

Financial Statements and Supplementary
Schedule Together with
Report of Independent Certified Public Accountants

**AMERICAN COMMITTEE FOR THE WEIZMANN
INSTITUTE OF SCIENCE, INC.**

June 30, 2012 and 2011

AMERICAN COMMITTEE FOR THE WEIZMANN INSTITUTE OF SCIENCE, INC.

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors of

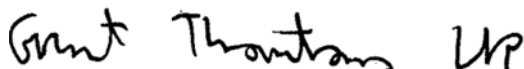
American Committee for the Weizmann Institute of Science, Inc.:

We have audited the accompanying statement of financial position of American Committee for the Weizmann Institute of Science, Inc. (the “Organization”) as of June 30, 2012, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Organization’s management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from the Organization’s fiscal 2011 financial statements and, in our report dated February 7, 2012, we expressed an unqualified opinion on those financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America established by the American Institute of Certified Public Accountants. 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 also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, 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 Committee for the Weizmann Institute of Science, Inc. as of June 30, 2012, and the changes in its net assets and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplementary schedule included on Page 19 is presented for 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. These additional procedures included comparing and reconciling 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 established by the American Institute of Certified Public Accountants. In our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



New York, New York
December 21, 2012

**AMERICAN COMMITTEE FOR THE WEIZMANN
INSTITUTE OF SCIENCE, INC.**
Statements of Financial Position
As of June 30, 2012 and 2011
(000's omitted)

	<u>2012</u>	<u>2011</u>
ASSETS		
Cash and cash equivalents	\$ 8,764	\$ 7,633
Pledges and legacies receivable, net (Note 3)	106,961	120,675
Other assets	2,646	3,205
Investments (Note 4)	465,284	466,680
Office condominium, furniture and equipment, net (Note 5)	<u>8,301</u>	<u>8,351</u>
Total assets	<u>\$ 591,956</u>	<u>\$ 606,544</u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accrued expenses and other liabilities	\$ 3,750	\$ 4,039
Due to affiliate (Note 4)	2,486	2,505
Annuity payment liability	10,103	10,320
Loan payable (Note 7)	<u>8,830</u>	<u>8,830</u>
Total liabilities	<u>25,169</u>	<u>25,694</u>
Commitments and contingencies (Note 8)		
NET ASSETS (DEFICIT)		
Unrestricted	(23,834)	(18,326)
Temporarily restricted (Note 9)	135,839	152,774
Permanently restricted (Note 10)	<u>454,782</u>	<u>446,402</u>
Total net assets	<u>566,787</u>	<u>580,850</u>
Total liabilities and net assets	<u>\$ 591,956</u>	<u>\$ 606,544</u>

The accompanying notes are an integral part of these statements.

AMERICAN COMMITTEE FOR THE WEIZMANN INSTITUTE OF SCIENCE, INC.

Statement of Activities

For the year ended June 30, 2012, with comparative totals for 2011
(000's omitted)

	2012			2011 Total	
	Unrestricted	Temporarily Restricted	Permanently Restricted		Total
REVENUES					
Contributions, exclusive of \$2,155 and \$3,370 in 2012 and 2011, respectively, sent directly to the Weizmann Institute of Science from U.S. donors, net of special events expenses of \$78 and \$1,130 in 2012 and 2011, respectively	\$ 7,613	\$ 23,071	\$ 4,875	\$ 35,559	\$ 27,545
Legacies and bequests, exclusive of \$833 and \$196 in 2012 and 2011, respectively, sent directly to the Weizmann Institute of Science from U.S. donors	3,047	8,200	3,505	14,752	15,753
Government and other grants, exclusive of \$3,330 and \$4,869 in 2012 and 2011, respectively, sent directly to the Weizmann Institute of Science from U.S. donors	175	272	-	447	1,852
Investment income	(388)	3,519	-	3,131	3,510
State of Israel incentive interest	-	3,318	-	3,318	3,318
Net realized and unrealized gains on investments	718	(3,768)	-	(3,050)	64,316
Net assets released from restrictions	<u>51,547</u>	<u>(51,547)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>62,712</u>	<u>(16,935)</u>	<u>8,380</u>	<u>54,157</u>	<u>116,294</u>
EXPENSES					
Program services in support of the Weizmann Institute of Science (including transmissions to the Institute of \$53,296 and \$53,700 in 2012 and 2011, respectively)	53,433	-	-	53,433	53,890
Supporting services:					
Management and general	3,325	-	-	3,325	3,027
Fundraising	9,883	-	-	9,883	10,817
Public information	<u>1,577</u>	<u>-</u>	<u>-</u>	<u>1,577</u>	<u>952</u>
Total expenses	<u>68,218</u>	<u>-</u>	<u>-</u>	<u>68,218</u>	<u>68,686</u>
Change in net assets	(5,506)	(16,935)	8,380	(14,061)	47,608
Net assets, beginning of year	<u>(18,328)</u>	<u>152,774</u>	<u>446,402</u>	<u>580,848</u>	<u>533,242</u>
Net assets, end of year	<u>\$ (23,834)</u>	<u>\$ 135,839</u>	<u>\$ 454,782</u>	<u>\$ 566,787</u>	<u>\$ 580,850</u>

The accompanying notes are an integral part of this statement.

**AMERICAN COMMITTEE FOR THE WEIZMANN
INSTITUTE OF SCIENCE, INC.**

Statements of Cash Flows

For the years ended June 30, 2012 and 2011

(000's omitted)

	<u>2012</u>	<u>2011</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (14,061)	\$ 47,608
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	347	369
Change in the discount and allowance on pledges and legacies receivable	(1,216)	(3,110)
Net realized and unrealized loss (gains) on investments	3,050	(64,316)
Permanently restricted contributions, legacies, and bequests	(8,380)	(16,022)
Changes in assets and liabilities:		
Pledges and legacies receivable	(3,766)	17,158
Other assets	559	421
Accrued expenses and other liabilities	(289)	332
Due to affiliate	(19)	115
Annuity payment liability	(217)	284
Net cash used in operating activities	<u>(23,992)</u>	<u>(17,161)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of furniture and equipment	(297)	(443)
Proceeds from sale of investments	60,500	48,020
Purchases of investments	(62,156)	(47,045)
Net cash (used in) provided by investing activities	<u>(1,953)</u>	<u>532</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Permanently restricted contributions, legacies, and bequests	8,380	16,022
Change in permanently restricted pledges and legacies receivable	18,696	2,663
Net cash provided by financing activities	<u>27,076</u>	<u>18,685</u>
Net increase (decrease) in cash	1,131	2,056
Cash, beginning of year	<u>7,633</u>	<u>5,577</u>
Cash, end of year	<u>\$ 8,764</u>	<u>\$ 7,633</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid during the year for		
Interest	<u>\$ 521</u>	<u>\$ 521</u>

The accompanying notes are an integral part of these statements.

**AMERICAN COMMITTEE FOR THE WEIZMANN
INSTITUTE OF SCIENCE, INC.**
Notes to Financial Statements
June 30, 2012

1. ORGANIZATION

The American Committee for the Weizmann Institute of Science, Inc. (the “Organization”) was incorporated in New York in 1944. The primary objective of the Organization is to promote, encourage, and advance scientific research and graduate study at the Weizmann Institute of Science (the “Institute”), a world-renowned, scientific research center located in Rehovot, Israel.

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and is designated as a publicly supported organization.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting.

Basis of Presentation

The Organization’s net assets and revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified and reported as follows:

Unrestricted Net Assets - Net assets that are not subject to donor-imposed stipulations. Unrestricted net assets include those net assets which have been designated by the Board of Directors for specific purposes as well as undesignated amounts.

Temporarily Restricted Net Assets - Net assets subject to donor-imposed stipulations that will be met either by actions of the Organization and/or the passage of time.

Permanently Restricted Net Assets - Net assets subject to donor-imposed stipulations that will be maintained permanently. Generally, the donors of these assets permit the use of all or part of the income earned on related investments for general or specific purposes.

Comparative Totals

The 2012 financial statements are presented with prior year summarized comparative information. With respect to the statement of activities, such information is presented 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 (“US GAAP”). Accordingly, such information should be read in conjunction with the Organization’s financial statements as of and for the year ended June 30, 2011, from which the summarized information was derived. In addition, certain 2011 balances have been reclassified to conform to the 2012 presentation.

AMERICAN COMMITTEE FOR THE WEIZMANN INSTITUTE OF SCIENCE, INC.

Notes to Financial Statements

June 30, 2012

Use of Estimates

The preparation of financial statements in conformity with US GAAP, 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.

Cash and Cash Equivalents

The Organization classifies deposits in banks and money market accounts with original maturities of three months or less as cash equivalents, excluding cash and cash equivalents available for long-term investment, which are included within investments in the accompanying statements of financial position.

Contributions, Pledges and Legacies Receivable

Contributions, including unconditional promises to give (pledges), are reported as revenues in the period received or pledged. Contributions with purpose or time restrictions (defined by management as unrestricted amounts not yet due) are reported as increases in temporarily restricted net assets. When the purpose and/or time restrictions are met, the temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Contributions subject to donor-imposed restrictions that the corpus be maintained permanently are recognized as increases in permanently restricted net assets.

Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value.

Unconditional promises to give are recorded as contributions at their net present value, less an allowance for uncollectible pledges. Pledges receivable are discounted at credit adjusted rates ranging from .19% to 7.1% in 2012 and 0.19% to 7.2% in 2011. Amortization of the discount is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions. Legacies are recorded when the will is declared valid and amounts to be received can be reasonably estimated.

Investments and Investment Income

FASB issued fair value guidance that requires additional disclosures. The guidance requires entities to disclose transfers of assets in and out of Levels 1 and 2 of the fair value hierarchy and the reasons for those transfers. The standard was effective for the Organization's fiscal 2011 financial statements. In addition, the guidance requires separate presentation of purchases and sales in the Level 3 asset reconciliation; this was effective for the Organization's fiscal 2011 financial statements. The Organization's investments consist principally of its interest in the Weizmann Global Endowment Fund, L.P., as further discussed in Note 4. Other investments are carried principally at fair value determined by quoted market prices.

**AMERICAN COMMITTEE FOR THE WEIZMANN
INSTITUTE OF SCIENCE, INC.**
Notes to Financial Statements
June 30, 2012

Charitable Gift Annuities and Charitable Remainder Trusts

The Organization enters into agreements with donors to accept and administer charitable gift annuities, which provide for payments to the donors or their beneficiaries based upon specified annuity amounts. Assets held under charitable gift annuities are included in investments. Contribution revenue is recognized at the date the annuity contract is established after recording the liability for the present value of the estimated future payments expected to be made to the donor and/or beneficiary. The liabilities are adjusted annually for changes in the life expectancy of the donor or beneficiary, amortization of the discount, and other changes in the estimates of future payments.

The Organization is the beneficiary of certain charitable remainder trusts that are held and administered by others. The present value of the estimated future cash receipts from these trusts is recognized as an asset and as a contribution when the Organization is notified that the trust has been established.

At June 30, 2012 and 2011, the Organization's annuity payment liabilities were classified as Level 3 within the fair value hierarchy (see Note 4).

The following table summarizes the changes in the Organization's Level 3 annuity payment liability balances for the years ended June 30, 2012 and 2011 (000's omitted):

	Charitable Gift Annuities and Remainder Trusts
Balance at June 30, 2010	\$ 10,036
New agreements	659
Payments to annuitants	(1,510)
Terminated agreements	(331)
Change in fair value of annuities payable	<u>1,466</u>
Balance at June 30, 2011	10,320
New agreements	449
Payments to annuitants	(1,499)
Terminated agreements	(284)
Change in fair value of annuities payable	<u>1,117</u>
Balance at June 30, 2012	<u>\$ 10,103</u>

Income Taxes

US GAAP requires that a tax position be recognized or derecognized based on a "more likely than not" threshold. This applies to positions taken or expected to be taken in a tax return. The Organization does not believe its financial statements include any uncertain tax positions for the open tax years. The earliest tax period for which statutes of limitation are open is June 30, 2009.

AMERICAN COMMITTEE FOR THE WEIZMANN INSTITUTE OF SCIENCE, INC.

Notes to Financial Statements

June 30, 2012

Office Condominium, Furniture, and Equipment

Furniture and equipment are stated at cost and are being depreciated on a straight-line basis over a range of three to ten years. The office condominium, purchased in 2004, is stated at cost and is being depreciated on the straight-line method over 40 years.

Functional Allocation of Expenses

The costs of providing the various programs and other activities of the Organization 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.

Transmissions

All transmissions made to the Institute for its various projects are made pursuant to authorization by the Executive Committee of the board of directors of the Organization.

Concentrations of Credit Risk

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash and cash equivalents and investments in fixed income funds, equity funds, and alternative investments. The Organization maintains its cash and cash equivalents in various bank accounts that, at times, may exceed federally insured limits. The Organization's cash accounts were placed with high credit quality financial institutions. The Organization has not experienced, nor does it anticipate, any losses in such accounts.

3. PLEDGES AND LEGACIES RECEIVABLE, NET

At June 30, 2012 and 2011, pledges and legacies receivable consisted of the following (000's omitted):

<u>Amount Due</u>	<u>2012</u>	<u>2011</u>
Within one year	\$ 17,369	\$ 29,713
One to five years	36,103	45,478
More than five years	<u>89,088</u>	<u>82,299</u>
	142,560	157,490
Less:		
Allowance for uncollectible receivables	(10,501)	(8,603)
Discount to present value	<u>(25,098)</u>	<u>(28,212)</u>
	<u>\$ 106,961</u>	<u>\$ 120,675</u>

The Organization is the ultimate beneficiary of certain irrevocable charitable remainder trusts. The value of those trusts is approximately \$12,042,000 and \$13,100,000 as of June 30, 2012 and 2011, respectively, and is included above in gross receivables.

**AMERICAN COMMITTEE FOR THE WEIZMANN
INSTITUTE OF SCIENCE, INC.**
Notes to Financial Statements
June 30, 2012

At June 30, 2012, the Organization's beneficial interests in its irrevocable charitable remainder trusts were classified as Level 3 within the fair value hierarchy.

The following table summarizes the changes in the Organization's Level 3 irrevocable charitable remainder trusts for the years ended June 30, 2012 and 2011 (000's omitted):

	Third Party Trusts
Balance at June 30, 2010	\$ 11,700
New agreements	1,402
Terminated agreements	(623)
Change in value due to actuarial valuations	(6)
Unrealized appreciation in fair value and distribution of trust assets	<u>627</u>
Balance at June 30, 2011	13,100
New agreements	-
Terminated agreements	(857)
Change in value due to actuarial valuations	83
Unrealized appreciation in fair value and distribution of trust assets	<u>(284)</u>
Balance at June 30, 2012	<u>\$ 12,042</u>

Approximately 39% and 37% of the pledges receivable (gross) are due from five donors at June 30, 2012 and 2011, respectively.

4. INVESTMENTS

Investments, at fair value, are composed of the following at June 30, 2012 and 2011 (000's omitted):

	2012	2011
Common stock	\$ 98	\$ 52
Money market funds	65	356
Fixed income	1,537	1,545
Mutual funds	679	851
Fund of funds that invest in equity	8,390	9,122
Fund of funds that invest in bonds	5,468	5,309
Weizmann Global Endowment Fund, L.P.	448,542	448,973
Other	<u>505</u>	<u>472</u>
	<u>\$ 465,284</u>	<u>\$ 466,680</u>

**AMERICAN COMMITTEE FOR THE WEIZMANN
INSTITUTE OF SCIENCE, INC.**
Notes to Financial Statements
June 30, 2012

Fair Value Measurements

Fair value is the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. As required by US GAAP for fair value measurement, the Organization uses a fair value hierarchy that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the observable inputs be used when available.

Observable inputs are inputs that market participants would use in pricing the asset or liability based on market data obtained from independent sources. Unobservable inputs reflect assumptions that market participants would use in pricing the asset or liability based on the best information available in the circumstances. The hierarchy is broken down into three levels based on the transparency of inputs as follow:

- Level 1 - Quoted prices are available in active markets for identical assets or liabilities. A quoted price for an identical asset or liability in an active market provides the most reliable fair value measurement because it is directly observable to the market.
- Level 2 - Pricing inputs other than quoted prices in active markets, which are either directly or indirectly observable. The nature of these securities include investments for which quoted prices are available but traded less frequently and investments that are fair valued using other securities, the parameters of which can be directly observed. Also included in Level 2 are investments measured using a net asset value (“NAV”) per share, or its equivalent, that may be redeemed at that NAV at the date of the statement of financial position or in the near term, which is generally considered to be within 90 days.
- Level 3 - Securities that have little to no observable pricing. These securities are measured using management’s best estimate of fair value, where the inputs into the determination of fair value are not observable and require significant management judgment or estimation. Also included in Level 3 are investments measured using a NAV per share, or its equivalent, that can never be redeemed at the NAV or for which redemption at NAV is uncertain due to lockup periods or other investment restrictions.

Inputs are used in applying the various valuation techniques and broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad credit data, liquidity statistics, and other factors. A financial instrument’s level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. However, the determination of what constitutes “observable” requires significant judgment by the Organization. The Organization considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. The categorization of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the Organization’s perceived risk of that instrument.

**AMERICAN COMMITTEE FOR THE WEIZMANN
INSTITUTE OF SCIENCE, INC.**
Notes to Financial Statements
June 30, 2012

The following table summarizes investments within the fair value hierarchy as of June 30, 2012 and 2011 (000's omitted):

	2012			
	Level 1	Level 2	Level 3	Total
Common stock	\$ 98	\$ -	\$ -	\$ 98
Money market funds	65	-	-	65
Fixed income	-	1,537	-	1,537
Mutual funds	679	-	-	679
Fund of funds the invest in equity	-	8,390	-	8,390
Fund of funds the invest in bonds	-	5,468	-	5,468
Weizmann Global Endowment Fund, L.P.	-	-	448,542	448,542
Other	-	-	505	505
Total	<u>\$ 842</u>	<u>\$ 15,395</u>	<u>\$ 449,047</u>	<u>\$ 465,284</u>

	2011			
	Level 1	Level 2	Level 3	Total
Common stock	\$ 52	\$ -	\$ -	\$ 52
Money market funds	356	-	-	356
Fixed income	-	1,545	-	1,545
Mutual funds	851	-	-	851
Fund of funds the invest in equity	-	9,122	-	9,122
Fund of funds the invest in bonds	-	5,309	-	5,309
Weizmann Global Endowment Fund, L.P.	-	-	448,973	448,973
Other	-	-	472	472
Total	<u>\$ 1,259</u>	<u>\$ 15,976</u>	<u>\$ 449,445</u>	<u>\$ 466,680</u>

As required by US GAAP for fair value measurement, the following table summarizes the changes in fair values associated with Level 3 assets as of June 30, 2012 and 2011 (000's omitted):

Balance as of June 30, 2010	\$ 388,274
Purchases	41,351
Sales	(43,674)
Unrealized and realized gains, net	<u>63,494</u>
Balance as of June 30, 2011	449,445
Purchases	26,847
Sales	(25,681)
Unrealized and realized gains(losses), net	<u>(1,564)</u>
Balance as of June 30, 2012	<u>\$ 449,047</u>

**AMERICAN COMMITTEE FOR THE WEIZMANN
INSTITUTE OF SCIENCE, INC.**
Notes to Financial Statements
June 30, 2012

The Organization used the NAV or its equivalent to determine the fair value of all the underlying investments which (a) do not have a readily determinable fair value and (b) prepare their financial statements consistent with the measurement principles of an investment company or have the attributes of an investment company.

Investments valued at NAV or its equivalent as of June 30, 2012, consisted of the following:

<u>Investment description</u>	<u>Strategy</u>	<u># of Funds</u>	<u>NAV in Funds</u>	<u>Redemption Restrictions/ Liquidity Provisions</u>
Weizmann Global Endowment Fund, L.P.	Long-term capital growth through investments in a diversified portfolio	1	\$ 448,542,000	Redemptions permitted monthly with restrictions
Fund of funds that invest in equity	Approximate overall performance of MSCI EAFE Index, MSCI Emerging Markets Index, Russel 2000 Index, S&P MidCap 400 Index and Dow Jones U.S. Total Stock Market Index	10	8,390,800	Redemptions permitted daily
Fund of funds that invest in bonds	Approximate overall performance of Barclays Capital U.S. Aggregate Bond Index, U.S. Corporate High Yield 2% Issuer Cap Index and U.S. Treasury Inflation Protected Securities Index	3	5,468,000	Redemptions permitted daily

Investments valued at NAV or its equivalent as of June 30, 2011, consisted of the following:

<u>Investment description</u>	<u>Strategy</u>	<u># of Funds</u>	<u>NAV in Funds</u>	<u>Redemption Restrictions/ Liquidity Provisions</u>
Weizmann Global Endowment Fund, L.P.	Long-term capital growth through investments in a diversified portfolio	1	\$ 448,973,000	Redemptions permitted monthly with restrictions
Fund of funds that invest in equity	Approximate overall performance of MSCI EAFE Index, MSCI Emerging Markets Index, Russel 2000 Index, S&P MidCap 400 Index and Dow Jones U.S. Total Stock Market Index	11	9,122,000	Redemptions permitted daily
Fund of funds that invest in bonds	Approximate overall performance of Barclays Capital U.S. Aggregate Bond Index, U.S. Corporate High Yield 2% Issuer Cap Index and U.S. Treasury Inflation Protected Securities Index	4	5,309,000	Redemptions permitted daily

The above funds have no unfunded commitments as of June 30, 2012 and 2011.

AMERICAN COMMITTEE FOR THE WEIZMANN INSTITUTE OF SCIENCE, INC.

Notes to Financial Statements

June 30, 2012

The Weizmann Global Endowment Fund, L.P. (the “Fund”) was formed on November 6, 2002 with the purpose of enabling the Institute and its affiliates to invest on a coordinated basis. The Organization is a limited partner in the Fund. The investment objective of the Fund is to achieve long-term capital growth through investments in a diversified portfolio and to achieve a competitive return over a complete market cycle by allocating the Fund’s assets among third-party investment advisers (investment subadvisers) employing a variety of strategies.

At June 30, 2012 and 2011, the Fund’s net assets, in which the Organization held approximately a 23% and 26% interest, respectively (Note: This share changes as the Organization and other Institute affiliates make contributions or withdrawals from the Fund), were as follows (000’s omitted):

	2012		2011	
	Total	The Organization’s Interest	Total	The Organization’s Interest
Cash and cash equivalents	\$ 72,160	\$ 16,357	\$ 42,927	\$ 11,145
Fixed income securities	383,805	87,002	332,623	86,360
Nonregistered investment companies	1,104,157	250,293	999,107	259,400
Common stocks	384,608	87,184	290,909	75,529
Other	35,400	8,025	64,125	16,649
Total liabilities	(1,407)	(319)	(423)	(110)
Net assets	\$ 1,978,723	\$ 448,542	\$ 1,729,268	\$ 448,973

The Fund’s investments in common stocks and fixed-income securities are stated at fair value. Fair value of exchange-listed securities is determined by the last sales price on the valuation date. Fixed income securities (other than short-term obligations but including listed issues), are valued based on prices obtained by one or more independent pricing services. Pricing services use a matrix, formula, or other objective methods that take into consideration market indices and yield curves and other specific adjustments.

Mutual funds are valued based on published net asset values. Investment transactions are accounted for on the trade-date basis. Investment income is accounted for on the accrual basis; dividend income is recorded on the ex-dividend date. Realized gains and losses from securities transactions are computed on the average-cost basis and are reported in the statement of activities, net of approximately \$1,100,000 and \$1,000,000 of the Organization’s share of related expenses (including the Fund’s operating expenses, subadviser and custodian fees and taxes) for the years ended June 30, 2012 and 2011, respectively.

The Fund’s investments in non-registered investment companies are carried at fair value as determined by the General Partner and generally represent the Fund’s pro rata interest in the net assets of each non-registered investment company. All valuations utilize financial information supplied by each investment company and are net of management and performance incentive fees or other expenses payable to the investment company managers as required by the investment company agreements.

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As a general matter, the fair value of the Fund's investments in non-registered investment companies represents the amount that the Fund can reasonably expect to receive if the Fund's investments were redeemed at the time of valuation based on information reasonably available at the time. The non-registered investment companies provide for periodic redemptions ranging from quarterly to three-year lock-up, except for private equity funds and illiquid shares that cannot be redeemed until the underlying investments are liquidated. Non-registered investment companies generally require advance notice of the Fund's intent to redeem its interest, and may, depending on the non-registered investment company's governing agreements, deny or delay a redemption request. The underlying investments of each non-registered investment company are accounted for at fair value as described in each investment company's financial statements.

The Organization's board of directors has authorized a policy permitting the use of total return at a rate of 5.25% and 5.50% of the fair value of the permanently restricted net assets based on the average of the twelve quarters ended June 30, 2012 and 2011, respectively, for distribution to fund expenditures in accordance with donor restrictions. This policy is designed to preserve the value of these funds in real terms (after inflation) and to provide a predictable flow of funds to support operations.

Investments include amounts held on behalf of the Feinberg Graduate School of the Institute of approximately \$2,500,000 as of June 30, 2012 and 2011, respectively, which are reported as due to affiliate in the statements of financial position, as well as amounts associated with charitable gift annuities of approximately \$15,500,000 and \$16,300,000 as of June 30, 2012 and 2011, respectively.

5. OFFICE CONDOMINIUM, FURNITURE AND EQUIPMENT, NET

Office condominium, furniture, and equipment, net consisted of the following at June 30, 2012 and 2011 (000's omitted):

	<u>2012</u>	<u>2011</u>
Office condominium	\$ 9,256	\$ 9,256
Furniture and equipment	<u>1,890</u>	<u>1,705</u>
	11,146	10,961
Less: Accumulated depreciation	<u>(2,960)</u>	<u>(2,725)</u>
	8,186	8,236
Art collection	<u>115</u>	<u>115</u>
	<u>\$ 8,301</u>	<u>\$ 8,351</u>

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6. PENSION PLAN

The Organization has a defined contribution pension plan which covers substantially all of its employees. Contributions to this plan amounted to approximately \$637,000 and \$693,000 for the years ended June 30, 2012 and 2011, respectively and are based on 9% of an employee's compensation.

7. LOAN PAYABLE

On April 2, 2004, the New York City Industrial Development Agency issued \$8,830,000 of Civic Facility Revenue Bonds (Series A and B) on behalf of the Organization. The proceeds of the Bonds were used to finance the acquisition and renovation of the Organization's principal office, a condominium unit located on the 20th floor at 633 Third Avenue, New York, NY, as well as to finance certain issuance costs.

The deferred bond issuance costs of \$325,000 are being amortized over the lives of the bonds, which are 30 years.

Interest on the Bonds is payable quarterly at an annual rate of 5.9%. The Bonds are subject to mandatory redemption by the Organization according to a schedule of annual sinking fund installments commencing on November 1, 2015, and the final payment is due on November 1, 2034. Interest expense for the years ended June 30, 2012 and 2011 totaled \$533,000 per annum.

The Bonds were issued under an Indenture of Trust dated April 1, 2004 by and between the Organization and The Bank of New York, as Trustee, which created a lien on all moneys and securities held by the Trustee for the holders of the Bonds. As further security for the Bonds, the payment of the principal, sinking fund installments, and interest on the Bonds is guaranteed by the Organization pursuant to a Guaranty Agreement, and the Organization assigned to the Trustee certain rights and remedies under the Installment Sale Agreement. The Bonds are further secured by mortgage liens on and security interests in the Organization's principal office.

8. COMMITMENTS AND CONTINGENCIES

At June 30, 2012, the Organization was obligated under non-cancelable operating leases relating to office space through 2016. The minimum future annual commitments under operating leases at June 30, 2012 are summarized as follows (000's omitted):

<u>Year ending June 30:</u>	<u>Amount</u>
2013	\$ 271
2014	162
2015	107
2016	10
	<u>\$ 550</u>

Rent expense for the years ended June 30, 2012 and 2011 amounted to approximately \$415,000 and \$428,000, respectively.

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9. TEMPORARILY AND PERMANENTLY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purposes at June 30, 2012 and 2011 (000's omitted):

	<u>2012</u>	<u>2011</u>
Purpose restrictions	\$ 124,924	\$ 140,063
Time restrictions	<u>10,915</u>	<u>12,711</u>
	<u>\$ 135,839</u>	<u>\$ 152,774</u>

The purpose-restricted net assets referred to above and the income from permanently restricted net assets at June 30, 2012 and 2011 are available principally for scientific research projects, professorial chairs, scholarships and fellowships, exchange programs, and youth activities.

10. ENDOWMENT

The New York Prudent Management of Institutional Funds Act ("NYPMIFA") was enacted in September 2010. NYPMIFA applies to all the institutional funds of the Organization, unless the donor has specifically directed otherwise. The law updates prior rules regarding investment conduct, expenditure of funds, delegation of management and investment, and release or modification of restrictions. The most significant change made by the new law is the elimination of the concept of "historic dollar value" for endowment funds. Under NYPMIFA, a detailed prudence standard governs appropriation from endowment funds, and there is no longer a requirement to maintain historic dollar value.

As a result of this interpretation, the Organization classifies as permanently restricted net assets (a) the original value of the gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by NYPMIFA. In accordance with NYPMIFA, the Board of Directors considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purpose of the Organization and the donor-restricted endowment fund
- General economic conditions
- The possible effects of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Organization
- The investment policies of the Organization
- Where appropriate, alternatives to spending from donor-restricted endowment funds and the possible effects on the Organization

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Annual spending from the endowment funds is described in Note 4.

Endowment net asset composition by type of fund as of June 30, 2012 and 2011 follows:

Endowment net asset composition by type of fund as of June 30, 2012	Unrestricted Restricted	Temporarily Restricted	Permanently Restricted	Total
Board-designated endowment funds	\$ 22,156	\$ -	\$ -	\$ 22,156
Donor-restricted endowment funds	-	61,832	454,782	516,614
Total endowment funds	<u>\$ 22,156</u>	<u>\$ 61,832</u>	<u>\$ 454,782</u>	<u>\$ 538,770</u>
Endowment net asset composition by type of fund as of June 30, 2011	Unrestricted Restricted	Temporarily Restricted	Permanently Restricted	Total
Board-designated endowment funds	\$ 7,738	\$ -	\$ -	\$ 7,738
Donor-restricted endowment funds	-	82,971	446,402	529,373
Total endowment funds	<u>\$ 7,738</u>	<u>\$ 82,971</u>	<u>\$ 446,402</u>	<u>\$ 537,111</u>

Changes in endowment net assets for fiscal years 2012 and 2011 are as follows (000's omitted):

	2012			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning of the year	\$ 7,738	\$ 82,971	\$ 446,402	\$ 537,111
Contributions and bequests	6,782	-	8,380	15,162
Appropriation of endowment assets for expenditure	(809)	(22,392)	-	(23,201)
Interest and dividends	102	3,576	-	3,678
Net realized and unrealized gains/(losses)	(200)	(2,323)	-	(2,523)
Other, primarily net assets released from restrictions and reclassifications	8,543	-	-	8,543
Endowment net assets, end of year	<u>\$ 22,156</u>	<u>\$ 61,832</u>	<u>\$ 454,782</u>	<u>\$ 538,770</u>

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	2011			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning of the year	\$ 39,970	\$ 6,477	\$ 432,794	\$ 479,241
Reclassification of net assets due to change in law	<u>(39,970)</u>	<u>39,970</u>	<u>-</u>	<u>-</u>
Endowment net assets after reclassification	-	46,447	432,794	479,241
Contributions and bequests	5,816	-	25,659	31,475
Appropriation of endowment assets for expenditure	-	(25,013)	-	(25,013)
Interest and dividends	-	3,053	-	3,053
Net realized and unrealized gains	631	61,261	-	61,892
Other, primarily net assets released from restrictions and reclassifications	<u>1,291</u>	<u>(2,777)</u>	<u>(12,051)</u>	<u>(13,537)</u>
Endowment net assets, end of year	<u>\$ 7,738</u>	<u>\$ 82,971</u>	<u>\$ 446,402</u>	<u>\$ 537,111</u>

11. SUBSEQUENT EVENTS

The Organization evaluated its June 30, 2012 financial statements for subsequent events through December 21, 2012, the date the financial statements were issued. The Organization is not aware of any subsequent events which would require recognition or disclosure in the accompanying financial statements.

SUPPLEMENTARY INFORMATION

AMERICAN COMMITTEE FOR THE WEIZMANN INSTITUTE OF SCIENCE, INC.

Schedule of Functional Expenses

For the year ended June 30, 2012, with comparative totals for 2011

(000's omitted)

	2012					2011
	Program Services	Management and General	Fundraising	Public Information	Total	Total
Transmissions to the Weizmann Institute of Science	\$ 53,296	\$ -	\$ -	\$ -	\$ 53,296	\$ 53,700
Science programs	-	-	160	-	160	833
Salaries and benefits	109	2,344	6,656	808	9,917	9,491
Professional and consulting fees	-	168	794	502	1,464	1,425
Travel	17	27	273	9	326	267
Printing, publications and advertising	-	-	390	115	505	486
Occupancy cost (including interest of \$533)	-	319	770	103	1,192	1,191
Supplies and services	-	95	36	6	137	146
Postage and shipping	-	19	36	8	63	55
Telecommunications	-	35	123	10	168	168
Equipment rental and maintenance	-	136	240	4	380	252
Interest expense	-	-	16	-	16	16
Meetings	-	-	30	-	30	84
Dues, books and subscriptions	-	4	11	11	26	27
Insurance	-	86	-	-	86	81
Depreciation	6	76	271	-	353	376
Other	5	16	77	1	99	88
Total expenses	<u>\$ 53,433</u>	<u>\$ 3,325</u>	<u>\$ 9,883</u>	<u>\$ 1,577</u>	<u>\$ 68,218</u>	<u>\$ 68,686</u>

* Depreciation expense per above includes \$6 for the years ended June 30, 2012 and 2011, respectively, of depreciation expense related to Buildings at the Institute which are included in other assets in the accompanying statements of financial position.