

**NEWS OF THE ASSOCIATION**  
**BALANCE SHEET**  
for the years ended 31 December 1989 and 1988

ASSETS

	<b>1989</b>	<b>1988</b>
Current Assets:		
Cash and cash equivalents	\$ 193,704	\$ 156,861
Accounts receivable	6,463	7,370
Prepaid expenses	<u>1,470</u>	<u>1,159</u>
Total Current Assets	201,637	165,390
Office Equipment	37,900	32,464
Less Accumulated Depreciation	<u>25,664</u>	<u>21,241</u>
Net office equipment	12,236	11,223
Investment in partnership	<u>7,638</u>	<u>          </u>
	<u><u>\$ 221,511</u></u>	<u><u>\$ 176,613</u></u>

LIABILITIES AND FUND BALANCE

Current Liabilities:		
Accounts payable	\$ 12,153	\$ 30,255
Prepaid dues	9,685	5,555
Unmatched grant funds	3,268	6,872
Long-term debt, due within one year	<u>1,620</u>	<u>1,431</u>
Total current liabilities	26,726	44,113
Long-term debt, due after one year	449	2,069
Fund Balance	<u>194,336</u>	<u>130,431</u>
	<u><u>\$ 221,511</u></u>	<u><u>\$ 176,613</u></u>

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

	<b>1989</b>	<b>1988</b>
Support and Revenues:	\$ 258,634	\$ 234,945
Expenses:		
Publication costs, Cambridge University Press	42,903	41,425
Other publication and distribution costs	17,363	28,661
Other awards and grants	1,500	1,996
Administrative services	32,752	25,112
Professional services	7,350	6,910
Other fees and honoraria	24,470	26,112
Program committee and board meetings	13,973	15,804
Secretarial services	19,802	15,515
Fund raising expenses	3,862	10,228
<i>Carried forward</i>	\$ 163,975	\$ 171,763

	<b>1989</b>	<b>1988</b>
<i>Brought forward</i>	\$ 163,975	\$ 171,763
Office supplies and expense	12,115	8,959
Postage	8,660	9,591
Telephone	5,082	4,083
Depreciation	4,423	4,546
Interest	329	351
Loss on investments	<u>145</u>	<u>875</u>
Total expenses	<u>194,729</u>	<u>200,565</u>
Excess of support and revenues over expenses	63,905	34,380
Fund balance, beginning of year	<u>130,431</u>	<u>96,051</u>
Fund balance, end of year	<u>\$ 194,336</u>	<u>\$ 30,431</u>

## STATEMENT OF CASH FLOWS

	<b>1989</b>	<b>1988</b>
Cash flows from operating activities:		
Excess of support and revenues over expenses	\$ 63,905	\$ 34,380
Adjustments to reconcile excess of support and revenues over expenses to cash provided from operating activities:		
Depreciation	4,423	4,546
Loss on investment	145	
(Increase), decrease in accounts receivable	907	(1,139)
(Increase), decrease in prepaid expenses	(311)	(1,159)
(Increase), decrease in accounts payable	(18,102)	6,271
Increase, (decrease) in prepaid dues	4,130	(3,215)
Increase, (decrease) in unmatched grant funds	<u>(3,604)</u>	<u>(1,499)</u>
Net cash provided from operating activities	51,493	38,185
Cash flows from investment activities:		
Purchase of equipment	(5,436)	(5,173)
Investment in partnership	(8,000)	
Distribution from partnership	<u>217</u>	<u>        </u>
Net cash used in investing activities	(13,219)	(5,173)
Cash flows from financing activities:		
Borrowing from long-term debt		4,479
Principal payments of long-term debt	<u>(1,431)</u>	<u>(979)</u>
Net cash used in financing activities	<u>(1,431)</u>	<u>3,500</u>
Net increase in cash and cash equivalents	36,843	36,512
Cash and cash equivalents, beginning of year	<u>156,861</u>	<u>120,349</u>
Cash and cash equivalents, end of year	<u>\$ 193,704</u>	<u>\$ 156,861</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.

1. 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.

*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 the year the partnership distributed \$217 and incurred a loss of \$145.

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. Should MESA fail to meet the matching requirements during the grant period, any unmatched funds must be returned to the NEH.

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

	1989	1988
11.55% equipment installment contract, payable \$148 per month including interest	\$ 2,069	\$ 3,500
Less amounts due within one year	<u>1,620</u>	<u>1,431</u>
Amount due after one year	<u>\$ 449</u>	<u>\$ 2,069</u>
The annual maturities are as follows:		
1990	\$ 1,620	
1991	449	
	<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

	1989	1988
Membership dues - individual	\$ 95,755	\$ 94,620
Membership dues - institutional	23,500	22,000
Contributions	15,037	11,223
National Endowment for the Humanities Challenge Grant	16,813	15,165
Donated services, University of Arizona	46,355	40,627
Annual meeting, net of expenses of \$54,906 & \$60,115	30,968	30,780
Publications sales	4,037	5,606
Mailing list sales	5,790	3,445
Advertising income	2,325	1,850
Interest and investment income	<u>18,054</u>	<u>9,629</u>
Total support and revenues	<u>\$ 258,634</u>	<u>\$ 234,945</u>



Design: 1990 Marmoun Sakkal - Seattle

## ARAB FILM DISTRIBUTION

We are pleased to announce the formation of Arab Film Distribution, a new concern dealing with Arabic Films of very high artistic and cultural value. Such films project a realistic image of Arab way of life and social behavior.

Films available immediately are **Dreams of Hind and Camilia** and **Puppeteer** from Egypt, **Canticle of the Stones** from Palestine, **Badis** from Morocco and more from Syria, Tunisia, Algeria and Lebanon will be available soon.

35 mm Reels and different video forms are available for rent as well as sale for video. Please phone or write for prices and arrangements.



**ARAB  
FILM**  
DISTRIBUTION

(206) 547 - 8607  
(206) 545 - 7307  
Fax (206) 547 - 8607

4022 Stone Way N. • Seattle, WA 98103 USA