

**AMERICAN ACADEMY OF AUDIOLOGY, INC.
AND AFFILIATE**

Consolidated Financial Statements
For the Years Ended June 30, 2009 and 2008
And
Report Thereon

LANE & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report

To the Board of Directors of the
American Academy of Audiology, Inc. and Affiliate

We have audited the accompanying consolidated statement of financial position of the American Academy of Audiology, Inc. and Affiliate (collectively referred to as the Organization) as of June 30, 2009 and 2008 and the related consolidated statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Organization'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 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 audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the American Academy of Audiology, Inc. and Affiliate as of June 30, 2009 and 2008, and the results of its activities and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.



Washington, D.C., USA
September 21, 2009

AMERICAN ACADEMY OF AUDIOLOGY, INC.

Schedule of Financial Position

June 30, 2009 and 2008

	<u>2009</u>	<u>2008</u>
ASSETS		
Cash and cash equivalents	\$ 196,124	\$ 140,870
Accounts receivable and accrued revenue	123,987	187,606
Prepaid expenses	121,528	227,499
Inventory	49,038	65,337
Deferred compensation investments	12,895	5,934
Investments	3,122,469	3,876,379
Security deposits	16,018	16,018
Fixed assets, net of accumulated depreciation of \$626,792 and \$519,601	<u>1,354,938</u>	<u>1,277,113</u>
Total Assets	<u><u>\$ 4,996,997</u></u>	<u><u>\$ 5,796,756</u></u>
LIABILITIES AND NET ASSETS		
Accounts payable and accrued expenses	\$ 514,344	\$ 501,866
Deferred revenue	2,034,987	2,056,032
Deferred lease incentive	37,661	49,761
Loan payable	738,433	746,914
Deferred compensation liability	<u>12,895</u>	<u>5,934</u>
Total Liabilities	3,338,320	3,360,507
Net assets - unrestricted		
Undesignated	49,529	1,057,814
Board designated	<u>1,609,148</u>	<u>1,378,435</u>
Total Net Assets	<u>1,658,677</u>	<u>2,436,249</u>
Total Liabilities and Net Assets	<u><u>\$ 4,996,997</u></u>	<u><u>\$ 5,796,756</u></u>

AMERICAN ACADEMY OF AUDIOLOGY, INC.

Schedule of Activities

For the Years Ended June 30, 2009 and 2008

	<u>2009</u>	<u>2008</u>
CHANGE IN UNRESTRICTED NET ASSETS		
Revenue		
Membership	\$ 2,345,420	\$ 2,389,975
AudiologyNOW!	3,511,323	4,265,629
Continuing education	325,270	356,318
Communications	521,588	690,054
Board certification - ABA	184,374	167,095
Advocacy	7,075	11,775
Other income	(181,541)	25,067
Total Unrestricted Revenue	<u>6,713,509</u>	<u>7,905,913</u>
Expenses		
Program services		
Membership	520,251	449,077
AudiologyNOW!	2,180,200	2,621,502
Continuing education	653,137	396,803
Communications	1,414,503	1,237,662
Board certification - ABA	279,229	253,510
Advocacy	884,684	958,190
Committees and task forces	299,763	410,773
Total Program Services	<u>6,231,767</u>	<u>6,327,517</u>
Administrative expenses	1,259,314	1,003,249
Total Expenses	<u>7,491,081</u>	<u>7,330,766</u>
Change in Unrestricted Net Assets	(777,572)	575,147
Net Assets - Beginning of Year	<u>2,436,249</u>	<u>1,861,102</u>
Net Assets - End of Year	<u>\$ 1,658,677</u>	<u>\$ 2,436,249</u>