

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

Statement of Financial Condition

Tait, Weller & Baker, Certified Public Accountants, New York, New York, Auditors, INTERNATIONAL JOURNAL OF LEPROSY, on 17 February 2001, transmitted the following audited financial statements for 2000 to the Board of Directors, IJL, with the following report:

"We have audited the accompanying statements of financial position of the International Journal of Leprosy of the International Leprosy Association as of December 31, 2000 and 1999, and the related statements of activities and changes in net assets, and cash flows for the years then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

"We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

"In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the International Journal of Leprosy of the International Leprosy Association as of December 31, 2000 and 1999, and the changes in its net assets and its cash flows for the years then ended, in conformity with generally accepted accounting principles."

STATEMENT OF FINANCIAL POSITION

December 31, 2000 and 1999

	2000	1999
ASSETS		
Cash	\$6,034	\$34,625
Accounts receivable	58,461	14,098
Equipment (net of accumulated depreciation— \$15,108 in 2000 and \$14,877 in 1999)	50	282
Total assets	\$64,545	\$49,005
 LIABILITIES		
Accounts payable and other liabilities	\$47,128	\$25,742
 NET ASSETS		
Unrestricted	17,417	23,263
Total liabilities and net assets	\$64,545	\$49,005

See notes to financial statements.

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

Years ended December 31, 2000 and 1999

	<u>2000</u>	<u>1999</u>
Revenues		
Member subscriptions	\$13,303	\$18,251
Non-member subscriptions	15,666	19,969
Private grants and contributions	99,136	71,095
Sales of back and single issues	107	175
Page charges	1,650	1,750
Miscellaneous income	737	461
Total revenues	<u>130,599</u>	<u>111,701</u>
Expenses		
General		
Printing—JOURNAL	58,406	53,778
Mailing	18,127	20,129
Professional fees	3,500	3,350
Depreciation	232	363
Miscellaneous	1,145	1,540
Total general expenses	<u>81,410</u>	<u>79,160</u>
Editorial office		
Editorial services and salaries	40,333	41,458
Office supplies and other	409	940
Taxes—payroll	3,685	3,024
Telephone and telegraph	81	625
Translation	550	638
Total editorial office expenses	<u>45,058</u>	<u>46,685</u>
Business office		
Office supplies and other	1,192	707
Mailing and shipping	4,887	675
Secretarial services	3,898	2,399
Total business office expenses	<u>9,977</u>	<u>3,781</u>
Total expenses	<u>136,445</u>	<u>129,626</u>
Change in net assets	(5,846)	(17,925)
Net assets		
Beginning of year	<u>22,263</u>	<u>41,188</u>
End of year	<u>\$17,417</u>	<u>\$23,263</u>

See notes to financial statements.

STATEMENT OF CASH FLOWS

Years ended December 31, 2000 and 1999

	<u>2000</u>	<u>1999</u>
INCREASE (DECREASE) IN CASH		
<i>Cash flows from operating activities</i>		
Cash received from subscriptions	\$28,969	\$38,220
Cash received from contributors	54,773	87,528
Miscellaneous receipts	2,494	2,386
Cash paid to employees and suppliers	<u>(114,827)</u>	<u>(139,667)</u>
Net cash provided by (used for) operating activities	<u>(28,591)</u>	<u>(11,533)</u>
Net increase (decrease) in cash	(28,591)	(11,533)
 <i>Cash balance</i>		
Beginning of year	<u>34,625</u>	<u>46,158</u>
End of year	<u><u>\$6,034</u></u>	<u><u>\$34,625</u></u>
 RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH PROVIDED BY (USED FOR) ACTIVITIES		
 <i>Change in net assets</i>	\$(5,846)	\$(17,925)
 <i>Adjustments to reconcile change in net assets to net cash provided by (used for) operating activities</i>		
Depreciation	232	363
(Increase) decrease in		
Accounts receivable	(44,363)	15,785
Travel advances receivable	—	649
Increase (decrease) in		
Accounts payable and other liabilities	<u>21,386</u>	<u>(10,405)</u>
 <i>Net cash provided by (used for) operating activities</i>	\$(28,591)	\$(11,533)

 See notes to financial statements.

*NOTES TO FINANCIAL STATEMENTS*December 31, 2000 and 1999

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

ORGANIZATION AND PURPOSE

The International Journal of Leprosy of the International Leprosy Association ("IJL") qualifies as a non-taxable organization under Section 501(c)(3) of the Internal Revenue Code.

The primary purpose of IJL is to publish and distribute the "*International Journal of Leprosy*."

BASIS OF PREPARATION

IJL prepares its financial statements on the accrual bases and, as such, income from subscriptions to the "*International Journal of Leprosy*" is recognized ratably over the term of the subscriptions.

ACCOUNTING ESTIMATES

In preparing financial statements in conformity with generally accepted accounting principles, management makes estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

EQUIPMENT

Equipment is carried at cost. Depreciation is provided on a straight-line basis over the lives of the assets which is five years.

(2) DONATED SERVICES

ALM International has provided administrative and secretarial support and occupancy space to the organization. No amounts have been reflected in the statements for these services. The estimated values for these services are approximately \$10,000 for each of the years 2000 and 1999, respectively.