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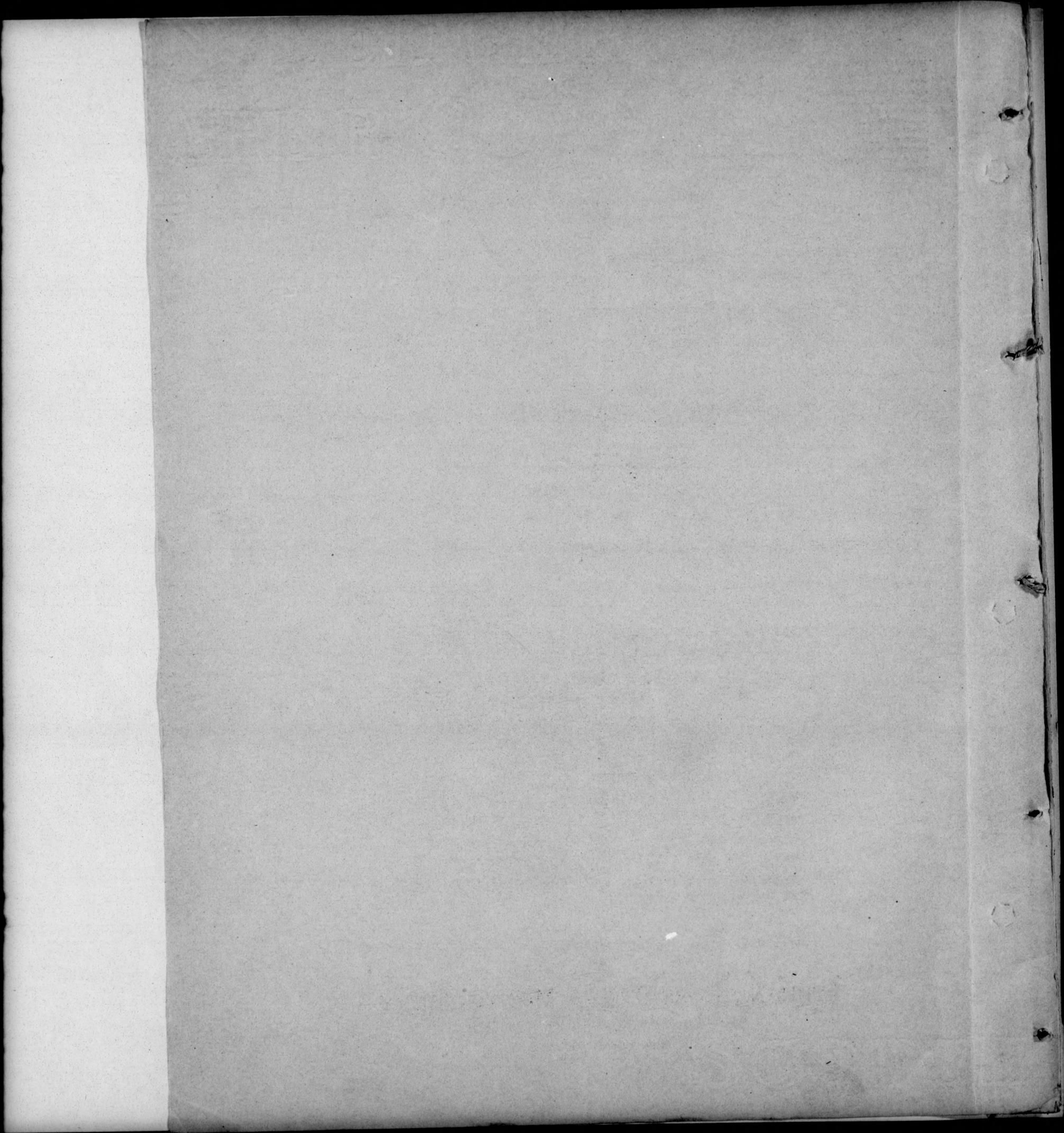
WEST CHINA UNION UNIVERSITY

Report upon Examination of Accounts
for the period from November 16, 1925 to December 31, 1927

LYBRAND, ROSS BROS. & MONTGOMERY
ACCOUNTANTS AND AUDITORS
NEW YORK OFFICE

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PARIS

March 23, 1928.

The Executive Committee of the
Board of Governors,

West China Union University,
Toronto, Canada.

Dear Sirs:

We have completed our examination of the accounts of the

WEST CHINA UNION UNIVERSITY

as kept at the New York office, for the period from November 16, 1925
to December 31, 1927, and in connection therewith submit the follow-
ing statements:

Statement of Assets, Funds and Liabilities
as at December 31, 1927

Analysis of Plant Assets and Funds from
November 16, 1925 to December 31, 1927

Analysis of Unexpended Income from
November 16, 1925 to December 31, 1927

Endowment Fund Investments as at
December 31, 1927

Analysis of Cash Receipts and Disbursements
from November 16, 1925 to December 31, 1927

Cash Receipts for the calendar year 1926

Cash Receipts for the calendar year 1927

Cash Disbursements for the calendar years
1927 and 1926.

General: The accounts were last audited by the
Philadelphia office of Messrs. Lybrand, Ross Bros. & Montgomery for
the nine years ended November 15, 1925. Mr. George Vaux, Jr.,



tendered his resignation as treasurer in September, 1925 and was succeeded by Mr. Wm. O. Gantz. The books were thereupon transferred to New York, and, under Dr. Eric M. North, Assistant Treasurer, a new set was opened as at January 1, 1926, in which the items appearing in the old books were reclassified and redistributed. The new books are kept on the basis of cash receipts and disbursements and certain memorandum accounts carried on the books formerly kept under Mr. Vaux, as accounts with pledges have been eliminated under the present system.

Scope of Audit: In our current examination we have traced all of the items shown by the balance sheet prepared by our Philadelphia office as at November 15, 1925 into the new set of books opened under Dr. North, and have accounted for all changes in financial position during the period of our audit.

The detailed work performed by us is outlined in the following paragraphs:

C a s h: The balances on deposit at December 31, 1927 were confirmed direct to us by your depositaries in New York City and Leonia, New Jersey, and the amounts thereof were reconciled with the balances shown by your books.

We traced the receipts as recorded in the cash book, and found that they had been promptly deposited. We also verified the receipt of such items as were mentioned in the minutes, correspondence and other records available, but no attempt was made to verify by direct communication with cooperating boards or individuals the amount of collected or uncollected pledges. We determined that the income from investments was properly received and deposited.



The disbursements for the period of our examination were verified by comparing all vouchers, with paid checks attached, with the cash book entries. The footings of the bank account columns in the cash book for the entire period were checked, and the accuracy of the footings of the distribution columns was verified by adequate tests. All ledger postings for the entire period of our examination were checked.

Investments: The investment of the endowment assets in marketable securities and mortgages on improved real estate, carried on the books at \$10,800 and \$11,000, respectively, or a total of \$21,800, is shown in detail in the annexed schedule. The American Exchange Irving Trust Company in New York City has certified to us that at December 31, 1927 they held for safe-keeping the securities scheduled, and, in the case of the real estate mortgages, the necessary documents of title. The approximate market value of the securities on December 31, 1927 was \$10,434.25, or \$365.75 less than the amount at which they are carried on the books.

During the period under review a U. S. Liberty bond for \$50 was sold for \$52.09. The reinvestment of the proceeds thereof has been traced by us.

On November 1, 1927 when the Bruno Fischer mortgage was acquired for \$3,000, the endowment cash available was only \$2,727.09, and it was, therefore, necessary to borrow the sum of \$272.91 from the current fund. The following journal entries should be made to adjust the books in respect to this transaction:



(11a) Consolidated endowment fund, investments	\$272.91
To Loan from current fund, special	\$272.91
To transfer partial investment in Fischer mortgage from current fund, special, as follows:	
Investment in mortgage, total	\$3,000.00
Available endowment cash	<u>2,727.09</u>
Cash advanced from current fund	<u>\$ 272.91</u>
Loan to endowment fund	\$272.91
(179) To Equity in Fischer mortgage	\$272.91
To set up as a loan to the endowment fund the amount advanced to complete the investment in the Fischer mortgage.	

During February, 1927 an investment of the plant fund in Liberty bonds, carried in the accounts at \$15,000, was sold. The proceeds, including a profit on the sale of \$115.61, have been traced and found to have been deposited in the bank.

Endowment Funds: During the period of our examination these funds increased from \$18,025 to \$21,800, or an addition of \$3,775. The items comprising this increase, chiefly gifts, are as follows:

Kate M. Atherton, memorial	\$2,500.00
Wm. Masland, library fund	1,000.00
Wm. Ronk fund, profit on sale of Liberty bond	2.09
Cash borrowed from current fund	<u>272.91</u>
Total increase	<u>\$3,775.00</u>



The "miscellaneous" fund consists of the following:

F. H. Ryder, gift	\$1,000
James Keane Do	<u>1,000</u>
	<u>\$2,000</u>

These gifts have not been carried in the names of the donors since the new books were opened.

Plant Fund Assets: The annexed analysis of plant assets and funds discloses a net increase in plant assets of \$26,324.23. The composition of this increase is as follows:

Land, sale of small parcel	\$	421.80
Buildings:		
Cadbury Educational	\$10,284.70	
Coles Clock Tower	2,454.10	
Lamont Memorial Library	5,130.11	
President's house	27.11	
Undistributed	<u>8,478.48</u>	26,374.50
Equipment		<u>371.53</u>
Net increase		<u>\$26,324.23</u>

The additions charged to the Cadbury Educational building consist of the following:

Architect fees	\$1,162.80
Drafts drawn in China	<u>9,121.90</u>
	<u>\$10,284.70</u>

The notations appearing upon drafts drawn in China are very brief and do not furnish a basis for a more detailed statement. It is understood, however, that such amounts are expended for construction purposes. Analyses of the additions to the Coles Clock Tower and Lamont Memorial Library reveal similar charges, the undistributed additions consisting of payments to Mr. Morrison and



Rev. Walter Small for services and expenses and architect's fees in the amount of \$34.35.

Plant Funds: The increase in plant funds during the period, as shown by the annexed statement, was \$16,960.29, as follows:

G i f t s:		
Sir Joseph Flavell	\$	2,500.00
Kate M. Atherton trust fund		2,500.00
Dr. J. A. Coles		2,061.67
Cooperating boards:		
Friends Foreign Mission Association		2,028.43
Church Missionary Society		946.50
United Church of Canada		267.00
D. H. Gibbon through Dr. Beech		200.00
Sundry churches and persons, 30 gifts, none exceeding \$120		1,246.54
Income:		
Coles Estate	\$2,526.32	
Atherton fund	1,421.90	
Liberty bonds	<u>1,146.32</u>	5,094.54
Profit on sale of Liberty bonds		<u>115.61</u>
Total		<u>\$16,960.29</u>

Included in the amount of \$946.50, shown above for the Church Missionary Society, is an item of \$913.17 representing a payment made direct to the architects by the Society. This payment for the University has been recorded in the accounts as a reduction of the cost, and, therefore, the following journal entry should be made:

(26g)	Medical and Dental College building	\$913.17
(122g)	To Fund for Medical and Dental College building	\$913.17

To restore the expenditure for architect's fees paid by the United Church of Canada and written off.



All of the items listed above represent cash transactions and are reflected in the accompanying statement of cash receipts with the exception of the amount of \$2,061.67, gift from Dr. J. A. Coles, which was donated in the form of property.

Unexpended Income: The attached statement shows the balance of unexpended income at December 31, 1927 as \$10,782.16, after deducting deficits of \$5,723.72 and \$6,192.12 for the years 1926 and 1927, respectively. Included in these deficits are campaign disbursements, and if these be excluded, the deficits will be reduced to \$685.52 and \$1,605.31, respectively. The deficit for 1927 of \$1,605.31 is subject to further adjustment for 1927 pledges uncollected at December 31. The application of such pledges collected in January has converted the deficit for 1927 into a surplus.

Uncollected Pledges: At December 31, 1927, it appears that the uncollected pledges for 1927 were as follows:

United Church of Canada	\$6,000.00
Board of Foreign Missions of the E. E. Church	1,760.00
Friends Foreign Mission Association	71.30
Church Missionary Society	500.00
W. E. Masland	25.00
J. C. Williams	100.00
Total	<u>\$8,456.30</u>

During 1927 the United Church of Canada paid the salaries of certain field men amounting to \$5,600, which it will deduct from the uncollected pledge of \$6,000. These payments of \$5,600 were not reported until January, 1928. The amount due from the Church Missionary Society was received in January, 1928, together with \$50 paid by Mr. Williams on account.



Old Pledges: On page 4 of the report of our Philadelphia office, dated January 25, 1926, reference is made to several items of uncollected assessments and pledges for the years from 1920 to 1924, inclusive. These include assessments and pledges of both individuals and cooperating boards, and special reference is made to the Church Missionary Society and the Board of Foreign Missions of the M. E. Church. Apparently no final disposition has been made of these unsettled items, and although carded memoranda have been made of current pledges, the old items have not been carded. We are advised that some time since an effort was made to determine and record the status of these old items, but that such efforts were not successful. In view of this unsatisfactory situation and particularly on account of the time required to properly investigate the matter, no attempt has been made to determine the status of the various items. It is recommended, however, that this matter be given consideration to the end of either obtaining any amounts still collectible or clearing the records of them.

The current pledge cards, though carefully kept, are not controlled and for this reason do not afford a satisfactory record. To insure proper accountability, provision should be made for recording in summary form the totals of all pledges both received and collected. The balance, as shown by such a summary, should agree with the total of the unpaid pledges as shown by the cards. Until so controlled the full benefit cannot be realized from this record.

Minutes: The minutes for the period of our examination have been carefully read and consideration has been given to all matters



affecting the accounts. In particular all items of receipts or income, with the exception mentioned below, have been traced into the accounts. We have been unable to identify the receipt of \$1,000 mentioned in the minutes of September 14, 1926 as a gift from Mrs. H. Clin Gady made through Dr. Beech, or determine whether the amount was payable in New York or in the field.

Treasurer's Bond: We have examined the blanket bond insuring the fidelity of the treasurer, Mr. Wm. O. Gantz and his assistants. By an endorsement dated January 26, 1928, the provisions of this bond have been extended to cover the fidelity of Dr. George B. Huntington, who has succeeded Mr. Gantz as treasurer.

Very truly yours,

Lybrand, Ross Bros & Montgomery

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WEST CHINA UNION UNIVERSITY
STATEMENT of ASSETS, FUNDS and LIABILITIES
as at December 31, 1927

A S S E T S:		FUNDS and LIABILITIES:	
Endowment fund assets:		Endowment funds:	
Investments at cost, details annexed	\$ 21,800.00	Maria S. Ackerman memorial fund	\$ 10,000.00
Plant fund assets:		J. E. Johnson, Chair of practical christianity fund	5,000.00
C a s h	\$ 205.74	Kate M. Atherton memorial fund	2,500.00
Equipment, details annexed	6,018.83	Wm. Masland, library fund	1,000.00
Buildings, details annexed	152,999.56	Fred L. Rosemond, scholarship fund	975.00
Land, details annexed	<u>49,920.58</u> 209,144.71	William Ronk fund	52.09
		Miscellaneous funds	2,000.00
		Loan from current fund, special	<u>272.91</u> \$ 21,800.00
Current fund assets:		Plant funds and liabilities:	
General:		Land and building fund, general	89,598.00
Cash overdraft	\$ 1,527.78	Land, Middle School site, fund	5,000.00
Current expense applicable to the year 1928	<u>1,777.78</u> 250.00	Building funds, details annexed	108,490.58
		Equipment funds, details annexed	3,246.54
		Loan from current fund, special	<u>2,809.59</u> 209,144.71
Special:		Current funds and liabilities:	
C a s h	11,428.02	General:	
Loan to endowment fund	272.91	Advance on 1928 appropriation received from Woman's Foreign Missionary Society of the M. E. Church	250.00
Loan to plant fund	2,809.59		
Loan to current fund, campaign	161.36	Special:	
Miscellaneous	<u>39.57</u> 14,711.45	Middle School fund	\$ 500.00
		Fund for summer school work	750.00
Campaign:		Income from J. A. Cole's estate	2,481.79
Office equipment	<u>161.36</u> 15,122.81	Miscellaneous	197.50
		Unexpended balance of income, as annexed	<u>10,782.16</u> 14,711.45
		Campaign:	
		Loan from current fund, special	<u>161.36</u> 15,122.81
	<u>\$246,067.52</u>		<u>\$246,067.52</u>

Note: The above statement does not include uncollected pledges and is subject to the comments contained in the attached report.



ANALYSIS of PLANT ASSETS and FUNDS
from November 16, 1925 to December 31, 1927

	ASSETS			FUNDS		
	Novr 16, 1925	Net Additions	Decr 31, 1927	Novr 16, 1925	Net Additions	Decr 31, 1927
L a n d:						
Land, general	\$ 42,842.38	\$ 421.80	\$ 42,420.58			
Land, middle school site	<u>7,500.00</u>		<u>7,500.00</u>	\$ 5,000.00		\$ 5,000.00
Total land	<u>\$ 50,342.38</u>	<u>\$ 421.80</u>	<u>\$ 49,920.58</u>	<u>\$ 5,000.00</u>		<u>\$ 5,000.00</u>
Land and building fund, general				<u>\$ 87,269.24</u>	<u>\$ 2,328.76</u>	<u>\$ 89,598.00</u>
Buildings:						
Whiting administration	\$ 8,579.79		\$ 8,579.79	\$ 28,294.80	\$ 1,261.93	\$ 29,556.73
Cadbury educational	489.70	\$10,284.70	10,774.40	22,265.63		22,265.63
Scattergood middle school	15,108.82		15,108.82	20,545.16		20,545.16
Middle school chapel	760.99		760.99			
Medical and dental college	5,913.17		5,913.17	5,000.00	913.17	5,913.17
Coles clock tower	3,168.13	2,454.10	5,622.23	4,000.00	4,587.99	8,587.99
Gateway house "B"	7.13		7.13			
Administration building entrance	143.33		143.33			
Lamont memorial library	11,580.21	5,130.11	16,710.32	15,000.00	1,621.90	16,621.90
Atherton memorial biology and preventive medicine	2,978.95		2,978.95		2,500.00	2,500.00
Residences:						
House "A"	14,000.00		14,000.00			
President's house	5,289.34	27.11	5,316.45		2,500.00	2,500.00
Undistributed disbursements	<u>58,605.50</u>	<u>8,478.48</u>	<u>67,083.98</u>			
Total buildings	<u>\$126,625.06</u>	<u>\$26,374.50</u>	<u>\$152,999.56</u>	<u>\$ 95,105.59</u>	<u>\$13,384.99</u>	<u>\$108,490.58</u>
Equipment:						
Library books	\$ 499.90		\$ 499.90			
Scientific and medical	4,147.40	\$ 242.77	4,390.17	\$ 2,000.00		\$ 2,000.00
Storage battery	1,000.00		1,000.00			
Miscellaneous		128.76	128.76			
Miscellaneous plant funds, sundry gifts					\$ 1,246.54	1,246.54
Total equipment	<u>\$ 5,647.30</u>	<u>\$ 371.53</u>	<u>\$ 6,018.83</u>	<u>\$ 2,000.00</u>	<u>\$ 1,246.54</u>	<u>\$ 3,246.54</u>
Total plant assets and funds, other than loans	<u>\$182,614.74</u>	<u>\$26,324.23</u>	<u>\$208,938.97</u>	<u>\$189,374.83</u>	<u>\$16,960.29</u>	<u>\$206,335.12</u>
C a s h			205.74			
Loan from current fund						<u>2,809.59</u>
Per statement of assets, funds and liabilities			<u>\$209,144.71</u>			<u>\$209,144.71</u>



ANALYSIS of UNEXPENDED INCOME
from November 16, 1925 to December 31, 1927

	<u>Total</u>	<u>1927</u>	<u>1926</u>	<u>1925 and Prior Years</u>
Balance, November 16, 1925	\$12,372.86			\$12,372.86
A d d:				
Income, details below	<u>76,569.01</u>	<u>\$24,130.73</u>	<u>\$27,669.74</u>	<u>24,768.54</u>
T o t a l	88,941.87	24,130.73	27,669.74	37,141.40
Deduct, Expenditures, details below	<u>78,159.71</u>	<u>30,322.85</u>	<u>33,393.46</u>	<u>14,443.40</u>
Balance, December 31, 1927	<u>\$10,782.16</u>	<u>\$ 6,192.12</u>	<u>\$ 5,723.72</u>	<u>\$22,698.00</u>

INCOME:

Cooperating boards:				
Received in cash	\$57,317.86	\$16,668.70	\$19,000.00	\$21,649.16
United Church of Canada, non-cash	9,000.00		6,000.00	3,000.00
Miscellaneous gifts	1,245.50	445.50	800.00	
Endowment income distributed	6,242.45	4,834.10	1,408.35	
Income from Coles Estate	1,630.00	1,630.00		
Interest on bank balances	<u>1,133.20</u>	<u>552.43</u>	<u>461.39</u>	<u>119.38</u>
Total, as above	<u>\$76,569.01</u>	<u>\$24,130.73</u>	<u>\$27,669.74</u>	<u>\$24,768.54</u>

EXPENDITURES:

Field expenses	\$51,724.20	\$23,408.85	\$20,720.00	\$ 7,595.35
New York office expense	2,263.11	1,512.74	687.87	62.50
Home administration, incidentals	1,653.52	814.45	839.07	
Field expenses paid by United Church of Canada	12,893.87		6,108.32	6,785.55
Campaign deficits	<u>9,625.01</u>	<u>4,586.81</u>	<u>5,038.20</u>	
Total, as above	<u>\$78,159.71</u>	<u>\$30,322.85</u>	<u>\$33,393.46</u>	<u>\$14,443.40</u>



ENDOWMENT FUND INVESTMENTS
as at December 31, 1927

BONDS:	<u>Interest Rates</u>	<u>Maturities</u>	<u>Par Values</u>	<u>Cost or Assigned Value</u>	<u>Approximate Market Value</u>
Pacific Railroad of Missouri: First extended mortgage	4 pct.	August 1, 1938	\$1,000	\$ 1,000	\$ 952.50
Colorado Industrial Company: Series "B"	5 pct.	August 1, 1934	1,000	1,000	953.75
Columbus & Hocking Valley Railroad: First extended mortgage	4 pct.	October 1, 1948	8,000	8,000	7,770.00
PREFERRED STOCK:					
Cities Service Company, 8 shares			800	800	758.00
GUARANTEED FIRST MORTGAGES ON REAL ESTATE:					
Bruno Fischer: Lot 27, Block 13, Norwood, Bergen County, New Jersey				3,000	3,000.00*
Jacob Halpern: East side of West 17th Street, 290 feet south of Neptune Avenue, Brooklyn, N. Y.				<u>8,000</u>	<u>8,000.00*</u>
Total				<u>\$21,800</u>	<u>\$21,434.25</u>

* Book value.



ANALYSIS of CASH RECEIPTS and DISBURSEMENTS
from November 16, 1925 to December 31, 1927

	Total	Endowment Fund	Plant Fund	General	Current Fund Special	Campaign
Balances on hand at November 16, 1925	\$13,817.29	\$ 7,175.00	\$ 8,239.91	\$ 1,061.84	\$13,820.36	
Add, Interest on bank balance	<u>119.38</u>				<u>119.38</u>	
Total	13,936.67	7,175.00	8,239.91	1,061.84	13,939.74	
Deduct:						
Drafts drawn in China:						
No. 317 Review of Reviews	\$ 3.50					
No. 318 Baker and Taylor	<u>100.00</u>					
	103.50				103.50	
Transfers between funds	<u>13,833.17</u>	7,175.00	<u>8,239.91</u> 8,239.91	1,061.84	<u>13,836.24</u> 8,239.91	
Balances at December 31, 1925, per ledger	13,833.17	7,175.00		1,061.84	5,596.33	
Add, Receipts during 1926, details annexed	<u>52,749.43</u>		<u>6,449.30</u>	<u>22,103.21</u>	<u>22,919.92</u>	<u>\$1,277.00</u>
Total	66,582.60	7,175.00	6,449.30	23,165.05	28,516.25	1,277.00
Deduct, Disbursements during 1926, details annexed	<u>51,105.91</u>		<u>14,607.79</u>	<u>22,211.21</u>	<u>7,810.35</u>	<u>6,476.56</u>
Transfers between funds	<u>15,476.69</u>	7,175.00	<u>8,158.49</u> 8,158.49	<u>953.84</u> 737.89	<u>20,705.90</u> 12,620.16	<u>5,199.56</u> 5,199.56
Balances at December 31, 1926, per ledger	15,476.69	7,175.00		215.95	8,085.74	
Add, Receipts during 1927, details annexed	<u>53,331.87</u>	<u>3,552.09</u>	<u>23,764.87</u>	<u>19,876.08</u>	<u>5,605.87</u>	<u>532.96</u>
Total	68,808.56	10,727.09	23,764.87	20,092.03	13,691.61	532.96
Deduct:						
Disbursements during 1927, details annexed	<u>58,702.58</u>	<u>11,000.00</u>	<u>7,811.90</u>	<u>27,505.22</u>	<u>7,265.69</u>	<u>5,119.77</u>
Transfers between funds	<u>10,105.98</u>	<u>272.91</u> 272.91	<u>15,952.97</u> 15,747.23	<u>7,413.19</u> 5,885.41	<u>6,425.92</u> 5,002.10	<u>4,586.81</u> 4,586.81
Balances at December 31, 1927	<u>\$10,105.98</u>	-	\$ 205.74	\$ 1,527.78	\$11,428.02	-



CASH RECEIPTS
for the calendar year 1926

	<u>Total</u>	<u>Endowment Fund</u>	<u>Plant Fund</u>	<u>Current Fund</u>		
				<u>General</u>	<u>Special</u>	<u>Campaign</u>
Appropriations from cooperating boards for 1926:						
American Baptist Foreign Mission Society	\$ 6,000.00			\$ 6,000.00		
Women's American Baptist Foreign Mission Society	1,000.00			1,000.00		
Church Missionary Society	500.00			500.00		
Friends' Foreign Mission Association	2,500.00			2,500.00		
Board of Foreign Missions of the M. E. Church	6,000.00			6,000.00		
Do special	240.00			240.00		
Women's Foreign Missionary Society of the M. E. Church	1,000.00			1,000.00		
Woman's Foreign Missionary Society of the United Church of Canada	2,000.00			2,000.00		
Appropriations for years prior to 1926:						
American Baptist Foreign Mission Society, 1923, 1924 and 1925	18,000.00				\$18,000.00	
Women's American Baptist Foreign Mission Society, 1925	1,000.00				1,000.00	
Women's Foreign Missionary Society of the M. E. Church, 1925	750.00				750.00	
Friends' Foreign Mission Association	2,028.43		\$ 2,028.43			
Church Missionary Society, balance for 1922 and 1923	380.24				380.24	
Do in full for 1924 and 1925	1,000.00				1,000.00	
General:						
Sir Joseph Flavelle	3,500.00		2,500.00			\$ 1,000.00
Friends' Foreign Mission Association, exchange adjustment	518.92				518.92	
Church Missionary Society	33.33		33.33			
United Church of Canada	67.00		67.00			
Coles estate	2,113.82			2,113.82		
Miscellaneous gifts	1,837.54		970.54	290.00	300.00	277.00
Income from investments	1,581.44		850.00	52.00	679.44	
Interest on bank balances	698.71			407.39	291.32	
Total for year	\$52,749.43		\$ 6,449.30	\$22,103.21	\$22,919.92	\$ 1,277.00

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CASH RECEIPTS
for the calendar year 1927

	<u>Total</u>	<u>Endowment Fund</u>	<u>Plant Fund</u>	<u>Current Fund</u>		
				<u>General</u>	<u>Special</u>	<u>Campaign</u>
Appropriations from cooperating boards for 1927:						
American Baptist Foreign Missionary Society	\$ 6,000.00			\$ 6,000.00		
women's American Baptist Foreign Missionary Society	1,000.00			1,000.00		
Friends' Foreign Mission Association	2,428.70			2,428.70		
Board of Foreign Missions of the M. E. Church	4,375.00			4,375.00		
Women's Foreign Missionary Society of the M. E. Church	1,000.00			1,000.00		
Woman's Foreign Missionary Society of the United Church of Canada	2,000.00			2,000.00		
Appropriation from cooperating board for 1928:						
Women's Foreign Missionary Society of the M. E. Church	250.00			250.00		
General:						
Sir Joseph Flavelle	750.00			750.00		
Julia M. Atherton	600.00				\$ 600.00	
Mr. and Mrs. Theodore Richard	600.00				600.00	
F. C. Atherton	3,100.00		\$ 2,500.00		600.00	
Kate M. Atherton Trust Fund	3,921.90	\$2,500.00	1,421.90		600.00	
Coles Estate	5,024.29		2,526.32		2,497.97	
Mary G. Masland	1,000.00	1,000.00				
United Church of Canada	1,113.17		1,113.17			
American Friends Board of Foreign Missions	421.80		421.80			
Miscellaneous gifts	3,004.26		476.00	1,504.50	490.80	\$ 532.96
Refund of traveling expenses advanced in China	13.95			13.95		
Proceeds from sale of investments	15,050.00	50.00	15,000.00			
Profit on sale of investments	116.94	1.33	115.61			
Income from investments	944.16	.76	190.07		753.33	
Interest on bank balances	617.70			553.93	63.77	
Total for year	\$53,331.87	\$3,552.09	\$23,764.87	\$19,876.08	\$5,605.87	\$ 532.96



CASH DISBURSEMENTS
for the calendar years 1927 and 1926

	Calendar Year	
	1927	1926
Endowment fund:		
Mortgage on property of Bruno Fischer, Lot 27, Block 13, Norwood, New Jersey	\$ 3,000.00	305.00
Mortgage on property of Jacob Halpern, East side of West 17th Street, 290 feet south of Neptune Avenue, Brooklyn, N. Y.	175.00	100.00
	8,000.00	67.50
Total endowment fund	\$11,000.00	
Plant fund:		
Gadbury Educational Building	\$ 5,284.70	\$ 5,000.00
Coles Clock Tower	121.35	271.08
President's House		27.11
Lamont Memorial Library Building		5,130.11
Scientific and medical equipment		242.77
Miscellaneous equipment	21.50	57.04
Undistributed:		
Traveling expenses of Rev. W. Small		3,005.98
Salary of Rev. W. Small	2,350.00	
Salary of Mr. Morrison		873.70
Architect's fee	34.35	
Total plant fund	\$ 7,811.90	\$14,607.79
Current Fund, General:		
Traveling expenses in America	\$ 518.00	\$ 208.73
Home administration:		
Central office expense for salaries, rent, etc.	1,639.55	770.75
Premium on fidelity bond	49.53	50.00
Cables, telephone charges and postage	50.61	25.64
Accountant's fees		400.00
Miscellaneous	105.50	84.82
Salary, allowance, and traveling expenses of Dr. Jos. Beech	7,422.80	3,220.00
Drafts drawn in China:		
Library and books	2.25	1,153.22
Medicine		358.47
Diplomas	30.00	45.00
Physics department		200.00
Dental faculty		160.00
Pathology and bacteriology		325.00
Electric plant		414.83
Current budget, no detail	17,636.98	14,794.75
Total current fund, general	\$27,505.22	\$22,211.21

Continued



CASH DISBURSEMENTS, Continued

	Calendar Year	
	1927	1926
Current Fund, Special:		
Salary and expenses of Dr. Jos. Beech		\$ 305.00
Traveling expenses of Chinese professor		100.00
Refund of gifts	\$ 175.00	100.00
Treasurer's salary		62.50
United Church of Canada for reimbursement of salaries paid	6,108.32	
Board of Foreign Missions of M. E. Church, being income due them from Ackerman fund	977.50	
Miscellaneous	4.37	
Drafts drawn in China:		
1924 budget		4,000.00
1925 budget:		
Library		156.00
Medicine		586.85
No details		2,000.00
Total current fund, special	\$ 7,265.69	\$ 7,810.35
Current Fund, Campaign:		
Salary and expenses of Dr. J. M. Yard	\$ 3,704.90	\$ 4,521.88
Secretarial and stenographic services	576.67	742.04
R e n t	365.08	264.38
Stationery, printing and postage	403.21	637.04
Typewriter and other office equipment		161.36
Telephone charges and telegrams	45.89	44.69
Miscellaneous	24.02	105.17
Total current fund, campaign	\$ 5,119.77	\$ 6,476.56

WEST CHINA UNION UNIVERSITY

Report upon Examination of Accounts
for the year ended December 31, 1928

LYBRAND, ROSS BROS. & MONTGOMERY
ACCOUNTANTS AND AUDITORS
NEW YORK OFFICE

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WILLIAM M. LYBRAND
T. EDWARD ROSS
ADAM A. ROSS
ROBERT H. MONTGOMERY
JOSEPH M. PUGH
WALTER A. STAUB
H. H. DUMBRILLE
JOHN HOOD, JR.
WALTER S. GEE
HOMER N. SWEET
T. B. G. HENDERSON
GEORGE R. KEAST

LYBRAND, ROSS BROS. & MONTGOMERY

ACCOUNTANTS AND AUDITORS

MEMBERS OF AMERICAN INSTITUTE OF ACCOUNTANTS

110 WILLIAM STREET
NEW YORK

CABLE ADDRESS
ACCOMPTANT

NEW YORK
PHILADELPHIA
CHICAGO
BOSTON
NEWARK
BALTIMORE
WASHINGTON
PITTSBURGH
DETROIT
CLEVELAND
CINCINNATI
SAN FRANCISCO
LOS ANGELES
PORTLAND
SEATTLE
LONDON
PARIS
BERLIN

April 29, 1929.

Dr. Frank Anderson, Secretary,

The Executive Committee of the
Board of Governors,

West China Union University,

199 Regent Street,

London, Ontario, Canada.

Dear Sir:

We have completed our examination of the accounts of the

WEST CHINA UNION UNIVERSITY

as kept at the New York office, for the year ended December 31, 1928, and submit herewith statements setting forth the financial position of the University as at December 31, 1928, and the results of operations for the year then ended.

Results of Operations: The operations for the year 1928 resulted in a net surplus of \$1,354.65, as is shown in the accompanying Schedule 5. By reference to this schedule, it may be noted that this net surplus of \$1,354.65 represents the difference between a deficit of \$730.53 for the current (1928) activities, and a net gain or surplus of \$2,085.18 resulting from the excess of income received in the current year and allocated to the deficit of the preceding year, over 1928 expenditures, likewise charged to that year.



Scope of Examination: The examination embraced the verification of all assets and liabilities as at December 31, 1928, together with a careful review of the cash transactions and records for the entire year.

The extent of our verification of the assets and liabilities is indicated by our reconciliation and confirmation of bank balances, confirmation of investment securities and scrutiny of other asset and liability accounts.

Additions to the plant accounts were vouched, and the principal and the income of the respective funds received our attention.

We append the following statements which we believe are self-explanatory:

STATEMENT of ASSETS, FUNDS and LIABILITIES
as at December 31, 1928

Schedules

- 1 List of Endowment Fund Investments as at December 31, 1928
- 2 Statement of Land, Buildings and Equipment as at December 31, 1928 and 1927
- 3 Statement of Endowment Funds for the year ended December 31, 1928
- 4 Statement of Plant Funds for the year ended December 31, 1928
- 5 Statement of Current Fund Surplus for the year ended December 31, 1928
- 6 Statement of Manager's Current Deficit Account for the year ended December 31, 1928.

Very truly yours,

Lybrand, Ross Bros. & Montgomery



WEST CHINA UNION UNIVERSITY
STATEMENT of ASSETS, FUNDS and LIABILITIES
as at December 31, 1928

ASSETS:		FUNDS and LIABILITIES:	
Endowment fund assets:		Endowment funds, per Schedule 3	\$221,627.09
Cash awaiting investment	\$ 3,653.21		
Investments at cost,		Plant funds and liabilities:	
per Schedule 1	<u>217,973.88</u>	Account payable for loan from	\$ 11,189.77
	\$221,627.09	special funds	
Plant fund assets:		Plant funds, per Schedule 4	<u>208,816.91</u> 220,006.68
Land, buildings and equipment,			
per Schedule 2	220,006.68	Current funds and liabilities:	
Current fund assets:		General:	
General:		Accounts payable	375.00
Cash	4,778.64	Income deferred to year 1929	<u>5,893.37</u> 6,268.37
Interest receivable	164.26		
Disbursements in excess of		Special:	
budget, deferred to		Restricted income deferred to	
ensuing year 1929	<u>1,325.47</u>	year 1929	5,270.55
	6,268.37	Surplus, per Schedule 5	<u>12,136.81</u> 17,407.36
Special:			
Cash	6,091.23		
Loans to plant fund	11,189.77		
Equipment of campaign office	<u>126.36</u>		
	17,407.36		
	<u>\$465,309.50</u>		
			<u>\$465,309.50</u>

Note: The above statement is exclusive of pledges receivable.



LIST of ENDOWMENT FUND INVESTMENTS
as at December 31, 1928

	Par Value	Book Value
Cities Service Co., 9 shares	\$ 900	\$ 898.88
Guaranteed first mortgages on real estate:		
Bruno Fischer, lot 27, block 13, Herwood, Bergen Co., N. J.	3,000	3,000.00
Jacob Halpern, east side of West 17th Street, 290 feet south of Neptune Ave., Brooklyn, N. Y.	8,000	8,000.00
Ackerman Funds:		
Missouri Pac. R. R. 4's due August 1, 1938	1,000	1,000.00
Colorado Industrial Co., Series "B" 5's due August 1, 1934	1,000	1,000.00
Columbus & Hocking R.R. first extended mortgage 4's due 1948	8,000	8,000.00
Hall Estate:		
Aluminum Co. of America 1,000 shares 6 pct. pfd.		100,000.00
U. S. Fourth Liberty Loan 4½'s due 1938	20,000	20,200.00
Federal Land Bank 4's due 1958	5,000	4,800.00
City of New York, roads, 4½'s due 1946	10,000	10,025.00
City of Philadelphia, 4½'s due 1946 to 1976	15,000	15,150.00
City of Pittsburgh, 4½'s due 1949	25,000	25,500.00
County of Alleghany, 4½'s due 1945	20,000	20,400.00
	<u>\$116,900</u>	<u>\$217,975.88</u>
Equipment:		
Library books		
Scientific and medical		
Storage battery		
Miscellaneous		
Apparatus		
Medical apparatus		



Schedule 2

STATEMENT of LAND, BUILDINGS and EQUIPMENT
as at December 31, 1928 and 1927

	<u>Balance</u> <u>Dec 31, 1927</u>	<u>Additions</u> <u>and</u> <u>Reductions</u>	<u>Transfers</u> <u>Between</u> <u>Accounts</u>	<u>Balance</u> <u>Dec 31, 1928</u>
Land:				
General	\$ 42,420.58			\$ 42,420.58
Middle School site	7,500.00			7,500.00
Improvements		\$ 300.33		300.33
	<u>\$ 49,920.58</u>	<u>\$ 300.33</u>		<u>\$ 50,220.91</u>
Buildings:				
Whiting Memorial				
Administration	\$ 8,579.79			\$ 8,579.79
Cadbury Educational	10,774.40			10,774.40
Scattergood Middle				
School	15,108.82			15,108.82
Middle School Chapel	760.99			760.99
Medical and Dental				
College	5,913.17			5,913.17
Coles Creek Tower	5,622.23			5,622.23
Gateway House "B"	7.13			7.13
Administration Bldg.				
Entrance	143.33			143.33
Lamont Memorial				
Library	16,710.32	\$ 2,481.79		19,192.11
Atherton Memorial				
Biology	2,978.95			2,978.95
Residences:				
House "A"	14,000.00			14,000.00
President's House	5,316.45			5,316.45
Undistributed				
disbursements	67,083.98	8,285.59		75,369.57
	<u>\$152,999.56</u>	<u>\$10,767.38</u>		<u>\$163,766.94</u>
Equipment:				
Library books	\$ 499.90			\$ 499.90
Scientific and medical	4,390.17		\$3,027.81	1,362.36
Storage battery	1,000.00			1,000.00
Miscellaneous	128.76			128.76
Apparatus			2,027.81	2,027.81
Medical apparatus			1,000.00	1,000.00
	<u>\$ 6,018.83</u>			<u>\$ 6,018.83</u>
	<u>\$208,938.97</u>	<u>\$11,067.71</u>		<u>\$220,006.68</u>



STATEMENT of ENDOWMENT FUNDS
for the year ended December 31, 1928

	Balances December 31, 1927	Additions	Balances December 31, 1928
General Endowment Fund	\$ 2,000.00		\$ 2,000.00
Hand Fund	52.09		52.09
Hall Endowment Fund, General		\$200,000.00*	200,000.00
Maria S. Ackerman Fund	10,000.00		10,000.00
J. E. Johnson Fund	5,000.00		5,000.00
Rosemond Scholarship Fund	975.00	100.00	1,075.00
William Masland Library Fund	1,000.00		1,000.00
Kate M. Atherton Fund for Repair and Upkeep	<u>2,500.00</u>		<u>2,500.00</u>
	<u>\$21,527.09</u>	<u>\$200,100.00</u>	<u>\$221,627.09</u>

*Securities accepted in lieu of cash in settlement
of will of Charles M. Hall, deceased
Cash gift, December 28, 1928

\$196,075
3,925
\$200,000



Schedule 4

STATEMENT of PLANT FUNDS
for the year ended December 31, 1928

	Balances Dec 31, 1927	Addi- tions	Balances Dec 31, 1928
Land and buildings general fund	\$ 89,598.00		\$ 89,598.00
Special funds:			
H. M. Whiting Memorial Building	29,556.73		29,556.73
Cadbury Educational Building	22,265.63		22,265.63
Scattergood Middle School	20,545.16		20,545.16
Do Do Do site	5,000.00		5,000.00
Medical and Dental College Building	5,913.17		5,913.17
Coles Clock Tower	8,587.99		8,587.99
Residences	2,500.00		2,500.00
Lamont Memorial Library	16,621.90	\$2,481.79	19,103.69
Atherton Memorial Biology and Preventive Medical Building	2,500.00		2,500.00
Science and Medical Laboratory	2,000.00		2,000.00
Equipment	1,246.54		1,246.54
Miscellaneous			
	<u>\$206,335.12</u>	<u>\$2,481.79</u>	<u>\$208,816.91</u>

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STATEMENT of CURRENT FUND SURPLUS
for the year ended December 31, 1928

Schedule 5

	<u>Totals</u>	<u>Manager's Current Deficit 1928</u>	<u>Manager's Deficit, 1927</u>	<u>Reserve Balance 1925</u>	<u>Campaign Deficits</u>	
					<u>1926</u>	<u>1927</u>
Income for current year 1928	\$32,142.93	\$25,642.93*	\$6,500.00			
Expenses for current year 1928	<u>30,788.28</u>	<u>26,373.46*</u>	<u>4,414.82</u>			
Net surplus or deficit current year	1,354.65	730.53*	2,085.18			
Surplus or deficit, December 31, 1927	10,782.16		1,609.31	\$22,012.48	\$5,038.20	\$4,586.81
Transfers between accounts	<u> </u>	<u> </u>	<u> </u>	<u>9,625.01</u>	<u>5,038.20</u>	<u>4,586.81</u>
	<u>\$12,136.81</u>	<u>\$ 730.53</u>	<u>\$ 479.87</u>	<u>\$12,387.47</u>	<u> </u>	<u> </u>

*See Schedule 6 for details.

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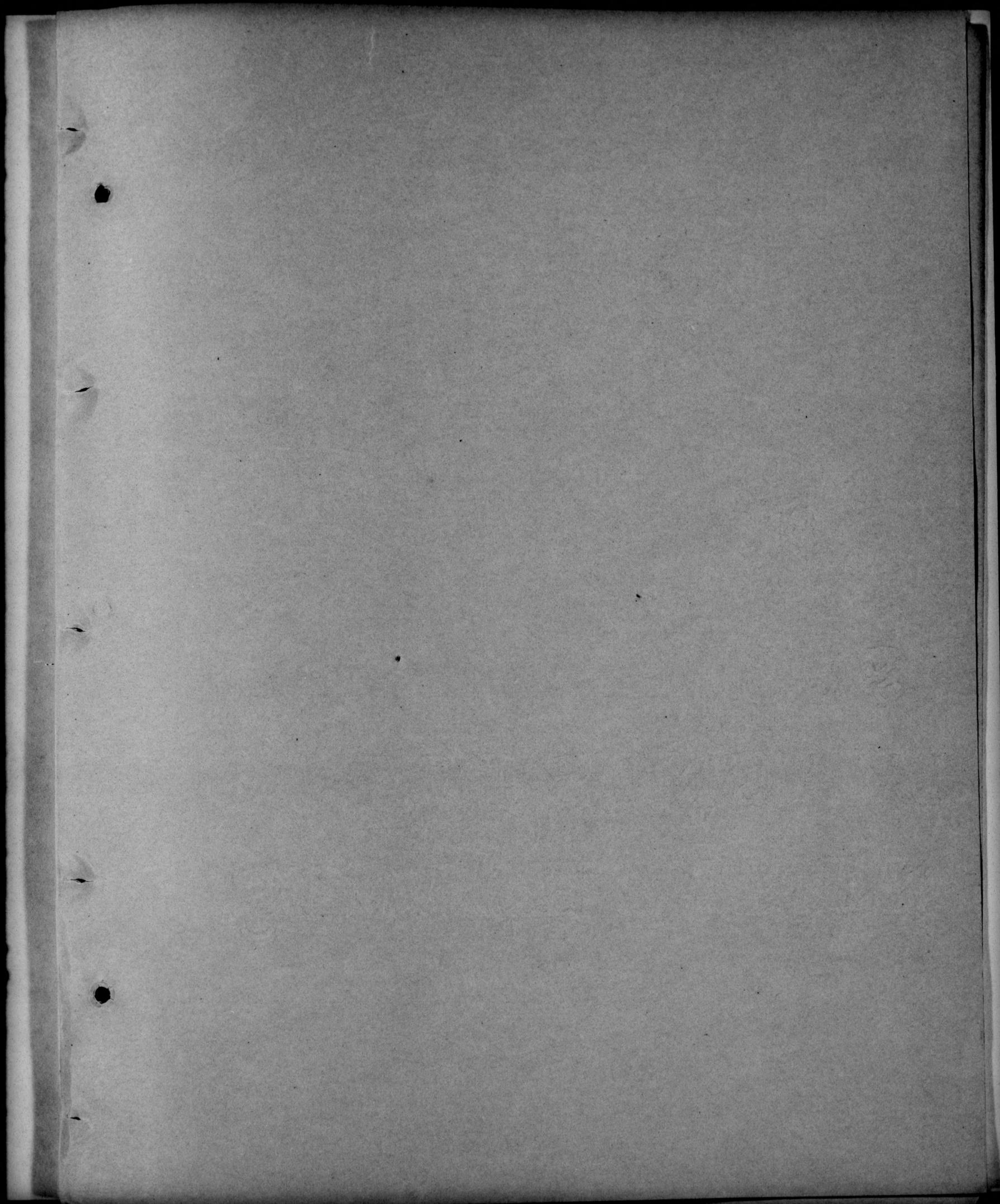
DETAIL STATEMENT of MANAGER'S CURRENT DEFICIT ACCOUNT
for the year ended December 31, 1928

Income:

American Baptist Foreign Missionary Society	\$ 6,000.00
Church Missionary Society	500.00
Friends Service Council	2,434.70
Board of Foreign Missions, M. E. Church	5,888.00
Women's Foreign Missionary Society, M. E. Church	1,000.00
Board of Foreign Missions, United Church of Canada	6,000.00
Women's Society, United Church of Canada	2,000.00
Special gifts for current budget	820.30
Endowment income Unrestricted	113.88
Do Restricted (Budget)	471.42
Interest on bank balance	414.63
	<u>\$25,642.93</u>

Expenses:

General field	\$16,000.00
Governor's budget	9,173.46
Home Administration, central office	<u>1,200.00</u>
	<u>\$26,373.46</u>
Net deficit	<u>\$730.53</u>



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