REPORT OF THE TREASURER

The Treasurer this year again presents to the membership an abridged statement of the Society's financial position, set up in semi-informal narrative style. A copy of the complete Treasurer's Report as submitted to the Trustees and the Council will be sent to any member requesting it from the Treasurer through the Providence office. Moreover, the Treasurer will be happy to answer any questions members may wish to put to him concerning the Society's financial affairs.

Returns on invested funds this year have been at the rate of 3.91% computed on book value after deduction of custodial expense. This is slightly more than last year.

Since my last report, the National Science Foundation has completed a detailed audit of the Society's records for the fiscal year ended May 31, 1962. The assessment by the Foundation is reflected in the following statements.

The publication of this report has been delayed pending a review of the 1962 audit findings, inasmuch as certain procedural changes for the year ending May 31, 1963 were thereby implied.

I
A DESCRIPTION OF THE FINANCIAL POSITION OF THE SOCIETY AS OF MAY 31, 1963

The Society had Cash on deposit
In the Rhode Island Hospital Trust Company... $255,313.36
In petty cash and drawing accounts in Providence and Los Angeles.................. 1,800.00

$257,113.36

It had reserves invested until needed in securities........ 247,982.70

There was owing to it
By the United States Government.................. 23,020.02
By members, subscribers and others (less allowance for doubtful accounts)........ 123,834.73

146,854.75

And it had invested in its Headquarters Building and Office Equipment................... 167,195.00

Making a total of Current and Fixed Assets of........ 834,519.32

The Society also held investment securities valued at........ 944,921.21

(The market value, May 31, 1963, was $1,176,563.00)

Total Assets, therefore, were........................... $1,779,440.53
Offsetting these assets, the Society
Owed vendors ........................................ 18,854.39
Owed the National Science Foundation .... 26,368.94
Had deferred until the next fiscal year government income received to support Mathematical Reviews 171,706.62
 had other miscellaneous liabilities and deferred income ........................................ 11,279.17
 Had reserved in its Building Fund .......... 178,223.49
 Held funds received from various special sources to support particular projects such as the Summer Institute, Symposia, etc. .................. 208,885.65
 Had a deficit in book publication funds (Colloquium, Survey, Translation, etc. Series), representing the publication costs of books in stock, to be recovered from future sales .......................... 13,750.72
 And held in its General Fund the sum of ........ 232,951.78

Thus accounting for all the CURRENT FUNDS .................. $834,519.32

The Invested Funds represent the following:
1. The Endowment Fund, largely the gift of members about forty years ago ................ $100,000.00
2. Robert Henderson Endowment Fund .......... 547,223.20
3. The Library Proceeds Fund, derived from the sale of the Society's Library in 1950 ........ 66,000.00
4. The Prize Funds—Bocher, Cole, Moore .... 6,575.00
5. The Mathematical Reviews Fund, a gift received in 1940 and later increased by the Society for the support of the Reviews .................. 80,000.00
6. Reserves established by the Trustees to protect the life memberships formerly available, and as a "hedge" against investment losses .......... 113,571.54
7. Other funds, derived mainly from bequests to the Society by members, which the Trustees were either required to invest or which they have invested at their option—the income being used for the general purposes of the Society .. 31,551.47

A total of INVESTED FUNDS of .................. 944,921.21

Total LIABILITIES AND FUND RESERVES, therefore, were .......... $1,779,440.53

II
AN ACCOUNT OF THE FINANCIAL TRANSACTIONS OF THE SOCIETY
DURING THE FISCAL YEAR 1962-1963

The Society has two types of receipts: funds for special purposes and projects, and the General Fund, from which are met the general operating expenses of the organization, including the publication of the Bulletin, the Proceedings, the Notices, and the Transactions. Income from sales of and subscriptions to these journals is placed in the General Fund, but in practice is allocated to the expense of the journals themselves. It is so treated in the following presentation:
To meet its General obligations, the Society RECEIVED:

From dues and contributions of individual members ........................................ $103,449.00
From dues of institutional members ............................................................... 49,000.00
From dues of corporate and associate members ............................................. 21,100.00
From sales and support of scientific journals of the Society ........................... 387,389.94
From investment and trusts .............................................................................. 43,639.95
From publication charges ............................................................................... 29,455.67
From miscellaneous sources ............................................................................ 2,681.54

Total General Receipts ..................................................................................... $636,716.10

These funds were EXPENDED:

For expenses of scientific journals of the Society ........................................... $510,279.13
For Organizational Expenses and Membership Services ................................. 32,527.66
For Unrecoverable Overhead on grants and contracts ..................................... 8,442.01
In subsidies to non-Society publications ......................................................... 10,520.27
For miscellaneous other expenses .................................................................. 27.61

Total General Expenses .................................................................................. 561,796.68

Leaving an Excess of Income Over Expenses of ............................................. $74,919.42
(Which was added to the General Fund)

Summary of Scientific Journal Accounts

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<thead>
<tr>
<th></th>
<th>Income</th>
<th>Expenses</th>
<th>Deficit</th>
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<tbody>
<tr>
<td>Bulletin</td>
<td>$14,812.47</td>
<td>$45,567.83</td>
<td>$30,755.36</td>
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<td>Proceedings</td>
<td>12,761.25</td>
<td>57,398.72</td>
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<tr>
<td>Notices</td>
<td>22,979.10</td>
<td>46,793.59</td>
<td>23,814.49</td>
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<tr>
<td>Transactions</td>
<td>49,715.20</td>
<td>73,397.07</td>
<td>23,681.87</td>
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<tr>
<td>Mathematical Reviews</td>
<td>287,121.92</td>
<td>287,121.92</td>
<td>0-</td>
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<tr>
<td>Total</td>
<td>$387,389.94</td>
<td>$510,279.13</td>
<td>$122,889.19</td>
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Details of Subsidies to Other Journals

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<th>Journal</th>
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<td>American Journal</td>
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<td>Canadian Journal</td>
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<td>Pacific Journal</td>
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<td>Annals of Mathematics</td>
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<tr>
<td>Illinois Journal</td>
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<tr>
<td>SIAM</td>
<td>950.00</td>
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<td>Total</td>
<td>$10,520.27</td>
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Respectfully submitted,
ALBERT E. MEDER, JR.
TREASURER

December 6, 1963