assisting in locating more permanent lodging; and assisting the families in connecting with available government programs and services.

Savina Project - In another effort to broaden AAS-A's mission the San Diego Chapter spearheaded the effort to raise funds for Ms. Savina Dawood of Erbil, Iraq, to travel to a United Nations sponsored conference in Africa where she advocated for the international community to provide a secure safe haven in north Iraq for its religious minorities. Funding was achieved in cooperation with other Assyrian organizations in the United States and private individuals. A fluent English-speaker, Ms. Dawood has become a go-to on-air figure for the BBC and other Western media seeking information about the ongoing situation in north Iraq and how it is affecting the Christians and other religious minorities.

Urmi Project - In 2013 AAS-A approved a grant of \$5000 for the construction of a community center in the village of Ardishai-Tekka in Urmi, Iran, as AAS-A sought to broaden the scope of its projects in the Middle East outside of Iraq. In 2014 another request was received from the village of Ardishai-Tekka for additional funds to complete the original project and \$2000 was allocated.



**ASSYRIAN AID SOCIETY OF AMERICA**  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2013

**NOTE 5 - TEMPORARILY RESTRICTED NET ASSETS AND NET ASSETS RELEASED FROM RESTRICTIONS**

Temporarily restricted net assets are restricted by donors. These net assets are released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors, including passage of time. Temporarily restricted net assets received and released from restrictions are described below:

<b>Purpose Restriction</b>	<b>2013</b>
Refugee Relief	\$ 32,300
Savina Project	4,800
Urmi Project	5,000
<b>TOTAL</b>	<b>\$ 42,100</b>

<b>Released from Restriction</b>	<b>2013</b>
Refugee Relief	\$ 32,300
Savina Project	4,800
Urmi Project	5,000
Grant Writing	6,750
Sacramento Function	1,000
<b>TOTAL</b>	<b>\$ 49,850</b>



**ASSYRIAN AID SOCIETY OF AMERICA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2013**

**NOTE 6 – SUBSEQUENT EVENTS**

In addition to the refugees from the continuing civil war in neighboring Syria, the advance across north Iraq of the Islamic State of Iraq and the Levant (ISIL, aka ISIS) and the fall of the city of Mosul created a new flood of Internally Displaced Persons (IDPs) requiring emergency aid and ongoing assistance. With the bulk of these IDPs being Christians along with other religious minorities, the Assyrian Aid Society of America (AAS-A) and Assyrian Aid Society-Iraq (AAS-I) were pressed to implement massive refugee aid projects and to raise money to fund those projects.

Directly due to ISIS crisis and the worldwide publicity it sparked, many non-Assyrian Americans suddenly became aware of the plight of Christians in Iraq and began seeking out to the Assyrian Aid Society of America (AAS-A) as a source for information and as a conduit for their charitable donations to assist their fellow Christians in harm's way in Iraq. This opened doors for genuinely new funding opportunities and sparked the need for AAS-A to develop new informational and promotional tools to leverage these new funding opportunities.

To keep building the awareness of the plight of Christians in Iraq, AAS-A is committed to stage its Taste of the Mediterranean fundraising in San Francisco, on December 6, 2014.

Domestically, AAS-A President Ashur Yoseph and the Executive Committee, responding to requests from college students wanting to be more actively engaged in AAS-A activities by setting out to organize new chapters or sub-chapters at the University of California-Davis and other campuses.