Audited Financial Statements

American Society of Overseas Research

Years Ended June 30, 2026 and 2025

Audited Financial Statements

American Society of Overseas Research

Years Ended June 30, 2026 and 2025

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Independent Auditor's Report

To the Board of Trustees
of **American Society of Overseas Research**
Alexandria, Virginia

Opinion

We have audited the accompanying financial statements of American Society of Overseas Research (a nonprofit organization), which comprise the statements of financial position as of June 30, 2026 and 2025, and the related statements of activities, support and revenue and functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of American Society of Overseas Research as of June 30, 2026 and 2025, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of American Society of Overseas Research and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about American Society of Overseas Research's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Independent Auditor's Report--Continued

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 American Society of Overseas Research's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about American Society of Overseas Research's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

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

Raleigh, North Carolina
November 11, 2026

Statements of Financial Position

American Society of Overseas Research

June 30, 2026 and 2025

	2026	2025
ASSETS		
Cash and cash equivalents	$ 1,490,369	$ 1,571,722
Grants receivable	8,781	-
Other receivables	6,919	41,192
Prepaid expenses and other assets	26,213	17,631
Investments (including endowments)	8,353,472	6,676,830
Fixed assets, net	1,033,924	1,052,849
TOTAL ASSETS	$ 10,919,678	$ 9,360,224
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable and accrued expenses	$ 46,473	$ 45,208
Deferred revenue	286,797	301,671
Deferred support	60,828	994
TOTAL LIABILITIES	394,098	347,873
NET ASSETS		
Without donor restrictions:		
Available for operations	539,221	660,705
Board-designated:		
Building Fund	580,729	499,658
Publications Opportunity Fund	200,186	186,103
Norma Kershaw Fund for Membership Outreach	232,686	201,578
Total Board-designated net assets	1,013,601	887,339
Fixed assets, net	1,033,924	1,052,849
Total net assets without donor restrictions	2,586,746	2,600,893
With donor restrictions:		
Other than endowments	528,877	568,594
Held under endowments	7,409,957	5,842,864
Total net assets with donor restrictions	7,938,834	6,411,458
TOTAL NET ASSETS	10,525,580	9,012,351
TOTAL LIABILITIES AND NET ASSETS	$ 10,919,678	$ 9,360,224

See accompanying independent auditor's report and notes to financial statements.

Statement of Activities

American Society of Overseas Research

Year Ended June 30, 2026

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT, REVENUES, AND OTHER INCOME			
Contributions	$ 199,841	$ 756,636	$ 956,477
Federal grants	-	95,114	95,114
Other grants	5,000	251,257	256,257
In-kind contributions	98,240	-	98,240
Book revenue	15,042	-	15,042
Journals revenue	120,082	-	120,082
Institutional memberships	51,000	-	51,000
Individual memberships	198,145	-	198,145
Annual meeting	307,883	-	307,883
Friends of ASOR tours	91,394	-	91,394
Royalties and other income	30,152	-	30,152
Reimbursement income	15,366	-	15,366
Miscellaneous income	683	-	683
Net investment income	225,286	1,206,382	1,431,668
Net assets released from restrictions:			
Released from non-endowed funds	525,167	(525,167)	-
Appropriated from endowment funds	256,846	(256,846)	-
Total Support, Revenues, and Other Income	2,140,127	1,527,376	3,667,503
EXPENSES			
Program services:			
Annual Meeting and Events	518,545	-	518,545
Academic Programs & Policy Support	617,118	-	617,118
Cultural Heritage Initiatives	363,601	-	363,601
Journals	106,624	-	106,624
Books	38,596	-	38,596
	1,644,484	-	1,644,484
Support services:			
Management and general	425,899	-	425,899
Fundraising	83,891	-	83,891
	509,790	-	509,790
Total Expenses	2,154,274	-	2,154,274
Change in Net Assets	(14,147)	1,527,376	1,513,229
Net Assets, Beginning of Year	2,600,893	6,411,458	9,012,351
Net Assets, End of Year	$ 2,586,746	$ 7,938,834	$ 10,525,580

See accompanying independent auditor's report and notes to financial statements.

Statement of Activities

American Society of Overseas Research

Year Ended June 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT, REVENUES, AND OTHER INCOME			
Contributions	$ 214,065	$ 342,583	$ 556,648
Federal grants	-	303,913	303,913
In-kind contributions	49,066	-	49,066
Book revenue	35,903	-	35,903
Journals revenue	120,195	-	120,195
Institutional memberships	51,000	-	51,000
Individual memberships	195,195	-	195,195
Annual meeting	260,539	-	260,539
Royalties and other income	33,710	-	33,710
Reimbursement income	13,442	-	13,442
Miscellaneous income	3,564	-	3,564
Net investment income	172,009	651,048	823,057
Net assets released from restrictions:			
Released from non-endowed funds	641,060	(641,060)	-
Appropriated from endowment funds	250,746	(250,746)	-
Total Support, Revenues, and Other Income	2,040,494	405,738	2,446,232
EXPENSES			
Program services:			
Annual Meeting and Events	383,673	-	383,673
Academic Programs & Policy Support	586,890	-	586,890
Cultural Heritage Initiatives	468,722	-	468,722
Journals	96,493	-	96,493
Books	85,078	-	85,078
	1,620,856	-	1,620,856
Support services:			
Management and general	403,771	-	403,771
Fundraising	93,903	-	93,903
	497,674	-	497,674
Total Expenses	2,118,530	-	2,118,530
Change in Net Assets	(78,036)	405,738	327,702
Net Assets, Beginning of Year	2,678,929	6,005,720	8,684,649
Net Assets, End of Year	$ 2,600,893	$ 6,411,458	$ 9,012,351

See accompanying independent auditor's report and notes to financial statements.

Statement of Support and Revenue and Functional Expenses

American Society of Overseas Research

Year Ended June 30, 2026

	Annual Meeting and Events	Academic Programs & Policy Support	Cultural Heritage Initiatives	Journals	Books	Management and General	Fundraising	Total
SUPPORT, REVENUES, AND OTHER INCOME:								
Contributions	$ 40,774	$ 707,952	$ 7,200	$ 24,094	$ -	$ 176,457	$ -	$ 956,477
Federal grants	-	-	95,114	-	-	-	-	95,114
Other grants	-	-	256,257	-	-	-	-	256,257
In-kind contributions	4,912	4,912	4,912	4,912	-	58,944	19,648	98,240
Book revenue	-	-	-	-	15,042	-	-	15,042
Journals revenue	-	-	-	120,082	-	-	-	120,082
Institutional memberships	-	-	-	-	-	51,000	-	51,000
Individual memberships	-	-	-	-	-	198,145	-	198,145
Annual meeting	307,883	-	-	-	-	-	-	307,883
Friends of ASOR tours	91,394	-	-	-	-	-	-	91,394
Royalties and other income	-	-	-	20,838	9,314	-	-	30,152
Reimbursement income	86	50	-	5	726	14,499	-	15,366
Miscellaneous income	-	-	-	-	-	3	680	683
Net investment income	-	1,017,643	312	-	31,583	382,130	-	1,431,668
Total Support, Revenues, and Other Income	445,049	1,730,557	363,795	169,931	56,665	881,178	20,328	3,667,503
EXPENSES:								
Annual meeting expenses	114,019	-	-	-	-	-	-	114,019
Depreciation and amortization	946	946	946	946	-	11,356	3,785	18,925
Development expense	-	-	-	-	-	-	3,907	3,907
Fellowships and grants	9,854	201,570	-	-	-	-	-	211,424
NIES Trust projects	82,210	13,277	-	6,780	-	-	-	102,267
General and administrative	10,121	4,732	94	-	-	31,717	4,549	51,213
Insurance	-	-	-	-	-	8,951	-	8,951
Postage and supplies	1,363	183	12,842	-	1,091	10,113	1,295	26,887
Production and editorial costs	960	22,827	-	80,275	25,955	366	-	130,383
In-kind legal	4,912	4,912	4,912	4,912	-	58,944	19,648	98,240
Auditing and accounting	1,034	1,034	1,034	1,034	-	12,404	4,135	20,675
Building expenses, including insurance	-	-	-	-	-	24,055	-	24,055
Salaries, contract payments and benefits	291,955	353,862	313,567	12,677	11,550	243,388	46,572	1,273,571
Other direct costs	-	-	-	-	-	-	-	-
Travel, meetings, and Chair support	1,171	13,775	17,941	-	-	23,135	-	56,022
Utilities and telephone	-	-	-	-	-	13,735	-	13,735
Allocation of indirect costs	-	-	12,265	-	-	(12,265)	-	-
Total Expenses	518,545	617,118	363,601	106,624	38,596	425,899	83,891	2,154,274
Change in Net Assets	$ (73,496)	$ 1,113,439	$ 194	$ 63,307	$ 18,069	$ 455,279	$ (63,563)	$ 1,513,229

See accompanying independent auditor's report and notes to financial statements.

Statement of Support and Revenue and Functional Expenses

American Society of Overseas Research

Year Ended June 30, 2025

	Annual Meeting and Events	Academic Programs & Policy Support	Cultural Heritage Initiatives	Journals	Books	Management and General	Fundraising	Total
SUPPORT, REVENUES, AND OTHER INCOME:								
Contributions	$ 26,650	$ 228,827	$ 32,725	$ 38,350	$ 31,578	$ 197,033	$ 1,485	$ 556,648
Federal grants	-	-	303,913	-	-	-	-	303,913
In-kind contributions	2,453	2,453	2,453	2,453	-	29,441	9,813	49,066
Book revenue	-	-	-	-	35,903	-	-	35,903
Journals revenue	-	-	-	120,195	-	-	-	120,195
Institutional memberships	-	-	-	-	-	51,000	-	51,000
Individual memberships	-	-	-	-	-	195,195	-	195,195
Annual meeting	256,289	-	-	-	-	-	4,250	260,539
Royalties and other income	-	-	-	24,519	9,191	-	-	33,710
Reimbursement income	-	-	-	-	-	13,442	-	13,442
Miscellaneous income	-	25	-	-	231	3,308	-	3,564
Net investment income	-	542,450	277	-	18,143	262,187	-	823,057
Total Support, Revenues, and Other Income	285,392	773,755	339,368	185,517	95,046	751,606	15,548	2,446,232
EXPENSES:								
Annual meeting expenses	107,971	-	-	-	-	-	-	107,971
Depreciation and amortization	952	952	952	952	-	11,052	3,807	18,667
Development expense	-	-	-	-	-	-	5,499	5,499
Fellowships and grants	15,780	223,139	-	-	-	-	-	238,919
NIES Trust projects	-	20,000	-	6,720	-	-	-	26,720
General and administrative	9,404	4,300	171	-	-	29,832	4,723	48,430
Insurance	-	-	-	-	-	7,903	-	7,903
Postage and supplies	432	176	10,542	-	1,104	10,084	949	23,287
Production and editorial costs	6,829	21,468	-	80,466	76,027	176	-	184,966
In-kind legal	2,453	2,453	2,453	2,453	-	29,441	9,813	49,066
Auditing and accounting	1,886	1,886	1,886	1,886	-	22,630	7,543	37,717
Building expenses, including insurance	-	-	-	-	-	26,561	-	26,561
Salaries, contract payments and benefits	237,894	291,191	380,225	4,016	7,947	261,140	61,569	1,243,982
Other direct costs	-	-	7,134	-	-	-	-	7,134
Travel, meetings, and Chair support	72	21,325	37,685	-	-	20,945	-	80,027
Utilities and telephone	-	-	-	-	-	11,681	-	11,681
Allocation of indirect costs	-	-	27,674	-	-	(27,674)	-	-
Total Expenses	383,673	586,890	468,722	96,493	85,078	403,771	93,903	2,118,530
Change in Net Assets	$ (98,281)	$ 186,865	$ (129,354)	$ 89,024	$ 9,968	$ 347,835	$ (78,355)	$ 327,702

See accompanying independent auditor's report and notes to financial statements.

Statements of Cash Flows

American Society of Overseas Research

Years Ended June 30, 2026 and 2025

	2026	2025
OPERATING ACTIVITIES:		
Change in net assets	$ 1,513,229	$ 327,702
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation and amortization	18,925	18,667
Net realized (gains) losses on investments	(170,926)	(116,468)
Net unrealized (gains) losses on investments	(1,048,208)	(517,496)
Contributions for long-term purposes:		
Building Fund (Board-designated)	(3,000)	(5,000)
Permanent endowments (Donor-restricted)	(617,557)	(57,750)
Changes in operating assets and liabilities:		
Grants receivable	(8,781)	62,463
Other receivables	34,273	(20,731)
Prepaid expenses and other assets	(8,582)	4,772
Accounts payable and accrued expenses	1,265	7,619
Deferred revenue	(14,874)	28,650
Deferred support	59,834	(37,765)
NET CASH USED IN OPERATING ACTIVITIES	(244,402)	(305,337)
INVESTING ACTIVITIES:		
Proceeds from sales of investments	827,714	867,647
Purchases of investments	(1,285,222)	(772,618)
Purchases of fixed assets	-	(46,269)
NET CASH (USED IN) PROVIDED BY INVESTING ACTIVITIES	(457,508)	48,760
FINANCING ACTIVITIES:		
Proceeds from contributions for long-term purposes:		
Building Fund (Board-designated)	3,000	5,000
Permanent endowments (Donor-restricted)	617,557	57,750
NET CASH PROVIDED BY FINANCING ACTIVITIES	620,557	62,750
NET CHANGE IN CASH	(81,353)	(193,827)
Cash and cash equivalents, beginning of year	1,571,722	1,765,549
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 1,490,369	$ 1,571,722
SUPPLEMENTAL CASH FLOW INFORMATION		
Interest paid	$ -	$ -

See accompanying independent auditor's report and notes to financial statements.

NOTE A -- THE ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

The Organization: American Society of Overseas Research (ASOR/the Organization/and formerly, American Schools of Oriental Research) was established in 1900 and was incorporated as a not-for-profit public charity in 1935. ASOR is an international organization whose mission is to initiate, encourage, and support research into, and public understanding of, the history and cultures of the Near East and wider Mediterranean, from the earliest times. The principal sources of support and revenue are from contributions, grants, membership dues, scholarly journals, trips, and annual programs.

Basis of Accounting: ASOR prepares its financial statements in accordance with U.S. generally accepted accounting principles (GAAP). 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.

Net Assets: The Organization's net assets have been grouped into the following classes:

Net Assets Without Donor Restrictions: This net asset class is not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. ASOR's net assets without donor restrictions include $1,013,601 and $887,339 at June 30, 2026 and 2025, respectively, that are subject to Board designations and are not available to cover operating expenses, including budget shortfalls, unless specifically approved by the Board.

Net Assets With Donor Restrictions: This net asset class is subject to restrictions imposed by donors and grantors. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that require resources to be maintained in perpetuity. When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions.

Recognition of Revenue/Deferred Revenue: ASOR's primary revenue sources that are accounted for as exchange transactions include membership dues, Annual Meeting registrations and reimbursements, and journals revenue.

Management believes ASOR has an implicit contract with its members to provide benefits that include, but are not limited to, access to on-line resources, member discounts, and journals. Dues and benefits vary across membership levels, but are generally believed to be commensurate in value. Dues for certain membership levels that account for approximately seven percent of individual membership dues are considered to have both an exchange element and a contribution element. Member benefits are considered to represent a single performance obligation which is satisfied ratably over the membership period; therefore, ASOR recognizes the exchange portion of membership dues ratably over the one-year membership period. The contribution portion of dues is recognized immediately (in contributions) and approximated $15,800 and $15,400 for the years ended June 30, 2026 and 2025, respectively. Dues collected in advance are held in deferred revenue in the statement of financial position.

Registration fees for the Annual Meeting are recognized when the event is held, whether in-person or virtually. The Annual Meeting is typically held in November, with the location varying from year to year. Amounts received prior to the date of service are held in deferred revenue in the statement of financial position.

Journals revenue is recognized and received quarterly according to the terms and conditions of a publishing contract.

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

Deferred revenue at June 30, 2026, includes advances received for membership dues of $135,970 and Annual Meeting of $150,827. All amounts in deferred revenue at June 30, 2026, are expected to be earned and recognized as revenue in Fiscal 2027. Deferred revenue at June 30, 2025, includes advances received for membership dues of $146,289 and Annual Meeting of $155,382. All amounts in deferred revenue at June 30, 2025, were earned and recognized as revenue in Fiscal 2026.

Recognition of Support/Deferred Support: Promises to give, including grants and contributions, to ASOR are generally considered nonreciprocal transactions and are recognized as support when conditions, if any, have been met. A condition exists if the agreement with the donor includes a barrier that must be overcome and either a right of return of assets transferred or a right of release from the donor's obligation to transfer assets. Grants and contributions requiring a match are considered conditional until the match is satisfied, wholly or in part, as defined by agreement. Cost-reimbursement grants are considered conditional until qualifying expenditures are incurred. (Refer also to *Note E--Net Assets With Donor Restrictions, Other Than Endowments*). Amounts received against conditional promises to give are held as deferred support until conditions for recognition are met. Support from unconditional grants and contributions is recognized as an increase in either net assets without donor restrictions or net assets with donor restrictions, based on the absence or presence of any donor-imposed restrictions.

Deferred support at June 30, 2026, includes advances of $60,828 received under federal grants. All amounts in deferred support at June 30, 2026, are expected to be recognized as support in Fiscal 2027. Deferred support at June 30, 2025, includes advances of $994 received under federal grants. All amounts in deferred support at June 30, 2025, were recognized as support in Fiscal 2026.

In-Kind Contributions: In-kind contributions of $98,240 and $49,066 for Fiscal 2026 and 2025, respectively, represent the fair value of services donated to ASOR by attorneys and other staff members of a prominent law firm. Donated services are recognized as contributions in accordance with FASB ASC 958-605, if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by ASOR. Donated services are generally recognized at the fair value of such, as represented by the donor. Volunteers provided services that are not recognized as in-kind contributions in the accompanying financial statements since the recognition criteria were not met.

Cash Equivalents: ASOR considers all highly liquid investments with an initial maturity of three months or less, as well as money market funds (non-sweep) and brokered certificates of deposit held in a Charles Schwab operating account, to be cash equivalents. Cash equivalents are reported at fair value based on quoted market prices. Refer also to *Note G--Fair Value Measurements* and *Note H--Significant Concentrations.*

Grants Receivable: Grants receivable generally consists of amounts due from federal agencies. Management believes all amounts are collectible; therefore, no allowance for doubtful accounts is provided at June 30, 2026 and 2025. Receivables are due within a year and are unsecured.

Other Receivables: Other receivables consist largely of amounts due from a distributor for book sales and Friends of ASOR Tours. Based on ASOR's history of minimal credit losses and current economic factors, management believes all receivables are collectible. Therefore, no allowance for credit losses is provided at June 30, 2026 and 2025. Receivables are due within a year and are unsecured.

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

Investments (including permanent endowments): Investments include amounts held in cash, money market funds (non-sweep), U.S. Treasury bills, brokered certificates of deposit, mutual funds, and exchange-traded funds. Investments, other than cash holdings, are reported at fair value based on quoted market prices. Purchases and sales of securities are recorded on a trade-date basis. Net investment income includes interest and dividends, as well as realized and unrealized gains and losses. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net investment income restricted by a donor is reported as an increase in net assets with donor restrictions and released to net assets without donor restrictions upon satisfaction of purpose or time restrictions or the appropriation of general-use earnings. Refer also to *Note C--Investments* and *Note F--Net Assets with Donor Restrictions, Held Under Endowments.*

Fixed Assets: Fixed assets are carried at cost (or, if donated, at fair value at the date of donation) less accumulated depreciation and amortization. All acquisitions of fixed assets in excess of $5,000 and expenditures for repairs and maintenance that materially prolong the useful lives of assets are capitalized. Depreciation and amortization are calculated on a straight-line method over the estimated useful lives of the respective assets. Those items that are not a capital expenditure are expensed when incurred.

Impairment of Long-Lived Assets: Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value less costs to sell.

Income Taxes: ASOR is a not-for-profit organization exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. In addition, the Internal Revenue Service has determined that the Organization is not a private foundation within the meaning of Section 509(a) of the Internal Revenue Code. ASOR had no income subject to taxation as unrelated business income for the years ended June 30, 2026 and 2025, and management is aware of no uncertain tax positions.

Functional Classification of Expenses: ASOR allocates its expenses on a functional basis among its various programs and support services. Expenses that can be identified with a specific program and support service are allocated directly according to their natural expense classification. Certain indirect expenses are allocated to program and support services based on estimated usage and/or estimated benefit. ASOR's programs include the following:

Annual Meeting and Events: The Annual Meeting brings together ASOR's vibrant academic community to present their current findings and discuss their research. The conference attracts approximately 1,000 scholars and enthusiasts of archaeology, linguistics, geography, epigraphy, anthropology, and other fields related to the study of the ancient Near East. Other events include seminars, webinars, travel to archaeological and cultural sites, and public lectures.

Academic Programs and Policy Support: From its earliest days, ASOR has sponsored projects central to its mission to initiate, encourage, and support research into, and public understanding of, the history and cultures of the Near East and wider Mediterranean. This work includes supporting excavations, ASOR's academic committees, advocacy and education about archaeology and cultural heritage, global awareness of these issues, scholarships and fellowships, and grants for related work.

Cultural Heritage Initiatives: The program is devoted to protecting, preserving and presenting to the public the historic and cultural heritage of North Africa, the Sahel, the Middle East, and the wider Mediterranean and to raise awareness of its degradation. ASOR also promotes and carries out education and stewardship programs in these regions.

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

Journals: ASOR's publication program has a long and venerable history, dating back to the publication of the first volume of the *Bulletin of American Society of Overseas Research (BASOR)* in 1919. Today, ASOR still publishes *BASOR*, as well as three other journals *(Near Eastern Archaeology, Maarav*, and the *Journal of Cuneiform Studies)*. In addition, ASOR publishes an e-newsletter for its members *(News@ASOR)* and an outreach e-newsletter for public members and Friends of ASOR *(The Ancient Near East Today)*. Beginning in 2019, the University of Chicago Press is responsible for the publication and distribution of *BASOR, NEA*, *Maarav*, and *JCS*, with royalties payable to ASOR.

Books: ASOR publishes three book series. The first volume of the *ASOR Annual (AASOR)* appeared in 1920, making it ASOR's signature publication. The Annual is a medium for the publication of lengthy preliminary or interim archaeological reports or monograph-length studies relating to archaeology in the Near East. Beginning in May 2026, ISD, LLC, is responsible for the publication and distribution of ASOR's print and electronic publications, other than journals, with royalties payable to ASOR.

The *Archaeological Reports Series (ARS)* is devoted to the publication of final excavation reports, surveys, and ethnoarchaeological fieldwork. Excavation projects need not be ASOR-affiliated to be considered. The CAARI Monographs are a subseries of the ASOR-ARS and may include conference proceedings.

ASOR's youngest series, the *JCS Supplemental Series (JCSSS),* was instituted in 2008. *JCSSS* is now published in partnership with Lockwood Press.

Fair Value of Financial Instruments: The carrying value of cash equivalents, grants receivable, other receivables, and accounts payable is considered by management to approximate the fair value of such at June 30, 2026 and 2025, based on the short-term maturity of these financial instruments. Investments are carried at fair value based on quoted market prices. Refer also to *Note G--Fair Value Measurements*.

Use of Estimates: The preparation of financial statements in conformity with GAAP 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 -- AVAILABILITY AND LIQUIDITY OF ASSETS

The following reflects ASOR's financial assets as of the statement of financial position date, reduced by amounts not available for general expenditures within one year:

	June 30, 2026	June 30, 2025
Financial assets at year-end (cash and cash equivalents, investments, and receivables)	$ 9,859,541	$ 8,289,744
Less those unavailable for general expenditures within one year, due to:		
Donor restrictions	(7,938,834)	(6,411,458)
Board designations	(1,013,601)	(887,339)
Deferred support	(60,828)	(994)
Financial assets available to meet cash needs for general expenditures within one year	$ 846,278	$ 989,953

ASOR's investment and spending policies for endowments provide for distributions at 5% of endowment assets annually on new and existing endowments, with the exception of one older endowment that provides for distributions at 6%.

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NOTE C -- INVESTMENTS

Investments consist of the following:

	June 30, 2026	June 30, 2025
Held by brokerage firm:		
Cash	$ 4	$ 11,192
Money market funds (non-sweep)	436,185	311,476
Fixed Income:		
U.S. Treasury bills	188,332	-
Certificates of deposit	-	101,490
Exchange-traded funds:		
Equities	1,282,999	987,284
Bonds	1,094,956	835,151
Mutual funds:		
Equities	5,350,996	4,430,237
	$ 8,353,472	$ 6,676,830

Refer also to *Note F--Net Assets with Donor Restrictions, Held Under Endowments* and *Note H--Significant Concentrations.*

NOTE D -- FIXED ASSETS

Fixed assets consist of the following:

	June 30, 2026	June 30, 2025
Land	$ 490,000	$ 490,000
Building and improvement	664,013	664,013
	1,154,013	1,154,013
Less: Accumulated depreciation and amortization	(120,089)	(101,164)
	$ 1,033,924	$ 1,052,849

On April 24, 2019, ASOR purchased the property in Alexandria, Virginia (now named the James F. Strange Center) for approximately $1,107,745 to serve as a permanent home for ASOR. At June 30, 2026, Board-designated net assets include $580,729 for the maintenance and upkeep of the building.

Depreciation and amortization expense totaled $18,925 and $18,667 for Fiscal 2026 and 2025, respectively.

NOTE E -- NET ASSETS WITH DONOR RESTRICTIONS, OTHER THAN ENDOWMENTS (including subsequent events)

Net assets with donor restrictions, other than endowments, were released from donor restrictions upon the satisfaction of donor-imposed purpose restrictions as follows:

	Years Ended June 30, 2026	2025
NIES Trust projects	$ 27,557	$ 35,967
Cultural Heritage Initiatives	185,742	75,086
Member supported fellowships and student support	47,749	76,182
Shephard Urgent Action grants	15,025	-
Publications support	40,645	44,562
Growth and Visibility Initiative	-	20,694
Communications/FOA position	87,579	60,096
DOS grants	95,114	303,913
Strange Center renovations	-	3,574
Other (including transfers)	25,756	20,986
	$ 525,167	$ 641,060

Net assets with donor restrictions, other than endowments, are available for the following purposes:

	June 30, 2026	2025*
NIES Trust projects	$ 9,247	$ 12,740
Cultural Heritage Initiatives	91,398	2,952
Member supported fellowships and student support	12,318	18,654
Shephard Urgent Action grants	1,917	-
Publications support	50,000	78,145
Growth and Visibility Initiative	12,217	22,948
Climate Impact	29,650	29,650
Communications/FOA position	66,250	148,929
Strange Center renovations	196,426	196,426
Pending Endowments	47,758	28,750
Other	11,696	29,400
	$ 528,877	$ 568,594

*as restated for consistency with the current year presentation.

Conditional promises to give (made to ASOR) are as follows at June 30, 2026:

U.S Department of State, Fulbright-Hays (AFCP) grant; term ends September 30, 2026, as reinstated.	$ 200,693
U.S. Department of State, Fulbright-Hays (CPAIG Lebanon) reimbursement grant; term ends September 30, 2026.	6,219
U.S. Department of State, Fulbright-Hays (CPAIG Libya) grant; term ends September 30, 2027.	58,948
Sudanese National Corporation for Antiquities and Museums (NCAM) reimbursement grant; term ends September 30, 2029.	35,876

NOTE E -- NET ASSETS WITH DONOR RESTRICTIONS, OTHER THAN ENDOWMENTS (including subsequent events) – Continued

Subsequent Events: ASOR was subsequently awarded U.S. Department of State grants of $480,000, in the aggregate, with periods of performance ranging from two years to two and a half years. In addition, ASOR was subsequently awarded a non-federal grant in the amount of $148,000 for work in Cyrene, Libya, with a period of performance of twelve months.

NOTE F -- NET ASSETS WITH DONOR RESTRICTIONS, HELD UNDER ENDOWMENTS

FASB ASC 958-205 provides guidance on the net asset classification of board-designated and donor-restricted endowment funds held by nonprofit organizations, subject to an enacted version of UPMIFA (the *Uniform Prudent Management Institutional Funds Act*). ASOR holds only donor-restricted endowment funds. Therefore, unless stated otherwise in the gift instrument, assets held under endowments are considered donor-restricted assets until appropriated for expenditure by the Organization. Endowment net assets are disaggregated further by ASOR as to which amounts are subject to appropriation by the Organization or to investment in perpetuity. ASOR considers the following to be subject to investment in perpetuity: (1) the original value of gifts donated to endowments, (2) the original value of subsequent gifts to endowments, and (3) accumulations to endowments made in accordance with the direction of the applicable donor gift instruments. Net investment income is considered available for appropriation unless otherwise directed by the gift instrument.

The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowments while seeking to maintain the purchasing power of those endowment assets over the long-term. ASOR's investment portfolio relies on diversification of assets to achieve its long-term return objectives within prudent risk parameters. Endowment funds are held in cash, money market funds, U.S. Treasury bills), brokered certificates of deposit, mutual funds, and exchange-traded funds, with the net earnings thereon available for ASOR's general use or as otherwise specified by the donor.

The composition of endowment net assets by fund type is as follows at June 30, 2026:

	Subject to Approp'n	Subject to Investment in Perpetuity	Total
Donor-restricted endowment funds:			
General Endowment	$ 855,842	$ 1,048,007	$ 1,903,849
Harris Fund	77,051	131,912	208,963
Platt Fund	324,595	20,000	344,595
Wright/Meyers Fund	84,719	97,466	182,185
P.E. MacAllister Fund	89,758	132,820	222,578
Eric and Carol Meyers Fund	128,439	245,027	373,466
Strange/Midkiff Fund	107,594	194,780	302,374
Joe D. Seger Excavation Fund	47,286	91,895	139,181
Stevan B. Dana Scholarship Fund	153,503	319,533	473,036
Lawrence T. Geraty Fund	66,274	166,405	232,679
Herbert Mason Fellowship Fund	18,876	58,033	76,909
Stevan B. Dana #2 Fund	111,545	467,761	579,306
BIPOC Endowment Fund	79,133	278,750	357,883
Stevan B. Dana #3 Fund	174,851	445,239	620,090
Thomas/Bishop Fund	21,623	52,000	73,623
Shepard Endowment	43,444	300,000	343,444
Mary Elizabeth Strange Endowment	174,096	801,700	975,796
Total endowment funds, June 30, 2026	$ 2,558,629	$ 4,851,328	$ 7,409,957

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NOTE F -- NET ASSETS WITH DONOR RESTRICTIONS, HELD UNDER ENDOWMENTS -- Continued

	Subject to Approp'n	Subject to Investment in Perpetuity	Total
Endowment net assets, June 30, 2025	$ 1,612,733	$ 4,230,131	$ 5,842,864
Investment return, net	1,202,742	3,640	1,206,382
Contributions		617,557	617,557
Reclassification of donor-restricted net assets	-	-	-
Appropriation of endowment assets for expenditure*	(256,846)	-	(256,846)
Endowment net assets, June 30, 2026	$ 2,558,629	$ 4,851,328	$ 7,409,957

* The spending policies adopted by ASOR for existing endowments can be applied consistently over time regardless of short-term fluctuations in the market value of the funds. Each policy sets spending rates allowing for long-term growth in the corpus of its corresponding endowment, while also providing funds for ASOR to spend in fulfilling its mission. To prevent erosion of the principal of a fund, if the Quarterly Closing Market Value is less than seventy-five percent (75%) of the fund's historic dollar value, the distribution calculated above will be reduced by fifty percent (50%). For Fiscal Year 2026, there were no quarters in which any endowments were less than 75% of the fund's historic dollar value.

The composition of endowment net assets by fund type is as follows at June 30, 2025:

	Subject to Approp'n	Subject to Investment in Perpetuity	Total
Donor-restricted endowment funds:			
General Endowment	$ 601,783	$ 1,046,832	$ 1,648,615
Harris Fund	56,036	128,271	184,307
Platt Fund	283,641	20,000	303,641
Wright/Meyers Fund	61,115	92,466	153,581
P.E. MacAllister Fund	62,766	132,820	195,586
Eric and Carol Meyers Fund	80,413	228,327	308,740
Strange/Midkiff Fund	69,262	194,780	264,042
Joe D. Seger Excavation Fund	30,156	81,895	112,051
Stevan B. Dana Scholarship Fund	94,207	319,533	413,740
Lawrence T. Geraty Fund	32,070	161,145	193,215
Herbert Mason Fellowship Fund	6,809	57,534	64,343
Stevan B. Dana #2 Fund	41,963	442,276	484,239
BIPOC Endowment Fund	24,753	278,750	303,503
Stevan B. Dana #3 Fund	87,819	445,239	533,058
Thomas/Bishop Fund	13,224	52,000	65,224
Shepard Endowment	11,990	100,000	111,990
Mary Elizabeth Strange Endowment	54,726	448,263	502,989
Total endowment funds, June 30, 2025	$ 1,612,733	$ 4,230,131	$ 5,842,864

NOTE F -- NET ASSETS WITH DONOR RESTRICTIONS, HELD UNDER ENDOWMENTS -- Continued

	Subject to Approp'n	Subject to Investment in Perpetuity	Total
Endowment net assets, June 30, 2024	$ 1,214,573	$ 4,170,239	$ 5,384,812
Investment return, net	648,906	2,142	651,048
Contributions	-	57,750	57,750
Reclassification of donor-restricted net assets	-	-	-
Appropriation of endowment assets for expenditure*	(250,746)	-	(250,746)
Endowment net assets, June 30, 2025	$ 1,612,733	$ 4,230,131	$ 5,842,864

* The spending policies adopted by ASOR for existing endowments can be applied consistently over time regardless of short-term fluctuations in the market value of the funds. Each policy sets spending rates allowing for long-term growth in the corpus of its corresponding endowment, while also providing funds for ASOR to spend in fulfilling its mission. To prevent erosion of the principal of a fund, if the Quarterly Closing Market Value is less than seventy-five percent (75%) of the fund's historic dollar value, the distribution calculated above will be reduced by fifty percent (50%). For Fiscal Year 2025, there were no quarters in which any endowments were less than 75% of the fund's historic dollar value.

NOTE G -- FAIR VALUE MEASUREMENTS

ASOR applies GAAP for fair value measurements of financial assets and liabilities that are recognized or disclosed at fair value in the financial statements on a recurring basis. GAAP defines fair value 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. GAAP also establishes a framework for measuring fair value and expands disclosures about fair value measurements.

FASB ASC 820-10 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of observable inputs other than quoted prices for identical assets, and Level 3 inputs have the lowest priority.

The following represents assets measured at fair value on a recurring basis by ASOR at June 30, 2026 and 2025:

	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
June 30, 2026				
Cash equivalents:				
Money market funds	$ 502,177	$ 502,177	$ -	$ -
Brokered certificates of deposit	500,070	500,070	-	-
Investments, excluding cash held by brokers	8,353,468	8,353,468	-	-
Total	$ 9,355,715	$ 9,355,715	$ -	$ -

NOTE G -- FAIR VALUE MEASUREMENTS -- Continued

	Fair Value	(Level 1)	(Level 2)	(Level 3)
June 30, 2025				
Cash equivalents:				
Money market funds	$ 458,125	$ 458,125	$ -	$ -
Brokered certificates of deposit	850,913	850,913	-	-
Investments, excluding cash held by brokers	6,665,638	6,665,638	-	-
Total	$ 7,974,676	$ 7,974,676	$ -	$ -

Level 1: Cash equivalents include money market funds (non-sweep) and brokered certificates of deposit, all of which are held in an operating account with Charles Schwab and are reported at fair value based on quoted market prices. Investments include money market funds (non-sweep), U.S. Treasury bills, brokered certificates of deposit, mutual funds, and exchange-traded funds, all of which are reported at fair value based on quoted market prices and are held by Charles Schwab. Refer also to *Note C--Investments.*

At June 30, 2026 and 2025, ASOR had no assets or liabilities classified within Level 2 or Level 3 of the fair value hierarchy.

NOTE H -- SIGNIFICANT CONCENTRATIONS

ASOR maintains one of its primary operating accounts with Charles Schwab. The account balance consists of cash, money market funds (non-sweep), and brokered certificates of deposit. *Cash and cash equivalents* at June 30, 2026 includes approximately $1,300,956 held in the Charles Schwab operating account. Cash of $298,709 and Schwab Government Money Fund holdings of $502,177 are primarily unsecured. Money market funds are considered cash equivalents, since readily convertible to cash. Brokered certificates of deposit (CDs) have a fair value of $500,070 and are FDIC-insured by the issuing banks. CDs valued at $249,975 (with interest at 3.95%) and $250,095 (with interest at 4.10%) mature on December 31, 2026 and June 25, 2027, respectively. ASOR considers CDs held in its primary operating account with Charles Schwab to be cash equivalents, since convertible to cash with only minimal risk of loss. ASOR also maintains an operating account with Truist. At June 30, 2026, no bank holdings exceeded federally insured limits.

Investments at June 30, 2026, are held by Charles Schwab and are primarily unsecured. Certain coverage may be provided by the Security Investors Protection Corporation (SIPC) 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. However, SIPC does not ensure the quality of investments or protect against losses from fluctuating market values. Refer also to *Note C--Investments*.

Federal grant support of $95,114 and $303,913 was provided by the Department of State (DOS) for use in connection with ASOR's Cultural Heritage Initiatives program for the years ended June 30, 2026 and 2025, respectively.

NOTE I -- 401(k) RETIREMENT PLAN

ASOR sponsors a 401(k) retirement plan on behalf of its employees. Non-excluded employees may make deferrals to the plan upon attaining age 21 and completing a Year of Eligibility Service. ASOR is required to make Safe Harbor Nonelective Contributions equal to 6% of compensation of eligible participants based on each payroll period. Safe Harbor Nonelective Contributions to the plan totaled $53,406 and $45,539 for the years ended June 30, 2026 and 2025, respectively. The plan also provides for discretionary, nonelective employer contributions on behalf of employees who have attained age 21, completed a Year of Service, and are employed on the last day of the plan year (December 31). For each plan year, ASOR may contribute an amount to be determined from year to year, and that amount may vary for each pre-determined allocation group. ASOR made discretionary, nonelective contributions of $7,831 and $7,619 for the plan years ended December 31, 2025 and 2024, respectively.

NOTE J -- COMMITMENTS AND CONTINGENCIES (including subsequent events)

Commitments: At June 30, 2026, ASOR had contractual commitments with host venues for its 2026 Annual Meeting in Chicago with 50% attrition, for its 2027 Annual Meeting in Crystal City, Virginia with 75% attrition, and for its 2028 Annual Meeting in Boston with 50% attrition. In addition to requiring minimum commitments from ASOR, the contracts also provide for certain cancellation fees. Management continues to utilize available measures to mitigate risk in this regard.

ASOR subsequently entered into contracts for renovations to the first floor of the Strange Center. The renovations are expected to be completed by January 31, 2027, with contract costs, including architectural fees, expected to be covered by the Strange Center renovations fund (which had a balance of $196,426 at June 30, 2026).

Financial Assistance: Financial assistance from various awarding agencies is subject to special audit. Such audits could result in claims against ASOR for disallowed costs or noncompliance with grantor restrictions. Management is not aware of disallowable costs or instances of noncompliance with grantor restrictions; consequently, no provision has been made for liabilities that may arise from such audits.

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 donor. Management is not aware of instances of noncompliance with donor restrictions; consequently, no provision has been made for liabilities that may arise from such.

Complaints Filed: In 2023 and 2025, ASOR received two separate complaints from law firms about possible copyright infringements involving images on ASOR's website. ASOR's pro-bono law firm represented ASOR. The complaints were resolved in Fiscal 2027 for damages of $6,247.

NOTE K -- RELATED PARTY TRANSACTIONS

The accompanying financial statements include only ASOR's accounts. The financial statements do not include ASOR's affiliates, the William Foxwell Albright Institute of Archaeological Research in Jerusalem and the Cyprus American Archaeological Research Institute, Inc. (CAARI) in Nicosia, Cyprus.

ASOR allows (American Center of Research) ACOR and CAARI to use office space in the United States that ASOR owns. ACOR and CAARI were charged approximately $9,700 and $13,400 for use of the building, utilities, and postage for the years ended June 30, 2026 and 2025, respectively.

Members of the ASOR Board of Trustees contributed approximately $163,000 and $215,000 to ASOR for the years ended June 30, 2026 and 2025, respectively. The spouse of a Board member received contractor payments from ASOR of approximately $5,950 during the year ended June 30, 2026, and salary and benefits of approximately $45,585 during the year ended June 30, 2025, for Cultural Heritage Initiatives work.

NOTE L -- SUBSEQUENT EVENTS

Management has evaluated subsequent events through November 11, 2026, the date on which the financial statements were available to be issued. No further adjustments to or disclosures in the financial statements are considered necessary.