



FINANCIAL STATEMENTS

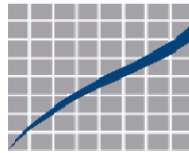
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INDEPENDENT AUDITOR'S REPORT

OCTOBER 31, 2010

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BiggsKofford
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Board of Governors
American Numismatic Association
Colorado Springs, Colorado

We have audited the accompanying statement of financial position of the American Numismatic Association as of October 31, 2010 and the related statements of activities and of cash flows for the period from April 1, 2009 through October 31, 2010. 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 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 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 Numismatic Association as of October 31, 2010, and the change in its net assets and cash flows for the period from April 1, 2009 through October 31, 2010, in conformity with accounting principles generally accepted in the United States of America.

Our audit was performed for the purpose of forming an opinion on the financial statements of the American Numismatic Association taken as a whole. The supplemental information is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has been subjected to the audit procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

BiggsKofford, P.C.

Colorado Springs, Colorado
August 16, 2011

AMERICAN NUMISMATIC ASSOCIATION
STATEMENT OF FINANCIAL POSITION
OCTOBER 31, 2010

ASSETS

Current assets:

Cash and equivalents	\$ 623,445
Investments	7,242,368
Prepaid expenses and other current assets	377,106
	<hr/>
Total current assets	8,242,919

Property and equipment:

Furniture, fixtures and equipment	1,206,772
Museum galleries and cases	1,268,737
Building and improvements	4,365,321
	<hr/>
	6,840,830
Accumulated depreciation	(4,487,845)
	<hr/>
Net property and equipment	2,352,985

Other assets:

Numismatic collections	35,983,385
Investments	7,638,675
Contributions receivable from remainder trust	10,420,151
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Total other assets	54,042,211

Total assets	<hr/> <u>\$ 64,638,115</u>
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The accompanying notes and independent auditor's report
should be read with this financial statement.

AMERICAN NUMISMATIC ASSOCIATION
STATEMENT OF FINANCIAL POSITION
OCTOBER 31, 2010

LIABILITIES AND NET ASSETS

Current liabilities:

Accounts payable and accrued liabilities	\$ 781,964
Deferred revenue	706,123
Total current liabilities	1,488,087

Long-term liabilities:

Deferred life membership fees	1,300,800
Accrued pension liability	428,061
Other liabilities	94,977
Total liabilities	3,311,925

Net assets:

Unrestricted:

Designated for future use	8,069,033
Designated for future numismatic and library acquisitions	1,823,359
Equity in property and equipment and collections	2,352,985
Undesignated	1,199,496
Total unrestricted	13,444,873
Temporarily restricted	47,830,266
Permanently restricted	51,051
Total net assets	61,326,190

Total liabilities and net assets	\$ 64,638,115
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The accompanying notes and independent auditor's report
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AMERICAN NUMISMATIC ASSOCIATION
STATEMENT OF ACTIVITIES
FOR THE PERIOD FROM APRIL 1, 2009 THROUGH OCTOBER 31, 2010

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Revenues:				
Membership dues and fees	\$ 5,586,460	\$ -	\$ -	\$ 5,586,460
Contributions	194,804	443,281	-	638,085
Investment income	2,595,741	2,454,884	-	5,050,625
Other income, net	1,775,463	845,195	-	2,620,658
Total revenues	10,152,468	3,743,360	-	13,895,828
Satisfaction of purpose restrictions	894,656	(894,656)	-	-
	<u>11,047,124</u>	<u>2,848,704</u>	<u>-</u>	<u>13,895,828</u>
Expenses:				
Program:				
Conventions	1,914,156	-	-	1,914,156
Editorial	1,416,729	-	-	1,416,729
Summer conference	777,987	-	-	777,987
Education	533,595	-	-	533,595
Museum	967,859	-	-	967,859
Library	345,778	-	-	345,778
Member services	740,957	-	-	740,957
	6,697,061	-	-	6,697,061
Supporting services:				
General and administrative	1,896,737	-	-	1,896,737
Fundraising	230,683	-	-	230,683
Decrease in pension liability	(50,305)	-	-	(50,305)
Total expenses	<u>8,774,176</u>	<u>-</u>	<u>-</u>	<u>8,774,176</u>
Change in net assets	2,272,948	2,848,704	-	5,121,652
Net assets, beginning of year (Note 11)	<u>11,171,925</u>	<u>44,981,562</u>	<u>51,051</u>	<u>56,204,538</u>
Net assets, end of year	<u>\$ 13,444,873</u>	<u>\$ 47,830,266</u>	<u>\$ 51,051</u>	<u>\$ 61,326,190</u>

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

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AMERICAN NUMISMATIC ASSOCIATION
STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM APRIL 1, 2009 THROUGH OCTOBER 31, 2010

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$ 5,121,652
Adjustments to reconcile change in net assets to net cash used in operating activities:	
Net realized and unrealized gain on investments	(2,413,514)
Depreciation	382,467
Change in value of split-interest agreements	(2,395,354)
Increase in operating assets:	
Prepaid expenses and other current assets	(78,147)
Increase (decrease) in operating liabilities:	
Accounts payable and accrued liabilities	(211,103)
Deferred revenue	(495,473)
Net cash used in operating activities	<u>(89,472)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Purchases of investments, net	(4,350,496)
Purchases of property and equipment	(273,895)
Capitalizable collection costs	<u>(46,221)</u>
Net cash used in investing activities	<u>(4,670,612)</u>
Net decrease in cash and equivalents	(4,760,084)
Cash and equivalents, beginning of year	<u>5,383,529</u>
Cash and equivalents, end of year	<u><u>\$ 623,445</u></u>

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

AMERICAN NUMISMATIC ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2010

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 accounting

The financial statements of the Association have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables and other liabilities.

Basis of presentation

The financial statement presentation follows the recommendations of accounting principles generally accepted in the United States of America ("US GAAP") The Association is required to report 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 for which 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.

The Association changed its fiscal year end to October 31. The accompanying statements of activities and cash flows present the change in net assets and cash flows for the period from April 1, 2009 to October 31, 2010.

Use of estimates

The preparation of financial statements in conformity with US GAAP 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. The significant accounting estimates used in the preparation of the Association's financial statements relate to the estimated useful lives of property and equipment, deferred membership fees, functional allocation of expenses to program and support services, and actuarial estimates used to ensure that the pension funds are adequate to meet related obligations.

AMERICAN NUMISMATIC ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2010

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

Cash and equivalents

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

The Association maintains its cash and equivalents in bank deposit accounts in which the deposits are guaranteed by the Federal Deposit Insurance Corporation ("FDIC"). The operating accounts of the association are held at an institution that is provided unlimited coverage by the FDIC for non-interest bearing transaction accounts as part of the Dodd-Frank Wall Street Reform and Consumer Protection Act. As of the date of this report, this program is effective through December 31, 2012. Topic 825 of the FASB Accounting Standards Codification ("FASB ASC"), *Financial Instruments*, identifies these accounts as a concentration of credit risk requiring disclosure regardless of the degree of risk. This risk is managed by maintaining deposits with high quality financial institutions. Management does not believe that the Association is exposed to any significant risk related to financial institutions holding the cash and equivalents.

Accounts receivables

Accounts receivable are recorded at the amount the Association expects to collect on balances outstanding at year-end. Management closely monitors outstanding balances and expenses 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 October 31, 2010 was \$20,420. Accounts receivable have been included in other current assets.

Contributions receivable

Contributions receivable are recognized when the donor makes a promise to give to the Association that is, in substance, unconditional. Donor restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When restrictions expire, temporarily restricted net assets are reclassified to unrestricted net assets. Contributions receivable have been included in other current assets.

As of October 31, 2010, the Association considers all contribution receivable to be fully collectible; accordingly, no allowance for doubtful contributions has been recorded.

AMERICAN NUMISMATIC ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2010

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

Inventory

The Association's inventory balance consists of retail items, awards and medals and correspondence course materials, and is stated at the lower of cost or market value, on a first-in, first-out ("FIFO") method. Inventory balances have been included in other current assets.

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.

Numismatic collections

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. The collection was initially recorded on the statement of financial position at the estimated fair value of the items in accordance with US GAAP.

The collection consists primarily of coins, medals, paper currency and other objects and documents. They are catalogued, preserved, and cared for, and activities verifying their existence and assessing their conditions are performed. The Association's collection, acquired through purchases and contributions, is recognized as an asset on the statement of financial position. Purchases of collection items are recorded in the year in which the items are acquired as decreases in unrestricted, temporarily restricted or permanently restricted net assets based on the restrictions placed by donors on assets used to purchase the items. Contributed collection items are reflected in the financial statements at the estimated fair value of the items at the date of contribution. Proceeds from deaccessions, which are reflected as an increase in the appropriate net asset class, are used to acquire other items for the collection.

AMERICAN NUMISMATIC ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2010

**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 as an expense on the statement of activities and donated library collection items are not recorded as revenue or expense on the statement of activities.

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 period from April 1, 2009 through October 31, 2010 totaled \$382,467.

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 and are recognized when earned.

Net assets and contributions

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

- a) **Unrestricted** - amounts invested in property and equipment and those currently available for use in the Association's general operating activities.
- b) **Temporarily restricted** - amounts 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
OCTOBER 31, 2010

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

Net assets and contributions (continued)

c) **Permanently restricted** - amounts which are not available for program expenses or other organizational needs (see Note 9).

In accordance with US GAAP, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and nature of donor restrictions.

Contribution revenue 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 statement of activities 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.

Advertising expenses

Advertising costs are expensed as incurred. Advertising expense for the period from April 1, 2009 through October 31, 2010 totaled \$110,892.

AMERICAN NUMISMATIC ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2010

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

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.

The Association evaluates the effect of uncertain tax positions, if any, and provides for those positions in accordance with the provisions of FASB ASC 450, *Contingencies*. The Association discloses any material adjustments as a result of tax examinations. The Association reports interest and penalties resulting from these adjustments as interest expense and other expenses, as applicable. There were no tax examinations or adjustments relating therefrom for the period from April 1, 2009 through October 31, 2010. Management believes tax returns for the years 2006 through 2009 are subject to audit by the applicable taxing jurisdictions.

Subsequent events

Management has evaluated subsequent events through the date of report, the date these financial statements were issued. There were no material subsequent events that required recognition or additional disclosure in these financial statements.

2. DISCLOSURES ABOUT FAIR VALUE OF ASSETS AND LIABILITIES

US GAAP defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Therefore, the term "price" refers to the exit price as opposed to the entry price, which is the price paid to acquire the asset or received to assume the liability. US GAAP also establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

Level 1 - Quoted prices in active markets for identical assets or liabilities.

Level 2 - Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in active markets that are not active that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

AMERICAN NUMISMATIC ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2010

2. DISCLOSURES ABOUT FAIR VALUE OF ASSETS AND LIABILITIES (CONTINUED)

Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Following is a description of the valuation methodologies used for instruments measured at fair value on a recurring basis and recognized in the accompanying statement of financial position, as well as the general classification of such instruments pursuant to the valuation hierarchy.

Investments

The Association invests in various money market funds, bonds and mutual funds. Because quoted market prices are available for identical securities in an active market, these securities are classified within Level 1 of the valuation hierarchy.

The Association also holds stock in a closely-held corporation which is not actively traded. The estimated fair value of these securities is based on a certain percentage of the book value of the corporation and, accordingly, these securities are classified within Level 3 of the valuation hierarchy.

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Cash and money market	\$ 165,073	\$ -	\$ -
Equity securities	2,432,147	-	-
Mutual funds	4,645,148	-	-
Closely-held corporate stock	-	-	7,638,675
Total	<u>\$ 7,242,368</u>	<u>\$ -</u>	<u>\$ 7,638,675</u>

The following table represents the cost and market value of the Association's investments as of October 31, 2010:

	<u>Cost</u>	<u>Value</u>
Current:		
Readily determinable fair values available:		
Cash and money market	\$ 2,500,000	\$ 2,552,704
Bonds and mutual funds	3,772,820	4,689,664
	6,272,820	7,242,368
Long-term:		
Readily determinable fair values not available:		
Donated corporate stock	789,789	7,638,675
Total investments	<u>\$ 7,062,609</u>	<u>\$ 14,881,043</u>

AMERICAN NUMISMATIC ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2010

2. DISCLOSURES ABOUT FAIR VALUE OF ASSETS AND LIABILITIES (CONTINUED)

Total investment return is comprised of the following for the period from April 1, 2009 through October 31, 2010:

Interest and dividend income	\$ 241,757
Net realized and unrealized gains on investments	2,413,514
Change in value of split-interest agreements	<u>2,395,354</u>
Total investment income	<u><u>\$ 5,050,625</u></u>

Investment expenses and related fees for the period from April 1, 2009 through October 31, 2010 totaled \$2,090.

3. CONTRIBUTIONS RECEIVABLE FROM REMAINDER TRUST

Contributions receivable from remainder trust are based on the estimated net present value of the estimated fair value of shares of the same closely-held corporation as discussed in 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% per annum.

The amount ultimately received from the remainder trust could differ materially from the contribution receivable from the remainder trust recorded as of October 31, 2010.

4. DEFINED BENEFIT PENSION PLAN

The Association has a noncontributory defined benefit pension plan covering all employees who meet the eligibility requirements. The Association's funding policy is to make the minimum annual contribution that is required by applicable regulations, plus such additional amounts as the Association may determine to be appropriate from time to time.

Information about the plan's funded status as of October 31, 2010 is as follows:

Fair value of plan assets	\$ 1,088,716
Benefit obligation	<u>(1,516,777)</u>
Funded status - shortfall	<u><u>\$ (428,061)</u></u>

The liability recognized in the statement of financial position as of October 31, 2010 is as follows:

Pension obligations	<u><u>\$ 428,061</u></u>
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AMERICAN NUMISMATIC ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2010

4. DEFINED BENEFIT PENSION PLAN (CONTINUED)

The Association expects to contribute approximately \$120,000 to the plan during the year ending October 31, 2011.

The most recent actuarial information obtained by the Association is for the period from April 1, 2009 through October 31, 2009. The remaining information contained in this note is as of and for the seven months ended October 31, 2009, which differs from the dates of the accompanying financial statements. Management does not believe the differences are material to the financial statements as a whole.

The present value of future plan benefits, which is the actuarial present value of projected benefits, is a standardized disclosure measure of benefits estimated to be payable in the future as a result of employee service through the effective date of the study. Per the study, the unfunded actuarial liability under the plan was as follows on that date:

Accumulated benefit obligation	\$ 1,390,769
Projected benefit obligation	\$ 1,516,777
Fair value of plan assets	\$ 1,088,716
Funded status - shortfall	\$ 428,061

Other significant balances and costs for the period from April 1, 2009 through October 31, 2009 are:

Employer contribution	\$ 120,191
Benefits paid	\$ 14,154
Benefits costs	\$ 110,640
Net periodic benefit cost	\$ 50,305

Significant assumptions include:

Weighted-average assumptions used to determine benefit obligations at October 31, 2009 are:

Discount rate	6.00%
Rate of compensation increase	2.00%

AMERICAN NUMISMATIC ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2010

4. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Weighted-average assumptions used to determine net periodic benefit cost for the indicated fiscal years ended:

Discount rate	6.00%
Expected long-term return on plan assets	6.00%
Rate of compensation increase	2.00%

The Association has estimated the long-term rate of return on plan assets based primarily on historical returns on plan assets adjusted for changes in target portfolio allocations and recent changes in long-term interest rates based on publicly available information.

Benefits expected to be paid by the plan during the five years ended and ending October 31, 2010 through 2014 and thereafter are approximately as follows:

Years Ending October 31,	
2010	\$ 31,159
2011	49,711
2012	63,232
2013	65,935
2014	73,993
2015 - 2020	488,939
Total	<u>\$ 772,969</u>

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.

Plan assets are re-balanced quarterly. At October 31, 2009 all plan assets were annuities and are Level 1 assets in the fair value hierarchy.

5. SIGNIFICANT ESTIMATES AND CONCENTRATIONS

Accounting principles generally accepted in the United States of America require disclosure of certain significant estimates and current vulnerabilities due to certain concentrations. Those matters include the following:

AMERICAN NUMISMATIC ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2010

5. SIGNIFICANT ESTIMATES AND CONCENTRATIONS (CONTINUED)

Credit risk

Certain financial instruments potentially subject the Association to concentrations of credit risk. These financial instruments consist primarily of investments. The Association invests in what management considers to be high quality investment instruments and attempts to limit the amount of credit exposure at any one entity or in any one industry.

Current economic conditions

The current economic environment presents not-for-profit organizations with unprecedented circumstances and challenges, which in some cases have resulted in large declines in the fair value of investments and other assets, and constraints on liquidity. The financial statements have been prepared using values and information currently available to the Association.

In addition, given the volatility of current economic conditions, the values of assets and liabilities recorded in the financial statements could change rapidly, resulting in material future adjustments in investment values that could negatively impact the Association's ability to maintain sufficient liquidity.

6. POSTRETIREMENT BENEFITS

The Association previously had a plan which provided, upon qualification and enactment of a retiree's Medicare benefits, that the Association would 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 \$61,722 as of October 31, 2010. The assumed discount rate used in the present value calculation was 8% per annum. For measurement purposes, a 10% annual rate of increase per capita cost of covered health care benefits in future years was assumed for the period from April 1, 2009 through October 31, 2010.

7. DEFERRED COMPENSATION

The Association has 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 \$36,175 as of October 31, 2010.

AMERICAN NUMISMATIC ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2010

8. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purposes or periods as of October 31, 2010:

Program activities:	
Numismatic collections	\$ 35,983,385
Scholarships	545,107
Exhibit awards	151,749
Lecture series	109,550
Engraving programs	104,912
Other	<u>515,412</u>
Total restricted as to purpose	37,410,115
Contributions receivable from remainder trust	<u>10,420,151</u>
Total	<u><u>\$ 47,830,266</u></u>

9. PERMANENTLY RESTRICTED NET ASSETS

The Association's endowment consist of one endowment fund for which the total investments to be held indefinitely and income from the investments can be used for library books and videos. The purpose of the endowment fund is to meet program specifications. As required by US GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

During 2008, the state of Colorado adopted the Uniform Prudent Management of Institutional Funds Act ("UPMIFA"). The Association has interpreted UPMIFA as requiring the preservation of the original fair value of the gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Association classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, and (b) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Association in a manner consistent with the standard of prudence prescribed by UPMIFA.

The Association has investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs and other items supported by its endowments. The Association's endowment assets are invested in a manner that is intended to produce the highest possible rate of return consistent with the Association's risk tolerances.

AMERICAN NUMISMATIC ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2010

10. 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 recorded.

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 Association is not able to make a meaningful estimate of the amounts or range of future minimum payments, if any, related to these commitments. Consequently, the Association has not provided for any future commitments under these contracts.

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.

11. RESTATEMENT

The Association has also restated its March 31, 2009 financial statements and, accordingly, beginning net assets in the accompanying financial statements, for the recording of the numismatic collections in the amount of \$35,937,164 and the decrease in pension liability in the amount of \$706,380. Total net assets at March 31, 2009, were increased by \$36,643,544.

AMERICAN NUMISMATIC ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2010

11. RESTATEMENT (CONTINUED)

The effects on the Association's previously issued March 31, 2009 financial statements are summarized as follows:

	Previously Reported	Change	Restated
Numismatic collections	\$ -	\$ 35,937,164	\$ 35,937,164
Other assets	24,285,875	-	24,285,875
Total assets	<u>\$ 24,285,875</u>	<u>\$ 35,937,164</u>	<u>\$ 60,223,039</u>
Liabilities	\$ 4,724,881	\$ (706,380)	\$ 4,018,501
Net assets	19,560,994	36,643,544	56,204,538
Total liabilities and net assets	<u>\$ 24,285,875</u>	<u>\$ 35,937,164</u>	<u>\$ 60,223,039</u>

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SUPPLEMENTAL INFORMATION

AMERICAN NUMISMATIC ASSOCIATION
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE PERIOD FROM APRIL 1, 2009 THROUGH OCTOBER 31, 2010

	Program Services				
	Conventions	Enterprise	Editorial	Summer Conference	Education
Advertising and promotion	\$ 28,999	\$ -	\$ 835	\$ -	\$ 9,111
Bad debt	8,705	-	10,048	-	-
Bank and investment fees	27,886	4,374	18,105	9,781	3,912
Bass Gallery	-	-	-	-	-
Computer services	9,609	2,578	12,079	3,130	9,388
Contract labor	37,876	1,132	49,298	1,534	5,754
Cost of sales	-	14,427	-	-	3,214
Depreciation	24,543	-	13,878	19,211	13,878
Editorial and publications	2,279	318	441,802	721	1,572
Employee benefits	61,010	-	120,407	53,933	82,952
Events-education	-	-	-	377,214	60,333
Events-other	967,273	690	35,005	74,876	-
Equipment maintenance	12,850	-	3,298	-	4,214
Executive search	-	-	-	-	36
Exhibits	107,198	-	-	-	-
Fund development	-	-	-	-	-
Insurance	7,684	1,211	1,321	-	1,321
Legal fees	-	-	-	-	-
Mailings	9,372	3,521	234,816	2,333	4,086
Miscellaneous	4,493	20	-	-	1,773
Security (occupancy)	195,294	-	-	-	-
Professional development	2,348	-	666	-	-
Salaries	254,823	-	457,378	212,931	321,050
Supplies	6,387	1,281	10,960	-	2,016
Taxes	-	-	-	-	-
Telephone	4,905	192	3,864	-	2,749
Travel	128,464	-	984	22,322	2,385
Utilities	12,159	1,853	1,985	-	3,850
Total expenses	<u>\$ 1,914,156</u>	<u>\$ 31,598</u>	<u>\$ 1,416,729</u>	<u>\$ 777,987</u>	<u>\$ 533,595</u>

See independent auditor's report.

AMERICAN NUMISMATIC ASSOCIATION
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE PERIOD FROM APRIL 1, 2009 THROUGH OCTOBER 31, 2010

Program Services				Supporting Services			Grand Total
Museum	Library	Member Services	Total	General and administrative	Fundraising	Total	
\$ 36,441	\$ -	\$ 30,951	\$ 106,337	\$ -	\$ 4,555	\$ 4,555	\$ 110,892
-	2,911	-	21,664	9,002	-	9,002	30,666
1,956	979	25,930	92,923	-	4,891	4,891	97,814
38,033	-	-	38,033	-	-	-	38,033
9,388	12,704	22,237	81,113	-	-	-	81,113
11,060	2,592	13,829	123,075	53,189	1,918	55,107	178,182
39,417	-	5,367	62,424	4,230	-	4,230	66,654
117,732	50,641	13,879	253,762	128,706	-	128,706	382,468
1,039	1,039	35,588	484,358	33,706	5,904	39,610	523,968
57,870	27,690	83,509	487,370	198,735	7,949	206,684	694,054
-	-	828	438,375	-	900	900	439,275
562	72	52,561	1,131,040	219	-	219	1,131,259
41,262	20,102	2,658	84,384	39,559	-	39,559	123,943
-	31	182	249	678	-	678	927
93,645	-	-	200,843	-	-	-	200,843
-	-	-	-	-	29,118	29,118	29,118
129,880	11,229	1,321	153,967	20,234	-	20,234	174,201
-	-	-	-	727,836	-	727,836	727,836
8,370	5,971	69,920	338,389	-	737	737	339,126
3,224	45,445	50,915	105,871	36,013	-	36,013	141,884
86,153	-	-	281,447	-	-	-	281,447
-	-	-	3,014	1,379	-	1,379	4,393
236,063	128,762	277,803	1,888,811	565,253	170,580	735,833	2,624,644
20,025	17,529	4,530	62,728	24,982	188	25,170	87,898
-	-	-	-	6,692	-	6,692	6,692
2,760	1,191	6,991	22,653	14,012	87	14,099	36,752
2,218	21	8,376	164,770	2,543	3,856	6,399	171,169
30,760	16,869	1,985	69,461	29,769	-	29,769	99,230
<u>\$ 967,859</u>	<u>\$ 345,778</u>	<u>\$ 709,359</u>	<u>\$ 6,697,061</u>	<u>\$ 1,896,737</u>	<u>\$ 230,683</u>	<u>\$ 2,127,420</u>	<u>\$ 8,824,481</u>

See independent auditor's report.