

AMERICAN SOCIETY OF ICHTHYOLOGISTS AND HERPETOLOGISTS

**FINANCIAL STATEMENTS
and
SUPPLEMENTARY INFORMATION**

DECEMBER 31, 2007

with

INDEPENDENT AUDITORS' REPORT

AMERICAN SOCIETY OF ICHTHYOLOGISTS AND HERPETOLOGISTS

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Independent Auditors' Report

Board of Governors
American Society of Ichthyologists and Herpetologists
Washington, D.C.

We have audited the accompanying statement of financial position of the American Society of Ichthyologists and Herpetologists (Society) as of December 31, 2007, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Society's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion the financial statements referred to above present fairly, in all material respects, the financial position of the American Society of Ichthyologists and Herpetologists as of December 31, 2007, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplementary information is presented for the purpose of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements, and in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Richard D. Garman & Associates A. C.

May 29, 2008
Fountain Valley, California

AMERICAN SOCIETY OF ICHTHYOLOGISTS AND HERPETOLOGISTS

STATEMENT OF FINANCIAL POSITION

December 31, 2007

ASSETS

Current assets:

Cash and Cash Equivalents:	\$ 452,948
Investments	633,660
Dividends & Interest Receivable	2,148
Accounts receivable	<u>37,539</u>
Total Current Assets	1,126,295
Deposits	5,235
Permanently Restricted Investments - Endowments	<u>132,000</u>
Total Assets	<u>\$ 1,263,530</u>

LIABILITIES AND NET ASSETS

Current Liabilities:

Accounts Payable	\$ 48,624
Deferred Revenue	<u>75,819</u>
Total Current Liabilities	124,443
Deferred Revenue - Lifetime Memberships	<u>56,268</u>
Total Liabilities	180,711

Net Assets

Unrestricted Net Assets

General Operating	374,633
Board Designated:	
General Endowment	141,212
Graduate Student Travel Fund	16,349
Stoye	79,003
Life Membership	37,660
Annual Meeting	116,041
Gaige	61,050
Storer	25,915
Raney	43,309
Fitch	<u>23,502</u>
Total Unrestricted Net Assets	<u>918,674</u>

Temporarily Restricted Net Assets

Gibbs	<u>32,145</u>
Total Temporarily Restricted Net Assets	<u>32,145</u>

Permanently Restricted Net Assets

Gibbs	100,000
Raney	<u>32,000</u>
Total Permanently Restricted Net Assets	<u>132,000</u>

Total Net Assets	<u>1,082,819</u>
Total Liabilities and Net assets	<u>\$ 1,263,530</u>

The accompanying notes are an integral part of these financial statements.

AMERICAN SOCIETY OF ICHTHYOLOGISTS AND HERPETOLOGISTS

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2007

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Support and Revenue				
<i>Program Services</i>				
Memberships	\$ 144,931	\$ -	\$ -	\$ 144,931
Subscriptions	82,201	-	-	82,201
Page Charges	7,780	-	-	7,780
Special Publications	2,901	-	-	2,901
BioOne	57,615	-	-	57,615
Annual Meeting	17,544	-	-	17,544
Life Memberships	2,345	-	-	2,345
Copeia Back Issues	1,420	-	-	1,420
Other	10,578	-	-	10,578
<i>Donations</i>	5,959	-	-	5,959
<i>Interest & Dividends</i>	27,538	3,128	-	30,666
<i>Net Realized and Unrealized Gains and (losses) on Investments</i>	27,943	4,931	-	32,874
<i>Net Assets Released from Restrictions</i>	5,027	(5,027)	-	-
Total Support and Revenue	<u>393,782</u>	<u>3,032</u>	<u>-</u>	<u>396,814</u>
 Expenses:				
<i>Program Services:</i>				
Publication of Copeia	149,359	-	-	149,359
Editorial Office	32,000	-	-	32,000
Annual Meeting Program	18,495	-	-	18,495
Awards	24,648	-	-	24,648
Total Program Services	<u>224,502</u>	<u>-</u>	<u>-</u>	<u>224,502</u>
 <i>Supporting Services:</i>				
Management and General	99,145	-	-	99,145
Total Program and Supporting Services	<u>323,647</u>	<u>-</u>	<u>-</u>	<u>323,647</u>
 Change in Net Assets	70,135	3,032	-	73,167
Net Assets, January 1, 2007,	<u>848,539</u>	<u>29,113</u>	<u>132,000</u>	<u>1,009,652</u>
Net Assets, December 31, 2007	<u>\$ 918,674</u>	<u>\$ 32,145</u>	<u>\$ 132,000</u>	<u>\$ 1,082,819</u>

The accompanying notes are an integral part of these financial statements.

AMERICAN SOCIETY OF ICHTHYOLOGISTS AND HERPETOLOGISTS

STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2007

Increase (Decrease) in Cash

Cash Flows from Operating Activities:	
Increase in net assets	\$ 73,167
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Net realized and unrealized gains on investments	(32,874)
Change in dividends and interest receivable	(1,121)
Change in accounts receivable	24,803
Change in deposits	(5,235)
Change in accounts payable	11,597
Change in deferred revenue	6,524
Change in deferred revenue - Lifetime Memberships	<u>311</u>
Net Cash Provided (Used) by Operating Activities	77,172
Cash Flows from Investing Activities:	
Proceeds from sales and maturity of Investments	415,855
Investment of restricted cash flows on permanent endowments	(3,561)
Purchase of Investments	<u>(492,609)</u>
Net cash flows provided (used) by investing activities	<u>(80,315)</u>
Cash flows from Financing Activities:	
Restricted cash received on permanent endowments	<u>3,561</u>
Net cash flows provided by financing activities	<u>3,561</u>
Net Increase in Cash and Cash Equivalents	418
Cash and Cash Equivalents, January 1, 2007	<u>452,530</u>
Cash and Cash Equivalents, December 31, 2007	<u>\$ 452,948</u>

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

December 31, 2007

1. Summary of significant accounting policiesNature of Organization

The American Society of Ichthyologists and Herpetologists (the Society) is organized as a non-profit corporation for the purposes of increasing "knowledge of all kinds concerning fish (ichthyology) and reptiles and amphibians (herpetology)." The Society's main sources of income are member dues, subscription revenue for the Society's quarterly journal, *Copeia*, revenue sharing from on line sources of *Copeia* and donations.

The major programs of the Society are the publication of the quarterly journal, *Copeia*, the publication of books on ichthyology and herpetology, the recognition of achievements in these fields through annual awards and presentation of invited and contributed talks and posters at the annual meeting by the membership.

Basis of Accounting

The financial statements of the Society have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). The significant accounting policies followed are described below to enhance the usefulness to the user.

Basis of Presentation

Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor imposed restrictions. Accordingly, net assets and their changes are classified as follows:

Unrestricted net assets: Net assets not subject to stipulations imposed by donors.

Temporarily restricted net assets: Net assets subject to stipulations imposed by donors that may or will be met by actions of the Governing Board and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Permanently restricted net assets: Net assets subject to stipulations imposed by donors that they be maintained permanently by the Society. Generally, the donors of these assets permit the Society to use all or part of the income earned on related investments for general or specific purposes.

Marketing

The Society follows the policy of expensing all costs in connection with marketing.

NOTES TO FINANCIAL STATEMENTS

December 31, 2007

1. Summary of Significant Accounting Policies, (continued)Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the reporting date and revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Society considers all unrestricted and temporarily restricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Investments

Investments consist of mutual funds and certificates of deposit. The investments are carried at fair market value based on quoted market prices. Realized and unrealized gains and losses are included in the accompanying statement of activities.

Deferred Revenue

Funds received in the current year for next year's membership dues are recorded as deferred revenue. The funds for membership dues will be recognized as revenue in the succeeding year when the services are provided. Funds received for Life Memberships are recognized as revenue over the duration of the life member.

Program income and expense

The Society considers the production costs and resulting sales income related to book publications to be program expense and revenue, respectively. The Society has not assigned a value to ending publication inventory due to the relatively short life of these publications and uncertainty of future sales. As a result, publication revenues and expenses are recorded in the year earned or incurred, respectively.

Income Taxes

The Society is a District of Columbia nonprofit corporation which has qualified for tax-exempt status under Section 501(c)(3) of the Internal Revenue Code and corresponding District of Columbia provisions. The Society is not classified as a private foundation. Accordingly, no provision for income tax expense has been made in the accompanying financial statements.

NOTES TO FINANCIAL STATEMENTS

December 31, 2007

2. Collateralization of Deposits

The Society's cash and cash equivalents are maintained in a commercial bank account and a commercial brokerage account. The Society has exposure to credit risk to the extent that these amounts exceed amounts covered by federal deposit insurance. The Society believes that its credit risk is not significant.

3. Investments

Investments are stated at fair market value and are summarized as follows:

	December 31, 2007		
	Cost	Fair Market Value	Unrealized Gain (Loss)
Certificates of Deposit	\$ 95,000	\$ 94,735	\$ (265)
Mutual Funds	544,982	538,925	(6,057)
Mutual Funds- Permanently Restricted	133,495	132,000	(1,495)
Total mutual funds	<u>678,477</u>	<u>670,925</u>	<u>(7,552)</u>
Total investments	<u>\$ 773,477</u>	<u>\$ 765,660</u>	<u>\$ (7,817)</u>

Investment management expenses of \$6,965 and realized gains of \$47,656 are included in the accompanying statement of activities for the year ended December 31, 2007.

4. Temporarily Restricted Assets

The Society has temporarily restricted funds created by stipulations placed on donations received. The use of these funds is restricted for the stipulated purpose, but earnings are recognized as unrestricted net assets.

Gibbs - Income earned from this endowment is for the purposes described in Note 6.

5. Functional expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities and the supplementary information. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

NOTES TO FINANCIAL STATEMENTS

December 31, 2007

6. Permanently Restricted Net Assets

The Society has two named endowment funds that represent gifts and bequests that have been accepted with the donor stipulation that the principal be maintained intact in perpetuity or a specified period. Income from these assets is restricted to provide scholarships and honorariums as detailed below. Accordingly, earnings are recognized as temporarily restricted net assets.

The Robert H. Gibbs, Jr. Memorial Award - The Gibbs Endowment presents an annual award for an outstanding body of published work in systematic ichthyology.

The Edward C. Raney Award - The Raney Endowment funds an award for ichthyology. The award provides support for young ichthyologists for museum or laboratory study, travel, fieldwork, or any other activity that will effectively enhance their professional careers and their contributions to the science of ichthyology.

7. Fair Value of Financial Instruments

The Society financial instruments, none of which are held for trading purposes, include cash, certificates of deposit, mutual fund investments, accounts receivable, deposits, accounts payable and deferred revenue. The Society estimates that the fair value of all financial instruments at December 31, 2007, does not materially differ from the aggregate carrying values of the financial instruments recorded in the accompanying financial statements.

SUPPLEMENTARY INFORMATION

AMERICAN SOCIETY OF ICHTHYOLOGISTS AND HERPETOLOGISTS

Combining Schedule of Activities

For the year ended December 31, 2007

	General Operating	Student Travel	General Endowment	Stoye
Net Assets at January 1, 2007	\$ 335,047	\$ 12,643	\$ 133,978	\$ 75,237
<i>Support and Revenue</i>				
Membership, Subscription, Other Revenue	307,418	-	-	-
Donations	-	5,613	346	-
Interest & Dividends	9,394	651	3,687	1,926
Net Realized and Unrealized Gain (loss) on Investments	9,829	-	4,701	3,090
Total Support and Revenue	326,641	6,264	8,734	5,016
<i>Expenses</i>				
Publication of Copeia and Other expenses	280,504	-	-	-
Awards	-	5,750	1,500	1,250
Total Expenses	280,504	5,750	1,500	1,250
Excess of Revenues over (Expenses)	46,137	514	7,234	3,766
<i>Transfers</i>				
Awards	(9,500)	-	-	-
Board Designated Transfers	2,949	3,192	-	-
Total Transfers	(6,551)	3,192	-	-
Change in Net Assets	39,586	3,706	7,234	3,766
Net Assets at December 31, 2007	\$ 374,633	\$ 16,349	\$ 141,212	\$ 79,003
Unrestricted -General Operating	\$ 374,633	\$ -	\$ -	\$ -
Unrestricted -Board Designated	-	16,349	141,212	79,003
Total Unrestricted	374,633	16,349	141,212	79,003
Temporarily Restricted	-	-	-	-
Permanently Restricted	-	-	-	-
Total Net Assets	\$ 374,633	\$ 16,349	\$ 141,212	\$ 79,003

Life Membership	Annual Meeting	Gaige	Storer	Raney	Fitch	Gibbs	Total
\$ 35,854	\$ 112,478	\$ 57,120	\$ 24,715	\$ 70,378	\$ 23,089	\$ 129,113	\$ 1,009,652
2,345	17,552	-	-	-	-	-	327,315
-	-	-	-	-	-	-	5,959
3,071	4,506	1,234	648	1,742	632	3,175	30,666
2,531	-	2,696	1,052	3,189	855	4,931	32,874
7,947	22,058	3,930	1,700	4,931	1,487	8,106	396,814
-	18,495	-	-	-	-	-	298,999
-	-	4,500	500	5,000	1,074	5,074	24,648
-	18,495	4,500	500	5,000	1,074	5,074	323,647
7,947	3,563	(570)	1,200	(69)	413	3,032	73,167
-	-	4,500	-	5,000	-	-	-
(6,141)	-	-	-	-	-	-	-
(6,141)	-	4,500	-	5,000	-	-	-
-	-	-	-	-	-	-	-
1,806	3,563	3,930	1,200	4,931	413	3,032	73,167
<u>\$ 37,660</u>	<u>\$ 116,041</u>	<u>\$ 61,050</u>	<u>\$ 25,915</u>	<u>\$ 75,309</u>	<u>\$ 23,502</u>	<u>\$ 132,145</u>	<u>\$ 1,082,819</u>
\$ -	-	-	-	-	-	-	374,633
37,660	116,041	61,050	25,915	43,309	23,502	-	544,041
37,660	116,041	61,050	25,915	43,309	23,502	-	918,674
-	-	-	-	-	-	32,145	32,145
-	-	-	-	32,000	-	100,000	132,000
<u>\$ 37,660</u>	<u>\$ 116,041</u>	<u>\$ 61,050</u>	<u>\$ 25,915</u>	<u>\$ 75,309</u>	<u>\$ 23,502</u>	<u>\$ 132,145</u>	<u>\$ 1,082,819</u>

AMERICAN SOCIETY OF ICHTHYOLOGISTS AND HERPETOLOGISTS

Schedule of Management and General Expense

For the Year Ended December 31, 2007

Allen Press, Inc.:	
Business Management	\$ 37,870
Warehouse	<u>7,652</u>
Total Allen Press	45,522
Annual Audit	7,016
Bank Charges	3,220
Dues and Subscriptions	2,595
Web site at Tulane University	3,552
Secretary's Office	36,870
Treasurer's Office	93
Other expense	<u>277</u>
 Total Management and General Expenses	 <u>\$ 99,145</u>

AMERICAN SOCIETY OF ICHTHYOLOGISTS AND HERPETOLOGISTS

Schedule of Mutual Fund Investments

December 31, 2007

Mutual Fund	Initial Purchase Date	Cost as of December 31	Market Value as of December 31	Shares as of December 31
<i>Smith Barney</i>				
American Century Inter. Bond Fund	October 20, 2003	\$ 13,216	\$ 13,914	958.297
Columbia International Bond Fund	January 4, 2001	147,806	147,678	16,819.772
Davis NY Venture Fund	December 11, 2007	64,316	63,921	1,580.250
Europacific Growth Fund	February 24, 2006	57,886	58,974	1,164.347
Fundamental Investors Fund	December 11, 2007	68,039	64,452	1,519.032
Growth Fund of America	April 20, 2005	131,405	135,948	4,023.315
Harding Loevner Emerging Markets Fund	December 11, 2007	25,935	24,471	425.876
Janus Adviser Forty Fund	December 11, 2007	45,491	46,570	1,123.242
Lazard Emerging Markets Portfolio	December 11, 2007	27,517	24,593	1,029.850
Legg Mason Small Cap Growth Fund	December 7, 2004	9,868	10,190	608.350
LM Partners Fundamental Value Fund	December 7, 2004	-	8	0.489
Royce Premier Fund	January 4, 2001	13,211	13,467	775.734
RS Smaller Company Growth Fund	December 7, 2004	10,028	9,712	474.702
William Blair International Growth Fund	December 11, 2007	63,759	57,027	1,958.328
		-	-	
		<u>\$ 678,477</u>	<u>\$ 670,925</u>	

Note: The column labeled "Cost as of December 31," includes the original amount invested in the fund plus reinvested interest and dividends including unrealized gains and losses of prior years.

AMERICAN SOCIETY OF ICHTHYOLOGISTS AND HERPETOLOGISTS

Schedule of Cash and Cash Equivalents and Investments

December 31, 2007

	<u>General Operating</u>	<u>Student Travel</u>	<u>General Endowment</u>	<u>Stoye</u>
Cash and Cash Equivalents				
Smith Barney	\$ 57,322	\$ 16,527	\$ 37,107	\$ 4,765
Checking	<u>203,806</u>	<u>441</u>	<u>135</u>	<u>-</u>
Total Cash and Cash Equivalents	261,128	16,968	37,242	4,765
Investments				
Smith Barney	<u>207,032</u>	<u>-</u>	<u>99,158</u>	<u>73,339</u>
Total Investments	<u>207,032</u>	<u>-</u>	<u>99,158</u>	<u>73,339</u>
Total Cash and Cash Equivalents and Investments	<u>\$ 468,160</u>	<u>\$ 16,968</u>	<u>\$ 136,400</u>	<u>\$ 78,104</u>

<u>Life Membership</u>	<u>Raney</u>	<u>Annual Meeting</u>	<u>Gaige</u>	<u>Storer</u>	<u>Fitch</u>	<u>Gibbs</u>	<u>Total</u>
\$ 18,085	\$ 2,194	\$ 91,049	\$ 1,330	\$ 1,798	\$ 2,487	\$ 14,307	\$ 246,971
<u>1,595</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>205,977</u>
19,680	2,194	91,049	1,330	1,798	2,487	14,307	452,948
<u>74,301</u>	<u>71,776</u>	<u>21,917</u>	<u>57,253</u>	<u>24,721</u>	<u>20,666</u>	<u>115,497</u>	<u>765,660</u>
<u>74,301</u>	<u>71,776</u>	<u>21,917</u>	<u>57,253</u>	<u>24,721</u>	<u>20,666</u>	<u>115,497</u>	<u>765,660</u>
<u>\$ 93,981</u>	<u>\$ 73,970</u>	<u>\$ 112,966</u>	<u>\$ 58,583</u>	<u>\$ 26,519</u>	<u>\$ 23,153</u>	<u>\$ 129,804</u>	<u>\$ 1,218,608</u>