

**Assyrian Church of the East Relief Organization**

**Audit Report  
Financial Statements  
& Footnotes**

**December 31, 2018**

**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, 2018 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, 2018, 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 18, 2019

**Assyrian Church of the East Organization**  
Statement of Financial Position  
December 31, 2018

**ASSETS**

Current Assets	
Cash and Cash Equivalents	\$ 93,038
Prepaid Expense	663
Total Current Assets	\$ 93,701
Fixed Assets	
Equipment	\$ 920
Total Fixed Assets	\$ 920
Less Accumulated Depreciation	(689)
Net Fixed Assets	\$ 231
Leasehold Improvements	\$ 0
Less Accumulated Depreciation	(0)
Net Leasehold Improvements	\$ 0
Net Fixed Assets and Leasehold Improvements	\$ 231
Other Assets	
Security Deposits	\$ 0
Total Other Assets	\$ 0
<b>Total Assets</b>	<b>\$ 93,932</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, 2018

**LIABILITIES AND NET ASSETS**

**Liabilities**

Current Liabilities

    Accounts Payable

        Total Current Liabilities

	\$		100
	\$		100

Long-Term Liabilities

    Total Long-Term Liabilities

	\$		0
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**Total Liabilities**

	\$		100
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**Net Assets**

    Restricted Assets

    Unrestricted Net Assets

**Total Net Assets**

	\$		0
			93,832
	\$		93,832

**Total Liabilities and Net Assets**

	\$		93,932
			93,932
			93,932

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, 2018

<b>Gross Donations Received</b>	\$	511,651
<b>Cost of Goods Sold</b>		
Grants	\$	410,000
<b>Total Cost of Goods Sold</b>	<u>\$</u>	<u>410,000</u>
<b>Gross Profit</b>	\$	101,651
<b>Operating Expenses</b>		
Bank Charges	\$	1,107
Contributions		18,833
Depreciation and Amortization		184
Equipment Rental		82
Insurance		949
Office Supplies		272
Professional Fees		2,619
<b>Total Operating Expenses</b>	<u>\$</u>	<u>24,046</u>
<b>Increase (Decrease) in Unrestricted Net Assets</b>	\$	77,605
<b>Other Increase (Decrease)</b>		
Interest Income	\$	0
Interest Expense		0
<b>Total Other Income or (Expense)</b>	<u>\$</u>	<u>0</u>
<b>Net Income or (Loss)</b>	<u>\$</u>	<u><u>77,605</u></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, 2018

	Accumulated Other Comprehensive Income	Restricted Net Assets	Unrestricted Net Assets	Ending Net Assets
Balance at Beginning of Year	\$ 0	\$ 0	\$ 16,227	\$ 16,227
Net Income or (Loss)	\$ 0	\$ 0	\$ 77,605	\$ 77,605
Other Comprehensive Income	\$ 0	\$ 0	\$ 0	\$ 0
Equity Adjustments	\$ 0	\$ 0	\$ 0	\$ 0
Prior Period Adjustments	\$ 0	\$ 0	\$ 0	\$ 0
Rounding	\$ 0	\$ 0	\$ 0	\$ 0
<b>Balance at End of Year</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 93,832</b>	<b>\$ 93,832</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, 2018

<b>Cash Provided by (Applied to) Operating Activities</b>	
Net Income or (Loss)	\$ 77,605
Items which did not affect Cash:	
Depreciation and Amortization	184
Decrease (Increase) in:	
Accounts Receivable and other Current Assets	(42)
Accounts Payable and other Current Liabilities	100
Net Cash Provided by Operating Activities	<u>\$ 77,847</u>
<b>Cash Provided by (Applied to) Investing Activities</b>	
Fixed Assets	\$ 0
Intangible Assets	0
Investments	0
Net Cash Provided by Investing Activities	<u>\$ 0</u>
<b>Cash Provided by (Applied to) Financing Activities</b>	
Security Deposits	\$ 0
Net Cash Provided by Financing Activities	<u>\$ 0</u>
Rounding	\$ (1)
<b>Net Increase or (Decrease) in Cash and Cash Equivalents</b>	<b>\$ 77,846</b>
<b>Cash and Cash Equivalents Beginning</b>	<b>\$ 15,192</b>
<b>Cash and Cash Equivalents Ending</b>	<b><u>\$ 93,038</u></b>

Supplemental Disclosure Information:

Cash Paid for:	
Interest \$	0
Taxes \$	0

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

**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 June 30, 2015.

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, 2018.

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

The Company's financial instruments are reported at fair value in the accompanying balance sheet. 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, although management believes its valuation methods are appropriate and consistent with other smartest 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.

The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets or liabilities and have the highest priority, and Level 3 inputs are unobservable and have the lowest priority. The Company uses appropriate valuation techniques based on the available inputs to measure fair value. Financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. When available, the Company measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value.

The Company has determined

Level 1 Fair Value Measurements

- The Company has no assets or liabilities categorized at this level. The Company has no assets or liabilities categorized at this level.

Level 2 Fair Value Measurements

- The fair value of fixed assets are carried at cost and any gain or loss will be recognized at time of sale

Level 3 Fair Value Measurements

- The Company has no assets or liabilities categorized at this level.

The following table represents the Company's fair value hierarchy for certain financial assets and liabilities are measured on a recurring basis at year end.

Year-end Financial Instruments	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Assets:				
Fixed Assets	\$ 231	\$ 0	\$ 231	\$ 0
Liabilities:				
Hedge Inventory	\$ 0	\$ 0	\$ 0	\$ 0