LIA14336

LEAD INDUSTRIES ASSOCIATION, INC.

Accountants' Report

Financial Statements and Schedules
December 31, 1967

PEAT, MARWICK, MITCHELL & CO.
CERTIFIED PUBLIC ACCOUNTANTS

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PEAT, MARWICK, MITCHELL & CO.
CERTIFIED PUBLIC ACCOUNTANTS
SEVENTY PINE STREET
NEW YORK, NEW YORK 10005

The Board of Directors
Lead Industries Association, Inc.:

We have examined the statements of receipts and disbursements and changes in fund balances of Lead Industries Association, Inc. for the year ended December 31, 1967. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying statements of receipts and disbursements and changes in fund balances present fairly the recorded cash transactions of Lead Industries Association, Inc. for the year ended December 31, 1967. The supplementary data included in Schedules 1 and 2 have been subjected to the same auditing procedures and, in our opinion, are stated fairly in all material respects when considered in conjunction with the basic financial statements taken as a whole.

Peat, Marwick, Mitchell & Co.

March 6, 1968

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LEAD INDUSTRIES ASSOCIATION, INC.

Statement of Receipts and Disbursements

Year ended December 31, 1967

| | Operating fund Budget | Operating fund Actual | Health and safety fund |
|---|---|---|---|
| **Receipts:** | | | |
| Assessments: | | | |
| Membership | $ 101,000 | 104,724 | 31,426 |
| Industry development (pig lead sales) | 546,000 | 567,559 | 174,631 |
| | 647,000 | 672,283 | 206,057 |
| Interest on saving bank deposits | - | 9,261 | - |
| Service fee - health and safety | - | 6,000 | - |
| Reimbursements for booklets, films, etc. | - | 2,132 | - |
| Miscellaneous | - | 181 | - |
| | 647,000 | 689,857 | 206,057 |
| **Disbursements (note 1):** | | | |
| Administrative (Schedule 1) | 323,150 | 333,762 | - |
| Promotion and development (Schedule 2) | 433,050 | 350,370 | 69,121 |
| | 756,200 | 684,132 | 69,121 |
| Excess (deficiency) of receipts over disbursements | $ (109,200) | 5,725 | 136,936 |

Notes:

(1) Effective January 1, 1967, the Association changed from an accrual to a cash basis for accounting and financial reporting. As a result of this change, the disbursements for 1967 do not include approximately $7,000 of net expenses arising from accruals at December 31, 1966 which were incorporated in the financial statements as of that date.

(2) The Association has a non-contributory pension plan covering all eligible employees. The disbursement for the plan amounted to $18,774 for the year. There are no unfunded prior service costs.

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LEAD INDUSTRIES ASSOCIATION, INC.

Statement of Changes in Fund Balances

Year ended December 31, 1967

| | Operating fund | Health and safety fund |
|---|---|---|
| Fund balances at beginning of year | $ 184,846 | - |
| Transferred to health and safety fund | (5,547) | 5,547 |
| Excess of receipts over disbursements | 5,725 | 136,936 |
| Fund balance at end of year | $ 185,024 | 142,483 |
| Represented by: | | |
| Cash: | | |
| Commercial | 11,051 | 11,051 |
| Savings | 173,348 | 131,432 |
| Petty cash | 200 | - |
| | 184,599 | 142,483 |
| Deposit | 425 | - |
| | $ 185,024 | 142,483 |

See notes on accompanying statement of receipts and disbursements.

Schedule 1

LEAD INDUSTRIES ASSOCIATION, INC.

Administrative Disbursements

Year ended December 31, 1967

| | Operating fund Budget | Operating fund Actual |
|---|---|---|
| Salaries } | $ 200,000 | 204,830 |
| Payroll taxes } | | 6,417 |
| Temporary clerical help | - | 1,831 |
| Pension premiums | 18,000 | 18,774 |
| Office rent | 20,000 | 19,440 |
| Printing and office supplies | 6,000 | 5,913 |
| Annual meeting expense (net of receipts) | 3,000 | 3,008 |
| Telephone and telegrams | 5,000 | 8,045 |
| Postage and express | 7,000 | 4,932 |
| Subscriptions - periodicals | 1,300 | 1,002 |
| Furniture and equipment | 2,000 | 3,437 |
| Office services | 7,000 | 3,423 |
| Travel and expenses | 45,000 | 39,237 |
| Professional services | 3,500 | 3,850 |
| Business insurance } | 2,000 | 1,044 |
| Group insurance } | | 2,284 |
| Technical association membership dues | 700 | 1,556 |
| Annual statistical review | 650 | 548 |
| Miscellaneous | 2,000 | 1,391 |
| | $ 323,150 | 333,762 |

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Schedule 2

LEAD INDUSTRIES ASSOCIATION, INC.

Promotion and Development Disbursements

Year ended December 31, 1967

| | Operating fund | | Health and safety fund |
|---|---|---|---|
| | Budget | Actual | |
| Quarterly publication "Lead" | $ 37,000 | 35,535 | - |
| Reprints of technical articles | 10,000 | 9,470 | - |
| Reprints of "Facts about Lead" | - | 5,027 | - |
| Sweets Catalog Files: | | | |
| Architectural and Construction | 9,600 | 10,581 | - |
| Solder, Terne and Design Engineer Program | 3,700 | 3,974 | - |
| Monograph | 3,000 | - | - |
| Corrosion Handbook | 5,000 | - | - |
| Annual Review | 1,000 | 83 | - |
| Lead abstracts | 12,000 | 12,443 | - |
| Booklets and publications: | | | |
| Architectural and Construction | 5,000 | 6,896 | - |
| Battery Publication | 3,000 | 943 | - |
| Ceramic Supplements | 2,000 | 160 | - |
| Color Coding Booklet | 5,000 | - | - |
| Space advertising: | | | |
| Architectural and Construction | 67,400 | 66,401 | - |
| Cable Program | 12,100 | 12,197 | - |
| Industrial Battery Program | 36,800 | 37,917 | - |
| Pigments and Chemicals Program | 22,200 | 22,936 | |
| Solder, Terne and Design Engineer Program | 31,900 | 30,515 | - |
| Color Coding Program | 37,500 | - | - |
| Scientific American | 5,700 | 5,662 | - |
| Production costs | 25,000 | 22,803 | - |
| Conventions and exhibits | 19,000 | 17,086 | - |
| Apprentice contests | 1,500 | 801 | - |
| Public relations - Health and Safety Program | - | - | 69,121 |
| Contributions: | | | |
| National Shooting Sports Foundation | 650 | 650 | - |
| Steel Structures Painting Council | 1,000 | 1,000 | - |
| Motion Picture, "The Lead Matrix": | | | |
| General distribution | 16,000 | 8,955 | - |
| U. S. Bureau of Mines | 30,000 | 30,677 | - |
| Test programs | 10,000 | 647 | - |
| Illustration and publicity | 5,000 | 3,991 | - |
| Material from ILZRO - contingency | 10,000 | 1,344 | - |
| Miscellaneous promotion expenses | 5,000 | 1,676 | - |
| | $ 433,050 | 350,370 | 69,121 |