



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

FINANCIAL STATEMENTS

(WITH INDEPENDENT AUDITOR'S REPORT)

AS OF
DECEMBER 31st 2014



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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, 2014, 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, 2014, 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, 2014**

	<u>December 31, 2014</u>
ASSETS	
Cash and cash equivalents	\$ 363,996
Accounts Receivable	49,696
Equipment, net of accumulated depreciation	-
Security Deposit	<u>10,860</u>
TOTAL ASSETS	424,552
LIABILITIES	
Accounts Payable	7,860
NET ASSETS	
Unrestricted Net Assets	385,454
Temporarily Restricted	<u>31,238</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 424,552</u></u>

See accompanying notes and accountant's report

**ASSYRIAN AID SOCIETY OF AMERICA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
REVENUE AND OTHER SUPPORT			
DIRECT PUBLIC SUPPORT:			
Arizona	\$ 14,500	-	\$ 14,500
Chicago	27,200	-	27,200
Central Valley	3,000	-	3,000
Michigan	6,000	-	6,000
Los Angeles	52,000	-	52,000
San Diego	10,600	-	10,600
Santa Clara	23,270	-	23,270
Sacramento	6,000	-	6,000
	<u>142,570</u>	-	<u>142,570</u>
GRANTS AND CONTRIBUTIONS RECEIVED	29,414	6,500	35,914
Special Events	17,760	-	17,760
Lifeline Support	53,492	-	53,492
Matching Funds	19,710	-	19,710
Refugee Relief	1,094,067	-	1,094,067
Interest Income	50	-	50
Mesopotamian Night - Santa Clara	11,633	-	11,633
Mesopotamian Night - Chicago	70,000	-	70,000
Taste of the Mediterranean	302,715	-	302,715
Net assets released from restrictions	2,000	(2,000)	-
	<u>1,743,411</u>	<u>4,500</u>	<u>1,747,911</u>
Total Revenue and Other Support			
EXPENSES			
Program Expenses			
Support to Assyrian Aid Society - Iraq	1,311,803	-	1,311,803
	<u>1,311,803</u>	-	<u>1,311,803</u>
Supporting Expenses			
General & Management	76,848	-	76,848
Fundraising	137,508	-	137,508
	<u>214,356</u>	-	<u>214,356</u>
Total Expenses	<u>1,526,159</u>	-	<u>1,526,159</u>
CHANGE IN NET ASSETS	217,252	4,500	221,752
NET ASSETS, beginning of year	<u>168,202</u>	<u>26,738</u>	<u>194,940</u>
NET ASSETS, end of year	<u>\$ 385,454</u>	<u>\$ 31,238</u>	<u>\$ 416,692</u>

See accompanying notes and accountant's report

**ASSYRIAN AID SOCIETY OF AMERICA
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>PROGRAM SERVICES</u>		<u>SUPPORT SERVICES</u>		Total Program & Support Services
	<u>Assyrian Aid Society - Iraq</u>	<u>General & Management</u>	<u>Fundraising</u>		
Cash Grants	\$ 129,600	\$ -	\$ -	\$ -	\$ 129,600
Refugee Relief	1,048,460	-	-	-	1,048,460
Assyrian Women Union	2,000	-	-	-	2,000
Marathon Project	6,100	-	-	-	6,100
Education	90,000	-	-	-	90,000
Grant Writing	-	-	9,000	-	9,000
Media Support	8,600	-	-	-	8,600
Others	27,043	-	-	-	27,043
Advertising	-	-	19,475	-	19,475
Accounting and Professional fees	-	6,200	-	-	6,200
Bank Charges	-	9,907	-	-	9,907
Salaries	-	25,188	10,796	-	35,984
Payroll taxes	-	10,944	4,691	-	15,635
Depreciation Expense	-	479	-	-	479
Postage and Mailing	-	-	3,993	-	3,993
Office Supplies	-	4,056	-	-	4,056
Telephone and Telecommunications	-	1,486	-	-	1,486
Printing	-	-	2,309	-	2,309
Insurance - Liability D & O	-	3,370	-	-	3,370
Workers Compensation Insurance	-	254	-	-	254
Sales Tax	-	3,091	-	-	3,091
Mesopotamian Nights	-	-	87,244	-	87,244
Board of Directors - Travel Expenses	-	11,873	-	-	11,873
	<u>\$ 1,311,803</u>	<u>\$ 76,848</u>	<u>\$ 137,508</u>	<u>\$ -</u>	<u>\$ 1,526,159</u>



**ASSYRIAN AID SOCIETY OF AMERICA
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>December 31, 2014</u>
Cash Flows for Operating Activities	
Change in Net Assets	\$ 221,752
Adjustments to reconcile net increase in net assets to net cash provided (Used in) operating activities:	
Depreciation	479
Accounts Receivable	23,721
Security Deposit	(9,860)
Accounts Payable	<u>4,272</u>
Net Cash used in operating activities	240,364
Increase/(Decrease) in cash and cash equivalents	240,364
Cash and cash equivalents at the beginning of the year	<u>123,632</u>
Cash and cash equivalents at the end of the year	<u><u>\$ 363,996</u></u>

See accompanying notes and accountant's report



ASSYRIAN AID SOCIETY OF AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

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 23 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, in light of the political-military-humanitarian crisis fueled by the advance of ISIS in both Iraq and Syria, the Organization's primary focus in 2014 and looking forward has been on refugee relief. At the same time, the Organization remains committed to education in northern Iraq with over 9000 students in over 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.



ASSYRIAN AID SOCIETY OF AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

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.

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, 2014.



ASSYRIAN AID SOCIETY OF AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

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, 2014.

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, 2014

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 refugees who are displaced or remain displaced in north Iraq
- 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 of pre-school day care centers
- viii. Supporting youth sports organizations and social societies

The grants given to Assyrian Aid Society of Iraq to support the above activities were \$1,311,803 as of December 31st, 2014.



ASSYRIAN AID SOCIETY OF AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

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.



ASSYRIAN AID SOCIETY OF AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

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:

Purpose Restriction	2014
Applied Materials	\$ 2,000
Benivity Community Impact Fund	2,400
Women's Union	2,000
Chaldo-Assyrian Student Union	100
TOTAL	\$ 6,500

Released from Restriction	2014
Women's Union	\$ 2,000
TOTAL	\$ 2,000



ASSYRIAN AID SOCIETY OF AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

NOTE 6 – SUBSEQUENT EVENTS

The ongoing civil war in Syria continues to flood north Iraq with refugee families. Thousands of families who earlier fled Syria and ISIS in Iraq remain in Iraq with no resources to join the tidal wave of refugees streaming into and across Europe. The most desperate and needy are left behind. The massive refugee aid projects Assyrian Aid Society of America (AAS-A) and Assyrian Aid Society of Iraq (AAS-Iraq) implemented are ongoing with no adequate or reliable funding.

As global attention shifts to the migrants pouring across borders into eastern and southern Europe, Assyrian Aid Society of America (AAS-A) must work even harder to remind the non-Assyrian population in the United States of the dire circumstances and overwhelming need Assyrian Christians continue to face in Iraq.

To continue building awareness of the plight of Christians in Iraq, Assyrian Aid Society of America (AAS-A) is committed to stage its Taste of the Mediterranean fundraising event in San Francisco, on November 7, 2015.