

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 23 March 1982 transmitted the following audited financial statements for 1981 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, 1981 and 1980, and the related statements of revenue, expenses and changes in fund balances, and changes in financial position for the year ended December 31, 1981. 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 has sustained operating losses during the years 1975 through 1977 and during 1979. During 1981, the excess of revenue over expenses was \$27,749, resulting in a Current Fund balance of \$8,681. There was a Current Fund deficit of \$18,668 at December 31, 1980. The organization's ability to operate during those years in which it operated at a loss and had a Current Fund deficit 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, 1981 and 1980, and the results of its operations, changes in its fund balances, and changes in its financial position for the year ended December 31, 1981, 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.

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—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 3—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	\$ 5,297
Occupancy	2,639
Other	496
	<u>\$ 8,432</u>

ASSETS		1981	1980
Cash		\$ 22,117	\$ 11,742
Receivable		1,716	214
Investments		25,000	—
Equipment (less accumulated depreciation of \$2,576 and \$1,524 respectively)		<u>2,896</u>	<u>3,550</u>
		<u>\$ 51,729</u>	<u>\$ 15,506</u>
LIABILITIES AND FUND BALANCES			
Payable to American Leprosy Missions, Inc.		\$ 3,391	\$ 824
Other payables		21,038	12,628
Unearned subscriptions		<u>15,360</u>	<u>16,809</u>
		39,789	30,261
Fund balances			
Unrestricted Fund		8,681	(18,668)
Restricted Fund (Note 2)		363	363
Equipment Fund		<u>2,896</u>	<u>3,550</u>
		<u>11,940</u>	<u>(14,755)</u>
		<u>\$ 51,729</u>	<u>\$ 15,506</u>

STATEMENT OF REVENUE, EXPENSES AND CHANGES IN FUND BALANCES

Year ended December 31, 1981
with comparative totals for 1980

	Unrestricted Fund	Restricted Fund	Equipment Fund	Totals	
				1981	1980
Revenues					
Member subscriptions	\$ 16,968	\$ —	\$ —	\$ 16,968	\$ 16,096
Non-member subscriptions	24,413	—	—	24,413	24,801
Private grants and contributions	62,478	—	—	62,478	42,352
Sale of back and single issues	1,765	—	—	1,765	749
Sale of reprints	—	—	—	—	353
Interest on short-term investments	3,636	—	—	3,636	—
Miscellaneous income	154	—	—	154	—
Total revenues	<u>109,414</u>	<u>—</u>	<u>—</u>	<u>109,414</u>	<u>84,351</u>
Expenses					
General					
Printing—JOURNAL	36,028	—	—	36,028	39,036
Mailing	5,707	—	—	5,707	3,781
Auditing fee	875	—	—	875	800
Legal fee	107	—	—	107	50
Management services—ILA	4,000	—	—	4,000	4,000
Miscellaneous	744	—	—	744	802
Total general expenses	<u>47,461</u>	<u>—</u>	<u>—</u>	<u>47,461</u>	<u>48,469</u>
Editorial office					
Editorial services and salaries	19,396	—	—	19,396	17,120
Secretarial services	—	—	—	—	536
Mailing and shipping	698	—	—	698	571
Office supplies and other	457	—	—	457	253
Taxes—payroll	1,286	—	—	1,286	1,126
Telephone and telegraph	840	—	—	840	980
Travel	3,480	—	—	3,480	—
Depreciation	—	—	1,054	1,054	1,014
Miscellaneous	3,151	—	—	3,151	1,082
Total editorial office expenses	<u>29,308</u>	<u>—</u>	<u>1,054</u>	<u>30,362</u>	<u>22,682</u>

	Unrestricted Fund	Restricted Fund	Equipment Fund	Totals	
				1981	1980
Business office					
Clerical salaries	457	—	—	457	137
Mailing and shipping	2,864	—	—	2,864	854
Office supplies and other	679	—	—	679	96
Computer	896	—	—	896	853
Total business office expenses	<u>4,896</u>	<u>—</u>	<u>—</u>	<u>4,896</u>	<u>1,940</u>
Total expenses	<u>81,665</u>	<u>—</u>	<u>1,054</u>	<u>82,719</u>	<u>73,091</u>
Excess (deficiency) of revenues over expenses	27,749	—	(1,054)	26,695	11,260
Other changes in fund balances:					
Transfer to equipment fund for additions	(400)	—	400	—	—
Fund balances					
Beginning of year	<u>(18,668)</u>	<u>363</u>	<u>3,550</u>	<u>(14,755)</u>	<u>(26,015)</u>
End of year	<u>\$ 8,681</u>	<u>\$ 363</u>	<u>\$ 2,896</u>	<u>\$ 11,940</u>	<u>\$(14,755)</u>

STATEMENT OF CHANGES IN FINANCIAL POSITION

Year ended December 31, 1981
with comparative totals for 1980

	1981	1980
Sources of cash		
From operations		
Excess of revenues over expenses	\$ 26,695	\$ 11,260
Depreciation	<u>1,054</u>	<u>1,014</u>
Cash provided from operations	27,749	12,274
Increase in payable to American Leprosy Missions, Inc.	2,567	—
Increase in other payables	8,410	3,244
Increase in unearned subscriptions	—	1,211
Decrease in receivables	<u>—</u>	<u>807</u>
	<u>38,726</u>	<u>17,536</u>
Uses of cash		
Purchase of investments	25,000	—
Decrease in payable to American Leprosy Missions, Inc.	—	20,005
Decrease in unearned subscriptions	1,449	—
Increase in receivables	1,502	—
Purchases of equipment	<u>400</u>	<u>—</u>
	<u>28,351</u>	<u>20,005</u>
Increase (decrease) in cash	<u>\$ 10,375</u>	<u>\$ (2,469)</u>

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