

**WORLD FEDERATION OF  
UNITED NATIONS ASSOCIATIONS**

**FINANCIAL STATEMENTS  
YEAR ENDING  
DECEMBER 31, 2013**

**WORLD FEDERATION OF UNITED NATIONS ASSOCIATIONS**  
**FINANCIAL STATEMENTS**  
**Year ending December 31, 2013**

**TABLE OF CONTENTS**

<b>INDEPENDENT AUDITOR'S REPORT</b>	1-1A
-------------------------------------	------

**FINANCIAL STATEMENTS**

Statement of Financial Position	2
Statement of Activities	3
Statement of Cash Flows	4
Notes to Financial Statements	5-12

**Wayne P. Naegele**  
CERTIFIED PUBLIC ACCOUNTANT  
-----  
225 WEST 35<sup>TH</sup> STREET, 16<sup>TH</sup> FLOOR  
NEW YORK, NEW YORK 10001

TEL (212) 736-0055

FAX (212) 736-1865

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of  
World Federation of United Nations Associations

We have audited the accompanying financial statements of World Federation of United Nations Associations (a nonprofit organization), which comprise the statement of financial position as of December 31, 2013, and the related statements of activities 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 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 World Federation of United Nations Associations 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.

## **Correction of Error**

As described in Note 13 to the financial statements, the Organization corrected the value of an advance in the Statement of Financial Position as of December 31, 2012. Our opinion is not modified with respect to this matter.



Wayne P. Naegele, CPA  
New York, New York  
September 25, 2014

**WORLD FEDERATION OF UNITED NATIONS ASSOCIATIONS**  
**STATEMENT OF FINANCIAL POSITION**  
**December 31, 2013**

	<u>December 31, 2013</u>
<b>ASSETS</b>	
<b>CURRENT ASSETS</b>	
Cash and cash equivalents	\$ 769,653
Membership dues receivable, net of \$0 allowance for uncollectible accounts	172,178
Advance	186,692
Prepaid expenses	38,610
<b>TOTAL CURRENT ASSETS</b>	<u>1,167,133</u>
<b>OTHER ASSETS</b>	
Fixed assets, net of \$39,416 of accumulated depreciation as of December 31, 2013	32,727
Security deposit	4,722
<b>TOTAL OTHER ASSETS</b>	<u>37,449</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 1,204,582</u></u>
<b>LIABILITIES AND NET ASSETS</b>	
<b>CURRENT LIABILITIES</b>	
Accounts payable	\$ 2,950
403(b) contributions payable	13,075
Deferred income	179,179
<b>TOTAL CURRENT LIABILITIES</b>	<u>195,204</u>
<b>NET ASSETS</b>	
Unrestricted net assets	684,318
Temporarily restricted net assets	325,060
<b>TOTAL NET ASSETS</b>	<u>1,009,378</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><u>\$ 1,204,582</u></u>

**WORLD FEDERATION OF UNITED NATIONS ASSOCIATIONS**  
**STATEMENT OF ACTIVITIES**  
**Year ending December 31, 2013**

	Unrestricted	Temporarily Restricted	Total
<b>REVENUES</b>			
Contributions and grants	\$ 420,804	\$ 388,726	\$ 809,530
Fundraising events	987	-	987
Interest income	426	-	426
Kiosk sales	21,949	-	21,949
Membership dues	93,700	-	93,700
Less uncollectible membership dues	(14,687)	-	(14,687)
Registration fees	507,609	-	507,609
Net assets released from restrictions:			
Satisfaction of purpose restrictions	181,358	(181,358)	-
<b>TOTAL REVENUES AND RECLASSIFICATIONS</b>	<b>1,212,146</b>	<b>207,368</b>	<b>1,419,514</b>
<b>EXPENSES</b>			
Program services	1,171,658		1,171,658
Management and general	153,191	-	153,191
Fundraising	94,540	-	94,540
<b>TOTAL EXPENSES</b>	<b>1,419,389</b>	<b>-</b>	<b>1,419,389</b>
<b>INCREASE IN NET ASSETS</b>	<b>(207,243)</b>	<b>207,368</b>	<b>125</b>
Unrealized foreign currency translation adjustment	1,503	-	1,503
<b>CHANGE IN NET ASSETS</b>	<b>(205,740)</b>	<b>207,368</b>	<b>1,628</b>
<b>NET ASSETS, BEGINNING OF YEAR (as previously stated)</b>	<b>890,058</b>	<b>-</b>	<b>890,058</b>
Prior period adjustment	-	117,692	117,692
<b>NET ASSETS, BEGINNING OF YEAR (restated)</b>	<b>890,058</b>	<b>117,692</b>	<b>1,007,750</b>
<b>NET ASSETS, END OF YEAR</b>	<b>\$ 684,318</b>	<b>\$ 325,060</b>	<b>\$ 1,009,378</b>

**WORLD FEDERATION OF UNITED NATIONS ASSOCIATIONS**  
**STATEMENT OF CASH FLOWS**  
**Year ending December 31, 2013**

	<u>Year ending December 31, 2013</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Change in net assets	\$ 1,628
Adjustments to reconcile net assets to net cash provided by (used in) operating activities:	
Depreciation and amortization	19,199
Changes in assets and liabilities:	
(Increase) decrease in:	
Membership dues receivable	(73,415)
Advance	(69,000)
Prepaid expenses	(38,610)
Security deposit	(4,722)
Increase (decrease) in:	
Accounts payable	(50)
403(b) contributions payable	3,475
Deferred income	155,056
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>	<u>(6,439)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Payments for fixed assets	<u>(18,562)</u>
<b>NET DECREASE IN CASH</b>	(25,001)
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>794,654</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u><u>\$ 769,653</u></u>

**WORLD FEDERATION OF UNITED NATIONS ASSOCIATIONS**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2013**

**NOTE 1 – NATURE OF ORGANIZATION**

The World Federation of United Nations Associations (“WFUNA” or “Organization”) is a global nonprofit organization working for a stronger and more effective United Nations. Established in 1946, WFUNA represents and coordinates a membership of over 100 United Nations Associations and its thousands of members.

WFUNA’s mission is to work to build a better world by strengthening and improving the United Nations through the engagement of people who share a global mindset and support international cooperation – global citizens. WFUNA believes that a strong and effective United Nations can be a powerful force in meeting their common global challenges and opportunities. WFUNA believes that peoples’ involvement in all levels of local, national and global decision-making is essential in order to achieve the goals of the United Nations.

WFUNA’s mission is grounded by the following organizational values:

- **Impact:** The Organization values performance and results and sets itself accountable to / for high standards.
- **Respect:** The Organization listens to and learns from its constituents, partners, funders, and one another. The Organization values diverse perspectives and strives to incorporate them in its work.
- **Empowerment:** The Organization believes in the power of knowledge and in its capacity to mobilize human beings to create a better world.
- **Collaboration:** The Organization works as a team within the Organization and with its partners. The Organization shares ideas and tries to align its efforts with those of others who are dedicated to the goals of the United Nations.
- **Innovation:** The Organization seeks original approaches for achieving its goals, taking advantage of creative communication for its outreach.
- **Passion:** The Organization is committed to making a difference and strives for what can be; it does not settle for what is.

Within the context of the Global Citizen Campaign, WFUNA developed five long-term programs aimed at achieving objectives under the three pillars of the United Nations — Human Rights, Peace and Security, and Sustainable Development. These programs are structured to pursue the Organization’s mission through three sets of strategies relating to the United Nations main pillars:

- Education and awareness raising
- Policy development and advocacy
- Multilateral cooperation and development projects

The programs aiming to achieve the Organization’s objectives are:

YOUth Impact Africa: Development Program: According to the United Nations, current trends indicate that no African country will achieve its goals by the year 2015. The Organization’s current project to address the troubling status of Millennium Development Goals (“MDG”) is YOUth Impact Africa. The project aims to contribute to attaining MDGs in the region through youth-led community service projects. YOUth Impact Africa will raise awareness about MDGs, actively engage African youth with these issues, and empower them to become change agents themselves.

**WORLD FEDERATION OF UNITED NATIONS ASSOCIATIONS**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2013**

**NOTE 1 – NATURE OF ORGANIZATION - continued**

Civil Society Action on Human Rights: WFUNA’s human rights program will allow United Nations Associations (“UNA”) to take an active part in United Nation’s mechanisms for monitoring human rights. Through training seminars, WFUNA will focus on capacity-building and democracy by providing the necessary tools for UNAs to monitor and check their government’s behavior and write reports to notify the United Nation’s system.

Freedom From Violence: Peace, Security and Conflict Prevention in the Post-2015 Development Agenda: WFUNA's project aims to build the capacity of key stakeholders to be able to engage in dialogue on the post-2015 development agenda and to advocate for, provide strategic policy options and influence decision makers to include peace, security and conflict prevention. Six United Nations Associations (UNAs) are currently working with civil society, the academic community, media, and politicians in their respective countries to develop and raise awareness on the need to integrate peace, security and conflict prevention in the agenda and encourage conversations on how this could happen.

WFUNA Youth Camp: Korea: This program adds practical and concrete value to the study programs of youth in Korea and prepares them for their potential careers in international affairs. It helps to raise awareness of the objectives and related challenges of the United Nations by providing a two-week camp that teaches middle school and secondary school students about the United Nations and international relations in a creative and interactive setting. The Camp aims to foster global leaders by training youth with simulative education tools such as Model UN and debate, and will guide participants to apply these skillsets to build a better understanding of the United Nations system and global issues. WFUNA provides youth participants with the adequate knowledge, skills, and tools to engage in discussions on new challenges and opportunities and equips them to design projects advancing the debate on a sustainable development agenda.

The Advanced Training Program at the United Nations: This program is an educational training experience that partners WFUNA with universities and educational institutions and promotes the effective participation of youth in the UN’s work. WFUNA holds trainings for one week in both Geneva and New York for our educational partners, who are offered a Memorandum of Understanding to ensure their participation in the program. Activities include but are not limited to briefings from UN officials, workshops, educational activities, simulations, social and networking events, tours, and student exchanges. Issue areas explored include peace and security, sustainable development, human rights, the environment, and humanitarian affairs. WFUNA offers a less-intensive “Training Program at the United Nations” for high school students covering similar subject matter.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of financial statements

The financial statements have been prepared on the accrual basis of accounting.

Revenue and expenses

Revenue is recognized when earned and support is recognized when contributions are made or when there is an unconditional promise to give. Expenses are recorded when incurred.

Basis of presentation

Financial statement presentation follows the recommendations of the FASB ASC 958-205, Not-for- Profit Entities – Presentation of Financial Statements. Under the codification, the Organization is required to report information regarding its financial position and activities according to three classes of net assets - unrestricted, temporarily

**WORLD FEDERATION OF UNITED NATIONS ASSOCIATIONS**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2013**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued**

restricted, and permanently restricted net assets. The Organization has no permanently restricted net assets as of December 31, 2013.

Functional allocation of expenses

The costs of providing program, management and general, and fundraising activities have been summarized on a functional basis in the Statement of Activities. Direct expenses are charged based on specific identification and indirect expenses have been allocated based on the level of effort in the following functional expenses defined:

- Program services are the activities that result in goods and services being distributed to beneficiaries pursuant to the Organization's mission. Supporting Services are all activities other than program services.
- Management and general services include all management and administrative functions, such as oversight, business management, general recordkeeping, budgeting, and financing, but exclude direct conduct of program services and fundraising services.
- Fundraising services include solicitation of contributions from individuals, organizations, and others, maintaining donor mailing lists, and distributing fundraising materials.

Estimates

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 the reported amounts of assets and liabilities and disclosure of contingencies, if any, at the date of the financial statements, and the revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and cash equivalents

For the purposes of reporting cash flows, cash and cash equivalents includes cash on hand, demand deposits, money market funds and investments in certificates of deposits and commercial paper with original maturities of three months or less.

Membership dues receivable

Membership dues receivable consist of membership dues that have not been received by the Organization. Management has determined that any amounts due the Organization for the year ending December 31, 2013 are deemed collectible. Membership dues receivable as of December 31, 2013 was \$172,178.

Fixed assets and intangible assets

Fixed assets are capitalized at cost. It is management's policy to capitalize expenditures for these items of \$500 or more. Amounts less than \$500 are expensed. Expenditures for additions, replacements and improvements are capitalized, while expenditures for normal maintenance and repairs are charged to expense as incurred. Fixed assets are depreciated over their useful lives of between five and thirty-nine years using the straight-line method.

Intangible assets are stated at cost, net of accumulated amortization utilizing the straight-line method.

**WORLD FEDERATION OF UNITED NATIONS ASSOCIATIONS**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2013**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued**

Long-lived assets held and used by the Organization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. In the event that the facts and circumstances indicate that the cost of long-lived assets may be impaired, an evaluation of recoverability would be performed.

Income taxes

The Organization was formed as a not-for-profit corporation organized under the provisions of New York State law. The Organization is exempt from federal, state and local income taxes under Section 501(c)(3) of the Internal Revenue Code and is classified by the Internal Revenue Service as other than a private foundation.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Organization and recognize a tax liability (or asset) if the Organization has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service and the State of New York. Management has analyzed the tax positions taken by the Organization and has concluded that as of December 31, 2013, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) disclosure in the financial statements.

The Organization's Form 990, Return of Organization Exempt from Income Tax for the years 2010, 2011, 2012 and 2013 is subject to examination by the Internal Revenue Service for generally up to three years after they are filed.

**NOTE 3 – FIXED ASSETS AND INTANGIBLE ASSETS**

As of December 31, 2013, fixed assets are as follows:

Equipment	\$	48,967
Furniture and fixtures		20,176
Leasehold improvements		3,000
		<u>72,143</u>
Less accumulated depreciation		<u>(39,416)</u>
Total	\$	<u>32,727</u>

As of December 31, 2013, intangible assets are as follows:

Website development and visual identity	\$	33,900
Less accumulated amortization		<u>(33,900)</u>
Total	\$	<u>-</u>

Depreciation and amortization expense for the year ending December 31, 2013 amounted to \$9,782 and \$9,417, respectively.

**WORLD FEDERATION OF UNITED NATIONS ASSOCIATIONS**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2013**

**NOTE 4 – FAIR VALUE MEASUREMENTS**

In accordance with the requirements of FASB ASC 820-10, the Organization must disclose the fair value of its financial instruments as of December 31, 2013. The Organization's financial instruments are included in current assets and current liabilities. The recorded values of the current assets and current liabilities approximate their fair values based on their short-term nature.

**NOTE 5 – COMMITMENTS**

The Organization has been released of its commitment to pay rent for its office space in New York. Therefore, \$0 has been charged as rent for the year ending December 31, 2013 and no amount is due for rent as of December 31, 2013.

On September 27, 2013, the Organization signed a one-year lease for office space in Seoul, Korea. Monthly payments are approximately \$300 per month in addition to relative taxes (VAT). Rent expense for the year ending December 31, 2013 amounted to \$1,237. The future minimum lease payments for 2014 amount to \$2,700. The Organization does not plan to renew the lease.

On December 1, 2013, the Organization signed a one-year lease for office space in Seoul, Korea. The lease can be terminated at any time by the lessor if the rent is not paid for two consecutive months. The monthly rent is approximately \$1,970 per month in addition to relative taxes (VAT). A security deposit of \$20,000 is committed in the lease of which \$4,722 has been paid as of the date of the statement of financial position. Rent expense for the year ending December 31, 2013 amounted to \$1,974. The future minimum lease payments for 2014 amount to \$21,670.

**NOTE 6 – CONCENTRATION OF RISK**

**Cash and cash equivalents**

The Organization maintains its cash-in-bank deposit accounts which, at times, may exceed federally insured limits. The Organization has not experienced any losses in such accounts. The Organization evaluates the financial strength and stability of the financial institutions and it believes it is not exposed to any significant credit risk on cash and cash equivalents.

The Organization maintains bank accounts in various foreign currencies in order to support its mission throughout the world. The Organization's operations could be subject to various political, economic, and other risks and uncertainties inherent in the market in which the Organization operates. Among other risks, the Organization's mission to support program services may be subject to the risks of restrictions on transfer of funds, foreign exchange restrictions, and political conditions and governmental regulations.

**NOTE 7 – RETIREMENT PLAN**

On January 1, 2011, the Organization entered into a tax deferred 403(b) retirement plan (the "Plan"). The Plan covers all employees. Employees make voluntary contributions to the Plan based upon the limits established under the Internal Revenue Code. In addition, the Organization makes a discretionary matching contribution. For the year ending December 31, 2013, the Organization's matching contribution amounted to \$0. The balance due to the Plan as of December 31, 2013 amounted to \$13,075.

**WORLD FEDERATION OF UNITED NATIONS ASSOCIATIONS**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2013**

**NOTE 8 – TEMPORARILY RESTRICTED NET ASSETS**

The following is a summary of the activity in the temporarily restricted net assets for the year ending December 31, 2013:

Temporarily Restricted Net Assets	Balance January 01, 2013	Additions	Net Assets Released From Restrictions	Balance December 31, 2013
Human Rights Programs:				
CSAHR	\$ -	\$ 16,544	\$ (16,544)	\$ -
Youth Training	-	16,464	(16,464)	-
Other	-	18,730	(18,730)	-
Peace and Security	-	216,988	(78,605)	138,383
Presidential Program	117,692	120,000	(51,015)	186,677
Total	<u>\$ 117,692</u>	<u>\$ 388,726</u>	<u>\$ (181,358)</u>	<u>\$ 325,060</u>

**NOTE 9– FOREIGN CURRENCY TRANSACTIONS**

The Organization’s functional currency for operations is the U.S. dollar. Transaction gains and losses that arise from exchange rate fluctuations on transactions denominated in a currency other than the functional currency are included in the results of operations as incurred. Foreign currency transactions included in operations were immaterial for the year ending December 31, 2013.

The financial position and results of operations of the Organization’s foreign activities are measured using the local currency in Sweden as the functional currency. Revenues and expenses of such operations have been translated into U.S. dollars at average exchange rates prevailing during the period. Assets and liabilities have been translated at the rates of exchange on the balance sheet date. The resulting translation gain and loss adjustments are recorded directly as a separate component prior to arriving at the change in net assets. Unrealized foreign currency translation adjustments resulted in a gain amounting to \$1,503 for the year ending December 31, 2013.

**WORLD FEDERATION OF UNITED NATIONS ASSOCIATIONS**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2013**

**NOTE 10 – EXPENSES**

Expenses, by natural classification, consist of the following:

	Program Services	Supporting Services			Grand Total
		Management and General	Fundraising	Total	
Advertising	\$ 3,074	\$ -	\$ -	\$ -	\$ 3,074
Accounting	-	13,975	-	13,975	13,975
Amortization expense	-	9,417	-	9,417	9,417
Bank service charges	1,356	1,559	-	1,559	2,915
Consultants	71,037	-	-	-	71,037
Depreciation expense	-	9,782	-	9,782	9,782
Dues and subscriptions	1,776	892	5,055	5,947	7,723
Facilities and equipment	3,211	-	-	-	3,211
Payroll taxes and benefits	95,953	10,122	4,877	14,999	110,952
Grant expense	40,000	-	-	-	40,000
Insurance	10,939	39,767	4,978	44,745	55,684
Meetings and seminars	229,409	-	5,026	5,026	234,435
Office expenses	6,996	7,766	13,029	20,795	27,791
Payroll - New York	353,157	23,645	17,281	40,926	394,083
Payroll - Geneva	158,878	-	-	-	158,878
Payroll processing	-	119	-	119	119
Postage and delivery	6,281	1,552	252	1,804	8,085
Printing and reproduction	28,766	1,849	1,006	2,855	31,621
Professional fees	65,658	21,147	10,840	31,987	97,645
Representation costs	6,314	843	2,472	3,315	9,629
Telephone and internet	4,697	10,362	333	10,695	15,392
Travel	83,526	364	28,849	29,213	112,739
Website	630	30	542	572	1,202
Total expenses	<u>\$ 1,171,658</u>	<u>\$ 153,191</u>	<u>\$ 94,540</u>	<u>\$ 247,731</u>	<u>\$ 1,419,389</u>

The cost of providing the Organization's various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the program services and the supporting services benefited.

**WORLD FEDERATION OF UNITED NATIONS ASSOCIATIONS**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2013**

**NOTE 11 – DONATED SERVICES**

The Organization received services from people who contribute their time. The Organization pays for most services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Organization with specific assistance programs and fundraising events.

For the year ending December 31, 2013, the Organization received the following donated services in connection with its programs:

	Year Ending <u>December 31, 2013</u>
Legal fees	<u>\$ 13,500</u>

**NOTE 12 – ADVANCE TO BOARD MEMBER**

The Government of the Republic of South Korea contributed \$120,000 in 2013 to support the Organization's Strategic Framework. This amount has been earmarked for the purpose of supporting the WFUNA president and his office in carrying out his various activities. The Organization advanced funds to him which are kept in a bank account outside of the Organization. The total of the advance as of December 31, 2013 amounted to \$186,692.

**NOTE 13 – PRIOR PERIOD ADJUSTMENT**

Net assets at the beginning of 2013 have been restated to correct the value of an advance given to the WFUNA president as of December 31, 2012. Management had not reflected the value of the advance in the statement of financial position. The effect of the restatement is to increase temporarily restricted net assets by \$117,692 as of December 31, 2012.

**NOTE 14 – SUBSEQUENT EVENTS**

The Organization has evaluated subsequent events through September 25, 2014, the date when the financial statements are available to be issued.