

## 1979 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	
	1979	1978	1979	1978
<b>Assets</b>				
Current assets				
Cash	\$ 396,214	\$ 69,736		
Accounts receivable	1,161,942	671,261		
Inventory of publications—at cost	120,156	105,485		
Prepaid expenses	1,403,767	42,115		
Total current assets	3,082,079	888,597		
Investments—at market (note B)	9,386,210	8,708,758		
Property and equipment	830,607	672,674		
	<u>\$13,298,896</u>	<u>\$10,270,029</u>		
<b>Liabilities and fund balances</b>				
Current liabilities				
Accounts payable and accrued expenses	\$ 1,783,568	\$ 1,199,800		
Unexpended grants and contracts	302,010	108,869		
	2,085,578	1,308,669		
Deferred dues and subscriptions revenue (note A)	5,520,411	3,844,392		
Total current liabilities	7,605,989	5,153,061		
Fund balances (note B)				
Restricted by donor:				
Research	153,341	149,720		
Special purpose	41,187	38,465		
	194,528	188,185		
Unrestricted and Board restricted:				
Equivalent to investment in fixed assets	830,607	672,674		
Reserve for future life member subscriptions to <i>Science</i>	200,000	200,000		
Unrealized appreciation (depreciation) on investments (note B)	567,915	(53,413)		
Other	3,899,857	4,109,522		
	5,498,379	4,928,783		
Total fund balances	5,692,907	5,116,968		
	<u>\$13,298,896</u>	<u>\$10,270,029</u>		
			Excess of (expense)/revenue before contingency for potential income taxes and investment activity	(930,401) 249,909
			Contingency for potential income taxes (note A)	103,000 161,000
			Excess of (expense)/revenue before investment activity	(1,033,401) 88,909
			Interest and dividends received	675,337 482,012
			Capital distribution of publicly traded investment fund shares	133,774 58,740
			Excess of (expense)/revenue before net gain (loss) on sale of investments	(224,290) 629,661
			Gain (loss) on sale of investments—net	148,248 (372)
				(76,042) 629,289
			Bequests and other special gifts	24,310 9,749
			Net excess of (expense)/revenue	(51,732) 639,038
			Increase in unrealized appreciation on investments	621,328 23,005
			Gain on sale of land	— 72,111
			Increase in fund balance for the year	569,596 734,154
			Fund balance, beginning of year	4,928,783 4,194,629
			Fund balance, end of year	<u>\$ 5,498,379</u> <u>\$ 4,928,783</u>

### NOTES TO FINANCIAL STATEMENTS YEARS ENDED 31 DECEMBER 1979 and 1978

#### 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 and Contracts are made to the Association each year by the National Science Foundation and other organizations. At December 31, 1979 and 1978, grants and contracts awarded to the Association for which expenditures had not yet been incurred and/or cash had not yet been received were \$773,000 and \$870,000, respectively.

#### Dues and Subscriptions 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:

STATEMENT OF REVENUE AND EXPENSE AND UNRESTRICTED FUND BALANCE	Year ended 31 December	
	1979	1978
<b>Revenue</b>		
Member dues (note A)	\$ 3,836,502	\$ 3,566,772
<i>Science</i> Subscriptions (note A)	1,542,408	1,513,393
<i>Science 80</i> Subscriptions (note A)	244,000	—
Advertising in <i>Science</i>	4,188,124	3,545,468
Advertising in <i>Science 80</i>	56,365	—
Publication sales	376,849	324,583
Meeting and exposition	156,215	165,564
Grants, contracts, and related activities (note A)	1,171,825	1,172,089
Contributions and other	283,226	249,175
	<u>11,855,514</u>	<u>10,537,044</u>
<b>Expense</b>		
Executive office	620,587	506,165
Office of Administration	1,347,430	1,143,189
Office of Comptroller	311,062	301,972
Editorial center— <i>Science</i>	6,393,080	5,853,943
Editorial center— <i>Science 80</i>	1,415,919	—
International science office	344,508	185,156
Meetings and publications center	686,827	655,338
Science education office	202,516	374,745
Public sector programs office	665,634	507,081
Membership recruitment and public information office	474,914	377,715
Opportunities in science office	269,732	325,843
Development office	53,706	55,988
	<u>12,785,915</u>	<u>10,287,135</u>

	31 December	
	1979	1978
United States Treasury bills	\$3,592,202	\$5,519,123
United States Treasury notes	3,060,938	774,188
Corporate bonds (short term)	—	393,250
Publicly traded investment funds—listed New York Stock Exchange	2,733,070	2,022,197
Investments at market	9,386,210	8,708,758
Investments at cost	8,818,295	8,762,171
Unrealized appreciation (depreciation)	<u>\$ 567,915</u>	<u>\$ (53,413)</u>

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