

AMERICAN SOCIETY OF ICHTHYOLOGISTS AND HERPETOLOGISTS

**FINANCIAL STATEMENTS
and
SUPPLEMENTARY INFORMATION**

DECEMBER 31, 2006

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, 2006, 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, 2006, 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, 2007
Fountain Valley, California

AMERICAN SOCIETY OF ICHTHYOLOGISTS AND HERPETOLOGISTS
STATEMENT OF FINANCIAL POSITION
December 31, 2006

ASSETS

Current assets:

Cash and Cash Equivalents:	\$ 452,530
Investments	524,032
Dividends & Interest Receivable	1,027
Accounts receivable	<u>62,342</u>
Total Current Assets	1,039,931

Permanently Restricted Investments - Endowments	<u>132,000</u>
Total Assets	<u>\$ 1,171,931</u>

LIABILITIES AND NET ASSETS

Current Liabilities:

Accounts Payable	\$ 37,027
Deferred Revenue	<u>69,295</u>
Total Current Liabilities	106,322
Deferred Revenue - Lifetime Memberships	<u>55,957</u>
Total Liabilities	162,279

Net Assets

Unrestricted Net Assets

General Operating	335,047
Board Designated:	
General Endowment	133,978
Graduate Student Travel Fund	12,643
Stoye	75,237
Life Membership	35,854
Annual Meeting	112,478
Gajge	57,120
Storer	24,715
Raney	38,378
Fitch	<u>23,089</u>
Total Unrestricted Net Assets	<u>848,539</u>

Temporarily Restricted Net Assets

Gibbs	<u>29,113</u>
Total Temporarily Restricted Net Assets	<u>29,113</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>1,009,652</u>
Total Liabilities and Net assets	<u>\$ 1,171,931</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, 2006

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Support and Revenue				
<i>Program Services</i>				
Memberships	\$ 160,761	\$ -	\$ -	\$ 160,761
Subscriptions	101,730	-	-	101,730
Page Charges	3,480	-	-	3,480
Special Publications	3,551	-	-	3,551
BioOne	25,671	-	-	25,671
Annual Meeting	83,494	-	-	83,494
Life Memberships	2,332	-	-	2,332
Copeia Back Issues	1,843	-	-	1,843
Other	14,310	-	-	14,310
<i>Donations</i>	4,193	-	-	4,193
<i>Interest & Dividends</i>	24,254	3,082	-	27,336
<i>Net Realized and Unrealized Gains and (losses) on Investments</i>	47,335	9,902	-	57,237
<i>Net Assets Released from Restrictions</i>	5,073	(5,073)	-	-
Total Support and Revenue	<u>478,027</u>	<u>7,911</u>	<u>-</u>	<u>485,938</u>
Expenses:				
<i>Program Services:</i>				
Publication of Copeia	100,566	-	-	100,566
Editorial Office	32,000	-	-	32,000
Annual Meeting Program	16,508	-	-	16,508
Awards	24,666	-	-	24,666
Total Program Services	<u>173,740</u>	<u>-</u>	<u>-</u>	<u>173,740</u>
<i>Supporting Services:</i>				
Management and General	100,604	-	-	100,604
Total Program and Supporting Services	<u>274,344</u>	<u>-</u>	<u>-</u>	<u>274,344</u>
 Change in Net Assets	 203,683	 7,911	 -	 211,594
Net Assets, January 1, 2006,	<u>644,856</u>	<u>21,202</u>	<u>132,000</u>	<u>798,058</u>
Net Assets, December 31, 2006	<u>\$ 848,539</u>	<u>\$ 29,113</u>	<u>\$ 132,000</u>	<u>\$ 1,009,652</u>

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

STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2006

Increase (Decrease) in Cash

Cash Flows from Operating Activities:	
Increase in net assets	\$ 211,594
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Net realized and unrealized gains on investments	(57,237)
Change in dividends and interest receivable	5,036
Change in accounts receivable	(60,135)
Change in deposits	7,000
Change in accounts payable	8,594
Change in deferred revenue	(1,120)
Change in deferred revenue - Lifetime Memberships	<u>5,012</u>
Net Cash Provided (Used) by Operating Activities	118,744
Cash Flows from Investing Activities:	
Proceeds from sales and maturity of Investments	455,569
Investment of restricted cash flows on permanent endowments	(3,006)
Purchase of Investments	<u>(467,940)</u>
Net cash flows provided (used) by investing activities	<u>(15,377)</u>
Cash flows from Financing Activities:	
Restricted cash received on permanent endowments	<u>3,006</u>
Net cash flows provided by financing activities	<u>3,006</u>
Net Increase in Cash and Cash Equivalents	106,373
Cash and Cash Equivalents, January 1, 2006	<u>346,157</u>
Cash and Cash Equivalents, December 31, 2006	<u>\$ 452,530</u>

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

NOTES TO FINANCIAL STATEMENTS

December 31, 2006

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, 2006

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, 2006

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, 2006		
	Cost	Fair Market Value	Unrealized Gain (Loss)
Certificate of Deposit	\$ 30,000	\$ 29,960	\$ (40)
Mutual Funds	483,409	494,072	10,663
Mutual Funds- Permanently Restricted	129,151	132,000	2,849
Total mutual funds	612,560	626,072	13,512
Total investments	\$ 642,560	\$ 656,032	\$ 13,472

Investment management expenses of \$8,461 and realized gains of \$52,226 are included in the accompanying statement of activities for the year ended December 31, 2006.

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, 2006

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, a 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, 2006, 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, 2006

	General Operating	Student Travel	General Endowment	Stoye	Life Membership	Annual Meeting	Gaige	Storer	Ramsey	Fitch	Gibbs	Total
Net Assets at January 1, 2006	\$ 239,495	\$ 10,963	\$ 123,301	\$ 68,895	\$ 31,935	\$ 43,307	\$ 51,151	\$ 22,718	\$ 63,062	\$ 22,029	\$ 121,202	\$ 798,058
Support and Revenue	311,354	-	-	-	2,332	83,486	-	-	-	-	-	397,172
Membership, Subscription, Other Revenue	-	3,387	806	-	-	-	-	-	-	-	-	4,193
Donations	8,621	547	3,686	1,962	2,873	2,193	1,276	663	1,762	667	3,082	27,336
Interest & Dividends	13,798	-	8,185	5,380	4,407	-	4,693	1,832	5,552	1,488	9,902	57,237
Net Realized and Unrealized Gain (Loss) on Investments	333,773	3,934	12,677	7,342	9,614	55,679	5,969	2,497	7,314	2,155	12,984	485,938
Total Support and Revenue	333,773	3,934	12,677	7,342	9,614	55,679	5,969	2,497	7,314	2,155	12,984	485,938
Expenses	233,170	-	-	-	-	16,508	-	-	-	-	-	249,678
Publication of Copeia and Other expenses	-	-	2,000	1,000	-	-	5,000	500	4,998	1,095	5,073	24,666
Awards	233,170	5,000	2,000	1,000	-	16,508	5,000	500	4,998	1,095	5,073	274,344
Total Expenses	233,170	5,000	2,000	1,000	-	16,508	5,000	500	4,998	1,095	5,073	274,344
Excess of Revenues over (Expenses)	102,603	(1,066)	10,677	6,342	9,614	69,171	969	1,997	2,316	1,060	7,911	211,594
Transfers	(10,000)	-	-	-	-	-	5,000	-	5,000	-	-	-
Awards	2,949	2,746	-	-	(5,695)	-	-	-	-	-	-	-
Board Designated Transfers	(7,051)	2,746	-	-	(5,695)	-	5,000	-	5,000	-	-	-
Total Transfers	95,552	1,680	10,677	6,342	3,919	69,171	5,969	1,997	7,316	1,060	7,911	211,594
Change in Net Assets	\$ 335,047	\$ 12,643	\$ 133,978	\$ 75,237	\$ 35,854	\$ 112,478	\$ 57,120	\$ 24,715	\$ 70,378	\$ 23,089	\$ 129,113	\$ 1,009,652
Net Assets at December 31, 2006	\$ 335,047	\$ 12,643	\$ 133,978	\$ 75,237	\$ 35,854	\$ 112,478	\$ 57,120	\$ 24,715	\$ 70,378	\$ 23,089	\$ 129,113	\$ 1,009,652
Unrestricted -General Operating	335,047	-	-	-	-	-	-	-	-	-	-	335,047
Unrestricted -Board Designated	-	12,643	133,978	75,237	35,854	112,478	57,120	24,715	38,378	23,089	-	513,492
Total Unrestricted	335,047	12,643	133,978	75,237	35,854	112,478	57,120	24,715	38,378	23,089	-	848,539
Temporarily Restricted	-	-	-	-	-	-	-	-	-	-	29,113	29,113
Permanently Restricted	-	-	-	-	-	-	-	-	32,000	-	100,000	132,000
Total Net Assets	\$ 335,047	\$ 12,643	\$ 133,978	\$ 75,237	\$ 35,854	\$ 112,478	\$ 57,120	\$ 24,715	\$ 70,378	\$ 23,089	\$ 129,113	\$ 1,009,652

AMERICAN SOCIETY OF ICHTHYOLOGISTS AND HERPETOLOGISTS

Schedule of Management and General Expense

For the Year Ended December 31, 2006

Allen Press, Inc.:	
Business Management	\$ 36,504
Warehouse	<u>7,481</u>
Total Allen Press	43,985
Annual Audit	6,685
Bank Charges	3,093
Dues and Subscriptions	3,743
Web site at Allen Press, Inc. and Tulane University	9,606
Secretary's Office	33,370
Treasurer's Office	<u>122</u>
 Total Management and General Expenses	 <u>\$ 100,604</u>

AMERICAN SOCIETY OF ICHTHYOLOGISTS AND HERPETOLOGISTS

Schedule of Mutual Fund Investments

December 31, 2006

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	\$ 18,087	\$ 17,930	1,301.193
RS Smaller Company Growth Fund	December 7, 2004	9,625	9,661	457.854
Delaware International Value Fund	February 24, 2006	43,301	38,992	2,496.271
Dreyfus International Emerging Markets Fd	June 22, 2001	27,890	27,383	1,298.403
Europacific Growth Fund	February 24, 2006	36,864	39,487	851.387
Columbia International Bond Fund	January 4, 2001	122,680	122,484	13,855.627
Royce Premier Fund	January 4, 2001	11,991	12,519	708.871
Growth Fund of America	April 20, 2005	176,986	184,726	5,652.569
Legg Mason Partners Small Cap Growth Fd.	December 7, 2004	10,059	9,992	617.926
Legg Mason Partners Fund. Value Fd.	December 7, 2004	117,586	124,274	7,714.117
Philadelphia International Fund	February 24, 2006	<u>37,491</u>	<u>38,624</u>	1,864.103
		<u>\$ 612,560</u>	<u>\$ 626,072</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, 2006

	General Operating	Student Travel	General Endowment	Stays	Life Membership	Rarety	Annual Meeting	Gaige	Storer	Fitch	Gibbs	Total
Cash and Cash Equivalents												
Smith Barney	\$ 76,519	\$ 12,755	\$ 36,013	\$ 14,043	\$ 32,643	\$ 3,643	\$ 59,255	\$ 990	\$ 4,721	\$ 5,233	\$ 15,082	\$ 258,897
Checking	187,399	491	194	-	5,549	-	-	-	-	-	-	193,633
Total Cash and Cash Equivalents	263,918	13,246	36,207	14,043	38,192	3,643	59,255	990	4,721	5,233	15,082	452,530
Investments												
Smith Barney	179,180	-	92,727	60,169	53,928	63,449	-	53,591	20,313	17,492	113,183	656,032
Total Investments	179,180	-	92,727	60,169	53,928	63,449	-	53,591	20,313	17,492	113,183	656,032
Total Cash and Cash Equivalents and Investments	\$ 443,098	\$ 13,246	\$ 128,934	\$ 74,212	\$ 92,120	\$ 69,092	\$ 59,255	\$ 54,581	\$ 25,034	\$ 22,725	\$ 126,265	\$ 1,108,562