

REPORT OF THE TREASURER

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

Returns on invested funds this year have been at the rate of 4.24 percent, computed on book value after deductions of custodial expense.

I.

A DESCRIPTION OF THE FINANCIAL POSITION OF THE SOCIETY AS OF DECEMBER 31, 1974

| | |
|---|-----------------------|
| The Society had cash on deposit in | |
| The Rhode Island Hospital Trust | |
| Company..... | \$87,627.00 |
| Petty cash and drawing accounts.. | <u>1,250.00</u> |
| | \$ 88,877.00 |
| It had investments in its agency account | 1,275,462.00 |
| There was owing to it by | |
| Members, subscribers, and others | |
| (less allowance for doubtful | |
| accounts)..... | 428,579.00 |
| It had deferred computer development costs..... | 75,000.00 |
| It had prepaid expenses and deposits..... | 39,233.00 |
| It had invested in the headquarters building, <i>Mathematical Reviews</i> editorial offices, a computer, and other equipment..... | <u>1,197,462.00</u> |
| Making a total of current and fixed assets of | 3,104,613.00 |
| The Society also held investment securities and uninvested principal cash valued at..... | 1,594,346.00 |
| (The approximate market value December 31, 1974 was \$1,222,157.00) | |
| Total assets, therefore, were..... | <u>\$4,698,959.00</u> |
| Offsetting these assets, the Society had | |
| Accounts payable..... | 509,845.00 |
| Deferred payments of publication charges..... | 59,102.00 |
| Reserved unearned dues and subscriptions..... | 2,028,641.00 |
| Other miscellaneous liabilities..... | 44,378.00 |
| Mortgage and note payable..... | 359,898.00 |
| Funds and grants received from various sources to support particular projects such as the summer institute, symposia, etc. | \$ 81,173.00 |

| | | |
|---|--------------------|-----------------------|
| A deficit in its publication funds . . | <u>(69,699.00)</u> | |
| | 11,474.00 | |
| Less the amounts included therein representing grant balances un- paid..... | <u>30,135.00</u> | (18,661.00) |
| Its general fund reflected a surplus balance of..... | | <u>121,410.00</u> |
| Thus, accounting for all the current funds | | <u>3,104,613.00</u> |
| The invested funds represent the following: | | |
| 1. The Endowment Fund, largely the gift of members..... | 100,000.00 | |
| 2. Robert Henderson Endowment Fund..... | 548,223.00 | |
| 3. Joseph Fels Ritt Memorial Fund..... | 22,521.00 | |
| 4. The Library Proceeds Fund, derived from the sale of the Society's library in 1959..... | 66,000.00 | |
| 5. The various prize funds..... | 151,144.00 | |
| 6. Dues and publication reserve fund..... | 75,056.00 | |
| 7. <i>Mathematical Reviews</i> sub- scription reserve fund..... | 80,000.00 | |
| 8. Undistributed net gains on in- vestment transactions..... | 416,584.00 | |
| 9. Royalties earned by Russian authors..... | 89,859.00 | |
| 10. Friends of Mathematics Fund.. | 9,283.00 | |
| 11. Other funds, derived mainly from bequests to the Society by members, which 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..... | <u>35,676.00</u> | |
| A total of invested funds of | | <u>1,594,346.00</u> |
| Total liabilities and fund reserves, therefore, were | | <u>\$4,698,959.00</u> |

II.

AN ACCOUNT OF THE FINANCIAL TRANSACTIONS OF THE SOCIETY
DURING THE FISCAL YEAR ENDED DECEMBER 31, 1974

The Society has two types of receipts: funds for special purposes and projects; and general funds, from which are met the general operating expenses, including the publication of the *Bulletin*, the *Proceedings*,

Mathematics of Computation, the *Notices*, *Contents of Contemporary Mathematical Journals and New Publications*, *Mathematical Reviews*, and the *Transactions*.

To meet its general obligations, the Society received from

| | | |
|--|-------------------|-----------------------|
| Dues and contributions of individual members..... | \$312,289.00 | |
| Dues of institutional members.. | 127,869.00 | |
| Dues of corporate and associate members..... | <u>5,568.00</u> | |
| | 445,726.00 | |
| Less amount allocated to <i>Notices</i> and <i>Bulletin</i> | <u>190,520.00</u> | |
| | | \$ 255,206.00 |
| Sales of journals of the Society..... | | 1,940,010.00 |
| Investments and trusts | | 101,061.00 |
| Publication charges..... | | 123,865.00 |
| Miscellaneous sources | | <u>8,142.00</u> |
| Total general receipts..... | | 2,428,284.00 |
| These funds were expended for | | |
| Publication of Society journals.. | 2,202,845.00 | |
| Invested in Building | (88,653.00) | |
| Development of sales system, general ledger and system documentation | 34,669.00 | |
| Net transfers to special and publication funds, including support of membership services.. | 130,230.00 | |
| Subsidies to non-Society publications ¹ | 6,221.00 | |
| Miscellaneous..... | <u>188,048.00</u> | |
| Total general expenses and transfers..... | | <u>2,473,360.00</u> |
| Operating loss charged to general funds..... | | <u>\$ (45,076.00)</u> |

Respectfully submitted,
FRANKLIN P. PETERSON
Treasurer

¹ Non-Society journals subsidized in 1974 were the *American Journal of Mathematics*, the *Journal of Symbolic Logic* and the *Houston Journal of Mathematics*.