

INTERNATIONAL JOURNAL OF LEPROSY  
OF THE  
INTERNATIONAL LEPROSY ASSOCIATION, INC.

Statement of Financial Condition

Tait, Wellar & Baker, Certified Public Accountants, New York, Auditors, INTERNATIONAL JOURNAL OF LEPROSY, on 31 March 1981 transmitted the following audited financial statements for 1980 to the Board of Directors, IJL, with the following report:

"We have examined the balance sheets of the International Journal of Leprosy of the International Leprosy Association as of December 31, 1980 and 1979, and the related statements of revenue, expenses and changes in fund balances, and changes in financial position for the year ended December 31, 1980. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and other such auditing procedures as we considered necessary in the circumstances."

"The International Journal of Leprosy of the International Leprosy Association has sustained operating losses during the years 1975 through 1977 and during 1979. There is a Current Fund deficit of \$18,668 at December 31, 1980. Its ability to operate during those years was dependent upon long-term advances and donated services support from American Leprosy Missions, Inc. Future operations are contingent upon continuing long-term advances, donated services support and the eventual attainment of positive operating results."

"In our opinion, subject to the continuing availability of long-term advances and support 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 at December 31, 1980 and 1979, and the results of its operations, changes in its fund balances, and changes in its financial position for the year ended December 31, 1980, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year."

**Notes to Financial Statements**

**NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**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.

**EQUIPMENT**

Acquisitions of office equipment are recorded at cost. Depreciation is provided using the straight-line method over five years. (See Note 2.)

**INCOME TAX**

The organization continues to qualify as a non-taxable organization under Section 501(c)(3) of the Internal Revenue Code. Therefore, no provision for income tax is necessary.

**NOTE 2—ACCOUNTING CHANGE**

Commencing in 1979, the organization began capitalizing office equipment acquisitions. Previous acquisitions, which were minor in nature, were expensed at the time of purchase.

**NOTE 3—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 to date are \$24,637.

**NOTE 4—DONATED SERVICES**

American Leprosy Missions, Inc. has provided various services throughout the year. No amounts have been reflected in the statements for these services. The estimated value is as follows:

Administrative and secretarial	\$ 7,030
Occupancy	1,650
Other	<u>1,570</u>
	<u>\$10,250</u>

## ASSETS

	1980	1979
Cash	\$ 11,742	\$ 14,211
Accounts receivable	214	1,021
Equipment (less accumulated depreciation of \$1,524 and \$507 respectively)	<u>3,550</u>	<u>4,564</u>
	<u>\$ 15,506</u>	<u>\$ 19,796</u>

## LIABILITIES AND FUND BALANCES

Payable to American Leprosy Missions, Inc.	\$ 824	\$ 20,829
Other payables	12,628	9,384
Unearned subscriptions	<u>16,809</u>	<u>15,598</u>
	<u>30,261</u>	<u>45,811</u>
Fund balances		
Unrestricted Fund	(18,668)	(30,942)
Restricted Fund (Note 3)	363	363
Equipment Fund	<u>3,550</u>	<u>4,564</u>
	<u>(14,755)</u>	<u>(26,015)</u>
	<u>\$ 15,506</u>	<u>\$ 19,796</u>

## STATEMENT OF REVENUE, EXPENSES AND CHANGES IN FUND BALANCES

Year ended December 31, 1980  
with comparative totals for 1979

	Unrestricted Fund	Restricted Fund	Equipment Fund	Totals	
				1980	1979
Revenues					
Member subscriptions	\$ 16,096	\$—	\$—	\$ 16,096	\$ 20,008
Non-member subscriptions	24,801	—	—	24,801	25,382
Private grants and contributions	42,352	—	—	42,352	30,442
Sale of back and single issues	749	—	—	749	720
Sale of reprints	353	—	—	353	4,300
Transfers from ILA—					
London Office	—	—	—	—	9,560
Total revenues	<u>84,351</u>	<u>—</u>	<u>—</u>	<u>84,351</u>	<u>90,412</u>
Expenses					
General					
Printing—JOURNAL	39,036	—	—	39,036	43,748
Cost of reprints	—	—	—	—	4,408
Mailing	3,781	—	—	3,781	1,049
Auditing fee	800	—	—	800	750
Legal fee	50	—	—	50	61
Management services—ILA	4,000	—	—	4,000	4,000
Miscellaneous	802	—	—	802	511
Total general expenses	<u>48,469</u>	<u>—</u>	<u>—</u>	<u>48,469</u>	<u>54,527</u>
Editorial office					
Editorial services and salaries	17,120	—	—	17,120	18,167
Secretarial services	536	—	—	536	5,954
Mailing and shipping	571	—	—	571	866

Office supplies and other	253	—	—	253	593
Taxes—payroll	1,126	—	—	1,126	1,059
Telephone and telegraph	980	—	—	980	538
Travel	—	—	—	—	1,851
Depreciation	—	—	1,014	1,014	507
Miscellaneous	1,082	—	—	1,082	1,926
Total editorial office expenses	<u>21,668</u>	<u>—</u>	<u>1,014</u>	<u>22,682</u>	<u>31,461</u>
Business office					
Clerical salaries	137	—	—	137	—
Mailing and shipping	854	—	—	854	917
Office supplies and other	96	—	—	96	3,556
Computer	853	—	—	853	2,581
Total business office expenses	<u>1,940</u>	<u>—</u>	<u>—</u>	<u>1,940</u>	<u>7,054</u>
Total expenses	<u>72,077</u>	<u>—</u>	<u>1,014</u>	<u>73,091</u>	<u>93,042</u>
Excess (deficiency) of revenues over expenses	12,274	—	(1,014)	11,260	(2,630)
Fund balances					
Beginning of year	<u>(30,942)</u>	<u>363</u>	<u>4,564</u>	<u>(26,015)</u>	<u>(23,385)</u>
End of year	<u>\$(18,668)</u>	<u>\$363</u>	<u>\$3,550</u>	<u>\$(14,755)</u>	<u>\$(26,015)</u>

## STATEMENT OF CHANGES IN FINANCIAL POSITION

Years ended December 31, 1980  
with comparative totals for 1979

	<u>1980</u>	<u>1979</u>
Sources of cash		
From operations		
Excess of revenues over expenses	\$11,260	\$ —
Depreciation	1,014	—
Cash provided from operations	<u>12,274</u>	<u>—</u>
Increase in payable to American Leprosy Missions, Inc.	—	10,887
Increase in other payables	3,244	—
Increase in unearned subscriptions	1,211	26
Decrease in accounts receivable	807	1,791
	<u>17,536</u>	<u>12,704</u>
Uses of cash		
For operations		
Excess of expenses over revenues	—	2,630
Depreciation	—	(507)
Cash used for operations	—	2,123
Decrease in payable to American Leprosy Missions, Inc.	20,005	—
Decrease in other payables	—	7,255
Purchases of equipment	—	5,071
	<u>20,005</u>	<u>14,449</u>
Decrease in cash	<u>\$(2,469)</u>	<u>\$(1,745)</u>

—W. Felton Ross, M.B.B.S.  
Executive Officer