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**CAMBODIAN CHILDREN'S FUND**

**REPORT ON AUDIT OF FINANCIAL STATEMENTS**

**YEAR ENDED DECEMBER 31, 2014**  
**(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE**  
**YEAR ENDED DECEMBER 31, 2013)**

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REGISTERED WITH THE PUBLIC COMPANY ACCOUNTING OVERSIGHT BOARD.**

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**B E D I N G E R   &   C O M P A N Y**  
**C E R T I F I E D   P U B L I C   A C C O U N T A N T S**

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**INDEPENDENT AUDITORS' REPORT**

April 21, 2015

Board of Directors  
Cambodian Children's Fund  
Santa Monica, California

We have audited the financial statements of Cambodian Children's Fund (a nonprofit organization), which comprise the statement of financial position as of December 31, 2014, and the related statements of activities, functional expenses, 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 the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of control relevant to the preparation and fair presentation of the 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 of 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.

Cambodian Children's Fund  
April 21, 2015  
Page Two

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Cambodian Children's Fund 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.

***Report on Summarized Comparative Information***

We have previously audited the Cambodian Children's Fund's 2013 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated May 9, 2014. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2013 is consistent, in all material respects, with the audited financial statements from which it has been derived.



Certified Public Accountants  
Concord, CA

**CAMBODIAN CHILDREN'S FUND**  
**STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2014**  
**(WITH SUMMARIZED COMPARATIVE TOTALS AS OF DECEMBER 31, 2013)**

	December 31	
	2014	2013
<b><u>ASSETS</u></b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents (Notes B, C and E)	\$ 4,199,348	\$ 2,967,235
Accounts receivable	101	3,169
Loans receivable	31,967	47,792
Prepaid expenses	78,451	49,774
Inventory of rice stock	4,343	5,532
<b>TOTAL CURRENT ASSETS</b>	<b>4,314,210</b>	<b>3,073,502</b>
Investments (Note C)	2,504,000	3,500,000
Fixed assets, net of accumulated depreciation (Note D)	4,689,154	2,158,089
Other assets	324,208	233,719
<b>TOTAL ASSETS</b>	<b>\$ 11,831,572</b>	<b>\$ 8,965,310</b>
<b><u>LIABILITIES AND NET ASSETS</u></b>		
<b><u>LIABILITIES</u></b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 241,266	\$ 141,472
<b>TOTAL CURRENT LIABILITIES</b>	<b>241,266</b>	<b>141,472</b>
<b>TOTAL LIABILITIES</b>	<b>241,266</b>	<b>141,472</b>
Commitments and contingency (Notes F & G)		
<b><u>NET ASSETS</u></b>		
Unrestricted	11,590,306	8,703,838
Temporarily restricted (Note H)	-	120,000
<b>TOTAL NET ASSETS</b>	<b>11,590,306</b>	<b>8,823,838</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 11,831,572</b>	<b>\$ 8,965,310</b>

See Notes to Financial Statements

**CAMBODIAN CHILDREN'S FUND**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2014**  
**(WITH SUMMARIZED COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2013)**

			Total	
	Unrestricted	Temporarily Restricted	Year Ended December 31	
			2014	2013
<b>REVENUE AND SUPPORT</b>				
Contributions	\$ 10,658,866	\$ -	\$ 10,658,866	\$ 10,139,214
Program revenue	73,349		73,349	133,385
In-Kind supplies	164,498		164,498	286,893
Investment income	227,336		227,336	37,582
Other income	16,675		16,675	3,545
	<u>11,140,724</u>	<u>-</u>	<u>11,140,724</u>	<u>10,600,619</u>
Net assets released from restriction	120,000	(120,000)	-	
<b>TOTAL REVENUE AND SUPPORT</b>	<u>11,260,724</u>	<u>(120,000)</u>	<u>11,140,724</u>	<u>10,600,619</u>
<b>EXPENSES</b>				
Program services	7,497,296		7,497,296	5,318,094
General and administrative	825,557		825,557	633,349
Fundraising	51,403		51,403	183,904
<b>TOTAL EXPENSES</b>	<u>8,374,256</u>	<u>-</u>	<u>8,374,256</u>	<u>6,135,347</u>
<b>CHANGE IN NET ASSETS</b>	<u>2,886,468</u>	<u>(120,000)</u>	<u>2,766,468</u>	<u>4,465,272</u>
<b>NET ASSETS, beginning of year</b>	<u>8,703,838</u>	<u>120,000</u>	<u>8,823,838</u>	<u>4,358,566</u>
<b>NET ASSETS, end of year</b>	<u>\$ 11,590,306</u>	<u>\$ -</u>	<u>\$ 11,590,306</u>	<u>\$ 8,823,838</u>

See Notes to Financial Statements

**CAMBODIAN CHILDREN'S FUND**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED DECEMBER 31, 2014**  
**(WITH SUMMARIZED COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2013)**

EXPENSES	Program	General and Administrative	Fundraising	Total	
				Year Ended December 31	
				2014	2013
Compensation	\$ 3,133,856	\$ 347,353	\$ 8,993	\$ 3,490,202	\$ 2,268,111
Direct program expenses	2,332,603	620	137	2,333,360	1,672,069
Occupancy	493,798	47,707	-	541,505	386,635
Equipment rental and maintenance	374,499	7,470	-	381,969	161,117
Travel	205,452	16,206	8,966	230,624	240,844
Payroll taxes	143,370	46,609	-	189,979	99,512
Other expenses	144,625	27,140	515	172,280	89,674
Professional fees	79,084	90,773	-	169,857	83,420
Depreciation	157,005	-	-	157,005	100,471
Insurance	23,546	82,093	-	105,639	42,182
Communications	83,420	16,033	35	99,488	93,145
Bank and management fees	21,454	75,125	-	96,579	68,743
In-Kind supplies	84,441	-	8,151	92,592	225,352
Contract labor costs	76,959	3,572	-	80,531	189,438
Supplies	49,732	2,067	16	51,815	312,945
Conference and meetings	39,366	1,209	4,960	45,535	33,946
Postage and shipping	28,598	10,507	4,770	43,875	47,499
Advertising and marketing	4,791	38,753	-	43,544	(646)
Staff development	15,798	10,255	149	26,202	9,305
Fundraising fees	-	2,065	14,711	16,776	11,585
Bad debt	4,899	-	-	4,899	-
<b>TOTAL EXPENSES</b>	<b>\$ 7,497,296</b>	<b>\$ 825,557</b>	<b>\$ 51,403</b>	<b>\$ 8,374,256</b>	<b>\$ 6,135,347</b>

See Notes to Financial Statements

**CAMBODIAN CHILDREN'S FUND****STATEMENT OF CASH FLOWS****YEAR ENDED DECEMBER 31, 2014****(WITH SUMMARIZED COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2013)**

	Total	
	Year Ended December 31	
	2014	2013
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Increase <decrease>in Net Assets	\$ 2,766,468	\$ 4,465,272
Adjustment to reconcile excess (deficiency) of revenue over expenses to cash provided by operating activities:		
Depreciation	157,005	100,471
<b>CHANGES IN CURRENT ASSETS AND CURRENT LIABILITIES:</b>		
Accounts receivable	3,068	16,151
Other assets	(90,489)	(105,424)
Accounts payable and accrued expenses	99,794	43,802
Inventory	1,189	(2,312)
Prepaid expenses	(28,677)	8,231
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>2,908,358</b>	<b>4,526,191</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Acquisition of certificates of deposit	(504,000)	(3,000,000)
Certificates of deposit matured and returned to cash	1,500,000	-
Acquisition of fixed assets	(2,688,070)	(1,529,152)
<b>NET CASH USED BY INVESTING ACTIVITIES</b>	<b>(1,692,070)</b>	<b>(4,529,152)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
(Increase) decrease in loans receivable	15,825	16,124
<b>NET CASH PROVIDED BY FINANCING ACTIVITIES</b>	<b>15,825</b>	<b>16,124</b>
<b>NET INCREASE IN CASH</b>	<b>1,232,113</b>	<b>13,163</b>
<b>CASH, beginning of period</b>	<b>2,967,235</b>	<b>2,954,072</b>
<b>CASH, end of period</b>	<b>\$ 4,199,348</b>	<b>\$ 2,967,235</b>

See Notes to Financial Statements



**CAMBODIAN CHILDREN'S FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2014**  
**(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2013)**

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**NOTE A – GENERAL AND NATURE OF ACTIVITIES**

**General**

Cambodian Children's Fund (the Organization or CCF) is a California not-for-profit corporation and was founded to provide charitable relief to the people of Cambodia and to aid the most impoverished of Cambodian's children. CCF transforms the country's most impoverished kids into tomorrow's leaders, by delivering education, family support and community development programs into the heart of Cambodia's most impoverished communities.

CCF believes that with the right education and support, one child has the potential to lift an entire family out of poverty and that a generation of educated children has the power to change a whole society. Through intensive, long-term investments in children, CCF is helping students build the skills, confidence and integrity they need to become the progressive spokespeople and leaders of change in their community.

CCF's Phnom Penh facilities were initially established as a safe house for Cambodia's at risk, abandoned or abused children, providing secure shelter and nutritional meals with a caring environment. The goal was to house and feed 45 children. In the past 10 years, the organization has grown with a number of facilities and education centers, a community center in the heart of Steung Meanchey Community ("SMC"), satellite schools and a free medical center.

Through the 6 core program areas - Education, Leadership, Community Outreach, Healthcare, Childcare and Vocational Training - CCF takes a holistic, on-the-ground approach to developing integrated yet simple solutions to the complex issues of poverty.

CCF obtains its funding from the donations of individuals, corporations and foundations. The yearly cost of caring for a CCF child is partially supported through a sponsorship program where correspondence is encouraged and visits are welcome. Some of the products produced by the vocational training program are sold and subsidized sales of rice and meals offset costs of the community nutrition program.

**CAMBODIAN CHILDREN'S FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2014**

(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2013)

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**NOTE A – GENERAL AND NATURE OF ACTIVITIES (Continued)**

**Nature of activities**

The Organization's program services are as follows:

**Education**

CCF provides access to both formal and non-formal education to all children ranging from pre-school to university. As well as operating education facilities and satellite schools, CCF provides students with school uniforms, study materials and university fees, as well as transportation. CCF works closely and directly with public schools, teachers and directors to ensure high attendance rates and academic results. With the construction of satellite schools, located in the heart of the community, CCF is providing a pathway to education for thousands of children once deemed "unreachable".

**Leadership**

An understanding of governance, human rights, gender issues, empathy, community building, communication and the key qualities of leadership are essential factors for generational change. CCF prepares students for their future as leaders in Cambodian society and equips them with the tools, training and knowledge to make a meaningful, positive impact on their community. CCF offers a range of activities within the Leadership Program to help build its young leaders, including trips to rural communities, annual intensive 3 day Youth Leadership Camps, and community support activities such as caring for senior citizens, volunteer as classroom assistants or visiting families to advocate hygienic practices within the home.

**Childcare**

CCF cares for children from newborn to 18 years old. Main activities include provision of a safe environment, nutritious food, clothes, decent and safe accommodation, household supplies, counseling services, social education and other necessary life maintenance materials. CCF ensures that the children are safe and happy by providing them with a secure and caring environment, protecting them from foreseeable hazards and abuse.

**Healthcare**

CCF provides free healthcare to the most impoverished people in the area ranging from common ailments to chronic illness, through the CCF Medical Clinic. CCF arranges hospital referrals as needed and treatment fees are provided accordingly. Support costs such as food and transportation are also provided during hospital stays as well as other relevant fees. CCF provides targeted groups with materials necessary for disease prevention, with a focus on child nutrition and maternal care.

**CAMBODIAN CHILDREN'S FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2014**

(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2013)

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**NOTE A – GENERAL AND NATURE OF ACTIVITIES (Continued)**

**Nature of Activities (continued)**

**Community Outreach**

The CCF Community Centre was set up in order to provide reliable care services and support within and for the Steung Meanchey community (SMC). Impoverished people living in the SMC are provided access to our community services ranging from food, shelter, fresh water, loans, healthcare, childcare, counseling and advocacy, social bonding events, and other necessary provisions.

**Vocational Training**

Age-appropriate students and disadvantaged community members are offered a range of vocational pursuits, including baking, and restaurant services, IT services including graphic and web design, administration and social work. In tandem with skills training, CCF also offers general educational courses in English and Khmer.

**Child Protection Unit (CPU)**

Crimes against children including homicide, sexual assault, child trafficking and all forms of serious abuse require a specialized and coordinated response from investigative and support agencies. The CPU is a CCF affiliated program and set up to provide the highest level of service to child victims of abuse or assault regardless of gender, cultural background or impairment. Working in partnership with the Cambodian National Police and supporting organizations the CPU provides investigative resources and support, aftercare, judiciary support, and major crime co-ordination, to detect offences and prosecute those that commit these horrific crimes against children. The CPU's priority is the protection and care of the most vulnerable of victims; Children.

**NOTE B – SIGNIFICANT ACCOUNTING POLICIES**

**Basis of reporting**

The financial statements of Cambodian Children's Fund have been prepared on the accrual basis and presented in accordance with accounting principles generally accepted in the United States of America.

**CAMBODIAN CHILDREN'S FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2014**

(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2013)

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**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Financial statement presentation**

The financial statements have been presented in accordance with ASC 958. The standard states that net assets and revenues, expenses, gain and losses be classified based on the existence or absence of donor-imposed restrictions. Information regarding its financial position and activities are presented according to three classes of net assets; unrestricted, temporarily restricted, and permanently restricted. The organization does not have any permanently restricted net assets at December 31, 2014 or 2013.

**Estimates**

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management must make estimates based on future events that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities as of the date of the financial statements, and revenues and expenses during the reporting period. Actual results could differ from these estimates.

**Cash and cash equivalents**

Cash and cash equivalents include all monies in banks and highly liquid investments with maturity dates of less than three months. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of those financial instruments.

**Fixed assets**

Fixed assets are reported at cost or fair value if contributed. Depreciation of furniture and equipment is recorded using straight-line and accelerated methods over the useful life of 5 to 7 years applied to individual items. Leasehold improvements are depreciated using the straight-line method over 39 years. Fixed asset items costing more than \$1,000 with a useful life of 5 years or more are capitalized.

**Functional allocation of expenses**

The cost of providing the organizations's programs has been summarized on a functional basis in these financial statements. Based on management's estimates, costs have been allocated between programs and supporting services as they related to those functions.

**CAMBODIAN CHILDREN'S FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2014**

(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2013)

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**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Income Tax Status**

The Organization is exempt from federal income tax under Internal Revenue Code Section 501(c)(3) and from California franchise and/or income tax under the Revenue and Taxation Code Section 23701(d). The Organization has adopted the accounting guidance related to uncertain tax positions, and has evaluated its tax positions and believes that all of the positions taken by the Organization in its federal and state exempt organization tax returns are more likely than not to be sustained upon examination. The Organization returns for years ended December 31, 2013, 2012, and 2011 are subject to examination by federal and state taxing authorities generally for three years after they are filed.

**Contributions**

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Most contributions received by the Organization are considered unrestricted. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted support that increases those net asset classes. However, if a restriction is fulfilled in the same time period the contribution is received, the Organization reports the support as unrestricted.

**Donated items and services**

Donated property and equipment are recorded as support at their estimated fair value at the date of the donation. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Donated materials and other non-cash contributions are reflected in the financial statements at their estimated market value. Contributions of services are recognized if the services received create or enhance non-financial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. During 2014 and 2013, the Organization received donated contributions of supplies, nutritional supplements medical supplies and medicines. The value of the items received are \$164,498 and \$286,893, respectively.

**Reclassifications**

Certain reclassifications have been made in the 2013 comparative totals to conform to the classifications used in 2014.

**CAMBODIAN CHILDREN'S FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2014**  
(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2013)

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**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Fair Value Measurements**

The Organization's financial instruments include cash, cash equivalents and investments. The carrying amount of these financial instruments has been estimated by management to approximate fair value. Fair value is defined as "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date." When determining the inputs used to measure fair value, the highest priority is given to observable inputs and lowest priority is given to unobservable inputs. Accounting Standards Codification (ASC) 820-10, Fair Value Measurement, establishes a fair value hierarchy to prioritize the inputs used in measuring fair value

The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1— Quoted prices for identical assets and liabilities in active markets.

Level 2—Observable inputs other than Level 1, which quoted prices for similar assets or liabilities in active markets, quoted prices from those willing to trade in markets that are not active, or other inputs that are observable or can be corroborated by market data for the term of the instrument.

Level 3—Unobservable inputs that are supported by little or no market activity and that are significant to the fair values of the assets and liabilities.

The Organization measured the fair value of investments using Level 2 inputs (See Note C).

**Summarized Financial Information**

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2013, from which the summarized information was derived.

**CAMBODIAN CHILDREN'S FUND**  
**NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED DECEMBER 31, 2014**

(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2013)

**NOTE C – INVESTMENTS**

Investments, cash and cash equivalents are stated at fair value, before reconciling items, and consist of the following as of December 31, 2014:

Fair Value Measurements Using:			
	Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs	
	(Level 1)	(Level 2)	
Fair Value			
<b><u>Investments</u></b>			
Fixed Deposits - Held in multiple Cambodian Financial Institutions. Bearing interest between 4.25% and 5.75%.	\$2,504,000	\$0	\$2,504,000
<b>Total Investments</b>	<b>\$2,504,000</b>	<b>\$0</b>	<b>\$2,504,000</b>

CCF holds funds in multiple financial institutions in Cambodia, which carry no deposit insurance or other protection for the investor (See Note E).

**NOTE D – FIXED ASSETS**

As of December 31, furniture and equipment consists of the following:

	2014	2013
Long term leases and rights	\$3,614,882	\$1,607,113
Leasehold improvements	805,037	371,337
Furniture and equipment	146,436	130,000
Vehicles	469,350	372,898
Construction in progress	127,295	20,072
	5,163,000	2,501,420
Less: accumulated depreciation	<473,846>	<343,331>
	<u>\$4,689,154</u>	<u>\$2,158,089</u>

Total depreciation expense for the years ended December 31, 2014 and 2013 was \$157,005 and \$100,471, respectively.

**CAMBODIAN CHILDREN'S FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2014**

(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2013)

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NOTE D – FIXED ASSETS (Continued)

As a foreign corporation in Cambodia, CCF is not able to own land. CCF enters into long-term leases and rights for the use of land and buildings. CCF will construct facilities on land with a long-term lease and depreciate the improvements over the life of the lease.

NOTE E – CONCENTRATIONS

Financial Institution Balances

CCF maintains operating cash balances at banks in the U.S., which are in excess of the Federal Deposit Insurance Corporation (FDIC) limit of \$250,000. The amounts in excess of the federally insured limits held in U.S. financial institutions are \$1,891,156 and \$356,134 at December 31, 2014 and 2013, respectively. The U.S. financial institutions are Wells Fargo Bank, Capital One 360, Chase, Paypal and Bank of America.

CCF maintains operating cash balances and Certificates of Deposits in multiple Cambodian financial institutions, which carry no deposit insurance. The operating cash balances exposed to risk are \$1,189,348 and \$1,118,735 at December 31, 2014 and 2013, respectively. The Certificates of Deposit exposed to risk are \$2,504,000 and \$3,500,000 at December 31, 2014 and 2013, respectively. The Cambodian financial institutions are ACLEDA Bank, ABA Bank, and Foreign Trade Bank of Cambodia.

In total, CCF has uninsured balances of \$5,584,504 and \$4,974,869 at December 31, 2014 and 2013, respectively, in all accounts, foreign and domestic, combined. The Board of Directors monitors the credit worthiness of the financial institutions where deposits are located. It is the opinion of management that the liquidity of the referenced financial institutions is not of particular concern at this time.

Contributions

CCF received approximately 55% and 40% of its total contributions from 3 and 8 donors based in the United States and Europe during the years ended December 31, 2014 and 2013, respectively.



**CAMBODIAN CHILDREN'S FUND**  
**NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED DECEMBER 31, 2014**

**(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2013)**

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**NOTE F – COMMITMENTS**

The Organization currently leases a number of facilities in Cambodia for educational, childcare and administrative purposes. These commitments are summarized as follows:

<u>Year Ended December 31</u>	
2015	\$345,708
2016	\$291,156
2017	\$207,086
2018	\$135,733
2019	\$81,618

Total rental expense for the years ended December 31, 2014 and 2013 was approximately \$328,000 and \$215,000, respectively.

**NOTE G – CONTINGENCY**

Restricted contributions require the fulfillment of certain conditions as set forth by the donor. Failure to fulfill the conditions could result in the return of the funds to the donors. The Organization deems this contingency remote since by accepting the contributions and their terms it has accommodated the objectives of the organization to the provisions of the contributions. The Organization's management is of the opinion that the organization has complied with the terms of all contributions.

**NOTE H – TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets at December 31, 2014 and 2013 is as follows:

	<u>2014</u>	<u>2013</u>
Velcro	\$0	\$120,000

**NOTE I – SUBSEQUENT EVENTS**

In accordance with FASB Accounting Standards Codification Topic 855, Subsequent Events, Cambodian Children's Fund has evaluated subsequent events through April 21, 2015, which is the date these financial statements were available to be issued. All subsequent events requiring recognition as of December 31, 2014, have been incorporated into these financials statements herein.