

REPORT OF THE TREASURER

The Treasurer this year again presents to the membership an abridged statement of the Society's financial position, set up in semi-informal narrative style. A copy of the complete Treasurer's Report as submitted to the Trustees and the Council will be sent to any member requesting it from the Treasurer through the Providence office. Moreover, the Treasurer will be happy to answer any questions members may wish to put to him concerning the Society's financial affairs.

Returns on invested funds this year have been at the rate of 3.91% computed on book value after deduction of custodial expense. This is slightly more than last year.

Since my last report, the National Science Foundation has completed a detailed audit of the Society's records for the fiscal year ended May 31, 1962. The assessment by the Foundation is reflected in the following statements.

The publication of this report has been delayed pending a review of the 1962 audit findings, inasmuch as certain procedural changes for the year ending May 31, 1963 were thereby implied.

I

A DESCRIPTION OF THE FINANCIAL POSITION OF THE SOCIETY AS OF MAY 31, 1963

The Society had Cash on deposit		
In the Rhode Island Hospital Trust Company . . .	\$255,313.36	
In petty cash and drawing accounts in Providence and Los Angeles	1,800.00	
		\$257,113.36
It had reserves invested until needed in securities		247,982.70
There was owing to it		
By the United States Government	23,020.02	
By members, subscribers and others (less allowance for doubtful accounts)	123,834.73	
		146,854.75
It has prepaid expenses and deposits		15,373.51
And it had invested in its Headquarters Building and Office Equipment		167,195.00
		834,519.32
Making a total of Current and Fixed Assets of		834,519.32
The Society also held investment securities valued at		944,921.21
(The market value, May 31, 1963, was \$1,176,563.00)		
		1,779,440.53
TOTAL ASSETS, therefore, were		\$1,779,440.53

Offsetting these assets, the Society	
Owed vendors	18,854.39
Owed the National Science Foundation	26,368.94
Had deferred until the next fiscal year government income received to support Mathematical Reviews	171,706.62
Had other miscellaneous liabilities and deferred income	11,279.17
Had reserved in its Building Fund	178,223.49
Held funds received from various special sources to support particular projects such as the Summer Institute, Symposia, etc.	208,885.65
Had a deficit in book publication funds (Colloquium, Survey, Translation, etc. Series), representing the publication costs of books in stock, to be recovered from future sales	13,750.72
And held in its General Fund the sum of	232,951.78
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Thus accounting for all the CURRENT FUNDS	\$834,519.32
The Invested Funds represent the following:	
1. The Endowment Fund, largely the gift of members about forty years ago	\$100,000.00
2. Robert Henderson Endowment Fund	547,223.20
3. The Library Proceeds Fund, derived from the sale of the Society's Library in 1950	66,000.00
4. The Prize Funds—Bocher, Cole, Moore	6,575.00
5. The Mathematical Reviews Fund, a gift received in 1940 and later increased by the Society for the support of the Reviews	80,000.00
6. Reserves established by the Trustees to protect the life memberships formerly available, and as a "hedge" against investment losses	113,571.54
7. Other funds, derived mainly from bequests to the Society by members, which the Trustees were either required to invest or which they have invested at their option—the income being used for the general purposes of the Society	31,551.47
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A total of INVESTED FUNDS of	944,921.21
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Total LIABILITIES AND FUND RESERVES, therefore, were	\$1,779,440.53
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II

AN ACCOUNT OF THE FINANCIAL TRANSACTIONS OF THE SOCIETY
DURING THE FISCAL YEAR 1962-1963

The Society has two types of receipts: funds for special purposes and projects, and the General Fund, from which are met the general operating expenses of the organization, including the publication of the Bulletin, the Proceedings, the Notices, and the Transactions. Income from sales of and subscriptions to these journals is placed in the General Fund, but in practice is allocated to the expense of the journals themselves. It is so treated in the following presentation:

To meet its GENERAL obligations, the Society RECEIVED:

From dues and contributions of individual members	\$103,449.00
From dues of institutional members	49,000.00
From dues of corporate and associate members	21,100.00
From sales and support of scientific journals of the Society	387,389.94
From investment and trusts	43,639.95
From publication charges	29,455.67
From miscellaneous sources	2,681.54

Total General Receipts \$636,716.10

These funds were EXPENDED:

For expenses of scientific journals of the Society	\$510,279.13
For Organizational Expenses and Membership Services	32,527.66
For Unrecoverable Overhead on grants and contracts	8,442.01
In subsidies to non-Society publications	10,520.27
For miscellaneous other expenses	27.61

Total General Expenses 561,796.68

Leaving an EXCESS OF INCOME OVER EXPENSES OF \$ 74,919.42
(Which was added to the General Fund)

Summary of Scientific Journal Accounts

	<i>Income</i>	<i>Expenses</i>	<i>Deficit</i>
Bulletin	\$ 14,812.47	\$ 45,567.83	\$ 30,755.36
Proceedings	12,761.25	57,398.72	44,637.47
Notices	22,979.10	46,793.59	23,814.49
Transactions	49,715.20	73,397.07	23,681.87
Mathematical Reviews	287,121.92	287,121.92	-0-
Total	<u>\$387,389.94</u>	<u>\$510,279.13</u>	<u>\$122,889.19</u>

Details of Subsidies to Other Journals

American Journal	\$ 2,120.27
Canadian Journal	1,150.00
Pacific Journal	2,450.00
Annals of Mathematics	2,500.00
Illinois Journal	1,350.00
SIAM	950.00
	<u>\$10,520.27</u>

Respectfully submitted,
ALBERT E. MEDER, JR.
TREASURER

December 6, 1963