

JEWISH WORLD WATCH
(A California Nonprofit Public Benefit Corporation)

FINANCIAL STATEMENTS

**As of and for the
Year Ended**

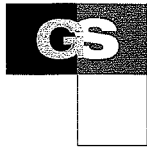
December 31, 2008



Gurseley | Schneider LLP
CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS

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Gursey | Schneider LLP

CERTIFIED
PUBLIC ACCOUNTANTS
& ADVISORS

Independent Auditors' Report

To the Board of Directors
Jewish World Watch
Encino, California

We have audited the accompanying statement of financial position of Jewish World Watch (JWW) as of December 31, 2008, and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of JWW's management. 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. These standards require that we plan and perform the audit to obtain reasonable assurance about whether 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 presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above presents fairly, in all material respects, the financial position of Jewish World Watch as of December 31, 2008, and changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

June 2, 2009
Los Angeles, California

Gursey | Schneider LLP

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JEWISH WORLD WATCH
Statement of Financial Position
December 31, 2008

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 1,390,294
Contributions receivable	414,307
Prepaid event costs	64,939
Other prepaid expenses	<u>5,084</u>

Total Current Assets 1,874,624

OTHER ASSETS

Deposits	2,700
Contributions receivable	100,000
Property and equipment, at cost net of accumulated depreciation of \$5,767	<u>19,566</u>

TOTAL ASSETS \$ 1,996,890

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable	\$ 12,619
Deferred event income	<u>236,508</u>

Total Current Liabilities 249,127

COMMITMENTS AND CONTINGENCIES

NET ASSETS

Unrestricted	528,442
Temporarily restricted	<u>1,219,321</u>

Total Net Assets 1,747,763

TOTAL LIABILITIES AND NET ASSETS \$ 1,996,890

See Independent Auditors' Report and Notes to Financial Statements

JEWISH WORLD WATCH
Statement of Activities
For the Year Ended December 31, 2008

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
REVENUES			
Contributions and voluntary membership dues	\$ 680,123	\$ 796,666	\$ 1,476,789
Grants	112,000	345,000	457,000
Interest income	22,705	-	22,705
Net assets released from restrictions:	<u>599,269</u>	<u>(599,269)</u>	<u>-</u>
Total Revenues	<u>1,414,097</u>	<u>542,397</u>	<u>1,956,494</u>
EXPENSES			
Program services	1,153,666	-	1,153,666
Management and general	90,273	-	90,273
Fundraising	<u>135,039</u>	<u>-</u>	<u>135,039</u>
Total Expenses	<u>1,378,978</u>	<u>-</u>	<u>1,378,978</u>
INCREASE IN NET ASSETS	35,119	542,397	577,516
NET ASSETS, Beginning of Year	<u>493,323</u>	<u>676,924</u>	<u>1,170,247</u>
NET ASSETS, End of Year	<u><u>\$ 528,442</u></u>	<u><u>\$ 1,219,321</u></u>	<u><u>\$ 1,747,763</u></u>

See Independent Auditors' Report and Notes to Financial Statements

JEWISH WORLD WATCH
Statement of Functional Expenses
For the Year Ended December 31, 2008

	Program Services	Management and General	Fundraising	Total
Grants and allocations	\$ 476,630	\$ -	\$ -	\$ 476,630
Salaries	250,306	30,968	28,108	309,382
Consultants and contract services	165,116	17,998	25,850	208,964
Printing	67,236	709	43,917	111,862
Payroll taxes and employee benefits	30,031	6,287	3,044	39,362
Rent	23,941	3,150	2,418	29,509
Web maintenance	23,908	3,119	1,333	28,360
Postage	17,015	1,662	9,151	27,828
Events	21,999	-	2,316	24,315
Travel and meals	17,620	2,366	1,147	21,133
Advertising	10,125	166	9,554	19,845
Design fees	12,446	-	3,823	16,269
Equipment rental	12,084	1,678	1,447	15,209
Office	7,044	1,908	925	9,877
Bank charges	439	9,108	-	9,547
Telephone	6,509	893	664	8,066
Accounting services	-	7,648	-	7,648
Automobile	4,059	560	620	5,239
Depreciation	2,779	457	281	3,517
Insurance	2,476	376	264	3,116
Utilities	1,218	256	124	1,598
Taxes and licenses	112	908	-	1,020
Parking	381	42	42	465
Dues and subscriptions	192	14	11	217
	<u>\$ 1,153,666</u>	<u>\$ 90,273</u>	<u>\$ 135,039</u>	<u>\$ 1,378,978</u>

See Independent Auditors' Report and Notes to Financial Statements

JEWISH WORLD WATCH
Statement of Cash Flows
For the Year Ended December 31, 2008

CASH FLOWS PROVIDED BY (USED IN) OPERATING ACTIVITIES:

Increase in net assets	\$ 577,516
Adjustments to reconcile increase in net assets to net cash provided by operating activities	
Depreciation	3,517
Changes in assets and liabilities:	
Contributions receivable	(311,807)
Prepaid expenses	(69,366)
Rent deposit	1,690
Deferred revenue	236,508
Accounts payable	<u>(54,067)</u>

NET CASH PROVIDED BY OPERATING ACTIVITIES 383,991

CASH FLOWS USED IN INVESTING ACTIVITIES

Purchase of property and equipment	<u>(15,288)</u>
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NET INCREASE IN CASH 368,703

CASH AND CASH EQUIVALENTS, Beginning of Year 1,021,591

CASH AND CASH EQUIVALENTS, End of Year \$ 1,390,294

JEWISH WORLD WATCH
Notes to Financial Statements
For the Year Ended December 31, 2008

NOTE 1 — NATURE OF ORGANIZATION

Jewish World Watch (JWW), a California nonprofit public benefit corporation, was incorporated in 2005 to re-sanctify the post-Holocaust oath of "Never Again." Working as a coalition of synagogues, JWW's mission is to mobilize its members, their schools and the community to combat genocide and other atrocities around the world; starting with the genocide in Darfur and now expanding to address the ongoing atrocities in the Democratic Republic of Congo. JWW achieves this mission through three main strategies:

Education — JWW educates target constituencies by developing appropriate materials and programs and calling communities to action.

Advocacy — JWW advocates for policies to stop or prevent genocide and other atrocities through community organization and mobilization.

Refugee Relief — JWW develops resources and allocates funds towards refugee relief projects aimed at alleviating the suffering of survivors and victims of genocide and mass atrocities.

With almost 65 synagogue members, as well as individuals, schools, and community, campus and youth groups engaged in its work, JWW represents a constituency of over 300,000 concerned citizens. JWW has built a strong reputation as a leader in raising awareness about Darfur and other atrocities, and calling communities to action through its extensive Speakers Bureau, community events and youth activist initiatives. In cooperation with the Darfur activist and broad anti-genocide communities nationwide, JWW rallies its constituents to make it clear to legislators and international officials that ending the genocide in Darfur and addressing other mass atrocities internationally are issues that cannot be ignored. Legislative priorities are established collaboratively with national anti-genocide organizations.

JWW has further led the community in raising over \$3 million for relief projects for Darfuri refugees. These funds have been allocated to:

- the building of three medical clinics in Darfur and the Central African Republic and more than 25 water wells and sanitation projects within Darfur;
- the rehabilitation of youth centers and health clinics; the establishment of grief counseling for the refugees;
- the development of its landmark Solar Cooker and Backpack Projects, and,
- the launch of its new Recycled Water Garden project.

These and many other efforts support and sustain the refugees and provide them with opportunities for economic development while learning new and transferable skills.

JWW's support comes primarily from individual donor contributions, voluntary membership dues from affiliated synagogues, and grants.

JWW's principal office is located in Encino, California.

JEWISH WORLD WATCH
Notes to Financial Statements
For the Year Ended December 31, 2008

NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Financial Presentation — The accompanying financial statements have been prepared on the accrual basis of accounting.

Recognition of Restricted Contributions — JWW recognizes contributions, including unconditional promises to give, as revenue in the period received, at fair value. JWW reports amounts in the accompanying financial statements for each of two classes of net assets, unrestricted net assets and temporarily restricted assets.

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized.

All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction. Temporarily restricted net assets become available once the restriction has been satisfied. Once satisfied, these are reclassified to unrestricted net asset and reported in the accompanying financial statements as net assets released from restrictions.

Contributions Receivable — Contributions receivables are recorded when accrued and are stated at the amount management expects to collect. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual receivables. Management believes all contributions receivable are collectible at December 31, 2008.

Contributed Services — Contributed services are recognized if the services received (a) increase 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.

JWW receives a significant amount of contributed time from volunteers that does not meet the two recognition criteria described above. Accordingly, the value of this contributed time is not reflected in the accompanying financial statements.

Grant Expenditures — Grant expenditures are recognized in the period the grant is approved provided the grant is not subject to future contingencies.

Cash and Cash Equivalents — Cash and cash equivalents consist of cash and money market funds.

JEWISH WORLD WATCH
Notes to Financial Statements
For the Year Ended December 31, 2008

NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES — (CONTINUED)

Property and Equipment — Property and equipment are stated at cost. Repairs and maintenance are charged to operations as incurred. When property and equipment are retired or otherwise disposed of, the cost and accumulated depreciation are removed from the accounts and any resulting gain or loss is included in the results of operations for the respective period.

Depreciation expense for computer equipment is calculated on straight-line method over 5 years.

Depreciation expense for the year ended December 31, 2008 was \$3,517.

Functional Expenses — The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Income Taxes — JWW is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code.

Concentrations of Risk — The Foundation maintains its cash in bank deposit accounts which, at times may exceed federally insured limits. Accounts are guaranteed by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2008, JWW had approximately \$1 million in excess of FDIC insured limits.

Use of Estimates — The preparation of financial statements in accordance with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect 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.

JEWISH WORLD WATCH
Notes to Financial Statements
For the Year Ended December 31, 2008

NOTE 3 — TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted contributions comprise approximately 59% of total contributions received in 2008. At December 31, 2008, JWW had temporarily restricted net assets of \$899,321 available for the following two specific projects:

Solar Cooker Project: JWW, partnered with KoZon Foundation and Solar Cookers International (two humanitarian aid organizations), provides portable solar cookers to women of the refugee camps in Chad. The Solar Cooker Project improves the safety and survival of women in refugee camps in Chad, by reducing the need to leave the camps in order to find firewood.

Backpack Project: JWW, partnered with the International Rescue Committee, is providing backpacks to school-aged children of the Oure Cassoni refugee camp in Chad. The backpacks are filled with essential educational and hygiene items, allowing children to attend schools run by the International Rescue Committee.

JWW also has temporarily restricted net assets available for general uses in future years. These amounts will be released from restriction as follows:

Year Ending December 31,	Amount
2009	\$ 165,000
2010	150,000
2011	5,000
	<u>\$ 320,000</u>

NOTE 4 — COMMITMENTS

In May 2008, JWW leased office space under a non-cancelable operating lease that expires on April 30, 2011. Future minimum rental payments are summarized as follows:

Year Ending December 31,	Amount
2009	\$ 28,152
2010	28,996
2011	9,760
	<u>\$ 66,908</u>