

1977 AAAS SUMMARY FINANCIAL STATEMENTS

The following financial information has been excerpted from the audited financial statements of the AAAS

BALANCE SHEET	31 December	
	1977	1976
Assets		
Current assets		
Cash	\$ 110,121	\$ 420,337
Accounts receivable	529,833	461,384
Inventory of publications—at cost	50,331	51,227
Prepaid expenses	40,080	23,951
Advances for grants	8,050	16,279
Total current assets	738,415	973,178
Investments—at market (note B)	7,229,471	5,896,244
Property and equipment	1,092,052	1,076,605
	<u>\$9,059,938</u>	<u>\$7,946,027</u>
Liabilities and fund balances		
Current liabilities		
Accounts payable and accrued expenses	1,073,546	911,321
Unexpended grants and contracts	175,279	243,083
	1,248,825	1,154,404
Deferred dues and subscriptions revenue (note A)	3,424,293	2,855,689
Total current liabilities	4,673,118	4,010,093
Fund balances (note B)		
Restricted by donor:		
Research	152,712	155,964
Special purpose	39,479	63,970
	192,191	219,934
Unrestricted and Board restricted:		
Equivalent to investment in fixed assets	1,092,052	1,076,605
Reserve for future life member subscriptions to <i>Science</i>	200,000	200,000
Unrealized appreciation (depreciation) on investments (note B)	(76,418)	44,333
Other	2,978,995	2,395,062
	4,194,629	3,716,000
Total fund balances	4,386,820	3,935,934
	<u>\$9,059,938</u>	<u>\$7,946,027</u>

STATEMENT OF REVENUE AND EXPENSE AND UNRESTRICTED FUND BALANCE

	Year ended 31 December	
	1977	1976
Revenue		
Member dues (note A)	\$3,112,472	\$2,741,689
Subscriptions (note A)	1,390,514	1,300,747
Advertising	3,037,377	2,659,454
Publication sales	327,414	367,878
Meeting and exposition	125,104	177,209
Grants, contracts, and related activities (note A)	1,276,678	1,485,006
Contributions and other	309,833	292,393
	9,579,392	9,024,376
Expense		
Executive office	417,944	344,290
Office of Administration	1,060,340	1,001,538
Office of Comptroller	268,584	247,358
Editorial center— <i>Science</i>	5,000,516	4,385,953
International science office	314,737	553,007
Meetings and publications center	540,291	475,950
Science education office	527,789	406,529
Public sector programs office	478,440	601,314
Membership recruitment and public information office	342,384	256,073
Opportunities in science office	269,679	199,071
Development office	51,736	51,124
	9,272,440	8,522,207

Excess of revenue over expense before contingency for potential income taxes and investment activity	306,952	502,169
Contingency for potential income taxes (note A)	176,000	195,000
Excess of revenue over expense before investment activity	130,952	307,169
Interest and dividends received	360,873	303,331
Capital distribution of publicly traded investment fund shares	79,089	52,234
Excess of revenue over expense before net loss on sale of investments	570,914	662,734
Loss on sale of investments—net	(5,448)	(4,365)
	565,466	658,369
Bequests and other special gifts	7,610	174,337
Net excess of revenue over expense	573,076	832,706
Increase (decrease) in unrealized appreciation on investments	(120,751)	230,512
Transfer from restricted fund balance	26,304	—
Increase in fund balance for the year	478,629	1,063,218
Fund balance, beginning of year	3,716,000	2,652,782
Fund balance, end of year	<u>\$4,194,629</u>	<u>\$3,716,000</u>

NOTES TO FINANCIAL STATEMENTS YEARS ENDED 31 DECEMBER 1977 and 1976

A. Summary of Significant Accounting Policies General

The Association is a nonprofit membership corporation incorporated in 1874 under the laws of the Commonwealth of Massachusetts. The Association follows the accrual basis of accounting. The Association is exempt from federal and state income taxes under Code section 501 (c) (3) with the exception of certain unrelated business income.

Grants and Contracts

Grants are made to the Association each year by the National Science Foundation and other organizations. At 31 December 1977 and 1976, grants and contracts awarded to the Association for which cash had not yet been received was \$972,000 and \$695,000 respectively.

Deferred Revenue

Dues and subscriptions are recognized as revenue based on elapsed subscription periods. Deferred dues and subscriptions revenue represent the portion of payments received which are applicable to future periods.

B. Investments

All investments are carried at quoted market value.

A summary of investments at market value is as follows:

	31 December	
	1977	1976
United States Treasury bills	\$3,930,621	\$1,062,589
United States Treasury notes	1,887,367	1,885,281
Corporate bonds (short term)	394,500	1,883,034
Publicly traded investment funds—listed New York Stock Exchange	1,016,983	1,065,340
Investments at market	7,229,471	5,896,244
Investments at cost	7,305,889	5,851,911
Unrealized appreciation (depreciation)	<u>\$ (76,418)</u>	<u>\$ 44,333</u>

The unrealized appreciation (depreciation), in the aggregate, is reflected in the fund balance as a single item.