

EURASIAN MISSIONS

Financial Statements
With Independent Auditors' Report

December 31, 2016 and 2015

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, 2016 and 2015, 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, 2016 and 2015, 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.

A handwritten signature in black ink that reads "Capin Crouse LLP". The signature is written in a cursive, flowing style.

Wheaton, Illinois
February 21, 2017

EURASIAN MISSIONS

Statements of Financial Position

	December 31,	
	<u>2016</u>	<u>2015</u>
ASSETS:		
Cash and cash equivalents	\$ 1,235,248	\$ 1,185,160
Prepaid expenses	<u>5,429</u>	<u>495</u>
	<u>\$ 1,240,677</u>	<u>\$ 1,185,655</u>
UNRESTRICTED NET ASSETS	<u>\$ 1,240,677</u>	<u>\$ 1,185,655</u>

See notes to financial statements

EURASIAN MISSIONS

Statements of Activities

	Year Ended December 31,	
	2016	2015
CHANGES IN UNRESTRICTED NET ASSETS:		
Support and revenue:		
Contributions from member churches	\$ 445,441	\$ 443,168
Interest income	1,274	107
Total support and revenue	<u>446,715</u>	<u>443,275</u>
Expenses:		
Program services	364,671	367,177
Supporting activities:		
General and administrative	<u>27,022</u>	<u>27,547</u>
Total expenses	<u>391,693</u>	<u>394,724</u>
Change in Unrestricted Net Assets	55,022	48,551
Net Assets, Beginning of Year	<u>1,185,655</u>	<u>1,137,104</u>
Net Assets, End of Year	<u>\$ 1,240,677</u>	<u>\$ 1,185,655</u>

See notes to financial statements

EURASIAN MISSIONS

Statements of Cash Flows

	Year Ended December 31,	
	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 55,022	\$ 48,551
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Change in operating assets and liabilities:		
Prepaid expenses	(4,934)	-
Net Cash Provided by Operating Activities	50,088	48,551
Cash and Cash Equivalents, Beginning of Year	1,185,160	1,136,609
Cash and Cash Equivalents, End of Year	\$ 1,235,248	\$ 1,185,160

See notes to financial statements

EURASIAN MISSIONS

Statements of Functional Expenses

	Year Ended December 31, 2016		
	Program Services	General and Administrative	Total
Direct support to Eurasian entities	\$ 349,800	\$ -	\$ 349,800
Salaries and benefits	-	19,377	19,377
Travel, meetings and meals	9,371	-	9,371
Insurance, fees and office expenses	-	3,445	3,445
Professional services	5,500	4,200	9,700
	<u>\$ 364,671</u>	<u>\$ 27,022</u>	<u>\$ 391,693</u>

	Year Ended December 31, 2015		
	Program Services	General and Administrative	Total
Direct support to Eurasian entities	\$ 338,110	\$ -	\$ 338,110
Salaries and benefits	-	19,377	19,377
Travel, meetings and meals	29,067	28	29,095
Insurance, fees and office expenses	-	3,200	3,200
Professional services	-	4,942	4,942
	<u>\$ 367,177</u>	<u>\$ 27,547</u>	<u>\$ 394,724</u>

See notes to financial statements

EURASIAN MISSIONS

Notes to Financial Statements
December 31, 2016 and 2015

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 three months. 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, 2016 and 2015, 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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Notes to Financial Statements
December 31, 2016 and 2015

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, 2016, 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,			
	2016		2015	
Dallas-Fort Worth Church of Christ	\$ 180,000	40.4%	\$ 180,000	40.6%
Gateway City Church	75,000	16.9%	75,000	16.9%
Austin International Church of Christ	65,000	14.6%	65,000	14.7%
Kansas City Church of Christ	30,000	6.7%	34,000	7.7%
Wichita Church of Christ	25,530	5.7%	30,000	6.8%
Omaha Church of Christ	20,000	4.5%	5,000	1.1%
Tulsa Church of Christ	11,628	2.6%	8,000	1.8%
Oklahoma City International Church of Christ	10,283	2.3%	10,230	2.3%
Columbia Church of Christ	10,000	2.3%	10,000	2.2%
Lawrence Church of Christ	10,000	2.3%	6,000	1.4%
NWA Church of Christ	5,500	1.2%	7,768	1.7%
Amarillo International Church of Christ	1,500	0.3%	-	0.0%
Lubbock International Church of Christ	1,000	0.2%	-	0.0%
TX/OK Fund Portion	-	0.0%	9,170	2.1%
Springfield Church of Christ - MO	-	0.0%	3,000	0.7%
	\$ 445,441		\$ 443,168	

4. RELATED PARTY TRANSACTIONS:

EM paid fees for communication material of \$5,500 during the year ended December 31, 2016, to a church where an EM board member is part of the senior leadership.

5. 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.