

**NEWS OF THE ASSOCIATION**  
**BALANCE SHEET**  
for the years ended 31 December 1990 and 1989

**ASSETS**

	<b>1990</b>	<b>1989</b>
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 187,332	\$ 193,7041
Accounts receivable	3,047	6,463
Prepaid expenses	<u>627</u>	<u>1,470</u>
Total Current Assets	191,006	201,637
Office Equipment	30,744	37,900
Less Accumulated Depreciation	<u>(19,984)</u>	<u>(25,664)</u>
Net office equipment	10,760	12,236
Investment in partnership	<u>7,244</u>	<u>7,638</u>
	<u>\$ 209,010</u>	<u>\$ 221,511</u>

**LIABILITIES AND FUND BALANCE**

<b>Current Liabilities:</b>		
Accounts payable	\$ 23,956	\$ 12,153
Prepaid dues	7,754	9,685
Unmatched grant funds	-0-	3,268
Accrued payroll & related taxes	812	-0-
Long-term debt, due within one year	<u>1,565</u>	<u>1,620</u>
Total current liabilities	34,087	26,726
Long-term debt, due after one year	-0-	449
Fund Balance	<u>174,923</u>	<u>194,336</u>
Total liabilities & fund balance	<u>\$ 209,010</u>	<u>\$ 221,511</u>

**STATEMENT OF REVENUES, SUPPORT, EXPENSES,  
AND CHANGES IN FUND BALANCE**

	<b>1990</b>	<b>1989</b>
<b>Revenues and Support:</b>	\$ 179,670	\$ 258,634
<b>Expenses:</b>		
Publication costs, Cambridge University Press	33,478	42,903
Other publication and distribution costs	32,443	17,363
Other awards and grants	8,478	1,500
Administrative services	24,171	32,752
Professional services	7,300	7,350
Other fees and honoraria	16,054	24,470
Program committee and board meetings	12,148	13,973
Secretarial services	29,522	19,802
Fund raising expenses	-0-	3,862
<i>Carried forward</i>	\$ 163,594	\$ 163,975

	<b>1990</b>	<b>1989</b>
<i>Brought forward</i>	\$ 163,594	\$ 163,975
Office supplies and expense	13,677	12,115
Postage	12,868	8,660
Telephone	4,295	5,082
Depreciation	4,031	4,423
Interest	52	329
Loss on investment	-0-	145
Loss and disposal of office equipment	566	-0-
Total expenses	<u>199,083</u>	<u>194,729</u>
Excess (deficit) of revenues & support over expenses	(19,413)	63,905
Fund balance, beginning of year	<u>194,336</u>	<u>130,431</u>
Fund balance, end of year	<u>\$ 174,923</u>	<u>\$ 194,336</u>

## STATEMENT OF CASH FLOWS

	<b>1990</b>	<b>1989</b>
Cash flows from operating activities:		
Excess (deficit) of revenues & support over expenses	\$ (19,413)	\$ 63,905
Adjustments to reconcile excess (deficit) of revenues over expenses to cash provided from (used in) operating activities:		
Depreciation	4,031	4,423
Loss on investment	(134)	145
Decrease in accounts receivable	3,416	907
(Increase) decrease in prepaid expenses	843	(311)
(Increase) decrease in accounts payable	11,803	(18,102)
Increase (decrease) in prepaid dues	(1,931)	4,130
Decrease in unmatched grant funds	(3,268)	(3,604)
Increase in accrued payroll & related taxes	<u>812</u>	<u>-0-</u>
Net cash provided from (used in) operating activities	(3,275)	51,493
Cash flows from investment activities:		
Purchase of equipment	(3,121)	(5,436)
Investment in partnership	-0-	(8,000)
Distribution from partnership	<u>528</u>	<u>217</u>
Net cash used in investing activities	(2,593)	(13,219)
Cash flows from financing activities:		
Borrowing from long-term debt	1,713	-0-
Principal payments of long-term debt	<u>(2,217)</u>	<u>(1,431)</u>
Net cash used in financing activities	<u>(504)</u>	<u>(1,431)</u>
Net increase (decrease) cash	(6,372)	36,843
Cash and cash equivalents, beginning of year	<u>193,704</u>	<u>156,861</u>
Cash and cash equivalents, end of year	<u>\$ 187,332</u>	<u>\$ 193,704</u>

## NOTES TO FINANCIAL STATEMENTS

1. ORGANIZATION. The Middle East Studies Association of North America (MESA) was organized in 1966 by a group of American and Canadian scholars to promote high standards of scholarship and instruction in Middle East studies, to facilitate communication among scholars through meetings and publications, and to foster cooperation among persons and organizations concerned with the scholarly study of the Middle East. Membership includes subscriptions to the *International Journal of Middle East Studies*, the *MESA Bulletin*, and the *Newsletter*. MESA obtained an exemption from income tax under the Internal Revenue Code Section 501 (c)(3) and as such is exempt from Federal and State income tax.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES. *Basis of presentation.* The accompanying financial statements have been prepared on the accrual basis of accounting and in accordance with the standards of accounting and financial reporting under the *AICPA Audit Guide, Audits of Certain Nonprofit Organizations. Cash and cash equivalents:* For purposes of the statement of cash flows, the Association considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalent. *Office equipment* is carried at cost. Depreciation is computed using the straight-line method based on the estimated useful lives of three and five years.

*Support and revenues.* Membership dues and grants are recognized as revenue in the applicable membership and grant period. Donated services consists of wages and benefits for employees working for MESA but paid by the University of Arizona. Office space is also provided, however, a value has not been determined.

3. INVESTMENT IN PARTNERSHIP. During 1989 the Association purchased a .039% Interest in Technology Funding Secured Investors III partnership as an investment. During fiscal 1990 and 1989, the partnership distributed \$528 and \$217 and incurred a loss of \$134 and income of \$145 respectively.

4. UNMATCHED GRANT FUNDS. MESA was awarded a National Endowment for the Humanities Challenge Grant in December 1984. To earn one dollar from the grant MESA must receive three dollars of qualified outside funds. The balance of unmatched grant funds represent amounts received from the NEH for which matching funds have not yet been received. During 1990 MESA completed the grant requirements and earned the balance of the previously unmatched grant funds.

5. LONG-TERM DEBT. The details of long-term debt are as follows:

	1990	1989
11.55% equipment installment contract, \$148 per month including interest, collateralized by copier equipment	\$ 449	\$ 2,069
21% equipment installment contract, payable \$315 per month including interest, collateralized by copier equipment	<u>1,116</u>	<u>-0-</u>
	1,565	2,069
Less amounts due within one year	<u>(1,565)</u>	<u>(1,620)</u>
Amount due after one year	<u>\$ -0-</u>	<u>\$ 449</u>
The annual maturities are as follows:		
1990	\$ -0-	1,620
1991	<u>1,565</u>	<u>449</u>
	<u>\$ 1,565</u>	<u>2,069</u>

6. COMMITMENTS AND AGREEMENTS. MESA has an agreement with the Syndics of the Press of Cambridge University (Syndics) to publish and distribute the *International Journal of Middle East Studies* and the *MESA Bulletin* to each member.

SUPPLEMENTARY INFORMATION  
STATEMENT OF SUPPORT AND REVENUES

	1990	1989
Membership dues - individual	\$ 87,555	\$ 95,755
Membership dues - institutional	28,000	23,500
Contributions	9,080	15,037
NEH Challenge Grant	3,268	16,813
Donated services, University of Arizona	16,054	46,355
Annual meeting, net of expenses of \$71,369 & \$54,906	17,952	30,968
Publications sales	3,090	4,037
Mailing list sales	4,270	5,790
Advertising income	550	2,325
Interest and investment income	<u>9,851</u>	<u>18,054</u>
Total revenues and support	<u>\$ 179,670</u>	<u>\$ 258,634</u>