

Treasurer's Report

The Forest History Society is an organization that quietly and professionally goes about its mission and provides society with valuable services that benefit everyone. I am very pleased to assume the responsibilities of Treasurer for the Forest History Society and hope to follow the able footsteps of Michael J. Morgan who provided outstanding service to the Society since 2000. It is my expectation that we will continue to strengthen the financial capacity of the Society and its continued ability to collect, preserve, interpret and disseminate information about our forest heritage.



Henry I. Barclay

Following a challenging year in fiscal year 2003, the Society ended with an increase of \$759,658 in net assets for the period from July 1, 2003 to June 30, 2004. This was due primarily from growth in marketable securities resulting from both a positive economic turnaround in the economy and an influx of new endowment. During the recent economic downturn, the Board of Directors remained committed to its long-term investment strategy of 75 percent equities and 25 percent fixed income. Cash and cash equivalents of \$368,595 remained essentially unchanged

from the previous year. The Board will continue to review the Society's investments and make adjustments if warranted to insure that both the needs of our contributors and the programs that they fund are met.

The financial statements for the Society, which include this Statement of Financial Position, have been audited by an independent public accountant, Andrew B. Curl, Certified Public Accountant. Mr. Curl issued an unqualified opinion on these financial statements, stating that the financial statements are fairly presented in accordance with generally accepted accounting principles. These complete financial statements and our federal form 990 are available for review in the offices of the Forest History Society by appointment during normal business hours. The Society continues to have a solid financial foundation as it is free of debt, owns its own facilities, and has a growing membership and donor base. With a new focus on expanding the Annual Fund and focus on endowment to both strengthen its core mission and to support emerging priorities, the Society expects a very bright future.

FOREST HISTORY SOCIETY, INC.

Statement of Financial Position • June 30, 2004 (with comparative totals from 2003)

Assets	June 30, 2004	June 30, 2003
CURRENT ASSETS		
Cash & cash equivalents	\$ 368,595	\$ 368,257
Accounts receivable	28,380	20,975
Pledges receivable	36,012	57,551
Inventories	23,368	28,822
Prepaid expense & deposits	11,281	13,837
Total current assets	467,636	489,442
MARKETABLE SECURITIES	6,769,761	5,958,668
DEFERRED PLEDGES	24,701	44,476
BUILDING & EQUIPMENT	367,211	376,965
TOTAL ASSETS	\$ 7,629,309	\$ 6,869,551
Liabilities & Net Assets		
CURRENT LIABILITIES		
Accounts payable	\$ 22,035	\$ 18,540
Accrued expense & withholding	4,534	2,844
Total current liabilities	26,569	21,384
NET ASSETS		
Unrestricted		
Undesignated	239,950	203,240
Designated—operations	239,711	271,902
Designated—endowment	2,541,393	1,978,854
Building and equipment	380,198	391,908
Total unrestricted	3,401,252	2,845,904
Temporarily restricted—operations	43,737	48,608
Permanently restricted—endowment	4,157,751	3,953,655
Total net assets	7,602,740	6,848,167
TOTAL LIABILITIES & NET ASSETS	\$ 7,629,309	\$ 6,869,551