

# >> TREASURER'S REPORT

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The NFPA Treasurer's Annual Report is issued to Association Members as required by the Articles of the Association, Section 6.11, Paragraph 2, as adopted through Amendment to the Articles in November 2000.

Publication revenues were ahead of expectations, mainly attributable to a successful transition in the distribution of the 2014 NEC code and handbook, with reduced dependence on large distributors and more emphasis on direct sales. The effect of this change will be a smoothing of revenues over a three-year publication cycle and improved margins. Membership levels remained around the 68,000 level with retention levels similar to previous years. Training revenues were below the prior year with reduced demand for "face to face" training. NFPA will be increasing its online training offerings in 2014. Expenses were higher than 2012 due to increased costs arising from the higher publication revenues. NFPA incurred a small operating surplus that was better than the budgeted deficit and enjoyed strong returns on the investment portfolio, coupled with a favorable pension liability adjustment.

Net assets increased by \$49 million to approximately \$255 million, and with strong cash flow and no debt, NFPA remains in a very sound financial position. 🍀

Statements of Financial Position	\$000s	\$000s
	2013	2012
<b>Assets</b>		
Cash and cash equivalents	32,902	16,872
Inventory, accounts receivable, and other assets	22,612	21,894
Investments	194,149	170,627
Real estate investments, property, and equipment	47,276	48,437
Total assets	<u>296,939</u>	<u>257,830</u>
<b>Liabilities and net assets</b>		
Accounts payable and accrued expenses	10,476	8,911
Pension Liability	14,925	27,611
Deferred revenues	16,642	15,855
Total liabilities	42,043	52,377
Total net assets	<u>254,896</u>	<u>205,453</u>
Total liabilities and net assets	<u>296,939</u>	<u>257,830</u>
<b>Statements of Activities</b>		
Revenue		
Publications	53,912	42,764
Membership	13,658	13,577
Other	11,388	12,921
Total revenue	78,958	69,262
Expenses	(77,400)	(70,769)
Operating (deficit)/surplus	1,558	(1,507)
Real Estate Investments	1,355	1,803
Pension Liability adjustment	18,300	(2,234)
Investment return	28,230	18,188
Change in net assets	49,443	16,250
Net assets as of beginning of year	205,453	189,203
Net assets as of end of year	<u>254,896</u>	<u>205,453</u>
<b>Statements of Cash Flows</b>		
Cash flows from operating activities	16,817	5,976
Cash flows from investing activities	(787)	(19,859)
Net increase (decrease) in cash and cash equivalents	16,030	(13,883)
Cash and cash equivalents as of beginning of year	16,872	30,755
Cash and cash equivalents as of end of year	<u>32,902</u>	<u>16,872</u>

## 2013 REVENUE

