SOCIETY OF BIBLICAL LITERATURE

FINANCIAL REPORT

JUNE 30, 2014

SOCIETY OF BIBLICAL LITERATURE

FINANCIAL REPORT
JUNE 30, 2014

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MAULDIN & JENKINS

INDEPENDENT AUDITOR'S REPORT

To the Audit/Finance/Investment Committee
Society of Biblical Literature
Atlanta, Georgia

We have audited the accompanying financial statements of Society of Biblical Literature (a nonprofit organization), which comprise the statement of financial position as of June 30, 2014, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the 2014 financial statements referred to above present fairly, in all material respects, the financial position of the Society of Biblical Literature as of June 30, 2014, and the changes in net assets and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Prior Period Financial Statements

The financial statements of Society of Biblical Literature as of June 30, 2013 were audited by other auditors whose report dated October 2, 2013 expressed an unmodified opinion on those statements.

Mauldin & Jenkins, LLC

Atlanta, Georgia
October 14, 2014

SOCIETY OF BIBLICAL LITERATURE

STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2014 AND 2013

	2014	2013
ASSETS		
Cash and cash equivalents	**$ 1,524,048**	$ 1,403,688
Marketable securities	**2,091,981**	1,614,460
Accounts receivable	**160,036**	213,596
Pledges receivable, net	**4,400**	6,700
Prepaid expenses and other assets	**47,217**	22,230
Book inventories, net of valuation reserve	**78,999**	42,963
Furniture and equipment, net of accumulated depreciation	**60,071**	75,786
Net share of Luce Center assets	**2,005,178**	1,942,471
Total assets	**$ 5,971,930**	$ 5,321,894
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable	**$ 227,050**	$ 246,072
Deferred revenue		
Memberships and subscriptions	**537,888**	504,978
Annual meetings	**747,226**	691,617
International meeting	**145,276**	106,239
Other	**65,425**	62,833
Total deferred revenue	**1,495,815**	1,365,667
Total liabilities	**1,722,865**	1,611,739
Net assets		
Unrestricted net assets	**3,619,742**	3,141,268
Temporarily restricted net assets	**334,693**	274,257
Permanently restricted net assets	**294,630**	294,630
Total net assets	**4,249,065**	3,710,155
Total Liabilities and Net Assets	**$ 5,971,930**	$ 5,321,894

See Notes to Financial Statements.

SOCIETY OF BIBLICAL LITERATURE

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED JUNE 30, 2014

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenues and gains				
Congresses	$ 1,342,579	$ -	$ -	$ 1,342,579
Membership				
Membership fees	572,572	-	-	572,572
Marketing	37,327	-	-	37,327
Professions				
Employment center	100,464	-	-	100,464
Grant revenue	172,062	-	-	172,062
Publications				
Book sales	559,077	-	-	559,077
Subscriptions	315,249	-	-	315,249
Royalties	129,294	-	-	129,294
Marketing	45,375	-	-	45,375
Permissions	14,886	-	-	14,886
Membership fees	101,042	-	-	101,042
Development and fundraising	42,770	1,450	-	44,220
Investment income and change in market value, net	314,814	106,749	-	421,563
Rental income, net	6,924	-	-	6,924
Net assets released from restrictions	47,763	(47,763)	-	-
Total revenues and gains	3,802,198	60,436	-	3,862,634
Expenses				
Congresses	1,141,076	-	-	1,141,076
Membership	174,726	-	-	174,726
Professions	376,179	-	-	376,179
Publications	1,149,911	-	-	1,149,911
Regions	116,261	-	-	116,261
Research and technology	141,219	-	-	141,219
Total program expenses	3,099,372	-	-	3,099,372
Development and fundraising	58,721	-	-	58,721
General and administration	165,631	-	-	165,631
Total expenses	3,323,724	-	-	3,323,724
Increase in net assets	478,474	60,436	-	538,910
Net assets at beginning of year	3,141,268	274,257	294,630	3,710,155
Net assets at end of year	$ 3,619,742	$ 334,693	$ 294,630	$ 4,249,065

See Notes to Financial Statements.

SOCIETY OF BIBLICAL LITERATURE

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED JUNE 30, 2013

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenues and gains				
Congresses	$ 1,367,448	$ -	$ -	$ 1,367,448
Membership				
Membership fees	587,321	-	-	587,321
Marketing	48,776	-	-	48,776
Regions	11,787	-	-	11,787
Professions				
Employment center	110,710	-	-	110,710
Fonts	1,550	-	-	1,550
Grant revenue	96,459	-	-	96,459
Publications				
Book sales	463,634	-	-	463,634
Subscriptions	290,493	-	-	290,493
Royalties	163,667	-	-	163,667
Marketing	34,525	-	-	34,525
Permissions	16,680	-	-	16,680
Development and fundraising	47,460	793	250	48,503
Investment income and change in market value, net	143,333	74,150	-	217,483
Rental income, net	22,069	-	-	22,069
Net assets released from restrictions	633	(633)	-	-
Total revenues and gains	3,406,545	74,310	250	3,481,105
Expenses				
Congresses	1,111,705	-	-	1,111,705
Membership	210,293	-	-	210,293
Professions	301,940	-	-	301,940
Publications	1,034,460	-	-	1,034,460
Regions	128,822	-	-	128,822
Research and technology	162,276	-	-	162,276
Total program expenses	2,949,496	-	-	2,949,496
Development and fundraising	85,484	-	-	85,484
General and administration	159,754	-	-	159,754
Total expenses	3,194,734	-	-	3,194,734
Increase in net assets	211,811	74,310	250	286,371
Net assets at beginning of year	2,929,457	199,947	294,380	3,423,784
Net assets at end of year	$ 3,141,268	$ 274,257	$ 294,630	$ 3,710,155

See Notes to Financial Statements.

SOCIETY OF BIBLICAL LITERATURE

STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2014

	Congresses	Membership	Professions	Publications	Regions	Research and Technology	Total Programs	Development and Fundraising	General and Admin.	Total
Salaries and wages	$ 303,533	$ 91,266	$ 112,290	$ 387,036	$ 37,375	$ 79,113	$ 1,010,613	$ 24,970	$ 38,316	$ 1,073,899
Employee benefits	72,786	18,195	19,461	71,685	6,800	12,137	201,064	4,604	8,096	213,764
Payroll taxes	22,545	6,712	8,443	28,210	2,832	5,967	74,709	1,907	2,972	79,588
	398,864	116,173	140,194	486,931	47,007	97,217	1,286,386	31,481	49,384	1,367,251
Advertising	106	46	524	24,659	37	46	25,418	23	46	25,487
Building depreciation	-	-	-	-	-	-	-	-	64,171	64,171
Communication	33,123	6,148	21,942	14,471	2,680	6,991	85,355	3,290	3,285	91,930
Cost of publications sold	-	-	-	31,226	-	-	31,226	-	-	31,226
Depreciation - furniture and equipment	4,964	3,310	4,964	6,619	3,310	3,309	26,476	3,310	3,310	33,096
Distribution costs	3	1	2	81,395	1	1	81,403	1	1	81,405
Donations and discounts	1,599	695	1,113	28,376	5,056	695	37,534	798	695	39,027
Equipment and supplies	213,549	2,568	13,930	7,788	2,850	4,052	244,737	1,211	1,953	247,901
Grants to individuals	-	-	6,000	-	-	-	6,000	-	-	6,000
Occupancy	18,350	8,500	13,450	15,600	7,100	8,500	71,500	5,000	8,500	85,000
Printing	9,170	55	21,592	267,940	44	55	298,856	28	55	298,939
Professional fees	115,822	8,895	93,007	72,255	15,373	9,032	314,384	7,973	24,731	347,088
Provision for inventory valuation	-	-	-	14,549	-	-	14,549	-	-	14,549
Royalties	-	-	-	34,573	-	-	34,573	-	-	34,573
Travel and hospitality	280,802	11,265	53,560	41,886	31,964	10,196	429,673	5,074	8,499	443,246
Other	64,724	17,070	5,901	21,643	839	1,125	111,302	532	1,001	112,835
Total expenses	$ 1,141,076	$ 174,726	$ 376,179	$ 1,149,911	$ 116,261	$ 141,219	$ 3,099,372	$ 58,721	$ 165,631	$ 3,323,724

See Notes to Financial Statements.

SOCIETY OF BIBLICAL LITERATURE

STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2013

	Congresses	Membership	Professions	Publications	Regions	Research and Technology	Total Programs	Development and Fundraising	General and Admin.	Total
Salaries and wages	$ 244,440	$ 122,158	$ 95,600	$ 349,526	$ 37,212	$ 94,763	$ 943,699	$ 39,504	$ 34,494	$ 1,017,697
Employee benefits	45,435	20,845	16,092	63,541	7,091	11,968	164,972	12,298	9,942	187,212
Payroll taxes	18,263	9,201	7,182	28,713	2,791	7,131	73,281	2,989	2,587	78,857
	308,138	152,204	118,874	441,780	47,094	113,862	1,181,952	54,791	47,023	1,283,766
Advertising	366	-	-	19,014	-	-	19,380	-	-	19,380
Building depreciation	-	-	-	-	-	-	-	-	62,738	62,738
Communication	53,339	9,640	19,634	18,194	5,988	10,980	117,775	5,170	7,451	130,396
Cost of publications sold	-	-	-	31,496	-	-	31,496	-	-	31,496
Depreciation - furniture and equipment	2,795	1,921	2,733	3,667	2,216	1,921	15,253	2,033	1,921	19,207
Distribution costs	-	-	-	64,759	-	-	64,759	-	-	64,759
Donations and discounts	1,648	716	1,671	18,101	17,073	716	39,925	508	716	41,149
Equipment and supplies	206,806	2,529	12,406	13,744	2,671	4,931	243,087	1,591	2,916	247,594
Grants to individuals	-	-	4,550	-	-	-	4,550	776	-	5,326
Occupancy	24,500	11,000	17,500	20,000	9,000	11,000	93,000	6,000	11,000	110,000
Printing	8,216	-	19,685	222,694	-	-	250,595	-	-	250,595
Professional fees	142,362	8,988	64,249	75,139	16,941	11,679	319,358	9,103	19,365	347,826
Provision for inventory valuation	-	-	-	11,470	-	-	11,470	-	-	11,470
Royalties	-	-	-	43,663	-	-	43,663	-	-	43,663
Travel and hospitality	315,164	6,956	38,674	32,188	26,912	6,158	426,052	4,098	5,143	435,293
Other	48,371	16,339	1,964	18,551	927	1,029	87,181	1,414	1,481	90,076
Total expenses	$ 1,111,705	$ 210,293	$ 301,940	$ 1,034,460	$ 128,822	$ 162,276	$ 2,949,496	$ 85,484	$ 159,754	$ 3,194,734

See Notes to Financial Statements.

SOCIETY OF BIBLICAL LITERATURE

STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2014 AND 2013

	2014	2013
OPERATING ACTIVITIES		
Increase in net assets	**$ 538,910**	$ 286,371
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	**97,267**	81,945
Realized gains on marketable securities	**(36,985)**	(18,335)
Unrealized gains on marketable securities	**(320,955)**	(135,593)
Change in operating assets and liabilities		
Accounts receivable	**53,560**	(17,937)
Pledges receivable, net	**2,300**	1,300
Prepaid expenses and other assets	**(24,987)**	20,866
Book inventories and books in production, net	**(36,036)**	2,492
Accounts payable	**(19,022)**	8,796
Deferred revenue	**130,148**	(68,322)
Net cash provided by operating activities	**384,200**	161,583
INVESTING ACTIVITIES		
Acquisition of furniture and equipment	**(59,131)**	(69,134)
Purchases of marketable securities	**(1,030,374)**	(217,590)
Proceeds from sales of marketable securities	**825,665**	45,000
Net cash used in investing activities	**(263,840)**	(241,724)
Increase (decrease) in cash and cash equivalents	**120,360**	(80,141)
Cash and cash equivalents at beginning of year	**1,403,688**	1,483,829
Cash and cash equivalents at end of year	$ **1,524,048**	$ 1,403,688

See Notes to Financial Statements.

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization:

The Society of Biblical Literature (the "Society" or "Organization") is a not-for-profit organization established to foster biblical scholarship. Membership in the Society is composed of scholars, teachers, and non-specialists throughout the world, with numerous universities, libraries, and members subscribing to the journals and monographic series of the Society.

Significant Accounting Policies:

The significant accounting policies adopted by the Society are set forth below:

Basis for Presentation:

The Society has adopted FASB's *Accounting for Contributions Received and Contributions Made*, and FASB's *Financial Statements of Not-For-Profit Organizations*. Under these provisions, net assets and revenues, expenses, gains and losses are classified on the existence or absence of donor-imposed restrictions. The Society records contributions of cash and other assets as unrestricted income unless specifically restricted by the donor. Restricted contributions are recorded as restricted income. When the donor stipulation expires, the temporarily restricted net assets are reclassified to unrestricted net assets and are reported as net assets released from restrictions. Accordingly, net assets of the Society and changes therein are classified and reported as follows:

<u>Unrestricted net assets</u> – Net assets that are not subject to donor-imposed stipulations.

<u>Temporarily restricted net</u> assets – Net assets subject to donor-imposed stipulations that will be met either by actions of the Society and/or the passage of time.

<u>Permanently restricted net assets</u> – Net assets subject to donor-imposed stipulations that are required to be maintained permanently by the Society. Generally, the donors of these assets permit the Society to use all or part of the income earned on related investments for general or specific purposes.

Basis of Accounting:

The financial statements of the Society have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

Functional Expenses:

The costs of providing the program services and management activities have been summarized on a functional basis. Expenses are charged directly to program, general and administrative, or development and fundraising based on specific identification, and certain indirect expenses have been allocated based on level of effort.

Use of Estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue and Expense Recognition:

Revenue is recognized when earned or received. Deferred revenue represents revenue received in advance for future events and future memberships and subscriptions.

Receivables represent amounts due for expenses incurred prior to year-end. Gifts of cash or other assets are recorded as revenue when received or at the time an unconditional promise to give is made known to the Society.

Cash and Cash Equivalents:

The Society considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents. Cash and cash equivalents consist of cash held in checking and money market accounts. Cash balances are maintained with financial institutions which are insured by the Federal Deposit Insurance Corporation. Balances exceed insured amounts from time to time. The Society believes it is not exposed to any significant credit risk on cash.

Marketable Securities:

The Society carries its investments at fair market value in accordance with FASB's Accounting for Certain Investments Held by Not-For-Profit Organizations. Realized and unrealized gains and losses, as well as interest and dividends, are recognized as income or loss in the accompanying statements of activities.

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 3 for discussion of fair value measurements.

Building, Furniture and Equipment:

At June 30, 2014 and 2013, furniture and equipment is stated at cost, less accumulated depreciation of $125,385 and $127,450, respectively.

Depreciation is provided using the straight-line method over the estimated useful lives of the related assets, ranging from three to thirty-nine years.

Long-lived assets, held and used by the Society, are reviewed for impairment whenever changes in circumstances indicate the carrying value of an asset may not be recoverable. The Society's policy is to capitalize its capital assets over $500. Depreciation expense on the Society's furniture and equipment for the years ended June 30, 2014 and 2013 was $33,096 and $19,207, respectively. Depreciation expense on Luce Center building and equipment for the years ended June 30, 2014 and 2013 was $64,171 and $62,738, respectively.

Inventories:

At June 30, 2014 and 2013, book inventories are stated at cost using the first-in, first-out ("FIFO") method, less a valuation reserve of $104,143 and $130,783, respectively. The valuation reserve reflects the estimated decline in value of certain books since their original publication.

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes:

The Society is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been provided in these financial statements. Unrelated business income, if any, may be subject to income tax. The Society paid no taxes on unrelated business income for the years ended June 30, 2014 and 2013.

Generally accepted accounting principles require the recognition, measurement, classification, and disclosure in the financial statements of uncertain tax positions taken or expected to be taken in the Society's tax returns. Management has determined that the Society does not have any uncertain tax positions and associated unrecognized benefits that materially impact the financial statements or related disclosures. Since tax matters are subject to some degree of uncertainty, there can be no assurance that the Society's tax returns will not be challenged by the taxing authorities and that the Society will not be subject to additional tax, penalties, and interest as a result of such challenge.

The Society files Forms 990 in the U.S. federal jurisdiction and the State of Georgia. The Society's filings are generally subject to examination by the Internal Revenue Service for years after 2011.

NOTE 2. MARKETABLE SECURITIES

The aggregate cost and fair values, as well as unrealized appreciation, of marketable securities as of June 30, 2014 and 2013 were:

	2014		
	Cost	**Unrealized Appreciation**	**Fair Value**
Corporate stocks	**$ 362,469**	**$ 116,543**	**$ 479,012**
Mutual funds and ETFs	**1,400,214**	**212,755**	**1,612,969**
Total	**$ 1,762,683**	**$ 329,298**	**$ 2,091,981**
Equity securities - Luce Center endowment fund corpus and accumulated earnings	**$ 377,184**	**$ 119,050**	**$ 496,234**

	2013		
	Cost	Unrealized Appreciation	Fair Value
Corporate stocks	$ 353,079	$ 50,699	$ 403,778
Mutual funds and ETFs	1,179,761	30,921	1,210,682
Total	$ 1,532,840	$ 81,620	$ 1,614,460
Equity securities - Luce Center endowment fund corpus and accumulated earnings	$ 365,334	$ 45,772	$ 411,106

Investment income consists of the following for the years ended June 30:

	2014	2013
Interest and dividends	**$ 63,623**	$ 63,555
Realized gains	**36,985**	18,335
Unrealized gains	**320,955**	135,593
	$ 421,563	$ 217,483

NOTE 3. FAIR VALUE MEASUREMENTS

FASB's *Fair Value Measurements and Disclosures* establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under this guidance are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2 – Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially all of the full term of the asset or liability.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2014 and 2013.

Mutual funds, corporate stocks, and ETFs: Valued at the net asset value (NAV) of shares held by the Organization at year end.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

NOTE 3. FAIR VALUE MEASUREMENTS (Continued)

The following table sets forth by level, within the fair value hierarchy, the Organization's investments measured at fair value on a recurring basis as of June 30, 2014:

	Level 1	Level 2	Level 3	Total
Corporate Stocks				
Common stocks	$ 479,012	$ -	$ -	$ 479,012
Mutual Funds and ETFs				
Large blend	479,534	-	-	479,534
World allocation	129,859	-	-	129,859
Moderate allocation	201,360	-	-	201,360
Mid-cap blend	500,588	-	-	500,588
Multisector bond	72,100	-	-	72,100
Large growth	100,793	-	-	100,793
Large value	19,752	-	-	19,752
Foreign large value	108,983	-	-	108,983
Total Mutual Funds and ETFs	1,612,969	-	-	1,612,969
Total Corporate Stocks, Mutual Funds, and ETFs	2,091,981	-	-	2,091,981
Equity Securities - Luce Center				
Luce Center endowment fund corpus	250,000	-	-	250,000
Luce Center endowment fund accumulated earnings	246,234	-	-	246,234
Total Equity Securities - Luce Center	496,234	-	-	496,234
Total Investments at Fair Value	$ 2,588,215	$ -	$ -	$ 2,588,215

NOTE 3. FAIR VALUE MEASUREMENTS (Continued)

The following table sets forth by level, within the fair value hierarchy, the Organization's investments measured at fair value on a recurring basis as of June 30, 2013:

	Level 1	Level 2	Level 3	Total
Corporate Stocks				
Common stocks	$ 403,778	$ -	$ -	$ 403,778
Mutual Funds and ETFs				
Small value	74,120	-	-	74,120
Large blend	343,682	-	-	343,682
World allocation	185,131	-	-	185,131
Long/short equity	115,570	-	-	115,570
Moderate allocation	105,477	-	-	105,477
Mid-cap blend	134,422	-	-	134,422
Multisector bond	76,007	-	-	76,007
Large growth	76,544	-	-	76,544
Diversified emerging markets	82,348	-	-	82,348
Large value	17,381	-	-	17,381
Total Mutual Funds and ETFs	1,210,682	-	-	1,210,682
Total Corporate Stocks, Mutual Funds, and ETFs	1,614,460	-	-	1,614,460
Equity Securities - Luce Center				
Luce Center endowment fund corpus	250,000	-	-	250,000
Luce Center endowment fund accumulated earnings	161,106	-	-	161,106
Total Equity Securities - Luce Center	411,106	-	-	411,106
Total Investments at Fair Value	$ 2,025,566	$ -	$ -	$ 2,025,566

NOTE 4. LUCE CENTER ASSETS

As of June 30, 2001, the Society and the American Academy of Religion (the "Academy"), a related party organization, entered into a joint tenancy in common agreement, which establishes the ownership interests of certain assets and liabilities of the Luce Center. The agreement stipulated that the net book value of the Luce Center building and the Luce Center building endowment fund, including accumulated earnings, be shared equally between the two owners. All net revenues or expenses are also to be shared equally by the two owners. The building is subject to a ground lease with Emory University. This ground lease has a thirty-year term, expiring in March 2027, and there are two ten-year extension options available.

NOTE 4. LUCE CENTER ASSETS (Continued)

The Society's net share of the Luce Center assets are as follows at June 30:

	2014	2013
Luce Center building	**$ 2,229,944**	$ 2,188,195
Luce Center furniture	**32,378**	32,378
	2,262,322	2,220,573
Less accumulated depreciation	**(753,378)**	(689,208)
	1,508,944	1,531,365
Luce Center endowment fund investments		
Corpus - permanently restricted	**250,000**	250,000
Accumulated earnings - temporarily restricted	**246,234**	161,106
	496,234	411,106
Total Net Share of Luce Center	**$ 2,005,178**	$ 1,942,471

During the year ended June 30, 2009, the Society and Academy each mutually agreed to advance approximately $53,000 to the Luce Center with no specified repayment terms. The purpose of the advance was to fund a capital expenditure.

NOTE 5. ENDOWMENT

Interpretation of Relevant Law

With regard to endowments, the Society has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of the interpretation, the Society classifies permanently restricted net assets as (a) the original value of gifts donated to the permanent endowment, (b) subsequent gifts to the endowment, and (c) accumulations (appreciation and depreciation in value) to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The accumulations are added to the original gift due to the court-ordered unitrust described below. In accordance with UPMIFA, the Society considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

(1) The duration and preservation of the fund
(2) The purposes of the Society and the donor-restricted endowment fund
(3) General economic conditions
(4) The possible effect of inflation or deflation
(5) The expected total return from income and the appreciation of investments
(6) Other resources of the Society
(7) The investment policies of the Society

NOTE 5. ENDOWMENT (Continued)

Funds with Deficiencies

From time to time, the fair value of the assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Society to retain as a fund of perpetual duration. In accordance with GAAP, deficiencies of this nature are reported in unrestricted net assets. At June 30, 2014 and 2013, the Society did not have any such deficiencies in the endowment.

Return Objectives and Risk Parameters

The Society has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Society must hold in perpetuity or for a donor-specified period. Under this policy, as approved by the Society, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of the S&P 500 index while assuming a moderate level of investment risk. Actual returns in any given year may vary from this amount.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Society relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Society targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk contraints.

Spending Policy

The Luce Center Endowment allows for spending of the accumulated earnings for repairs and maintenance to the Luce Center and the Scholarship and Awards Endowment allows for spending of the accumulated earnings on awards to scholars.

NOTE 5. ENDOWMENT (Continued)

The Endowment Net Asset Composition by type of Fund at June 30, 2014 are:

Endowment Net Asset Composition by Type of Fund as of June 30, 2014

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	$ -	$ 260,139	$ 294,630	$ 554,769

The Changes in Endowment Net Assets for the year ended June 30, 2014 are:

Changes in Endowment Net Assets for the Fiscal Year Ended June 30, 2014

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning of year	$ -	$ 211,517	$ 294,630	$ 506,147
Net appreciation	-	80,115	-	80,115
Investment income	-	14,544	-	14,544
Contributions	-	300	-	300
Appropriation of endowment assets for expenditure	-	(46,337)	-	(46,337)
Endowment net assets, end of year	$ -	$ 260,139	$ 294,630	$ 554,769

Description of Amounts Classified as Permanently Restricted Net Assets and Temporarily Restricted Net Assets (Endowment Only)

Permanently Restricted Net Assets	
The portion of perpetual endowment funds that is required to be retained permanently either by explicit donor stipulations or by UPMIFA	$ 294,630
Total endowment funds classified as permanently restricted net assets	$ 294,630
Temporarily Restricted Net Assets	
The portion of perpetual endowment funds subject to a time restriction under UPMIFA:	
Without purpose restrictions	$ -
With purpose restrictions	260,139
Total endowment funds classified as temporarily restricted net assets	$ 260,139

NOTE 5. ENDOWMENT (Continued)

The Endowment Net Asset Composition by type of Fund at June 30, 2013 are:

Endowment Net Asset Composition by Type of Fund as of June 30, 2013

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	$ -	$ 211,517	$ 294,630	$ 506,147

The Changes in Endowment Net Assets for the year ended June 30, 2013 are:

Changes in Endowment Net Assets for the Fiscal Year Ended June 30, 2013

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning of year	$ -	$ 143,207	$ 294,380	$ 437,587
Net appreciation	-	56,560	-	56,560
Investment income	-	12,029	-	12,029
Contributions	-	-	250	250
Appropriation of endowment assets for expenditure	-	(279)	-	(279)
Endowment net assets, end of year	$ -	$ 211,517	$ 294,630	$ 506,147

Description of Amounts Classified as Permanently Restricted Net Assets and Temporarily Restricted Net Assets (Endowment Only)

Permanently Restricted Net Assets	
The portion of perpetual endowment funds that is required to be retained permanently either by explicit donor stipulations or by UPMIFA	$ 294,630
Total endowment funds classified as permanently restricted net assets	$ 294,630
Temporarily Restricted Net Assets	
The portion of perpetual endowment funds subject to a time restriction under UPMIFA:	
Without purpose restrictions	$ -
With purpose restrictions	211,517
Total endowment funds classified as temporarily restricted net assets	$ 211,517

NOTE 6. EMPLOYEE BENEFIT PLAN

Introductory full-time, regular full-time, and regular part-time employees of the Society are eligible to participate in a tax-deferred annuity plan. Under the plan, the Society made contributions equal to 10% of annual salary to the Teacher's Insurance and Annuity Association and/or College Retirement Equities Fund ("TIAA-CREF") defined contribution plan. Employee contributions are voluntary. Total retirement expense for the years ended June 30, 2014 and 2013 was $104,989 and $97,284, respectively.

NOTE 7. TEMPORARILY RESTRICTED NET ASSETS

At June 30, 2014 and 2013, the components of temporarily restricted net assets were as follows:

	2014	2013
Luce Center Maintenance Fund	**$ 246,234**	$ 206,106
Scholarships and Awards	**88,459**	68,151
	$ 334,693	$ 274,257

During 2014, $45,000 was released from restrictions from the Luce Center Maintenance Fund for repairs, $2,000 was released for scholarships and awards, and $763 was released for investment expenses. During 2013, $633 was released for investment expenses. Temporarily restricted net assets are shown in cash and cash equivalents and marketable securities on the statement of financial position.

NOTE 8. PERMANENTLY RESTRICTED NET ASSETS

At June 30, 2014 and 2013, the components of permanently restricted net assets were as follows:

	2014	2013
Luce Center Endowment Principal	**$ 250,000**	$ 250,000
Scholarships and Awards	**44,630**	44,630
	$ 294,630	$ 294,630

Permanently restricted net assets are shown in cash and cash equivalents and marketable securities on the statement of financial position.

NOTE 9. SUBSEQUENT EVENTS

The Society has evaluated subsequent events through October 14, 2014, the date on which the financial statements were available to be issued.