

**American Historical Association**

**Financial Statements**  
*(With Independent Auditors' Report)*

**For the years ended June 30, 2007 and 2006**

# AMERICAN HISTORICAL ASSOCIATION

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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, 2007 and 2006 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, 2007 and 2006, 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, 2007 and 2006 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, 2007 and 2006 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.

A handwritten signature in black ink that reads 'McMaster &amp; Associates PC'.

October 3, 2007  
Washington, DC

AMERICAN HISTORICAL ASSOCIATION

STATEMENTS OF FINANCIAL POSITION

June 30, 2007 and 2006

<u>ASSETS</u>	<u>2007</u>	<u>2006</u>	<u>LIABILITIES AND NET ASSETS</u>	<u>2007</u>	<u>2006</u>
Current assets:			Current liabilities:		
Cash and equivalents	\$ 1,016,952	\$ 764,652	Accounts payable	\$ 113,251	\$ 218,673
Accounts receivable	63,542	69,449	Accrued expenses	167,066	152,243
Grants and pledges receivable	15,797	1,298	Deferred revenue:		
Interest and dividends receivable	16,241	13,848	Memberships	691,700	666,119
Inventory	101,698	149,115	Subscriptions	370,798	362,359
Prepaid expenses	30,525	20,075	Annual meeting	132,750	153,300
			Life memberships - current portion	7,827	11,937
Total current assets	1,244,755	1,018,437			
			Total current liabilities	1,483,392	1,564,631
Fixed assets:					
Land	8,000	8,000	Life memberships - long term	39,662	30,374
Building and improvements	542,770	540,123			
Furniture and equipment	508,844	496,541	Total liabilities	1,523,054	1,595,005
	1,059,614	1,044,664			
Less: accumulated depreciation	(618,744)	(564,886)	Net assets:		
			Unrestricted:		
Net fixed assets	440,870	479,778	Undesignated	224,051	89,562
			Designated	2,260,159	1,939,743
Other assets			Total unrestricted	2,484,210	2,029,305
Investments - long term	3,694,749	3,447,780	Temporarily restricted	851,990	800,565
Deposits	1,000	1,000	Permanently restricted	522,120	522,120
Total other assets	3,695,749	3,448,780	Total net assets	3,858,320	3,351,990
Total assets	<u>\$ 5,381,374</u>	<u>\$ 4,946,995</u>	Total liabilities and net assets	<u>\$ 5,381,374</u>	<u>\$ 4,946,995</u>

See accompanying notes and independent auditors' report.

AMERICAN HISTORICAL ASSOCIATION

STATEMENTS OF ACTIVITIES

For the years ended June 30, 2007 and 2006

	2007				2006			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>REVENUE AND SUPPORT</b>								
Membership dues	\$ 1,140,128	\$ -	\$ -	\$ 1,140,128	\$ 1,109,735	\$ -	\$ -	\$ 1,109,735
Annual Conference	752,540	-	-	752,540	759,458	-	-	759,458
American Historical Review Publications	900,982	-	-	900,982	854,136	-	-	854,136
Grants and contributions	692,483	-	-	692,483	558,153	-	-	558,153
Interest and dividends	35,789	35,625	-	71,414	3,449	299,844	-	303,293
Realized gains and losses on investments	102,345	29,434	-	131,779	21,105	91,233	-	112,338
Unrealized losses on investments	247,800	71,266	-	319,066	14,676	56,144	-	70,820
Net assets released from restriction	142,121	40,873	-	182,994	(7,102)	(27,168)	-	(34,270)
	125,774	(125,774)	-	-	368,412	(368,412)	-	-
<b>Total revenue and support</b>	<b>4,139,961</b>	<b>51,425</b>	<b>-</b>	<b>4,191,386</b>	<b>3,682,022</b>	<b>51,641</b>	<b>-</b>	<b>3,733,663</b>
<b>EXPENSES</b>								
<b>Programs:</b>								
American Historical Review	759,716	-	-	759,716	762,277	-	-	762,277
Annual Meeting	621,107	-	-	621,107	524,741	-	-	524,741
Membership	333,341	-	-	333,341	302,253	-	-	302,253
Publications	948,296	-	-	948,296	744,228	-	-	744,228
Grants	100,603	-	-	100,603	346,532	-	-	346,532
Special Funds and Prizes	45,084	-	-	45,084	57,544	-	-	57,544
Total programs	2,808,147	-	-	2,808,147	2,737,575	-	-	2,737,575
<b>Support services:</b>								
General and Administrative	256,076	-	-	256,076	296,048	-	-	296,048
Council	620,833	-	-	620,833	588,787	-	-	588,787
Total support services	876,909	-	-	876,909	884,835	-	-	884,835
<b>Total expenses</b>	<b>3,685,056</b>	<b>-</b>	<b>-</b>	<b>3,685,056</b>	<b>3,622,410</b>	<b>-</b>	<b>-</b>	<b>3,622,410</b>
Change in net assets	454,905	51,425	-	506,330	59,612	51,641	-	111,253
Net assets, beginning of year	2,029,305	800,565	522,120	3,351,990	1,969,693	748,924	522,120	3,240,737
Net assets, end of year	\$ 2,484,210	\$ 851,990	\$ 522,120	\$ 3,858,320	\$ 2,029,305	\$ 800,565	\$ 522,120	\$ 3,351,990

See accompanying notes and independent auditors' report.

**AMERICAN HISTORICAL ASSOCIATION**

**STATEMENTS OF CASH FLOWS**

**For the years ended June 30, 2007 and 2006**

	<b>2007</b>	<b>2006</b>
Cash flows from operating activities:		
Change in net assets:	\$ 506,330	\$ 111,253
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	50,684	62,587
Unrealized (gain) loss on investments	(182,994)	34,270
Accounts receivable	5,907	32,749
Grants and pledges receivable	(14,499)	43,052
Interest and dividends receivable	(2,393)	(1,192)
Inventory	47,417	(93,173)
Prepaid expenses	(10,450)	57,460
Accounts payable	(105,422)	(202,518)
Accrued expenses	14,823	56,480
Deferred revenue	18,648	113,701
Total adjustments	(178,279)	103,416
Net cash provided by operating activities	328,051	214,669
Cash flows from investing activities		
Purchase of investments	(1,782,437)	(3,978,852)
Sale of investments	1,718,462	4,006,850
Purchase of fixed assets	(11,776)	(64,967)
Net cash used by investing activities	(75,751)	(36,969)
Net increase in cash and equivalents	252,300	177,700
Cash and equivalents, beginning of year	764,652	586,952
Cash and equivalents, end of year	\$ 1,016,952	\$ 764,652
Supplemental disclosure of cash flow information:		
Cash paid for income taxes	\$ -	\$ -
Cash paid for interest	\$ -	\$ -

See accompanying notes and independent auditors' report.

# AMERICAN HISTORICAL ASSOCIATION

## NOTES TO FINANCIAL STATEMENTS

June 30, 2007 and 2006

### 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.

#### 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.

#### Inventory

Inventory consists of publications and is stated at the lower of cost or market, based on the FIFO (first-in, first-out) method of accounting.

# AMERICAN HISTORICAL ASSOCIATION

## NOTES TO FINANCIAL STATEMENTS

June 30, 2007 and 2006

### 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, 2007 and 2006 was \$50,684 and \$62,587, respectively.

#### Accounts Receivable

Accounts receivable is recorded net of an allowance for uncollectible receivables, based on management's evaluation of outstanding accounts receivable at year end. The allowance for uncollectible receivables was \$59,156 and \$40,292 for the years ended June 30, 2007 and 2006, 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.



# AMERICAN HISTORICAL ASSOCIATION

## NOTES TO FINANCIAL STATEMENTS

June 30, 2007 and 2006

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

#### Net Assets (Continued)

##### 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, 2007 and 2006, the Association received \$35,625 and \$299,844 in temporarily restricted contributions and grants, respectively.

##### 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, 2007 and 2006 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 2007 and 2006, the Association did not receive any donated materials or services.

# AMERICAN HISTORICAL ASSOCIATION

## NOTES TO FINANCIAL STATEMENTS

June 30, 2007 and 2006

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

#### 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.

#### 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 2007 and 2006, respectively, accordingly no provision for income taxes was recorded.

#### 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, 2007		June 30, 2006	
	<u>Cost</u>	<u>Market</u>	<u>Cost</u>	<u>Market</u>
U.S. Treasury notes and bonds	\$ 774,390	\$ 767,860	\$ 1,265,291	\$ 1,230,164
Certificates of deposit	79,753	79,753	200,000	200,000
Corporate bonds	587,866	567,609	30,079	28,327
Corporate securities	<u>1,989,966</u>	<u>2,279,527</u>	<u>1,872,274</u>	<u>1,989,289</u>
Total	<u>\$ 3,431,975</u>	<u>\$ 3,694,749</u>	<u>\$ 3,367,644</u>	<u>\$ 3,447,780</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.

# AMERICAN HISTORICAL ASSOCIATION

## NOTES TO FINANCIAL STATEMENTS

June 30, 2007 and 2006

### 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, 2007 and 2006, contributions to the plan were \$83,037 and \$72,168, respectively. There were no contributions due to the plan at June 30, 2007 and 2006, respectively.

### 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.

### 7. RESTATEMENT OF PRIOR YEAR

During 2006 the Association adopted a capitalization policy for publication inventory. Accordingly, an adjustment was made during the year ended June 30, 2006 to implement the newly adopted policy. The effect of the change increased inventory by \$55,943 and undesignated net assets by \$55,943.

## **SUPPLEMENTAL INFORMATION**

AMERICAN HISTORICAL ASSOCIATION  
SUPPLEMENTAL STATEMENT OF EXPENSES BY PROGRAM

For the year ended June 30, 2007

	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	
Salaries and fringe benefits	\$ 34,066	\$ 140,108	\$ 145,652	\$ 354,303	\$ 1,370	\$ -	\$ 675,499	\$ 421,029	\$ 322,232	\$ 743,261	\$ 1,418,760
Bad debts	-	-	-	-	-	-	-	18,235	-	18,235	18,235
Bank fees and service charges	-	-	-	-	10	-	10	65,395	-	65,395	65,405
Communications	133	13	440	7,498	-	-	8,084	19,918	2,827	22,745	30,829
Contractors	400,528	28,824	28,892	350	11,358	-	469,952	41,433	11,549	52,982	522,934
Contributions and coalition	39,082	-	-	-	-	-	39,082	94,332	-	94,332	133,414
Depreciation	3,174	-	-	-	-	-	3,174	50,684	-	50,684	53,858
Dues and subscriptions	-	-	14,655	310	-	-	14,965	8,794	-	8,794	23,759
Equipment rental and maintenance	-	-	-	-	-	-	-	26,874	-	26,874	26,874
Insurance	-	2,916	-	-	-	-	2,916	17,689	-	17,689	20,605
Meetings and conferences	1,491	199,335	-	-	300	-	201,126	2,037	19,871	21,908	223,034
Miscellaneous	-	2,304	670	1,116	-	-	4,090	2,109	-	2,109	6,199
Office expense	3,200	3,234	-	292	250	-	6,976	18,590	12,873	31,463	38,439
Postage and delivery	71,436	33,493	20,877	47,988	-	-	173,794	12,740	-	12,740	186,534
Printing and duplicating	150,695	77,865	20,871	286,125	-	-	535,556	11,878	-	11,878	547,434
Prizes, grants and honorariums	-	12,751	-	750	85,087	44,122	142,710	-	211	211	142,921
Professional fees	1,350	-	-	-	884	-	2,234	58,969	-	58,969	61,203
Publicity and advertising	-	1,510	896	-	-	636	3,042	-	-	-	3,042
Repairs and maintenance	-	-	-	-	-	-	-	21,947	-	21,947	21,947
Storage	9,579	-	353	5,524	-	-	15,456	6,165	-	6,165	21,621
Supplies	10,038	-	-	-	-	-	10,038	7,353	-	7,353	17,391
Taxes, licenses and permits	-	127	-	800	-	-	927	9,802	-	9,802	10,729
Travel	11,567	22,391	-	20	370	326	34,674	9,865	30,063	39,928	74,602
Utilities	-	-	-	-	-	-	-	15,287	-	15,287	15,287
<b>Total expense, before overhead allocation</b>	<b>736,339</b>	<b>524,871</b>	<b>233,306</b>	<b>705,076</b>	<b>99,629</b>	<b>45,084</b>	<b>2,344,305</b>	<b>941,125</b>	<b>399,626</b>	<b>1,340,751</b>	<b>3,685,056</b>
<b>Overhead allocation</b>	<b>23,377</b>	<b>96,236</b>	<b>100,035</b>	<b>243,220</b>	<b>974</b>	<b>-</b>	<b>463,842</b>	<b>(685,049)</b>	<b>221,207</b>	<b>(463,842)</b>	<b>-</b>
<b>Total expense</b>	<b>\$ 759,716</b>	<b>\$ 621,107</b>	<b>\$ 333,341</b>	<b>\$ 948,296</b>	<b>\$ 100,603</b>	<b>\$ 45,084</b>	<b>\$ 2,808,147</b>	<b>\$ 256,076</b>	<b>\$ 620,833</b>	<b>\$ 876,909</b>	<b>\$ 3,685,056</b>

See accompanying notes and independent auditors' report.

AMERICAN HISTORICAL ASSOCIATION  
SUPPLEMENTAL STATEMENT OF EXPENSES BY PROGRAM

For the year ended June 30, 2006

	Programs						Support Services			Total	
	American Historical Review	Annual Meeting	Membership	Publications	Grants	Special Funds and Prizes	Total Programs	General and Administrative	Council	Support Services	Total
Salaries and fringe benefits	\$ 35,420	\$ 94,230	\$ 171,875	\$ 348,262	\$ 31,914	\$ -	\$ 681,701	\$ 429,932	\$ 304,635	\$ 734,567	\$ 1,416,268
Bad debts	-	-	-	-	-	-	-	11,227	-	11,227	11,227
Bank fees and service charges	-	850	-	-	15	-	865	46,227	-	46,227	47,092
Communications	561	20,289	2,250	7,262	-	744	31,106	17,326	5,866	23,192	54,298
Contractors	384,288	16,944	2,391	16,600	105,008	-	525,231	13,659	-	13,659	538,890
Contributions and coalition	39,084	-	-	-	87,325	-	126,409	83,291	-	83,291	209,700
Depreciation	3,321	-	-	-	-	-	3,321	59,266	-	59,266	62,587
Dues and subscriptions	-	-	90	295	-	-	385	15,214	484	15,698	16,083
Equipment rental and maintenance	-	5,952	-	799	376	-	7,127	29,794	-	29,794	36,921
Insurance	-	4,225	-	-	-	-	4,225	10,388	-	10,388	14,613
Meetings and conferences	2,061	200,271	3,380	-	9,591	279	215,582	7,035	36,928	43,963	259,545
Miscellaneous	4,252	1,476	90	-	-	-	5,818	6,619	404	7,023	12,841
Office expense	-	4,309	-	758	-	-	5,067	14,823	3,407	18,230	23,297
Postage and delivery	72,840	30,753	1,242	69,112	-	175	174,122	75	1,601	1,676	175,798
Printing and duplicating	178,906	56,478	15,700	72,609	3,048	-	326,741	-	621	621	327,362
Prizes, grants and honorariums	-	15,161	-	1,500	84,963	54,559	156,183	-	-	-	156,183
Professional fees	-	-	-	15,756	3,331	1,787	20,874	62,662	8,889	71,551	92,425
Publicity and advertising	-	-	-	-	1,832	-	1,832	-	-	-	1,832
Repairs and maintenance	-	-	-	-	-	-	-	19,272	-	19,272	19,272
Storage	2,647	40	3,187	3,511	-	-	9,385	6,720	-	6,720	16,105
Supplies	5,873	108	129	1,324	240	-	7,674	14,725	15	14,740	22,414
Taxes, licenses and permits	-	-	-	-	-	-	-	8,567	-	8,567	8,567
Travel	12,036	17,826	-	-	-	-	29,862	10,160	45,354	55,514	85,376
Utilities	-	-	-	-	-	-	-	13,714	-	13,714	13,714
<b>Total expense, before overhead allocation</b>	<b>741,289</b>	<b>468,912</b>	<b>200,334</b>	<b>537,788</b>	<b>327,643</b>	<b>57,544</b>	<b>2,333,510</b>	<b>880,696</b>	<b>408,204</b>	<b>1,288,900</b>	<b>3,622,410</b>
Overhead allocation	20,988	55,829	101,919	206,440	18,889	-	404,065	(584,648)	180,583	(404,065)	-
<b>Total expense</b>	<b>\$ 762,277</b>	<b>\$ 524,741</b>	<b>\$ 302,253</b>	<b>\$ 744,228</b>	<b>\$ 346,532</b>	<b>\$ 57,544</b>	<b>\$ 2,737,575</b>	<b>\$ 296,048</b>	<b>\$ 588,787</b>	<b>\$ 884,835</b>	<b>\$ 3,622,410</b>

See accompanying notes and independent auditors' report.

AMERICAN HISTORICAL ASSOCIATION

SUPPLEMENTAL STATEMENT OF NET ASSETS BY CLASSIFICATION

For the year ended June 30, 2007

	Beginning of Year		Investment				End of Year		Investment		End of Year		Investment		End of Year			
	Permanently Restricted	Temporarily Restricted	Unrestricted		Total Unrestricted	Total	Income	Expense	Gains, and Unrealized Losses	Fees	Transfers	Permanently Restricted	Temporarily Restricted	Unrestricted		Total Unrestricted	Total	
			Designated	Undesignated										Designated	Undesignated			
<b>Prize Funds</b>																		
Herbert Baxter Adams Prize Fund	\$ 5,000	\$ 19,964	\$ -	\$ -	\$ -	\$ 24,964	\$ -	\$ (1,000)	\$ 4,692	\$ (214)	\$ -	\$ 5,000	\$ 23,442	\$ -	\$ -	\$ -	\$ 28,442	
African History Prize Fund	-	-	-	-	-	-	10,925	(36)	2	-	-	-	10,891	-	-	-	10,891	
Ancient History Prize Fund - James H. Breasted Fund	10,800	4,344	-	-	-	15,144	-	(1,000)	2,791	(128)	-	10,800	6,007	-	-	-	16,807	
George Louis Beer Prize Fund	5,000	60,829	-	-	-	65,829	-	(1,500)	12,489	(571)	-	5,000	71,247	-	-	-	76,247	
Beveridge Family Prize Fund	20,000	7,018	-	-	-	27,018	-	(2,142)	4,946	(226)	-	20,000	9,596	-	-	-	29,596	
Paul Birdsall Prize Fund	10,000	11,374	-	-	-	21,374	-	(1,000)	3,995	(183)	-	10,000	14,186	-	-	-	24,186	
Albert Corey Prize Fund	25,000	35,148	-	-	-	60,148	-	(1,500)	11,348	(519)	-	25,000	44,477	-	-	-	69,477	
Premio Del Rey Prize Fund	10,800	12,064	-	-	-	22,864	-	(1,000)	4,312	(197)	-	10,800	15,179	-	-	-	25,979	
John H. Dunning Prize Fund	2,000	23,706	-	-	-	25,706	-	-	4,946	(226)	-	2,000	28,426	-	-	-	30,426	
John K. Fairbank Prize Fund	7,990	41,339	-	-	-	49,329	-	(1,500)	9,319	(426)	-	7,990	48,732	-	-	-	56,722	
Morris D. Forkosch Prize Fund	16,000	19,896	-	-	-	35,896	-	(1,500)	6,721	(307)	-	16,000	24,810	-	-	-	40,810	
Leo Gershoy Prize Fund	10,000	39,877	-	-	-	49,877	-	(1,500)	9,382	(429)	-	10,000	47,330	-	-	-	57,330	
William Gilbert Prize Fund	10,000	9,084	-	-	-	19,084	-	-	3,678	(168)	-	10,000	12,594	-	-	-	22,594	
Clarence H. Haring Prize Fund	3,000	23,428	-	-	-	26,428	-	-	5,072	(232)	-	3,000	28,268	-	-	-	31,268	
Joan Kelly Prize Fund	18,692	18,324	-	-	-	37,016	-	(1,500)	6,975	(319)	-	18,692	23,480	-	-	-	42,172	
Michael Kraus Prize Fund	15,000	36,528	-	-	-	51,528	-	(1,500)	9,700	(443)	-	15,000	44,285	-	-	-	59,285	
J. Russell Major Prize Fund	50,475	(9,117)	-	-	-	41,358	-	(1,500)	7,798	(356)	-	50,475	(3,175)	-	-	-	47,300	
Howard R. Marraro Prize Fund	10,000	14,412	-	-	-	24,412	-	(1,000)	4,566	(209)	-	10,000	17,769	-	-	-	27,769	
George L. Mosse Prize Fund	27,088	(6,397)	-	-	-	20,691	-	(1,000)	3,869	(177)	-	27,088	(3,705)	-	-	-	23,383	
James A. Rawley Award	35,275	(4,483)	-	-	-	30,792	-	(1,500)	5,770	(264)	-	35,275	(477)	-	-	-	34,798	
Nancy Roelker Award	18,000	10,245	-	-	-	28,245	-	(1,000)	5,326	(243)	-	18,000	14,328	-	-	-	32,328	
Andrew D. White Prize Fund	-	12,295	-	-	-	12,295	-	(1,000)	2,283	(104)	-	-	13,474	-	-	-	13,474	
Wesley-Logan Prize Fund	-	11,588	-	-	-	11,588	-	(1,000)	2,094	(96)	-	-	12,586	-	-	-	12,586	
Herbert Feis Prize Fund	-	13,689	-	-	-	13,689	-	(1,000)	2,537	(116)	-	-	15,110	-	-	-	15,110	
John E. Fagg Prize Fund	-	4,124	-	-	-	4,124	-	(1,000)	699	(32)	-	-	3,791	-	-	-	3,791	
Total prize funds	310,120	409,279	-	-	-	719,399	10,925	(26,678)	135,310	(6,185)	-	310,120	522,651	-	-	-	832,771	
<b>Grant Programs</b>																		
Carnegie Foundation - Study of Graduate Training in History	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
National Endowment for the Humanities - Rethinking America	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
American Council on Education - Internationalizing the Disciplines	-	2,660	-	-	-	2,660	-	-	105	-	-	-	2,765	-	-	-	2,765	
Council of Graduate Schools Grant - Preparing Future Faculty	-	445	-	-	-	445	-	(670)	-	-	225	-	-	-	-	-	-	
Ford Foundation Grant - Seascapes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Mellon Foundation Grant - E Book Prize Program	-	251,045	-	-	-	251,045	-	(67,466)	2,456	-	-	-	186,035	-	-	-	186,035	
National Aeronautics and Space Administration Fellowship Program	-	1,732	-	-	-	1,732	24,700	(20,000)	66	-	(5,000)	-	1,498	-	-	-	1,498	
Oxford University Press - Guide Historical Literature	-	91,331	-	-	-	91,331	-	-	3,637	-	-	-	94,968	-	-	-	94,968	
CASTL Program	-	54	-	-	-	54	-	-	-	-	-	-	54	-	-	-	54	
Carnegie Mellon NHEN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total grant programs	-	347,267	-	-	-	347,267	24,700	(88,136)	6,264	-	(4,775)	-	285,320	-	-	-	285,320	

See accompanying notes and independent auditors' report.

AMERICAN HISTORICAL ASSOCIATION

SUPPLEMENTAL STATEMENT OF NET ASSETS BY CLASSIFICATION

For the year ended June 30, 2007

	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								Designated	Undesignated				
<b>Special Funds</b>																	
Albert J. Beveridge Memorial Fund	100,000	-	171,603	-	171,603	271,603	-	(11,049)	49,631	(2,269)	(13,457)	100,000	-	194,459	-	194,459	294,459
Littleton-Griswold Fund	25,000	-	130,552	-	130,552	155,552	-	(4,000)	28,651	(1,310)	(7,819)	25,000	-	146,074	-	146,074	171,074
David M. Matteson Fund	87,000	44,019	170,204	-	170,204	301,223	-	-	56,161	(2,568)	(15,507)	87,000	44,019	208,290	-	208,290	339,309
National History Center Endowment Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bernadotte Schmitt Endowment Fund	-	-	480,090	-	480,090	480,090	16,923	-	91,087	(4,165)	(25,519)	-	-	558,416	-	558,416	558,416
	-	-	464,323	-	464,323	464,323	-	(13,480)	87,599	(4,005)	-	-	-	534,437	-	534,437	534,437
Total special funds	212,000	44,019	1,416,772	-	1,416,772	1,672,791	16,923	(28,529)	313,129	(14,317)	(62,302)	212,000	44,019	1,641,676	-	1,641,676	1,897,695
<b>General Funds</b>																	
Working Capital Fund	-	-	103,870	-	103,870	103,870	-	-	19,905	(910)	-	-	-	122,865	-	122,865	122,865
Property, Plant and Equipment Fund	-	-	419,101	-	419,101	419,101	-	-	80,183	(3,666)	-	-	-	495,618	-	495,618	495,618
Undesignated Fund	-	-	-	89,562	89,562	89,562	3,506,920	(3,512,818)	77,127	(3,817)	67,077	-	-	-	224,051	224,051	224,051
Total general funds	-	-	522,971	89,562	612,533	612,533	3,506,920	(3,512,818)	177,215	(8,393)	67,077	-	-	618,483	224,051	842,534	842,534
Total net assets	\$ 522,120	\$ 800,565	\$ 1,939,743	\$ 89,562	\$ 2,029,305	\$ 3,351,990	\$ 3,559,468	\$ (3,656,161)	\$ 631,918	\$ (28,895)	\$ -	\$ 522,120	\$ 851,990	\$ 2,260,159	\$ 224,051	\$ 2,484,210	\$ 3,858,320

See accompanying notes and independent auditors' report.



AMERICAN HISTORICAL ASSOCIATION

SUPPLEMENTAL STATEMENT OF NET ASSETS BY CLASSIFICATION

For the year ended June 30, 2006

	Beginning of Year		Unrestricted		Total Unrestricted	Total	Income	Expense	Investment Income, Realized Gains, and Unrealized Losses	Investment Fees	Transfers	End of Year		Unrestricted		Total Unrestricted	Total	
	Permanently Restricted	Temporarily Restricted	Designated	Undesignated								Permanently Restricted	Temporarily Restricted	Designated	Undesignated			
<b>Prize Funds</b>																		
Herbert Baxter Adams Prize Fund	\$ 5,000	\$ 20,014	\$ -	\$ -	\$ -	\$ 25,014	\$ -	\$ (1,000)	\$ 1,184	\$ (234)	\$ -	\$ 5,000	\$ 19,964	\$ -	\$ -	\$ -	\$ 24,964	
Ancient History Prize Fund - James H. Breasted Fund	10,800	4,758	-	-	-	15,558	-	(1,000)	731	(145)	-	10,800	4,344	-	-	-	15,144	
George Louis Beer Prize Fund	5,000	59,855	-	-	-	64,855	-	(1,500)	3,084	(610)	-	5,000	60,829	-	-	-	65,829	
Beveridge Family Prize Fund	20,000	7,486	-	-	-	27,486	-	(1,500)	1,287	(255)	-	20,000	7,018	-	-	-	27,018	
Paul Birdsall Prize Fund	10,000	10,576	-	-	-	20,576	-	-	995	(197)	-	10,000	11,374	-	-	-	21,374	
Albert Corey Prize Fund	25,000	32,908	-	-	-	57,908	-	-	2,792	(552)	-	25,000	35,148	-	-	-	60,148	
Premio Del Rey Prize Fund	10,800	11,208	-	-	-	22,008	-	-	1,067	(211)	-	10,800	12,064	-	-	-	22,864	
John H. Dunning Prize Fund	2,000	23,733	-	-	-	25,733	-	(1,000)	1,213	(240)	-	2,000	23,706	-	-	-	25,706	
John K. Fairbank Prize Fund	7,990	40,975	-	-	-	48,965	-	(1,500)	2,324	(460)	-	7,990	41,339	-	-	-	49,329	
Morris D. Forkosch Prize Fund	16,000	20,035	-	-	-	36,035	-	(1,500)	1,696	(335)	-	16,000	19,896	-	-	-	35,896	
Leo Gershoy Prize Fund	10,000	39,490	-	-	-	49,490	-	(1,500)	2,353	(466)	-	10,000	39,877	-	-	-	49,877	
William Gilbert Prize Fund	10,000	9,356	-	-	-	19,356	-	(1,000)	907	(179)	-	10,000	9,084	-	-	-	19,084	
Clarence H. Haring Prize Fund	3,000	22,443	-	-	-	25,443	-	-	1,228	(243)	-	3,000	23,428	-	-	-	26,428	
Joan Kelly Prize Fund	18,692	18,416	-	-	-	37,108	-	(1,500)	1,755	(347)	-	18,692	18,324	-	-	-	37,016	
Michael Kraus Prize Fund	15,000	34,605	-	-	-	49,605	-	-	2,397	(474)	-	15,000	36,528	-	-	-	51,528	
J. Russell Major Prize Fund	50,475	(9,188)	-	-	-	41,287	-	(1,500)	1,959	(388)	-	50,475	(9,117)	-	-	-	41,358	
Howard R. Marraro Prize Fund	10,000	14,485	-	-	-	24,485	-	(1,000)	1,155	(228)	-	10,000	14,412	-	-	-	24,412	
George L. Mosse Prize Fund	27,088	(6,183)	-	-	-	20,905	-	(1,000)	980	(194)	-	27,088	(6,397)	-	-	-	20,691	
James A. Rawley Award	35,275	(4,156)	-	-	-	31,119	-	(1,500)	1,462	(289)	-	35,275	(4,483)	-	-	-	30,792	
Nancy Roelker Award	18,000	10,177	-	-	-	28,177	-	(1,000)	1,331	(263)	-	18,000	10,245	-	-	-	28,245	
Andrew D. White Prize Fund	-	11,837	-	-	-	11,837	-	-	571	(113)	-	-	12,295	-	-	-	12,295	
Wesley-Logan Prize Fund	-	12,142	-	-	-	12,142	-	(1,000)	556	(110)	-	-	11,588	-	-	-	11,588	
Herbert Feis Prize Fund	-	14,162	-	-	-	14,162	-	(1,000)	657	(130)	-	-	13,689	-	-	-	13,689	
John E. Fagg Prize Fund	-	4,948	-	-	-	4,948	-	(1,000)	219	(43)	-	-	4,124	-	-	-	4,124	
Total prize funds	310,120	404,082	-	-	-	714,202	-	(22,000)	33,903	(6,706)	-	310,120	409,279	-	-	-	719,399	
<b>Grant Programs</b>																		
Carnegie Foundation - Study of Graduate Training in History	-	-	-	-	-	-	-	(3,727)	-	-	3,727	-	-	-	-	-	-	
National Endowment for the Humanities - Rethinking America	-	-	-	-	-	-	13,795	(13,795)	-	-	-	-	-	-	-	-	-	
American Council on Education - Internationalizing the Disciplines	-	3,663	-	-	-	3,663	4,179	(5,290)	108	-	-	-	2,660	-	-	-	2,660	
Council of Graduate Schools Grant - Preparing Future Faculty	-	7,504	-	-	-	7,504	-	(7,200)	141	-	-	-	445	-	-	-	445	
Ford Foundation Grant - Seascapes	-	-	-	-	-	-	-	(5,628)	-	-	5,628	-	-	-	-	-	-	
Mellon Foundation Grant - E Book Prize Program	-	150,596	-	-	-	150,596	236,322	(138,329)	2,456	-	-	-	251,045	-	-	-	251,045	
National Aeronautics and Space Administration Fellowship Program	-	-	-	-	-	-	31,700	(30,000)	32	-	-	-	1,732	-	-	-	1,732	
Oxford University Press - Guide Historical Literature	-	88,184	-	-	-	88,184	-	-	3,147	-	-	-	91,331	-	-	-	91,331	
CASTL Program	-	2,751	-	-	-	2,751	-	(3,120)	54	-	369	-	54	-	-	-	54	
Carnegie Mellon NHEN	-	48,125	-	-	-	48,125	-	-	844	-	(48,969)	-	-	-	-	-	-	
Total grant programs	-	300,823	-	-	-	300,823	285,996	(207,089)	6,782	-	(39,245)	-	347,267	-	-	-	347,267	

See accompanying notes and independent auditors' report.

AMERICAN HISTORICAL ASSOCIATION

SUPPLEMENTAL STATEMENT OF NET ASSETS BY CLASSIFICATION

For the year ended June 30, 2006

	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								Designated	Undesignated				
<b>Special Funds</b>																	
Albert J. Beveridge Memorial Fund	100,000	-	173,880	-	173,880	273,880	-	(1,500)	12,894	(2,551)	(11,120)	100,000	-	171,603	-	171,603	271,603
Littleton-Griswold Fund	25,000	-	135,796	-	135,796	160,796	-	(4,800)	7,484	(1,481)	(6,447)	25,000	-	130,552	-	130,552	155,552
David M. Matteson Fund	87,000	44,019	171,059	-	171,059	302,078	-	-	14,267	(2,823)	(12,299)	87,000	44,019	170,204	-	170,204	301,223
National History Center Endowment Fund	-	-	68,705	-	68,705	68,705	-	(139,257)	1,623	(321)	69,250	-	-	-	-	-	-
Bernadotte Schmitt Endowment Fund	-	-	527,680	-	527,680	527,680	13,848	(14,985)	23,828	(4,714)	(65,567)	-	-	480,090	-	480,090	480,090
	-	-	461,027	-	461,027	461,027	-	(14,259)	21,884	(4,329)	-	-	-	464,323	-	464,323	464,323
Total special funds	212,000	44,019	1,538,147	-	1,538,147	1,794,166	13,848	(174,801)	81,980	(16,219)	(26,183)	212,000	44,019	1,416,772	-	1,416,772	1,672,791
<b>General Funds</b>																	
Working Capital Fund	-	-	100,000	-	100,000	100,000	-	-	4,824	(954)	-	-	-	103,870	-	103,870	103,870
Property, Plant and Equipment Fund	-	-	402,738	-	402,738	402,738	-	-	21,399	(5,036)	-	-	-	419,101	-	419,101	419,101
Undesignated Fund	-	-	-	(71,192)	(71,192)	(71,192)	3,284,925	(3,189,599)	-	-	65,428	-	-	-	89,562	89,562	89,562
Total general funds	-	-	502,738	(71,192)	431,546	431,546	3,284,925	(3,189,599)	26,223	(5,990)	65,428	-	-	522,971	89,562	612,533	612,533
Total net assets	\$ 522,120	\$ 748,924	\$ 2,040,885	\$ (71,192)	\$ 1,969,693	\$ 3,240,737	\$ 3,584,769	\$ (3,593,489)	\$ 148,888	\$ (28,915)	\$ -	\$ 522,120	\$ 800,565	\$ 1,939,743	\$ 89,562	\$ 2,029,305	\$ 3,351,990

See accompanying notes and independent auditors' report.

**AMERICAN HISTORICAL ASSOCIATION**

**SUPPLEMENTAL STATEMENTS OF GENERAL OPERATIONS**

**For the years ended June 30, 2007 and 2006**

	2007	2006
<b>REVENUE AND SUPPORT</b>		
Membership dues	\$ 1,140,128	\$ 1,109,735
Annual Conference	752,540	759,458
American Historical Review	900,982	854,136
Publications	692,483	558,153
Administrative income	7,871	9,400
Contributions	15,995	3,449
Interest allocation from designated investments	95,972	95,433
Total revenue and support	3,605,971	3,389,764
 <b>EXPENSES</b>		
Programs:		
American Historical Review	736,339	737,968
Annual Meeting	524,871	468,912
Membership	233,306	200,334
Publications	705,076	537,788
Grants - transfers	-	30,005
Total programs	2,199,592	1,975,007
Support services:		
General and Administrative	890,441	821,430
Council	399,626	408,204
Total support services	1,290,067	1,229,634
Total expenses	3,489,659	3,204,641
 Change in net assets	\$ 116,312	\$ 185,123

**Note:** Publication costs include an inventory adjustment that reduces the total expense by \$93,172 for the year ended June 30, 2006.

See accompanying notes and independent auditors' report.