

INTERNATIONAL JOURNAL OF LEPROSY OF THE INTERNATIONAL LEPROSY ASSOCIATION, INC. Statement of Financial Condition

Tait, Weller & Baker, Certified Public Accountants, New York, Auditors, INTERNATIONAL JOURNAL OF LEPROSY, on 18 April 1977 transmitted the audited financial statements for 1977 to the Board of Directors IJL, with the following report:

"We have examined the balance sheet of the International Journal of Leprosy of the International Leprosy Association, Inc. as of December 31, 1977 and the related statements of revenue and expenses and changes in fund balances and changes in financial position for the year 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.

The International Journal of Leprosy of the International Leprosy Association, Inc. has sustained losses during the years ended December 31, 1975 through 1977 and at December 31, 1977 has an accumulated unrestricted fund deficit of \$39,284. Its ability to operate during those years and in the future is dependent upon the continuing availability of funds, through long-term advances from American Leprosy Missions, Inc. or other sources and the eventual attainment of positive operating results to provide for the liquidation of these advances.

In our opinion, subject to the continuing availability of operating funds referred to in the preceding paragraph, the financial statements referred to above present fairly the financial position of The International Journal of Leprosy of the International Leprosy Association, Inc. at December 31, 1977 and the results of its operations and changes in fund balances and financial position for the year then ended, in conformity with generally accepted accounting principles which have been applied on a basis consistent with that of the preceding year."

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies.

- A—Basis of Preparation—The financial statements have been prepared on the accrual basis and as such, income from subscriptions to the INTERNATIONAL JOURNAL OF LEPROSY is recognized ratably over the term of the subscriptions.
- B—Equipment—It is the policy of the organization to expense the cost of office equipment in the year of acquisition rather than capitalizing such assets and depreciating them over their useful lives. The omission of depreciation charges had no significant effect on the financial position or results of operations.
- C—Income Tax—The organization continues to qualify as a non-taxable organization under Section 509(a) (1) of the Internal Revenue Code. Therefore, no provision for income taxes is necessary.

Note 2. Restricted Fund

On May 11, 1976 the Lani Booth Fund contributed \$25,000 for the printing and distribution of a cumulative index of the first forty volumes of the INTERNATIONAL JOURNAL OF LEPROSY. Expenses incurred in the production of the index amounted to \$12,395 during 1977 and total expenses to date are \$24,637.

Special contributions from special contributors (up to \$50), sustaining members (\$50 to \$500), and special grantors (\$500 and above) have made it possible to continue the publication of this JOURNAL.

ASSETS

Cash	\$ 12,788
Accounts Receivable	1,275
	<u>\$ 14,063</u>

LIABILITIES AND FUND BALANCES

Payable to American Leprosy Missions, Inc.	\$ 27,726
Other Payables	17,384
Unearned Subscriptions	7,874
	<u>\$ 52,984</u>
Fund Balances:	
Unrestricted Fund	\$(39,284)
Restricted Fund (Note 2)	363
	<u>\$(38,921)</u>
	<u>\$ 14,063</u>

STATEMENT OF REVENUE AND EXPENSES AND CHANGES IN FUND BALANCE

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
Revenues			
Member subscriptions	\$ 10,859	—	\$ 10,859
Non-member subscriptions	8,421	—	8,421
Private grants and contributions	27,276	—	27,276
Sale of back and single issues	1,458	—	1,458
Sale of reprints	4,812	—	4,812
Transfers from ILA—London Office	5,174	—	5,174
Total revenues	<u>\$ 58,000</u>	<u>—</u>	<u>\$ 58,000</u>
Expenses			
General:			
Printing—Journal	\$ 35,791	\$ 12,353	\$ 48,144
Cost of reprints	4,291	—	4,291
Proofreading costs	—	—	—
Mailing expenses	5,100	—	5,100
Auditing fee	675	—	675
Miscellaneous	612	42	654
Total general expenses	<u>\$ 46,469</u>	<u>\$ 12,395</u>	<u>\$ 58,864</u>
Editorial Office Expenses:			
Editorial services and salaries	\$ 3,204	—	\$ 3,204
Secretarial services	10,866	—	10,866
Telephone and telegraph	—	—	—
Mailing and shipping	222	—	222
Office supplies and expenses	375	—	375
Taxes—payroll	187	—	187
Total editorial office expenses	<u>\$ 14,854</u>	<u>—</u>	<u>\$ 14,854</u>
Business Office Expenses:			
Secretarial services	\$ 6,481	—	\$ 6,481
Telephone and telegraph	12	—	12
Mailing and shipping	964	—	964
Office supplies and expenses	1,230	—	1,230
Computer expense	816	—	816
Total business office expenses	<u>\$ 9,503</u>	<u>—</u>	<u>\$ 9,503</u>
Total expenses	<u>\$ 70,826</u>	<u>\$ 12,395</u>	<u>\$ 83,221</u>
Excess (Deficit) of Revenues Over Expenses	\$(12,826)	\$(12,395)	\$(25,221)
Fund Balance— Beginning of Year	(26,458)	12,758	(13,700)
Fund Balance— End of Year	<u>\$(39,284)</u>	<u>\$ 363</u>	<u>\$(38,921)</u>

STATEMENT OF CHANGES IN FINANCIAL POSITION
YEAR ENDED DECEMBER 31, 1977 WITH COMPARATIVE TOTALS FOR 1976

	<u>1977</u>	<u>1976</u>
Source of Cash		
Decrease in accounts receivable	—	\$ 962
Increase in payable to American Leprosy Missions, Inc.	\$ 7,945	5,917
Increase in other payables	7,600	8,581
Increase in unearned subscriptions	1,212	—
Lani Booth Cumulative Index Fund contribution less expenses of \$12,242	—	12,758
	<u>\$16,757</u>	<u>\$28,218</u>
Uses of Cash		
From Operations:		
Deficit	\$12,826	\$ 7,213
Increase in accounts receivable	469	—
Decrease in unearned subscriptions	—	1,065
Lani Booth Cumulative Index Fund expenses	12,395	—
	<u>\$25,690</u>	<u>\$ 8,278</u>
Increase (decrease) in Cash	<u>\$ (8,933)</u>	<u>\$19,940</u>

—OLIVER W. HASSELBLAD, M.D.
EXECUTIVE OFFICER

W. FELTON ROSS, M.B. B.S.
ASSOCIATE EXECUTIVE OFFICER

INTERNATIONAL LEPROSY ASSOCIATION

LONDON OFFICE

Statement of Financial Condition

"We have audited the attached Receipts and Payments Account covering the transactions in London of the International Leprosy Association with the books and vouchers produced to us. We hereby certify that the Account is in accordance with such books and vouchers."

82, Eden Street
Kingston upon Thames
Surrey, KT1 1DZ

—Menzies Middleton Hawkins & Co.
Chartered Accountants
21 February 1978

RECEIPTS AND PAYMENTS ACCOUNT

For the Year Ending 31 December 1977

	1977		1976	
	£	£	£	£
Balances at 1 January 1977				
Cash in hand	5		9	
At bank	<u>1,396</u>		<u>781</u>	
		1,401		790
Add: Receipts				
Member subscriptions	646		490	
Special donations	107		217	
Subscriptions to Journal	32		74	
Sustaining Member fees	<u>1,943</u>		<u>3,987</u>	
		<u>2,728</u>		<u>4,768</u>
		4,129		5,558
Less: Payments				
Audit fee	27		25	
CIOMS subscription	75		73	
Bank charges	7		8	
Heating, lighting and telephone	150		150	
Honorarium	150		150	
Postage	42		63	
Printing and stationery	25		33	
Repairs and renewals	—		45	
Transfer to USA for Journal	3,000		3,500	
Traveling expenses	<u>318</u>		<u>110</u>	
		<u>3,794</u>		<u>4,157</u>
Balance at 31 December 1977		<u><u>335</u></u>		<u><u>1,401</u></u>
Represented By:				
Cash in hand	2		5	
Cash at bank	<u>333</u>		<u>1,396</u>	
		<u><u>335</u></u>		<u><u>1,401</u></u>

—JACINTO CONVIT, M.D.
PRESIDENT

—S. G. BROWNE, M.D.
SECRETARY-TREASURER