

**ASIAN AMERICAN FEDERATION, INC.**

**FINANCIAL STATEMENTS**

**and**

**INDEPENDENT AUDITOR'S REPORT**

**For the Years Ended  
June 30, 2011 and 2010**

**ASIAN AMERICAN FEDERATION, INC.**

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## **INDEPENDENT AUDITOR'S REPORT**

The Board of Directors  
Asian American Federation, Inc.

We have audited the accompanying statements of financial position of Asian American Federation, Inc. as of June 30, 2011 and 2010 and the related statements of activities and changes in net assets, of functional expenses and of cash flows for the years then ended. These financial statements are the responsibility of the Federation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we 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. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Asian American Federation, Inc. as of June 30, 2011 and 2010, and the results of its operations and changes in net assets and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Jamaica, New York  
September 15, 2011

**ASIAN AMERICAN FEDERATION, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**AS OF JUNE 30, 2011 AND 2010**

<b>ASSETS:</b>	<b>2011</b>	<b>2010</b>
<b>Current assets:</b>		
Cash and cash equivalents (Notes 2 and 3)	\$ 589,136	\$ 276,269
Receivables (Notes 2 and 4)	62,067	215,613
Prepaid expenses	11,835	11,655
Total Current Assets	\$ 663,038	\$ 503,537
Long term investments for endowment fund (Note 5)	360,605	319,960
Equipment, furniture & leasehold improvements (Notes 2 and 6)	3,110	2,927
Other assets - security deposits	19,527	19,527
Total Assets	\$ 1,046,280	\$ 845,951
 <b><u>LIABILITIES AND NET ASSETS:</u></b>		
<b>Current liabilities:</b>		
Accounts payable and accrued expenses (Note 7)	\$ 189,824	\$ 12,127
Due to other agencies (Note 8)	-	62,313
Deferred income (Note 9)	307,500	242,026
Total Liabilities	\$ 497,324	\$ 316,466
 <b><u>NET ASSETS:</u></b>		
Unrestricted	\$ 188,351	\$ 209,517
Temporarily restricted (Note 11)		
Interest income on endowment fund	16,476	13,040
Permanently restricted (Note 11)		
Endowment fund	344,129	306,928
Total Net Assets	\$ 548,956	\$ 529,485
Total Liabilities and Net Assets	\$ 1,046,280	\$ 845,951

The accompanying notes are an integral part of the financial statements.

**ASIAN AMERICAN FEDERATION, INC.**  
**STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**FOR THE YEARS ENDED JUNE 30, 2011 AND 2010**

	Unrestricted	Temporarily Restricted	Permanently Restricted	2011	2010
<b><u>Revenues , gains, and other support:</u></b>					
Benefit Events	\$ 554,162	\$ -	\$ -	\$ 554,162	659,923
Contributions	95,445	-	-	95,445	116,824
Contributions - Endowment (Note 11)	-	-	10,200	10,200	2,700
Grants-Corporation & Foundation	555,526	-	-	555,526	1,181,635
Income collected on behalf of other agencies (Note 18)	91,556	-	-	91,556	26,318
Government contract	-	-	-	-	315,256
Interest Income	610	-	-	610	975
Interest Income - Endowment Fund	-	4,947	-	4,947	4,814
Rent	13,352	-	-	13,352	10,203
Workplace Campaign	18,152	-	-	18,152	21,830
	<u>\$ 1,328,803</u>	<u>\$ 4,947</u>	<u>\$ 10,200</u>	<u>\$ 1,343,950</u>	<u>\$ 2,340,478</u>
Net assets released from restrictions: Satisfaction of program restrictions	-	-	-	-	-
Total revenues, gains and other support	<u>\$ 1,328,803</u>	<u>\$ 4,947</u>	<u>\$ 10,200</u>	<u>\$ 1,343,950</u>	<u>\$ 2,340,478</u>
<b><u>Expenses:</u></b>					
Program Services:					
Agency services					
General Member Services	\$ 166,536	\$ -	\$ -	\$ 166,536	\$ 230,719
Expenses incurred on behalf of other agencies	91,556	-	-	91,556	26,318
Policy & Research	128,622	-	-	128,622	84,272
Civic Engagement	209,827	-	-	209,827	892,313
Mental Health	-	-	-	-	256,982
Philanthropy & Community Fund	448,361	-	-	448,361	352,099
Total Program Services	<u>\$ 1,044,903</u>	<u>-</u>	<u>-</u>	<u>\$ 1,044,903</u>	<u>\$ 1,611,984</u>
Supporting services:					
Administration and general	87,459	1,504	-	88,963	88,945
Fund Raising (Note 12)	-	-	-	-	-
Benefit Events	128,991	-	-	128,991	137,750
Others	88,623	-	-	88,623	96,855
Total expenses	<u>1,349,976</u>	<u>1,504</u>	<u>-</u>	<u>1,351,480</u>	<u>1,935,534</u>
<b>Change in net assets</b>	<u>\$ (21,173)</u>	<u>\$ 3,443</u>	<u>\$ 10,200</u>	<u>\$ (7,530)</u>	<u>\$ 404,944</u>
<b>Unrealized gain (loss) - endowment fund</b>	<u>-</u>	<u>-</u>	<u>27,001</u>	<u>27,001</u>	<u>9,845</u>
	(21,173)	3,443	37,201	19,471	414,789
<b>Net assets beginning of year</b>	209,523	13,034	306,928	529,485	345,415
<b>Net assets end of year</b>	<u>\$ 188,351</u>	<u>\$ 16,476</u>	<u>\$ 344,129</u>	<u>\$ 548,956</u>	<u>\$ 760,204</u>

The accompanying notes are an integral part of the financial statements.

**ASIAN AMERICAN FEDERATION, INC.**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED JUNE 30, 2011 AND 2010**

	<b>2011</b>	<b>2010</b>
<b>Cash Flows from Operating Activities:</b>		
Change in net assets	\$ 19,471	\$ 184,070
Adjustments to reconcile change in net assets to net cash provided by/used in operating activities:		
Depreciation and amortization	1,442	585
Donated equipment included in support		
Decrease (increase) in receivable	153,546	(155,641)
Decrease (increase) in grants receivable		
Decrease (increase) in other receivables		
Decrease (increase) in loans receivable		
Decrease (increase) in prepaid expenses	(180)	165
Increase (decrease) in accounts payable and accrued expenses	177,697	(20,008)
Increase (decrease) in due to other agencies	(62,313)	989
Increase (decrease) in direct contributions payable		
Increase (decrease) in deferred income	65,474	(63,115)
Decrease (increase) in endowment fund investments	(40,645)	(15,937)
Net cash provided by (used in) operating activities	314,492	(68,892)
<b>Cash Flows from Investing Activities:</b>		
Cash used in Equipment, Furniture, and Leasehold Improvements (purchase of computer - server)	(1,625)	3,512
Cash provided by (used in) investing activities		
Net cash provided by (used in) investing activities	(1,625)	3,512
<b>Cash Flows from Financing Activities:</b>		
Cash provided by (used in) financing activities		-
Net cash provided by (used in) financing activities	-	-
Net increase (decrease) in cash and cash equivalents	312,867	(72,404)
<b>Cash and cash equivalents at beginning of year</b>	276,269	348,673
<b>Cash and cash equivalents at end of year</b>	\$ 589,136	\$ 276,269

The accompanying notes are an integral part of the financial statements.

Note A: See Statement of Activities in change in net asset and adjustment to net asset.

**ASIAN AMERICAN FEDERATION, INC.**  
**STATEMENTS OF FUNCTIONAL EXPENSES**  
**FOR THE YEARS ENDED JUNE 30, 2011 AND 2010**  
**Program Services**

	<u>AGENCY SERVICES</u>	<u>POLICY &amp; RESEARCH</u>	<u>CIVIC ENGAGEMENT</u>	<u>PHILANTHROPY</u>	<u>TOTAL</u>	<u>ADMIN. &amp; GENERAL</u>	<u>FUND RAISING</u>	<u>2011</u>	<u>2010</u>
<b><u>Personnel Services:</u></b>									
Salaries	\$ 83,403	\$ 72,201	109,042	\$ 138,098	\$ 402,744	\$ 42,620	\$ 56,496	\$ 501,859	\$ 542,409
Employee Fringe Benefits	20,672	12,670	34,967	30,869	\$ 99,178	9,489	12,578	121,245	119,640
Total Personnel Services	<u>104,075</u>	<u>84,871</u>	<u>144,009</u>	<u>168,967</u>	<u>501,922</u>	<u>52,108</u>	<u>69,074</u>	<u>623,105</u>	<u>662,049</u>
<b><u>Other Than Personnel Services (OTPS):</u></b>									
Advertising	-	-	325	60	385	-	-	385	76,379
Agency Support (Note 10)	21,308	-	-	216,500	237,808	-	-	237,808	942,739
Audit	-	-	-	-	-	6,600	-	6,600	6,350
Award	-	-	2,448	-	2,448	-	-	2,448	45,000
Bank Charges	-	-	-	-	-	1,285	-	1,285	1,036
Benefit Events	-	-	-	-	-	-	128,991	128,991	137,750
Computer Expenses	248	252	318	530	1,348	149	197	1,693	2,056
Consultant Services	1,337	16,301	7,969	2,904	28,511	883	1,171	30,565	28,464
Depreciation and Amortization	346	87	288	476	1,197	105	140	1,442	586
Endowment Expenses	-	-	-	-	-	1,504	-	1,504	706
Equipment	-	-	-	-	-	690	-	690	3,558
Equipment Rental	931	857	1,289	1,390	4,466	427	566	5,460	5,684
Expenses incurred in behalf of other agencies (Note 18)	91,556	-	-	-	91,556	-	-	91,556	26,318
Insurance	-	-	100	-	100	5,069	-	5,169	4,914
Interest expenses	-	-	-	-	-	-	-	-	-
Meetings	3,015	50	7,797	2,554	13,417	618	-	14,035	11,246
Membership	-	375	-	300	675	1,175	-	1,850	2,175
Miscellaneous	812	-	191	13	1,016	643	-	1,659	1,319
Office Supplies	238	230	591	356	1,416	116	154	1,686	2,977
Outreach Material	-	-	-	-	-	-	-	-	9,556
Postage and Messenger Services	371	245	612	861	2,089	134	177	2,400	3,276
Printing	1,368	-	835	6,539	8,742	90	120	8,952	8,851
Public Relations	4,389	-	-	930	5,319	1,030	-	6,349	3,072
Publications	-	-	-	-	-	436	-	436	488
Rent & Utilities	24,679	21,988	34,852	36,852	118,371	11,328	15,016	144,714	144,236
Repairs & Maintenance	1,392	1,059	2,148	6,241	10,839	639	847	12,325	12,887
Scholarship	-	-	-	-	-	-	-	-	-
Staff Development	-	-	-	-	-	-	-	-	60
Telephone	1,397	1,276	1,943	2,086	6,702	641	850	8,193	8,832
Travel	118	543	3,418	38	4,116	3,057	-	7,174	10,012
Worldnet & Website	513	489	693	766	2,461	235	312	3,008	3,677
TOTAL OTPS	<u>154,017</u>	<u>43,751</u>	<u>65,818</u>	<u>279,394</u>	<u>542,980</u>	<u>36,855</u>	<u>148,540</u>	<u>728,375</u>	<u>1,504,204</u>
<b>Total Expenses</b>	<b><u>\$ 258,092</u></b>	<b><u>\$ 128,622</u></b>	<b><u>\$ 209,827</u></b>	<b><u>\$ 448,361</u></b>	<b><u>\$ 1,044,903</u></b>	<b><u>\$ 88,963</u></b>	<b><u>\$ 217,614</u></b>	<b><u>\$ 1,351,480</u></b>	<b><u>\$ 2,166,253</u></b>

The accompanying notes are an integral part of the financial statements.

**ASIAN AMERICAN FEDERATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**1. ORGANIZATION AND OPERATIONS**

The Asian American Federation, Inc. is a nonprofit organization incorporated in 1989 under the laws of the State of New York. The Federation is exempt from federal income tax under Section 501 (c) (3) of the Internal Revenue Code and has been designated as a Not-for-Profit Corporation, which is not a private foundation.

The Asian American Federation's mission is to advance the civic voice and well-being of Asian Americans. The Federation collaboratively fosters philanthropy in the community, undertake research to inform policies, and to provide support to community service organizations.

The Federation is principally engaged in helping Asian American community agencies access resources and serve as a social policy advocate in behalf of the entire community. It is substantially funded through internal fundraising activities and contributions and grants awarded by private foundations, corporations and individual donors.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

**a) Basis of Accounting**

The financial statements of the Federation have been prepared on the accrual basis and presented in conformity with generally accepted accounting principles for nonprofit organizations and accordingly reflect all significant receivables, payables, and other liabilities.

**b) Basis of Presentation**

The financial statements of the organization have been prepared on the accrual basis of accounting. The financial statements' presentation is in conformity with accounting principles generally accepted in the United States of America ("US GAAP") for not-for-profit organizations, which require the Federation to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted and permanently restricted.



**ASIAN AMERICAN FEDERATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**c) Revenue Recognition**

Contribution

Contributions received are recorded as unrestricted, temporarily restricted or permanently restricted support, depending on the existence and/or nature of any donor restrictions. All donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Grant Awards

Grant awards received for a specific purpose are recognized as support to the extent of the related expenses incurred in compliance with the specific restrictions. The unexpended funds are reported as deferred income.

**d) Equipment, Furniture, and Leasehold Improvements**

Property and equipment are recorded at cost and do not reflect changes in current market values. Assets purchased costing \$1,000 or more are capitalized. Donations of equipment are recorded as support at their estimated fair value at the date of donation. Such donations are reported as unrestricted support unless the donor restricted the donated asset to a specific purpose.

Depreciation is provided over the estimated useful life of each class of depreciable asset and is computed using the straight-line method.

**e) Functional Allocation of Expenses**

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Such allocations are determined by management in accordance with grant provisions or other equitable bases.

**ASIAN AMERICAN FEDERATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**f) Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires the Federation's management to make estimates and assumptions that affect the reported amounts of 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.

**g) Cash and Cash Equivalents**

Cash and cash equivalents include all monies in banks and highly liquid investments with maturity dates of less than three months, excluding permanently restricted cash. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of those financial instruments.

**h) Fair Value Measurement**

FASB Accounting Standards Codification 820-10 (ASC 820-10) defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., an exit price). ASC 820-10 includes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets and liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy under ASC 820-10 are described below:

Level 1 – Unadjusted quoted prices in active markets that are accessible to the reporting entity at the measurement date for identical assets and liabilities.

Level 2 – Inputs other than quoted prices in active markets for identical assets and liabilities that are observable either directly or indirectly for substantially the full term of the asset or liability. Level 2 inputs include the following:

- quoted prices for similar assets and liabilities in active markets
- quoted prices for identical or similar assets or liabilities in markets that are not active
- observable inputs other than quoted prices that are used in the valuation of the asset or liabilities (e.g., interest rate and yield curve quotes at commonly quoted intervals)
- inputs that are derived principally from or corroborated by observable market data by correlation or other means

Level 3 – Unobservable inputs for the asset or liability (i.e., supported by little or no market activity. Level 3 inputs include management's own assumption about the assumptions that market participants would use in pricing the asset or liability (including assumptions about risk).

The level in the fair value hierarchy within which the fair value measurement is classified is determined based on the lowest level input that is significant to the fair value measure in its entirety.

i) **Receivables**

Receivables are stated at the amounts the Federation expects to collect from outstanding balances. 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 accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. There are no doubtful accounts for the fiscal years ended June 30, 2011 and 2010.

**3. CASH AND CASH EQUIVALENTS**

These consist of the following:

	<u>2011</u>	<u>2010</u>
Operating Account (Chase Bank)	\$ 7,576	\$ 13,506
Regular Checking Account (TD Bank)	598	19,243
Payroll Account (Chase Bank/TD Bank)	849	496
High Yield Savings (Chase Bank)	567,162	222,622
Business Checking Account (Chase Bank)	<u>12,950</u>	<u>20,402</u>
Total cash and cash equivalents	<u>\$ 589,135</u>	<u>\$ 276,269</u>

**ASIAN AMERICAN FEDERATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**4. RECEIVABLES**

These consist of:

	<b>2011</b>	<b>2010</b>
Accounts Receivables		
Gala ticket sales, golf, auction and donations	\$ 50,450	\$ 39,300
Grants:		
The Ong Family Foundation	1,867	
Asian American Justice Center, Inc.	9,750	
New York State Census Grant		176,263
Refund Receivable from 6/25/10		50
Total	\$ 62,067	\$ 215,613

The total amount of \$45,067 representing gala ticket sales, golf, auction donations and grants were subsequently collected after June 30, 2011, while the remaining amount of \$17,000 ( \$12,000 – Goldman Sachs; \$5,000.00-Verizon) is still outstanding as of audit date.

**5. INVESTMENTS**

Investments at fair value (**Level 1**) comprised of the following:

	Unrestricted	Permanently Restricted		2011	2010
	Regular Account	Community Endowment Fund	AAFNY Endowment Fund		
Money Funds	\$ -	\$ 39,810	\$ 16,563	\$ 56,373	\$ 139,692
Cash Balance	-	-	-	-	20,300
Closed end Funds	-	5,677	4,894	10,571	11,701
Mutual Funds	-	120,807	99,384	220,192	103,430
Government & GSE bonds	-	19,167	19,165	38,332	-
Certificate of Deposit	-	-	-	-	40,000
Investment/Interest Income	-	8,839	9,148	17,987	13,040
Capital Gain (Loss)/Accrued Interest	-	133	133	266	236
Unrealized Gain (Loss)			-		
Government & GSE bonds	-	852	854	1,706	-
Certificate of Deposit	-	-	-	-	327
Closed end Funds	-	962	857	1,819	(634)
Mutual Funds	-	6,698	6,662	13,359	(8,133)
<b>Total Investments</b>	<b>\$ -</b>	<b>\$ 202,945</b>	<b>\$ 157,660</b>	<b>\$ 360,605</b>	<b>\$ 319,959</b>

**ASIAN AMERICAN FEDERATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**6. EQUIPMENT, FURNITURE & LEASEHOLD IMPROVEMENTS**

These consist of:

	<u>2011</u>	<u>2010</u>
Office Equipment	\$ 85,496	\$ 83,870
Furniture and Fixtures	13,395	13,395
Leasehold Improvements	<u>9,532</u>	<u>9,532</u>
Total	108,423	106,797
Less: Accumulated Depreciation	<u>(105,312)</u>	<u>(103,870)</u>
Net Book Value	<u>\$ 3,111</u>	<u>\$ 2,927</u>

**7. ACCOUNTS PAYABLE AND ACCRUED EXPENSES**

Accounts payable and accrued expenditures consist of the following:

	<u>2011</u>	<u>2010</u>
Padilla and Company, LLP	\$ 6,600	\$ 6,350
120 Wall Street Company LLC (Utilities)	2,872	2,460
Advertising	-	1,050
Meeting	-	571
Printing	-	536
Equipment Rental	-	418
Travel	-	407
Professional Fee-Census Project	-	250
Benefit Expenses-Direct Charge Chase Bank	100	85
Benefit Expenses-NY Charities.Org	150	-
Commuter Taxes	353	-
Agency support	<u>179,750</u>	<u>-</u>
<b>Total</b>	<u>\$ 189,824</u>	<u>\$ 12,127</u>

**ASIAN AMERICAN FEDERATION, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011**

**8. DUE TO OTHER AGENCIES**

Total amount of \$91,555 received in behalf of other agencies was disbursed during the year.

**9. DEFERRED INCOME**

This balance represents grants received during the current fiscal year but intended for the succeeding fiscal year:

	<u>2011</u>	<u>2010</u>
Anonymous Grants	\$ -	\$ 192,026
Individual Donations	-	45,000
The Philanthropic Collaborative-Kellogg Grant	-	5,000
Wallace Coulter Foundation	300,000	-
Northrop Grumman	7,500	-
Total	<u>\$ 307,500</u>	<u>\$ 242,026</u>

**ASIAN AMERICAN FEDERATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**10. AGENCY SUPPORT**

The following member agencies were the beneficiaries of support contributions:

Name of Recipient Agencies	2011	2010
Hamilton - Madison House	\$ 911	\$ 76,541
CHHAYA Community Development	20,383	73,277
Asian Professional Extension	385	50,520
Asian Americans for Equality	5,624	45,686
South Asian Council for Social Services	241	40,202
Brooklyn Chinese-American Association	421	36,714
Korean Community Services of Metropolitan New York	2,349	35,573
Minkwon Center for Community Action	30,431	35,204
Indochina Sino-American Community Center	345	32,753
Research Foundation-CUNY (Hunter College SSW)	(6,200) *	32,000
Charles B. Wang Community Health Center	928	31,030
Filipino American Human Services, Inc.	911	30,908
Chinese-American Planning Council, Inc.	-	30,000
Council of People's Organization	-	30,000
Korean American Voters Council, Inc.	-	25,000
New York Coalition of Asian American Mental Health	-	25,000
Damayan Migrant Workers Assoc.	94	22,051
Korean American Family Service Center	15,925	21,094
Japanese American Social Services, Inc.	169	20,492
Children of China Pediatrics Foundation	-	20,000
South Asian Americans Leading Together	-	20,000
South Asian Youth Action	25,318	15,558
Japanese American Association of New York	-	15,000
Chinese Christian Herald Crusades	-	12,000
Sakhi for South Asian Women	697	10,968
New York Asian Women's Center	61,330	10,901
Asian & Pacific Islander Coalition on HIV/AIDS, INC.	917	10,595
Coalition for Asian American Children & Families	30,562	10,470
Asian Women's Christian Association	400	10,000
Cambodian Association of Greater Philadelphia	-	10,000
Chinese Christian Herald Crusades-Philadelphia	-	10,000
Pan American Concerned Citizen Action League, Inc.	-	10,000
Greater Chinatown Community Assn	19,827	5,484
YWCA of Queens	-	5,415

\* Funds that was not spent during the prior year and was returned during this fiscal year

**ASIAN AMERICAN FEDERATION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**10. AGENCY SUPPORT (Cont'd)**

Name of Recipient Agencies	2011	2010
Garden of Hope	\$ 175	\$ 5,115
Korean American Community Center of New York	66	5,051
Asian Youth Center of New York	72	5,051
Chinese American Women's Sisterhood Society of Philadelphia	-	5,000
Chinese Club of West New York	-	5,000
Family in Touch	-	5,000
FGS Korean Community Center	-	5,000
International Institute of Buffalo	-	5,000
Korean Senior Citizens Association of Greater Philadelphia	-	5,000
National Federation of Filipino American Association (Region 1)	-	5,000
Philippine American Friendship Committee	-	5,000
The New York Immigration Coalition	-	5,000
Korean Family Counseling and Research Center	50	2,553
Chinese Progressive Association	133	2,552
Korean American League for Civic Action, Inc.	50	1,601
Asian American Legal Defense & Education Fund	1,350	1,479
Chinatown YMCA	1,514	884
Chinatown Manpower Project	846	632
Korean American Senior Citizens Society	428	493
Immigrant Social Services, Inc.	842	460
Chinese Methodist Center Corp.	325	401
China Institute in America	368	307
Flushing YMCA	133	272
Lower East Side Family Union	268	228
Homecrest Community Services	135	167
Family Health Project, Inc.	94	59
South Asian Council for Social Services	15,000	-
NY de Volunteer	3,000	-
APICHA	350	-
Chinatown Health Clinic Foundation	300	-
The Sikh Coalition, Inc	41	-
The YWCA of Queens	301	-
	<u>\$ 237,808</u>	<u>\$ 942,739</u>



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**11. PERMANENTLY / TEMPORARILY RESTRICTED NET ASSETS**

Since fiscal year 2007, the Federation has established an endowment fund consisting of the Community Fund and the AAFNY Endowment Fund amounting to \$202,945 and \$157,660 respectively. The total amount of the endowment fund was invested with Morgan Stanley Smith Barney (Note 5).

**12. DESIGNATION OF TEMPORARILY RESTRICTED NET ASSETS**

Pursuant to approval by the Board of Directors at the September 16, 2009 meeting, the \$50,000 of Board Designated Funds was reallocated to Unrestricted Funds. This was approved in order to improve cash flow.

**13. LEASE COMMITMENTS**

The Federation currently has a fifteen-year operation lease agreement with the Wall Street Company for its office space located at 120 Wall Street, New York, which will expire on July 31, 2012 with an annual minimum rent as follows:

August 1, 2011 – July 31, 2012	\$ 106,105
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They have extended its lease agreement up to December 31, 2026 and the annual minimum rent are as follows:

August 01, 2012 – December 31, 2017	\$ 201,804
January 1, 2018 – December 31, 2022	219,876
January 1, 2013 – December 31, 2026	237,948

Rent and utilities during the year amounted to \$144,714. The scheduled rent increases over the lease term were amortized over the lease term on a straight-line basis.

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**14. CONCENTRATION OF CREDIT RISK**

Financial instruments that potentially subject the Federation to concentrations of credit risk consist principally of cash account in financial institutions, which from time to time, exceed the Federal depository insurance coverage limit. The Federation maintains its cash balances at various financial institutions in New York. The accounts at these institutions are insured by the Federal Deposit Insurance Corporation (“FDIC”) up to \$250,000.

**15. RETIREMENT PLAN**

The Federation sponsors a 403 (b) pension plan for the benefit of its employees who have rendered at least one year of service. The Federation contributes 3% of participants' annual salary. The employees have the option to contribute his or her share up to a maximum of \$16,500 annually. Contributions made for the years ended June 30, 2011 and 2010 amounted to \$12,811 and \$15,031 respectively.

**16. SUBSEQUENT EVENTS**

No subsequent events of material nature came to our attention warranting adjustment or disclosure.

**17. INCOME COLLECTED AND EXPENSES INCURRED ON BEHALF OF OTHER AGENCIES**

Income collected on behalf of the other agencies represents donations received on behalf of the agencies enumerated below. Three of these agencies (CACF, KAFSC & Chinatown TMCA) already got their 501 (c) (3) tax, exempt status. The Federation collected the donations and remitted them back to these agencies as follows:

Name of Agencies	2011	2010
AsiaNextGen	\$ 19,000	\$ 21,010
CCRC	-	2,500
Kyopo	49,114	1,766
CACF	7,207	521
KAFSC	5,057	346
Chinatown YMCA	8,491	175
Civil Liberty Public Education Fund	2,687	-
	<u>\$ 91,556</u>	<u>\$ 26,318</u>

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**18. LINE OF CREDIT**

The Federation has an existing line of credit of \$200,000 with TD Bank. The term is for 5 years commencing on November 9, 2006 and expiring on November 9, 2011. As of June 30, 2011, the total amount of drawdown for the line of credit was \$0.

