

**AMERICAN SOCIETY OF ICHTHYOLOGISTS AND HERPETOLOGISTS**

**FINANCIAL STATEMENTS  
and  
SUPPLEMENTARY INFORMATION**

**DECEMBER 31, 2005**

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, 2005, 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, 2005, 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 15, 2006  
Fountain Valley, California

AMERICAN SOCIETY OF ICHTHYOLOGISTS AND HERPETOLOGISTS

STATEMENT OF FINANCIAL POSITION

December 31, 2005

ASSETS

**Current assets:**

Cash and Cash Equivalents:	\$ 346,157
Investments	454,423
Dividends & Interest Receivable	6,063
Accounts receivable	2,207
Prepaid deposit - 2006 editorial expenses	<u>7,000</u>
Total Current Assets	815,850

Permanently Restricted Investments - Endowments	<u>132,000</u>
Total Assets	<u>\$ 947,850</u>

LIABILITIES AND NET ASSETS

**Current Liabilities:**

Accounts Payable	\$ 28,432
Deferred Revenue	<u>70,415</u>
Total Current Liabilities	98,847
Deferred Revenue - Lifetime Memberships	<u>50,945</u>
Total Liabilities	149,792

**Net Assets**

*Unrestricted Net Assets*

General Operating	239,495
Board Designated:	
General Endowment	123,301
Graduate Student Travel Fund	10,963
Stoye	68,895
Life Membership	31,935
Annual Meeting	43,307
Gaige	51,151
Storer	22,718
Raney	31,062
Fitch	<u>22,029</u>
Total Unrestricted Net Assets	<u>644,856</u>

*Temporarily Restricted Net Assets*

Gibbs	<u>21,202</u>
Total Temporarily Restricted Net Assets	<u>21,202</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>798,058</u>
Total Liabilities and Net assets	<u>\$ 947,850</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, 2005

	<u>Unrestricted</u>	Temporarily <u>Restricted</u>	Permanently <u>Restricted</u>	<u>Total</u>
<b>Support and Revenue</b>				
<i>Program Services</i>				
Memberships	\$ 165,728	\$ -	\$ -	\$ 165,728
Subscriptions	157,469	-	-	157,469
Page Charges	1,900	-	-	1,900
Special Publications	6,692	-	-	6,692
BioOne	22,949	-	-	22,949
Annual Meeting	50,714	-	-	50,714
Life Memberships	2,123	-	-	2,123
Copeia Back Issues	974	-	-	974
Other	2,863	-	-	2,863
<i>Donations</i>	7,573	-	-	7,573
<i>Interest &amp; Dividends</i>	14,650	2,502	-	17,152
<i>Net Realized and Unrealized Gains and (losses) on Investments</i>	4,567	1,071	-	5,638
<i>Net Assets Released from Restrictions</i>	6,104	(6,104)	-	-
<b>Total Support and Revenue</b>	<u>444,306</u>	<u>(2,531)</u>	<u>-</u>	<u>441,775</u>
<b>Expenses:</b>				
<i>Program Services:</i>				
Publication of Copeia	99,740	-	-	99,740
Donations	-	-	-	-
Editorial Office	32,000	-	-	32,000
Annual Meeting Program	8,223	-	-	8,223
Awards	25,116	-	-	25,116
<b>Total Program Services</b>	<u>165,079</u>	<u>-</u>	<u>-</u>	<u>165,079</u>
<i>Supporting Services:</i>				
Management and General	92,095	-	-	92,095
<b>Total Program and Supporting Services</b>	<u>257,174</u>	<u>-</u>	<u>-</u>	<u>257,174</u>
Change in Net Assets	187,132	(2,531)	-	184,601
Net Assets, January 1, 2005,	<u>457,724</u>	<u>23,733</u>	<u>132,000</u>	<u>613,457</u>
Net Assets, December 31, 2005	<u>\$ 644,856</u>	<u>\$ 21,202</u>	<u>\$ 132,000</u>	<u>\$ 798,058</u>

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

## STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2005

**Increase (Decrease) in Cash**

Cash Flows from Operating Activities:	
Increase in net assets	\$ 184,601
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Net realized and unrealized gains on investments	(5,638)
Change in dividends receivable	(3,042)
Change in accounts receivable	(2,207)
Change in deposits	25,000
Change in accounts payable	(8,856)
Change in deferred revenue	1,837
Change in deferred revenue - Lifetime Memberships	<u>9,002</u>
Net Cash Provided (Used) by Operating Activities	200,697
Cash Flows from Investing Activities:	
Proceeds from sales and maturity of Investments	318,011
Investment of restricted cash flows on permanent endowments	(1,074)
Purchase of Investments	<u>(325,267)</u>
Net cash flows provided (used) by investing activities	<u>(8,330)</u>
Cash flows from Financing Activities:	
Restricted cash received on permanent endowments	<u>1,074</u>
Net cash flows provided by financing activities	<u>1,074</u>
Net Increase in Cash and Cash Equivalents	193,441
Cash and Cash Equivalents, January 1, 2005	<u>152,716</u>
Cash and Cash Equivalents, December 31, 2005	<u>\$ 346,157</u>

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

## NOTES TO FINANCIAL STATEMENTS

December 31, 2005

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*, 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, 2005

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 a certificate of deposit. The investments are carried at fair market value based on quoted market prices. Unrealized gains and losses are included in the change in net assets.

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. Future revenues, if any, resulting from the sales of these publications will be included as program revenue in the year earned.

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, 2005

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, 2005		
	Cost	Fair Market Value	Unrealized Gain (Loss)
Certificate of Deposit	\$ 30,000	\$ 29,894	\$ (106)
Mutual Funds	401,106	424,529	23,423
Mutual Funds- Permanently Restricted	<u>124,717</u>	<u>132,000</u>	<u>7,283</u>
Total mutual funds	<u>525,823</u>	<u>556,529</u>	<u>30,706</u>
Total investments	<u>\$ 555,823</u>	<u>\$ 586,423</u>	<u>\$ 30,600</u>

Investment management expenses of \$7,956 and realized losses of \$27,563 are included in the accompanying statement of activities for the year ended December 31, 2005.

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 5.

NOTES TO FINANCIAL STATEMENTS

December 31, 2005

5. 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.

6. Fair Value of Financial Instruments

The Society financial instruments, none of which are held for trading purposes, include cash, certificate 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, 2005, do 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, 2005

	General Operating	Student Travel	General Endowment	Stoye
<b>Net Assets at January 1, 2005</b>	\$ 104,991	\$ 7,983	\$ 119,886	\$ 68,135
<i>Support and Revenue</i>				
Membership, Subscription, Other Revenue	364,375	-	-	-
Donations	-	4,532	3,041	-
Interest & Dividends	4,609	248	2,568	1,480
Net Realized and Unrealized Gain (loss) on Investments	1,460	-	806	530
Total Support and Revenue	<u>370,444</u>	<u>4,780</u>	<u>6,415</u>	<u>2,010</u>
<i>Expenses</i>				
Publication of Copeia and Other expenses	229,635	-	-	-
Awards	-	3,800	3,000	1,250
Total Expenses	<u>229,635</u>	<u>3,800</u>	<u>3,000</u>	<u>1,250</u>
Excess of Revenues over (Expenses)	<u>140,809</u>	<u>980</u>	<u>3,415</u>	<u>760</u>
<i>Transfers</i>				
Awards	(6,305)	2,000	-	-
Board Designated Transfers	-	-	-	-
Total Transfers	<u>(6,305)</u>	<u>2,000</u>	<u>-</u>	<u>-</u>
<b>Change in Net Assets</b>	<u>134,504</u>	<u>2,980</u>	<u>3,415</u>	<u>760</u>
<b>Net Assets at December 31, 2005</b>	<u>\$ 239,495</u>	<u>\$ 10,963</u>	<u>\$ 123,301</u>	<u>\$ 68,895</u>
Unrestricted -General Operating	\$ 239,495	\$ -	\$ -	\$ -
Unrestricted -Board Designated	-	10,963	123,301	68,895
Total Unrestricted	<u>239,495</u>	<u>10,963</u>	<u>123,301</u>	<u>68,895</u>
Temporarily Restricted	-	-	-	-
Permanently Restricted	-	-	-	-
Total Net Assets	<u>\$ 239,495</u>	<u>\$ 10,963</u>	<u>\$ 123,301</u>	<u>\$ 68,895</u>

<u>Life Membership</u>	<u>Annual Meeting</u>	<u>Gaige</u>	<u>Storer</u>	<u>Raney</u>	<u>Fitch</u>	<u>Gibbs</u>	<u>Total</u>
\$ 33,442	\$ -	\$ 49,679	\$ 22,531	\$ 61,227	\$ 22,388	\$ 123,195	\$ 613,457
2,123	44,914	-	-	-	-	-	411,412
-	-	-	-	-	-	-	7,573
1,631	816	1,010	507	1,288	493	2,502	17,152
434	-	462	180	547	148	1,071	5,638
<u>4,188</u>	<u>45,730</u>	<u>1,472</u>	<u>687</u>	<u>1,835</u>	<u>641</u>	<u>3,573</u>	<u>441,775</u>
-	2,423	-	-	-	-	-	232,058
-	-	5,000	500	5,000	1,000	5,566	25,116
-	<u>2,423</u>	<u>5,000</u>	<u>500</u>	<u>5,000</u>	<u>1,000</u>	<u>5,566</u>	<u>257,174</u>
<u>4,188</u>	<u>43,307</u>	<u>(3,528)</u>	<u>187</u>	<u>(3,165)</u>	<u>(359)</u>	<u>(1,993)</u>	<u>184,601</u>
(5,695)	-	5,000	-	5,000	-	-	-
-	-	-	-	-	-	-	-
<u>(5,695)</u>	<u>-</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
(1,507)	43,307	1,472	187	1,835	(359)	(1,993)	184,601
<u>\$ 31,935</u>	<u>\$ 43,307</u>	<u>\$ 51,151</u>	<u>\$ 22,718</u>	<u>\$ 63,062</u>	<u>\$ 22,029</u>	<u>\$ 121,202</u>	<u>\$ 798,058</u>
\$ -	-	-	-	-	-	-	239,495
<u>31,935</u>	<u>43,307</u>	<u>51,151</u>	<u>22,718</u>	<u>31,062</u>	<u>22,029</u>	<u>-</u>	<u>405,361</u>
31,935	43,307	51,151	22,718	31,062	22,029	-	644,856
-	-	-	-	-	-	21,202	21,202
-	-	-	-	32,000	-	100,000	132,000
<u>\$ 31,935</u>	<u>\$ 43,307</u>	<u>\$ 51,151</u>	<u>\$ 22,718</u>	<u>\$ 63,062</u>	<u>\$ 22,029</u>	<u>\$ 121,202</u>	<u>\$ 798,058</u>

AMERICAN SOCIETY OF ICHTHYOLOGISTS AND HERPETOLOGISTS

Schedule of Management and General Expense

For the Year Ended December 31, 2005

Allen Press, Inc.:	
Business Management	\$ 35,679
Marketing	683
Warehouse	<u>6,652</u>
Total Allen Press	43,014
Annual Audit	6,450
Bank Charges	2,817
Dues and Subscriptions	3,125
Web site at Allen Press, Inc.	3,255
Secretary's Office	33,370
Treasurer's Office	<u>64</u>
 Total Management and General Expenses	 <u>\$ 92,095</u>

AMERICAN SOCIETY OF ICHTHYOLOGISTS AND HERPETOLOGISTS

Schedule of Mutual Fund Investments

December 31, 2005

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>				
Salomon Bros. Small Cap Growth Fund	December 7, 2004	\$ 9,147	\$ 8,885	591.139
RS Smaller Company Growth Fund	December 7, 2004	9,558	8,995	426.095
American Century Inter. Bond Fund	October 20, 2003	54,084	48,358	3,711.297
Dreyfus Premium Emerging Markets Fund	January 4, 2001	27,181	29,925	1,384.157
Janus High Yield Fund	January 4, 2001	28,387	27,115	2,845.198
Columbia International Bond Fund	January 4, 2001	43,642	42,612	4,793.264
Royce Premier Fund	January 4, 2001	11,535	12,800	759.222
Scudder International Fund	January 4, 2001	110,396	126,141	2,502.296
Growth Fund of America	April 20, 2005	57,512	68,106	2,218.425
Hotchkis & Wiley Large Cap Fund	April 20, 2005	58,333	62,876	2,693.908
Investment Company of America	April 20, 2005	59,208	63,058	2,013.335
The Jensen Portfolio	April 20, 2005	<u>56,840</u>	<u>57,658</u>	2,420.631
		<u>\$ 525,823</u>	<u>\$ 556,529</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, 2005

	<u>General Operating</u>	<u>Student Travel</u>	<u>General Endowment</u>	<u>Stoye</u>
<b>Cash and Cash Equivalents</b>				
Smith Barney	\$ 13,409	\$ 10,469	\$ 33,782	\$ 13,768
Checking	<u>176,295</u>	<u>497</u>	<u>984</u>	<u>-</u>
Total Cash and Cash Equivalents	189,704	10,966	34,766	13,768
<b>Investments</b>				
Smith Barney	<u>150,400</u>	<u>-</u>	<u>82,754</u>	<u>53,648</u>
Total Investments	<u>150,400</u>	<u>-</u>	<u>82,754</u>	<u>53,648</u>
<b>Total Cash and Cash Equivalents and Investments</b>	<u>\$ 340,104</u>	<u>\$ 10,966</u>	<u>\$ 117,520</u>	<u>\$ 67,416</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>
\$ 20,408 <u>13,822</u>	\$ 2,587 <u>-</u>	\$ 42,793 <u>-</u>	\$ 313 <u>-</u>	\$ 4,789 <u>-</u>	\$ 5,854 <u>-</u>	\$ 6,387 <u>-</u>	\$ 154,559 <u>191,598</u>
34,230	2,587	42,793	313	4,789	5,854	6,387	346,157
<u>48,590</u>	<u>58,722</u>	<u>-</u>	<u>47,910</u>	<u>18,111</u>	<u>15,657</u>	<u>110,631</u>	<u>586,423</u>
<u>48,590</u>	<u>58,722</u>	<u>-</u>	<u>47,910</u>	<u>18,111</u>	<u>15,657</u>	<u>110,631</u>	<u>586,423</u>
<u>\$ 82,820</u>	<u>\$ 61,309</u>	<u>\$ 42,793</u>	<u>\$ 48,223</u>	<u>\$ 22,900</u>	<u>\$ 21,511</u>	<u>\$ 117,018</u>	<u>\$ 932,580</u>