

**THE FRENCH-AMERICAN FOUNDATION**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2012**

**(WITH SUMMARIZED COMPARATIVE  
TOTALS FOR DECEMBER 31, 2011)**

THE FRENCH-AMERICAN FOUNDATION

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INDEPENDENT AUDITORS' REPORT

To The Board of Directors  
The French-American Foundation  
New York, New York

We have audited the accompanying financial statements of The French-American Foundation, which comprise the statement of financial position at December 31, 2012, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements. The prior year summarized comparative information has been derived from the Foundation's 2011 financial statements and, in our report dated September 26, 2012, we expressed an unqualified opinion on those financial statements.

***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditors' Responsibility***

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. 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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The French-American Foundation as of December 31, 2012, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

*Grassi & Co., CPAs, P.C.*

GRASSI & CO., CPAs, P.C.

Jericho, New York  
July 22, 2013

THE FRENCH-AMERICAN FOUNDATION  
STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2012  
(WITH SUMMARIZED COMPARATIVE TOTALS AT DECEMBER 31, 2011)

ASSETS

	<u>2012</u>	<u>2011</u>
Cash	\$ 255,294	\$ 450,821
Investments, at fair value	1,166,826	1,535,792
Contributions receivable, net	367,589	154,750
Due from FAF-France	-	27,715
Security deposits and other assets	45,160	31,410
Works of art	694,000	694,000
Furniture and equipment (net of accumulated depreciation of \$91,051 in 2012)	<u>27,359</u>	<u>38,016</u>
 Total Assets	 <u>\$ 2,556,228</u>	 <u>\$ 2,932,504</u>

LIABILITIES AND NET ASSETS

Liabilities		
Line of credit	\$ 62,367	\$ -
Accounts payable and accrued expenses	84,431	96,748
Deferred rent payable	<u>37,927</u>	<u>23,889</u>
 Total Liabilities	 <u>184,725</u>	 <u>120,637</u>
 Commitments		
Net Assets:		
Unrestricted	1,023,757	1,295,265
Temporarily restricted	<u>1,347,746</u>	<u>1,516,602</u>
 Total Net Assets	 <u>2,371,503</u>	 <u>2,811,867</u>
 Total Liabilities and Net Assets	 <u>\$ 2,556,228</u>	 <u>\$ 2,932,504</u>

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

THE FRENCH-AMERICAN FOUNDATION  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2012  
(WITH SUMMARIZED COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2011)

	2012			2011
	Unrestricted	Temporarily Restricted	Total	
OPERATING REVENUES AND OTHER SUPPORT				
Contributions and grants	\$ 370,234	\$ 465,634	\$ 835,868	\$ 1,074,617
Special events	\$ 605,410			
Less: direct costs of special events	<u>160,605</u>	-	444,805	535,105
Investment income allocated to operations	-	-	-	101,818
Net assets released from restriction	<u>634,490</u>	<u>(634,490)</u>	-	-
Total Operating Revenues and Other Support	<u>1,449,529</u>	<u>(168,856)</u>	<u>1,280,673</u>	<u>1,711,540</u>
OPERATING EXPENSES				
Program services				
Project implementation	1,045,636	-	1,045,636	1,209,017
Supporting services				
Management and general	428,589	-	428,589	152,440
Fund raising and relationship development	<u>379,468</u>	<u>-</u>	<u>379,468</u>	<u>430,079</u>
Total Operating Expenses	<u>1,853,693</u>	<u>-</u>	<u>1,853,693</u>	<u>1,791,536</u>
CHANGE IN NET DEFICIT FROM OPERATIONS	(404,164)	(168,856)	(573,020)	(79,996)
INVESTMENT INCOME (LOSS) ALLOCATED TO NONOPERATING REVENUES	<u>132,656</u>	<u>-</u>	<u>132,656</u>	<u>(183,366)</u>
CHANGE IN NET DEFICIT	(271,508)	(168,856)	(440,364)	(263,362)
NET ASSETS, BEGINNING OF YEAR	<u>1,295,265</u>	<u>1,516,602</u>	<u>2,811,867</u>	<u>3,075,229</u>
NET ASSETS, END OF YEAR	<u>\$ 1,023,757</u>	<u>\$ 1,347,746</u>	<u>\$ 2,371,503</u>	<u>\$ 2,811,867</u>

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

THE FRENCH-AMERICAN FOUNDATION  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2012  
(WITH SUMMARIZED COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2011)

	PROGRAM SERVICES	SUPPORTING SERVICES			2012	2011
	Project Implementation	Management and General	Fund Raising and Relationship Development	Direct Costs of Special Events	Total	Total
SALARIES	\$ 341,863	\$ 243,635	\$ 177,500	\$ -	\$ 762,998	\$ 676,361
BENEFITS AND PAYROLL TAXES	84,437	60,176	43,841	-	188,454	147,247
OCCUPANCY	81,486	21,436	25,742	-	128,664	130,303
INSURANCE	2,982	785	942	-	4,709	6,892
OFFICE EXPENSE	23,386	4,806	19,633	-	47,825	49,649
POSTAGE AND SHIPPING	3,845	435	4,291	-	8,571	6,535
DUPLICATION, PRINTING AND PUBLICATIONS	31,591	487	23,399	-	55,477	62,599
EQUIPMENT RENTAL AND MAINTENANCE	4,370	1,150	1,381	-	6,901	7,711
TELEPHONE	20,675	5,222	6,271	-	32,168	45,232
DEPRECIATION	8,255	2,171	2,607	-	13,033	11,641
PROJECT CONSULTING AND PROFESSIONAL FEES	154,956	41,835	58,415	-	255,206	315,471
TRANSPORTATION AND LODGING	76,674	738	3,374	-	80,786	158,520
CONFERENCE FACILITIES, MEETINGS AND CATERING	79,778	3,244	11,655	160,605	255,282	223,336
REAL ESTATE TAXES	1,320	347	417	-	2,084	-
BAD DEBT	-	37,819	-	-	37,819	14,900
INTEREST EXPENSE	-	4,303	-	-	4,303	1,764
GRANTS, STIPENDS AND AWARDS	130,018	-	-	-	130,018	41,000
<b>TOTAL EXPENSES</b>	<b>1,045,636</b>	<b>428,589</b>	<b>379,468</b>	<b>160,605</b>	<b>2,014,298</b>	<b>1,899,161</b>
LESS: EXPENSES DEDUCTED DIRECTLY FROM REVENUES ON THE STATEMENT OF ACTIVITIES	-	-	-	160,605	160,605	107,625
<b>TOTAL FUNCTIONAL EXPENSES</b>	<b>\$ 1,045,636</b>	<b>\$ 428,589</b>	<b>\$ 379,468</b>	<b>\$ -</b>	<b>\$ 1,853,693</b>	<b>\$ 1,791,536</b>

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

THE FRENCH-AMERICAN FOUNDATION  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2012  
(WITH SUMMARIZED COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2011)

	<u>2012</u>	<u>2011</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net deficit	\$ (440,364)	\$ (263,362)
Adjustments to reconcile change in net deficit to net cash used in operating activities:		
Net realized and unrealized (gain) loss on investments	(117,095)	124,449
Bad debt	37,819	14,900
Depreciation	13,033	11,641
Deferred rent	14,038	16,557
Changes in assets (increase) decrease:		
Contributions receivable	(250,658)	(107,715)
Due from FAF - France	27,715	27,715
Security deposits and other assets	(13,750)	6,046
Changes in liabilities increase (decrease):		
Accounts payable and accrued expenses	<u>(12,317)</u>	<u>11,832</u>
NET CASH USED IN OPERATING ACTIVITIES	<u>(741,579)</u>	<u>(157,937)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of investments	997,385	1,005,388
Purchase of investments	(511,324)	(796,853)
Fixed asset acquisitions	<u>(2,376)</u>	<u>(24,186)</u>
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>483,685</u>	<u>184,349</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Borrowings on line of credit	85,000	-
Repayments on line of credit	<u>(22,633)</u>	<u>-</u>
NET CASH PROVIDED BY FINANCING ACTIVITIES	<u>62,367</u>	<u>-</u>
NET (DECREASE) INCREASE IN CASH	(195,527)	26,412
CASH, BEGINNING OF YEAR	<u>450,821</u>	<u>424,409</u>
CASH, END OF YEAR	<u>\$ 255,294</u>	<u>\$ 450,821</u>
SUPPLEMENTAL CASH FLOW INFORMATION		
Cash paid during the year for interest	<u>\$ 4,303</u>	<u>\$ 1,764</u>

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



THE FRENCH-AMERICAN FOUNDATION  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2012

Note 1 - Nature of Operations

The French-American Foundation (the "Foundation") is a not-for-profit organization exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code ("IRC") and has been classified as a publicly supported charitable organization under Section 509(a)(1) of the IRC. The Foundation qualifies for the maximum charitable contribution deduction by donors. Its primary purpose is to strengthen relations between the United States and France by fostering cooperative projects among United States and French leaders and professionals in government, education and business. The Foundation's primary sources of revenue are contributions and special events.

The Foundation executes certain programs in conjunction with the French-American Foundation - France, which is an independent organization in France with a mission similar to that of the Foundation.

Note 2 - Summary of Significant Accounting Policies

Summarized Comparative Totals

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Foundation's financial statements for the year ended December 31, 2011, from which the summarized information was derived.

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Foundation and changes therein are classified and reported as follows:

Unrestricted Net Assets

Net assets that are not subject to donor-imposed stipulations.

Temporarily Restricted Net Assets

Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Foundation and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

THE FRENCH-AMERICAN FOUNDATION  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2012

Note 2 - Summary of Significant Accounting Policies (cont'd.)

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure 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.

Investments

Investments are stated at fair value, which is determined based on quoted market prices of identical securities in an active market.

The Foundation has a "total return" policy with regards to spending of net investment income for operations. The total return to be spent is equal to 5% of the average fair market values of the investments for the prior twelve calendar quarters, and is reported as operating revenues. The balance of net investment income is reported as nonoperating revenues. During 2012, the Foundation lifted the "total return" policy, therefore all net investment income is reported as nonoperating.

Fair Value of Financial Instruments

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. To increase the comparability of fair value measurements, a three-tier fair value hierarchy, which prioritizes the inputs used in the valuation methodologies, is as follows:

Level 1 - Valuations based on quoted prices for identical assets and liabilities in active markets.

Level 2 - Valuations based on observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data.

Level 3 - Valuations based on unobservable inputs reflecting the Foundation's own assumptions, consistent with reasonably available assumptions made by other market participants. These valuations require significant judgment.

At December 31, 2012, the fair value of the Foundation's financial instruments including cash, contributions receivable, accounts payable and accrued expenses, approximated book value due to the short maturity of these instruments.

Refer to Note 5 - Fair Value Measurements for assets measured at fair value.

THE FRENCH-AMERICAN FOUNDATION  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2012

Note 2 - Summary of Significant Accounting Policies (cont'd.)

Allowance for Doubtful Accounts

The Foundation determines whether an allowance for uncollectibles should be provided for contributions receivable. Such estimates are based on management's assessment of the aged basis of its contributions and other sources, current economic conditions and historical information. Contributions receivable are written off against the allowance for doubtful accounts when all reasonable collection efforts have been exhausted. At December 31, 2012, there is an allowance for doubtful accounts of \$10,000.

Works of Art

Works of art are recorded at fair value at the date of donation.

Furniture and Equipment

Furniture and equipment is stated at cost. The costs of additions and betterments are capitalized when they exceed \$1,000 and a useful life of over one year, and expenditures for repairs and maintenance are expensed in the period incurred. When items of furniture and equipment are sold or retired, the related costs and accumulated depreciation are removed from the accounts and any gain or loss is included in income.

Depreciation of furniture and equipment is provided utilizing the straight-line method over the estimated useful lives of the respective assets as follows:

Furniture	7 years
Equipment	5 years

Contributions and Contributions Receivable

The Foundation reports gifts of cash or other assets as restricted support, if they are received with donor stipulations that limit the use of the donated assets. When a donor 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.

Contributions, including unconditional promises to give, are recorded as pledged. All contributions are available for unrestricted use unless specifically restricted by the donor. Conditional promises to give are recognized when the conditions on which they depend are substantially met. 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 risk-free interest rates applicable to the years in which the pledges are to be received. The Foundation does not accrue interest on past due receivables.

THE FRENCH-AMERICAN FOUNDATION  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2012

Note 2 - Summary of Significant Accounting Policies (cont'd.)

Functional Allocation of Expenses

The costs of providing the Foundation's various programs and supporting services 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.

Accounting for Uncertainty in Income Taxes

The Foundation adopted the provisions pertaining to uncertain tax provisions of Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 740, *Income Taxes*, and has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

Reclassifications

Certain accounts relating to the prior year have been reclassified to conform to the current year's presentation. These reclassifications have no effect on the change in net assets previously reported.

Note 3 - Concentration of Credit Risk

The Foundation maintains cash balances in several financial institutions. Interest-bearing balances are insured by the Federal Deposit Insurance Corporation ("FDIC") for up to \$250,000 per institution. In addition, all funds in noninterest-bearing accounts are insured by the FDIC through December 31, 2012. From time to time, the Foundation's balances may exceed these limits.

Note 4 - Investments

Included in the statement of activities are realized gains on investments of \$70,713 (net of fees of \$13,026) and unrealized gains of \$46,382 for the year ended December 31, 2012.

Investment income consisted of the following:

Interest and dividends	\$ 15,561
Net realized and unrealized loss on investments	117,095
	\$ 132,656
Allocated to operations	
Spending formula of 5%	\$ -
Allocated to nonoperating revenues	132,656
	\$ 132,656

THE FRENCH-AMERICAN FOUNDATION  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2012

Note 5 - Fair Value Measurements

The Foundation measures its marketable securities at fair value. Fair value is an exit price, representing the amount that would be received on the sale of an asset or that would be paid to transfer a liability in an orderly transaction between market participants. As a basis for considering such assumptions, a three-tier fair value hierarchy is used which prioritizes the inputs in the valuation methodologies in measuring fair value.

Fair Value Hierarchy

The methodology for measuring fair value specifies a hierarchy of valuation techniques based upon whether the inputs to those valuation techniques reflect assumptions other market participants would use based upon market data obtained from independent sources (observable inputs) or reflect the Foundation's own assumptions of market participant valuation (unobservable inputs).

Items Measured at Fair Value on a Recurring Basis

The following table presents the Foundation's assets that are measured at fair value on a recurring basis at December 31, 2012:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments:				
Equity Securities				
Domestic	\$ 375,670	\$ -	\$ -	\$ 375,670
International	241,718	-	-	241,718
Mutual Funds				
Fixed income	368,394	-	-	368,394
Other	181,044	-	-	181,044
	<u>1,166,826</u>	<u>-</u>	<u>-</u>	<u>1,166,826</u>
Total investments	<u>\$ 1,166,826</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,166,826</u>

Note 6 - Contributions Receivable

Contributions receivable, net are due as follows:

Amounts due within one year	\$ 287,589
Amounts due in one to five years	90,000
	<u>377,589</u>
Less: Allowance for doubtful accounts	10,000
	<u>\$ 367,589</u>

THE FRENCH-AMERICAN FOUNDATION  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2012

Note 7 - Works of Art

During 1997, the Foundation received a collection of Louis XV and Louis XVI furniture and decorative objects. At that time, the collection was independently appraised by Christie's in New York City and valued at \$686,000. In 1998, as stipulated by the donor, these items were displayed in the Cultural Services of the French Embassy in New York City. The collection is maintained by the Cultural Services for public exhibition in furtherance of the Foundation's mission. It is important to note, however, that while the Foundation holds formal title to this asset, the Foundation has lent it to the French Government for an indefinite term. Therefore, the Foundation does not have sole discretion over the conditions under which it may be monetized or otherwise disposed of, and therefore, its actual value to the Foundation may be conditioned by the inability on the part of the Foundation to realize, within a foreseeable future, a monetary value for this asset.

This consists of the following works:

Bronze State of General Charles De Gaulle	\$ 8,000
Louis XV and XVI collection of decorative elements	686,000
	686,000
 Total Appraised Value	 \$ 694,000
	694,000

Note 8 - Line of Credit

Pursuant to an arrangement with a financial institution, the Foundation may borrow up to \$100,000 under a revolving line of credit. The line of credit has no maturity date and is secured by all assets of the Foundation. Interest is payable at prime plus 4.2%, which at December 31, 2012 totaled 7.45%. At December 31, 2012, the Foundation had \$62,367 outstanding on the line of credit.

Note 9 - Temporarily Restricted Net Assets

At December 31, 2012, temporarily restricted net assets were available for the following restricted purposes:

EHT Fund	\$ 886,219
Bicentennial Fund	368,344
Journalism	93,183
	93,183
	 \$ 1,347,746
	1,347,746

THE FRENCH-AMERICAN FOUNDATION  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2012

Note 9 - Temporarily Restricted Net Assets (cont'd.)

Net assets were released from restrictions during the year ended December 31, 2012 by incurring expenses satisfying the following restricted purposes:

Translation Prize	\$ 61,000
Young Leaders/Young Leaders Circle	68,000
Courants	210,636
Journalism	194,862
Leaders in the Making	17,492
Defense Symposium	77,000
Tuck Speaker Series	5,500
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	\$ 634,490
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Note 10 - Commitments

The Foundation leases office space and has noncancellable operating leases for equipment until July 2020, which requires future minimum rental payments as follows:

<u>Years Ending December 31:</u>	
2013	\$ 112,341
2014	114,695
2015	118,096
2016	124,789
2017	127,908
Thereafter	344,998
	<hr/>
	\$ 942,827
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Rent expense charged to operations for the year ended December 31, 2012 amounted to \$117,347. During the year ended December 31, 2012, actual cash paid for rent was \$103,309.

Note 11 - Retirement Expense

The Foundation sponsors a noncontributory defined contribution plan which qualifies under Section 403(b) of the Internal Revenue Code. All full-time employees are eligible after they have completed one month of service. During 2012, the Foundation's expense was \$35,379.

Note 12 - Subsequent Events

The Foundation has evaluated all events or transactions that occurred after December 31, 2012 through the date of these financial statements, which is the date that the financial statements were available to be issued. During this period, there were no material subsequent events requiring disclosure.

SUPPLEMENTARY INFORMATION



INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

To The Board of Directors  
The French-American Foundation  
New York, New York

We have audited the financial statements of The French-American Foundation at and for the year ended December 31, 2012, and our report thereon dated July 22, 2013, which expressed an unmodified opinion on those financial statements, appears on pages one and two. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of temporarily restricted program activities is presented for the purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Grassi & Co., CPAs, P.C.*

GRASSI & CO., CPAs, P.C.

Jericho, New York  
July 22, 2013

THE FRENCH-AMERICAN FOUNDATION  
SUPPLEMENTARY INFORMATION  
SCHEDULE OF TEMPORARILY RESTRICTED PROGRAM ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2012

	Net Assets at Beginning of Year	Revenues	Total	Net Assets Released from Restriction	Net Assets at End of Year
EHT FUND	\$ 886,219	\$ -	\$ 886,219	\$ -	\$ 886,219
BICENTENNIAL FUND	368,344	-	368,344	-	368,344
TRANSLATION PRIZE	-	61,000	61,000	61,000	-
YOUNG LEADERS/YOUNG LEADERS CIRCLE	-	68,000	68,000	68,000	-
COURANTS	125,636	85,000	210,636	210,636	-
JOURNALISM	131,661	156,384	288,045	194,862	93,183
LEADERS IN THE MAKING	4,742	12,750	17,492	17,492	-
DEFENSE SYMPOSIUM	-	77,000	77,000	77,000	-
TUCK SPEAKER SERIES	-	5,500	5,500	5,500	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
TOTAL FUNCTIONAL EXPENSES	<u>\$ 1,516,602</u>	<u>\$ 465,634</u>	<u>\$ 1,982,236</u>	<u>\$ 634,490</u>	<u>\$ 1,347,746</u>

See independent auditors' report on supplementary information.