



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

FINANCIAL STATEMENTS

(WITH INDEPENDENT AUDITOR'S REPORT)

AS OF

DECEMBER 31st 2010

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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, 2010 and the related statements of activities, functional expenses and cash flows for the year 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.

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, 2010, and the results of its operation and its cash flow for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Sunita Jagasia CPA
Kyrish Certified Public Accountants
San Jose, California
July 25, 2011

**ASSYRIAN AID SOCIETY OF AMERICA
 STATEMENT OF FINANCIAL POSITION
 AS OF DECEMBER 31, 2010**

	December 31, 2010
ASSETS	
Cash and cash equivalents	\$ 118,483
Grants receivable	-
Equipment, net of accumulated depreciation	1,919
TOTAL ASSETS	120,402
 LIABILITIES	
Accounts Payable	2,899
 NET ASSETS	
Unrestricted Net Assets	79,503
Temporarily Restricted	38,000
TOTAL LIABILITIES AND NET ASSETS	\$ 120,402

See accompanying notes and accountant's report

ASSYRIAN AID SOCIETY OF AMERICA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2010

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
REVENUE AND OTHER SUPPORT			
DIRECT PUBLIC SUPPORT:			
Central Valley	\$ 6,510	\$ -	\$ 6,510
Chicago	45,000	76,000	121,000
Michigan	2,000	-	2,000
Nevada	-	-	-
Los Angeles	18,325	-	18,325
Phoenix	20,000	-	20,000
San Francisco (National Office)	-	6,000	6,000
San Diego	-	-	-
Santa Clara Valley	5,000	19,370	24,370
	96,835	101,370	198,205
GRANTS AND CONTRIBUTIONS RECEIVED	159,567	-	159,567
Special Events	67,795	-	67,795
Lifeline Support	55,819	-	55,819
Textbooks	-	32,000	32,000
Interest Income	1,892	-	1,892
Miscellaneous Income	5,171	-	5,171
Net assets released from restrictions	112,370	(112,370)	-
	499,449	21,000	520,449
EXPENSES			
Program Expenses			
Support to Assyrian Aid Society - Iraq	297,010	-	297,010
Other Assyrian Support	19,738	-	19,738
	316,748		316,748
Supporting Expenses			
Management & General	73,320	-	73,320
Fundraising	99,809	-	99,809
	173,129	-	173,129
Total Expenses	489,877	-	489,877
CHANGE IN NET ASSETS	9,572	21,000	30,572
Prior Period Adjustment	(12,590)	-	(12,590)
NET ASSETS, beginning of year	82,521	17,000	99,521
NET ASSETS, end of year	\$ 79,503	\$ 38,000	\$ 117,503

See accompanying notes and accountant's report

**ASSYRIAN AID SOCIETY OF AMERICA
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>PROGRAM SERVICES</u>		<u>SUPPORT SERVICES</u>		<u>Total Program & Support Services</u>
	<u>Assyrian Aid Society - Iraq</u>	<u>Other Assyrian Support</u>	<u>Management & General</u>	<u>Fundraising</u>	
Cash Grants	\$ 157,000	\$ -	\$ -	\$ -	\$ 157,000
Women's Union	19,370	-	-	-	19,370
Education Grant	6,000	-	-	-	6,000
Dorm Renovation	76,000	-	-	-	76,000
Buses	22,000	-	-	-	22,000
Textbooks	16,640	-	-	-	16,640
Ties and Scarves	-	3,114	-	-	3,114
Los Angeles Calendar Project	-	1,697	-	-	1,697
Sculpture	-	1,000	-	-	1,000
Agha Petros Flag	-	7,827	-	-	7,827
Grants	-	6,100	-	-	6,100
Accounting and Professional fees	-	-	5,965	-	5,965
Salaries	-	-	28,593	7,148	35,741
Payroll taxes	-	-	13,667	3,417	17,084
Board Meeting	-	-	1,378	-	1,378
Depreciation Expense	-	-	1,402	-	1,402
Printing and Reproduction	-	-	1,996	-	1,996
Postage and Delivery	-	-	5,301	-	5,301
Office Supplies	-	-	3,445	-	3,445
Telephone and Telecommunications	-	-	1,280	-	1,280
Other Office Expenses	-	-	5,809	-	5,809
Insurance - Liability D & O	-	-	2,599	-	2,599
Workers Compensation Insurance	-	-	757	-	757
Liability Insurance	-	-	268	-	268
Travel Expenses	-	-	860	-	860
NTOTM - San Francisco	-	-	-	69,744	69,744
Central Valley Event	-	-	-	19,500	19,500
	<u>\$ 297,010</u>	<u>\$ 19,738</u>	<u>\$ 73,320</u>	<u>\$ 99,809</u>	<u>\$ 489,877</u>

**ASSYRIAN AID SOCIETY OF AMERICA
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED DECEMBER 31, 2010**

	December 31, 2010
Cash Flows for Operating Activities	
Change in Net Assets	\$ 30,572
Adjustments to reconcile net increase in net assets to net cash provided (Used in) operating activities:	
Prior Period Adjustment	17,699
Depreciation	(302)
Grants Receivable	(17,000)
Accounts Payable	1,508
Net Cash used in operating activities	32,477
Increase/(Decrease) in cash and cash equivalents	32,477
Cash and cash equivalents at the beginning of the year	86,006
Cash and cash equivalents at the end of the year	\$ 118,483

See accompanying notes and accountant's report

ASSYRIAN AID SOCIETY OF AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010

NOTE 1 – NATURE OF THE ORGANIZATION

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, 2010

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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, 2010

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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, 2010.

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 receives 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 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 year ended December 31, 2010.

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.

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NOTES TO FINANCIAL STATEMENTS
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NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

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.

NOTE 3 - TEMPORARILY RESTRICTED PROJECTS

Temporarily restricted projects are restricted by donors. These amounts are released from donor restrictions by incurring expenses satisfying the restricted purposes.

Dohuk Student Dormitory Rehabilitation Project: The dormitory was repaired before the beginning of the new school year in September 2010. The project involved replacing old pipes with new superior PVC pipes. Additionally the sizes of all pipes were increased to better handle the load of multistory sewage network. Replacement of pipes involved breaking up of tile floors and concrete and replacing them with new tiles. This project was funded with a \$76,000 grant from the Assyrian Universal Association Foundation in Chicago, Illinois.

Textbook Translation Project: This project involves translation of textbooks from Arabic to Assyrian for all grades from 1 through 12. It also includes computerization of the translations with the help of special translation software and computers. The current expected completion date is fall of school year 2011 - 2012.

ASSYRIAN AID SOCIETY OF AMERICA
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NOTE 3 - TEMPORARILY RESTRICTED PROJECTS - CONTINUED

This project is being funded with a \$30,000 grant from the Assyrian Universal Association Foundation in Chicago, Illinois plus personal donations from the Executive Committee of the Assyrian Aid Society of America.

NOTE 4 - 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:

Purpose Restriction	2010
Dorm Renovation	\$ 76,000
Text Books Conversion	38,000
Women Union / Student Union	19,370
TOTAL	<u>\$ 133,370</u>

NOTE 5 - 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:

Purpose Restriction	2010
Dorm Renovation	\$ 76,000
Text Books Conversion	-
Women Union / Student Union	19,370
TOTAL	<u>\$ 112,370</u>