

JEWISH WORLD WATCH
(A California Nonprofit Public Benefit Corporation)

FINANCIAL STATEMENTS

**As of and for the
Year Ended**

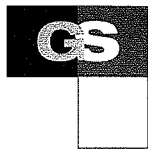
December 31, 2009



Gurseley Schneider LLP
CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS

CONTENTS

	<u>Page</u>
INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED December 31, 2009:	
Statement of Financial Position	2
Statement of Activities	3
Statement of Functional Expenses	4
Statement of Cash Flows	5
Notes to Financial Statements	6 - 10



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, 2009, 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, 2009, 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.

Gursey | Schneider LLP

June 2, 2010
Los Angeles, California

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JEWISH WORLD WATCH
Statement of Financial Position
December 31, 2009

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 1,575,098
Certificates of deposit, 0.6% and 2.3%	335,538
Contributions receivable, net of \$7,500 allowance	277,294
Other prepaid expenses	<u>5,909</u>

Total Current Assets	<u>2,193,839</u>
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OTHER ASSETS

Deposits	2,700
Property and equipment, at cost net of accumulated depreciation of \$10,927	<u>15,665</u>

TOTAL ASSETS	<u><u>\$ 2,212,204</u></u>
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Grants payable	\$ 62,500
Accounts payable	11,568
Accrued salary	<u>5,206</u>

Total Current Liabilities	<u>79,274</u>
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COMMITMENTS AND CONTINGENCIES

NET ASSETS

Unrestricted	713,306
Temporarily restricted	<u>1,419,624</u>

Total Net Assets	<u>2,132,930</u>
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TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 2,212,204</u></u>
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See Independent Auditors' Report and Notes to Financial Statements

JEWISH WORLD WATCH
Statement of Activities
For the Year Ended December 31, 2009

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
REVENUES			
Contributions and voluntary membership dues	\$ 558,775	\$ 1,080,990	\$ 1,639,765
Grants	-	100,000	100,000
Interest income	7,858	-	7,858
Special event, net of expenses	239,034	-	239,034
Net assets released from restrictions:	<u>980,687</u>	<u>(980,687)</u>	<u>-</u>
Total Revenues	<u>1,786,354</u>	<u>200,303</u>	<u>1,986,657</u>
EXPENSES			
Program services	1,389,785	-	1,389,785
Management and general	116,616	-	116,616
Fundraising	<u>95,089</u>	<u>-</u>	<u>95,089</u>
Total Expenses	<u>1,601,490</u>	<u>-</u>	<u>1,601,490</u>
INCREASE IN NET ASSETS	184,864	200,303	385,167
NET ASSETS, Beginning of Year	<u>528,442</u>	<u>1,219,321</u>	<u>1,747,763</u>
NET ASSETS, End of Year	<u><u>\$ 713,306</u></u>	<u><u>\$ 1,419,624</u></u>	<u><u>\$ 2,132,930</u></u>

See Independent Auditors' Report and Notes to Financial Statements

JEWISH WORLD WATCH
Statement of Functional Expenses
For the Year Ended December 31, 2009

	Program Services	Management and General	Fundraising	Total
Grants and allocations	\$ 686,065	\$ -	\$ -	\$ 686,065
Salaries	271,917	28,417	27,085	327,419
Consultants and contract services	177,535	6,700	9,711	193,946
Printing	76,133	836	11,642	88,611
Payroll taxes and employee benefits	38,502	9,415	4,017	51,934
Web maintenance	22,622	4,641	7,781	35,044
Rent	24,027	3,809	2,344	30,180
Travel and meals	6,617	5,631	13,762	26,010
Accounting services	-	25,597	-	25,597
Design fees	17,071	863	3,661	21,595
Events	12,986	75	6,225	19,286
Postage	12,915	748	4,355	18,018
Bank charges	-	15,923	-	15,923
Equipment rental	12,148	1,604	1,086	14,838
Office	7,752	1,058	953	9,763
Telephone	5,863	978	1,067	7,908
Bad debts	-	7,500	-	7,500
Automobile	4,084	992	355	5,431
Depreciation	4,077	671	413	5,161
Advertising	4,802	9	180	4,991
Insurance	2,606	377	264	3,247
Utilities	1,802	313	183	2,298
Taxes and licenses	210	300	-	510
Dues and subscriptions	51	159	5	215
	<u>\$ 1,389,785</u>	<u>\$ 116,616</u>	<u>\$ 95,089</u>	<u>\$ 1,601,490</u>

See Independent Auditors' Report and Notes to Financial Statements

JEWISH WORLD WATCH
Statement of Cash Flows
For the Year Ended December 31, 2009

CASH FLOWS PROVIDED BY (USED IN) OPERATING ACTIVITIES:

Increase in net assets	\$ 385,167
Adjustments to reconcile increase in net assets to net cash provided by operating activities	
Depreciation	5,161
Changes in assets and liabilities:	
Contributions receivable	237,013
Prepaid expenses	64,114
Deferred revenue	(236,508)
Grants payable	62,500
Accounts payable	(1,051)
Accrued payroll	5,206

NET CASH PROVIDED BY OPERATING ACTIVITIES

521,602

CASH FLOWS USED IN INVESTING ACTIVITIES

Purchase of certificates of deposit	(335,538)
Purchase of property and equipment	(1,260)

NET CASH USED IN INVESTING ACTIVITIES

(336,798)

NET INCREASE IN CASH

184,804

CASH AND CASH EQUIVALENTS, Beginning of Year

1,390,294

CASH AND CASH EQUIVALENTS, End of Year

\$ 1,575,098

See Independent Auditors' Report and Notes to Financial Statements

JEWISH WORLD WATCH
Notes to Financial Statements
For the Year Ended December 31, 2009

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, community organizations and activists, JWW's mission is to mobilize its members, their schools and the community to combat genocide and mass atrocities around the world; focusing on the genocide in Darfur, Sudan and 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 curricula, 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.
- **Relief and Development** — JWW develops resources and allocates funds towards relief and development projects aimed at alleviating the suffering of survivors of genocide and mass atrocities and providing opportunities for community development.

With over 65 synagogue members, as well as individuals, schools, and community, campus and youth groups engaged in its work, JWW represents a constituency of over 350,000 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 the ongoing mass atrocities in Congo 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 \$4 million for relief and development projects for Darfuri refugees and for survivors of the atrocities in Congo. 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 and/or building of youth centers, schools 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 Congo Now! campaign to establish the first Burn Center in Eastern Congo and support multiple projects to address the needs of women survivors of sexual violence.

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, 2009

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.

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.

In December 2009, JWW was awarded a \$50,000 professional services grant to be provided as in-kind services in 2010. No amounts are reflected in the accompanying financial statements for this future in-kind services award.

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, 2009

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, 2009 was \$5,161.

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 (FDIC) up to \$250,000. At December 31, 2009, JWW had approximately \$1.4 million in money market accounts which are not insured by the FDIC.

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, 2009

NOTE 3 — TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted contributions comprise approximately 54% of total contributions received in 2009. At December 31, 2009, JWW had temporarily restricted net assets of \$1,164,624 available for the following four 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.

Sister School Project: JWW, in partnership with the Enough Project and the Darfur Dream Team, is sponsoring the building, staffing and equipping of schools in the Djabal and Goz Amer refugee camps in Chad. Each school will serve 2000 Darfuri refugee students.

Recycled Water Gardens: JWW, partnered with the KoZon Foundation, has supported the installation of innovative yet inexpensive water reclamation systems in refugee family "shower stalls" at the Iridimi and Touloum camps in Chad. The systems allow the collection of wastewater to be used for the irrigation of vegetable gardens.

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
2010	250,000
2011	5,000
	<u>\$ 255,000</u>

JEWISH WORLD WATCH
Notes to Financial Statements
For the Year Ended December 31, 2009

NOTE 3 — TEMPORARILY RESTRICTED NET ASSETS— (CONTINUED)

During the year ended December 31, 2009, net assets released from donor restrictions by incurring expenses satisfying the following restricted purposes (or time restriction):

Solar Cooker Project	\$ 616,391
Dillon Henry Youth Center	100,000
Backpack Project	65,192
Sister School Project	14,958
Faye Williams Maternity Ward	11,500
All Other Projects < \$10,000	<u>12,646</u>
	820,687
Lapse of time restrictions	<u>160,000</u>
	<u><u>\$ 980,687</u></u>

NOTE 4 — COMMITMENTS

JWW leases 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
<u>2010</u>	<u>28,996</u>
2011	<u>9,760</u>
	<u><u>\$ 38,756</u></u>

NOTE 5 — SUBSEQUENT EVENTS

Management has evaluated subsequent events through June 2, 2010.