

Association Finances

Howard A. Meyerhoff, *Administrative Secretary*

The ensuing condensed statements of Association finances during the years 1946, 1947, and 1948 were prepared by the auditing firm of G. P. Graham & Company and are published herewith, pursuant to a vote of the Executive Committee, in order that the membership may be fully informed regarding the Association's current financial condition.

The first three statements summarize operating receipts and expenditures. It will be noted that, during 1946, the excess of receipts over expenditures was only \$10,677, prior to annuity and inflation payments of \$22,992 toward the purchase of *Science* and \$4,300 for other disbursements. Of the \$81,360 shown as the balance of unallocated funds on January 1, 1946, \$80,180 was transferred to the Building Fund to complete the purchase of the Scott Circle property. From the precarious situation which resulted at the end of 1946, improvement in the operating balance and replenishment of the Unallocated Funds have been effected by the increase in dues from \$5.00 to \$6.50, by increased income from advertising and journal subscriptions, and by payment of the 1947 *Science* annuity and inflation allowance from the Treasurer's Funds.

The second series of statements summarizes the status of the Treasurer's Accounts, which include the modest

endowment, property holdings and special funds administered by the Association. The list of disbursements gives some idea of the ramified activities for which these funds are used and indicate the expanded service the Association might render if the endowment can be increased.

September 15, 1949

To the Council of the
American Association for the Advancement of Science
Washington, D. C.

We have examined the balance sheet of the Operating Fund of the American Association for the Advancement of Science as at December 31, 1948, and the statement of receipts and expenditures for the years ended December 31, 1946, 1947 and 1948. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying financial statements as supplemented by the notes thereto present fairly the financial position of the Operating Fund of the American Association for the Advancement of Science as at December 31, 1948, and the results of its operations for the three year period ended thereon.

G. P. GRAHAM & COMPANY
By H. A. O'NEILL

AMERICAN ASSOCIATION FOR THE ADVANCEMENT OF SCIENCE OPERATING FUND

BALANCE SHEET AS AT DECEMBER 31, 1948

ASSETS			
Current assets			
Cash	\$350,850.16		
Accounts receivable	15,452.69	\$366,302.85	
		<u>\$366,302.85</u>	
LIABILITIES			
Current liabilities			
Accounts payable		\$ 27,123.53	
Deferred income			
Prepaid dues and fees	\$198,694.00		
Prepaid journal subscriptions	46,006.16	244,700.16	
Unallocated funds (net worth)		<u>94,479.16</u>	
		<u>\$366,302.85</u>	

Note: The journal *Science* was acquired in 1944 at a stated cost of \$166,430.69, payable over a period of ten years, together with such additional as may be determined each year under the inflation clause in the contract. Total payments to December 31, 1948 amounted to \$118,239.28. No liability has been shown on the above statement for the balance of \$84,140.11 which is payable on the stated cost price of the journal.

AMERICAN ASSOCIATION FOR THE ADVANCEMENT OF SCIENCE
OPERATING FUND

STATEMENT OF RECEIPTS AND EXPENDITURES FOR THE YEARS ENDED DECEMBER 31, 1946, 1947 AND 1948

RECEIPTS	1946	1947	1948
Dues and entrance fees	\$135,382.00	\$153,546.72	\$234,714.73
Journals			
Subscriptions			
From Treasurer's account (life, 50-year and emeritus members)	1,851.00	1,785.00	2,659.50
Members special subscriptions	7,149.00	7,242.00	13,392.75
Non-member subscriptions	35,304.52	41,627.02	50,147.07
Advertising	85,938.85	121,900.11	116,742.84
Miscellaneous sales, etc.	1,983.61	1,834.71	8,115.42
Publications			
Symposium volumes		8,413.34	8,492.15
Proceedings and directory	50.50	9,140.00	22,647.23
Meetings and exhibits	29,181.25	27,404.25	9,768.55
Rental income	1,587.82	3,695.24	3,150.44
Miscellaneous	232.02	2,635.16	815.72
	<u>\$298,660.57</u>	<u>\$379,223.55</u>	<u>\$470,646.40</u>
EXPENDITURES			
Administrative and general expense	\$ 47,291.92	\$ 47,913.55	\$ 58,595.31
Building expense	2,784.43	2,524.18	4,272.71
Executive committee	1,525.18	2,899.77	2,748.12
General secretary	385.48	762.55	750.00
Allowance to divisions	3,699.00	4,384.00	5,183.00
Section expenses	1,311.31	1,691.23	1,455.73
Circularization—new members	1,492.51	4,387.63	26,476.34
Meetings and exhibits	4,865.76	24,219.63	21,432.91
Journals	189,298.99	196,251.98	256,272.26
Publications	33,433.06	18,597.75	42,730.72
Employees' retirement plan			4,723.67
Miscellaneous	1,895.83	2,287.99	1,773.61
	<u>\$287,983.47</u>	<u>\$305,920.26</u>	<u>\$426,414.38</u>
EXCESS OF RECEIPTS OVER EXPENDITURES	<u>\$ 10,677.10</u>	<u>\$ 73,303.29</u>	<u>\$ 44,232.02</u>

AMERICAN ASSOCIATION FOR THE ADVANCEMENT OF SCIENCE
OPERATING FUND

ANALYSIS OF UNALLOCATED FUNDS (NET WORTH)
JANUARY 1, 1946 TO DECEMBER 31, 1948

Balance as at January 1, 1946			\$ 81,360.91
Add:			
Excess of receipts over expenditures			
1946	\$10,677.10		
1947	73,303.29		
1948	44,232.02	\$128,212.41	
Transfer from reserve for symposium publications as directed by Executive Committee (1947)		17,354.06	
Payments received from Trustees of Estate of James M. Cattell in full settlement of claim affecting prior year (1947)		3,284.83	148,851.30
			<u>\$230,212.21</u>
Deduct:			
Amounts paid on Woodley and Stephenson claims and attorney's fee incident thereto ...		\$ 4,300.00	
Amount transferred to building fund—			
Treasurer's account		80,180.81	
Science annuity payments			
1946	\$16,643.04		
1948	16,643.04	33,286.08	
Inflation allowance on annuity			
1946	\$ 6,349.32		
1948	11,616.84	17,966.16	135,733.05
Balance as at December 31, 1948			<u>\$ 94,479.16</u>

Note: The 1947 *Science* annuity and inflation allowance thereon were paid from the Treasurer's accounts.

September 15, 1949
To the Council of the
American Association for the Advancement of Science
Washington, D. C.

We have examined the balance sheet of the Treasurer's accounts of the American Association for the Advancement of Science as at December 31, 1948, and the statement of cash receipts and disbursements for the three year period then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other

auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying balance sheet as at December 31, 1948, and statement of cash receipts and disbursements present fairly the financial position of the Treasurer's accounts of the American Association for the Advancement of Science at that date, and the cash receipts and disbursements for the three year period then ended.

G. P. GRAHAM & COMPANY

By H. A. O'NEILL

AMERICAN ASSOCIATION FOR THE ADVANCEMENT OF SCIENCE

TREASURER'S ACCOUNTS

BALANCE SHEET AS AT DECEMBER 31, 1948

ASSETS

Endowment and reserve funds		
Cash awaiting investment	\$ 10,875.74	
Securities	236,645.64	\$247,521.38
Building fund		
Cash	\$ 23,420.90	
Securities	648.20	
Real estate	153,297.20	177,366.30
Current funds		
Cash		20,997.81
		<u>\$445,885.49</u>

LIABILITIES AND RESERVES

Endowment and reserve funds		
For research	\$118,366.15	
For general purposes	104,617.25	
For special purposes	9,025.00	
Treasurer's reserve fund	15,512.98	\$247,521.38
Building fund		
Contributions from members, etc.	\$ 97,185.49	
Transfer from Operating fund	80,180.81	177,366.30
Current funds		
Liabilities		
Thousand dollar prize fund	\$ 2,000.00	
Special academy grants	400.00	
Westinghouse science writers award fund	1,153.44	
AAAS—UNESCO fellowship fund	53.50	
Academy grants	2,524.75	\$ 6,131.69
Unappropriated income		
For research	\$ 3,348.23	
For general purposes	2,929.70	
Unallocated	235.16	
Jane M. Smith fund	1.09	
Luella A. Owen fund	13.95	
A. G. Stillhamer fund	538.98	
Unexpended balances of previous years	7,799.01	14,866.12
		<u>20,997.81</u>
		<u>\$445,885.49</u>

AMERICAN ASSOCIATION FOR THE ADVANCEMENT OF SCIENCE

TREASURER'S ACCOUNTS

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS JANUARY 1, 1946 TO DECEMBER 31, 1948

Cash balances January 1, 1946			\$ 38,132.40
Receipts			
Endowment and reserve funds			
Life membership fees			
Regular	\$ 4,700.00		
Emeritus (Jane M. Smith fund)	4,500.00		
Income added to reserve fund	2,259.13		
Redemption and sale of securities	180,462.18	\$191,921.31	
Building fund			
Amount due from Operating fund Jan. 1, 1946	\$ 48,604.36		
Contributions	47,241.63		
Liquidating dividend on securities	700.00		
Income from securities	54.15		
Transfer from Operating fund	80,180.81	176,780.95	
Current fund			
Contributions for special academy grants	\$ 950.00		
Westinghouse science writers award fund	14,574.94		
AAAS—UNESCO fellowship fund	53.50		
Deceased emeritus life membership fees—Transferred from endowment fund	2,000.00		
Thousand dollar prize fund	2,000.00		
Net income from securities	20,437.30	40,015.74	408,718.00
			<u>\$446,850.40</u>
Disbursements			
Endowment and reserve funds			
Securities purchased	\$166,433.93		
Deceased emeritus life membership fees—Transferred to Jane M. Smith fund income	2,000.00		
1947 Science annuity and inflation allowance thereon (Note A)	26,279.36	\$194,713.29	
Building fund			
Cost of properties and additions	\$153,297.20		
Miscellaneous expenses and refunds	61.05	153,358.25	
Current fund			
Westinghouse science writers award fund	\$ 20,899.00		
Special academy grants	600.00		
Thousand dollar prize fund	2,000.00		
Emeritus life members (Jane M. Smith fund income)	4,500.00		
Income allocated to Treasurer's reserve	2,259.13		
Academy grants	6,866.75		
Journal subscriptions (Life, 50-year and emeritus members) ..	6,295.50		
Miscellaneous expenses	64.03	43,484.41	391,555.95
Cash balances December 31, 1948			
For investment		\$ 10,875.74	
For building fund		23,420.90	
For current purposes		20,997.81	<u>\$ 55,294.45</u>

Note: (A) *Science* annuities and inflation allowances thereon for the years 1946 and 1948 were paid from the Operating fund of the Association.