

**American Historical Association**

**Financial Statements**

*(With Independent Auditors' Report)*

**For the year ended June 30, 2005 and 2004**

# AMERICAN HISTORICAL ASSOCIATION

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### Independent Auditors' Report

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# McMaster & Associates, PC

Certified Public Accountants

The Council of  
American Historical Association  
Washington, DC

## Independent Auditors' Report

We have audited the accompanying statement of financial position of the American Historical Association as of June 30, 2005 and 2004 and the related statements of activities 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 audit 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 the 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 Historical Association as of June 30, 2005 and 2004, and its changes in net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were made for the purpose of forming an opinion on the basic financial statements of the American Historical Association taken as a whole. The accompanying supplemental statements of expenses by program, net assets by classification and general operations for the years ended June 30, 2005 and 2004 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The information for the years ended June 30, 2005 and 2004 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.



November 14, 2005  
Washington, DC

AMERICAN HISTORICAL ASSOCIATION

STATEMENTS OF FINANCIAL POSITION

June 30, 2005 and 2004

<u>ASSETS</u>	<u>2005</u>	<u>2004</u>	<u>LIABILITIES AND NET ASSETS</u>	<u>2005</u>	<u>2004</u>
Current assets:			Current liabilities:		
Cash and equivalents	\$ 586,952	\$ 894,548	Accounts payable	\$ 421,191	\$ 265,658
Accounts receivable	102,198	76,573	Accrued expenses	95,763	90,173
Grants and pledges receivable	44,350	122,060	Deferred revenue:		
Interest and dividends receivable	12,656	2,868	Memberships	576,003	515,834
Prepaid expenses	<u>77,535</u>	<u>76,000</u>	Subscriptions	458,337	415,214
Total current assets	823,691	1,172,049	Annual meeting	32,200	80,150
			Life memberships - current portion	<u>10,897</u>	<u>9,335</u>
			Total current liabilities	1,594,391	1,376,364
Fixed assets:			Life memberships - long term	<u>32,951</u>	<u>32,710</u>
Land	8,000	8,000	Total liabilities	1,627,342	1,409,074
Building and improvements	515,175	476,802			
Furniture and equipment	<u>456,522</u>	<u>371,652</u>	Net assets:		
	979,697	856,454	Unrestricted:		
Less: accumulated depreciation	<u>(502,300)</u>	<u>(439,339)</u>	Undesignated	(127,135)	(184,428)
Net fixed assets	477,397	417,115	Designated	<u>2,040,885</u>	<u>2,126,945</u>
Other assets			Total unrestricted	1,913,750	1,942,517
Investments - long term	3,510,048	2,905,614	Temporarily restricted	748,924	622,067
Deposits	<u>1,000</u>	<u>1,000</u>	Permanently restricted	<u>522,120</u>	<u>522,120</u>
Total other assets	<u>3,511,048</u>	<u>2,906,614</u>	Total net assets	<u>3,184,794</u>	<u>3,086,704</u>
Total assets	<u>\$ 4,812,136</u>	<u>\$ 4,495,778</u>	Total liabilities and net assets	<u>\$ 4,812,136</u>	<u>\$ 4,495,778</u>

See accompanying notes and independent auditors' report.

AMERICAN HISTORICAL ASSOCIATION

STATEMENTS OF ACTIVITIES

For the years ended June 30, 2005 and 2004

	2005				2004			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>REVENUE AND SUPPORT</b>								
Membership dues	\$ 1,043,293	\$ -	\$ -	\$ 1,043,293	\$ 1,124,413	\$ -	\$ -	\$ 1,124,413
Annual Conference	663,418	-	-	663,418	673,283	-	-	673,283
American Historical Review Publications	832,600	-	-	832,600	683,629	-	-	683,629
Grants and contributions	570,630	-	-	570,630	572,357	-	-	572,357
Interest and dividends	16,590	900,561	-	917,151	123,556	140,389	-	263,945
Realized gains and losses on investments	11,539	96,617	-	108,156	66,254	29,419	-	95,673
Unrealized losses on investments	76,758	627,432	-	704,190	125,732	66,588	-	192,320
Net assets released from restriction	(71,823)	(587,083)	-	(658,906)	(84,317)	(27,126)	-	(111,443)
	910,670	(910,670)	-	-	618,566	(618,566)	-	-
<b>Total revenue and support</b>	<b>4,053,675</b>	<b>126,857</b>	<b>-</b>	<b>4,180,532</b>	<b>3,903,473</b>	<b>(409,296)</b>	<b>-</b>	<b>3,494,177</b>
<b>EXPENSES</b>								
<b>Programs:</b>								
American Historical Review	768,216	-	-	768,216	876,756	-	-	876,756
Annual Meeting	437,620	-	-	437,620	400,434	-	-	400,434
Membership	275,496	-	-	275,496	324,567	-	-	324,567
Publications	815,223	-	-	815,223	805,960	-	-	805,960
Grants	824,240	-	-	824,240	574,243	-	-	574,243
Special Funds and Prizes	110,850	-	-	110,850	92,635	-	-	92,635
Total programs	3,231,645	-	-	3,231,645	3,074,595	-	-	3,074,595
<b>Support services:</b>								
General and Administrative	282,744	-	-	282,744	240,436	-	-	240,436
Council	568,053	-	-	568,053	532,410	-	-	532,410
Total support services	850,797	-	-	850,797	772,846	-	-	772,846
<b>Total expenses</b>	<b>4,082,442</b>	<b>-</b>	<b>-</b>	<b>4,082,442</b>	<b>3,847,441</b>	<b>-</b>	<b>-</b>	<b>3,847,441</b>
Change in net assets	(28,767)	126,857	-	98,090	56,032	(409,296)	-	(353,264)
Net assets, beginning of year	1,942,517	622,067	522,120	3,086,704	1,886,485	1,031,363	522,120	3,439,968
Net assets, end of year	\$ 1,913,750	\$ 748,924	\$ 522,120	\$ 3,184,794	\$ 1,942,517	\$ 622,067	\$ 522,120	\$ 3,086,704

See accompanying notes and independent auditors' report.

**AMERICAN HISTORICAL ASSOCIATION**

**STATEMENTS OF CASH FLOWS**

**For the years ended June 30, 2005 and 2004**

	<b>2005</b>	<b>2004</b>
Cash flows from operating activities:		
Change in net assets:	\$ 98,090	\$ (353,264)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	62,960	70,658
Unrealized losses on investments	658,906	111,443
Accounts receivable	(32,641)	17,159
Grants and pledges receivable	88,235	(122,060)
Interest and dividends receivable	(9,788)	6,283
Prepaid expenses	(1,536)	33,622
Accounts payable	155,534	164,743
Accrued expenses	5,590	4,839
Deferred revenue	57,145	73,341
Total adjustments	984,405	360,028
Net cash provided by operating activities	1,082,495	6,764
Cash flows from investing activities		
Purchase of investments	(10,414,127)	(804,338)
Sale of investments	9,147,278	1,159,635
Purchase of fixed assets	(123,242)	(103,424)
Net cash provided (used) by investing activities	(1,390,091)	251,873
Net increase (decrease) in cash	(307,596)	258,637
Cash and equivalents, beginning of year	894,548	635,911
Cash and equivalents, end of year	\$ 586,952	\$ 894,548
Supplemental disclosure of cash flow information:		
Cash paid for income taxes	\$ 1,621	\$ -
Cash paid for interest	\$ -	\$ 3,378

See accompanying notes and independent auditors' report.

# AMERICAN HISTORICAL ASSOCIATION

## NOTES TO FINANCIAL STATEMENTS

June 30, 2005 and 2004

### 1. DESCRIPTION OF THE ORGANIZATION

The American Historical Association (the Association) is a District of Columbia non-stock corporation founded in 1884 and incorporated by Congress in 1889 for the promotion of historical studies, the collection and preservation of historical manuscripts, and the dissemination of historical research.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. Accordingly, revenues are recognized when earned and expenses are recognized when incurred.

#### Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

#### Cash and Equivalents

The Association considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

#### Pledges Receivable

Pledges receivable represents amounts which have been promised but not yet received. Pledges beyond one year are discounted to reflect the present value of the pledge.

#### Investments

Investments are recorded at market value. Realized and unrealized gains and losses on investments are reported on the statement of activities as they occur.

# AMERICAN HISTORICAL ASSOCIATION

## NOTES TO FINANCIAL STATEMENTS

June 30, 2005 and 2004

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Fixed Assets

Furniture and equipment are reported at cost. Assets and capital lease purchases are depreciated over a three to five year estimated life using the straight line method. Depreciation expense for the years ended June 30, 2005 and 2004 was \$62,960 and \$70,658, respectively.

#### Deferred Revenue

The Association records income for membership dues, subscriptions, registration fees and publication advertising which have been paid in advance as deferred revenue.

#### Net Assets

Net assets are reported by the Association in accordance with Financial Accounting Standards Board (FASB) 116 and 117. Accordingly, net assets have been reported using the following categories.

#### Unrestricted

Unrestricted net assets represent resources over which the Council has discretionary control and are used to carry out operations of the Association in accordance with their bylaws.

The Council's designated fund, included as part of the unrestricted net assets, was established to accumulate a reserve for the Association.

#### Temporarily Restricted

Temporarily restricted net assets represent contributions and grants, which have been restricted by donors for specific programs or activities. Restrictions, which have been met by the passage of time or expenditure of net assets, are reported as revenues released from restrictions on the statement of activities. For the years ended June 30, 2005 and 2004, the Association received \$893,545 and \$140,389 in temporarily restricted contributions and grants, respectively.

# AMERICAN HISTORICAL ASSOCIATION

## NOTES TO FINANCIAL STATEMENTS

June 30, 2005 and 2004

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Net Assets (Continued)

##### Permanently Restricted Funds

Permanently restricted net assets represent contributions which have been restricted by donors indefinitely. Investment income generated from the principal of the permanently restricted net assets is used to fulfill programs and the general operations of the Association. For the years ended June 30, 2005 and 2004 the Association did not receive any permanently restricted contributions.

##### Gifts and bequests of property

Gifts and bequests of property are recorded at the earlier of the date received or when the bequest is no longer subject to probate and its value can be reasonably estimated. Gifts and bequests are valued at their estimated fair market value on the date they are recorded.

##### Donated Services and Materials

Contributions of services are recognized if the services received create or enhance nonfinancial assets or require specialized skills, and are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. Contributed services and promises to give services that do not meet the above criteria are not recognized. During 2005 and 2004, the Association did not receive any donated materials or services.

##### Income Taxes

The Association is a nonprofit organization, which is exempt from federal income taxes under the provision of Section 501(c)(3) of the Internal Revenue Code. However, the Association is subject to unrelated business income tax for activities conducted outside its tax exempt purpose. The Association conducted unrelated business activities that resulted in net operating losses during 2005 and 2004, respectively, accordingly no provision for income taxes was recorded.

# AMERICAN HISTORICAL ASSOCIATION

## NOTES TO FINANCIAL STATEMENTS

June 30, 2005 and 2004

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

### 3. INVESTMENTS

The value of investments was as follows:

	June 30, 2005		June 30, 2004	
	<u>Cost</u>	<u>Market</u>	<u>Cost</u>	<u>Market</u>
U.S. Treasury notes and bonds	\$ 1,147,212	\$ 1,151,439	\$ 74,883	\$ 78,770
Mutual funds	-	-	370,532	377,070
Corporate bonds	321,574	323,221	24,889	25,838
Corporate securities	<u>1,943,435</u>	<u>2,035,388</u>	<u>1,707,862</u>	<u>2,423,936</u>
Total	<u>\$ 3,412,221</u>	<u>\$ 3,510,048</u>	<u>\$ 2,178,166</u>	<u>\$ 2,905,614</u>

The market value of stocks is estimated based on quoted market prices for those investments. None of the investments are held for trading purposes.

### 4. RETIREMENT PLAN

The Association maintains a qualifying defined contribution retirement plan for qualifying full-time employees under Internal Revenue Code Section 403(b). The Association contributes up to a maximum of 10 percent of the employee's total annual compensation to the plan each year. The contributions are fully vested and nonforfeitable. For the years ended June 30, 2005 and 2004, contributions to the plan were \$70,391 and \$76,153, respectively. There were no contributions due to the plan at June 30, 2005 and 2004, respectively.

# AMERICAN HISTORICAL ASSOCIATION

## NOTES TO FINANCIAL STATEMENTS

June 30, 2005 and 2004

### 5. COMMITMENTS

During 2001, the Association entered into an agreement with three other collaborators for the purpose of producing electronic versions of journals published by the Association and one of the other signers. The terms of the agreement have expired, however the Association plans to contribute \$35,000 annually to the project.

The Association has entered into agreements for rental of space for the annual meeting. The Association is required to pay a portion of the anticipated room revenues in the event that the conference is canceled. Cancellation insurance has been obtained by the Association to offset any potential future losses. The Association anticipates that all minimum room rental requirements will be met.

### 6. CONCENTRATION OF RISK

The Association maintains cash balances in a financial institution which is insured by the Federal Deposit Insurance Corporation for amounts up to \$100,000. The Association is exposed to concentrations of credit risk at times when cash balances exceed the FDIC limit. The Association has not experienced any losses and believes they are not exposed to significant risk.

## **SUPPLEMENTAL INFORMATION**

AMERICAN HISTORICAL ASSOCIATION  
SUPPLEMENTAL STATEMENT OF EXPENSES BY PROGRAM

For the year ended June 30, 2005

	Programs						Support Services		Total Support Services		Total
	American Historical Review	Annual Meeting	Membership	Publications	Grants	Special Funds and Prizes	Total Programs	General and Administrative	Council	Total Support Services	
Salaries and fringe benefits	\$ 42,656	\$ 58,984	\$ 157,325	\$ 349,525	\$ 72,423	\$ -	\$ 680,913	\$ 455,940	\$ 292,787	\$ 748,727	\$ 1,429,640
Bad debts	-	-	-	-	-	-	-	4,861	-	4,861	4,861
Bank fees and service charges	-	7,546	-	-	-	-	7,546	53,453	-	53,453	60,999
Committee travel	9,063	11,261	-	-	52,247	677	73,248	279	41,614	41,893	115,141
Communications	1,608	15,940	2,323	1,850	3,064	-	24,785	14,274	6,950	21,224	46,009
Contractors	360,061	19,204	6,013	23,002	304,167	-	712,447	34,308	1,392	35,700	748,147
Contributions and coalition	40,510	-	-	-	-	50,000	90,510	38,213	14,250	52,463	142,973
Depreciation	4,145	-	-	-	-	-	4,145	58,815	-	58,815	62,960
Dues and subscriptions	-	19	84	1,801	47	-	1,951	5,963	213	6,176	8,127
Equipment rental and maintenance	-	-	-	30	250	-	280	23,089	-	23,089	23,369
Insurance	-	5,174	-	-	-	-	5,174	8,622	-	8,622	13,796
Meetings and conferences	3,383	193,677	1,805	-	37,849	-	236,714	4,712	23,921	28,633	265,347
Miscellaneous	2,140	91	-	72	1,343	-	3,646	1,791	554	2,345	5,991
Office expense	487	855	-	-	1,800	-	3,142	15,407	-	15,407	18,549
Postage and delivery	84,955	36,593	2,791	67,368	1,715	-	193,422	1,319	4,052	5,371	198,793
Printing and duplicating	183,099	31,904	13,347	154,669	4,251	-	387,270	9,818	9,844	19,662	406,932
Prizes, grants and honorariums	-	1,500	-	12,000	244,188	60,173	317,861	500	100	600	318,461
Professional fees	-	-	-	4,625	54,338	-	58,963	23,465	1,616	25,081	84,044
Publicity and advertising	-	-	-	-	3,250	-	3,250	-	-	-	3,250
Repairs and maintenance	-	-	-	-	-	-	-	16,619	-	16,619	16,619
Storage	2,634	-	2,891	2,282	-	-	7,807	7,280	-	7,280	15,087
Supplies	6,675	378	802	2,127	221	-	10,203	15,111	991	16,102	26,305
Taxes, licenses and permits	-	45	-	16	-	-	61	10,341	-	10,341	10,402
Travel	2,929	21,366	-	-	2,474	-	26,769	11,322	5,714	17,036	43,805
Utilities	-	-	-	-	-	-	-	12,835	-	12,835	12,835
Total expense, before overhead allocation	744,345	404,537	187,381	619,367	783,627	110,850	2,850,107	828,337	403,998	1,232,335	4,082,442
Overhead allocation	23,871	33,083	88,115	195,856	40,613	-	381,538	(545,593)	164,055	(381,538)	-
Total expense	<u>\$ 768,216</u>	<u>\$ 437,620</u>	<u>\$ 275,496</u>	<u>\$ 815,223</u>	<u>\$ 824,240</u>	<u>\$ 110,850</u>	<u>\$ 3,231,645</u>	<u>\$ 282,744</u>	<u>\$ 568,053</u>	<u>\$ 850,797</u>	<u>\$ 4,082,442</u>

See accompanying notes and independent auditors' report.

AMERICAN HISTORICAL ASSOCIATION  
SUPPLEMENTAL STATEMENT OF EXPENSES BY PROGRAM

For the year ended June 30, 2004

	Programs						Support Services			Total Support Services	Total
	American Historical Review	Annual Meeting	Membership	Publications	Grants	Special Funds and Prizes	Total Programs	General and Administrative	Council		
Salaries and fringe benefits	\$ 33,681	\$ 88,560	\$ 170,288	\$ 310,926	\$ 64,540	\$ -	\$ 667,995	\$ 399,333	\$ 247,705	\$ 647,038	\$ 1,315,033
Bad debts	-	-	-	-	-	-	-	(527)	-	(527)	(527)
Bank fees and service charges	304	-	-	(107)	-	-	197	68,195	45	68,240	68,437
Committee travel	10,394	5,749	-	-	22,097	9,644	47,884	-	37,654	37,654	85,538
Communications	2,389	248	7,006	2,083	1,760	-	13,486	12,527	6,635	19,162	32,648
Contractors	408,867	18,150	4,545	30,373	98,390	3,875	564,200	49,575	3,781	53,356	617,556
Contributions and coalition	39,083	-	-	-	-	-	39,083	26,570	14,250	40,820	79,903
Depreciation	5,939	-	-	-	-	-	5,939	64,719	-	64,719	70,658
Dues and subscriptions	12,597	579	84	136	477	-	13,873	13,495	1,866	15,361	29,234
Equipment rental and maintenance	976	-	3,616	558	77	2,205	7,432	27,488	734	28,222	35,654
Grants returned	-	-	-	-	130,991	-	130,991	-	-	-	130,991
Insurance	-	-	-	-	-	-	-	13,501	-	13,501	13,501
Meetings and conferences	1,076	151,452	2,463	-	52,683	781	208,455	200	43,732	43,932	252,387
Miscellaneous	564	2,589	1,337	241	55	75	4,861	285	1,240	1,525	6,386
Occupancy	-	-	-	-	6,050	-	6,050	1,020	-	1,020	7,070
Office expense	53	-	1,864	268	-	-	2,185	405	-	405	2,590
Postage and delivery	109,460	21,946	2,767	77,257	2,918	275	214,623	5,903	6,308	12,211	226,834
Printing and duplicating	216,781	47,133	27,482	189,403	3,916	2,302	487,017	6,228	9,614	15,842	502,859
Prizes, grants and honorariums	-	850	-	-	136,100	69,274	206,224	1,500	-	1,500	207,724
Professional fees	-	1,500	-	2,070	3,324	2,763	9,657	40,006	-	40,006	49,663
Publicity and advertising	-	-	-	-	9,340	-	9,340	-	-	-	9,340
Repairs and maintenance	-	-	-	-	-	-	-	14,051	-	14,051	14,051
Storage	-	-	340	3,883	-	-	4,223	6,651	-	6,651	10,874
Supplies	9,687	437	251	1,591	1,568	-	13,534	14,617	176	14,793	28,327
Taxes	-	-	-	-	-	-	-	7,226	-	7,226	7,226
Travel	4,638	7,960	-	122	1,085	1,441	15,246	7,450	9,516	16,966	32,212
Utilities	-	-	-	-	-	-	-	11,272	-	11,272	11,272
Total expense, before overhead allocation	856,489	347,153	222,043	618,804	535,371	92,635	2,672,495	791,690	383,256	1,174,946	3,847,441
Overhead allocation	20,267	53,281	102,524	187,156	38,872	-	402,100	(551,254)	149,154	(402,100)	-
Total expense	\$ 876,756	\$ 400,434	\$ 324,567	\$ 805,960	\$ 574,243	\$ 92,635	\$ 3,074,595	\$ 240,436	\$ 532,410	\$ 772,846	\$ 3,847,441

See accompanying notes and independent auditors' report.

AMERICAN HISTORICAL ASSOCIATION

SUPPLEMENTAL STATEMENT OF NET ASSETS BY CLASSIFICATION

For the year ended June 30, 2005

	Beginning of Year		Investment				End of Year		Investment		End of Year		Investment		End of Year		
	Permanently Restricted	Temporarily Restricted	Unrestricted		Total	Income	Expense	Gains, and Unrealized Losses	Fees	Transfers	Permanently Restricted	Temporarily Restricted	Unrestricted		Total	Total	
			Designated	Undesignated									Designated	Undesignated			
<b>Prize Funds</b>																	
Herbert Baxter Adams Prize Fund	\$ 5,000	\$ 19,862	\$ -	\$ -	\$ -	\$ 24,862	\$ -	\$ (1,000)	\$ 1,248	\$ (96)	\$ -	\$ 5,000	\$ 20,014	\$ -	\$ -	\$ -	\$ 25,014
Ancient History Prize Fund - James H. Breasted Fund	10,800	4,054	-	-	-	14,854	-	-	764	(60)	-	10,800	4,758	-	-	-	15,558
George Louis Beer Prize Fund	5,000	58,418	-	-	-	63,418	-	(1,500)	3,181	(244)	-	5,000	59,855	-	-	-	64,855
Beveridge Family Prize Fund	20,000	7,716	-	-	-	27,716	-	(1,500)	1,376	(106)	-	20,000	7,486	-	-	-	27,486
Paul Birdsall Prize Fund	10,000	10,627	-	-	-	20,627	-	(1,000)	1,029	(80)	-	10,000	10,576	-	-	-	20,576
Albert Corey Prize Fund	25,000	30,316	-	-	-	55,316	-	-	2,808	(216)	-	25,000	32,908	-	-	-	57,908
Premio Del Rey Prize Fund	10,800	11,198	-	-	-	21,998	-	(1,000)	1,095	(85)	-	10,800	11,208	-	-	-	22,008
John H. Dunning Prize Fund	2,000	22,670	-	-	-	24,670	-	(91)	1,252	(98)	-	2,000	23,733	-	-	-	25,733
John K. Fairbank Prize Fund	7,990	40,249	-	-	-	48,239	-	(1,500)	2,411	(185)	-	7,990	40,975	-	-	-	48,965
Morris D. Forkosch Prize Fund	16,000	19,888	-	-	-	35,888	-	(1,500)	1,784	(137)	-	16,000	20,035	-	-	-	36,035
Leo Gershoy Prize Fund	10,000	38,736	-	-	-	48,736	-	(1,500)	2,441	(187)	-	10,000	39,490	-	-	-	49,490
William Gilbert Prize Fund	10,000	8,481	-	-	-	18,481	-	-	948	(73)	-	10,000	9,356	-	-	-	19,356
Clarence H. Haring Prize Fund	3,000	21,301	-	-	-	24,301	-	-	1,238	(96)	-	3,000	22,443	-	-	-	25,443
Joan Kelly Prize Fund	18,692	18,213	-	-	-	36,905	-	(1,500)	1,845	(142)	-	18,692	18,416	-	-	-	37,108
Michael Kraus Prize Fund	15,000	34,336	-	-	-	49,336	-	(2,000)	2,457	(188)	-	15,000	34,605	-	-	-	49,605
J. Russell Major Prize Fund	50,475	(9,580)	-	-	-	40,895	-	(1,500)	2,049	(157)	-	50,475	(9,188)	-	-	-	41,287
Howard R. Marraro Prize Fund	10,000	14,361	-	-	-	24,361	-	(1,000)	1,218	(94)	-	10,000	14,485	-	-	-	24,485
George L. Mosse Prize Fund	27,088	(6,147)	-	-	-	20,941	-	(1,000)	1,045	(81)	-	27,088	(6,183)	-	-	-	20,905
James A. Rawley Award	35,275	(4,085)	-	-	-	31,190	-	(1,500)	1,549	(120)	-	35,275	(4,156)	-	-	-	31,119
Nancy Roelker Award	18,000	9,894	-	-	-	27,894	-	(1,000)	1,391	(108)	-	18,000	10,177	-	-	-	28,177
Andrew D. White Prize Fund	-	11,307	-	-	-	11,307	-	-	575	(45)	-	-	11,837	-	-	-	11,837
Wesley-Logan Prize Fund	-	12,570	-	-	-	12,570	-	(1,000)	621	(49)	-	-	12,142	-	-	-	12,142
Herbert Feis Prize Fund	-	14,501	-	-	-	14,501	-	(1,000)	718	(57)	-	-	14,162	-	-	-	14,162
John E. Fagg Prize Fund	-	5,702	-	-	-	5,702	-	(1,000)	266	(20)	-	-	4,948	-	-	-	4,948
Total prize funds	310,120	394,588	-	-	-	704,708	-	(23,091)	35,309	(2,724)	-	310,120	404,082	-	-	-	714,202
<b>Grant Programs</b>																	
Carnegie Foundation - Study of Graduate Training in History	-	23,843	-	-	-	23,843	-	(51,543)	-	-	27,700	-	-	-	-	-	-
National Endowment for the Humanities - Rethinking America	-	-	-	-	-	-	156,584	(156,584)	-	-	-	-	-	-	-	-	-
American Council on Education - Internationalizing the Disciplines	-	-	-	-	-	-	8,000	(4,402)	65	-	-	-	3,663	-	-	-	3,663
Council of Graduate Schools Grant - Preparing Future Faculty	-	14,325	-	-	-	14,325	-	(7,200)	379	-	-	-	7,504	-	-	-	7,504
Ford Foundation Grant - Seascapes	-	-	-	-	-	-	-	(6,213)	-	-	6,213	-	-	-	-	-	-
Mellon Foundation Grant - E Book Prize Program	-	-	-	-	-	-	584,174	(436,163)	2,585	-	-	-	150,596	-	-	-	150,596
National Aeronautics and Space Administration Fellowship Program	-	-	-	-	-	-	25,000	(20,000)	-	-	(5,000)	-	-	-	-	-	-
Oxford University Press - Guide Historical Literature	-	85,210	-	-	-	85,210	-	-	2,974	-	-	-	88,184	-	-	-	88,184
CASTL Program	-	5,195	-	-	-	5,195	-	(2,585)	141	-	-	-	2,751	-	-	-	2,751
Carnegie Mellon NHEN	-	50,158	-	-	-	50,158	-	(3,720)	1,687	-	-	-	48,125	-	-	-	48,125
Total grant programs	-	178,731	-	-	-	178,731	773,758	(688,410)	7,831	-	28,913	-	300,823	-	-	-	300,823

See accompanying notes and independent auditors' report.

AMERICAN HISTORICAL ASSOCIATION

SUPPLEMENTAL STATEMENT OF NET ASSETS BY CLASSIFICATION

For the year ended June 30, 2005

	Beginning of Year						Income	Expense	Investment Income, Realized Gains, and Unrealized Losses	Investment Fees	Transfers	End of Year					
	Permanently Restricted	Temporarily Restricted	Unrestricted		Total Unrestricted	Total						Permanently Restricted	Temporarily Restricted	Unrestricted		Total Unrestricted	Total
			Designated	Undesignated										Designated	Undesignated		
<b>Special Funds</b>																	
Albert J. Beveridge Memorial Fund	100,000	-	196,534	-	196,534	296,534	-	(10,900)	14,752	(1,125)	(25,381)	100,000	-	173,880	-	173,880	273,880
Littleton-Griswold Fund	25,000	-	148,891	-	148,891	173,891	-	(6,200)	8,662	(662)	(14,895)	25,000	-	135,796	-	135,796	160,796
David M. Matteson Fund	87,000	44,019	183,768	-	183,768	314,787	-	-	15,961	(1,217)	(27,453)	87,000	44,019	171,059	-	171,059	302,078
National History Center Endowment Fund	-	-	103,952	-	103,952	103,952	114,079	(163,049)	4,032	(309)	10,000	-	-	68,705	-	68,705	68,705
Bernadotte Schmitt Endowment Fund	-	-	536,901	-	536,901	536,901	12,724	-	27,532	(2,099)	(47,378)	-	-	527,680	-	527,680	527,680
J. Franklin Jameson Fund	-	4,729	454,161	-	454,161	454,161	-	(14,073)	22,667	(1,728)	-	-	-	461,027	-	461,027	461,027
	-	4,729	-	-	-	4,729	-	(5,000)	132	(11)	150	-	-	-	-	-	-
Total special funds	212,000	48,748	1,624,207	-	1,624,207	1,884,955	126,803	(199,222)	93,738	(7,151)	(104,957)	212,000	44,019	1,538,147	-	1,538,147	1,794,166
<b>General Funds</b>																	
Working Capital Fund	-	-	100,000	-	100,000	100,000	-	-	-	-	-	-	-	100,000	-	100,000	100,000
Property, Plant and Equipment Fund	-	-	402,738	-	402,738	402,738	-	-	-	-	-	-	-	402,738	-	402,738	402,738
Undesignated Fund	-	-	-	(184,428)	(184,428)	(184,428)	3,126,531	(3,159,299)	15,119	(1,102)	76,044	-	-	-	(127,135)	(127,135)	(127,135)
Total general funds	-	-	502,738	(184,428)	318,310	318,310	3,126,531	(3,159,299)	15,119	(1,102)	76,044	-	-	502,738	(127,135)	375,603	375,603
Total net assets	\$ 522,120	\$ 622,067	\$ 2,126,945	\$ (184,428)	\$ 1,942,517	\$ 3,086,704	\$ 4,027,092	\$ (4,070,022)	\$ 151,997	\$ (10,977)	\$ -	\$ 522,120	\$ 748,924	\$ 2,040,885	\$ (127,135)	\$ 1,913,750	\$ 3,184,794

See accompanying notes and independent auditors' report.

AMERICAN HISTORICAL ASSOCIATION

SUPPLEMENTAL STATEMENT OF NET ASSETS BY CLASSIFICATION

For the year ended June 30, 2004

	Beginning of Year		Investment				End of Year		Investment		End of Year		Investment		End of Year		
	Permanently Restricted	Temporarily Restricted	Unrestricted		Total	Total	Income	Expense	Gains, and Unrealized Losses	Fees	Transfers	Permanently Restricted	Temporarily Restricted	Unrestricted		Total	Total
			Designated	Undesignated										Designated	Undesignated		
<b>Prize Funds</b>																	
Herbert Baxter Adams Prize Fund	\$ 5,000	\$ 18,602	\$ -	\$ -	\$ -	\$ 23,602	\$ -	\$ -	\$ 1,425	\$ (165)	\$ -	\$ 5,000	\$ 19,862	\$ -	\$ -	\$ -	\$ 24,862
Ancient History Prize Fund - James H. Breasted Fund	10,800	4,276	-	-	-	15,076	-	(1,000)	880	(102)	-	10,800	4,054	-	-	-	14,854
Central European History Prize Fund Grant - Staffing Survey	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
George Louis Beer Prize Fund	5,000	56,660	-	-	-	61,660	-	(1,500)	3,686	(428)	-	5,000	58,418	-	-	-	63,418
Beveridge Family Prize Fund	20,000	10,061	-	-	-	30,061	-	(3,854)	1,707	(198)	-	20,000	7,716	-	-	-	27,716
Paul Birdsall Prize Fund	10,000	9,577	-	-	-	19,577	-	-	1,188	(138)	-	10,000	10,627	-	-	-	20,627
Albert Corey Prize Fund	25,000	27,993	-	-	-	52,993	-	(500)	3,194	(371)	-	25,000	30,316	-	-	-	55,316
Premio Del Rey Prize Fund	10,800	10,078	-	-	-	20,878	-	-	1,267	(147)	-	10,800	11,198	-	-	-	21,998
John H. Dunning Prize Fund	2,000	22,641	-	-	-	24,641	-	(1,254)	1,452	(169)	-	2,000	22,670	-	-	-	24,670
John K. Fairbank Prize Fund	7,990	39,268	-	-	-	47,258	-	(1,500)	2,807	(326)	-	7,990	40,249	-	-	-	48,239
Morris D. Forkosch Prize Fund	16,000	19,529	-	-	-	35,529	-	(1,500)	2,103	(244)	-	16,000	19,888	-	-	-	35,888
Leo Gershoy Prize Fund	10,000	37,724	-	-	-	47,724	-	(1,500)	2,842	(330)	-	10,000	38,736	-	-	-	48,736
William Gilbert Prize Fund	10,000	8,525	-	-	-	18,525	-	(1,000)	1,082	(126)	-	10,000	8,481	-	-	-	18,481
Clarence H. Haring Prize Fund	3,000	20,066	-	-	-	23,066	-	-	1,398	(163)	-	3,000	21,301	-	-	-	24,301
Joan Kelly Prize Fund	18,692	17,800	-	-	-	36,492	-	(1,500)	2,164	(251)	-	18,692	18,213	-	-	-	36,905
Michael Kraus Prize Fund	15,000	33,003	-	-	-	48,003	-	(1,200)	2,867	(334)	-	15,000	34,336	-	-	-	49,336
J. Russell Major Prize Fund	50,475	(10,187)	-	-	-	40,288	-	(1,500)	2,384	(277)	-	50,475	(9,580)	-	-	-	40,895
Howard R. Marraro Prize Fund	10,000	14,101	-	-	-	24,101	-	(1,000)	1,425	(165)	-	10,000	14,361	-	-	-	24,361
George L. Mosse Prize Fund	27,088	(6,235)	-	-	-	20,853	-	(1,000)	1,231	(143)	-	27,088	(6,147)	-	-	-	20,941
James A. Rawley Award	35,275	(4,203)	-	-	-	31,072	-	(1,500)	1,830	(212)	-	35,275	(4,085)	-	-	-	31,190
Nancy Roelker Award	18,000	9,456	-	-	-	27,456	-	(1,000)	1,627	(189)	-	18,000	9,894	-	-	-	27,894
Andrew D. White Prize Fund	-	10,740	-	-	-	10,740	-	-	642	(75)	-	-	11,307	-	-	-	11,307
Wesley-Logan Prize Fund	-	12,908	-	-	-	12,908	-	(1,000)	748	(86)	-	-	12,570	-	-	-	12,570
Herbert Feis Prize Fund	-	14,739	-	-	-	14,739	-	(1,000)	862	(100)	-	-	14,501	-	-	-	14,501
John E. Fagg Prize Fund	-	6,391	-	-	-	6,391	-	(1,000)	352	(41)	-	-	5,702	-	-	-	5,702
Total prize funds	310,120	383,513	-	-	-	693,633	-	(25,308)	41,163	(4,780)	-	310,120	394,588	-	-	-	704,708
<b>Grant Programs</b>																	
Carnegie Foundation - Study of Graduate Training in History	-	53,254	-	-	-	53,254	29	(30,636)	1,196	-	-	-	23,843	-	-	-	23,843
Council of Graduate Schools Grant - Preparing Future Faculty	-	14,289	-	-	-	14,289	-	(404)	440	-	-	-	14,325	-	-	-	14,325
Ford Foundation Grant - Seascapes	-	192,751	-	-	-	192,751	-	(192,990)	239	-	-	-	-	-	-	-	-
Mellon Foundation Grant - E Book Prize Program	-	196,382	-	-	-	196,382	115,960	(313,595)	1,253	-	-	-	-	-	-	-	-
National Aeronautics and Space Administration Fellowship Program	-	-	-	-	-	-	24,400	(24,467)	67	-	-	-	-	-	-	-	-
Oxford University Press - Guide Historical Literature	-	82,622	-	-	-	82,622	-	(14)	2,602	-	-	-	85,210	-	-	-	85,210
CASTL Program	-	5,032	-	-	-	5,032	-	-	163	-	-	-	5,195	-	-	-	5,195
Carnegie Mellon NHEN	-	50,145	-	-	-	50,145	-	(1,546)	1,559	-	-	-	50,158	-	-	-	50,158
Total grant programs	-	594,475	-	-	-	594,475	140,389	(563,652)	7,519	-	-	-	178,731	-	-	-	178,731

See accompanying notes and independent auditors' report.

AMERICAN HISTORICAL ASSOCIATION

SUPPLEMENTAL STATEMENT OF NET ASSETS BY CLASSIFICATION

For the year ended June 30, 2004

	Beginning of Year		Unrestricted		Total	Total	Income	Expense	Investment Income, Realized Gains, and Unrealized Losses	Investment Fees	Transfers	End of Year		Unrestricted		Total	Total
	Permanently Restricted	Temporarily Restricted	Designated	Undesignated								Permanently Restricted	Temporarily Restricted	Designated	Undesignated		
<b>Special Funds</b>																	
Albert J. Beveridge Memorial Fund	100,000	-	221,550	-	221,550	321,550	-	(13,150)	19,046	(2,214)	(28,698)	100,000	-	196,534	-	196,534	296,534
Littleton-Griswold Fund	25,000	-	164,935	-	164,935	189,935	-	(9,050)	11,208	(1,302)	(16,900)	25,000	-	148,891	-	148,891	173,891
David M. Matteson Fund	87,000	44,019	196,093	-	196,093	327,112	-	-	19,777	(2,298)	(29,804)	87,000	44,019	183,768	-	183,768	314,787
National History Center	-	-	15,378	-	15,378	15,378	97,716	(22,252)	3,519	(409)	10,000	-	-	103,952	-	103,952	103,952
Endowment Fund	-	-	545,073	-	545,073	545,073	12,601	-	33,350	(3,876)	(50,247)	-	-	536,901	-	536,901	536,901
Bernadotte Schmitt Endowment Fund	-	-	448,541	-	448,541	448,541	-	(17,875)	26,585	(3,090)	-	-	-	454,161	-	454,161	454,161
J. Franklin Jameson Fund	-	9,356	-	-	-	9,356	-	(5,000)	422	(49)	-	-	4,729	-	-	-	4,729
Total special funds	212,000	53,375	1,591,570	-	1,591,570	1,856,945	110,317	(67,327)	113,907	(13,238)	(115,649)	212,000	48,748	1,624,207	-	1,624,207	1,884,955
<b>General Funds</b>																	
Working Capital Fund	-	-	100,000	-	100,000	100,000	-	-	-	-	-	-	-	100,000	-	100,000	100,000
Property, Plant and Equipment Fund	-	-	402,738	-	402,738	402,738	-	-	-	-	-	-	-	402,738	-	402,738	402,738
Undesignated Fund	-	-	-	(207,823)	(207,823)	(207,823)	3,066,921	(3,171,511)	13,961	(1,625)	115,649	-	-	-	(184,428)	(184,428)	(184,428)
Total general funds	-	-	502,738	(207,823)	294,915	294,915	3,066,921	(3,171,511)	13,961	(1,625)	115,649	-	-	502,738	(184,428)	318,310	318,310
Total net assets	\$ 522,120	\$ 1,031,363	\$ 2,094,308	\$ (207,823)	\$ 1,886,485	\$ 3,439,968	\$ 3,317,627	\$ (3,827,798)	\$ 176,550	\$ (19,643)	\$ -	\$ 522,120	\$ 622,067	\$ 2,126,945	\$ (184,428)	\$ 1,942,517	\$ 3,086,704

See accompanying notes and independent auditors' report.

**AMERICAN HISTORICAL ASSOCIATION**

**SUPPLEMENTAL STATEMENTS OF GENERAL OPERATIONS**

**For the years ended June 30, 2005 and 2004**

	<b>2005</b>	<b>2004</b>
<b>REVENUE AND SUPPORT</b>		
Membership dues	\$ 1,043,293	\$ 1,124,413
Annual Conference	663,418	673,283
American Historical Review	832,600	683,629
Publications	570,630	572,357
Administrative income	16,077	32,081
Contributions	16,590	25,840
Interest allocation from designated investments	115,106	125,649
Total revenue and support	3,257,714	3,237,252
<b>EXPENSES</b>		
Programs:		
American Historical Review	740,200	856,489
Annual Meeting	404,537	347,153
Membership	187,381	222,043
Publications	619,367	618,804
Grants - transfers	33,913	-
Total programs	1,985,398	2,044,489
Support services:		
General and Administrative	769,522	721,032
Council	403,998	383,256
Total support services	1,173,520	1,104,288
Total expenses	3,158,918	3,148,777
Change in net assets	\$ 98,796	\$ 88,475

See accompanying notes and independent auditors' report.