

Audited Financial Statements
and Other Financial Information

American Schools of Oriental Research

Years Ended June 30, 2008 and 2007

Audited Financial Statements and Other Financial Information

American Schools of Oriental Research

Years Ended June 30, 2008 and 2007

Audited Financial Statements

Independent Auditors' Report	1
Statements of Financial Position	2
Statements of Activities.....	3
Statements of Cash Flows	5
Notes to Financial Statements	6

Other Financial Information

Independent Auditors' Report on Other Financial Information	12
Schedules of Support and Revenue and Functional Expenses.....	13



Geoffrey E. Wiggins
Jeffrey S. Romeo
Angela B. Goodwin
J. Kelly Lanier
Joseph L. Hill, Jr.

Independent Auditors' Report

To the Board of Trustees
American Schools of Oriental Research
Boston, Massachusetts

We have audited the accompanying statement of financial position of American Schools of Oriental Research (ASOR) as of June 30, 2008, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of ASOR's management. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements of American Schools of Oriental Research as of and for the year ended June 30, 2007, were audited by other auditors whose reported dated January 14, 2008, expressed an unqualified opinion on those statements.

We conducted our audit in accordance with U.S. generally accepted auditing standards. 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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over financial reporting. Accordingly, we express no such opinion. 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 audit provides 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 American Schools of Oriental Research as of June 30, 2008, and the changes in its net assets and its cash flows for the year then ended in conformity with U.S. generally accepted accounting principles.

Romeo, Wiggins & Company, L.L.P.

Cary, North Carolina
November 15, 2008

STATEMENTS OF FINANCIAL POSITION

American Schools of Oriental Research

June 30, 2008 and 2007

	<u>2008</u>	<u>2007</u>
ASSETS		
Cash and cash equivalents	\$ 561,013	\$ 499,213
Investments	789,371	863,063
Accounts receivable:		
Memberships and subscriptions, less allowance for doubtful accounts of \$14,000 and \$22,500 at June 30, 2008 and 2007, respectively	84,716	66,722
Book sales and other receivables	18,282	6,250
Inventory and capitalized costs	21,054	21,550
Prepaid expenses and other assets	6,724	6,458
Furniture and fixtures and equipment, net	<u>4,422</u>	<u>6,118</u>
TOTAL ASSETS	\$ <u>1,485,582</u>	\$ <u>1,469,374</u>
LIABILITIES AND NET ASSETS		
Liabilities:		
Accrued expenses	\$ 28,706	\$ 23,425
Deferred revenue	299,938	354,041
Other liabilities	<u>8,871</u>	<u>10,621</u>
Total Liabilities	337,515	388,087
Net Assets:		
Unrestricted:		
Available for operations	64,292	23,624
Board designated	183,943	178,032
Property and equipment	<u>4,422</u>	<u>6,118</u>
Total unrestricted net assets	252,657	207,774
Temporarily restricted	434,559	443,918
Permanently restricted	<u>460,851</u>	<u>429,595</u>
Total Net Assets	<u>1,148,067</u>	<u>1,081,287</u>
TOTAL LIABILITIES AND NET ASSETS	\$ <u>1,485,582</u>	\$ <u>1,469,374</u>

See accompanying independent auditors' report and notes to financial statements.

STATEMENT OF ACTIVITIES

American Schools of Oriental Research

Year Ended June 30, 2008

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
SUPPORT AND REVENUE				
Contributions	\$ 158,084	\$ 87,790	\$ 31,256	\$ 277,130
Book Revenue	54,149			54,149
Other publication income	278,288			278,288
Institutional memberships	93,700			93,700
Individual memberships	173,244			173,244
Annual meeting	80,440	18,014		98,454
In-kind contributions	54,426			54,426
Royalty income	28,455			28,455
Interest and dividends	47,422	64,258		111,680
Net realized gain on sales of investments	1,730	15		1,745
Net unrealized loss on investments	(73,084)	(85,158)		(158,242)
Net assets released from restrictions:				-
Satisfaction of purpose restrictions	94,278	(94,278)		-
	<u>991,132</u>	<u>(9,359)</u>	<u>31,256</u>	<u>1,013,029</u>
EXPENSES AND LOSSES				
Program services	830,829			830,829
Support services:				
General and administrative	75,986			75,986
Fundraising and nonprogram	34,525			34,525
	<u>941,340</u>	<u>-</u>	<u>-</u>	<u>941,340</u>
Total Expenses	941,340	-	-	941,340
Provision for doubtful accounts	4,909	-	-	4,909
	<u>946,249</u>	<u>-</u>	<u>-</u>	<u>946,249</u>
TOTAL EXPENSES AND LOSSES	946,249	-	-	946,249
CHANGE IN NET ASSETS	44,883	(9,359)	31,256	66,780
Net assets, beginning of year	<u>207,774</u>	<u>443,918</u>	<u>429,595</u>	<u>1,081,287</u>
NET ASSETS, END OF YEAR	<u>\$ 252,657</u>	<u>\$ 434,559</u>	<u>\$ 460,851</u>	<u>\$ 1,148,067</u>

See accompanying independent auditors' report and notes to financial statements.

STATEMENT OF ACTIVITIES

American Schools of Oriental Research

Year Ended June 30, 2007

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
SUPPORT AND REVENUE				
Contributions	\$ 91,468	\$ 69,290	\$ 1,450	\$ 162,208
Book Revenue	27,672	-	-	27,672
Other publication income	197,117	-	-	197,117
Institutional memberships	89,200	-	-	89,200
Individual memberships	130,355	-	-	130,355
Annual meeting	77,172	-	-	77,172
In-kind contributions	42,601	-	-	42,601
Royalty income	18,607	-	-	18,607
Investment income	41,500	41,430	1,508	84,438
Net realized gain on sales of investments	59,321	10,413	22	69,756
Net unrealized loss on investments	(26,393)	3,071	(56)	(23,378)
Net assets released from restrictions:				-
Satisfaction of purpose restrictions	<u>105,774</u>	<u>(105,774)</u>	<u>-</u>	<u>-</u>
TOTAL SUPPORT AND REVENUE	<u>854,394</u>	<u>18,430</u>	<u>2,924</u>	<u>875,748</u>
EXPENSES AND LOSSES				
Program services	719,181	-	-	719,181
General and administrative	64,318	-	-	64,318
Fundraising and nonprogram	<u>33,605</u>	<u>-</u>	<u>-</u>	<u>33,605</u>
Total Expenses	817,104	-	-	817,104
Provision for doubtful accounts	<u>23,991</u>	<u>-</u>	<u>-</u>	<u>23,991</u>
TOTAL EXPENSES AND LOSSES	<u>841,095</u>	<u>-</u>	<u>-</u>	<u>841,095</u>
CHANGE IN NET ASSETS	13,299	18,430	2,924	34,653
Net assets, beginning of year	178,433	441,530	426,671	1,046,634
Reclassifications	<u>16,042</u>	<u>(16,042)</u>	<u>-</u>	<u>-</u>
NET ASSETS, END OF YEAR	<u>\$ 207,774</u>	<u>\$ 443,918</u>	<u>\$ 429,595</u>	<u>\$ 1,081,287</u>

See accompanying independent auditors' report and notes to financial statements.

STATEMENTS OF CASH FLOWS

American Schools of Oriental Research

Years Ended June 30, 2008 and 2007

	<u>2008</u>	<u>2007</u>
OPERATING ACTIVITIES		
Change in net assets	\$ 66,780	\$ 34,653
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	4,900	5,302
Provision for doubtful accounts	4,909	23,991
Net gain on sales of investments	(1,745)	(69,756)
Net unrealized loss on investments	158,242	23,378
Changes in operating assets and liabilities:		
(Increase) decrease in memberships and subscriptions receivable	(22,901)	15,993
(Increase) decrease in book sales receivable	(12,032)	14,317
Decrease in inventory and capitalized costs	496	14,941
(Increase) decrease in prepaid expenses and other assets	(266)	550
Increase (decrease) in accrued expenses	5,281	(15,953)
(Decrease) increase in deferred revenue	(54,103)	88,081
Decrease in other liabilities	(1,750)	(1,397)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>147,811</u>	<u>134,100</u>
INVESTING ACTIVITIES:		
Purchases of investments, net	(82,805)	(38,751)
Purchases of equipment	(3,206)	(2,897)
NET CASH USED IN INVESTING ACTIVITIES	<u>(86,011)</u>	<u>(41,648)</u>
 NET CHANGE IN CASH AND CASH EQUIVALENTS	 61,800	 92,452
Cash and cash equivalents, beginning of year	<u>499,213</u>	<u>406,761</u>
 CASH AND CASH EQUIVALENTS, END OF YEAR	 <u>\$ 561,013</u>	 <u>\$ 499,213</u>
SUPPLEMENTAL CASH FLOW INFORMATION		
Interest paid	<u>\$ -</u>	<u>\$ -</u>

See accompanying independent auditors' report and notes to financial statements.

Notes to Financial Statements

American Schools of Oriental Research

Years Ended June 30, 2008 and 2007

NOTE A -- THE ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

The Organization: American Schools of Oriental Research (ASOR), established in 1900, was incorporated as a not-for-profit public charity in 1935. ASOR promotes study, teaching and dissemination of knowledge of the ancient and modern languages and literature, geography, history, and archeology of the Near and Middle Eastern countries. The principal sources of revenue are from scholarly journals and books, annual programs, membership dues, grants and contributions.

Basis of Accounting: ASOR prepares its financial statements in accordance with U.S. generally accepted accounting principles. This basis of accounting involves the application of accrual accounting; consequently, revenues and gains are recognized when earned, and expenses and losses are recognized when incurred.

Basis of Presentation: ASOR follows Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*, issued by the Financial Accounting Standards Board (FASB) for presentation of its financial statements. Under SFAS 117, ASOR is required to report information regarding its financial position and activities according to the following three net asset classes:

Unrestricted Net Assets: Unrestricted net assets represent those assets either not subject to donor-imposed restrictions or releases from temporarily restricted net assets designated for stipulated activities or programs, which are expended within the current fiscal year. Board designated or appropriated amounts are legally unrestricted and are reported as part of the unrestricted class.

Temporarily Restricted Net Assets: Temporarily restricted net assets are subject to explicit or implicit donor-imposed restrictions that may or will be met by actions of ASOR and/or the passage of time. When a restriction expires (that is, when a stipulated time restriction ends or a purpose restriction is accomplished), restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Permanently Restricted Net Assets: Permanently restricted net assets are subject to donor-imposed stipulations that they be maintained permanently by ASOR. Generally, the donors of these assets permit ASOR to use all or part of the income earned on related investments for general or restricted purposes.

Revenue Recognition: Revenue is derived mainly from memberships, subscriptions, and publication sales. Revenues from memberships and subscriptions are recognized ratably over the related period (normally one year). Any unearned amount is presented as deferred revenue in the statement of financial position. Publication sales are recognized at the time of sale.

Contributions: ASOR follows SFAS No. 116, *Accounting for Contributions Received and Contributions Made*. In accordance with SFAS No. 116, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. Contributions, including unconditional promises to give, are recorded as made to ASOR. All contributions are available for unrestricted use unless specifically restricted by the donor. Unconditional promises to give, due in the next year, are recorded at their net realizable value. Unconditional promises to give due in subsequent years are reported at the present value of their net realizable value, using an appropriate discount rate.

Cash Equivalents: ASOR considers all highly liquid investments with an initial maturity of three months or less, including money market mutual funds, to be cash equivalents.

American Schools of Oriental Research

NOTE A -- THE ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES -- Continued

Investments: ASOR follows Statement of Financial Accounting Standards (SFAS) No. 124, *Accounting for Certain Investments Held by Not-for-Profit Organization*. Under SFAS No. 124, investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the Statements of Financial Position. Realized and unrealized gains and losses are included in the changes in net assets. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

Accounts Receivable: Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has made reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. The allowance for doubtful accounts was \$14,000 and \$22,500 at June 30, 2008 and 2007, respectively. Accounts receivable balances are unsecured.

Inventory and Capitalized Costs: Inventory consists of completed publications which are sold through an independent distributor. Capitalized costs consist of expenses related to the production of publications prior to completion. Inventories are stated at the lower of cost, determined by total production costs capitalized, or market value.

Furniture and Fixtures and Equipment: Furniture and fixtures and equipment are carried at cost or if donated, at fair value at the date of donation, less accumulated depreciation. Depreciation is calculated on a straight-line method over the estimated useful lives of the respective assets. Purchases are determined to be capital expenditures based on ASOR's policy of capitalizing assets acquired at a cost (or, if donated, a fair value) exceeding \$500. Those items that are not a capital expenditure are immediately expensed.

Income Taxes: ASOR is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. ASOR had no unrelated business activities and, therefore, incurred no unrelated business income taxes for the years ended June 30, 2008 and 2007.

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

Use of Estimates: The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of support, revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE B -- INVESTMENTS

Investments are held by several brokers in various mutual funds and are subject to the following Board designations or donor restrictions:

	June 30,	
	2008	2007
Unrestricted, Board designated	\$ 156,599	\$ 178,032
Unrestricted, available for operations	93,394	162,994
Temporarily restricted	434,559	443,918
Permanently restricted	<u>460,851</u>	<u>429,595</u>
	1,145,403	1,214,539
Less: Money market mutual funds classified as cash equivalents	<u>(356,032)</u>	<u>(351,476)</u>
	<u>\$ 789,371</u>	<u>\$ 863,063</u>

Notes to Financial Statements -- Continued

American Schools of Oriental Research

NOTE C -- FURNITURE AND FIXTURES AND EQUIPMENT

Property and equipment consist of the following:

	June 30,	
	<u>2008</u>	<u>2007</u>
Furniture and fixtures	\$ 35,498	\$ 35,498
Computer equipment	<u>70,168</u>	<u>66,963</u>
	105,666	102,461
Less: Accumulated depreciation and amortization	<u>(101,244)</u>	<u>(96,343)</u>
	<u>\$ 4,422</u>	<u>\$ 6,118</u>

Depreciation and amortization expense totaled \$4,900 and \$5,302 for 2008 and 2007, respectively.

NOTE D -- RELATED PARTY TRANSACTIONS

The financial statements include only the accounts of American Schools of Oriental Research. These financial statements do not include ASOR's affiliates; the William Foxwell Albright Institute of Archeological Research (AIAR) in Jerusalem, Israel; the American Center of Oriental Research in Amman, Incorporated (ACOR) in Amman, Jordan; and the Cyprus American Archaeological Research Institute, Inc. (CAARI) in Nicosia, Cyprus.

ASOR shares office space with the aforementioned named affiliates and pays for common expenses, which are later reimbursed by the affiliates.

During the years ended June 30, 2008 and 2007, members of the Board of Trustees contributed approximately \$113,000 and \$67,000, respectively to ASOR.

In-kind contributions include \$17,266 of pro bono attorney time, \$3,500 of printing services, and \$33,660 of donated office space as further described in Note E.

NOTE E -- LEASE COMMITMENTS

On July 1, 1996, ASOR entered into an agreement to lease office space from the Trustees of Boston University. No rent is payable under this lease. ASOR is required to make monthly payments to cover operating costs incurred by the landlord. The lease expires on June 30, 2012.

The value of the use of the leased property has been recorded as an in-kind contribution and an in-kind expense of \$33,660 for the years ended June 30, 2008 and 2007.

ASOR is obligated under two operating leases for equipment expiring in 2009. The following is a schedule of future minimum rental payments due under operating leases as of June 30, 2008:

<u>Years Ending June 30</u>	
2009	\$ 4,500
2010	<u>350</u>
	<u>\$ 4,850</u>

Notes to Financial Statements -- Continued

American Schools of Oriental Research

NOTE F -- OTHER COMMITMENTS

Grants, bequests and endowments require the fulfillment of certain conditions set forth in the instruments of the gifts. Failure to fulfill the conditions, or in the case of the endowments, failure to continue to fulfill them, could result in the return of funds to the grantor. The Board and management believe the contingency is remote, since by accepting the gifts and their terms, it has accommodated the objectives of ASOR to the provisions of the gifts.

NOTE G -- TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purposes:

	June 30,	
	<u>2008</u>	<u>2007</u>
Accumulated Income on Platt Fund	\$ 218,649	\$ 246,197
Sponsored Projects	134,256	121,081
Wright/Meyers Funds	41,639	41,427
Development Fund	22,744	22,172
Kress Awards for Foreign Travel to Annual Meeting	1,399	0
Accumulated Income on Harris Fund	0	9,441
Website	2,500	0
Book Subvention	11,500	3,000
Other	<u>1,872</u>	<u>600</u>
	<u>\$ 434,559</u>	<u>\$ 443,918</u>

NOTE H -- PERMANENTLY RESTRICTED ASSETS

Permanently restricted net assets are available for the following purposes:

	June 30,	
	<u>2008</u>	<u>2007</u>
Torch/General Endowment Fund	\$ 333,675	\$ 302,419
Corpus of Harris Fund	107,176	107,176
Corpus of Platt Fund	<u>20,000</u>	<u>20,000</u>
	<u>\$ 460,851</u>	<u>\$ 429,595</u>

NOTE I -- SATISFACTION OF PROGRAM RESTRICTIONS

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of other events specified by the donors as follows:

	Years Ended June 30,	
	<u>2008</u>	<u>2007</u>
NEH Institute	\$ 0	\$ 1,161
Sponsored Project Expedition Expenses	59,158	65,156
Scholarships for Annual Meeting	9,014	10,840
Platt Fellowships	13,500	10,500
Development Fund	78	8,120
Biblical Archeology	0	2,670
Kress Awards for Foreign Travel to Annual Meeting	7,600	1,329
Harris Fellowships	6,000	5,998
Other	<u>(1,072)</u>	<u>0</u>
	<u>\$ 94,278</u>	<u>\$ 105,774</u>

American Schools of Oriental Research

NOTE J -- CONCENTRATION OF CREDIT RISK (including a subsequent event)

ASOR maintains money market mutual fund accounts with various brokerage firms and cash balances at several banks throughout the United States. Bank balances are insured by the Federal Deposit Insurance Corporation up to \$100,000 per depositor, per bank. Effective October 3, 2008 and through December 31, 2009, insured limits were increased to \$250,000 per depositor, per bank. Money market mutual fund accounts are not insured. As of June 30, 2008, uninsured amounts of cash and cash equivalents approximated \$519,000.

Investments having a fair value of approximately \$787,000 were held by one brokerage firm at June 30, 2008. Investments are primarily unsecured, though certain coverage may be provided by the Security Investors Protection Corporation for missing stocks and other securities up to \$500,000, including up to \$100,000 in cash if a brokerage or bank brokerage subsidiary fails.

NOTE K -- RECLASSIFICATIONS OF NET ASSETS (2007)

Reclassifications have been made between net asset categories based on additional information received during 2007.

OTHER FINANCIAL INFORMATION



Geoffrey E. Wiggins
Jeffrey S. Romeo
Angela B. Goodwin
J. Kelly Lanier
Joseph L. Hill, Jr.

Independent Auditors' Report
on Other Financial Information

To the Board of Trustees
American Schools of Oriental Research
Boston, Massachusetts

Our report on our audit of the basic financial statements of American Schools of Oriental Research as of and for the year ended June 30, 2008, appears on page 1. The financial statements of American Schools of Oriental Research as of and for the year ended June 30, 2007, were audited by other auditors whose reported dated January 14, 2008, expressed an unqualified opinion on those statements. Those audits were conducted for the purpose of forming an opinion on the basic financial statements as a whole. The schedules of support and revenue and functional expenses for the years ended June 30, 2008 and 2007, are presented for additional analysis and are not a required part of the basic financial statements. Such information for the year ended June 30, 2008, has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. Such information for the year ended June 30, 2007, was not subjected to the auditing procedures applied by other auditors in their audit of the basic financial statements, and accordingly, they expressed no opinion on it.

Romeo, Wiggins & Company, L.L.P.

Cary, North Carolina
November 15, 2008

SCHEDULE OF SUPPORT AND REVENUE AND FUNCTIONAL EXPENSES

American Schools of Oriental Research

Year Ended June 30, 2008

SUPPORT, REVENUES, AND OTHER INCOME:

	Annual Meeting	Arch. & Policy Support	Journals	Books	Fundraising	Administrative	Undesignated	Total
Contributions	\$ 200	\$ 36,379	\$	\$ 8,500	\$	\$	\$ 232,051	\$ 277,130
Book Revenue				54,149				54,149
Journals revenue			278,288					278,288
Institutional memberships		26,000	32,795				60,905	93,700
Individual memberships			110,433				36,811	173,244
Annual meeting	98,454							98,454
In-kind contributions	5,093	10,229	17,652	2,721	5,956	12,775		54,426
Royalty income			28,455					28,455
Investment income (loss)		(23,617)		(8,808)			(12,392)	(44,817)
Total Support, Revenues, and Other Income	\$ 103,747	\$ 48,991	\$ 467,623	\$ 56,562	\$ 5,956	\$ 12,775	\$ 317,375	\$ 1,013,029

EXPENSES:

Annual Meeting expenses	\$ 87,837	\$	\$	\$	\$	\$	\$	\$ 87,837
Provision for doubtful accounts			4,909					4,909
Depreciation	490	735	1,960	245	490	980		4,900
Development expense		1,078			67			1,145
Distribution and marketing				20,438				20,438
Editorial expense			45,469					45,469
Fellowships and grants		60,565						60,565
General and administrative				377				18,011
Insurance	541	811	17,634	270	541	1,081		5,406
Postage and supplies	2,523	2,440	12,780	1,261	2,523	3,702		25,229
Production costs			199,086	14,940				214,026
Legal and accounting	1,973	5,918	986	986	2,959	29,404		42,226
Rent	3,366	5,049	13,464	1,683	3,366	6,732		33,660
Salaries, contract payment and benefits	81,020	33,998	105,531	25,595	21,700	27,299		295,143
Sponsored projects		47,203						47,203
Travel	6,427	1,833	3,665	1,222	1,222	1,222		15,591
Utilities and telephone	590	678	2,565	295	590	1,179		5,897
Write-off of obsolete inventory								
Other allocable expenses	381	11,303	1,303	153	1,067	4,387		18,594
Total Expenses	\$ 185,148	\$ 171,611	\$ 411,514	\$ 67,465	\$ 34,525	\$ 75,986	\$ -	\$ 946,249
Percent of Total Expenses	19.57%	18.14%	43.49%	7.13%	3.65%	8.02%	0.00%	100%

Excess (Deficiency) of Revenue over Expenses Before Allocation of Undesignated Revenue

	\$ (81,401)	\$ (122,620)	\$ 56,109	\$ (10,903)	\$ (28,569)	\$ (63,211)	\$ 317,375	\$ 66,780
--	-------------	--------------	-----------	-------------	-------------	-------------	------------	-----------

See accompanying independent auditors' report on other financial information.

SCHEDULE OF SUPPORT AND REVENUE AND FUNCTIONAL EXPENSES - UNAUDITED

American Schools of Oriental Research

Year Ended June 30, 2007

SUPPORT, REVENUES, AND OTHER INCOME:

	Annual Meeting	Arch. & Policy Support	Journals	Books	Fundraising	General and Administrative	Undesignated	Total
Contributions	\$ 11,940	\$ 50,637	\$	\$ 3,000	\$	\$	\$ 96,631	\$ 162,208
Book Revenue				27,672				27,672
Journals revenue			197,117					197,117
Institutional memberships			31,220					89,200
Individual memberships		19,583	83,079				57,980	130,355
Annual meeting	77,172						27,693	77,172
In-kind contributions	4,260	7,731	13,911	2,130	4,707	9,862		42,601
Royalty income			18,607					18,607
Investment income (loss)		53,887		14,799			62,130	130,816
Total Support, Revenues, and Other Income	\$ 93,372	\$ 131,838	\$ 343,934	\$ 47,601	\$ 4,707	\$ 9,862	\$ 244,434	\$ 875,748

EXPENSES:

Annual Meeting expenses	\$ 93,971	\$	\$	\$	\$	\$	\$	\$ 93,971
Provision for doubtful accounts			23,991					23,991
Depreciation	530	795	2,121	265	530	1,061		5,302
Development expense		7,275			845			8,120
Distribution and marketing				12,703				12,703
Editorial expense			34,399					34,399
Fellowships and grants		51,081						51,081
General and administrative	491	736	20,114	246		982		20,360
Insurance	2,254	2,123	1,963	245	491	3,250		4,908
Postage and supplies	894		11,530	1,127	2,254			22,538
Production costs	3,366		128,906	7,295				136,201
Legal and accounting	72,920	2,682	447	447	1,341	23,030		28,841
Rent		5,049	13,464	1,683	3,366	6,732		33,660
Salaries, contract payment and benefits		44,406	71,389	12,285	22,730	24,200		247,930
Sponsored projects		49,806						49,806
Travel	1,549	7,843	1,948	399	798	1,195		13,732
Utilities and telephone	732	895	3,130	366	732	1,463		7,318
Write-off of obsolete inventory			35,951					35,951
Other allocable expenses	385	5,120	1,702	153	518	2,405		10,283
Total Expenses	\$ 177,092	\$ 177,811	\$ 315,104	\$ 73,165	\$ 33,605	\$ 64,318	\$	\$ 841,095
Percent of Total Expenses	21.05%	21.14%	37.46%	8.70%	4.00%	7.65%	0.00%	100%

Excess (Deficiency) of Revenue over Expenses Before Allocation of Undesignated Revenue

	\$ (83,720)	\$ (45,973)	\$ 28,830	\$ (25,564)	\$ (28,898)	\$ (54,456)	\$ 244,434	\$ 34,653
--	-------------	-------------	-----------	-------------	-------------	-------------	------------	-----------

See accompanying independent auditors' report on other financial information.