

**B E D I N G E R   &   C O M P A N Y**  
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**CAMBODIAN CHILDREN'S FUND**

**REPORT ON AUDIT OF FINANCIAL STATEMENTS**

**YEAR ENDED DECEMBER 31, 2013**  
**(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE**  
**YEAR ENDED DECEMBER 31, 2012)**

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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**  
**INDEPENDENT AUDITORS' REPORT**

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May 9, 2014

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, 2013, 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.

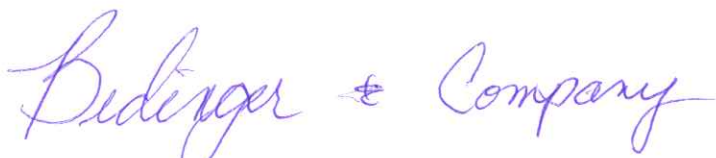
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***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, 2013, 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 2012 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated March 26, 2013. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2012 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, 2013**  
**(WITH SUMMARIZED COMPARATIVE TOTALS AS OF DECEMBER 31, 2012)**

	December 31	
	2013	2012
<b><u>ASSETS</u></b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents (Notes B, C and E)	\$ 2,967,235	\$ 2,954,072
Accounts receivable	3,169	19,320
Loans receivable	47,792	63,916
Prepaid expenses	49,774	58,005
Inventory of rice stock	5,532	3,220
<b>TOTAL CURRENT ASSETS</b>	<b>3,073,502</b>	<b>3,098,533</b>
Investments (Note C)	3,500,000	500,000
Fixed assets, net of accumulated depreciation (Note D)	2,158,089	729,408
Other assets	233,719	128,295
<b>TOTAL ASSETS</b>	<b>\$ 8,965,310</b>	<b>\$ 4,456,236</b>
<b><u>LIABILITIES AND NET ASSETS</u></b>		
<b><u>LIABILITIES</u></b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 141,472	\$ 97,670
<b>TOTAL CURRENT LIABILITIES</b>	<b>141,472</b>	<b>97,670</b>
<b>TOTAL LIABILITIES</b>	<b>141,472</b>	<b>97,670</b>
Commitments and contingency (Notes F & G)		
<b><u>NET ASSETS</u></b>		
Unrestricted	8,703,838	4,358,566
Temporarily restricted (Note H)	120,000	-
<b>TOTAL NET ASSETS</b>	<b>8,823,838</b>	<b>4,358,566</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 8,965,310</b>	<b>\$ 4,456,236</b>

See Notes to Financial Statements

**CAMBODIAN CHILDREN'S FUND**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2013**

(WITH SUMMARIZED COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2012)

			Total	
	Unrestricted	Temporarily Restricted	Year Ended December 31	
			2013	2012
<b>REVENUE AND SUPPORT</b>				
Contributions	\$ 10,019,214	\$ 120,000	\$ 10,139,214	\$ 4,905,618
Program revenue	133,385		133,385	162,859
In-Kind supplies	286,893		286,893	277,343
Investment income	37,582		37,582	16,536
Other income	3,545		3,545	-
Realized gains <losses>	-		-	4,199
	<u>10,480,619</u>	<u>120,000</u>	<u>10,600,619</u>	<u>5,366,555</u>
 TOTAL REVENUE AND SUPPORT	 <u>10,480,619</u>	 <u>120,000</u>	 <u>10,600,619</u>	 <u>5,366,555</u>
 <b>EXPENSES</b>				
Program services	5,318,094		5,318,094	3,441,732
General and administrative	633,349		633,349	592,884
Fundraising	183,904		183,904	386,955
TOTAL EXPENSES	<u>6,135,347</u>	<u>-</u>	<u>6,135,347</u>	<u>4,421,571</u>
 CHANGE IN NET ASSETS	 4,345,272	 120,000	 4,465,272	 944,984
 NET ASSETS, beginning of year	 <u>4,358,566</u>	 <u>-</u>	 <u>4,358,566</u>	 <u>3,413,582</u>
 NET ASSETS, end of year	 <u>\$ 8,703,838</u>	 <u>\$ 120,000</u>	 <u>\$ 8,823,838</u>	 <u>\$ 4,358,566</u>

See Notes to Financial Statements

**CAMBODIAN CHILDREN'S FUND**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED DECEMBER 31, 2013**  
**(WITH SUMMARIZED COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2012)**

EXPENSES	Program	General and Administrative	Fundraising	Total Year Ended December 31	
				2013	2012
Compensation	\$ 1,905,729	\$ 188,495	\$ 98,310	\$ 2,192,534	\$ 1,464,601
Direct program expenses	1,672,069	-	-	1,672,069	1,120,750
Occupancy	347,410	39,225	-	386,635	294,835
Supplies	287,052	23,360	2,533	312,945	47,073
Travel	164,450	34,623	41,771	240,844	245,566
In-Kind supplies	225,352	-	-	225,352	246,425
Contract labor costs	154,090	34,936	412	189,438	261,601
Equipment rental and maintenance	155,135	5,982	-	161,117	83,792
Depreciation	99,237	1,234	-	100,471	64,948
Payroll taxes	52,033	31,738	15,741	99,512	46,778
Communications	62,571	30,419	155	93,145	75,888
Other expenses	46,600	34,969	8,105	89,674	27,506
Professional fees	12,697	70,723	-	83,420	62,590
Employee benefits	40,852	34,633	92	75,577	48,350
Bank and management fees	5,771	62,972	-	68,743	51,779
Postage and shipping	29,959	14,287	3,253	47,499	50,321
Insurance	18,308	23,874	-	42,182	55,737
Conference and meetings	29,353	2,765	1,828	33,946	42,983
Fundraising fees	-	-	11,585	11,585	90,741
Staff development	8,361	944	-	9,305	18,078
Advertising and marketing	1,065	(1,830)	119	(646)	21,229
<b>TOTAL EXPENSES</b>	<b>\$ 5,318,094</b>	<b>\$ 633,349</b>	<b>\$ 183,904</b>	<b>\$ 6,135,347</b>	<b>\$ 4,421,571</b>

See Notes to Financial Statements

**CAMBODIAN CHILDREN'S FUND****STATEMENT OF CASH FLOWS**

YEAR ENDED DECEMBER 31, 2013

(WITH SUMMARIZED COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2012)

	Total	
	Year Ended December 31	
	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase <decrease> in Net Assets	\$ 4,465,272	\$ 944,984
Adjustment to reconcile excess (deficiency) of revenue over expenses to cash provided by operating activities:		
Depreciation	100,471	64,948
CHANGES IN CURRENT ASSETS AND CURRENT LIABILITIES:		
Accounts receivable	16,151	(18,341)
Other assets	(105,424)	(83,093)
Accounts payable and accrued expenses	43,802	48,012
Inventory	(2,312)	110,438
Prepaid expenses	8,231	24,230
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>4,526,191</u>	<u>1,091,178</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisition of certificates of deposit	(3,000,000)	(250,000)
Acquisition of fixed assets	<u>(1,529,152)</u>	<u>(314,518)</u>
NET CASH USED BY INVESTING ACTIVITIES	<u>(4,529,152)</u>	<u>(564,518)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
(Increase) decrease in loans receivable	<u>16,124</u>	<u>26,435</u>
NET CASH PROVIDED BY FINANCING ACTIVITIES	<u>16,124</u>	<u>26,435</u>
NET INCREASE IN CASH	13,163	553,095
CASH, beginning of period	2,954,072	2,400,977
CASH, end of period	<u>\$ 2,967,235</u>	<u>\$ 2,954,072</u>

See Notes to Financial Statements



**CAMBODIAN CHILDREN'S FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2013**

(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2012)

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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 aid the most impoverished of Cambodian's children. Their plight is among the worst in the world. Cambodian's recent history has been tragic, with the loss of an estimated 2.5 million lives (nearly one-third of the population) during Pol Pot's brutal reign in the 1970's, foreign incursions and civil war. Millions of land mines remain active today and are spread throughout the country. Child prostitution is rampant. Children are often forced into the trade; some are sold by their caretakers and others are stolen from their villages. CCF's Phnom Penh facilities were initially established as a safe house for Cambodian's orphaned, 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 four residential education centers serving over 700 children. CCF also operates a community center, satellite schools, and a medical center serving an average of 3,000 Steung Meanchey children & residents per month as of the end of 2013.

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.

**Nature of activities**

The Organization's program services are as follows:

Education programs – The education programs provide remedial and intensive English & Khmer reading and writing, math, computer studies, and cultural studies to over 1,800 Cambodian children. An additional 203 children ages 0-6 years benefit from daycare services and drop-in day/night care services and another 168 in pre-school/kindergarten study. Fifty-one infants and toddlers receive day time care at the CCF Nursery, which is housed at the community center. More than 1,200 students benefit from evening classes at CCF's satellite schools. CCF's students are also integrated into the Cambodian public school system.

Vocational training – Older CCF students are provided with tailored vocational training and job placement to secure their transition into adult working life. This includes on and off-site vocational training in garment design, bakery, esthetics, IT services, graphics and web design, bio fuel product development and restaurant

**CAMBODIAN CHILDREN'S FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2013**

(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2012)

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

**Nature of activities (Continued)**

**Vocational training (continued)**

services. Mothers of many of CCF's children are trained as seamstresses as part of the Srey Mean Chey bag production program.

**Healthcare program** – This program provides complete nutrition, vaccinations, regular check-ups, specialized care for chronic illnesses and access to an area hospital for emergency cases. The community medical clinic provides free medical care to residents of Steung Meanchey and routinely treats over 2,300 patients per month. Complete maternal health care services are provided both on-site and through partner organizations. Since its inception the maternal health care program has helped to birth over 600 healthy babies & subsequently ensure the health & safety of both baby and mother. CCF's new dental clinic treats almost 250 patients per month.

**Outreach** – CCF has established a community outreach program that serves the communities surrounding the Steung Meanchey garbage dump. Generally considered the most impoverished and ostracized people in Cambodia, the program provides access to subsidized rice and meals, home counseling, social workers, emergency loans, job placements and emergency housing.

**Childcare and other programs** – CCF provides housing and transportation to over 1,800 impoverished Cambodian children.

**Child Protection Unit** – It is anticipated that the CPU will be a medium to long term program. The Child Protection Unit is designed to deliver effective and professional intervention in matters of child abuse and exploitation consistent with Cambodian law and Cambodia's international obligations to protect the rights of children. The Child Protection Unit will develop a research and intelligence capacity to identify and monitor trends of child abuse and exploitation in Cambodia; identify the perpetrators of child abuse and exploitation operating in Cambodia, including suspected pedophiles and sexual predators and develop strategies for intervention and prevention. The Child Protection Unit will provide extensive training and establish best practices for the detection, investigation and prosecution of offenders involved in crimes against children in Cambodia. In cooperation with government agencies, non-government organizations and health care professionals, the Child Protection Unit will provide welfare and after-care services for the victims of child exploitation and abuse.

**CAMBODIAN CHILDREN'S FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2013**

(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2012)

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**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.

**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, 2013 or 2012.

**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, 2013**  
**(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2012)**

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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, 2012, 2011, and 2010 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.

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.

**CAMBODIAN CHILDREN'S FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2013**  
(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2012)

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

Fair Value Measurements (continued)

The Organization measured the fair value of cash, cash equivalents and investments using Level 1 and 2 inputs (See Note C).

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 2013 and 2012, the Organization received donated contributions of supplies, nutritional supplements medical supplies and medicines. The value of the items received are \$286,893 and \$277,343, respectively.

Reclassifications

Certain reclassifications have been made in the 2012 comparative totals to conform to the classifications used in 2013.

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, 2012, from which the summarized information was derived.

**CAMBODIAN CHILDREN'S FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2013**  
(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2012)

**NOTE C – INVESTMENTS**

Investments, cash and cash equivalents are stated at fair value and consist of the following as of December 31, 2013:

Fair Value Measurements Using:

		Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs
	Fair Value	(Level 1)	(Level 2)
<b><u>Cash and Cash Equivalents</u></b>			
Held in U.S. financial institutions	\$1,881,481	\$1,881,481	
Held in a Cambodian financial institution	\$1,085,754	\$1,085,754	\$0
<b>Total Cash and Cash Equivalents</b>	<b>\$2,967,235</b>	<b>\$2,967,235</b>	<b>\$0</b>
<b><u>Investments</u></b>			
<b><u>Short Term Investments</u></b>			
12 month Certificate of Deposit - Held in a Cambodian Financial Institution. Bears interest at 6%, due to mature April 2014.	\$3,500,000	\$0	\$3,500,000
<b>Total Investments</b>	<b>\$3,500,000</b>	<b>\$0</b>	<b>\$3,500,000</b>
<b>Total Cash and Investments</b>	<b>\$6,467,235</b>	<b>\$2,967,235</b>	<b>\$3,500,000</b>

CCF holds funds in a financial institution in Cambodia, which carries no deposit insurance or other protection for the investor, see Note E.

**CAMBODIAN CHILDREN'S FUND****NOTES TO FINANCIAL STATEMENTS****YEAR ENDED DECEMBER 31, 2013****(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2012)**

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**NOTE D – FIXED ASSETS**

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

	2013	2012
Long term leases and rights	\$1,607,113	\$ 341,610
Leasehold improvements	371,337	354,341
Furniture and equipment	130,000	68,719
Vehicles	372,898	226,278
Construction in progress	20,072	0
	<u>2,501,420</u>	<u>990,948</u>
Less: accumulated depreciation	<u>&lt;343,331&gt;</u>	<u>&lt;261,540&gt;</u>
	<u>\$2,158,089</u>	<u>\$ 729,408</u>

Total depreciation expense for the years ended December 31, 2013 and 2012 was \$100,471 and \$64,948, respectively.

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 \$356,134 and \$1,182,969 at December 31, 2013 and 2012, respectively. The U.S. financial institutions are Wells Fargo Bank, ING Direct, Chase, Paypal and Bank of America.

CCF maintains operating cash balances and Certificates of Deposit in ACLEDA Bank PLC, a Cambodian financial institution, which carry no deposit insurance. The operating cash balances exposed to risk are \$1,118,735 and \$625,315 at December 31, 2013 and 2012, respectively. The Certificates of Deposit exposed to risk are \$3,500,000 and \$500,000 at December 31, 2013 and 2012, respectively.

In total, CCF has uninsured balances of \$4,974,869 and \$1,125,315 at December 31, 2013 and 2012, 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.

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

**YEAR ENDED DECEMBER 31, 2013**

**(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2012)**

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**NOTE E – CONCENTRATIONS (Continued)**

**Contributions**

CCF received approximately 40% and 45% of its total contributions from 8 donors based in the United States and Europe during the years ended December 31, 2013 and 2012, respectively.

**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>	
2014	\$261,394
2015	\$202,240
2016	\$163,090
2017	\$155,500
2018	\$110,575

Total rental expense for the years ended December 31, 2013 and 2012 was approximately \$215,442 and \$224,900, 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, 2013 is as follows:

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



**CAMBODIAN CHILDREN'S FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2013**  
**(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2012)**

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**NOTE I – SUBSEQUENT EVENTS**

In accordance with FASB Accounting Standards Codification Topic 855, Subsequent Events, Cambodian Children's Fund has evaluated subsequent events through May 9, 2014, which is the date these financial statements were available to be issued. All subsequent events requiring recognition as of December 31, 2013, have been incorporated into these financial statements herein.