AMERICAN ACADEMY OF AUDDIOLOGY, INC.
AND AFFILIATE

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

<table>
<thead>
<tr>
<th>Description</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$196,124</td>
<td>$140,870</td>
</tr>
<tr>
<td>Accounts receivable and accrued revenue</td>
<td>123,987</td>
<td>187,606</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>121,528</td>
<td>227,499</td>
</tr>
<tr>
<td>Inventory</td>
<td>49,038</td>
<td>65,337</td>
</tr>
<tr>
<td>Deferred compensation investments</td>
<td>12,895</td>
<td>5,934</td>
</tr>
<tr>
<td>Investments</td>
<td>3,122,469</td>
<td>3,876,379</td>
</tr>
<tr>
<td>Security deposits</td>
<td>16,018</td>
<td>16,018</td>
</tr>
<tr>
<td>Fixed assets, net of accumulated depreciation of $626,792 and $519,601</td>
<td>1,354,938</td>
<td>1,277,113</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>$4,996,997</td>
<td>$5,796,756</td>
</tr>
</tbody>
</table>

### LIABILITIES AND NET ASSETS

<table>
<thead>
<tr>
<th>Description</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable and accrued expenses</td>
<td>$514,344</td>
<td>$501,866</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>2,034,987</td>
<td>2,056,032</td>
</tr>
<tr>
<td>Deferred lease incentive</td>
<td>37,661</td>
<td>49,761</td>
</tr>
<tr>
<td>Loan payable</td>
<td>738,433</td>
<td>746,914</td>
</tr>
<tr>
<td>Deferred compensation liability</td>
<td>12,895</td>
<td>5,934</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td>3,338,320</td>
<td>3,360,507</td>
</tr>
<tr>
<td>Net assets - unrestricted</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Undesignated</td>
<td>49,529</td>
<td>1,057,814</td>
</tr>
<tr>
<td>Board designated</td>
<td>1,609,148</td>
<td>1,378,435</td>
</tr>
<tr>
<td><strong>Total Net Assets</strong></td>
<td>1,658,677</td>
<td>2,436,249</td>
</tr>
<tr>
<td>Total Liabilities and Net Assets</td>
<td>$4,996,997</td>
<td>$5,796,756</td>
</tr>
</tbody>
</table>
# AMERICAN ACADEMY OF AU迪LOGY, INC.

Schedule of Activities
For the Years Ended June 30, 2009 and 2008

## CHANGE IN UNRESTRICTED NET ASSETS

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Membership</td>
<td>$2,345,420</td>
<td>$2,389,975</td>
</tr>
<tr>
<td>AudiologyNOW!</td>
<td>3,511,323</td>
<td>4,265,629</td>
</tr>
<tr>
<td>Continuing education</td>
<td>325,270</td>
<td>356,318</td>
</tr>
<tr>
<td>Communications</td>
<td>521,588</td>
<td>690,054</td>
</tr>
<tr>
<td>Board certification - ABA</td>
<td>184,374</td>
<td>167,095</td>
</tr>
<tr>
<td>Advocacy</td>
<td>7,075</td>
<td>11,775</td>
</tr>
<tr>
<td>Other income</td>
<td>(181,541)</td>
<td>25,067</td>
</tr>
<tr>
<td><strong>Total Unrestricted Revenue</strong></td>
<td>6,713,509</td>
<td>7,905,913</td>
</tr>
</tbody>
</table>

## Expenses

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Program services</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Membership</td>
<td>520,251</td>
<td>449,077</td>
</tr>
<tr>
<td>AudiologyNOW!</td>
<td>2,180,200</td>
<td>2,621,502</td>
</tr>
<tr>
<td>Continuing education</td>
<td>653,137</td>
<td>396,803</td>
</tr>
<tr>
<td>Communications</td>
<td>1,414,503</td>
<td>1,237,662</td>
</tr>
<tr>
<td>Board certification - ABA</td>
<td>279,229</td>
<td>253,510</td>
</tr>
<tr>
<td>Advocacy</td>
<td>884,684</td>
<td>958,190</td>
</tr>
<tr>
<td>Committees and task forces</td>
<td>299,763</td>
<td>410,773</td>
</tr>
<tr>
<td><strong>Total Program Services</strong></td>
<td>6,231,767</td>
<td>6,327,517</td>
</tr>
</tbody>
</table>

| **Administrative expenses** | 1,259,314 | 1,003,249 |
| **Total Expenses**          | 7,491,081 | 7,330,766 |

| **Change in Unrestricted Net Assets** | (777,572) | 575,147 |
| **Net Assets - Beginning of Year**  | 2,436,249 | 1,861,102 |
| **Net Assets - End of Year**        | $1,658,677 | $2,436,249 |