

EURASIAN MISSIONS

Financial Statements
With Independent Auditors' Report

December 31, 2014 and 2013

EURASIAN MISSIONS

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Eurasian Missions
Elmhurst, Illinois

We have audited the accompanying financial statements of Eurasian Missions, which comprise the statements of financial position as of December 31, 2014 and 2013, and the related statements of activities, cash flows and functional expenses for the years 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits 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 Eurasian Missions as of December 31, 2014 and 2013, and the changes in its net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Capin Crouse LLP

Wheaton, Illinois
March 6, 2015

EURASIAN MISSIONS

Statements of Financial Position

	December 31,	
	<u>2014</u>	<u>2013</u>
ASSETS:		
Cash and cash equivalents	\$ 1,136,609	\$ 1,125,196
Prepaid expenses and other assets	<u>495</u>	<u>9,242</u>
	<u>\$ 1,137,104</u>	<u>\$ 1,134,438</u>
LIABILITIES AND NET ASSETS:		
Liabilities:		
Accrued liabilities	\$ -	\$ 5,997
Net assets:		
Unrestricted net assets	<u>1,137,104</u>	<u>1,128,441</u>
	<u>\$ 1,137,104</u>	<u>\$ 1,134,438</u>

See notes to financial statements

EURASIAN MISSIONS

Statements of Activities

	Year Ended December 31,	
	2014	2013
CHANGES IN UNRESTRICTED NET ASSETS:		
Support and revenue:		
Contributions from member churches	\$ 404,794	\$ 402,364
Interest income and other revenue	54	77
Total support and revenue	<u>404,848</u>	<u>402,441</u>
Expenses:		
Program services	368,001	350,518
Supporting activities:		
General and administrative	<u>28,184</u>	<u>29,168</u>
Total expenses	<u>396,185</u>	<u>379,686</u>
Change in Unrestricted Net Assets	8,663	22,755
Net Assets, Beginning of Year	<u>1,128,441</u>	<u>1,105,686</u>
Net Assets, End of Year	<u>\$ 1,137,104</u>	<u>\$ 1,128,441</u>

See notes to financial statements

EURASIAN MISSIONS

Statements of Cash Flows

	Year Ended December 31,	
	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 8,663	\$ 22,755
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Change in operating assets and liabilities:		
Prepaid expenses and other assets	8,747	(5,458)
Accrued liabilities	(5,997)	5,997
Net Cash Provided by Operating Activities	11,413	23,294
Cash and Cash Equivalents, Beginning of Year	1,125,196	1,101,902
Cash and Cash Equivalents, End of Year	<u>\$ 1,136,609</u>	<u>\$ 1,125,196</u>

See notes to financial statements

EURASIAN MISSIONS

Statements of Functional Expenses

	Year Ended December 31, 2014		
	Program services	General and administrative	Total
Direct support to Eurasian entities	\$ 334,755	\$ -	\$ 334,755
Salary and payroll taxes	-	19,377	19,377
Travel, meetings and meals	33,246	36	33,282
Communication and office expenses	-	3,149	3,149
Professional fees - legal	-	460	460
Professional fees - audit	-	5,162	5,162
	<u>\$ 368,001</u>	<u>\$ 28,184</u>	<u>\$ 396,185</u>

	Year Ended December 31, 2013		
	Program services	General and administrative	Total
Direct support to Eurasian entities	\$ 329,867	\$ -	\$ 329,867
Salary and payroll taxes	-	19,377	19,377
Travel, meetings and meals	20,651	1,325	21,976
Communication and office expenses	-	3,294	3,294
Professional fees - legal	-	210	210
Professional fees - audit	-	4,962	4,962
	<u>\$ 350,518</u>	<u>\$ 29,168</u>	<u>\$ 379,686</u>

See notes to financial statements

EURASIAN MISSIONS

Notes to Financial Statements
December 31, 2014 and 2013

1. NATURE OF ORGANIZATION:

Eurasian Missions (EM) is an Illinois nonprofit corporation dedicated to spreading the Gospel through developing and maintaining Christian programs designed to facilitate spiritual and material support of churches throughout the continent generally described as Eurasia. EM was established in October 2003. Members of EM are all churches that participate in the fellowship of the Churches of Christ, subscribe to its Statement of Faith set forth in the bylaws of EM and have a desire to support missions throughout Eurasia.

EM has received a favorable determination letter from the Internal Revenue Service stating that it is exempt from income tax under Section 501(a) of the U.S. Internal Revenue Code (Code) as an organization described in Section 501(c)(3), and contributions to EM are tax deductible within the limitations prescribed by the Code. EM is not a private foundation as defined by the Code.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The financial statements of EM are prepared on the accrual basis of accounting. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect reported amounts and disclosures. Accordingly, actual results could differ from these estimates. The significant accounting policies followed are described below.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include checking and other depository accounts with maturities of less than one year. From time to time, these accounts may exceed federally insured limits; however, EM has not experienced any losses on these accounts as a result and does not feel it is subject to credit risk related to these accounts.

CLASSES OF NET ASSETS

The financial statements report amounts by classes of net assets. Unrestricted amounts are those available at the discretion of the Board to be used to further the exempt purposes of EM. At December 31, 2014 and 2013, EM had no temporarily or permanently restricted net assets.

REVENUES AND EXPENSES

Contributions are recognized when made. Gifts of cash and other assets are reported as restricted support if they are received with donor stipulations that limit the use of the cash or donated assets.

CONTRIBUTED SERVICES

A substantial number of unpaid volunteers have made significant contributions of their time to EM. These volunteers have a significant impact on making the ministry effective. The value of these contributed services is not reflected in the financial statements because they do not meet the definition of donated services required to be recorded.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

UNCERTAIN TAX POSITIONS

The financial statement effects of a tax position taken or expected to be taken are recognized in the financial statements when it is more likely than not, based on the technical merits, that the position will be sustained upon examination. Interest and penalties, if any, are included in expenses in the statements of activities. As of December 31, 2014, EM had no uncertain tax positions that qualify for recognition or disclosure in the financial statements.

3. CONTRIBUTIONS FROM MEMBER CHURCHES:

Contributions from member churches by location and percentage of the total are as follows:

	Year Ended December 31,			
	2014		2013	
Dallas-Fort Worth Church of Christ	\$ 160,000	39.5%	\$ 160,000	39.8%
Gateway City Church	75,000	18.5%	75,000	18.6%
Greater Houston Church	35,000	8.6%	65,000	16.2%
Wichita Church of Christ	30,000	7.4%	40,000	9.9%
Kansas City Church of Christ	30,000	7.4%	20,000	5.0%
Austin International Church of Christ	30,000	7.4%	-	0.0%
Oklahoma City International Church of Christ	15,194	3.8%	15,166	3.8%
Columbia Church of Christ	8,850	2.2%	6,000	1.5%
Tulsa Church of Christ	8,000	2.0%	9,198	2.3%
Lawrence Church of Christ	6,000	1.5%	6,000	1.5%
Omaha Church of Christ	5,000	1.2%	5,000	1.2%
Lubbock International Church of Christ	1,000	0.2%	1,000	0.2%
Amarillo International Church of Christ	750	0.2%	-	0.0%
	\$ 404,794		\$ 402,364	

A strategic re-alignment of mission societies was proposed in 2012. The ministry leadership agreed that this was the best plan to further the gospel of Christ. As part of this strategic re-alignment, the Midwest family of churches' financial support became part of the International Mission Society starting in 2013. Along with this change, a corresponding mission field and its financial need are now supported by the International Mission Society. The end result of this strategic re-alignment is that the Eurasian Mission Society's ability to carry out its mission has not been affected.

4. SUBSEQUENT EVENTS:

Subsequent events have been evaluated through the report date, which represents the date the financial statements were available to be issued. Subsequent events after that date have not been evaluated.