

AMERICAN ACCOUNTING ASSOCIATION
SARASOTA, FLORIDA

FINANCIAL STATEMENTS
AND
SUPPLEMENTAL INFORMATION

Years Ended August 31, 2009 and 2008

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INDEPENDENT AUDITOR'S REPORT

Executive Committee
American Accounting Association
Sarasota, Florida

We have audited the accompanying statements of financial position of the American Accounting Association (a not-for-profit organization) as of August 31, 2009 and 2008, and the related statements of activities, functional expenses and cash flows for the years then ended. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits 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 American Accounting Association as of August 31, 2009 and 2008, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

CPA Associates

Bradenton, Florida
December 2, 2009

AMERICAN ACCOUNTING ASSOCIATION
STATEMENTS OF FINANCIAL POSITION

ASSETS	August 31,	
	2009	2008
Cash and cash equivalents	\$ 4,687,200	4,518,228
Designated cash and cash equivalents	425,812	825,678
Certificates of deposit	1,850,000	1,200,000
Accounts receivable	332,734	227,459
Interest receivable	1,290	2,392
Pledges receivable - net	858,869	1,216,713
Publications inventory	7,403	7,491
Prepays and other assets	47,657	34,776
Property and equipment - net	738,707	779,655
TOTAL ASSETS	\$ 8,949,672	8,812,392
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	\$ 1,087,364	965,391
Deferred revenue - dues and subscriptions	1,368,846	1,197,278
Total liabilities	2,456,210	2,162,669
Net assets		
Unrestricted		
Undesignated	5,210,723	4,504,136
Board designated	425,812	825,678
Temporarily restricted	856,927	1,319,909
Total net assets	6,493,462	6,649,723
TOTAL LIABILITIES AND NET ASSETS	\$ 8,949,672	8,812,392

See accompanying notes.

AMERICAN ACCOUNTING ASSOCIATION
STATEMENT OF ACTIVITIES
Year Ended August 31, 2009

	Unrestricted	Temporarily Restricted	Total
Support and revenue			
Membership dues	\$ 1,486,471	--	1,486,471
Subscriptions	981,548	--	981,548
Advertising	117,752	--	117,752
Publications/aggregators	1,245,751	--	1,245,751
Contributions	187,895	7,161	195,056
Interest and dividend income	56,387	--	56,387
Annual meeting	1,639,471	--	1,639,471
Other revenue (primarily from programs and seminars)	847,701	--	847,701
Net assets released from restrictions	470,143	(470,143)	--
Total support and revenue	7,033,119	(462,982)	6,570,137
Expenses			
Program services			
Annual meeting	1,810,236	--	1,810,236
Committees and awards	228,658	--	228,658
Conferences and consortia	625,912	--	625,912
Memberships and subscriptions	198,069	--	198,069
Publications	1,255,029	--	1,255,029
Region support	261,342	--	261,342
Section support	813,268	--	813,268
Support services			
Management and general	1,533,884	--	1,533,884
Total expenses	6,726,398	--	6,726,398
Change in net assets	306,721	(462,982)	(156,261)
Net assets at beginning of year	5,329,814	1,319,909	6,649,723
Net assets at end of year	\$ 5,636,535	856,927	6,493,462

See accompanying notes.

AMERICAN ACCOUNTING ASSOCIATION
STATEMENT OF ACTIVITIES
Year Ended August 31, 2008

	Unrestricted	Temporarily Restricted	Total
Support and revenue			
Membership dues	\$ 1,385,226	--	1,385,226
Subscriptions	925,573	--	925,573
Advertising	181,650	--	181,650
Publications/aggregators	973,708	--	973,708
Contributions	189,660	1,019,071	1,208,731
Interest and dividend income	136,440	--	136,440
Annual meeting	1,416,148	--	1,416,148
Other revenue (primarily from programs and seminars)	775,004	--	775,004
Net assets released from restrictions	415,438	(415,438)	--
Total support and revenue	6,398,847	603,633	7,002,480
Expenses			
Program services			
Annual meeting	1,415,528	--	1,415,528
Committees and awards	192,346	--	192,346
Conferences and consortia	646,932	--	646,932
Memberships and subscriptions	121,214	--	121,214
Publications	1,132,961	--	1,132,961
Region support	199,993	--	199,993
Section support	850,904	--	850,904
Support services			
Management and general	1,156,234	--	1,156,234
Total expenses	5,716,112	--	5,716,112
Change in net assets	682,735	603,633	1,286,368
Net assets at beginning of year	4,647,079	716,276	5,363,355
Net assets at end of year	\$ 5,329,814	1,319,909	6,649,723

See accompanying notes.

AMERICAN ACCOUNTING ASSOCIATION
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended August 31, 2009

	Program Services							Total Program Services	Management and General	Total Expenses
	Annual Meeting	Committees and Awards	Conferences and Consortia	Membership and Subscriptions	Publications	Region Support	Section Support			
Salaries	\$ 165,056	33,462	19,948	99,634	148,326	43,007	125,589	635,022	437,470	1,072,492
Employee benefits	57,145	11,585	6,906	34,495	51,352	14,890	43,481	219,854	151,458	371,312
Payroll taxes	13,406	2,718	1,620	8,093	12,047	3,493	10,201	51,578	35,533	87,111
Training	271	55	33	163	243	70	206	1,041	718	1,759
Total salaries and related expenses	235,878	47,820	28,507	142,385	211,968	61,460	179,477	907,495	625,179	1,532,674
Awards and grants	9,232	84,535	--	--	--	--	7	93,774	--	93,774
Bank and credit card fees	15,578	3,158	1,883	9,403	13,999	4,059	11,853	59,933	41,288	101,221
Dues and subscriptions	1,588	322	192	958	1,427	414	1,208	6,109	4,857	10,966
Equipment/software maintenance	3,189	647	385	1,925	2,866	831	2,426	12,269	8,452	20,721
Event coordinator expense	38,316	251	1,043	746	1,110	8,534	9,811	59,811	3,275	63,086
Hotel/food/beverage/audio visual	1,079,526	18,244	439,257	200	1,414	136,957	438,542	2,114,140	108,433	2,222,573
Insurance	1,312	205	306	3,401	9,020	264	771	15,279	25,893	41,172
Miscellaneous	20,662	6,390	3,612	1,254	11,204	2,108	6,920	52,150	43,193	95,343
Office maintenance	287	--	177	2,680	7,793	--	--	10,937	9,305	20,242
Postage	25,659	521	918	1,552	153,378	2,912	7,841	192,781	8,156	200,937
Publications pre-press	2,204	--	--	--	300,782	33	1,271	304,290	--	304,290
Printing/copying	66,049	6	4,591	18	232,093	6,063	15,658	324,478	15,865	340,343
Professional and temp fees	132,243	1,953	4,690	5,815	179,227	32,139	70,551	426,618	209,836	636,454
Registration/exhibitor/placements	91,783	--	--	--	--	--	--	91,783	--	91,783
Supplies	46,392	766	2,010	2,282	7,030	985	41,968	101,433	16,232	117,665
Taxes	247	--	152	2,306	6,707	--	--	9,412	34,513	43,925
Telephone/internet/web	3,292	527	314	1,570	3,612	678	1,979	11,972	11,362	23,334
Travel	18,906	62,237	136,231	3,152	21,208	2,522	18,946	263,202	174,328	437,530
Utilities	290	--	178	2,706	7,869	--	--	11,043	9,396	20,439
Web services/web hosting	16,261	1,076	642	3,204	45,940	1,383	4,039	72,545	140,880	213,425
Total expenses before depreciation	1,808,894	228,658	625,088	185,557	1,218,647	261,342	813,268	5,141,454	1,490,443	6,631,897
Depreciation	1,342	--	824	12,512	36,382	--	--	51,060	43,441	94,501
Total expenses	\$ 1,810,236	228,658	625,912	198,069	1,255,029	261,342	813,268	5,192,514	1,533,884	6,726,398

See accompanying notes.

AMERICAN ACCOUNTING ASSOCIATION
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended August 31, 2008

	Program Services							Total Program Services	Management and General	Total Expenses
	Annual Meeting	Committees and Awards	Conferences and Consortia	Membership and Subscriptions	Publications	Region Support	Section Support			
Salaries	\$ 160,552	23,796	14,390	56,057	135,628	29,439	140,424	560,286	380,265	940,551
Employee benefits	46,670	6,917	4,183	16,295	39,425	8,557	40,819	162,866	110,537	273,403
Payroll taxes	12,552	1,860	1,125	4,382	10,603	2,302	10,979	43,803	29,730	73,533
Total salaries and related expenses	219,774	32,573	19,698	76,734	185,656	40,298	192,222	766,955	520,532	1,287,487
Awards and grants	7,932	68,971	--	--	1,000	--	500	78,403	--	78,403
Bank and credit card fees	15,997	2,371	1,434	5,585	13,513	2,933	13,991	55,824	37,888	93,712
Dues and subscriptions	802	119	72	280	678	147	702	2,800	5,335	8,135
Equipment/software maintenance	3,417	507	306	1,193	2,886	627	2,989	11,925	8,094	20,019
Event coordinator expense	29,557	43	2,174	101	245	6,519	11,020	49,659	688	50,347
Hotel/food/beverage/audio visual	779,466	23,408	487,064	89	162	107,403	450,984	1,848,576	69,887	1,918,463
Insurance	1,358	157	279	3,159	9,004	194	926	15,077	25,310	40,387
Miscellaneous	(17,606)	4,864	2,013	202	20,773	2,329	21,401	33,976	14,389	48,365
Office maintenance	301	--	185	2,805	8,155	--	--	11,446	9,738	21,184
Postage	37,093	415	1,338	977	145,827	2,196	9,707	197,553	7,076	204,629
Publications pre-press	--	--	--	--	23,600	--	--	23,600	--	23,600
Printing/copying	72,419	6	4,025	15	203,564	3,419	13,179	296,627	19,163	315,790
Professional and temp fees	130,452	3,354	4,902	7,902	390,506	25,128	79,230	641,474	215,231	856,705
Registration/exhibitor/placements	69,969	--	--	--	--	--	--	69,969	--	69,969
Supplies	36,133	607	779	1,429	5,045	5,561	22,863	72,417	12,581	84,998
Taxes	311	--	191	2,897	8,423	--	--	11,822	18,749	30,571
Telephone/internet/web	3,874	466	282	1,098	4,264	577	2,751	13,312	7,449	20,761
Travel	20,553	54,163	121,042	1,517	13,288	2,263	26,538	239,364	117,228	356,592
Utilities	258	--	158	2,403	6,987	--	--	9,806	8,343	18,149
Web services/web hosting	2,174	322	195	759	54,290	399	1,901	60,040	16,649	76,689
Total expenses before depreciation	1,414,234	192,346	646,137	109,145	1,097,866	199,993	850,904	4,510,625	1,114,330	5,624,955
Depreciation	1,294	--	795	12,069	35,095	--	--	49,253	41,904	91,157
Total expenses	\$ 1,415,528	192,346	646,932	121,214	1,132,961	199,993	850,904	4,559,878	1,156,234	5,716,112

See accompanying notes.

AMERICAN ACCOUNTING ASSOCIATION
STATEMENT OF CASH FLOWS
Year Ended August 31, 2009

	Unrestricted	Temporarily Restricted	Total
Cash flows from operating activities			
Change in net assets	\$ 306,721	(462,982)	(156,261)
Adjustments to reconcile change in net assets to net cash provided by operating activities			
Depreciation	94,501	--	94,501
(Increase) decrease in			
Pledges receivable	262,253	95,591	357,844
Accounts receivable	(105,275)	--	(105,275)
Interest receivable	1,102	--	1,102
Publications inventory	88	--	88
Prepays and other assets	(12,881)	--	(12,881)
Increase in			
Accounts payable and accrued expenses	121,973	--	121,973
Deferred revenue - dues and subscriptions	171,568	--	171,568
Net cash provided (used) by operating activities	840,050	(367,391)	472,659
Cash flows from investing activities			
Purchase of land/building/equipment	(53,553)	--	(53,553)
Purchase of certificates of deposit	(1,850,000)	--	(1,850,000)
Maturities of certificates of deposit	1,200,000	--	1,200,000
Net cash used by investing activities	(703,553)	--	(703,553)
Net increase (decrease) in cash and cash equivalents	136,497	(367,391)	(230,894)
Cash and cash equivalents at beginning of year	4,988,215	355,691	5,343,906
Cash and cash equivalents at end of year	\$ 5,124,712	(11,700)	5,113,012
Cash and cash equivalents at end of year			
Cash and cash equivalents			\$ 4,687,200
Designated cash and cash equivalents			425,812
			<u>\$ 5,113,012</u>

See accompanying notes.

AMERICAN ACCOUNTING ASSOCIATION
STATEMENT OF CASH FLOWS
Year Ended August 31, 2008

	Unrestricted	Temporarily Restricted	Total
Cash flows from operating activities			
Change in net assets	\$ 682,735	603,633	1,286,368
Adjustments to reconcile change in net assets to net cash provided by operating activities			
Depreciation	91,157	--	91,157
(Increase) decrease in:			
Pledges receivable	(113,509)	(493,443)	(606,952)
Accounts receivable	(124,436)	--	(124,436)
Interest receivable	12,456	--	12,456
Publications inventory	8,228	--	8,228
Prepays and other assets	(9,954)	--	(9,954)
Increase (decrease) in:			
Accounts payable and accrued expenses	(43,260)	--	(43,260)
Deferred revenue - dues and subscriptions	347,771	--	347,771
Net cash provided by operating activities	851,188	110,190	961,378
Cash flows from investing activities			
Purchase of land/building/equipment	(66,513)	--	(66,513)
Maturities of certificates of deposit	1,300,000	--	1,300,000
Purchase of certificates of deposit	(1,200,000)	--	(1,200,000)
Net cash provided by investing activities	33,487	--	33,487
Net increase in cash and cash equivalents	884,675	110,190	994,865
Cash and cash equivalents at beginning of year	4,103,540	245,501	4,349,041
Cash and cash equivalents at end of year	\$ 4,988,215	355,691	5,343,906
Cash and cash equivalents at end of year			
Cash and cash equivalents			\$ 4,518,228
Designated cash and cash equivalents			825,678
			\$ 5,343,906

See accompanying notes.

AMERICAN ACCOUNTING ASSOCIATION
NOTES TO FINANCIAL STATEMENTS

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Organization and Nature of Activities: The American Accounting Association (the Association) was founded in 1916 as a non-profit organization. The Association seeks to promote worldwide excellence in accounting education, research and practice. The Association publishes scholarly journals and conducts meetings, consortia and conferences on a variety of pedagogical and accounting issues. The Association's members are primarily accounting faculty members at colleges and universities throughout the world. The Association also publishes newsletters and engages in other activities to support worldwide excellence in accounting education, research and practice.

Cash and Cash Equivalents: The Association considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Designated Cash and Cash Equivalents: Revenue received under certain royalty contracts through December 31, 2007 have been designated by the Board to cover expenses incurred related to the royalty contracts in future years. Designated cash and cash equivalents are considered cash and cash equivalents for statement of cash flows purposes.

Accounts Receivable: The Association records accounts receivables at their net realizable value. An allowance for doubtful accounts is established based on specific assessment of all amounts that remain unpaid following normal payment periods. All amounts deemed to be uncollectible are charged against the allowance for doubtful accounts in the period the determination is made. At August 31, 2009 and 2008, all accounts receivables are considered fully collectible.

Pledges Receivable: Promises to give are recorded at fair value if expected to be collected in one year and net realizable value if expected to be collected in more than one year. Unconditional promises to give are recognized as contribution revenue in the period received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Publications Inventory: Publications inventory is stated at the lower of cost or market. Cost is determined using the first-in, first-out (FIFO) method.

Property and Equipment: The Association records its property and equipment at cost or at fair market value, if donated. Depreciation of buildings and equipment is provided for using the straight-line method over the estimated useful lives of the respective assets. Estimated useful lives of assets range from 3 to 10 years for furniture, fixtures, and equipment and 10 to 40 years for buildings and land improvements. Maintenance and repair costs are expensed as incurred.

Deferred Revenue: Membership dues and subscriptions are paid annually and are recognized as income over the 12-month period expected to be benefited. Fees collected in advance for conferences and meetings are deferred and are recognized in the year of the function.

AMERICAN ACCOUNTING ASSOCIATION
NOTES TO FINANCIAL STATEMENTS

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Publication Revenue: Publication revenue is recognized when the related publications (books) are sold.

Contributions: Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted contributions are reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Functional Expenses: The costs of providing the various programs and activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Income Taxes: The Association is generally exempt from Federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and comparable state law. The Association is required to pay income taxes on the excess of revenues derived from activities unrelated to the tax-exempt purpose of the Association over the related expenses.

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Reclassifications: Certain prior year expense amounts have been reclassified to conform to current year presentation.

Subsequent Events: The Association has evaluated all subsequent events through December 2, 2009, the date the financial statements were available to be issued. No material subsequent events occurred which would have a material impact on the Association's financial statements.

AMERICAN ACCOUNTING ASSOCIATION
NOTES TO FINANCIAL STATEMENTS

NOTE B – CASH AND CASH EQUIVALENTS

At August 31, cash and cash equivalents by managed fund groups consist of the following:

	2009	2008
General operations	\$ 2,834,580	2,645,995
Sections	1,602,902	1,615,912
Regions	249,718	256,321
	4,687,200	4,518,228
Designated cash and cash equivalents	425,812	825,678
Total cash and cash equivalents	\$ 5,113,012	5,343,906

The Association's cash and cash equivalents are held in either non-interest bearing accounts which are fully insured by the FDIC or in U. S. Government securities which are fully backed by the U. S. Government.

NOTE C – CERTIFICATES OF DEPOSIT

At August 31, 2009 and 2008, the Association held 14 and 12 certificates of deposits, respectively in increments ranging from \$100,000 to \$250,000 in separate banking institutions. Maturity dates on the certificates of deposits range in increments of 12 months and 13 months.

NOTE D – PLEDGES RECEIVABLE

Unconditional promises to give, net of the discount to present value using an interest rate equivalent to the current risk free rate at the time the promise is made, are due to be collected as follows:

	2009	2008
Pledges receivable - less than 1 year	\$ 427,500	523,091
Pledges receivable - 1 to 5 years	440,951	710,000
Discount on pledges receivable	(9,582)	(16,378)
Pledges receivable - net	\$ 858,869	1,216,713

The discount is recognized as an increase in contribution income as the discount is amortized over the duration of the pledge.

AMERICAN ACCOUNTING ASSOCIATION
NOTES TO FINANCIAL STATEMENTS

NOTE E – PROPERTY AND EQUIPMENT

At August 31, property and equipment consists of the following:

	<u>2009</u>	<u>2008</u>
Land	\$ 199,816	199,816
Land improvements	15,252	15,252
Building	622,508	622,508
Furniture and equipment	272,023	271,728
Computers and software	603,465	550,209
	<u>1,713,064</u>	<u>1,659,513</u>
Less accumulated depreciation	<u>(974,357)</u>	<u>(879,858)</u>
Total property and equipment	<u>\$ 738,707</u>	<u>779,655</u>

Depreciation expense was \$94,501 and \$91,157 for the years ended August 31, 2009 and 2008, respectively.

NOTE F – TEMPORARILY RESTRICTED NET ASSETS

At August 31, temporarily restricted net assets are restricted for the following purposes:

	<u>2009</u>	<u>2008</u>
Seminars and education	\$ 695,835	1,103,948
Awards	41,719	58,854
Research	119,373	157,107
	<u>856,927</u>	<u>1,319,909</u>
Temporarily restricted net assets	<u>\$ 856,927</u>	<u>1,319,909</u>

AMERICAN ACCOUNTING ASSOCIATION
NOTES TO FINANCIAL STATEMENTS

NOTE G – ROYALTY AGREEMENTS

In November 2004, the Association entered into license agreements retroactive to January 1, 2004, which expired December 31, 2007. The revenue from these agreements has been designated by the Board to be used for related expenses in future years. The designated cash and cash equivalents at August 31, was determined as follows:

	<u>2009</u>	<u>2008</u>
Beginning balance	\$ 825,678	1,029,537
Royalties received	--	116,667
Expenses incurred	<u>(399,866)</u>	<u>(320,526)</u>
Designated net assets	<u>\$ 425,812</u>	<u>825,678</u>

During 2008, these license agreements were renewed. The new agreements, which expire December 31, 2012, guarantee payments to the Association annually and are payable on a quarterly basis. The revenue from any renewed agreements has not been designated by the Board.

NOTE H – EMPLOYEE BENEFIT PLAN

The Association had a defined contribution, money purchase pension plan that covered substantially all employees that was converted to a 401(k) profit sharing plan effective January 1, 2009. Employer contributions to the plan are 7% of qualifying employees' compensation. The Association's contributions to the plan for 2009 and 2008 were \$40,164 (8 months short year) and \$47,513, respectively. Employees may contribute to the 401(k) plan up to the maximum allowed by law.

NOTE I – CONTRIBUTIONS

Total contributions received by the Association for 2009 and 2008, were \$852,107 and \$1,836,816, respectively. Contributions are divided among the following categories on the statement of activities: contributions, annual meeting, and other revenue.

AMERICAN ACCOUNTING ASSOCIATION
NOTES TO FINANCIAL STATEMENTS

NOTE J – NEW ACCOUNTING STANDARDS

The Financial Accounting Standards Board (“FASB”) has issued FASB Interpretation No. 48 (FIN 48), *Accounting for Uncertainty in Income Taxes-an interpretation of FASB Statement 109*. FIN 48 clarifies the accounting for uncertainty in income taxes recognized in an enterprise’s financial statements in accordance with FASB Statement No. 109, *Accounting for Income Taxes*. FIN 48 prescribes a recognition threshold and measurement standard for the financial statement recognition and measurement of an income tax position taken or expected to be taken in a tax return, including positions that the Association is exempt from income taxes or not subject to income taxes on unrelated business income. In addition, FIN 48 provides guidance on de-recognition, classification, interest and penalties, accounting in interim periods, disclosure and transition.

The Association presently recognizes income tax positions based on management’s estimate of whether it is reasonably possible that a liability has been incurred for unrecognized income tax benefits by applying FASB Statement No. 5, *Accounting for Contingencies*. Due to the Association’s 501(c)(3) status, no provision for income taxes is reflected in the accompanying financial statements.

The Association has elected to defer the application of FIN 48 in accordance with FASB Staff Position (FSP) FIN 48-3. This FSP defers the effective date of FIN 48 for nonpublic enterprises included within its scope to the annual financial statements for fiscal years beginning after December 15, 2008. The Association will be required to adopt FIN 48 in its 2010 financial statements. The provisions of FIN 48 are to be applied to all tax positions upon initial application of this standard. Only tax positions that meet the more-likely-than-not recognition threshold at the effective date may be recognized or continue to be recognized upon adoption.

The cumulative effect of applying the provisions of FIN 48 will be reported as an adjustment to the opening balance of retained earnings for the fiscal year of adoption. Management has not assessed the impact of FIN 48 on its financial position and results of operations and has not determined if the adoption of FIN 48 will have a material effect on its financial statements.

SUPPLEMENTAL INFORMATION



INDEPENDENT AUDITOR'S REPORT
ON SUPPLEMENTAL INFORMATION

Executive Committee
American Accounting Association
Sarasota, Florida

Our report on our audit of the basic financial statements of the American Accounting Association for the years ended August 31, 2009 and 2008, appears on page 1. We conducted our audits in accordance with auditing standards generally accepted in the United States of America for the purpose of forming an opinion on the basic financial statements taken as a whole. The supporting schedules on pages 16 through 19 are presented for the purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

CPA Associates

Bradenton, Florida
December 2, 2009

AMERICAN ACCOUNTING ASSOCIATION
SUPPORTING SCHEDULE OF THE
STATEMENTS OF FINANCIAL POSITION

	August 31, 2009			August 31, 2008	
	General Fund	Section Funds	Region Funds	Total All Funds	Total All Funds
ASSETS					
Cash and cash equivalents	\$ 2,834,580	1,602,902	249,718	4,687,200	4,518,228
Designated cash and cash equivalents	425,812	--	--	425,812	825,678
Certificates of deposit	1,850,000	--	--	1,850,000	1,200,000
Accounts receivable	332,734	--	--	332,734	227,459
Interest receivable	1,290	--	--	1,290	2,392
Pledges receivable - net	858,869	--	--	858,869	1,216,713
Publications inventory	7,403	--	--	7,403	7,491
Prepays and other assets	47,657	--	--	47,657	34,776
Property and equipment - net	738,707	--	--	738,707	779,655
TOTAL ASSETS	\$ 7,097,052	1,602,902	249,718	8,949,672	8,812,392
Liabilities					
Accounts payable and accrued expenses	\$ 1,087,364	--	--	1,087,364	965,391
Deferred revenue - dues and subscriptions	1,204,512	164,334	--	1,368,846	1,197,278
Total liabilities	2,291,876	164,334	--	2,456,210	2,162,669
Net assets					
Unrestricted					
Undesignated	3,581,656	1,385,349	243,718	5,210,723	4,504,136
Board designated	425,812	--	--	425,812	825,678
Temporarily restricted	797,708	53,219	6,000	856,927	1,319,909
Total net assets	4,805,176	1,438,568	249,718	6,493,462	6,649,723
TOTAL LIABILITIES AND NET ASSETS	\$ 7,097,052	1,602,902	249,718	8,949,672	8,812,392

See independent auditor's report on supplementary information.

AMERICAN ACCOUNTING ASSOCIATION
SUPPORTING SCHEDULE OF THE
STATEMENTS OF ACTIVITIES
Year Ended August 31

	2009			2008	
	General Fund	Section Funds	Region Funds	Total All Funds	Total All Funds
Support and revenue					
Membership dues	\$ 1,252,374	234,097	--	1,486,471	1,385,226
Subscriptions	851,019	130,529	--	981,548	925,573
Advertising	117,452	300	--	117,752	181,650
Publications/aggregators	1,215,381	30,370	--	1,245,751	973,708
Contributions	185,691	9,365	--	195,056	1,208,731
Interest and dividend income	51,763	3,984	640	56,387	136,440
Annual meeting	1,546,372	93,099	--	1,639,471	1,416,148
Other revenue (primarily from programs and seminars)	204,427	473,275	169,999	847,701	775,004
Total support and revenue	5,424,479	975,019	170,639	6,570,137	7,002,480
Expenses					
Program services					
Annual meeting	1,685,791	123,834	611	1,810,236	1,415,528
Committees and awards	109,609	103,020	16,029	228,658	192,346
Conferences and consortia	623,264	2,574	74	625,912	646,932
Membership and subscriptions	184,842	12,858	369	198,069	121,214
Publications	1,096,873	157,607	549	1,255,029	1,132,961
Region support	99,526	5,550	156,266	261,342	199,993
Section support	268,504	543,039	1,725	813,268	850,904
Support services					
Management and general	1,471,290	60,975	1,619	1,533,884	1,156,234
Total expenses	5,539,699	1,009,457	177,242	6,726,398	5,716,112
Change in net assets	(115,220)	(34,438)	(6,603)	(156,261)	1,286,368
Net assets at beginning of year	4,920,396	1,473,006	256,321	6,649,723	5,363,355
Net assets at end of year	<u>\$ 4,805,176</u>	<u>1,438,568</u>	<u>249,718</u>	<u>6,493,462</u>	<u>6,649,723</u>

See independent auditor's report on supplementary information.

AMERICAN ACCOUNTING ASSOCIATION
SUPPORTING SCHEDULE OF THE
STATEMENTS OF CASH FLOWS
Year Ended August 31

	2009				2008
	General Fund	Section Funds	Region Funds	Total All Funds	Total All Funds
Cash flows from operating activities					
Change in net assets	\$ (115,220)	(34,438)	(6,603)	(156,261)	1,286,368
Adjustments to reconcile change in net assets to net cash provided by operating activities					
Depreciation	94,501	--	--	94,501	91,157
(Increase) decrease in					
Pledges receivable	357,844	--	--	357,844	(606,952)
Accounts receivable	(105,275)	--	--	(105,275)	(124,436)
Interest receivable	1,102	--	--	1,102	12,456
Publications inventory	88	--	--	88	8,228
Prepays and other assets	(12,881)	--	--	(12,881)	(9,954)
Increase in					
Accounts payable and accrued expenses	121,973	--	--	121,973	(43,260)
Deferred revenue - dues and subscriptions	150,140	21,428	--	171,568	347,771
Net cash provided (used) by operating activities	492,272	(13,010)	(6,603)	472,659	961,378
Cash flows from investing activities					
Purchase of land/building/equipment	(53,553)	--	--	(53,553)	(66,513)
Purchase of certificates of deposit	(1,850,000)	--	--	(1,850,000)	(1,200,000)
Maturities of certificates of deposit	1,200,000	--	--	1,200,000	1,300,000
Net cash provided (used) by investing activities	(703,553)	--	--	(703,553)	33,487
Net (decrease) increase in cash and cash equivalents	(211,281)	(13,010)	(6,603)	(230,894)	994,865
Cash and cash equivalents at beginning of year	3,471,673	1,615,912	256,321	5,343,906	4,349,041
Cash and cash equivalents at end of year	<u>\$ 3,260,392</u>	<u>1,602,902</u>	<u>249,718</u>	<u>5,113,012</u>	<u>5,343,906</u>
Cash and cash equivalents at end of year					
Cash and cash equivalents	\$ 2,834,580	1,602,902	249,718	4,687,200	4,518,228
Designated cash and cash equivalents	425,812	--	--	425,812	825,678
	<u>\$ 3,260,392</u>	<u>1,602,902</u>	<u>249,718</u>	<u>5,113,012</u>	<u>5,343,906</u>

See independent auditor's report on supplementary information.

AMERICAN ACCOUNTING ASSOCIATION
STATEMENT OF MAJOR CASH CONTRIBUTIONS RECEIVED
YEAR ENDED AUGUST 31, 2009

General fund

Deloitte LLP/Foundation	\$ 317,140
Ernst & Young LLP/Foundation	176,444
American Institute of Certified Public Accountants	19,755
PriceWaterhouseCoopers LLP/Foundation	10,000
McGraw-Hill	7,500

Section funds

KPMG LLP/Foundation	106,000
Ernst & Young LLP/Foundation	21,000
Grant Thornton LLP	20,000
Institute of Management Accounting	17,911
Deloitte LLP/Foundation	17,000
PriceWaterhouseCoopers	11,000
American Institute of Certified Public Accountants	7,500
John Wiley & Sons	2,800
University of Central Florida	2,787
Audit Analytics	1,200

Region funds

Federation of Business Disciplines	7,942
Monmouth University	3,000
Deloitte LLP/Foundation	1,500
Youngstown State University	1,200
PriceWaterhouseCoopers	1,000
Grant Thornton LLP	500
John Wiley & Sons	300