



Dear Member of the American Accounting Association:

Attached you will find the preliminary consolidated financial statements for the American Accounting Association for the 9-months ended May 31, 2010, as well as a high level overview of these results as compared with the budget for the same period. The presentation of these statements is consistent with the format found in the audited financial statements. Prior years' statements can be found on the AAA web page by clicking About AAA, and then Financial Statements and Key Performance Indicators. In interpreting these results, it is critical to understand the Association just switched its fiscal year end from August 31 to May 31. Thus, the financial statements reflect the results for the 'short' transition year and *do not include the results for an annual meeting*. These consolidated results reflect an ending total assets balance of \$8.0 million and also reflect a net reduction in available unrestricted assets of \$454,297, with a comparative ending balance in net assets of \$5,881,133. This reduction reflects the absence of a positive contribution from the Annual Meeting and use of accumulated net assets in support of strategic initiatives to enhance member services and build future revenue streams.

The statement of operations budgetary comparison for the General Fund provides a bit more depth into the components of these results. For those who may have reviewed the budgetary materials in previous years, you will notice that much of the detail provided in the past is no longer included. This reflects both the challenge of providing meaningful budgetary comparisons at that detailed level for a shortened year, as well as an anticipated transition toward a more strategic reporting format, versus the past, functionally oriented approach. These results for the General Fund show a favorable comparison between the budgeted reduction in available unrestricted net assets of \$684,237 and the actual reduction of \$450,659.

These materials will be presented and available for discussion during the AAA Business Meeting on Tuesday, August 3, during the AAA Annual Meeting, 4:00-5:30pm in the Hilton San Francisco Union Square, Lobby Level, Golden Gate 6.

Stacy Kovar  
Vice President Finance-Elect



**AMERICAN ACCOUNTING ASSOCIATION  
STATEMENT OF FINANCIAL POSITION  
CONSOLIDATED BALANCE SHEET**

	<b>Fiscal Year Ending</b>	
	<b><u>May 31, 2010</u></b>	<b><u>August 31, 2009</u></b>
<b>ASSETS</b>		
Cash and Cash Equivalents	\$4,405,956	\$4,687,200
Designated cash and cash equivalents	0	425,812
Certificates of Deposit	1,850,000	1,850,000
Accounts Receivable	259,276	332,734
Interest Receivable	1,070	1,290
Pledges receivable - net	560,090	858,869
Publications Inventory	4,875	7,403
Prepays and other Assets	80,684	47,657
Property and equipment - net	889,127	738,707
<b>TOTAL ASSETS</b>	<b><u>\$8,051,078</u></b>	<b><u>\$8,949,672</u></b>
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities		
Accounts payable and accrued expenses	\$349,984	\$1,087,364
Deferred revenue - dues and subscriptions	1,187,191	1,368,846
Deferred revenue - Meetings	632,768	0
Total liabilities	2,169,943	2,456,210
Net Assets		
Unrestricted		
Undesignated	5,182,236	5,210,723
Board designated	0	425,812
Temporarily restricted	698,899	856,927
Total Net Assets	5,881,135	6,493,462
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$8,051,078</u></b>	<b><u>\$8,949,672</u></b>

**AMERICAN ACCOUNTING ASSOCIATION  
STATEMENT OF ACTIVITIES  
CONSOLIDATED**

	<b>Fiscal Year Ending</b>	
	<b><u>May 31, 2010</u></b>	<b><u>August 31, 2009</u></b>
Support and revenue		
Membership Dues	\$1,174,524	\$1,486,471
FASB Codification	89,153	981,548
Subscriptions	746,193	117,752
Advertising	83,351	1,245,751
Publications/Aggregators	907,433	195,056
Contributions	410,265	56,387
Interest and Dividend Income	26,000	1,639,471
Annual Meeting	-	-
Other Revenue (primarily from programs and seminars)	<u>635,884</u>	<u>847,701</u>
Total Support and Revenue	\$4,072,803	\$6,570,137
Expenses		
Program Services		
Annual Meeting	\$270,844	\$1,810,236
Committees and Awards	139,732	228,658
Conferences and Consortia	463,620	625,912
Memberships and Subscriptions	172,119	198,069
Publications	1,062,469	1,255,029
Region Support	273,657	261,342
Section Support	935,995	813,268
Support Services		
Management and General	<u>1,366,696</u>	<u>1,533,884</u>
Total Expenses	<u>\$4,685,132</u>	<u>\$6,726,398</u>
Change in Unrestricted Net Assets	(\$454,297)	306,721
Change in Restricted Net Assets	<u>(\$158,029)</u>	<u>(462,982)</u>
Total change in Net Assets	(\$612,326)	(156,261)
Net Assets at Beginning of Year	<u>6,493,462</u>	<u>6,649,723</u>
Net Assets at End of Year	<u><u>\$5,881,133</u></u>	<u><u>\$6,493,462</u></u>



**AMERICAN ACCOUNTING ASSOCIATION  
STATEMENT OF ACTIVITIES  
GENERAL FUND - ACTUAL COMPARED TO BUDGET**

	<u>ACTUAL</u>	<u>BUDGET</u>	<u>Variance</u>
	<u>May 31, 2010</u>	<u>May 31, 2010</u>	<u>%</u>
Support and revenue			
Membership Dues	985,839	\$972,988	1.3%
FASB Codification	89,153	78,525	13.5%
Subscriptions	640,143	480,464	33.2%
Advertising	83,351	64,317	29.6%
Publications/Aggregators	889,252	984,729	-9.7%
Contributions	223,541	167,907	33.1%
Interest and Dividend Income	25,951	38,822	-33.2%
Annual Meeting	-	-	0.0%
Other Revenue (primarily from programs and seminars)	<u>137,040</u>	<u>210,911</u>	-35.0%
 Total Support and Revenue	 3,074,269	 \$2,998,663	 2.5%
			<i>favorable over</i>
Expenses			
Program Services			
Annual Meeting	256,179	\$259,667	-1.3%
Committees and Awards	80,633	102,451	-21.3%
Conferences and Consortia	461,847	475,474	-2.9%
Memberships and Subscriptions	163,267	168,334	-3.0%
Publications	960,365	1,005,418	-4.5%
Region Support	102,799	105,885	-2.9%
Section Support	322,898	333,328	-3.1%
Support Services	-		
Management and General	<u>1,313,219</u>	<u>1,466,534</u>	-10.5%
 Total Expenses	 <u>\$3,661,208</u>	 <u>\$3,917,091</u>	 -6.5%
			<i>favorable under</i>
Change in Unrestricted Net Assets	(\$450,659)	(684,327)	
Change in Restricted Net Assets	<u>(\$136,279)</u>	<u>(234,101)</u>	
Total Change in Net Assets	(\$586,940)	(918,428)	36.1%
			<i>favorable under</i>
Net Assets at Beginning of Year	<u>4,805,172</u>	<u>4,805,172</u>	
Net Assets at End of Year	<u><u>\$4,218,233</u></u>	<u><u>\$3,886,744</u></u>	-8.5%
			<i>favorable over</i>