



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

FINANCIAL STATEMENTS
(WITH INDEPENDENT AUDITOR'S REPORT)

AS OF
DECEMBER 31st 2012

Table of Contents

ACCOUNTANTS' AUDIT REPORT	2
FINANCIAL STATEMENTS	
Statement of Financial Position	3
Statement of Activities	4
Statement of Functional Expenses	5
Statement of Cash Flows	6
Notes to Financial Statements	7-12



3390 Todd Way, San Jose CA 95124. Tel: (408) 702 2608
visit us at : www.kyrishcpa.com email : 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, 2012 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, 2012 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
December 5, 2013



**ASSYRIAN AID SOCIETY OF AMERICA
STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2012**

	<u>December 31, 2012</u>
ASSETS	
Cash and cash equivalents	\$ 199,484
Accounts Receivable	37,306
Equipment, net of accumulated depreciation	<u>959</u>
TOTAL ASSETS	237,749
LIABILITIES	
Accounts Payable	9,662
NET ASSETS	
Unrestricted Net Assets	194,599
Temporarily Restricted	<u>33,488</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 237,749</u>

See accompanying notes and accountant's report

**ASSYRIAN AID SOCIETY OF AMERICA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2012**

	Unrestricted	Temporarily Restricted	Total
REVENUE AND OTHER SUPPORT			
DIRECT PUBLIC SUPPORT:			
Arizona	\$ 809	-	\$ 809
Chicago	97,750	-	97,750
Central Valley	1,493	12,000	13,493
Michigan	2,049	-	2,049
Los Angeles	90,553	-	90,553
San Diego	1,306	-	1,306
Santa Clara Valley	9,345	-	9,345
	203,305	12,000	215,305
GRANTS AND CONTRIBUTIONS RECEIVED	27,195	1,000	28,195
Special Events	6,438	10,029	16,467
Lifeline Support	62,468	-	62,468
Matching Funds	15,856	-	15,856
Refugee Relief	-	39,350	39,350
Interest Income	88	-	88
NTOTM	135,335	-	135,335
Mesopotamian Night	28,014	-	28,014
Net assets released from restrictions	25,029	(25,029)	-
	503,728	37,350	541,078
EXPENSES			
Program Expenses			
Support to Assyrian Aid Society - Iraq	179,800	-	179,800
Other Assyrian Support	39,267	-	39,267
	219,067	-	219,067
Supporting Expenses			
Management & General	65,778	-	65,778
Fundraising	90,061	-	90,061
	155,839	-	155,839
Total Expenses	374,906	-	374,906
CHANGE IN NET ASSETS	128,822	37,350	166,172
NET ASSETS , beginning of year	65,777	(3,862)	61,915
NET ASSETS , end of year	\$ 194,599	\$ 33,488	\$ 228,087

**ASSYRIAN AID SOCIETY OF AMERICA
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2012**

	<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	\$ 120,000	\$ -	\$ -	\$ -	\$ 120,000
Refugee Relief	14,000	-	-	-	14,000
School Support	1,000	-	-	-	1,000
Dorm Renovation	17,000	-	-	-	17,000
Education	23,000	-	-	-	23,000
NTOTM	-	-	-	69,428	69,428
Women's Union	-	10,029	-	-	10,029
Media Support	4,800	-	-	-	4,800
Others	-	29,238	-	-	29,238
Accounting and Professional fees	-	-	2,800	-	2,800
Salaries	-	-	24,856	10,652	35,508
Payroll taxes	-	-	10,850	4,650	15,500
Depreciation Expense	-	-	480	-	480
Postage and Delivery	-	-	-	1,695	1,695
Office Supplies	-	-	1,526	-	1,526
Telephone and Telecommunications	-	-	358	836	1,194
Other Office Expenses	-	-	4,321	2,800	7,121
Insurance - Liability D & O	-	-	2,634	-	2,634
Workers Compensation Insurance	-	-	374	-	374
Sales Tax	-	-	3,196	-	3,196
Secretary of State	-	-	50	-	50
Board of Directors - Travel Expenses	-	-	14,333	-	14,333
	<u>\$ 179,800</u>	<u>\$ 39,267</u>	<u>\$ 65,778</u>	<u>\$ 90,061</u>	<u>\$ 374,906</u>



**ASSYRIAN AID SOCIETY OF AMERICA
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2012**

	<u>December 31, 2012</u>
Cash Flows for Operating Activities	
Change in Net Assets	\$ 166,172
Adjustments to reconcile net increase in net assets to net cash provided (Used in) operating activities:	
Depreciation	480
Accounts Receivable	(37,306)
Accounts Payable	<u>8,335</u>
Net Cash used in operating activities	137,681
Increase/(Decrease) in cash and cash equivalents	137,681
Cash and cash equivalents at the beginning of the year	<u>61,803</u>
Cash and cash equivalents at the end of the year	<u><u>\$ 199,484</u></u>

See accompanying notes and accountant's report



ASSYRIAN AID SOCIETY OF AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012

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 20 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, Michigan, Nevada, Los Angeles, Central Valley, Arizona, San Diego, and Santa Clara. 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.

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.



ASSYRIAN AID SOCIETY OF AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012

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.

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.

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, 2012.

ASSYRIAN AID SOCIETY OF AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012

Page Three

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

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 uses office space provided by the Chairman of the Board at no extra cost. The fair value of the rent-free use of the office space was \$ 4,800 for the year ended December 31, 2012.

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.

ASSYRIAN AID SOCIETY OF AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012

Page Four

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

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 – ASSYRIAN AID SOCIETY OF AMERICA – IRAQ ACTIVITIES AND PROJECTS

The monthly non-designated grants from Assyrian Aid Society of America to Assyrian Aid Society of America-Iraq are intended to fully or partially fund the full range of routine Assyrian Aid Society of America-Iraq activities and projects. These activities and projects include but are not limited to:

- i. Support of pre-school day care centers
- ii. Salaries and other needs of the Assyrian primary and secondary schools
- iii. Maintaining student dormitories and computer labs
- iv. Stocking and running of pharmacies that provide medicines free or at-cost as well as some basic medical diagnostic services
- v. Repair, reconstruction, or new construction of some civic buildings such as community centers and churches
- vi. Repairing and building new irrigation systems and electric networks
- vii. Supporting youth sports organizations and social societies

The grants given to Assyrian Aid Society of America-Iraq to support the above activities were \$219,067 as of December 31st, 2012.

NOTE 4 - TEMPORARILY RESTRICTED PROJECTS

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



ASSYRIAN AID SOCIETY OF AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012

Page Five

NOTE 4 - TEMPORARILY RESTRICTED PROJECTS - CONTINUED

Refugee Relief Projects - Due to sporadic but continued religious violence inside Iraq and due to the growing civil war in neighboring Syria, bursts of refugee migrations into northern Iraq required the Assyrian Aid Society to mount relief projects for hundreds of displaced Assyrian families. The scope of these relief efforts included but were not limited to distribution of food, heating oil, blankets, clothing, and personal hygiene necessities; providing temporary shelter in Assyrian Aid Society of America-Iraq student dormitories and/or assisting in locating more permanent lodging; and assisting the families in connecting with available government programs and services.

Text Books Conversion Project - This project involves translation of textbooks from Arabic to Assyrian for all grades from 1 through 12. It also includes computerization of the translation with the help of special translation software and computers. The project was made possible with grants from the Assyrian Universal Association Foundation in Chicago, Illinois plus personal donations from the Executive Committee of the Assyrian Aid Society of America.

NOTE 5 - TEMPORARILY RESTRICTED NET ASSETS AND NET ASSETS RELEASED FROM RESTRICTIONS

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 and released from restrictions are described below:

Purpose Restriction	2012
Refugee Relief	\$ 39,350
Bus Donation	12,000
Women Union	10,029
Cates Documentary	1,000
TOTAL	\$ 62,379



ASSYRIAN AID SOCIETY OF AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012

Page Six

NOTE 5 - TEMPORARILY RESTRICTED NET ASSETS AND NET ASSETS RELEASED FROM RESTRICTIONS - CONTINUED

Released from Restriction	2012
Refugee Relief	\$ 14,000
Women Union	10,029
Cates Documentary	1,000
TOTAL	\$ 25,029

NOTE 6 – SUBSEQUENT EVENTS

The civil war in neighboring Syria is threatening to grow and send even more refugees across its borders into Iraq. Many of the refugees are Assyrian Syrians and Iraqi Assyrians who had earlier fled Iraq for safety in Syria, are now looking to Assyrian Aid Society of America-Iraq for help.

The Assyrian Aid Society of America has been officially recognized by the Better Business Bureau Wise Giving Alliance as a BBB Accredited Charity for meeting all of the group's 20 Standards for Charity Accountability.

The BBB Wise Giving Alliance is the nationally acknowledged agency for evaluating charities, helping donors make informed giving decisions, and advancing high standards of conduct among organizations that solicit contributions from the public. The set of standards for charity accountability were developed by the Better Business Bureau in conjunction with professional accounting firms, charitable organizations, and grant-funding foundations.

The standards set a baseline for ethical governance, responsible fundraising, and transparency of financial operations.

Of the thousands of national and local charities in the U.S., only 510 are currently designated as a BBB Accredited Charity.