

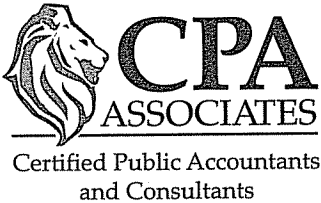
AMERICAN ACCOUNTING ASSOCIATION
SARASOTA, FLORIDA

FINANCIAL STATEMENTS
AND
SUPPLEMENTAL INFORMATION

Years Ended August 31, 2005 and 2004

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INDEPENDENT AUDITOR'S REPORT

Executive Committee of the
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, 2005 and 2004, 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, 2005 and 2004, 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
October 26, 2005

AMERICAN ACCOUNTING ASSOCIATION
STATEMENT OF FINANCIAL POSITION

	August 31,	
	2005	2004
ASSETS		
Cash and cash equivalents	\$ 2,226,151	2,005,998
Designated cash and cash equivalents	409,101	--
Certificates of deposit	1,300,000	900,000
Accounts receivable	81,180	62,432
Designated accounts receivable	145,833	--
Interest receivable	5,525	1,480
Pledges receivable - net	595,433	847,230
Publications inventory	27,653	26,050
Prepays and other assets	23,509	18,375
Property and equipment, less accumulated depreciation	631,459	642,745
 TOTAL ASSETS	 \$ 5,445,844	 4,504,310
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable	\$ 815,119	504,874
Deferred revenue - dues and subscriptions	749,623	723,761
Total liabilities	1,564,742	1,228,635
Net assets:		
Unrestricted:		
Undesignated	2,582,635	2,265,094
Board designated	554,934	--
Temporarily restricted	743,533	1,010,581
Total net assets	3,881,102	3,275,675
 TOTAL LIABILITIES AND NET ASSETS	 \$ 5,445,844	 4,504,310

See accompanying notes.

AMERICAN ACCOUNTING ASSOCIATION
STATEMENT OF ACTIVITIES
Year Ended August 31, 2005

	Unrestricted	Temporarily Restricted	Total 2005
Support and revenue:			
Membership dues	\$ 1,154,619	--	1,154,619
Subscriptions	686,296	--	686,296
Advertising	104,600	--	104,600
Publications/aggregators	723,777	--	723,777
Contributions	44,434	45,857	90,291
Interest and dividend income	57,467	--	57,467
Annual meeting	1,142,735	--	1,142,735
Other revenue (primarily from programs and seminars)	742,195	--	742,195
Net assets released from restrictions	312,905	(312,905)	--
Total support and revenue	4,969,028	(267,048)	4,701,980
Expenses:			
Program services:			
Annual meeting	1,145,142	--	1,145,142
Committees and awards	159,589	--	159,589
Conferences and consortia	475,505	--	475,505
Memberships and subscriptions	113,111	--	113,111
Publications	725,344	--	725,344
Region support	188,454	--	188,454
Section support	702,345	--	702,345
Support services:			
Management and general	587,063	--	587,063
Total expenses	4,096,553	--	4,096,553
Change in net assets	872,475	(267,048)	605,427
Net assets at beginning of year	2,265,094	1,010,581	3,275,675
Net assets at end of year	\$ 3,137,569	743,533	3,881,102

See accompanying notes.

AMERICAN ACCOUNTING ASSOCIATION
STATEMENT OF ACTIVITIES
Year Ended August 31, 2004

	Unrestricted	Temporarily Restricted	Total 2004
Support and revenue:			
Membership dues	\$ 1,236,451	--	1,236,451
Subscriptions	591,713	--	591,713
Advertising	90,800	--	90,800
Publications	179,300	--	179,300
Contributions	162,466	486,861	649,327
Interest and dividend income	21,456	--	21,456
Annual meeting	859,789	--	859,789
Other revenue (primarily from programs and seminars)	596,080	--	596,080
Net assets released from restrictions	373,657	(373,657)	--
Total support and revenue	4,111,712	113,204	4,224,916
Expenses:			
Program services:			
Annual meeting	746,274	--	746,274
Committees and awards	164,300	--	164,300
Conferences and consortia	577,041	--	577,041
Memberships and subscriptions	109,095	--	109,095
Publications	765,879	--	765,879
Region support	242,585	--	242,585
Section support	569,538	--	569,538
Support services:			
Management and general	534,386	--	534,386
Total expenses	3,709,098	--	3,709,098
Change in net assets	402,614	113,204	515,818
Net assets at beginning of year	1,862,480	897,377	2,759,857
Net assets at end of year	\$ 2,265,094	1,010,581	3,275,675

See accompanying notes.

AMERICAN ACCOUNTING ASSOCIATION
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended August 31, 2005

	Program Services							Total Program Services	Management and General	Total Expenses
	Annual Meeting	Committees and Awards	Conferences and Consortia	Membership Subscriptions	Publications	Region Support	Section Support			
Salaries	\$ 116,585	12,070	18,105	55,138	93,679	11,590	140,314	447,481	238,313	685,794
Employee benefits	44,083	4,564	6,846	20,849	35,422	4,382	53,055	169,201	90,111	259,312
Payroll taxes	9,194	952	1,428	4,348	7,388	914	11,065	35,289	18,793	54,082
Staff training & development	594	61	92	281	477	59	715	2,279	1,215	3,494
Total salaries and related expenses	170,456	17,647	26,471	80,616	136,966	16,945	205,149	654,250	348,432	1,002,682
Awards & grants	2,866	64,547	108	--	674	--	--	68,195	--	68,195
Bank fees	10,786	1,117	1,675	5,101	8,667	1,072	12,981	41,399	22,048	63,447
Dues and subscriptions	391	40	61	185	314	39	470	1,500	799	2,299
Equipment/software maintenance	2,937	304	456	1,389	2,360	292	3,534	11,272	6,003	17,275
Event coordinator expense	15,314	--	5,939	--	--	5,964	7,068	34,285	--	34,285
Hotel/food/beverage/audio visual	698,163	18,484	332,155	--	--	126,208	366,075	1,541,085	29,042	1,570,127
Insurance	1,815	164	389	2,921	7,588	157	1,904	14,938	21,358	36,296
Miscellaneous	3,467	236	2,212	1,082	10,046	3,027	15,372	35,442	21,241	56,683
Office maintenance	288	--	177	2,688	7,818	--	--	10,971	9,334	20,305
Postage	27,294	321	1,320	1,240	134,225	956	8,774	174,130	5,514	179,644
Printing/copying	41,883	16	7,204	73	218,932	5,566	6,924	280,598	317	280,915
Professional & temp fees	81,301	1,074	3,921	4,906	152,741	21,420	49,086	314,449	24,706	339,155
Publications	12	1	2	6	2,406	1	14	2,442	24	2,466
Registration/exhibitor	20,513	--	--	--	--	--	--	20,513	--	20,513
Speakers	25,759	--	1,000	--	--	4,586	10,374	41,719	--	41,719
Supplies	28,166	381	9,159	1,742	9,269	701	5,022	54,440	7,527	61,967
Taxes	240	--	148	2,242	6,519	--	--	9,149	15,863	25,012
Telephone/internet/web	2,269	228	341	1,040	2,716	219	2,646	9,459	4,494	13,953
Travel	10,447	55,029	82,291	650	3,081	1,301	6,952	159,751	45,259	205,010
Utilities	195	--	120	1,819	5,289	--	--	7,423	6,316	13,739
Total expenses before depreciation	1,144,562	159,589	475,149	107,700	709,611	188,454	702,345	3,487,410	568,277	4,055,687
Depreciation	580	--	356	5,411	15,733	--	--	22,080	18,786	40,866
Total expenses	\$ 1,145,142	159,589	475,505	113,111	725,344	188,454	702,345	3,509,490	587,063	4,096,553

See accompanying notes.

AMERICAN ACCOUNTING ASSOCIATION
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended August 31, 2004

	Program Services							Total Program Services	Management and General	Total Expenses
	Annual Meeting	Committees and Awards	Conferences and Consortia	Membership Subscriptions	Publications	Region Support	Section Support			
Salaries	\$ 104,604	12,108	13,364	50,813	105,199	13,960	152,373	452,421	209,206	661,627
Employee benefits	42,905	4,966	5,482	20,842	43,150	5,726	62,499	185,570	85,811	271,381
Payroll taxes	8,044	931	1,028	3,908	8,090	1,074	11,718	34,793	16,089	50,882
Staff training & development	546	63	70	265	549	73	795	2,361	1,092	3,453
Total salaries and related expenses	156,099	18,068	19,944	75,828	156,988	20,833	227,385	675,145	312,198	987,343
Awards & grants	2,215	56,226	770	--	--	--	--	59,211	--	59,211
Bank fees	8,397	972	1,073	4,079	8,445	1,121	12,232	36,319	16,794	53,113
Dues and subscriptions	438	51	56	213	441	58	638	1,895	876	2,771
Equipment maintenance	2,006	232	256	975	2,018	268	2,922	8,677	4,012	12,689
Event coordinator	9,162	2	6,046	5	11	6,738	6,007	27,971	21	27,992
Grants	--	36,054	--	--	--	--	--	36,054	--	36,054
Hotel/food/beverage	383,219	7,246	446,524	--	--	159,717	218,596	1,215,302	28,723	1,244,025
Insurance	921	81	227	2,426	6,770	93	1,016	11,534	19,223	30,757
Miscellaneous	2,392	1,109	3,574	55	20,647	2,252	7,064	37,093	18,571	55,664
Office maintenance	184	--	113	1,719	5,000	--	--	7,016	5,970	12,986
Postage	7,511	482	1,380	865	144,752	1,234	6,642	162,866	3,692	166,558
Printing/copying	33,741	15	6,221	63	213,225	8,040	5,184	266,489	260	266,749
Professional & temp fees	68,171	660	2,741	2,772	144,767	28,369	46,019	293,499	13,925	307,424
Publications	410	47	52	199	3,333	55	597	4,693	819	5,512
Registration/exhibitor	10,927	--	--	--	--	2,546	--	13,473	--	13,473
Speakers	28,640	--	--	--	--	4,347	14,773	47,760	--	47,760
Supplies	20,279	281	5,076	1,179	6,471	722	4,129	38,137	5,201	43,338
Taxes	229	--	140	2,133	6,202	--	--	8,704	7,406	16,110
Telephone	4,026	466	514	1,955	4,832	4,140	5,982	21,915	8,050	29,965
Travel	5,810	42,308	81,414	672	1,391	2,052	10,352	143,999	40,185	184,184
Utilities	192	--	118	1,787	5,198	--	--	7,295	6,206	13,501
Total expenses before depreciation	744,969	164,300	576,239	96,925	730,491	242,585	569,538	3,125,047	492,132	3,617,179
Depreciation	1,305	--	802	12,170	35,388	--	--	49,665	42,254	91,919
Total expenses	\$ 746,274	164,300	577,041	109,095	765,879	242,585	569,538	3,174,712	534,386	3,709,098

See accompanying notes.

AMERICAN ACCOUNTING ASSOCIATION
STATEMENT OF CASH FLOWS
Year Ended August 31, 2005

	Unrestricted	Temporarily Restricted	Total
Cash flows from operating activities:			
Change in net assets	\$ 872,475	(267,048)	605,427
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:			
Depreciation	40,866	--	40,866
Uncollectible pledge and other adjustments	223	--	223
(Increase) decrease in:			
Pledges receivable	128,092	123,482	251,574
Accounts receivable	(164,581)	--	(164,581)
Interest receivable	(4,045)	--	(4,045)
Publications inventory	(1,603)	--	(1,603)
Prepays and other assets	(5,134)	--	(5,134)
Increase (decrease) in:			
Accounts payable	310,245	--	310,245
Accrued payroll and taxes	--	--	--
Deferred revenue - dues and subscriptions	25,862	--	25,862
Net cash provided (used) by operating activities	1,202,400	(143,566)	1,058,834
Cash flows from investing activities:			
Purchase of land/building/equipment	(29,580)	--	(29,580)
Maturities of certificates of deposit	900,000	--	900,000
Purchase of certificates of deposit	(1,300,000)	--	(1,300,000)
Net cash used by investing activities	(429,580)	--	(429,580)
Net increase (decrease) in cash and cash equivalents	772,820	(143,566)	629,254
Cash and cash equivalents at beginning of year	1,722,617	283,381	2,005,998
Cash and cash equivalents at end of year	\$ 2,495,437	139,815	2,635,252
Cash and cash equivalents at end of year:			
Cash and cash equivalents			\$ 2,226,151
Designated cash and cash equivalents			409,101
			<u>2,635,252</u>

See accompanying notes.

AMERICAN ACCOUNTING ASSOCIATION
STATEMENT OF CASH FLOWS
Year Ended August 31, 2004

	Unrestricted	Temporarily Restricted	Total
Cash flows from operating activities:			
Change in net assets	\$ 402,614	113,204	515,818
Adjustments to reconcile change in net assets to net cash provided by operating activities:			
Depreciation	91,919	--	91,919
(Increase) decrease in:			
Pledges receivable	(283,961)	123,482	(160,479)
Accounts receivable	8,733	--	8,733
Interest receivable	(253)	--	(253)
Publications inventory	718	--	718
Prepays and other assets	17,225	--	17,225
Increase (decrease) in:			
Accounts payable	162,393	--	162,393
Accrued payroll and taxes	(12,949)	--	(12,949)
Deferred revenue - dues and subscriptions	(9,828)	--	(9,828)
Net cash provided by operating activities	376,611	236,686	613,297
Cash flows from investing activities:			
Purchase of land/building/equipment	(29,472)	--	(29,472)
Maturities of certificates of deposit	900,000	--	900,000
Purchase of certificates of deposit	(900,000)	--	(900,000)
Net cash used by investing activities	(29,472)	--	(29,472)
Net increase in cash and cash equivalents	347,139	236,686	583,825
Cash and cash equivalents at beginning of year	1,138,792	283,381	1,422,173
Cash and cash equivalents at end of year	<u>\$ 1,485,931</u>	<u>520,067</u>	<u>2,005,998</u>
Cash and cash equivalents at end of year:			
Cash and cash equivalents			\$ 2,005,998
Designated cash and cash equivalents			--
			<u>2,005,998</u>

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 and Designated Accounts Receivable – Revenue received under royalty contracts have been designated by the Board to cover expenses incurred related to the royalty contracts in future years. Designated cash and cash equivalents are not 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, 2005 and 2004, all accounts receivables are considered fully collectible.

Promises to Give – 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 5 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.

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

AMERICAN ACCOUNTING ASSOCIATION
NOTES TO FINANCIAL STATEMENTS

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.

NOTE B – CASH AND CASH EQUIVALENTS

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

	<u>2005</u>	<u>2004</u>
General Operations	\$ 855,160	686,856
Sections	1,161,323	1,112,430
Regions	<u>209,668</u>	<u>206,712</u>
	<u>\$ 2,226,151</u>	<u>2,005,998</u>

In addition, the General Operations managed fund group included \$409,101 and \$0 of designated cash and cash equivalents at August 31, 2005 and 2004, respectively.

The Association utilizes a cash management system, which automatically transfers the excess balance above a predetermined target level into an investment fund. This fund primarily consists of securities, which are guaranteed by the full faith and credit of the U.S. Government, and repurchase agreements collateralized by U.S. Government obligations.

NOTE C – CERTIFICATES OF DEPOSIT

At August 31, 2005 and 2004, the Association held 13 and 9, respectively, certificates of deposits in \$100,000 increments in separate banking institutions. Maturity dates on the certificates of deposits range in increments of 12 months and 13 months.

(Continued)

AMERICAN ACCOUNTING ASSOCIATION
NOTES TO FINANCIAL STATEMENTS

NOTE D – PROMISES TO GIVE

Unconditional promises to give, net of the discount to present value using an interest rate of six percent, are due to be collected as follows:

	2005	2004
Pledges receivable - less than 1 year	\$ 263,112	326,000
Pledges receivable - 1 to 5 years	373,676	592,843
Discount on pledges receivable	(41,355)	(71,613)
Pledges receivable - net	\$ 595,433	847,230

The discount will be recognized as contribution income as the discount is amortized over the duration of the pledge.

NOTE E – PROPERTY AND EQUIPMENT

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

	2005	2004
Land	\$ 199,816	199,816
Land improvements	15,252	15,252
Building	602,879	591,799
Furniture and equipment	536,223	517,724
	1,354,170	1,324,591
Less accumulated depreciation	(722,711)	(681,846)
Property and equipment – net	\$ 631,459	642,745

Depreciation expense was \$40,866 and \$91,919 for the years ended August 31, 2005 and 2004, respectively.

NOTE F – TEMPORARILY RESTRICTED NET ASSETS

At August 31, temporarily restricted net assets consists of the following:

	2005	2004
Seminars and education	\$ 530,686	783,431
Awards	37,740	52,000
Research	175,107	175,150
Temporarily restricted net assets	\$ 743,533	1,010,581

(Continued)

AMERICAN ACCOUNTING ASSOCIATION
NOTES TO FINANCIAL STATEMENTS

NOTE G – ROYALTY AGREEMENTS

In November 2004, the Association entered into two license agreements retroactive to January 1, 2004, which expire December 31, 2007. The license agreements allow the licensor the right to publish publications in electronic format. The agreements guarantee a minimum payment to the Association of \$350,000 (in total) annually, which are payable each quarter. The revenue from these agreements has been designated by the Board to be used for related expenses in future years. The designated balance at August 31, 2005 was determined as follows:

Total royalties received		\$ 580,794
Expenses incurred during 2005		<u>25,860</u>
Designated net assets		<u>\$ 554,934</u>

NOTE H – EMPLOYEE BENEFIT PLAN

The Association has a defined contribution, money purchase pension plan that covers substantially all employees. Employer contributions to the plan are 7% of qualifying employees' compensation. The Association's contributions to the plan for 2005 and 2004 were \$42,208 and \$42,488, respectively. The Association also has adopted a 403(b) salary reduction plan for eligible employees. The Association has no obligation for employer contributions to this plan.

NOTE I – COMMITMENTS

Effective September 1, 2003, the Association entered into a contract for professional services related to planning and managing several seminars throughout the year, including the Annual Meeting. The contract expires August 31, 2006. Remaining commitments under the contract total approximately \$117,000.

NOTE J – CONTRIBUTIONS

Contributions included in categories other than "contributions" is as follows:

	<u>2005</u>	<u>2004</u>
Annual meeting	<u>\$ 65,000</u>	<u>30,125</u>
Other revenue (section and region meeting contributions)	<u>\$ 154,128</u>	<u>36,603</u>

SUPPLEMENTAL INFORMATION



INDEPENDENT AUDITOR'S REPORT
ON SUPPLEMENTAL INFORMATION

Executive Committee of the
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, 2005 and 2004 appears on page 1. We conducted our audit 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 14 through 17 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 audit 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
October 26, 2005

AMERICAN ACCOUNTING ASSOCIATION
SUPPORTING SCHEDULE OF THE
STATEMENTS OF FINANCIAL POSITION

	August 31, 2005				August 31, 2004
	General Fund	Section Funds	Region Funds	Total All Funds	Total All Funds
ASSETS					
Cash and cash equivalents	\$ 855,160	1,161,323	209,668	2,226,151	2,005,998
Designated cash and cash equivalents	409,101	--	--	409,101	--
Certificates of deposit	1,300,000	--	--	1,300,000	900,000
Accounts receivable	81,180	--	--	81,180	62,432
Designated accounts receivable	145,833	--	--	145,833	--
Interest receivable	5,525	--	--	5,525	1,480
Pledges receivable - net	595,433	--	--	595,433	847,230
Publications inventory	27,653	--	--	27,653	26,050
Prepays and other assets	23,509	--	--	23,509	18,375
Property and equipment - net	631,459	--	--	631,459	642,745
TOTAL ASSETS	\$ 4,074,853	1,161,323	209,668	5,445,844	4,504,310
LIABILITIES AND NET ASSETS					
Liabilities:					
Accounts payable	\$ 815,119	--	--	815,119	504,874
Deferred revenue - dues and subscriptions	651,512	98,111	--	749,623	723,761
Total liabilities	1,466,631	98,111	--	1,564,742	1,228,635
Net assets:					
Unrestricted:					
Undesignated	1,332,495	1,046,972	203,168	2,582,635	2,265,094
Board designated	554,934	--	--	554,934	--
Temporarily restricted	720,793	16,240	6,500	743,533	1,010,581
Total net assets	2,608,222	1,063,212	209,668	3,881,102	3,275,675
TOTAL LIABILITIES AND NET ASSETS	\$ 4,074,853	1,161,323	209,668	5,445,844	4,504,310

See independent auditor's report on supplementary information.

AMERICAN ACCOUNTING ASSOCIATION
SUPPORTING SCHEDULE OF THE
STATEMENTS OF ACTIVITIES

	August 31, 2005			August 31, 2004	
	General Fund	Section Funds	Region Funds	Total All Funds	Total All Funds
Support and revenue:					
Membership dues	\$ 949,310	205,309	--	1,154,619	1,236,451
Subscriptions	606,282	80,014	--	686,296	591,713
Advertising	104,350	250	--	104,600	90,800
Publications/aggregators	700,879	22,898	--	723,777	179,300
Contributions	57,784	29,507	3,000	90,291	649,327
Interest and dividend income	38,165	16,093	3,209	57,467	21,456
Annual meeting	1,133,664	9,071	--	1,142,735	859,789
Other revenue (primarily from programs and seminars)	206,635	376,080	159,480	742,195	596,080
Total support and revenue	3,797,069	739,222	165,689	4,701,980	4,224,916
Expenses:					
Program services:					
Annual meeting	1,111,741	33,054	347	1,145,142	746,274
Committees and awards	96,030	55,133	8,426	159,589	164,300
Conferences and consortia	473,025	2,426	54	475,505	577,041
Membership and subscriptions	105,557	7,390	164	113,111	109,095
Publications	617,476	107,589	279	725,344	765,879
Region support	39,564	1,553	147,337	188,454	242,585
Section support	268,745	433,183	417	702,345	569,538
Support services:					
Management and general	539,147	42,207	5,709	587,063	534,386
Total expenses	3,251,285	682,535	162,733	4,096,553	3,709,098
Change in net assets	545,784	56,687	2,956	605,427	515,818
Net assets at beginning of year	2,062,438	1,006,525	206,712	3,275,675	2,759,857
Net assets at end of year	\$ 2,608,222	1,063,212	209,668	3,881,102	3,275,675

See independent auditor's report on supplementary information.

AMERICAN ACCOUNTING ASSOCIATION
SUPPORTING SCHEDULE OF THE
STATEMENTS OF CASH FLOWS

	August 31, 2005				August 31, 2004
	General Fund	Section Funds	Region Funds	Total All Funds	Total All Funds
Cash flows from operating activities:					
Change in net assets	\$ 545,784	56,687	2,956	605,427	515,818
Adjustments to reconcile change in net assets to net cash provided by operating activities:					
Depreciation	40,866	--	--	40,866	91,919
Uncollectible pledges and other adjustments	223	--	--	223	--
(Increase) decrease in:					
Pledges receivable	251,574	--	--	251,574	(160,479)
Accounts receivable	(164,581)	--	--	(164,581)	8,733
Interest receivable	(4,045)	--	--	(4,045)	(253)
Publications inventory	(1,603)	--	--	(1,603)	718
Prepays and other assets	(5,134)	--	--	(5,134)	17,225
Increase (decrease) in:					
Accounts payable	310,245	--	--	310,245	162,393
Accrued payroll and taxes	--	--	--	--	(12,949)
Deferred revenue - dues and subscriptions	33,656	(7,794)	--	25,862	(9,828)
Net cash provided by operating activities	<u>1,006,985</u>	<u>48,893</u>	<u>2,956</u>	<u>1,058,834</u>	<u>613,297</u>
Cash flows from investing activities:					
Purchase of land/building/equipment	(29,580)	--	--	(29,580)	(29,472)
Purchase of certificates of deposit	(1,300,000)	--	--	(1,300,000)	900,000
Proceeds from certificates of deposit	900,000	--	--	900,000	(900,000)
Net cash used by investing activities	<u>(429,580)</u>	<u>--</u>	<u>--</u>	<u>(429,580)</u>	<u>(29,472)</u>
Net increase in cash and cash equivalents	577,405	48,893	2,956	629,254	583,825
Cash and cash equivalents at beginning of year	<u>686,856</u>	<u>1,112,430</u>	<u>206,712</u>	<u>2,005,998</u>	<u>1,422,173</u>
Cash and cash equivalents at end of year	<u>\$ 1,264,261</u>	<u>1,161,323</u>	<u>209,668</u>	<u>2,635,252</u>	<u>2,005,998</u>
Cash and cash equivalents at end of year:					
Cash and cash equivalents	\$ 855,160	1,161,323	209,668	2,226,151	2,005,998
Designated cash and cash equivalents	409,101	--	--	409,101	--
	<u>1,264,261</u>	<u>1,161,323</u>	<u>209,668</u>	<u>2,635,252</u>	<u>2,005,998</u>

See independent auditor's report on supplementary information.

AMERICAN ACCOUNTING ASSOCIATION
STATEMENT OF MAJOR CASH CONTRIBUTIONS RECEIVED
YEAR ENDED AUGUST 31, 2005

General fund:

Deloitte LLP/Foundation	\$ 302,059
PriceWaterhouseCoopers LLP/Foundation	20,000
Ernst & Young LLP/Foundation	21,961
KPMG LLP/ Foundation	15,000
MBNA	5,565
Cornerstone Research	5,000

Section funds:

KPMG LLP/Foundation	119,500
Deloitte LLP/Foundation	8,500
Institute of Management Accounting	6,877
PriceWaterhouseCoopers LLP/Foundation	5,500
Ernst & Young LLP	5,000

Region funds:

St. John's University	6,482
Deloitte LLP/Foundation	3,500
PriceWaterhouseCoopers LLP/Foundation	1,000