

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 27 March 1980 transmitted the following audited financial statements for 1979 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, 1979 and the related statements of revenue, 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 operating losses during the years 1975 through 1977 and during 1979. There is a Current Fund deficit of \$30,942 at December 31, 1979. 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, Inc. at December 31, 1979, and the results of its operations and changes in its fund balances and financial position for the year then ended, in conformity with generally accepted accounting principles which, except for the change, with which we concur, in the method of recording equipment acquisitions as described in Note 2 to the financial statements, have been 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	\$10,700
Occupancy	1,620
Other	4,480
	<u>\$16,800</u>

ASSETS

	1979	1978
Cash	\$ 14,211	\$ 15,956
Accounts receivable	1,021	2,812
Equipment (less accumulated depreciation—\$507)	4,564	—
	<u>\$ 19,796</u>	<u>\$ 18,768</u>

LIABILITIES AND FUND BALANCES

Payable to American Leprosy Missions, Inc.	\$ 20,829	\$ 9,942
Other payables	9,384	16,639
Unearned subscriptions	15,598	15,572
	<u>45,811</u>	<u>42,153</u>
Fund Balances:		
Unrestricted Fund	(30,942)	(23,748)
Restricted Fund (Note 3)	363	363
Equipment Fund	4,564	—
	<u>(26,015)</u>	<u>(23,385)</u>
	<u>\$ 19,796</u>	<u>\$ 18,768</u>

STATEMENT OF REVENUE, EXPENSES AND CHANGES IN FUND BALANCES

Year ended December 31, 1979
with comparative totals for 1978

	Unrestricted Fund	Restricted Fund	Equipment Fund	Total	
				1979	1978
Revenues					
Member subscriptions	\$ 20,008	—	—	\$ 20,008	\$ 16,806
Non-member subscriptions	25,382	—	—	25,382	22,569
Private grants and contributions	30,442	—	—	30,442	31,805
Sale of back and single issues	720	—	—	720	1,153
Sale of reprints	4,300	—	—	4,300	3,444
Transfers from ILA—London					
Office	9,560	—	—	9,560	—
Total revenues	<u>90,412</u>	<u>—</u>	<u>—</u>	<u>90,412</u>	<u>75,777</u>
Expenses					
General:					
Printing—JOURNAL	43,748	—	—	43,748	32,363
Cost of reprints	4,408	—	—	4,408	3,025
Mailing	1,049	—	—	1,049	2,040
Auditing fee	750	—	—	750	725
Legal fee	61	—	—	61	—
Management services—ILA	4,000	—	—	4,000	—
Miscellaneous	511	—	—	511	910
Total general expenses	<u>54,527</u>	<u>—</u>	<u>—</u>	<u>54,527</u>	<u>39,063</u>

Editorial Office:					
Editorial services and salaries	18,167	—	—	18,167	4,800
Secretarial services	5,954	—	—	5,954	11,463
Mailing and shipping	866	—	—	866	197
Office supplies and other	593	—	—	593	161
Taxes—payroll	1,059	—	—	1,059	228
Telephone and telegraph	538	—	—	538	—
Travel	1,851	—	—	1,851	—
Depreciation	—	—	507	507	—
Miscellaneous	1,926	—	—	1,926	—
Total editorial office expenses	<u>30,954</u>	<u>—</u>	<u>507</u>	<u>31,461</u>	<u>16,849</u>
Business Office:					
Telephone and telegraph	—	—	—	—	11
Mailing and shipping	917	—	—	917	1,141
Office supplies and other	3,556	—	—	3,556	105
Computer	2,581	—	—	2,581	3,072
Total business office expenses	<u>7,054</u>	<u>—</u>	<u>—</u>	<u>7,054</u>	<u>4,329</u>
Total expenses	<u>92,535</u>	<u>—</u>	<u>507</u>	<u>93,042</u>	<u>60,241</u>
Excess (deficit) of revenues over expenses	(2,123)	—	(507)	(2,630)	15,536
Other changes in fund balances					
Equipment acquisitions from Unrestricted Funds	(5,071)	—	5,071	—	—
Fund balances					
Beginning of year	<u>(23,748)</u>	<u>\$363</u>	<u>—</u>	<u>(23,385)</u>	<u>(38,921)</u>
End of year	<u>\$(30,942)</u>	<u>\$363</u>	<u>\$ 4,564</u>	<u>\$(26,015)</u>	<u>\$(23,385)</u>

STATEMENT OF CHANGES IN FINANCIAL POSITION

Year ended December 31, 1979
with comparative totals for 1978

	<u>1979</u>	<u>1978</u>
Sources of Cash		
From operations		
Excess of revenues over expenses	\$ —	\$ 15,536
Increase in payable to American Leprosy Missions, Inc.	10,887	—
Increase in unearned subscriptions	26	7,698
Decrease in accounts receivable	<u>1,791</u>	<u>—</u>
	<u>12,704</u>	<u>23,234</u>
Uses of Cash		
For operations		
Excess of expenses over revenues	2,630	—
Depreciation	<u>(507)</u>	<u>—</u>
Cash used for operations	2,123	—
Increase in accounts receivable	—	1,537
Decrease in payable to American Leprosy Missions, Inc.	—	17,784
Decrease in other payables	7,255	745
Purchases of equipment	<u>5,071</u>	<u>—</u>
	<u>14,449</u>	<u>20,066</u>
Increase (decrease) in Cash	<u>\$ (1,745)</u>	<u>\$ 3,168</u>

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

INTERNATIONAL LEPROSY ASSOCIATION
LONDON OFFICE

Statement of Financial Condition

"We have compared the attached Receipts and Payments Account covering the transactions in London of the International Leprosy Association with the books and vouchers produced to us for the year ended 31st December 1979. 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

Receipts and Payments Account
for the year ended 31st December, 1979

	1979		1978	
	£	£	£	£
Balances at 1st January 1979				
Cash in hand	9		2	
At bank	812		333	
Advance on account Mexico Congress	<u>3,272</u>		—	
		4,093		335
Add: Receipts				
Members' subscriptions	272		2,579	
Special donations	—		3	
Subscriptions to JOURNAL	272		1,123	
Sustaining members' fees	606		1,334	
Congress receipts	<u>228</u>		—	
		<u>1,378</u>		<u>5,039</u>
		5,471		5,374
Less: Payments				
Audit fee	27		27	
C.I.O.M.S. subscription	125		66	
Bank charges	—		2	
Heating, lighting and telephone	—		150	
Honorarium	—		150	
Postage	59		34	
Printing and stationery	64		33	
Transfer to U.S.A. for JOURNAL	4,010		700	
Travelling expenses	165		119	
Miscellaneous	<u>14</u>		—	
		<u>4,464</u>		<u>1,281</u>
Balance at 31st December 1979		<u>1,007</u>		<u>4,093</u>
Represented by:				
Advance on account Mexico Congress	—		3,272	
Cash in hand	4		9	
Cash at bank	<u>1,003</u>		<u>812</u>	
		<u>1,007</u>		<u>4,093</u>

—M. F. Lechat, M.D., Dr.P.H.
President
—S. G. Browne, M.D.
Secretary