

**AMERICAN ACCOUNTING ASSOCIATION
SARASOTA, FLORIDA**

**FINANCIAL STATEMENTS
AND
SUPPLEMENTAL INFORMATION**

**Year Ended May 31, 2011 and
Nine Months Ended May 31, 2010**

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
American Accounting Association
Sarasota, Florida

We have audited the accompanying statement of financial position of the American Accounting Association, a not-for-profit organization (the "Association") as of May 31, 2011, and the related statements of activities, functional expenses and cash flows for the year 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 audit. The financial statements for the nine months ended May 31, 2010, were audited by CPA Associates, independent accountants, certain of whose partners joined with Mauldin & Jenkins, LLC on June 1, 2011. CPA Associates report dated October 11, 2010, expressed an unqualified opinion on those statements.

We conducted our audit 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 audit provides a reasonable basis for our opinion.

In our opinion, the May 31, 2011, financial statements referred to above present fairly, in all material respects, the financial position of the American Accounting Association as of May 31, 2011, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Mauldin & Jenkins, LLC

Bradenton, Florida
November 10, 2011

AMERICAN ACCOUNTING ASSOCIATION
STATEMENTS OF FINANCIAL POSITION

	May 31, 2011	May 31, 2010
ASSETS		
Cash and cash equivalents	\$ 4,310,884	4,405,955
Certificates of deposit	1,850,000	1,850,000
Accounts receivable	446,254	260,338
Pledges receivable - net	861,236	560,090
Publications inventory	6,488	4,876
Prepays and other assets	116,488	80,683
Property and equipment, net	879,157	889,128
TOTAL ASSETS	\$ 8,470,507	8,051,070
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	\$ 363,261	349,984
Deferred revenue	1,773,086	1,819,957
Total liabilities	2,136,347	2,169,941
Net assets		
Unrestricted	5,380,172	5,182,230
Temporarily restricted	953,988	698,899
Total net assets	6,334,160	5,881,129
TOTAL LIABILITIES AND NET ASSETS	\$ 8,470,507	8,051,070

See accompanying notes.

AMERICAN ACCOUNTING ASSOCIATION
STATEMENT OF ACTIVITIES
Year Ended May 31, 2011

	Unrestricted	Temporarily Restricted	Total
Support and revenue			
Membership dues	\$ 1,523,584	--	1,523,584
FASB codification	138,623	--	138,623
Subscriptions	890,681	--	890,681
Advertising	114,975	--	114,975
Publications/aggregators	1,220,399	--	1,220,399
Contributions	179,805	672,342	852,147
Interest and dividend income	20,785	--	20,785
Annual meeting	1,434,247	--	1,434,247
Other revenue (primarily from programs and seminars)	998,796	--	998,796
Net assets released from restrictions	417,253	(417,253)	--
Total support and revenue	6,939,148	255,089	7,194,237
Expenses			
Program services			
Annual meeting	1,562,305	--	1,562,305
Committees and awards	296,871	--	296,871
Conferences and consortia	560,184	--	560,184
Memberships and subscriptions	235,783	--	235,783
Publications	1,261,993	--	1,261,993
Region support	248,324	--	248,324
Section support	920,016	--	920,016
Special events	30,417	--	30,417
Support services			
Management and general	1,625,313	--	1,625,313
Total expenses	6,741,206	--	6,741,206
Change in net assets	197,942	255,089	453,031
Net assets at beginning of year	5,182,230	698,899	5,881,129
Net assets at end of year	\$ 5,380,172	953,988	6,334,160

See accompanying notes.

AMERICAN ACCOUNTING ASSOCIATION
STATEMENT OF ACTIVITIES
Nine Months Ended May 31, 2010

	Unrestricted	Temporarily Restricted	Total
Support and revenue			
Membership dues	\$ 1,174,531	--	1,174,531
FASB codification	89,153	--	89,153
Subscriptions	746,192	--	746,192
Advertising	83,351	--	83,351
Publications/aggregators	907,433	--	907,433
Contributions	221,427	20,865	242,292
Interest and dividend income	25,999	--	25,999
Other revenue (primarily from programs and seminars)	803,860	--	803,860
Net assets released from restrictions	178,893	(178,893)	--
Total support and revenue	4,230,839	(158,028)	4,072,811
Expenses			
Program services			
Annual meeting	270,844	--	270,844
Committees and awards	139,732	--	139,732
Conferences and consortia	463,618	--	463,618
Memberships and subscriptions	172,120	--	172,120
Publications	1,062,471	--	1,062,471
Region support	273,658	--	273,658
Section support	936,004	--	936,004
Support services			
Management and general	1,366,697	--	1,366,697
Total expenses	4,685,144	--	4,685,144
Change in net assets	(454,305)	(158,028)	(612,333)
Net assets at beginning of period	5,636,535	856,927	6,493,462
Net assets at end of period	\$ 5,182,230	698,899	5,881,129

See accompanying notes.

AMERICAN ACCOUNTING ASSOCIATION
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended May 31, 2011

	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	Special Events			
Salaries	\$ 147,550	73,418	13,565	94,122	165,160	35,935	178,487	--	708,237	481,678	1,189,915
Employee benefits	48,560	24,162	4,464	30,977	54,355	11,827	58,741	--	233,086	158,524	391,610
Payroll taxes	12,452	6,196	1,145	7,943	13,938	3,033	15,062	--	59,769	40,648	100,417
Other payroll	2,535	1,262	233	1,617	2,838	618	3,067	--	12,170	8,277	20,447
Training	1,476	734	136	942	1,652	359	1,786	--	7,085	4,819	11,904
Total salaries and related expenses	212,573	105,772	19,543	135,601	237,943	51,772	257,143	--	1,020,347	693,946	1,714,293
Awards and grants	9,375	78,506	3	24	42	9	45	--	88,004	121	88,125
Bank and credit card fees	36,963	1,255	232	33,866	8,349	614	3,052	--	84,331	8,236	92,567
Dues and subscriptions	1,226	610	113	782	1,373	299	1,484	--	5,887	4,004	9,891
Equipment/software maintenance	2,642	1,314	243	1,685	2,957	643	3,196	--	12,680	8,623	21,303
Event coordinator expense	44,789	3,746	1,876	4,802	8,427	10,863	24,012	--	98,515	24,575	123,090
Hotel/food/beverage/audio visual	874,112	21,608	395,920	316	556	136,223	474,551	26,032	1,929,318	179,561	2,108,879
Insurance	3,491	189	257	3,611	10,220	93	460	--	18,321	20,804	39,125
Information technology	9,316	4,682	853	5,920	10,436	2,360	11,230	--	44,797	34,052	78,849
Miscellaneous	14,389	12,720	70	488	13,488	1,421	10,589	--	53,165	7,909	61,074
Office maintenance	317	--	195	2,955	8,594	--	--	--	12,061	10,261	22,322
Postage	22,559	668	948	5,177	137,498	2,922	201	--	169,973	8,735	178,708
Publications pre-press	7,756	3,501	647	4,488	389,559	1,714	8,521	--	416,186	76,968	493,154
Printing/copying	66,608	287	1,401	137	172,068	5,690	9,192	135	255,518	2,561	258,079
Professional and temp fees	82,757	6,648	3,304	8,138	169,503	23,573	54,626	--	348,549	172,194	520,743
Registration/exhibitor/placements	99,965	3,000	--	--	--	--	--	--	102,965	11,660	114,625
Speakers	8,189	--	5,121	--	--	4,789	22,517	--	40,616	--	40,616
Supplies	23,019	2,007	525	2,783	7,088	1,919	5,701	--	43,042	28,202	71,244
Taxes	210	--	129	1,959	5,697	--	--	--	7,995	10,974	18,969
Telephone/internet/web	2,578	1,511	214	1,365	3,102	582	2,809	--	12,161	10,235	22,396
Travel	29,429	48,143	127,288	2,980	11,739	2,493	27,449	4,250	253,771	147,763	401,534
Utilities	250	--	153	2,329	6,771	--	--	--	9,503	8,085	17,588
Web services/web hosting	8,132	704	130	903	11,587	345	3,238	--	25,039	102,118	127,157
Total expenses before depreciation	1,560,645	296,871	559,165	220,309	1,216,997	248,324	920,016	30,417	5,052,744	1,571,587	6,624,331
Depreciation	1,660	--	1,019	15,474	44,996	--	--	--	63,149	53,726	116,875
Total expenses	\$ 1,562,305	296,871	560,184	235,783	1,261,993	248,324	920,016	30,417	5,115,893	1,625,313	6,741,206

See accompanying notes.

AMERICAN ACCOUNTING ASSOCIATION
STATEMENT OF FUNCTIONAL EXPENSES
Nine Months Ended May 31, 2010

	Program Services							Management and General	Total Expenses	
	Annual Meeting	Committees and Awards	Conferences and Consortia	Membership and Subscriptions	Publications	Region Support	Section Support			Total Program Services
Salaries	\$ 141,125	28,610	17,056	85,189	126,820	36,771	107,380	542,951	374,042	916,993
Employee benefits	43,577	8,834	5,267	26,305	39,160	11,354	33,157	167,654	115,499	283,153
Payroll taxes	12,770	2,589	1,543	7,709	11,476	3,327	9,717	49,131	33,847	82,978
Other payroll	1,441	292	174	870	1,295	375	1,095	5,542	3,819	9,361
Training	219	44	26	132	196	57	166	840	579	1,419
Total salaries and related expenses	199,132	40,369	24,066	120,205	178,947	51,884	151,515	766,118	527,786	1,293,904
Awards and grants	--	26,526	--	--	--	--	--	26,526	--	26,526
Bank and credit card fees	9,301	1,886	1,124	5,615	8,359	2,424	7,077	35,786	24,652	60,438
Dues and subscriptions	189	463	23	114	170	49	144	1,152	502	1,654
Equipment/software maintenance	5,406	1,096	653	3,263	6,609	1,409	4,113	22,549	14,328	36,877
Event coordinator expense	568	39	23	116	172	6,912	11,566	19,396	508	19,904
Hotel/food/beverage/audio visual	5,581	9,297	299,270	--	4,135	140,491	506,008	964,782	65,863	1,030,645
Insurance	728	102	200	2,419	6,605	130	381	10,565	18,722	29,287
Miscellaneous	1,100	228	133	664	9,590	(264)	13,968	25,419	16,373	41,792
Office maintenance	318	--	196	2,969	8,633	--	--	12,116	10,308	22,424
Postage	3,215	897	444	1,940	128,340	5,585	14,651	155,072	9,057	164,129
Publications pre-press	802	--	2	--	329,292	18	577	330,691	40,500	371,191
Printing/copying	179	252	4,375	108	158,314	4,734	17,138	185,100	8,302	193,402
Professional and temp fees	20,932	3,533	2,106	10,523	126,485	45,009	153,605	362,193	299,977	662,170
Registration/exhibitor/placements	--	3,000	--	--	--	--	--	3,000	10,220	13,220
Speakers	--	--	2,770	--	--	3,828	26,357	32,955	--	32,955
Supplies	3,677	726	1,787	2,163	4,820	4,705	3,476	21,354	12,129	33,483
Taxes	227	--	139	2,115	6,151	--	--	8,632	7,311	15,943
Telephone/internet/web	4,040	703	419	2,095	3,438	904	2,640	14,239	9,452	23,691
Travel	8,629	49,500	124,453	2,797	17,368	4,407	17,743	224,897	167,767	392,664
Utilities	201	--	123	1,871	5,442	--	--	7,637	6,498	14,135
Web services/web hosting	5,565	1,115	665	3,319	31,034	1,433	5,045	48,176	82,332	130,508
Total expenses before depreciation	269,790	139,732	462,971	162,296	1,033,904	273,658	936,004	3,278,355	1,332,587	4,610,942
Depreciation	1,054	--	647	9,824	28,567	--	--	40,092	34,110	74,202
Total expenses	\$ 270,844	139,732	463,618	172,120	1,062,471	273,658	936,004	3,318,447	1,366,697	4,685,144

See accompanying notes.

AMERICAN ACCOUNTING ASSOCIATION
STATEMENT OF CASH FLOWS
Year Ended May 31, 2011

	Unrestricted	Temporarily Restricted	Total
Cash flows from operating activities			
Change in net assets	\$ 197,942	255,089	453,031
Adjustments to reconcile change in net assets to net cash (used) provided by operating activities			
Depreciation	116,875	--	116,875
(Increase) in			
Pledges receivable	(286,532)	(14,614)	(301,146)
Accounts receivable	(185,916)	--	(185,916)
Publications inventory	(1,612)	--	(1,612)
Prepays and other assets	(35,805)	--	(35,805)
Increase (decrease) in			
Accounts payable and accrued expenses	13,277	--	13,277
Deferred revenue	(46,871)	--	(46,871)
Net cash (used) provided by operating activities	(228,642)	240,475	11,833
Cash flows from investing activities			
Purchase of property and equipment	(106,904)	--	(106,904)
Purchase of certificates of deposit	(1,850,000)	--	(1,850,000)
Maturities of certificates of deposit	1,850,000	--	1,850,000
Net cash used by investing activities	(106,904)	--	(106,904)
Net (decrease) increase in cash and cash equivalents	(335,546)	240,475	(95,071)
Cash and cash equivalents at beginning of period	4,481,365	(75,410)	4,405,955
Cash and cash equivalents at end of period	<u>\$ 4,145,819</u>	<u>165,065</u>	<u>4,310,884</u>

See accompanying notes.

AMERICAN ACCOUNTING ASSOCIATION
STATEMENT OF CASH FLOWS
Nine Months Ended May 31, 2010

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Cash flows from operating activities			
Change in net assets	\$(454,305)	(158,028)	(612,333)
Adjustments to reconcile change in net assets to net cash used by operating activities			
Depreciation	74,202	--	74,202
(Increase) decrease in			
Pledges receivable	204,461	94,318	298,779
Accounts receivable	73,686	--	73,686
Publications inventory	2,527	--	2,527
Prepays and other assets	(33,026)	--	(33,026)
Increase (decrease) in			
Accounts payable and accrued expenses	(737,380)	--	(737,380)
Deferred revenue	451,111	--	451,111
	<u> </u>	<u> </u>	<u> </u>
Net cash used by operating activities	(418,724)	(63,710)	(482,434)
Cash flows from investing activities			
Purchase of property and equipment	(224,623)	--	(224,623)
Purchase of certificates of deposit	(1,200,000)	--	(1,200,000)
Maturities of certificates of deposit	1,200,000	--	1,200,000
	<u> </u>	<u> </u>	<u> </u>
Net cash used by investing activities	(224,623)	--	(224,623)
Net decrease in cash and cash equivalents	(643,347)	(63,710)	(707,057)
Cash and cash equivalents at beginning of year	<u>5,124,712</u>	<u>(11,700)</u>	<u>5,113,012</u>
Cash and cash equivalents at end of year	<u>\$ 4,481,365</u>	<u>(75,410)</u>	<u>4,405,955</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.

Basis of Accounting: The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Change in Fiscal Year-End: The Executive Committee of the Association, upon approval from its members, approved a change in the Association’s fiscal year-end from August 31 to May 31. This change is retroactive to September 1, 2009. As a result of the change, the Association had a nine month transition period from September 1, 2009 through May 31, 2010.

Included in this report are the Association’s statements of financial position as of May 31, 2011 and May 31, 2010, as well as the statements of activities, functional expenses and cash flows for the year ended May 31, 2011 and the nine months ended May 31, 2010.

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.

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 May 31, 2011 and May 31, 2010, all accounts receivables are considered fully collectible.

Pledges Receivable: Promises to give are recorded at net realizable value. 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. 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 May 31, 2011 and May 31, 2010, all pledges receivable are considered fully collectible.

AMERICAN ACCOUNTING ASSOCIATION
NOTES TO FINANCIAL STATEMENTS

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

The Association's annual meeting is held each August. Fees and contributions collected in advance and related expenses are deferred, with the exception of allocated salaries and other indirect costs.

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.

AMERICAN ACCOUNTING ASSOCIATION
NOTES TO FINANCIAL STATEMENTS

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

On September 1, 2009 (the effective date), the Association adopted the provisions of Accounting Standard Codification 740 related to accounting for uncertainty in income taxes. This provision requires all tax positions that meet a more-likely-than-not recognition threshold at the effective date be recognized (or continue to be recognized) upon adoption.

Management has reviewed their tax positions and concluded no liability or uncertain tax positions, or any interest or penalties related to uncertain tax positions, should be recognized in the Association's financial statements.

The Association files income tax returns in the U.S. and various states. With few exceptions, the Association's tax returns are subject to income tax examination by tax authorities for tax years ending on or after August 31, 2008.

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 amounts have been reclassified to conform to current year presentation.

Subsequent Events: The Association has evaluated all subsequent events through November 10, 2011, the date the financial statements were available to be issued.

NOTE B – CASH AND CASH EQUIVALENTS

Cash and cash equivalents by managed fund groups consist of the following:

	<u>May 31, 2011</u>	<u>May 31, 2010</u>
General operations	\$ 2,346,420	2,619,829
Sections	1,727,984	1,556,533
Regions	<u>236,480</u>	<u>229,593</u>
Total cash and cash equivalents	<u>\$ 4,310,884</u>	<u>4,405,955</u>

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.

AMERICAN ACCOUNTING ASSOCIATION
NOTES TO FINANCIAL STATEMENTS

NOTE C – CERTIFICATES OF DEPOSIT

At May 31, 2011 and May 31, 2010, the Association held 14 certificates of deposits 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:

	<u>May 31, 2011</u>	<u>May 31, 2010</u>
Pledges receivable, less than 1 year	\$ 347,796	333,182
Pledges receivable, 1 to 5 years	516,375	231,375
Discount on pledges receivable	<u>(2,935)</u>	<u>(4,467)</u>
Pledges receivable, net	<u>\$ 861,236</u>	<u>560,090</u>

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

NOTE E – PROPERTY AND EQUIPMENT

Property and equipment consists of the following:

	<u>May 31, 2011</u>	<u>May 31, 2010</u>
Land	\$ 199,816	199,816
Land improvements	15,252	15,252
Building and improvements	762,142	726,473
Furniture and equipment	342,350	307,571
Computers and software	<u>677,885</u>	<u>656,068</u>
	1,997,445	1,905,180
Less accumulated depreciation	<u>(1,118,288)</u>	<u>(1,016,052)</u>
Total property and equipment	<u>\$ 879,157</u>	<u>889,128</u>

Depreciation expense was \$116,875 and \$74,202 for the year ended May 31, 2011 and the nine months ended May 31, 2010, respectively.

AMERICAN ACCOUNTING ASSOCIATION
NOTES TO FINANCIAL STATEMENTS

NOTE F – TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are restricted for the following purposes:

	<u>May 31, 2011</u>	<u>May 31, 2010</u>
Seminars and education	\$ 859,026	558,806
Awards	56,079	45,719
Research	<u>38,883</u>	<u>94,374</u>
Temporarily restricted net assets	<u>\$ 953,988</u>	<u>698,899</u>

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 was designated by the Board to be used for related expenses in future years. 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. On May 31, 2010, the Board released the remaining designation.

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 were \$68,999 and \$67,633 for the year ended May 31, 2011 and the nine months ended May 31, 2010, 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 were \$1,559,849 and \$584,044 for the year ended May 31, 2011 and the nine months ended May 31, 2010, respectively. Contributions are divided among the following categories on the statement of activities: contributions, annual meeting, and other revenue.

SUPPLEMENTAL INFORMATION



**INDEPENDENT AUDITOR'S REPORT
ON SUPPLEMENTAL INFORMATION**

Board of Directors
American Accounting Association
Sarasota, Florida

We have audited the financial statements of the American Accounting Association as of and for the year ended May 31, 2011, which expressed an unqualified opinion on those financial statements, as appears on page 1. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The report on the audit of the financial statements of the American Accounting Association for the nine months ended May 31, 2010, were audited by CPA Associates, independent accountants; certain of whose partners joined Mauldin & Jenkins, LLC on June 1, 2011. CPA Associates report dated October 11, 2010, expressed an unqualified opinion on those financial statements.

The supporting schedules on pages 15 through 19 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole. The 2010 summarized information on pages 15 through 17 was subjected to the auditing procedures applied in the May 31, 2010 audit of the basic financial statements by other auditors, whose report on such information stated that it was fairly stated in all material respects in relation to the May 31, 2010 financial statements as a whole.

Mauldin & Jenkins, LLC

Bradenton, Florida
November 10, 2011

AMERICAN ACCOUNTING ASSOCIATION
SUPPORTING SCHEDULE OF THE
STATEMENTS OF FINANCIAL POSITION

	May 31, 2011			May 31, 2010	
	General Fund	Section Funds	Region Funds	Total All Funds	Total All Funds
ASSETS					
Cash and cash equivalents	\$ 2,346,420	1,727,984	236,480	4,310,884	4,405,955
Certificates of deposit	1,850,000	--	--	1,850,000	1,850,000
Accounts receivable	446,254	--	--	446,254	260,338
Pledges receivable, net	861,236	--	--	861,236	560,090
Publications inventory	6,488	--	--	6,488	4,876
Prepays and other assets	101,038	10,450	5,000	116,488	80,683
Property and equipment, net	879,157	--	--	879,157	889,128
TOTAL ASSETS	\$ 6,490,593	1,738,434	241,480	8,470,507	8,051,070
Liabilities					
Accounts payable and accrued expenses	\$ 363,261	--	--	363,261	349,984
Deferred revenue	1,652,233	120,853	--	1,773,086	1,819,957
Total liabilities	2,015,494	120,853	--	2,136,347	2,169,941
Net assets					
Unrestricted	3,652,890	1,491,802	235,480	5,380,172	5,182,230
Temporarily restricted	822,209	125,779	6,000	953,988	698,899
Total net assets	4,475,099	1,617,581	241,480	6,334,160	5,881,129
TOTAL LIABILITIES AND NET ASSETS	\$ 6,490,593	1,738,434	241,480	8,470,507	8,051,070

See independent auditor's report on supplementary information.

AMERICAN ACCOUNTING ASSOCIATION
SUPPORTING SCHEDULE OF THE
STATEMENTS OF ACTIVITIES

	Year Ended May 31, 2011				Nine Months Ended May 31, 2010
	General Fund	Section Funds	Region Funds	Total All Funds	Total All Funds
Support and revenue					
Membership dues	\$ 1,276,244	247,340	--	1,523,584	1,174,531
FASB codification	138,623	--	--	138,623	89,153
Subscriptions	791,184	99,497	--	890,681	746,192
Advertising	114,625	350	--	114,975	83,351
Publications/aggregators	1,186,532	33,867	--	1,220,399	907,433
Contributions	695,087	157,060	--	852,147	242,292
Interest and dividend income	20,785	--	--	20,785	25,999
Annual meeting	1,347,346	86,901	--	1,434,247	--
Other revenue (primarily from programs and seminars)	250,592	560,795	187,409	998,796	803,860
Total support and revenue	5,821,018	1,185,810	187,409	7,194,237	4,072,811
Expenses					
Program services					
Annual meeting	1,468,938	92,739	628	1,562,305	270,844
Committees and awards	197,245	90,796	8,830	296,871	139,732
Conferences and consortia	558,719	1,407	58	560,184	463,618
Membership and subscriptions	225,620	9,763	400	235,783	172,120
Publications	1,134,998	126,292	703	1,261,993	1,062,471
Region support	82,549	3,728	162,047	248,324	273,658
Section support	347,565	571,645	806	920,016	936,004
Special events	--	30,417	--	30,417	--
Support services					
Management and general	1,548,516	74,747	2,050	1,625,313	1,366,697
Total expenses	5,564,150	1,001,534	175,522	6,741,206	4,685,144
Change in net assets	256,868	184,276	11,887	453,031	(612,333)
Net assets at beginning of year/period	4,218,231	1,433,305	229,593	5,881,129	6,493,462
Net assets at end of year/period	\$ 4,475,099	1,617,581	241,480	6,334,160	5,881,129

See independent auditor's report on supplementary information.

AMERICAN ACCOUNTING ASSOCIATION
SUPPORTING SCHEDULE OF THE
STATEMENTS OF CASH FLOWS

	Year Ended May 31, 2011				Nine Months Ended May 31, 2010
	General Fund	Section Funds	Region Funds	Total All Funds	Total All Funds
Cash flows from operating activities					
Change in net assets	\$ 256,868	184,276	11,887	453,031	(612,333)
Adjustments to reconcile change in net assets to net cash (used) provided by operating activities					
Depreciation	116,875	--	--	116,875	74,202
(Increase) decrease in					
Pledges receivable	(301,146)	--	--	(301,146)	298,779
Accounts receivable	(185,916)	--	--	(185,916)	73,686
Publications inventory	(1,612)	--	--	(1,612)	2,527
Prepays and other assets	(20,355)	(10,450)	(5,000)	(35,805)	(33,026)
Increase (decrease) in					
Accounts payable and accrued expenses	13,277	--	--	13,277	(737,380)
Deferred revenue	(44,496)	(2,375)	--	(46,871)	451,111
Net cash (used) provided by operating activities	(166,505)	171,451	6,887	11,833	(482,434)
Cash flows from investing activities					
Purchase of land/building/equipment	(106,904)	--	--	(106,904)	(224,623)
Purchase of certificates of deposit	(1,850,000)	--	--	(1,850,000)	(1,200,000)
Maturities of certificates of deposit	1,850,000	--	--	1,850,000	1,200,000
Net cash used by investing activities	(106,904)	--	--	(106,904)	(224,623)
Net (decrease) increase in cash and cash equivalents	(273,409)	171,451	6,887	(95,071)	(707,057)
Cash and cash equivalents at beginning of year/period	2,619,829	1,556,533	229,593	4,405,955	5,113,012
Cash and cash equivalents at end of year/period	\$ 2,346,420	1,727,984	236,480	4,310,884	4,405,955

See independent auditor's report on supplementary information.