

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 19 February 2000, transmitted the following audited financial statements for 1999 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, 1999 and 1998, 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, 1999 and 1998, 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, 1999 and 1998

	<u>1999</u>	<u>1998</u>
ASSETS		
Cash	\$34,625	\$46,158
Accounts receivable	14,098	29,883
Travel advances receivable	—	649
Equipment (net of accumulated depreciation— \$14,877 in 1999; \$14,514 in 1998)	282	645
Total assets	<u>\$49,005</u>	<u>\$77,335</u>
 LIABILITIES		
Accounts payable and other liabilities	\$25,742	\$36,147
 NET ASSETS		
Unrestricted	23,263	41,188
Total liabilities and net assets	<u>\$49,005</u>	<u>\$77,335</u>

See notes to financial statements.

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

Years ended December 31, 1999 and 1998

	1999	1998
Revenues		
Member subscriptions	\$18,251	\$24,140
Non-member subscriptions	19,969	33,232
Private grants and contributions	71,095	86,615
Sales of back and single issues	175	—
Page charges	1,750	3,004
Miscellaneous income	461	1,709
Total revenues	<u>111,701</u>	<u>148,700</u>
Expenses		
General		
Printing—JOURNAL	53,778	58,565
Mailing	20,129	16,095
Professional fees	3,350	2,900
Depreciation	363	493
Travel	—	760
Miscellaneous	1,540	1,606
Total general expenses	<u>79,160</u>	<u>80,419</u>
Editorial office		
Editorial services and salaries	41,458	40,405
Office supplies and other	940	68
Taxes—payroll	3,024	3,215
Telephone and telegraph	625	166
Translation	638	684
Total editorial office expenses	<u>46,685</u>	<u>44,538</u>
Business office		
Office supplies and other	707	641
Mailing and shipping	675	900
Secretarial services	2,399	2,619
Total business office expenses	<u>3,781</u>	<u>4,160</u>
Total expenses	<u>129,626</u>	<u>129,117</u>
Change in net assets	(17,925)	19,583
Net assets		
Beginning of year	41,188	21,605
End of year	<u>\$23,263</u>	<u>\$41,188</u>

See notes to financial statements.

STATEMENT OF CASH FLOWS**Years ended December 31, 1999 and 1998**

	<u>1999</u>	<u>1998</u>
INCREASE (DECREASE) IN CASH		
<i>Cash flows from operating activities</i>		
Cash received from subscriptions	\$38,220	\$56,772
Cash received from contributors	87,528	78,637
Miscellaneous receipts	2,386	4,713
Cash paid to employees and suppliers	(139,667)	(139,560)
Net cash provided by (used for) operating activities	<u>(11,533)</u>	<u>562</u>
Net increase (decrease) in cash	(11,533)	562
 <i>Cash balance</i>		
Beginning of year	46,158	45,596
End of year	<u>\$34,625</u>	<u>\$46,158</u>
 RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH PROVIDED BY (USED FOR) ACTIVITIES		
 <i>Change in net assets</i>	\$(17,925)	\$19,583
 <i>Adjustments to reconcile change in net assets to net cash provided by (used for) operating activities</i>		
Depreciation	363	493
(Increase) decrease in		
Accounts receivable	15,785	(29,883)
Travel advances receivable	649	4,889
Increase (decrease) in		
Accounts payable and other liabilities	(10,405)	6,080
Refundable advances	<u>—</u>	<u>(600)</u>
 <i>Net cash provided by (used for) operating activities</i>	<u>\$ (11,533)</u>	<u>\$ 562</u>

 See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS**December 31, 1999 and 1998**

(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 1999 and 1998, respectively.