

## TUG Business

### TUG financial statements for 2007

David Walden, TUG treasurer

This financial report for 2007 has been reviewed by the TUG board but has not been audited. It may change slightly when the final 2007 tax return is filed. As a tax-exempt organization, TUG's annual information returns are publicly available on our web site: <http://www.tug.org/tax-exempt>.

#### Revenue (income) highlights

Membership dues revenue was slightly up (at the end of December 2007 we had 1567 paid members, about 75 more than in 2006); conference income was substantially up; and interest income was up somewhat. However, product sales and contributions income were down more substantially (much of the decrease in contributions was because 2006 income included an atypical, one-time contribution of \$5K). So altogether, revenue decreased 4 percent from 2006 to 2007.

#### Cost of Goods Sold and Expenses highlights

Payroll, office expenses, and *TUGboat* production and mailing continue to be the major expense items.

The shipping expense of the 2007  $\TeX$  Collection software was budgeted in 2006 (when, as it turned out, no software was shipped). However, we had significant postage/delivery expenses as we shipped *TUGboat* issues to many individuals who joined TUG after the normal mailings had been made. *TUGboat* expenses were nevertheless down in 2007 from 2006 because we produced three normal issues in 2007, and no extra-expensive Euro $\TeX$  proceedings as happened in 2006.

Overall, expenses are up about \$3K in 2007 because of a modest cost-of-living increase in payroll and increased contributions made by TUG.

#### The bottom line

Subtracting 'Cost of Goods Sold' from 'Income', we are essentially flat from 2006 to 2007—the savings in COGS mostly offsets the decrease in revenue. As

expenses are up about \$3K, the net income is down a little under \$3K in 2007—down \$2,683, to be exact.

Typically we have a prior year adjustment that takes place early in the year to compensate for something that had to be estimated at the time the books were closed for the year on December 31. We had a small positive prior year adjustment in 2007 versus a larger negative adjustment in 2006, and year to year the difference is \$2,244. Netting 'Prior Year Adjustments' with 'Net Ordinary Income', the overall net income for 2007 is a very positive gain of \$15,408 (though down 2.8 percent from 2006).

#### Balance sheet highlights

Thus, for the second year in a row, TUG's end-of-year asset level is much higher than the previous year's level—up over \$26K from 2006 to 2007.

The 'Committed Funds' come to TUG specifically for designated projects: the  $\LaTeX$  project, the  $\TeX$  Development fund, and so forth. They have been allocated accordingly and are disbursed as the projects progress. TUG charges no overhead for administering these funds.

'Prepaid Member Income' is member dues that were paid in 2007 for 2008 and beyond. Most of this liability (the 2008 portion) was converted to 'Membership Dues' for 2008 on January 2008. The payroll liabilities are for 2006 state and federal taxes due January 15, 2007.

#### Summary

TUG was in essentially the same financial condition at the end of 2007 as at the end of 2006 and is in a relatively strong position overall. However, there is no fee increase for 2008 despite inflationary tendencies, and the TUG board is planning to increase direct TUG contributions (fund more  $\TeX$  development) in 2008 as well as cover the cost of producing and shipping the software and another expensive Euro $\TeX$  proceedings in 2008 (already shipped as *TUGboat* 29:1). In other words, we will be using some of the 2006-to-2007 asset increase in 2008 to further our fundamental goals and benefits.

TUG continues to work closely with the other  $\TeX$  user groups and ad hoc committees on many activities to benefit the  $\TeX$  community.

## TUG 12/31/2007 (versus 2006) Balance Sheet

	<u>Dec 31, 07</u>	<u>Dec 31, 06</u>
<b>ASSETS</b>		
<b>Current Assets</b>		
Total Checking/Savings	160,490	133,790
Accounts Receivable	254	395
Other Current Assets	1,327	
<b>Total Current Assets</b>	<u>162,071</u>	<u>134,185</u>
Fixed Assets	3,726	5,224
<b>TOTAL ASSETS</b>	<u><u>165,797</u></u>	<u><u>139,409</u></u>
<b>LIABILITIES &amp; EQUITY</b>		
<b>Liabilities</b>		
Software Delay until 2007		6,500
Committed Funds	24,413	9,322
Prepaid member income	4,075	1,710
Payroll Liabilities	1,080	1,057
<b>Total Current Liabilities</b>	<u>29,568</u>	<u>18,589</u>
<b>TOTAL LIABILITIES</b>	<u><u>29,568</u></u>	<u><u>18,589</u></u>
<b>Equity</b>		
Unrestricted	120,820	104,972
Net Income	15,409	15,848
<b>Total Equity</b>	<u>136,229</u>	<u>120,820</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>165,797</u></u>	<u><u>139,409</u></u>

## TUG 2007 (versus 2006) Revenue and Expenses

	<u>Jan - Dec 07</u>	<u>Jan - Dec 06</u>
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
Membership Dues	101,956	101,669
Product Sales	7,667	11,776
Contributions Income	5,423	11,376
Practical TeX Conference		2,909
Conference Classes		965
Annual Conference	6,827	-275
Interest Income	5,901	4,589
Advertising Income	230	370
<b>Total Income</b>	<u>128,004</u>	<u>133,379</u>
<b>Cost of Goods Sold</b>		
TUGboat Prod/Mailing	25,130	28,998
Software Production/Mailing	1,111	6,500
Postage/Delivery - Members	6,296	2,702
Conf Expense, office + overh	1,164	1,651
Member Renewal	335	
Copy/Printing for members	55	60
<b>Total COGS</b>	<u>34,091</u>	<u>39,911</u>
<b>Gross Profit</b>	<u>93,913</u>	<u>93,468</u>
<b>Expense</b>		
Contributions made by TUG	5,750	3,000
Office Overhead	11,653	12,229
Payroll Exp	59,863	58,622
Professional Fees	200	318
Depreciation Expense	1,498	1,667
<b>Total Expense</b>	<u>78,964</u>	<u>75,836</u>
<b>Net Ordinary Income</b>	<u>14,949</u>	<u>17,632</u>
<b>Other Income/Expense</b>		
Other Income		
Prior year adjust	459	-1,785
<b>Total Other Income</b>	<u>459</u>	<u>-1,785</u>
<b>Net Other Income</b>	<u>459</u>	<u>-1,785</u>
<b>Net Income</b>	<u><u>15,408</u></u>	<u><u>15,847</u></u>

## TUG Institutional Members

Aalborg University, Department  
of Mathematical Sciences,  
*Aalborg, Denmark*

Aware Software, Inc.,  
*Midland Park, New Jersey*

American Mathematical Society,  
*Providence, Rhode Island*

Banca d'Italia, *Roma, Italy*

Center for Computing Sciences,  
*Bowie, Maryland*

Certicom Corp.,  
*Mississauga, Ontario, Canada*

CSTUG, *Praha, Czech Republic*

Florida State University,  
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*Tallahassee, Florida*

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Center for Communications  
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Department of Mathematics,  
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Masaryk University, Faculty of  
Informatics, *Brno, Czech Republic*

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Science, *Bethlehem, Pennsylvania*

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New York University,  
Academic Computing Facility,  
*New York, New York*

Princeton University,  
Department of Mathematics,  
*Princeton, New Jersey*

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*Heidelberg, Germany*

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Stanford University,  
Computer Science Department,  
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Stockholm University, Department  
of Mathematics, *Stockholm, Sweden*

University College, Cork,  
Computer Centre, *Cork, Ireland*

University of Delaware,  
Computing and Network Services,  
*Newark, Delaware*

Université Laval,  
*Ste-Foy, Québec, Canada*

Universiti Tun Hussein  
Onn Malaysia,  
Pusat Teknologi Maklumat,  
*Batu Pahat, Johor, Malaysia*

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*Blindern, Oslo, Norway*

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