

Academy's Annual Financial Summary

This financial summary has been prepared to present an overall picture of the financial condition and operations of AAFP and its subsidiaries.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	May 31, 2011	May 31, 2010
Assets		
Cash and cash equivalents	\$14,126,239	\$10,621,418
Accounts receivable, net of allowance for doubtful accounts of \$13,200 in 2011 and \$54,347 in 2010	6,724,657	4,857,012
Inventories	51,396	50,859
Prepaid expenses and other assets	1,855,558	1,928,100
Deferred income taxes	350,824	385,900
Marketable securities	44,830,713	36,479,860
Property and equipment, at cost		
Land	5,781,848	5,781,848
Office buildings	30,724,555	31,112,450
Office equipment, furniture and fixtures	20,957,063	19,993,927
Assets not placed in service	20,864	31,415
	<u>57,484,330</u>	<u>56,919,640</u>
Less accumulated depreciation	26,680,896	24,813,219
	<u>30,803,434</u>	<u>32,106,421</u>
Investment in deferred compensation plan, at fair value	<u>2,644,235</u>	<u>2,298,492</u>
	<u>\$101,387,056</u>	<u>\$88,728,062</u>
Liabilities and net assets		
Liabilities		
Accounts payable	2,826,313	2,227,173
Accrued expenses	6,512,902	5,489,371
Unearned revenue	24,717,604	23,948,202
Income taxes payable	-	2,171,277
Mortgage note payable	8,060,664	10,051,343
Pension obligation	3,437,735	13,052,215
Liability for deferred compensation plan	<u>2,644,235</u>	<u>2,298,492</u>
	<u>48,199,453</u>	<u>59,238,073</u>
Net assets		
Unrestricted	<u>53,187,603</u>	<u>29,489,989</u>
	<u>\$101,387,056</u>	<u>\$88,728,062</u>

CONSOLIDATED STATEMENTS OF ACTIVITIES

Revenues		
Membership dues and fees	\$23,287,621	\$21,917,237
Publishing activities	20,560,023	19,408,954
Programs and miscellaneous	<u>28,411,505</u>	<u>31,105,100</u>
	<u>72,259,149</u>	<u>72,431,291</u>
Expenses		
Membership services and programs	46,826,684	43,979,484
Publishing activities	14,272,924	12,952,052
Organizational business services	11,433,266	13,193,313
Income taxes	35,076	35,076
	<u>72,567,950</u>	<u>70,159,925</u>
Other income (expense)		
Investment income	1,162,224	600,668
Unrealized gains on marketable securities	7,205,171	4,868,025
Political Action Committee revenue	389,500	295,341
Political Action Committee expenses	(389,500)	(295,341)
TransforMED revenue	5,216,297	2,785,912
TransforMED expenses	(3,648,264)	(2,924,077)
Income tax refund	1,211,087	-
Income tax adjustment	2,171,277	-
	<u>13,317,792</u>	<u>5,330,528</u>
Net revenues, expenses and other income	<u>13,008,991</u>	<u>7,601,894</u>
Change in Pension Liability not Included in Pension Expense		
Change in net assets	<u>23,697,614</u>	<u>1,818,467</u>
Net assets, beginning of year	<u>29,489,989</u>	<u>27,671,522</u>
Net assets, end of year	<u>\$53,187,603</u>	<u>\$29,489,989</u>

The above data are only a part of the complete financial statements examined by Grant Thornton LLP, certified public accountants.