

**Assyrian Church of the East Relief Organization**

**Audit Report  
Financial Statements  
& Footnotes**

**December 31, 2020**

**Assyrian Church of the East Relief Organization**

Financial Statements

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To the Board of Directors  
Assyrian Church of the East Relief Organization  
Chicago, IL

We have audited the accompanying financial statements of Assyrian Church of the East Relief Organization (a nonprofit organization), which comprise the statement of financial position as of December 31, 2020 and the related statement of activities, changes in net assets, 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 Church of the East Relief Organization as of December 31, 2020, and the related statement of activities, changes in net assets, and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Craig Shaffer & Associates Ltd  
Certified Public Accountants  
Des Plaines, IL 60018  
January 16, 2021

**Assyrian Church of the East Organization**  
Statement of Financial Position  
December 31, 2020

**ASSETS**

Current Assets	
Cash and Cash Equivalents	\$ 96,514
Prepaid Expense	279
Total Current Assets	\$ 96,793
Fixed Assets	
Equipment	\$ 5,487
Furniture and Fixtures	0
Total Fixed Assets	\$ 5,487
Less Accumulated Depreciation	(1,377)
Net Fixed Assets	\$ 4,110
Leasehold Improvements	
Leasehold Improvements	\$ 0
Less Accumulated Depreciation	(0)
Net Leasehold Improvements	\$ 0
Net Fixed Assets and Leasehold Improvements	\$ 4,110
Other Assets	
Cash Restricted	\$ 0
Security Deposits	0
Total Other Assets	\$ 0
<b>Total Assets</b>	<b>\$ 100,903</b>

See CPA Opinion and related Footnotes which are an integral part of these financial statements

**Assyrian Church of the East Organization**  
Statement of Financial Position  
December 31, 2020

**LIABILITIES AND NET ASSETS**

**Liabilities**

Current Liabilities

Accounts Payable	\$	0
Total Current Liabilities	\$	0

Long-Term Liabilities

Total Long-Term Liabilities	\$	0
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<b>Total Liabilities</b>	\$	0
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**Net Assets**

Restricted Assets	\$	0
Unrestricted Net Assets		100,903
<b>Total Net Assets</b>	\$	100,903

<b>Total Liabilities and Net Assets</b>	\$	100,903
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See CPA Opinion and related Footnotes which are an integral part of these financial statements

**Assyrian Church of the East Organization**  
Statement of Activities  
For the Year Ended December 31, 2020

<b>Gross Donations Received</b>	\$	385,619
<b>Program Expenses</b>		
Grants	\$	329,800
<b>Total Program Expenses</b>	<u>\$</u>	<u>329,800</u>
<b>Gross Profit in Unrestricted Net Assets</b>	\$	55,819
<b>Support and Organizational Expenses</b>		
Bank Charges	\$	1,482
Contributions		5,000
Depreciation and Amortization		503
Dues and Subscriptions		113
Equipment Rental		106
Insurance		411
Professional Fees		2,726
<b>Total Support and Organizational Expenses</b>	<u>\$</u>	<u>10,341</u>
<b>Increase (Decrease) in Unrestricted Net Assets</b>	\$	45,478
<b>Other Increase (Decrease) in Unrestricted Assets</b>		
Interest Income	\$	0
Interest Expense		0
Penalties		0
<b>Total Other Increase (Decrease) in Unrestricted Assets</b>	<u>\$</u>	<u>0</u>
<b>Net Increase (Decrease) in Unrestricted Net Assets</b>	<u>\$</u>	<u>45,478</u>

See CPA Opinion and related Footnotes which are an integral part of these financial statements

**Assyrian Church of the East Organization**  
Statement of Net Assets  
For the Year Ended December 31, 2020

	Accumulated Other Comprehensive Income	Restricted Net Assets	Unrestricted Net Assets	Ending Net Assets
Balance at Beginning of Year	\$ 0	\$ 0	\$ 55,424	\$ 55,424
Net Income or (Loss)	\$ 0	\$ 0	\$ 45,478	\$ 45,478
Other Comprehensive Income	\$ 0	\$ 0	\$ 0	\$ 0
Equity Adjustments	\$ 0	\$ 0	\$ 0	\$ 0
Prior Period Adjustments	\$ 0	\$ 0	\$ 0	\$ 0
Rounding	\$ 0	\$ 0	\$ 1	\$ 1
<b>Balance at End of Year</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 100,903</b>	<b>\$ 100,903</b>

See CPA Opinion and related Footnotes which are an integral part of these financial statements

**Assyrian Church of the East Organization**  
Statement of Cash Flows  
For the Year Ended December 31, 2020

<b>Cash Provided by (Applied to) Operating Activities</b>	
Net Income or (Loss)	\$ 45,478
Items which did not affect Cash:	
Depreciation and Amortization	503
Decrease (Increase) in:	
Accounts Receivable and other Current Assets	0
Accounts Payable and other Current Liabilities	0
Net Cash Provided by Operating Activities	\$ 45,981
<b>Cash Provided by (Applied to) Investing Activities</b>	
Fixed Assets	\$ (4,567)
Intangible Assets	0
Investments	0
Net Cash Provided by Investing Activities	\$ (4,567)
<b>Cash Provided by (Applied to) Financing Activities</b>	
Security Deposits	\$ 0
Net Cash Provided by Financing Activities	\$ 0
Rounding	\$ 1
<b>Net Increase or (Decrease) in Cash, Cash Equivalents and Restricted Cash</b>	<b>\$ 41,415</b>
<b>Cash, Cash Equivalents and Restricted Cash Beginning</b>	<b>\$ 55,099</b>
<b>Cash, Cash Equivalents and Restricted Cash Ending</b>	<b>\$ 96,514</b>

Supplemental Disclosure Information:

\$ 0	Interest Expense
\$ 0	Tax Expense
\$ 0	Restricted Cash

All cash is available for organizational uses and there is sufficient cash for the organization to operate for greater than one year.

See CPA Opinion and related Footnotes which are an integral part of these financial statements



**Assyrian Church of the East Relief Organization**  
Notes to the Financial Statements

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**Note 1. Nature of Business and Significant Accounting Policies**

Nature of Business: Assyrian Church of the East Relief ("the Organization") is an agency helping to provide relief for refugees in the Middle East and was incorporated as a not-for-profit under the laws of the State of Illinois. The Organization has an office in Illinois.

Significant accounting policies are as follows:

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 reported amounts of assets and liabilities and disclosure 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.

Cash and Cash Equivalents: For purposes of the consolidated statements of cash flows, the Organization considers all highly liquid investments purchased with original maturities of three months or less on their acquisition date to be cash equivalents.

Fixed Assets: Furniture, equipment, software and leasehold improvements are capitalized at cost. Expenditures for repairs and maintenance are expensed when incurred; major improvements are capitalized. Equipment purchased under an operating lease is expensed.

Depreciation and Amortization: For financial purposes, depreciation and amortization of fixed assets is computed using the straight-line method over the estimated useful life of the assets ranging from 3 to 39 years. For tax purposes, depreciation and amortization is computed using some accelerated methods.

Prepaid Expense: This amount represents money advanced against costs that will be used in the future.

Security Deposits other asset: This amount represents money advanced that will be returned or used for final payment in the future for leases or utilities.

Accounts Receivable: This amount represents checks received from donors dated prior to the end of year but not deposited until the next year.

Revenue Recognition: These amounts represent cash receipts and accounts receivable received from donations and are recorded when earned.

Financial Statement Presentation: The organization is required to report information regarding its financial condition and actives to three (3) classes of net assets: unrestricted, temporarily restricted, or permanently restricted.

Contributions: Under FASB No. 116, Accounting for Contributions Received and Contributions Made, contributions are recorded as unrestricted, temporarily restricted, or permanently restricted net assets depending on the existence or nature of any donor restriction.

Income Tax: The organization is a non-for-profit that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified as other than a private foundation.

Subsequent Events: The financial statements were available to be issued as of the report date, with subsequent events being evaluated through this date.

**Assyrian Church of the East Relief Organization**  
Notes to the Financial Statements

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**Note 2. Uncertain Tax Positions**

The Company files income tax returns in the U.S. Federal, State and Local jurisdictions. With few exceptions, the Company is no longer subject to U.S. Federal, State and Local, or non-U.S. income tax examinations by tax authorities for years before December 31, 2017.

In the next twelve (12) months, the Company does not expect a material net change in unrecognized tax benefits.

**Note 3. Net Assets**

The organization does not have any temporarily or permanently restricted net assets as of December 31, 2020.

**Note 4. Fair Value of Financial Instruments**

The Organization has implemented an accounting standard that establishes a framework for measuring fair value for cash and cash equivalents. Accounting literature establishes a framework that establishes fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value for cash equivalents. This hierarchy consists of three broad levels:

- Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority.
- Level 2 inputs consist of observable inputs other than quoted prices for identical assets.
- Level 3 inputs are unobservable and have the lowest priority.

The Organization uses appropriate valuation techniques based on the available inputs to measure fair value of its cash equivalents. Financial assets are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. When available, the Organization measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs were used only when Level 1 or Level 2 inputs were not available.

The following table represents the fair value hierarchy for cash equivalents measured on a recurring basis at year end:

<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
\$ 0	\$ 0	\$ 0	\$ 0
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
\$ 0	\$ 0	\$ 0	\$ 0

The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes that its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

**Assyrian Church of the East Relief Organization**  
Notes to the Financial Statements

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**Note 5.           Worldwide Pandemic**

On March 20, 2020, the state of Illinois issued a mandatory statewide shutdown of all non-essential business. This shutdown went into effect at 5 pm on Saturday March 21, 2020 and will continue thru Sunday May 31, 2020. The impact of the statewide shutdown to the Company's operating environment could increase costs, disruptions and restrictions on our employees' ability to work and changes to the operating environment. Operating environment changes include loan applications, appraisals, loan processing time delays, loan underwriting delays, closing delays or other area requiring contact with the borrowers. Future potential impacts to the Company could include lack of demand for new loans, inability to refinance existing loans, the borrower's ability to pay the required monthly payments, increased repurchase risk or loan defaults or other related issues. The future effects of the coronavirus (COVID-19) are unknown.

On March 20, 2020, the state of Illinois issued a mandatory statewide shutdown of all non-essential business. This shutdown went into effect on Saturday March 21, 2020 and continued thru Sunday May 31, 2020. The impact of the statewide shutdown to the Company's operating environment increased costs, disruptions and restrictions on our employees' ability to work and changes to the operating environment. Future potential impacts to the Company could include reduced incoming donations, slower collection of receivables, longer release dates of new products or other related issues. The future effects of the coronavirus (COVID-19) are unknown and as of the report date, we are still in the middle of this worldwide pandemic.