

1978 AAAS SUMMARY FINANCIAL STATEMENTS

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

BALANCE SHEET		31 December		Year ended 31 December	
		1978	1977	1978	1977
Assets					
Current assets					
Cash	\$	69,736	\$ 110,121		
Accounts receivable		671,261	529,833		
Inventory of publications—at cost		105,485	50,331		
Prepaid expenses		42,115	40,080		
Advances for grants		—	8,050		
Total current assets		888,597	738,415		
Investments—at market (note B)		8,708,758	7,229,471		
Property and equipment		672,674	1,092,052		
		<u>\$10,270,029</u>	<u>\$9,059,938</u>		
Liabilities and fund balances					
Current liabilities					
Accounts payable and accrued expenses	\$	1,199,800	\$1,073,546		
Unexpended grants and contracts		108,869	175,279		
		<u>1,308,669</u>	<u>1,248,825</u>		
Deferred dues and subscriptions revenue (note A)		3,844,392	3,424,293		
Total current liabilities		5,153,061	4,673,118		
Fund balances (note B)					
Restricted by donor:					
Research		149,720	152,712		
Special purpose		38,465	39,479		
		<u>188,185</u>	<u>192,191</u>		
Unrestricted and Board-restricted:					
Equivalent to investment in fixed assets		672,674	1,092,052		
Reserve for future life member subscriptions to <i>Science</i>		200,000	200,000		
Unrealized appreciation (depreciation) on investments (note B)		(53,413)	(76,418)		
Other		4,109,522	2,978,995		
		<u>4,928,783</u>	<u>4,194,629</u>		
Total fund balances		<u>5,116,968</u>	<u>4,386,820</u>		
		<u>\$10,270,029</u>	<u>\$9,059,938</u>		

STATEMENT OF REVENUE AND EXPENSE AND UNRESTRICTED FUND BALANCE

		Year ended 31 December	
		1978	1977
Revenue			
Member dues (note A)	\$	3,566,772	\$3,112,472
Subscriptions (note A)		1,513,393	1,390,514
Advertising		3,545,468	3,037,377
Publication sales		324,583	327,414
Meeting and exposition		165,564	125,104
Grants, contracts, and related activities (note A)		1,172,089	1,276,678
Contributions and other		249,175	309,833
		<u>10,537,044</u>	<u>9,579,392</u>
Expense			
Executive office		506,165	417,944
Office of Administration		1,143,189	1,060,340
Office of Comptroller		301,972	268,584
Editorial center— <i>Science</i>		5,853,943	5,000,516
International science office		185,156	314,737
Meetings and publications center		655,338	540,291
Science education office		374,745	527,789
Public sector programs office		507,081	478,440
Membership recruitment and public information office		377,715	342,384
Opportunities in science office		325,843	269,679
Development office		55,988	51,736
		<u>10,287,135</u>	<u>9,272,440</u>

Excess of revenue over expense before contingency for potential income taxes and investment activity	249,909	306,952
Contingency for potential income taxes (note A)	161,000	176,000
Excess of revenue over expense before investment activity	88,909	130,952
Interest and dividends received	482,012	360,873
Capital distribution of publicly traded investment fund shares	58,740	79,089
Excess of revenue over expense before net loss on sale of investments	629,661	570,914
Loss on sale of investments—Net	(372)	(5,448)
	<u>629,289</u>	<u>565,466</u>
Bequests and other special gifts	9,749	7,610
Net excess of revenue over expense	639,038	573,076
Increase (decrease) in unrealized appreciation on investments	23,005	(120,751)
Transfer from restricted fund balance	—	26,304
Gain on sale of land	72,111	—
Increase in fund balance for the year	734,154	478,629
Fund balance, beginning of year	4,194,629	3,716,000
	<u>\$4,928,783</u>	<u>\$4,194,629</u>
Fund balance, end of year		

NOTES TO FINANCIAL STATEMENTS YEARS ENDED 31 DECEMBER 1978 and 1977

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 1978 and 1977, grants and contracts awarded to the Association for which cash had not yet been received were \$1,088,000 and \$972,000, 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	
		1978	1977
United States Treasury bills	\$	5,519,123	\$3,930,621
United States Treasury notes		774,188	1,887,367
Corporate bonds (short term)		393,250	394,500
Publicly traded investment funds—listed New York Stock Exchange		2,022,197	1,016,983
Investments at market		8,708,758	7,229,471
Investments at cost		8,762,171	7,305,889
Unrealized appreciation (depreciation)	\$	(53,413)	\$ (76,418)

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