

ASSYRIAN AID SOCIETY of AMERICA  
(A NON-PROFIT CORPORATION)

FINANCIAL STATEMENTS

(WITH INDEPENDENT AUDITOR'S REPORT)

AS OF

DECEMBER 31<sup>st</sup> 2008 and 2009

## Table of Contents

<b>ACCOUNTANTS' AUDIT REPORT .....</b>	<b>2</b>
<b>FINANCIAL STATEMENTS</b>	
Statement of Financial Position .....	3
Statement of Activities .....	4
Statement of Functional Expenses .....	6
Statement of Cash Flows .....	8
Notes to Financial Statements .....	9-14



3390 Todd Way, San Jose CA 95124. Tel: (408) 702 2608  
visit us at : [www.kyrishcpa.com](http://www.kyrishcpa.com) email : [sunita@kyrishcpa.com](mailto:sunita@kyrishcpa.com)

INDEPENDENT AUDITORS' REPORT

To,  
The Board of Directors  
Assyrian Aid Society of America

I have audited the accompanying statements of financial position of Assyrian Aid Society of America as of December 31, 2008 and 2009 and the related statements of activities, functional expenses and cash flows for the years then ended. These statements are the responsibility of the management. My responsibility is to express an opinion on these financial statements based on my audit. The financial statements of Assyrian Aid Society of America as of December 31, 2007 were audited by other auditors whose report dated October 6, 2008 expressed an unqualified opinion on those statements.

I conducted the audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Assyrian Aid Society of America as of December 31, 2008 and 2009, and the results of its operations and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

A handwritten signature in black ink, appearing to read "Sunita Jagasia".

**Sunita Jagasia CPA**

**Kyrish Certified Public Accountants**

San Jose, California

July 26, 2010

**ASSRYIAN AID SOCIETY OF AMERICA  
STATEMENT OF FINANCIAL POSITION  
AS OF DECEMBER 31, 2008 AND 2009**

	December 31, 2008	December 31, 2009
<b>ASSETS</b>		
Cash and cash equivalents	\$ 110,321	\$ 86,006
Grants receivable	-	17,000
Equipment, net of accumulated depreciation	2,626	922
<b>TOTAL ASSETS</b>	<b>112,947</b>	<b>103,928</b>
<b>LIABILITIES</b>		
Accounts Payable	18,702	4,407
<b>NET ASSETS</b>		
Prior Period Adjustment	4,573	16,143
Unrestricted Net Assets	(36,053)	66,378
Temporarily Restricted	125,725	17,000
<b>TOTAL LIABILITIES</b>	<b>\$ 112,947</b>	<b>\$ 103,928</b>

**ASSYRIAN AID SOCIETY OF AMERICA  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2008**

	<b>Unrestricted</b>	<b>Temporarily Restricted</b>	<b>Total</b>
<b>REVENUE AND OTHER SUPPORT</b>			
<b>DIRECT PUBLIC SUPPORT:</b>			
Central Valley	\$ 50,810	\$ -	\$ 50,810
Chicago	168,400	18,450	186,850
Michigan	10,135	-	10,135
Nevada	-	-	-
Los Angeles	44,000	59,790	103,790
Phoenix	13,000	20,145	33,145
San Francisco (National Office)	-	-	-
San Diego	-	-	-
Santa Clara Valley	17,024	30,435	47,459
	303,369	128,820	432,189
<b>GRANTS AND CONTRIBUTIONS RECEIVED</b>	45,604	87,087	132,691
<b>IN KIND CONTRIBUTIONS RECEIVED</b>			
Medicine Supplies and Aids	-	1,982,722	1,982,722
Sports Apparel	-	125,725	125,725
Special Events	163,324	-	163,324
Lifeline Support	80,427	-	80,427
Interest Income	1,498	-	1,498
Miscellaneous Income	-	-	-
Net assets released from restrictions	2,198,629	(2,198,629)	-
<b>Total Revenue and Other Support</b>	<b>2,792,851</b>	<b>125,725</b>	<b>2,918,576</b>
<b>EXPENSES</b>			
Program Expenses			
Support to Assyrian Aid Society - Iraq	2,866,454	-	2,866,454
Other Assyrian Support	39,475	-	39,475
	2,905,929	-	2,905,929
Supporting Expenses			
Management & General	80,381	-	80,381
Fundraising	68,791	-	68,791
	149,172	-	149,172
<b>Total Expenses</b>	<b>3,055,101</b>	<b>-</b>	<b>3,055,101</b>
<b>CHANGE IN NET ASSETS</b>	(262,250)	125,725	(136,525)
<b>NET ASSETS, beginning of year</b>	226,197	-	226,197
<b>NET ASSETS, end of year</b>	<b>\$ (36,053)</b>	<b>\$ 125,725</b>	<b>\$ 89,672</b>

**ASSYRIAN AID SOCIETY OF AMERICA  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2009**

	Unrestricted	Temporarily Restricted	Total
<b>REVENUE AND OTHER SUPPORT</b>			
<b>DIRECT PUBLIC SUPPORT:</b>			
Central Valley	\$ 1,500	\$ 1,913	\$ 3,413
Chicago	18,000	39,500	57,500
Michigan	2,200	-	2,200
Nevada	-	-	-
Los Angeles	32,000	1,000	33,000
Phoenix	14,000	10,580	24,580
San Francisco ( National Office)	-	-	-
San Diego	-	-	-
Santa Clara Valley	-	8,335	8,335
	67,700	61,328	129,028
<b>GRANTS AND CONTRIBUTIONS RECEIVED</b>	17,486	80,775	98,261
<b>IN KIND CONTRIBUTIONS RECEIVED</b>			
Medicine Supplies and Aids	-	-	-
Sports Apparel	-	-	-
Special Events	177,672	-	177,672
Lifeline Support	61,142	-	61,142
Interest Income	54	-	54
Miscellaneous Income	506	-	506
Net assets released from restrictions	250,828	(250,828)	-
	250,828	(250,828)	-
<b>Total Revenue and Other Support</b>	575,388	(108,725)	466,663
<b>EXPENSES</b>			
<b>Program Expenses</b>			
Support to Assyrian Aid Society - Iraq	298,835	-	298,835
Other Assyrian Support	5,000	-	5,000
	303,835		303,835
<b>Supporting Expenses</b>			
Management & General	71,410	-	71,410
Fundraising	97,712	-	97,712
	169,122		169,122
<b>Total Expenses</b>	472,957	-	472,957
<b>CHANGE IN NET ASSETS</b>	102,431	(108,725)	(6,294)
<b>NET ASSETS, beginning of year</b>	(36,053)	125,725	89,672
<b>NET ASSETS, end of year</b>	\$ 66,378	\$ 17,000	\$ 83,378

**ASSYRIAN AID SOCIETY OF AMERICA  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2008**

	<u>PROGRAM SERVICES</u>		<u>SUPPORT SERVICES</u>		<u>Total Program &amp; Support Services</u>
	<u>Assyrian Aid Society - Iraq</u>	<u>Other Assyrian Support</u>	<u>Management &amp; General</u>	<u>Fundraising</u>	
Cash Grants	\$ 325,000	\$ -	\$ -	\$ -	\$ 325,000
Medical Emergency	36,228	-	-	-	36,228
Medical Supplies	12,155	-	-	-	12,155
Medical Relief Fund	74,270	-	-	-	74,270
Refugees	32,000	-	-	-	32,000
Clinic Karamlis & Telesquop	40,000	-	-	-	40,000
Education Needs (ANCI)	125,000	-	-	-	125,000
School/Books	12,000	-	-	-	12,000
Bakhitma/Sharifiya	29,400	-	-	-	29,400
Dohuk/Youth Group	16,000	-	-	-	16,000
Travel Expenses	7,500	-	-	-	7,500
Assyrian Women Union - Orphans	14,400	-	-	-	14,400
Youth Group	7,700	-	-	-	7,700
Special Shipping Costs	26,354	-	-	-	26,354
AAA of San Jose	-	12,500	-	-	12,500
ICRC	-	1,975	-	-	1,975
Assyrian Academic Society	-	25,000	-	-	25,000
Salaries	-	-	35,142	-	35,142
Payroll taxes	-	-	19,624	-	19,624
Board Meeting	-	-	5,776	-	5,776
Depreciation Expense	-	-	1,947	-	1,947
Other Office Expenses	-	-	17,892	-	17,892
Grants	-	-	-	10,295	10,295
NTOTM - San Francisco	-	-	-	55,996	55,996
Central Valley Event	-	-	-	2,500	2,500
	<u>758,007</u>	<u>39,475</u>	<u>80,381</u>	<u>68,791</u>	<u>946,654</u>
In Kind Expenses					
Medicine Aid and Supplies	1,982,722	-	-	-	1,982,722
Sports Apparel	125,725	-	-	-	125,725
	<u>2,108,447</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,108,447</u>
	<u>\$ 2,866,454</u>	<u>\$ 39,475</u>	<u>\$ 80,381</u>	<u>\$ 68,791</u>	<u>\$ 3,055,101</u>

**ASSYRIAN AID SOCIETY OF AMERICA  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2009**

	<u>PROGRAM SERVICES</u>		<u>SUPPORT SERVICES</u>		<u>Total Program &amp; Support Services</u>
	<u>Assyrian Aid Society - Iraq</u>	<u>Other Assyrian Support</u>	<u>Management &amp; General</u>	<u>Fundraising</u>	
Cash Grants	\$ 210,000	\$ -	\$ -	\$ -	\$ 210,000
Medical Emergency	22,900	-	-	-	22,900
Medical Supplies	-	-	-	-	-
Medical Relief Fund	11,835	-	-	-	11,835
Refugees	9,000	-	-	-	9,000
Clinic Karamlis & Telesquop	-	-	-	-	-
Education Needs (ANCI)	19,500	-	-	-	19,500
Youth Group	600	-	-	-	600
Buses	25,000	-	-	-	25,000
Assyrian Academic Society	-	5,000	-	-	5,000
Salaries	-	-	37,254	-	37,254
Payroll taxes	-	-	12,376	-	12,376
Board Meeting	-	-	8,049	-	8,049
Depreciation Expense	-	-	1,704	-	1,704
Other Office Expenses	-	-	12,027	-	12,027
Travel Expenses	-	-	-	16,163	16,163
Grants	-	-	-	102	102
NTOTM - San Francisco	-	-	-	59,147	59,147
Central Valley Event	-	-	-	22,300	22,300
	<u>\$ 298,835</u>	<u>\$ 5,000</u>	<u>\$ 71,410</u>	<u>\$ 97,712</u>	<u>\$ 472,957</u>



**ASSRYIAN AID SOCIETY OF AMERICA  
 STATEMENT OF CASH FLOWS  
 FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2009**

	<b>December 31, 2008</b>	<b>December 31, 2009</b>
Cash Flows for Operating Activities		
Change in Net Assets	\$ (136,525)	\$ (6,294)
Adjustments to reconcile net decrease in net assets to net cash provided (Used in) operating activities:		
Prior Period Adjustment	-	(22,430)
Depreciation	1,947	1,704
Grants Receivable	-	17,000
Accounts Payable	18,702	(14,295)
Net Cash used in operating activities	(115,876)	(24,315)
Decrease in cash and cash equivalents	(115,876)	(24,315)
Cash and cash equivalents at the beginning of the year	226,197	110,321
Cash and cash equivalents at the end of the year	\$ 110,321	\$ 86,006

**ASSYRIAN AID SOCIETY OF AMERICA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2008 and 2009**

**NOTE 1 – NATURE OF THE ORGNIZATION**

Description of The Organization - The Assyrian Aid Society of America (the Organization) was founded in San Francisco, California in November 1991 to assist Assyrian refugees in Iraq during the First Gulf War.

Working in collaboration with its sister organization, the Assyrian Aid Society-Iraq, the Organization over the past 19 years has, in addition to ongoing refugee relief, gone on to fund village reconstruction programs, irrigation and electrification projects, medical clinics and pharmacies, life-saving surgeries in the United States for Assyrians from the Middle East, agricultural projects, and education programs from pre-school through college.

Today the Organization's primary focus is on education in northern Iraq. Nearly 5000 students in 54 schools are being taught all subjects in Assyrian and using textbooks translated into Assyrian and published by the Assyrian Aid Society.

The Organization is a 501(c)(3) non-profit organization incorporated in the State of California with a 15-person Board of Directors and chapters in Chicago, Detroit, Las Vegas, Los Angeles, Modesto-Turlock, Phoenix, San Diego, and San Jose. The national headquarters is located in Berkeley, California.

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

Risks And Uncertainties - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and would impact future results of operations and cash flows.

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

**ASSYRIAN AID SOCIETY OF AMERICA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2008 and 2009**

Page Two

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

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Financial Statement Presentation - The Organization has adopted Statement of Financial Accounting Standards No. 117, "Financial Statements of Not-for-Profit Organizations." Under this statement, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted and permanently restricted.

Functional Classification of Expenses - The costs of providing various program services have been summarized on a functional basis in the statements of activities and functional expenses. Accordingly, certain costs have been allocated, principally on a direct costs basis, among the program and supporting services.

Cash and Cash Equivalents - For purposes of the Statement of Cash Flows, the Organization considers all highly liquid debt instruments purchased with maturities of three months or less to be cash equivalents.

Categories of Net Assets -The net assets of the Organization are reported in the following categories:

*Unrestricted net assets* generally have no donor-imposed restrictions. This category includes those revenues and expenses associated with programs and supporting services. It also includes those net assets which have been designated by the Organization's Board of Directors as reserves or as funds functioning as endowment.

*Temporarily restricted net assets* include gifts for which donor- imposed restrictions have not been met and funds for which the ultimate purpose of the proceeds is not permanently restricted.

**ASSYRIAN AID SOCIETY OF AMERICA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2008 and 2009**

Page Three

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

*Permanently restricted net assets* include gifts which require by donor-imposed restriction that the corpus be invested in perpetuity and only the income be made available for Organization operations in accordance with donor restrictions, if any. The organization does not have any permanently restricted net assets as of December 31, 2008 and 2009.

Contributed Support -The Organization recognizes all unconditional gifts and promises to give in the period notified. Contributed support is reported as unrestricted, temporarily or permanently restricted depending on the existence of donor stipulations that limit the use of the support.

In-kind Support - The Organization records various types of in-kind support including professional services and tangible assets. Contributed professional services are recognized if the services received (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributions of tangible assets are recognized at fair value when received. Additionally, the Organization receives a significant amount of contributed time which does not meet the two recognition criteria described above. Accordingly, the value of this contributed time has not been determined and is not reflected in the accompanying financial statements.

Donated Goods - For the year ended December 31, 2008 the Organization received a donation consisting of a consignment of clothing for the purpose of distribution to the children of Iraq. The fair value of the consignment was \$ 125,725. For the year ended December 31, 2008 the Organization also received a donation of medical supplies and aids to be distributed in the affected areas in Iraq. The fair value of the consignment was \$ 1,982,722.

Donated Office Space - The Organization used office space provided by the President of the Organization at no extra cost. The fair value of the rent-free use of the office space was \$ 4,440 for the years ended December 31, 2008 and 2009.

**ASSYRIAN AID SOCIETY OF AMERICA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2008 and 2009**

Page Four

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

Expiration of Donor- Imposed Restrictions - The expiration of a donor-imposed restriction on a contribution is recognized in the period in which the restriction expires, and at that time the related resources are reclassified to unrestricted net assets. A restriction expires when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

The Organization follows the policy of reporting donor-imposed restricted contributions whose restrictions are met in the same period as received as unrestricted support.

Long-lived assets acquired with gifts of cash restricted for those acquisitions are reported as unrestricted based on the Organization's policy of-lifting restrictions on contributions of cash used for the acquisition of long-lived assets when the long-lived assets are acquired or construction commences.

Tax Exempt Status - Assyrian Aid Society of America, is a not-for-profit organization that is exempt from income taxes under Section 501 (c )(3) of the Internal Revenue Code and Section 2370 1 (d) of the California Revenue and Taxation Code.

**ASSYRIAN AID SOCIETY OF AMERICA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2008 and 2009**

**NOTE 3 - TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets are restricted by donors. These net assets are released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors, including passage of time. Temporarily restricted net assets received are described below.

<b>Purpose Restriction</b>	<b>2008</b>	<b>2009</b>
Assyrian Medical Relief	\$ 2,000	\$ 14,500
Mosul Refugees	35,207	9,000
Memorial	7,800	5,900
Assyrian for Justice Student	15,905	-
Mary Soleiman Project	8,700	-
Atra Visit	15,500	-
Children Transportation Medical Fund	59,790	-
Medical Emergency	21,145	-
Refugees	10,450	-
Women Union / Student Union	7,000	22,368
Orphan Fund	30,435	17,835
Iraqi Christian Relief Committee	1,975	-
ANCI Motwa for Education	-	39,500
Mesopotamian Night	-	33,000
In Kind Contribution – Sports Apparel	125,725	-
In Kind Contribution – Medicine Supplies and Aids	1,982,722	-
	<u>\$ 2,324,354</u>	<u>\$ 142,103</u>

**ASSYRIAN AID SOCIETY OF AMERICA**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2008 and 2009**

**NOTE 4 - NET ASSETS RELEASED FROM RESTRICTIONS**

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of other events specified by donors, including the passage of time. Net assets were released from restriction as follows:

<b>Purpose Restriction</b>	<b>2008</b>	<b>2009</b>
Assyrian Medical Relief	\$ 2,000	\$ 14,500
Mosul Refugees	35,207	9,000
Memorial	7,800	5,900
Assyrian for Justice Student	15,905	-
Mary Soleiman Project	8,700	-
Atra Visit	15,500	-
Children Transportation Medical Fund	59,790	-
Medical Emergency	21,145	-
Refugees	10,450	-
Women Union / Student Union	7,000	22,368
Orphan Fund	30,435	17,835
Iraqi Christian Relief Committee	1,975	-
ANCI Motwa for Education	-	39,500
Mesopotamian Night	-	16,000
In Kind Contribution – Sports Apparel	-	125,725
In Kind Contribution – Medicine Supplies and Aids	1,982,722	-
	<u>\$ 2,198,629</u>	<u>\$ 250,828</u>