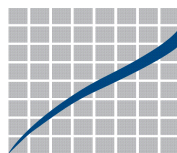




**FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITOR'S REPORT**

MARCH 31, 2008 AND 2007



BiggsKofford

CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS SPECIALISTS

INDEPENDENT AUDITOR'S REPORT

Board of Governors
American Numismatic Association
Colorado Springs, Colorado

We have audited the accompanying statements of financial position of the American Numismatic Association ("Association") as of March 31, 2008 and 2007 and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits 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 our audits provide 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 Association as of March 31, 2008 and 2007 and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Colorado Springs, Colorado
July 25, 2008

AMERICAN NUMISMATIC ASSOCIATION
STATEMENTS OF FINANCIAL POSITION
MARCH 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
<u>ASSETS</u>		
Current assets:		
Cash and equivalents	\$ 445,021	\$ 51,223
Accounts receivable, net	92,244	76,086
Contributions receivable, net	37,791	69,507
Inventory	120,565	116,010
Investments	4,521,895	6,853,178
Prepaid expenses and other current assets	157,847	188,511
<u>Total current assets</u>	<u>5,375,363</u>	<u>7,354,515</u>
Property and equipment:		
Building and improvements	4,026,021	4,059,039
Furniture, fixtures and equipment	1,216,908	1,212,081
Museum galleries and cases	1,248,881	1,236,957
	6,491,810	6,508,077
Accumulated depreciation	(4,008,391)	(3,664,542)
<u>Net property and equipment</u>	<u>2,483,419</u>	<u>2,843,535</u>
Other assets:		
Investments	5,245,876	4,741,194
Contributions receivable from remainder trust	11,725,263	9,973,876
<u>Total other assets</u>	<u>16,971,139</u>	<u>14,715,070</u>
<u>Total assets</u>	<u>\$ 24,829,921</u>	<u>\$ 24,913,120</u>

The accompanying notes and independent auditor's report
should be read with these financial statements.

AMERICAN NUMISMATIC ASSOCIATION
STATEMENTS OF FINANCIAL POSITION
MARCH 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
<u>LIABILITIES AND NET ASSETS</u>		
Current liabilities:		
Line of credit	\$ -	\$ 925,000
Accounts payable	1,189,018	974,770
Deferred revenue	1,564,929	1,419,409
Current portion of deferred compensation	25,261	39,799
<u>Total current liabilities</u>	<u>2,779,208</u>	<u>3,358,978</u>
Long-term liabilities:		
Deferred life membership fees	997,611	1,069,367
Deferred compensation	115,801	133,453
Accrued pension liability	1,132,999	1,209,696
Accrued postretirement benefits	63,719	65,006
<u>Total liabilities</u>	<u>5,089,338</u>	<u>5,836,500</u>
Net assets:		
Unrestricted:		
Designated for future use	5,683,621	6,966,013
Designated for future numismatic and library acquisitions	1,085,912	1,085,934
Undesignated	(4,568)	240,296
<u>Total unrestricted</u>	<u>6,764,965</u>	<u>8,292,243</u>
Temporarily restricted	12,924,567	10,733,326
Permanently restricted	51,051	51,051
<u>Total net assets</u>	<u>19,740,583</u>	<u>19,076,620</u>
<u>Total liabilities and net assets</u>	<u>\$ 24,829,921</u>	<u>\$ 24,913,120</u>

The accompanying notes and independent auditor's report
should be read with these financial statements.

AMERICAN NUMISMATIC ASSOCIATION
STATEMENT OF ACTIVITIES
YEAR ENDED MARCH 31, 2008

	2008			Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	
Revenues:				
Service fees	\$ 1,699,244	\$ -	\$ -	\$ 1,699,244
Membership dues and fees	986,376	-	-	986,376
Contributions	212,194	45,543	-	257,737
Investment income	469,310	32,156	-	501,466
Interest income	54,435	-	-	54,435
Change in value of split-interest agreements	-	1,751,387	-	1,751,387
Advertising	797,870	-	-	797,870
Sales	413,708	-	-	413,708
Seminars	244,356	-	-	244,356
Other	150,812	447,095	-	597,907
Total revenues	5,028,305	2,276,181	-	7,304,486
Satisfaction of purpose restrictions	84,940	(84,940)	-	-
Total revenues other support	5,113,245	2,191,241	-	7,304,486
Expenses:				
Program:				
Conventions	1,208,436	-	-	1,208,436
Enterprise	447,104	-	-	447,104
Editorial	1,178,956	-	-	1,178,956
Education	598,316	-	-	598,316
Museum	612,407	-	-	612,407
Library	129,611	-	-	129,611
Member services	835,306	-	-	835,306
	5,010,136	-	-	5,010,136
Supporting services:				
General and administrative	1,317,288	-	-	1,317,288
Fund-raising	389,796	-	-	389,796
Decrease in pension liability	(76,697)	-	-	(76,697)
Total expenses	6,640,523	-	-	6,640,523
Change in net assets	(1,527,278)	2,191,241	-	663,963
Net assets, beginning of year	8,292,243	10,733,326	51,051	19,076,620
Net assets, end of year	\$ 6,764,965	\$ 12,924,567	\$ 51,051	\$ 19,740,583

The accompanying notes and independent auditor's report
should be read with this financial statement.

AMERICAN NUMISMATIC ASSOCIATION
STATEMENT OF ACTIVITIES
YEAR ENDED MARCH 31, 2007

	2007			Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	
Revenues:				
Service fees	\$ 1,910,494	\$ -	\$ -	\$ 1,910,494
Membership dues and fees	904,958	-	-	904,958
Contributions	170,123	42,308	-	212,431
Investment income	1,113,683	20,673	-	1,134,356
Interest income	-	-	-	-
Change in value of split-interest agreements	-	1,721,343	-	1,721,343
Advertising	967,596	-	-	967,596
Sales	349,288	-	-	349,288
Seminars	263,696	-	-	263,696
Other	195,827	-	-	195,827
Total revenues	5,875,665	1,784,324	-	7,659,989
Satisfaction of purpose restrictions	32,368	(32,368)	-	-
Total revenues other support	5,908,033	1,751,956	-	7,659,989
Expenses:				
Program:				
Conventions	1,305,499	-	-	1,305,499
Enterprise	496,423	-	-	496,423
Editorial	1,056,217	-	-	1,056,217
Education	623,490	-	-	623,490
Museum	692,421	-	-	692,421
Library	237,385	-	-	237,385
Member services	716,882	-	-	716,882
	5,128,317	-	-	5,128,317
Supporting services:				
General and administrative	1,151,903	-	-	1,151,903
Fund-raising	278,390	-	-	278,390
Decrease in pension liability	(24,550)	-	-	(24,550)
Total expenses	6,534,060	-	-	6,534,060
Change in net assets	(626,027)	1,751,956	-	1,125,929
Net assets, beginning of year	8,918,270	8,981,370	51,051	17,950,691
Net assets, end of year	\$ 8,292,243	\$ 10,733,326	\$ 51,051	\$ 19,076,620

The accompanying notes and independent auditor's report
should be read with this financial statement.

AMERICAN NUMISMATIC ASSOCIATION
STATEMENTS OF CASH FLOWS
YEARS ENDED MARCH 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 663,963	\$ 1,125,929
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Net realized and unrealized investment gains	(217,384)	(733,286)
Depreciation	343,849	401,197
Write-off of building costs	33,018	-
Change in value of split-interest agreements	(1,751,387)	(1,721,343)
(Increase) decrease in operating assets:		
Accounts receivable	(16,158)	(45,598)
Contributions receivable	31,716	10,135
Inventories	(4,555)	21,967
Prepaid expenses and other current assets	30,664	76,647
Increase (decrease) in operating liabilities:		
Accounts payable and accrued liabilities	136,264	573,582
Deferred revenue	73,764	(454,182)
Deferred compensation	(32,190)	(30,417)
Net cash used in operating activities	<u>(708,436)</u>	<u>(775,369)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of investments	(1,945,804)	(321,595)
Proceeds from sales of investments	3,989,789	1,050,000
Purchases of property and equipment	(16,751)	(169,281)
Proceeds from sale of property and equipment	-	5,691
Net cash provided by investing activities	<u>2,027,234</u>	<u>564,815</u>

The accompanying notes and independent auditor's report should be read with these financial statements.

AMERICAN NUMISMATIC ASSOCIATION
STATEMENTS OF CASH FLOWS
YEARS ENDED MARCH 31, 2008 AND 2007

	2008	2007
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net increase (decrease) in line of credit	\$ (925,000)	\$ 75,000
Net cash provided by (used in) financing activities	(925,000)	75,000
Net increase (decrease) in cash and equivalents	393,798	(135,554)
Cash and equivalents, beginning of year	51,223	186,777
Cash and equivalents, end of year	\$ 445,021	\$ 51,223

The accompanying notes and independent auditor's report
should be read with these financial statements.

AMERICAN NUMISMATIC ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2008 AND 2007

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

American Numismatic Association ("Association") was organized in 1891 and was chartered by an act of Congress to advance the knowledge of numismatics, encourage communication and cooperation among numismatists, acquire and disseminate information bearing upon numismatists and promote popular interest in the science of numismatology. The Association is considered to be the largest numismatic organization of its kind.

Basis of presentation

The Association reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, which represent the expendable resources that are available for operations at management's discretion; temporarily restricted net assets, which represent resources restricted by donors as to purpose or by the passage of time; and permanently restricted net assets, which represent resources whose use by the Association is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the Association.

Use of estimates

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

Cash and equivalents

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

As of March 31, 2008 and 2007 the Association held cash in financial institutions in excess of the federally insured balances. Management does not believe that the Association is exposed to any significant credit risk related to these uninsured balances.

AMERICAN NUMISMATIC ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2008 AND 2007

**1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Accounts receivable

Accounts receivable are recorded at the amount the Association expects to collect on balances outstanding at year-end. Management closely monitors outstanding balances and expense balances that are not expected to be collected. The Association provides an allowance for uncollectible accounts receivable, which is based upon a review of outstanding receivables, historical collection information and existing economic conditions. The allowance for doubtful accounts as of March 31, 2008 and 2007 was \$5,732.

Investments

Investments in equity securities with readily determinable fair values and all investments in debt securities are carried at fair value in the statement of financial position. Investments in equity securities which do not have readily determinable fair values are carried at estimated fair values, which are based on estimates from the issuing company, from independent valuations or management's estimates based on the issuing company's book value from their audited financial statements.

Inventory

The Association's inventory consists of retail items, awards and medals and correspondence course materials, and are stated at lower of cost or market value, on a first-in, first-out basis.

Numismatic collection

The Association maintains a numismatic collection of over 300,000 items, many of which have significant value to collectors. Many of these items are on display in the museum for the public to view. Security measures are taken to safeguard this collection.

Numismatic collection items are not carried as assets on the statement of financial position. Purchased numismatic collection items are included in expense in the statement of activities and donated numismatic collection items are not recorded as revenue or expense in the statement of activities.

AMERICAN NUMISMATIC ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2008 AND 2007

**1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Library collection

Library collection items are not carried as assets on the statement of financial position. Purchased library collection items are included in expense on the statement of activities and donated library collection items are not recorded as revenue or expense on the statement of activity.

Property and equipment

All acquisitions of property and equipment in excess of \$1,000 and all expenditures for repairs, maintenance, renewals and betterments that materially prolong the useful lives of assets are capitalized. Property and equipment are recorded at cost. Depreciation is provided on the straight-line method over the estimated useful lives of the assets, which range from five to forty years for buildings and land improvements and three to ten years for furniture and equipment. Depreciation expense for the years ending March 31, 2008 and 2007 totaled \$343,849 and \$401,197, respectively.

Deferred life membership fees

Revenue recognition for life membership fees are deferred upon receipt and recognized over the estimated life of the membership. Such recognized revenue is included within membership dues and fees in the statement of activities.

Service fees

Revenues from service fees include auction commissions, bourse table income and license fees are recognized when earned.

Net assets and contributions

The net assets of the Association have been reported separately by class of net assets:

- a) **Unrestricted** - amounts are those currently available for use in the Association's general operating activities.

- b) **Temporarily restricted** - amounts are those which are stipulated by donors for specific operating purposes or restricted due to time restrictions (see Note 8).

AMERICAN NUMISMATIC ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2008 AND 2007

**1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Net assets and contributions (continued)

b) **Permanently restricted** - amounts are those which are not available for program expenses or other organizational needs (see Note 8).

In accordance with Statement of Financial Accounting Standards ("SFAS") No. 116, *Accounting for Contributions Received and Contributions Made*, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of donor restrictions.

Contribution income is recorded when cash is received, when unconditional promises are made, or when ownership of contributed assets are transferred to the Association. Donor-restricted contributions with restrictions that are met in the same reporting period as the contribution is made are reported as unrestricted support.

The Association reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activity as net assets released from restrictions.

The Association reports gifts of land, buildings and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Association reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Allocation of expenses

The cost of providing the various program and supporting activities has been presented on a functional basis in the statement of activities. Expenses are generally charged to a functional department as incurred for the related activities based upon ratios determined by management.

AMERICAN NUMISMATIC ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2008 AND 2007

**1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Advertising expenses

Advertising costs are expenses as incurred. Advertising expense for the years ended March 31, 2008 and 2007 totaled \$206,880 and \$244,368, respectively.

Income taxes

The Association is a not-for-profit corporation which is not classified as a private foundation by the Internal Revenue Service. The Association is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

Reclassifications

Certain prior year balances have been reclassified to conform with the current year presentation. Investment in donated corporate stock has been reclassified as a long-term asset as management intends to hold this stock beyond the current operating cycle.

2. INVESTMENTS

Investments consist of the following as of March 31:

	<u>2008</u>		<u>2007</u>	
	<u>Cost</u>	<u>Estimated Fair Value</u>	<u>Cost</u>	<u>Estimated Fair Value</u>
Current:				
Readily determinable fair values available:				
Cash and money market	\$ 177,251	\$ 177,251	\$ 261,749	\$ 261,749
Equity securities	3,036,431	3,163,700	2,893,470	3,928,521
Bonds and bond funds	<u>1,174,468</u>	<u>1,180,944</u>	<u>2,615,387</u>	<u>2,662,908</u>
	4,388,150	4,521,895	5,770,606	6,853,178
Long-term:				
Readily determinable fair values not available:				
Donated corporate stock	<u>1,297,076</u>	<u>5,245,876</u>	<u>1,297,076</u>	<u>4,741,194</u>
Total investments	<u><u>\$ 5,685,226</u></u>	<u><u>\$ 9,767,771</u></u>	<u><u>\$ 7,067,682</u></u>	<u><u>\$ 11,594,372</u></u>

AMERICAN NUMISMATIC ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2008 AND 2007

2. INVESTMENTS (CONTINUED)

Long-term investments include donated corporate stock, which represents an equity interest in a closely-held corporation. The estimated fair value of the donated corporate stock is based on a certain percentage of the book value of the corporation, in accordance with a right of first refusal agreement to purchase the shares owned by the Association.

Investment income consists of the following for the years ended March 31:

	<u>2008</u>	<u>2007</u>
Interest and dividend income	\$ 284,130	\$ 401,070
Net realized and unrealized gains	<u>217,336</u>	<u>733,286</u>
Total investment income	<u>\$ 501,466</u>	<u>\$ 1,134,356</u>

3. CONTRIBUTIONS RECEIVABLE FROM REMAINDER TRUST

Contributions receivable from the remainder trust are based on the estimated net present value of the estimated fair value of shares of the same closely-held corporation (Note 2) to be received by the Association in the future, after the deaths of certain beneficiaries of the trust. Present value is based on the expected life of the income beneficiaries and a discount rate of 6.25%.

The amount ultimately received from the remainder trust could differ materially in the near term from the contribution receivable from the remainder trust recorded as of March 31, 2008 and 2007.

4. DEFINED BENEFIT PENSION PLAN

The Association has a noncontributory, defined benefit pension plan covering all employees who have completed at least 1,000 hours of service during a twelve consecutive month period and who have attained the age of 18.

AMERICAN NUMISMATIC ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2008 AND 2007

4. DEFINED BENEFIT PENSION PLAN (CONTINUED)

The following information regarding the plan's funded status and amounts included in the financial statements are as of June 1, 2008 and 2007, the most recent actuarial valuation date:

	<u>2008</u>	<u>2007</u>
Actuarial present value of accumulated plan benefits:		
Vested	\$ 1,824,377	\$ 1,749,727
Nonvested	224,927	253,939
	<u>2,049,304</u>	<u>2,003,666</u>
Total	2,049,304	2,003,666
Net assets available for plan benefits	<u>(916,305)</u>	<u>(793,970)</u>
	<u>\$ 1,132,999</u>	<u>\$ 1,209,696</u>

The pension liability has been recognized in accordance with the provisions of SFAS No. 87, *Employers' Accounting for Pensions*:

Discount rate on the benefit obligation	4.90%	5.20%
Rate of expected return on plan assets	5.00%	5.00%
Rate of employee compensation increase	0.00%	0.00%
Company contributions	\$ 135,000	\$ 101,313
Benefits paid	\$ 57,206	\$ 34,563

The following is an analysis of the percentage of plan assets by category:

Fair value as of June 1:		
Equity securities	15%	26%
Annuity	<u>85%</u>	<u>74%</u>
Total	<u>100%</u>	<u>100%</u>

AMERICAN NUMISMATIC ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2008 AND 2007

4. DEFINED BENEFIT PENSION PLAN (CONTINUED)

The Association's overall strategy is to invest in high-grade securities and other assets with a minimum risk of market value fluctuation.

The overall expected rate of return on plan assets is based on historical results adjusted for anticipated market movement.

The Association expects to contribute \$132,000 to the plan during the year ended March 31, 2008. Benefits expected to be paid by the plan during the next five years and thereafter are approximately as follows:

Years Ending March 31,	
<u>2009</u>	\$ 57,102
2010	60,024
2011	63,094
2012	66,164
2013	69,164
2014 - 2018	<u>283,676</u>
Total	<u>\$ 599,224</u>

5. POSTRETIREMENT BENEFITS

The Association previously had a plan which provided, upon qualification and enactment of a retiree's Medicare benefits, that the Association will pay the same proportion of the retiree's Medicare managed care premium as it does with current Association employees for as long as the retiree is enrolled in the Medicare program.

The present value of the accumulated benefits under the postretirement benefits policy is \$63,719 and \$65,006 as of March 31, 2008 and 2007, respectively. The assumed discount rate used in the present value calculation was 8%. For measurement purposes, a 10% annual rate of increase per capita cost of covered health care benefits in future years was assumed for the years ended March 31, 2008 and 2007.

AMERICAN NUMISMATIC ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2008 AND 2007

6. DEFERRED COMPENSATION

The Association has the following deferred compensation arrangements:

- Consulting agreements with one former employee that require payments even if no services are rendered. The recorded liability for the estimated present value of the amounts due under these agreements is \$38,611 and \$66,056 as of March 31, 2008 and 2007, respectively.
- An agreement that provides one employee retirement benefits for years of service rendered before the Association had adopted a formal pension plan. The recorded liability for the estimated present value of future benefits due under this agreement is \$45,442 and \$48,720 as of March 31, 2008 and 2007, respectively.
- A policy of providing directors and appointed officers a salary continuation benefit, payable upon retirement after age 65. During the year ended March 31, 2001, the Association discontinued this policy for future retirees; however, there is one retired employee that is receiving benefits under the policy. The recorded liability for the estimated present value of future benefits due under this agreement is \$9,074 as of March 31, 2007. During the year ended March 31, 2008 this liability was paid in full.
- The Association has committed to forming a deferred compensation plan for the former Executive Director. As of March 31, 2008 and 2007, a liability is recorded in the amount of \$47,900 and \$41,400, respectively, for the funding of this plan. The plan has not been funded as of March 31, 2008 and 2007.

7. LINE OF CREDIT

The Association had a line of credit agreement with a financial institution in the amount of \$1,000,000 dated May 16, 2005. As of March 31, 2007 the outstanding balance on this line totaled \$925,000. The line of credit was paid in full and expired during the year ended March 31, 2008.

AMERICAN NUMISMATIC ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2008 AND 2007

8. RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purposes or periods as of March 31:

	<u>2008</u>	<u>2007</u>
Program activities:		
Scholarships	\$ 351,467	\$ 369,808
Exhibit awards	131,302	134,876
Lecture series	111,402	111,501
Engraving programs	130,977	116,203
Other	<u>474,156</u>	<u>27,062</u>
Total restricted as to purpose	1,199,304	759,450
Contributions receivable from remainder trust	<u>11,725,263</u>	<u>9,973,876</u>
Total	<u>\$ 12,924,567</u>	<u>\$ 10,733,326</u>

Permanently restricted net assets consist of contributions to be held indefinitely. The income from the investments can be used for library books and videos.

9. COMMITMENTS AND CONTINGENCIES

The Association has entered into various contracts with hotels for future conventions to reserve blocks of rooms for attendees of the conventions. Although there is no liability to the Association for the rooms (individual attendees are responsible for payment on the rooms), some of the contracts contain clauses requiring the Association to pay a fee or penalty amount if the convention is cancelled or if the number of rooms used is not reasonably close to the level reserved. In the opinion of management, no fees or penalties are expected to be paid under these contracts and therefore, no liability has been established.

The Association has entered into contracts for rental space at various convention centers for future conventions.

The Association entered into a three year computer service agreement with an individual for professional services. The agreement requires annual payments of \$70,000.

In the ordinary course of business, the Association is a party to legal proceedings, the outcome of which, individually and in the aggregate, is not expected to be material to the Association's business or financial condition.

AMERICAN NUMISMATIC ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2008 AND 2007

10. NEW ACCOUNTING STANDARD

In 2006, the FASB issued SFAS No. 158, *Employer's Accounting for Defined Benefit Pension and Other Postretirement Plans - an amendment to FASB Statements No. 87, 88, 106 and 132(R)*. SFAS No. 158 requires the recognition of the funded status of retirement-related benefit plans in the statements of financial position and the recognition of the changes in the funded status in the year in which the changes occur through gains and losses not affecting net assets. SFAS No. 158 is effective for fiscal years ending after December 15, 2008. Management has not yet evaluated the impact on the Association's financial statements of adopting SFAS No. 158 in future years.

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