

REPORT OF THE TREASURER

Report of Auditors

TO THE COUNCIL AND MEMBERS OF THE
HISTORICAL SOCIETY OF PENNSYLVANIA:

We have examined the accounts of The Historical Society of Pennsylvania for the year ended December 31, 1943. In connection therewith, we have reviewed the system of internal control and the accounting procedure of the Society and, without making a detailed audit other than of cash transactions, have examined or tested accounting records of the Society and other supporting evidence, by methods and to the extent we deemed appropriate.

Based upon such examination, the annexed Financial Report of the Treasurer, pages 226 to 234 inclusive, in our opinion, presents fairly the position of the Society at December 31, 1943, and the results of the operations of the Society for the year ended December 31, 1943, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

CHARLES S. ROCKEY & CO.

Philadelphia, February 14, 1944.

Report of the Treasurer

TO THE MEMBERS OF THE HISTORICAL SOCIETY OF PENNSYLVANIA:

The financial report of the Society for the year ending December 31, 1943, is herewith respectfully submitted:

Summary of Investments

	1942		1943	
	<i>Amount</i>	<i>Per Cent</i>	<i>Amount</i>	<i>Per Cent</i>
Mortgages	\$119,293.57	9.7	\$119,330.17	9.5
Real Estate ^a	160,315.48	13.4	148,422.16	11.8
Bonds and Preferred Stocks ^b	608,498.87	49.5	568,214.46	45.3
Common Stocks	339,302.70	27.4	419,548.88	33.4
Totals	<u>\$1,227,410.62</u>	<u>100.0</u>	<u>\$1,255,515.67</u>	<u>100.0</u>

^a Does not include the Society's building, carried on our books at \$164,457.43; appraised at \$300,000.00.

^b Being fixed income-bearing investments.

Average Yields on Investments

	1941	1942	1943
Mortgages.....	4.96%	5.04%	5.35%
Real Estate.....	3.92	4.47	4.21
Bonds.....	5.19	5.28	5.42
Stocks.....	5.56	5.26	7.69
	<u>5.14%</u>	<u>5.13%</u>	<u>6.44%</u>

Mortgages

During 1943 we purchased four amortizing first mortgages with interest rates of 5%. Two of these were on properties which we sold during the year. During the same period two mortgages were paid off and reductions totaling \$7,223.40 were obtained on thirty-seven others.

	1942	1943
Number of Mortgages Held ^a	46	48
Cost.....	<u>\$119,293.57</u>	<u>\$119,330.17</u>
Interest Received.....	\$5,593.66	\$6,492.21
Per cent on Investment.....	5.04%	5.35%

^a Does not include mortgages in which the Society holds a proportionate interest.

Following is a list of mortgages held as of December 31, 1943:

<i>Mortgages</i>	<i>Book Value at December 31, 1943</i>
Allegheny Avenue, 816 W.	\$1,750.00
Camac Street, 1915 N.	1,800.00
Carpenter Street, 1932.....	1,900.00
Chancellor Street, 5043.....	1,500.00
Cherry Street, 307.....	7,000.00
Christian Street, 1629.....	3,150.00
Clinton Street, 907 (½ participation).....	2,250.00
Cobbs Creek Parkway, 1841.....	2,375.00
Cobbs Creek Parkway, 1845.....	2,565.00
Cobbs Creek Parkway, 1847.....	2,565.00
Diamond Street, 637.....	2,160.00
Dickinson Street, 419.....	3,000.00
Dickinson Street, 1915.....	1,250.00
Fairmount Avenue, 3846.....	1,400.00
Carried forward.....	<u>\$34,665.00</u>

Brought forward.....	\$34,665.00
Federal Street, 2030.....	1,100.00
Fitzwater Street, 2132.....	1,537.50
Florence Avenue, 5547.....	3,150.00
Franklin Street, 335 N.....	979.76
Franklin Street, 449 N.....	1,200.00
Franklin Street, 929 N.....	2,200.00
Glendale Road, 47, Upper Darby.....	1,850.00
Hahnemann Medical College & Hospital (participation).....	250.00
Hamilton Street, 3525.....	2,400.00
Jefferson Street, 2122 W.....	1,000.00
Larchwood Avenue, 5110.....	3,000.00
Lehigh Avenue, 1617 W.....	4,000.00
Lehigh Avenue, 2246-8 W.....	4,000.00
Locust Avenue, 616.....	1,300.00
Lotus Road, 6605, Upper Darby.....	2,775.00
Marvine Street, 1921 N.....	1,875.00
Ogontz Avenue, 6626.....	3,100.00
Spruce Street, 2028.....	7,750.00
Walton Avenue, 5133.....	2,100.00
Woodland Avenue, 4127.....	1,850.00
York Street, 2714 W.....	850.00
6th Street, 1004 N.....	2,700.00
7th Street, 904 N.....	2,100.00
7th Street, 2539 S.....	1,275.00
11th Street, 1834 N.....	1,207.00
13th Street, 242 S.....	6,843.75
13th Street, 1328 N.....	4,000.00
20th Street, 1913 N.....	1,544.66
27th Street, 2428-30 N.....	2,000.00
29th Street, 2015 N.....	1,400.00
30th Street, 2524 N.....	2,050.00
33rd Street, 2645 N.....	2,400.00
55th Street, 267 S.....	1,700.00
55th Street, 535 S.....	2,700.00
59th Street, 1238N.....	2,625.00
62nd Street, 2557 S.....	1,575.00

Ground Rent

10th Street, 1249 N., and Hutchinson Street, 1248 N. (½ participation in \$1,100).....	277.50
Total.....	<u><u>\$119,330.17</u></u>

Real Estate

Our average yield for 1943 was 4.21%. During the year we sold six properties for \$10,400.00. These were being carried on our books at \$10,190.20.

	1942	1943
Number of Properties Owned ^d	41	35
Cost.....	\$160,315.48	\$148,422.16
Gross Rentals Collected.....	\$20,208.63	\$17,420.17
Expenses ^e	12,314.09	10,836.64
Net Income.....	\$7,894.54	\$6,583.53
Per cent on Investment.....	4.47	4.21

^d Does not include properties in which the Society holds a half-interest.

^e Includes insurance, taxes, water rent, repairs, agent's commissions, and all other expenses incidental to the operation of the properties.

The following list shows the properties held as of December 31, 1943:

Real Estate

Brown Street, 1511	Turner Street, 2444 W.
Brown Street, 2706	Windsor Avenue, 5835
Chew Street, 6427	Woodcrest Avenue, 6492
Dakota Street, 3017 W.	2nd Street, 809 N. (½ interest)
Diamond Street, 1623	3rd Street, 31 S.
Franklin Street, 1408 N., and Perth	4th Street, 913 S.
Street, 1407 N.	4th Street, 949 S.
Franklin Street, 2041 N.	5th Street, 861 N.
Hazel Avenue, 4822	10th Street, 3939 N.
Locust Street, 1314	12th Street, 4932 N.
McKean Avenue, 4816	13th Street, 236 S.
Montgomery Avenue, 2401 W.	20th Street, 2454 N.
Morris Street, 142-50 (vacant lot)	27th Street, 865 N.
Oxford Street, 1627 W.	27th Street, 1422 N.
Ridge Avenue, 2728 (vacant lot)	28th Street, 1239 S.
Springton Road, 188, Upper Darby	32nd Street, 2551 N.
Susquehanna Avenue, 320 W.	41st Street, 322 N.
Susquehanna Avenue, 1934 W.	53rd Street, 1512 S.
Total Book Value, 12-31-43.....	\$148,422.16
“ Appraised Value ^f	140,600.00
Excess Book over Appraised Value.....	\$7,822.16

^f This is a two-year old appraisal. We could sell our properties for more than their appraised value in the present market. This appraisal will be revised during the current year.

Bonds and Stocks

We have available for write-down purposes \$12,000.00. You will note our earnings from sales of stocks and bonds was \$52,000.00.

Since January 1, 1944, additional U. S. Treasury Bonds, to the amount of \$75,000 have been purchased.

<i>Par Value</i>	<i>Bonds</i>	<i>Book Value at December 31, 1943</i>
50,000.	U. S. Treasury, 2½-1969/64.....	\$50,000.00
25,000.	U. S. Treasury Victory Bonds 2½-1968/63.....	25,000.00
50,000.	U. S. War Savings Bonds, Series G, Reg., 2½-1954.....	50,000.00
25,000.	Baltimore & Ohio R.R. Co., S. W. Div., 1st 5-1950.....	11,520.00
5,000.	Bellevue Stratford Hotel, 1st guar. 5¾-1935 (Reg.).....	150.00
15,000.	Cleveland, Cincinnati, Chicago & St. Louis Rwy. Co., 4½-1977.....	8,418.80
15,000.	New Orleans Terminal Co., 4-1953.....	13,687.50
10,000.	New York, Chicago & St. Louis, 4½-1978.....	8,062.50
20,000.	Pittsburgh & West Virginia Railway Co., Series B, 4½-1959.	11,815.75
20,000.	Pittsburgh & West Virginia Railway Co., Series C, 4½-1960.	11,953.25
30,000.	Reading Co., Gen. Series A, 4½-1997.....	26,368.11
20,000.	Western Maryland R.R. Co., 5½-1977.....	19,490.13
20,000.	Western Maryland R.R. Co., 4-1952.....	18,568.75
Total Bonds.....		<u>\$255,034.79</u>

<i>Shares</i>	<i>Stocks</i>	<i>Book Value at December 31, 1943</i>
200	Aluminum Company of America, cumulative 6% preferred...	\$22,131.50
100	American Chicle Co.....	11,000.00
200	American Locomotive Co., cumulative 7% preferred.....	15,202.75
500	American Steel Foundries, common.....	13,195.26
400	Bethlehem Steel Corp., 7% preferred.....	46,128.00
100	Bethlehem Steel Corp., common.....	6,090.39
300	Chesapeake & Ohio, common.....	14,348.19
700	Commonwealth Edison Co., common.....	17,721.32
900	Consolidated Edison of New York, common.....	18,859.85
200	Consolidated Edison of New York, \$5 preferred.....	19,585.27
300	Cudahy Packing Co., 7% preferred.....	28,710.18
500	Detroit Edison, common.....	9,448.42
200	Douglas Aircraft Co.....	12,117.66
100	Dow Chemical Co., Series A, cumulative preferred.....	10,500.00
Carried forward.....		<u>\$245,038.79</u>

	Brought forward.....	\$245,038.79
100	E. I. du Pont de Nemours Co.....	14,150.00
25	Fidelity-Philadelphia Trust Co.....	4,375.00
200	General Motors Corp., common.....	9,493.38
70	General Steel Castings Co., \$6 cumulative preferred.....	5,988.78
100	General Tire & Rubber Co., 4½% cumulative preferred.....	10,100.00
250	Girard Trust Co.....	11,250.00
100	Glidden Company, 4½% preferred.....	4,340.88
200	Gulf Oil Corp., common.....	9,349.26
200	Jones & Laughlin Steel, 5% preferred (B).....	15,517.63
700	Kennecott Copper Corp., common.....	24,487.00
1,000	Lehigh Coal & Navigation Co., common.....	5,236.00
200	McKesson & Robbins, \$4 cumulative preferred.....	19,635.00
500	Mack Truck, Inc., common.....	18,157.62
200	R. H. Macy, common.....	5,618.36
300	Montgomery Ward & Co., common.....	12,823.78
300	National Gypsum, \$4.50 cumulative preferred.....	24,949.50
200	New York, Chicago & St. Louis R.R. Co., 6% preferred.....	13,934.92
700	North American Co., common.....	11,591.21
650	Pennsylvania Co. for Insurance on Lives, etc.....	22,093.62
500	Pennsylvania Railroad Corp.....	13,834.10
1,000	Phelps Dodge Corp., common.....	25,000.00
300	Philadelphia Electric Co., common.....	5,875.02
100	Philadelphia National Bank, common.....	10,967.25
200	Phillips Petroleum Co., common.....	8,821.26
500	Pittsburgh & Lake Erie Railroad Co.....	30,000.00
400	Proctor & Gamble Co., common.....	22,652.59
50	Provident Trust Co.....	11,500.00
400	Public Service Corp. of New Jersey, common.....	5,830.73
100	Public Service Corp. of New Jersey, 5% preferred.....	8,859.56
100	Pure Oil Co., 5% preferred.....	10,260.00
1,000	Socony Vacuum Oil Co., common.....	15,110.88
500	Southern California Edison Co., Ltd.....	11,541.13
50	Thompson Products, Inc., 5% cumulative preferred.....	5,150.00
100	Tidewater Associated Oil Co., \$4.50 preferred.....	10,085.00
1,000	United Gas Improvement Co., common.....	1,833.99
100	United States Steel Corp., common.....	5,175.61
200	United States Steel Corp., 7% preferred.....	24,720.00
500	Wabash Railroad, preferred.....	17,380.70
	Total Stocks.....	<u>\$732,728.55</u>

Summary of Operation—General Fund, 1943

The following is a statement of income and expenditures of the General Fund for the year ending December 31, 1943:

Income:

Transferred from Trust Funds	\$61,672.45	
Annual Membership dues—amount received.	\$6,294.00	
Less 25% transferred to Publication Fund.	<u>1,573.50</u>	
		4,720.50
Donations from organizations for use of building.	800.00	
Sales of photostats and photographic prints.	619.56	
From I. V. Williamson Estate (Pennsylvania Co.)	340.00	
Gilpin Library—administration charge for 1943.	1,000.00	
Miscellaneous.	<u>112.33</u>	
TOTAL INCOME.		\$69,264.84

Expenses—Operating:

Salaries.	\$28,492.45	
Pensions.	<u>3,250.00</u>	
		\$31,742.45
Supplies and services.	1,717.83	
New equipment.	944.40	
Telephone and telegraph.	514.30	
Insurance.	930.00	
Traveling—auto—carfare.	22.64	
Entertainment—U. S. Marine Corps reception.	448.14	
Legal and auditing.	949.25	
Fire alarm system—annual service.	472.50	
Postage and stamped envelopes.	258.92	
Electricity.	703.55	
Gas.	78.00	
Coal.	1,400.00	
Repairs and maintenance—Roof, etc.	3,120.86	
Miscellaneous.	<u>500.99</u>	
TOTAL OPERATING EXPENSES.		\$43,803.83

Appropriations:

Reserve for pension fund.	\$5,100.00	
Cataloging—special.	3,100.00	
Collecting and cataloging material relating to World War II.	750.00	
Hampton L. Carson Portrait.	225.00	
Society News Bulletin.	300.00	
TOTAL APPROPRIATIONS.	<u>9,475.00</u>	
SURPLUS FOR 1943.		<u>\$15,986.01</u>

Appropriations

The following is the status of the various appropriations which have been made for specific projects:

Publishing Cumulative Index to the Magazine:

Unexpended balance, January 1, 1943.....	\$1,000.00	
Appropriation received from Publication Fund.....	<u>1,600.00</u>	\$2,600.00

Disbursements:

Salaries.....		<u>840.00</u>
Unexpended balance, December 31, 1943.....		<u>\$1,760.00</u>

Special Cataloging and Shelf List:

Unexpended balance, January 1, 1943.....	\$1,517.15	
Appropriation received from General Fund.....	<u>3,100.00</u>	\$4,617.15

Disbursements:

Salaries and supplies.....		<u>4,422.11</u>
Unexpended balance, December 31, 1943.....		<u>\$195.04</u>

Lectures—Stated Meetings:

Unexpended balance, January 1, 1943.....		\$223.63
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Disbursements:

Lecturers, notices of meeting.....		<u>86.14</u>
Unexpended balance, December 31, 1943.....		<u>\$137.49</u>

(The arrangement of the lectures is under the supervision of Dr. Shryock.)

Restoring and Repairing Portraits:

Unexpended balance, January 1, 1943.....	\$ 70.00	
Appropriation received from John F. Lewis Fund No. 2..	<u>725.00</u>	\$795.00

Disbursements:

Restoring portraits.....		<u>60.00</u>
Unexpended balance, December 31, 1943.....		<u>\$735.00</u>

Collecting and Cataloging Material Relating to World War II:

Unexpended balance, January 1, 1943.....	\$610.80	
Appropriation from General Fund.....	<u>750.00</u>	\$1,360.80

Disbursements:

Salaries and supplies.....		<u>765.02</u>
Unexpended balance, December 31, 1943.....		<u>\$595.78</u>

(This project is being carried on under Dr. Nichols' supervision.)

Pension Fund Reserve:

Balance in fund January 1, 1943.....		\$8,523.07
Received from General Fund, 1943.....	\$5,100.00	
Received as interest on principal, 1943.....	675.15	
Transferred from Special Surplus, 1943.....	<u>1,000.00</u>	<u>6,775.15</u>
Balance in fund December 31, 1943.....		<u><u>\$15,298.22</u></u>

I should like to express my appreciation to the entire Finance Committee, and especially to Mr. William C. Tuttle, who have so ably assisted me with our investment problems.

F. R. KIRKLAND, *Treasurer*

EDWARD CAREY GARDINER, *Auditor*