



October 16, 2015

Audit Committee
Children of Armenia Fund, Inc.
149 5th Avenue – Suite 500
New York, NY 10010

Dear Committee Members:

We have audited the consolidating financial statements of Children of Armenia Fund, Inc. (COAF) and Subsidiary (collectively, The “Fund”) as of and for the years ended December 31, 2014 and 2013, and have issued our report thereon dated October 16, 2015. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards in the United States of America, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter dated July 1, 2015. Professional standards also require that we communicate to you the following items related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by COAF are described in Note 1 to the consolidating financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2014. We noted no transactions entered into by the Fund during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. No sensitive estimates affecting the financial statements were identified.

The disclosures in the financial statements are neutral, consistent and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected any such misstatements.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated October 16, 2015.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of accounting principles to the financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management prior to retention as the Fund's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Information in Documents Containing Audited Financial Statements

With respect to the supplementary information accompanying the consolidating financial statements, we made certain inquiries of management and evaluated the form, content and methods of preparing the information to determine that the information complies with generally accepted accounting principles in the United States of America, the method of preparing it has not changed from the prior period and the information is appropriate and complete in relation to our audit of the consolidating financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the consolidating financial statements themselves.

This information is intended solely for the use of the Audit Committee and management of the Children of Armenia Fund, Inc. and is not intended to be and should not be used by anyone other than these specified parties.

Respectively submitted,

RJSacco & Company LLP

**CHILDREN OF ARMENIA FUND, INC.
AND SUBSIDIARY**

Consolidating Financial Statements

December 31, 2014 and 2013



INDEPENDENT AUDITORS' REPORT

Board of Directors
Children of Armenia Fund, Inc. and Subsidiary

We have audited the accompanying consolidating statements of financial position of Children of Armenia Fund, Inc. (a not-for-profit corporation) and Subsidiary as of December 31, 2014 and 2013 and the related consolidating statements of activities and cash flows for the years then ended.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these consolidating financial statements in accordance with accounting principles generally accepted in the United States of America. This includes 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 consolidating financial statements based on our audits. We did not audit the financial statements of COAF Armenia, a foreign wholly-owned subsidiary, which statements reflect total assets of \$452,014 and \$395,735 as of December 31, 2014 and 2013, respectively, and total support and revenues of \$1,623,155 and \$994,648 for the respective years then ended. Those statements were audited by other auditors whose report thereon has been furnished to us and our opinion, insofar as it relates to the amounts included for COAF Armenia, is based solely on the reports of the other auditors.

We conducted our audits in accordance with generally accepted auditing standards in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidating financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidating financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidating 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 consolidating 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 the overall presentation of the consolidating 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, based on our audits and the reports of the other auditors, the consolidating financial statements referred to above present fairly, in all material respects, the consolidating financial position of Children of Armenia Fund, Inc. and Subsidiary as of December 31, 2014 and 2013 and the changes in their net assets and their cash flows for the years then ended in conformity with generally accepted accounting principles in the United States of America.

RJSacco & Company LLP

Princeton, NJ
October 16, 2015

CHILDREN OF ARMENIA FUND, INC. AND SUBSIDIARY

December 31, 2014 and 2013

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CHILDREN OF ARMENIA FUND, INC. AND SUBSIDIARY

Consolidating Statements of Financial Position

December 31, 2014 and 2013

	2014			2013				
	COAF US	COAF Armenia	Eliminations	Consolidated	COAF US	COAF Armenia	Eliminations	Consolidated
Assets								
Cash and cash equivalents	\$ 2,157,703	\$ 166,452	\$ -	\$ 2,324,155	\$ 2,240,300	\$ 120,627	\$ -	\$ 2,360,927
Unconditional promises to give								
Unrestricted	1,966,102	-	-	1,966,102	1,533,850	-	-	1,533,850
Other current assets	725	252,329	-	253,054	725	250,677	-	251,402
Total current assets	4,124,530	418,781	-	4,543,311	3,774,875	371,304	-	4,146,179
Property and equipment - net	-	33,090	-	33,090	-	24,226	-	24,226
Long-term investments	501,355	-	-	501,355	157,010	-	-	157,010
Investment - gifts in kind	115,000	-	-	115,000	115,000	-	-	115,000
Intangible assets - net	-	143	-	143	-	205	-	205
Total other assets	616,355	143	-	616,498	272,010	205	-	272,215
Total assets	\$ 4,740,885	\$ 452,014	\$ -	\$ 5,192,899	\$ 4,046,885	\$ 395,735	\$ -	\$ 4,442,620
Liabilities and net assets								
Accounts payable and accrued expenses	\$ 198,013	\$ 40,578	\$ -	\$ 238,591	\$ 122,420	\$ 47,256	\$ -	\$ 169,676
Net assets								
Unrestricted	4,542,872	411,436	-	4,954,308	3,924,465	348,479	-	4,272,944
Total net assets	4,542,872	411,436	-	4,954,308	3,924,465	348,479	-	4,272,944
Total liabilities and net assets	\$ 4,740,885	\$ 452,014	\$ -	\$ 5,192,899	\$ 4,046,885	\$ 395,735	\$ -	\$ 4,442,620

See notes to consolidating financial statements.

CHILDREN OF ARMENIA FUND, INC. AND SUBSIDIARY

Consolidating Statements of Activities

Years Ended December 31, 2014 and 2013

	2014				2013			
	COAF		Eliminations	Consolidated	COAF		Eliminations	Consolidated
	COAF US	Armenia			COAF US	Armenia		
Changes in unrestricted net assets								
Support and revenue								
Contributions	\$ 251,233	\$ -	\$ -	\$ 251,233	\$ 183,343	\$ -	\$ -	\$ 183,343
Fundraising benefits	2,578,288	1,623,155	(1,477,604)	2,723,839	3,306,702	994,648	(818,220)	3,483,130
Direct costs of fundraising	(183,226)	-	-	(183,226)	(178,413)	-	-	(178,413)
Interest income	38,175	-	-	38,175	24,475	-	-	24,475
Unrealized gain (loss) on investments	104,425	-	-	104,425	(72,659)	-	-	(72,659)
Total support and revenue	2,788,895	1,623,155	(1,477,604)	2,934,446	3,263,448	994,648	(818,220)	3,439,876
Expenses								
Program services	1,573,547	1,505,628	(1,477,604)	1,601,571	919,462	992,156	(818,220)	1,093,398
Supporting services								
Management and general	349,569	-	-	349,569	134,407	-	-	134,407
Fundraising	247,372	-	-	247,372	249,901	-	-	249,901
Total supporting services	596,941	-	-	596,941	384,308	-	-	384,308
Total expenses	2,170,488	1,505,628	(1,477,604)	2,198,512	1,303,770	992,156	(818,220)	1,477,706
Increase in unrestricted net assets before foreign currency exchange loss	618,407	117,527	-	735,934	1,959,678	2,492	-	1,962,170
Foreign currency exchange loss	-	(54,570)	-	(54,570)	-	(441)	-	(441)
Increase in net assets	618,407	62,957	-	681,364	1,959,678	2,051	-	1,961,729
Net assets - beginning of year	3,924,465	348,479	-	4,272,944	1,964,787	346,428	-	2,311,215
Net assets - end of year	\$ 4,542,872	\$ 411,436	\$ -	\$ 4,954,308	\$ 3,924,465	\$ 348,479	\$ -	\$ 4,272,944

NOTE: Eliminations reflect payments made to or on behalf of COAF Armenia from COAF US.

CHILDREN OF ARMENIA FUND, INC. AND SUBSIDIARY

Consolidating Statements of Cash Flows

Years Ended December 31, 2014 and 2013

	2014			2013				
	COAF US	COAF Armenia	Eliminations	Consolidated	COAF US	COAF Armenia	Eliminations	Consolidated
Cash flows from operating activities	\$ 618,407	\$ 62,957	\$ -	\$ 681,364	\$ 1,959,678	\$ 2,051	\$ -	\$ 1,961,729
Increase in net assets	-	14,628	-	14,628	1,029	13,658	-	14,687
Adjustments to reconcile increase (decrease) in net assets to net cash (used in) provided by operating activities	(104,425)	-	-	(104,425)	72,659	-	-	72,659
Depreciation and amortization	-	4,320	-	4,320	-	(1,186)	-	(1,186)
Unrealized (gain) loss on investments	-	-	-	-	-	-	-	-
Currency gain (loss)	-	-	-	-	-	-	-	-
(Increase) decrease in Unconditional promises to give	(432,252)	-	-	(432,252)	(978,058)	-	-	(978,058)
Other current assets	-	(1,652)	-	(1,652)	-	23,803	-	23,803
Increase (decrease) in accounts payable	75,593	(6,678)	-	68,915	(18,876)	(45,443)	-	(64,319)
Net cash (used in) provided by operating activities	157,323	73,575	-	230,898	1,036,432	(7,117)	-	1,029,315
Cash flows from investing activities								
Securities received for contributions	(239,920)	-	-	(239,920)	-	-	-	-
Disposal of property and equipment	-	-	-	-	-	2,448	-	2,448
Purchase of property and equipment	-	(27,750)	-	(27,750)	-	(16,842)	-	(16,842)
Net cash provided by (used in) investing activities	(239,920)	(27,750)	-	(267,670)	-	(14,394)	-	(14,394)
Net (decrease) increase in cash and cash equivalents	(82,597)	45,825	-	(36,772)	1,036,432	(21,511)	-	1,014,921
Cash and cash equivalents - beginning of year	2,240,300	120,627	-	2,360,927	1,203,868	142,138	-	1,346,006
Cash and cash equivalents - end of year	\$ 2,157,703	\$ 166,452	\$ -	\$ 2,324,155	\$ 2,240,300	\$ 120,627	\$ -	\$ 2,360,927

See notes to consolidating financial statements.

Children of Armenia Fund, Inc. and Subsidiary

Notes to Consolidating Financial Statements

December 31, 2014 and 2013

Note 1 - Nature of activities and significant accounting policies

Nature of activities

Since its founding in 2000, Children of Armenia Fund, Inc. ("COAF") and Subsidiary (collectively, the "Fund") has worked to improve education, health care, community life and economic conditions for children in Armenia's impoverished rural villages. At their core, the Fund's programs create and sustain opportunities for growth and progress. Partnerships with the United Nations Development Programs (UNDP), United States Agency for International Development (USAID) the World Bank and the US Embassy in Armenia, along with other local and international organizations, have allowed the Fund to further leverage its resources and contribute to the development of one of the most economically disadvantaged regions of the world.

Over the course of several years, the Fund's regional cluster has grown from one to ten villages as the model has evolved and become more effective. Programs are broad and include strategic activity in the areas of Education, Health, Child and Family Services, Community Engagement, Economic Development and Infrastructure Rehabilitation. The Fund's approach to development is holistic and comprehensive, rooted in the belief that long-term results can only be achieved through programs that address the unique issues facing each and every community. Each challenge is addressed from the ground up, working closely with local communities every step of the way.

While the Fund's programs are currently concentrated in rural Armenia, its innovative approach of addressing rural poverty can be applied in any impoverished region of the world. The Fund aspires to form alliances with organizations operating in other regions and to share its methodology in order to eradicate poverty, paving the way for peaceful resolutions to many of the regional conflicts that exist today.

In addition to managing its operations from its headquarters in New York City, the Fund operates through a local entity, Children of Armenia Fund ("COAF Armenia") in order to carry out the implementation of its programs directly on the ground in Armenia.

Principles of consolidation

The accompanying consolidating financial statements include the accounts of COAF and COAF Armenia. All significant intercompany balances and transactions have been eliminated in consolidation.

Cash and cash equivalents

Cash equivalents are short-term, highly liquid investments that are both readily convertible to known amounts of cash and have original maturities of three months or less that present insignificant risk of changes in value because of changes in interest rates.

Children of Armenia Fund, Inc. and Subsidiary

Notes to Consolidating Financial Statements - Continued

December 31, 2014 and 2013

Note 1 - Nature of activities and significant accounting policies - continued

Investments

Investments in marketable securities with readily determinable fair values are reported at their fair values in the consolidating statements of financial position. Gains and losses on investments are reflected in the consolidating statements of activities. Long-term investments consist of marketable securities not available for sale. Gifts in kind consists of gifts of collectible items and are reported at their donor designated values, which the organization believes is representative of fair values.

Unconditional promises to give and contributions

Contributions are recognized when a donor makes an unconditional promise to give to the Fund. Donor restricted contributions, if any, are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

The Fund uses the allowance method to reserve for uncollectible promises to give. Based on historical experience and analysis of specific promises made, management has determined that a reserve is not needed at December 31, 2014 and 2013.

Property and equipment

Property and equipment are recorded at cost and depreciated using the straight-line method over the estimated useful lives as follows

Buildings and improvements	20 years
Automobiles	10 years
Office equipment	3 - 5 years

Intangible assets

Intangible assets are recorded at cost and amortized using the straight-line method over the estimated useful life of the related asset of 5 years. Amortization expense included in the consolidating statements of activities for the years ended December 31, 2014 and 2013 was \$41 and \$85, respectively.

Contributed services

No amounts have been reflected in the consolidating financial statements for donated services or for the use of the Fund's headquarters in New York City. Many individuals volunteer their time and perform a variety of tasks that assist the Fund. These services do not meet the criteria for recognition as contributed services. In addition, management has determined that the incidental use of space is deemed to be immaterial.

Children of Armenia Fund, Inc. and Subsidiary
Notes to Consolidating Financial Statements - Continued

December 31, 2014 and 2013

Note 1 - Nature of activities and significant accounting policies - continued

Revenue recognition

The Fund has three main sources of revenue. Contributions and pledges related to fundraising events are recorded as unconditional promises to give at the time they are made. General contributions and public support are recorded as they are received. Contributions may be recorded as unrestricted, temporarily restricted or permanently restricted depending on the existence and nature of any donor restrictions. In addition, revenue related to attendance at fundraising events is recorded as received.

Tax status

COAF is exempt from federal income taxes as an organization qualifying under Section 501(c) (3) of the Internal Revenue Code and has been designated as an organization which is not a private foundation. In accordance with ASB Topic 740, "Income Taxes", the Fund has evaluated all uncertain tax positions and deems that more likely than not all positions would be sustained should an examination occur by a taxing authority. The years 2011 through 2014 remain open to examination by the Internal Revenue Service.

COAF Armenia is subject to the laws of Armenia and has various information reporting requirements.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Reclassifications

The 2013 consolidating financial statements have been reclassified to conform to the 2014 presentation. Management believes that the current reporting system is more representative of actual operations and any differences with prior years' presentations is not significant.

Note 2 - Restriction on net assets

Net assets may be restricted, either permanently or temporarily, for future periods and programs. There were no restricted net assets in 2014 and 2013.

Note 3 - Concentrations

The Fund maintains its cash balances and investments in financial institutions located in the United States and Armenia. The cash and investment balances maintained in the United States, at times, may exceed federally insured limits. The Fund has not experienced any losses on these balances.

The majority of fundraising is derived from the annual gala.

Children of Armenia Fund, Inc. and Subsidiary

Notes to Consolidating Financial Statements - Continued

December 31, 2014 and 2013

Note 4 - Unconditional promises to give

Unconditional promises to give are contributions that are receivable in less than one year and may include unrestricted and restricted promises to give designated for future programs. There were no restricted promises to give in 2014 or 2013. Management believes that all promises to give at December 31, 2014 and 2013 will be collected.

Note 5 - Investments

At December 31, 2014 and 2013, long-term investments consist of shares of common stock of Agenus, Inc., a publicly traded company and shares of a privately owned limited liability company. The value of Agenus, Inc. common stock was reported at fair market value as determined by the publicly traded price. The value of the limited liability company was reported based on management's estimate of its liquidity value based on the value of the underlying assets consisting of cash, Agenus, Inc. common stock and notes receivable.

A summary of changes in fair value of the Fund's investments for the years ended December 31, 2014 and 2013 follows

	<u>Long-term Investments</u>
Balance - December 31, 2012	\$ 229,669
Purchase and contribution of investments	-
Sale and transfer of investments	-
Realized and unrealized (loss)	<u>(72,659)</u>
Balance - December 31, 2013	157,010
Purchase and contribution of investments	239,920
Sale and transfer of investments	-
Realized and unrealized gain	<u>104,425</u>
Balance - December 31, 2014	<u>\$ 501,355</u>

Children of Armenia Fund, Inc. and Subsidiary

Notes to Consolidating Financial Statements - Continued

December 31, 2014 and 2013

Note 6 - Property and equipment

At December 31, 2014 and 2013, property and equipment consist of the following

	2014	2013
Building and improvements	\$ 36,136	\$ 36,136
Automobiles	54,500	54,500
Office equipment	65,571	23,427
Accumulated foreign currency loss	(26,347)	(21,967)
	<u>106,490</u>	<u>106,490</u>
Accumulated depreciation	(96,770)	(82,183)
	<u>\$ 33,090</u>	<u>\$ 24,226</u>

Depreciation expense included in the consolidating statements of activities for the years ended December 31, 2014 and 2013 was \$14,587 and \$13,573, respectively.

Note 7 - Fair value measurements

Fair value is an estimate of the exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants (i.e., the exit price at the measurement date). Fair value measurements are not adjusted for transaction costs. The fair value hierarchy prioritizes inputs to valuation techniques used to measure fair value into three levels.

Unadjusted quoted prices in active markets for identical assets or liabilities are referred to as Level 1 inputs. Inputs other than quoted market prices that are observable, either directly or indirectly, and reasonably available are referred to as Level 2 inputs. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability and are developed based on market data obtained from sources independent of the Organization. Unobservable inputs reflect the assumptions developed by the Organization based on available information about what market participants would use in valuing the asset or liability and are referred to as Level 3.

An asset or liability's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Availability of observable inputs can vary and is affected by a variety of factors. Level 3 assets and liabilities involve greater judgment than Level 1 or Level 2 assets or liabilities. Investments in marketable equity securities at December 31, 2014 and 2013 are classified within Level 1 of the fair value hierarchy. Fair value is determined using quoted market values which approximate cost.

Children of Armenia Fund, Inc. and Subsidiary

Notes to Consolidating Financial Statements - Continued

December 31, 2014 and 2013

Note 7 - Fair value measurements - continued

The Fund's receipt of gifts in kind is classified within Level 3 of the fair value hierarchy because the items trade infrequently (or not at all) and, therefore, have little or no readily available pricing. Unobservable inputs are used to measure fair value to the extent that observable inputs are not available. For positions that are not traded in active markets or are subject to transfer restrictions, valuations are adjusted to reflect illiquidity and/or non-transferability and such adjustments are generally based on available market information. In the absence of such evidence, management's best estimate is used.

The value assigned to these investments and any unrealized gains or losses reported are based on available information and does not necessarily represent amounts that might be realized if a ready market existed and such differences could be material. The ultimate realization of such amounts depends on future events and circumstances and therefore, valuation estimates may differ from the value realized upon disposition of individual positions.

The fair value measurements and levels within the fair value hierarchy of those measurements for the assets reported at fair value on a recurring basis at December 31, 2014 and 2013 are as follows

<u>Description</u>	<u>Type</u>	<u>2014</u>	<u>2013</u>
Long-term investments			
Marketable securities	Level 1	\$ 476,400	\$ 132,407
Privately owned company	Level 3	24,955	24,603
Total long-term investments		<u>\$ 501,355</u>	<u>\$ 157,010</u>
Gifts in kind	Level 3	<u>\$ 115,000</u>	<u>\$ 115,000</u>

The organization recognizes transfers of assets into and out of levels as of the date an event or change in circumstances causes the transfer. There were no transfers between levels in the years ended December 31, 2014 and 2013.

Long-term investments are reported at fair value on a recurring basis determined by reference to quoted market prices and other relevant information generated by market transactions.

Children of Armenia Fund, Inc. and Subsidiary

Notes to Consolidating Financial Statements - Continued

December 31, 2014 and 2013

Note 8 - Functional allocation of expenses

The cost of providing the various program and supporting services for COAF has been summarized on a functional basis in the consolidating statements of activities. Accordingly, certain costs have been allocated among the program and its supporting services.

Note 9 - Subsequent events

Management has evaluated subsequent events through October 16, 2015, the date that the consolidating financial statements were available to be issued.

SUPPLEMENTARY INFORMATION



RJSacco & Company LLP
CPAs, TAX AND BUSINESS ADVISORS

INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

Board of Directors
Children of Armenia Fund, Inc. and Subsidiary

We have audited the consolidating financial statements of Children of Armenia Fund, Inc. and Subsidiary as of and for the years ended December 31, 2014 and 2013, and have issued our unqualified report thereon dated October 16, 2015. Our audits were performed for the purpose of forming an opinion on the consolidating financial statements taken as a whole. The Schedule of Functional Expenses - Children of Armenia Fund, Inc. is presented for purposes of additional analysis and is not required as part of the basic consolidating financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the consolidating financial statements. Such information has been subjected to the auditing procedures applied in the audits of the consolidating financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidating financial statements or to the consolidating financial statements themselves, and other additional procedures in accordance with generally accepted auditing standards in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidating financial statements taken as a whole.

RJSacco & Company LLP

Princeton, NJ
October 16, 2015

CHILDREN OF ARMENIA FUND, INC. AND SUBSIDIARY

Schedule of Functional Expenses - Children of Armenia Fund, Inc.

Years Ended December 31, 2014 and 2013

	2014				2013			
	Program Services	Supporting Services		Total Expenses	Program Services	Supporting Services		Total Expenses
		Management and General	Fundraising			Management and General	Fundraising	
Grants	\$ 936,499	\$ -	\$ -	\$ 936,499	\$ 757,632	\$ -	\$ -	\$ 757,632
Direct programs	541,105	-	-	541,105	60,588	-	-	60,588
Bank and credit card fees	-	13,983	13,983	13,983	-	9,995	9,995	9,995
Consultants	-	181,268	49,637	230,905	-	72,528	63,125	135,653
Depreciation and amortization	-	-	-	-	-	1,029	-	1,029
Dues and subscriptions	-	2,675	-	2,675	-	2,675	-	2,675
Event costs	-	-	105,844	105,844	-	-	120,301	120,301
Insurance	-	2,830	-	2,830	-	2,830	-	2,830
Media and other program expenses	60	59,256	30,398	89,714	514	513	10,389	11,416
Office supplies	385	4,797	-	4,797	1,507	1,054	-	2,561
Other administrative expenses	54,287	15,581	-	69,868	65,196	10,316	-	75,512
Postage	416	3,797	805	4,602	26	3,221	4,829	8,076
Printing	-	26,288	48,186	74,474	-	1,018	48,458	49,476
Professional fees	-	27,274	-	27,274	-	20,960	-	20,960
State annual fees	-	7,120	-	7,120	-	5,889	-	5,889
Travel	40,795	4,700	12,502	57,997	33,999	2,379	2,799	39,177
Total expenses	\$ 1,573,547	\$ 349,569	\$ 247,372	\$ 2,170,488	\$ 919,462	\$ 134,407	\$ 249,901	\$ 1,303,770

See independent auditors' report on supplementary information.