The American Numismatic Society

Financial Statements

September 30, 2015 and 2014

O'CONNOR DAVIES

PKF

Independent Auditors' Report

Board of Trustees
The American Numismatic Society

We have audited the accompanying financial statements of The American Numismatic Society (the "Society") which comprise the statements of financial position as of September 30, 2015 and 2014, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

O'Connor Davies, LLP is a member firm of the PKF International Limited network of legally independent firms and does not accept any responsibility or liability for the actions or inactions on the part of any other individual member firm or firms.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The American Numismatic Society as of September 30, 2015 and 2014, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedules of changes in unrestricted, temporarily restricted and permanently restricted net assets for the year ended September 30, 2015 and functional expenses for the years ended September 30, 2015 and 2014 on pages 20 - 24 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

O'Connor Davies, LLP

December 15, 2015

The American Numismatic Society

Statements of Financial Position

	September 30	
	2015	2014
ASSETS		
Cash and cash equivalents	$ 389,932	$ 150,128
Pledges receivable	34,970	34,970
Other receivables and prepaid expenses	420,889	346,102
Due from broker	61,216	-
Investments	28,939,101	32,535,296
Security deposit	-	400,000
Loan receivable, 140 William Street, LLC, net of allowance	584,554	759,734
Deferred leasing costs, net	66,786	72,025
Restricted investments	7,604,463	6,473,091
Beneficial interest in perpetual trusts	2,408,681	2,574,496
Property and equipment, net	3,105,135	3,397,851
	$ 43,615,727	$ 46,743,693
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable	$ 160,282	$ 115,936
Deferred rent	1,895,680	1,747,461
Total Liabilities	2,055,962	1,863,397
Net Assets		
Unrestricted		
Undesignated	18,317,397	20,565,385
Designated	3,416,944	3,563,660
Total Unrestricted Net Assets	21,734,341	24,129,045
Temporarily restricted	10,429,602	11,703,664
Permanently restricted	9,395,822	9,047,587
Total Net Assets	41,559,765	44,880,296
	$ 43,615,727	$ 46,743,693

See notes to financial statements

The American Numismatic Society

Statement of Activities
Year Ended September 30, 2015

	Unrestricted			Temporarily	Permanently	
	Undesignated	Designated	Total	Restricted	Restricted	Total
OPERATING REVENUES, GAINS AND OTHER SUPPORT						
Contributions	$ 588,820	$ -	$ 588,820	$ 31,605	$ 514,050	$ 1,134,475
Government grants	138,556	-	138,556	-	-	138,556
Sales and other income	97,960	-	97,960	84,903	-	182,863
Membership dues	119,445	-	119,445	-	-	119,445
Investment loss, net	(421,052)	(4,176)	(425,228)	(409,014)	-	(834,242)
Unrealized loss in perpetual trusts	-	-	-	-	(165,815)	(165,815)
Special events, net	51,212	-	51,212	-	-	51,212
Net assets released from restrictions	775,227	-	775,227	(775,227)	-	-
Total Operating Revenues, Gains and Other Support	1,350,168	(4,176)	1,345,992	(1,067,733)	348,235	626,494
OPERATING EXPENSES						
Program services	2,629,446	299,705	2,929,151	-	-	2,929,151
Management and general	823,015	-	823,015	-	-	823,015
Fundraising	145,134	-	145,134	-	-	145,134
Total Operating Expenses	3,597,595	299,705	3,897,300	-	-	3,897,300
Change in Net Assets from Operating Activities	(2,247,427)	(303,881)	(2,551,308)	(1,067,733)	348,235	(3,270,806)
NON-OPERATING ACTIVITIES						
Sale of collection items	-	161,400	161,400	22,021	-	183,421
Purchase of collection items	(561)	-	(561)	(232,585)	-	(233,146)
Change in Net Assets from Non-Operating Activities	(561)	161,400	160,839	(210,564)	-	(49,725)
Interfund transfers	-	(4,235)	(4,235)	4,235	-	-
Change in Net Assets	(2,247,988)	(146,716)	(2,394,704)	(1,274,062)	348,235	(3,320,531)
NET ASSETS						
Beginning of year	20,565,385	3,563,660	24,129,045	11,703,664	9,047,587	44,880,296
End of year	$ 18,317,397	$ 3,416,944	$ 21,734,341	$ 10,429,602	$ 9,395,822	$ 41,559,765

See notes to financial statements

The American Numismatic Society

Statement of Activities
Year Ended September 30, 2014

	Unrestricted			Temporarily Restricted	Permanently Restricted	Total
	Undesignated	Designated	Total			
OPERATING REVENUES, GAINS AND OTHER SUPPORT						
Contributions	$ 469,172	$ -	$ 469,172	$ 11,550	$ 141,367	$ 622,089
Government grants	28,828	-	28,828	-	-	28,828
Sales and other income	109,964	-	109,964	97,766	699	208,429
Membership dues	121,710	-	121,710	-	-	121,710
Investment income, net	1,576,545	6,596	1,583,141	1,312,110	-	2,895,251
Unrealized gain in perpetual trusts	-	-	-	-	129,712	129,712
Special events, net	119,048	-	119,048	-	-	119,048
Net assets released from restrictions	1,023,648	-	1,023,648	(1,023,648)	-	-
Total Operating Revenues, Gains and Other Support	3,448,915	6,596	3,455,511	397,778	271,778	4,125,067
OPERATING EXPENSES						
Program services	2,828,236	305,317	3,133,553	-	-	3,133,553
Management and general	763,377	-	763,377	-	-	763,377
Fundraising	111,493	-	111,493	-	-	111,493
Total Operating Expenses	3,703,106	305,317	4,008,423	-	-	4,008,423
Change in Net Assets from Operating Activities	(254,191)	(298,721)	(552,912)	397,778	271,778	116,644
NON-OPERATING ACTIVITIES						
Sale of collection items	100	79,114	79,214	12,870	-	92,084
Purchase of collection items	-	-	-	(85,170)	-	(85,170)
Change in Net Assets from Non-Operating Activities	100	79,114	79,214	(72,300)	-	6,914
Interfund transfers	(62,280)	144,884	82,604	(7,297)	(75,307)	-
Change in Net Assets	(316,371)	(74,723)	(391,094)	318,181	196,471	123,558
NET ASSETS						
Beginning of year	20,881,756	3,638,383	24,520,139	11,385,483	8,851,116	44,756,738
End of year	$ 20,565,385	$ 3,563,660	$ 24,129,045	$ 11,703,664	$ 9,047,587	$ 44,880,296

See notes to financial statements

The American Numismatic Society

Statements of Cash Flows

	September 30	
	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ (3,320,531)	$ 123,558
Adjustments to reconcile change in net assets to net cash from operating activities		
Net realized gains on investments	(1,316,523)	(1,750,012)
Unrealized (gain) loss on investments	2,468,303	(572,473)
Unrealized (gain) loss on perpetual trusts	165,815	(129,712)
Donated stock	-	(81,394)
Depreciation and amortization	300,709	308,050
Amortization of deferred rent	148,219	172,794
Contributions restricted for endowments	(514,050)	(141,367)
Purchase of collection items	233,146	85,170
Sale of collection items	(183,421)	(92,084)
Bad debt expense	4,919	4,653
Net changes in operating assets and liabities		
Pledges receivable	-	2,500
Other receivables and prepaid expenses	(79,706)	(38,426)
Due from broker	(61,216)	-
Security deposit	400,000	(400,000)
Restricted cash	-	799,869
Loan receivable, 140 William Street, LLC	175,180	203,289
Accounts payable	44,346	(113,681)
Net Cash from Operating Activities	(1,534,810)	(1,619,266)
CASH FLOWS FROM INVESTING ACTIVITIES		
Sale of collection items	183,421	92,084
Purchase of collection items	(233,146)	(85,170)
Purchase of investments	(12,084,782)	(13,886,274)
Proceeds from investments	13,397,825	14,922,325
Purchase of property and equipment	(2,754)	(62,280)
Net Cash from Investing Activities	1,260,564	980,685
CASH FLOWS FROM FINANCING ACTIVITIES		
Contributions permanently restricted for endowments	514,050	141,367
Net Cash from Financing Activities	514,050	141,367
Change in Cash and Cash Equivalents	239,804	(497,214)
CASH AND CASH EQUIVALENTS		
Beginning of year	150,128	647,342
End of year	$ 389,932	$ 150,128

See notes to financial statements

1. Organization

The American Numismatic Society (the “Society") is a nonprofit organization organized in 1858 and incorporated in 1865. The mission of the Society is to be the pre-eminent national institution advancing the study and public appreciation of coins, medals and related objects of all cultures as historic and artistic documents, by maintaining the foremost numismatic collection and library; by supporting scholarly research and publications; and by sponsoring educational and interpretive programs for diverse audiences. Items in Society collections are available for loan to other museums for exhibits on particular themes. The Society is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

2. Summary of Significant Accounting Policies

Basis of Presentation and Use of Estimates

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (US GAAP), which 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. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include short-term investments with maturities of three months or less at the time of purchase, except for those short-term investments managed by the Society’s investment manager as part of the Society’s long-term investment strategies.

Fair Value Measurements

The Society follows US GAAP guidance on Fair Value Measurements which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

During fiscal year 2015, the Society adopted new US GAAP guidance which removed the requirement to categorize within the fair value hierarchy alternative investments where fair value is measured using the Net Asset Value (“NAV”) per share as a practical expedient. Adoption of this guidance was applied retrospectively and no effect on the carrying value of such investments.

2. Summary of Significant Accounting Policies *(continued)*

Beneficial Interest in Perpetual Trusts Held by Third Parties

The Society is the beneficiary of certain perpetual trusts under which the trust income is received annually for unrestricted use. The assets are held by trustees which are independent from the Society. Distributions from the trusts are recorded as unrestricted contributions when received. The Society's beneficial interest in these perpetual trusts is recorded based on the fair value of the assets held in the trusts as reported by the trustees and is reported as permanently restricted net assets. Annual changes in such amounts are shown as permanently restricted unrealized gains or losses.

Investment Valuation and Investment Income Recognition

Investments are carried at fair value. The fair value of alternative investments has been estimated using NAV as reported by the management of the respective alternative investment fund. US GAAP guidance provides for the use of NAV as a "Practical Expedient" for estimating fair value of alternative investments.

Purchases and sales of investments are reflected on a trade-date basis. Interest income is recorded on an accrual basis. Dividends are recorded based upon ex-dividend dates. Realized and unrealized gains and losses are included in the statement of activities and allocated among individual restricted and unrestricted funds on the basis of the respective percentage share in the pooled funds at the beginning of each quarter in which income and realized and unrealized gains or losses are earned.

Investments Risks and Uncertainties

Alternative investments consist of non-traditional, not readily marketable investments, some of which may be structured as offshore limited partnerships, venture capital funds, hedge funds, private equity funds and common trust funds. Some of the underlying investments of such funds, whether invested in stock or other securities, may not be currently traded in a public market and typically may be subject to restrictions on resale. Values determined by investment managers and general partners of underlying securities that are thinly traded or not traded in an active market may be based on historical cost, appraisals, a review of the investees' financial results, financial condition and prospects, together with comparisons to similar companies for which quoted market prices are available or other estimates that require varying degrees of judgment.

Because of the inherent uncertainty of valuations, the estimated fair values may differ significantly from the values that would have been used had a ready market for such investments existed or had such investments been liquidated, and those differences could be material.

2. Summary of Significant Accounting Policies *(continued)*

Society Collections

The Society's collections consist primarily of coins, medals, paper money and books. They are cataloged, preserved, and cared for, and activities verifying their existence and assessing their condition are performed periodically. The Society's collections, acquired through purchase and contributions, are not recognized as assets in the statement of financial position. Purchases of collection items are recorded in the year in which the items were acquired as decreases in unrestricted, temporarily restricted or permanently restricted net assets, based on donor restrictions placed on assets used to purchase the items. Proceeds from deaccessions are reflected as increases in the appropriate net asset class, and are used to acquire other items for the collection. The current value of the collections is not readily determinable.

Receivables

Receivables are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding, after management has used reasonable collection efforts, are written off through a charge to the valuation allowance and a credit to accounts receivable.

Property and Equipment

Property and equipment are recorded at cost less accumulated depreciation. The cost of maintenance and repairs is charged to expense as incurred. Significant renewals and replacements which substantially extend the lives of the assets are capitalized when the cost exceeds $5,000.

Assets currently in service are depreciated principally using straight-line methods over the estimated useful lives of the assets as follows:

Furniture and office equipment	5-10 Years
Leasehold improvements - One Hudson Square	Life of lease (248 months at inception)

Asset Recoverability

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying value amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated undiscounted future cash flows, an impairment charge is recognized in the amount by which the carrying amount of the asset exceeds the fair value of the asset. No impairment charge has been recognized.

2. Summary of Significant Accounting Policies *(continued)*

Deferred Leasing Costs

The deferred leasing costs relate to the inception of the lease at Hudson Square. The costs are amortized over the life of the lease (20 years and 8 months) on a straight-line basis.

Net Asset Presentation

The Society reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Unrestricted net assets are neither permanently restricted nor temporarily restricted by donor-imposed restrictions. As reflected in the accompanying statement of financial position, the Society has designated its unrestricted net assets into the following two categories:

Undesignated net assets are net assets that are an integral part of the Society's programs and supporting activities and include realized capital gains and unrealized appreciation on permanently restricted net assets in the absence of donor imposed restrictions on either income or capital appreciation. These net assets are resources over which the Board of Trustees ("Trustees") has discretionary control to use for operations.

Designated net assets are net assets which the Trustees have established a restriction for specified purposes. These net assets are differentiated from temporarily restricted net assets because the Trustees can remove the restrictions it imposed. The Trustees have designated these net assets for property and equipment and North American Chair.

Temporarily restricted net assets contain donor-imposed restrictions that permit the Society to use or expend the donated assets as specified. These restrictions are met by actions of the Society.

Permanently restricted net assets contain donor-imposed restrictions that stipulate the resources be maintained permanently, but may permit the Society to use or expend part or all of the income from the donated assets for specified or unspecified purposes.

Deferred Rent

The Society has entered into an operating lease agreement which contains a provision for future rent increases. The total amount of rental payments due over the lease term is being charged to rent expense on the straight-line method over the term of the lease. The difference between rent expense recorded and the amount paid is reflected as deferred rent, in the accompanying statement of financial position.

2. Summary of Significant Accounting Policies *(continued)*

Accounting for Uncertainty in Income Taxes

The Society recognizes the effect of income tax positions only if those positions are more likely than not to be sustained. Management has determined that the Society had no uncertain tax positions that would require financial statement recognition or disclosure. The Society is no longer subject to examinations by the applicable taxing jurisdictions for periods prior to fiscal 2012.

Governmental Grants and Appropriations

Cost-reimbursement governmental grants are recognized as revenue at the same time as expenses are incurred based on the terms of the grant.

Contributions

Contributions, including promises to give, are recorded as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires i.e., 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 Society recognizes contributions restricted by a donor for the acquisition or construction of long-lived assets as temporarily restricted support and reclassifies such support to unrestricted net assets when the asset is placed in service.

Nonmonetary contributions (stocks, bonds, etc.) are recorded at estimated fair value at date of receipt.

Donated Services

The Society received donated services from its officers, directors and other volunteers. No amounts are reflected in the financial statements for these services, as such services do not meet the criteria for recognition in the financial statements.

Functional Allocations of Expenses

The costs of providing for the various programs and other activities have been summarized on a functional basis in the financial statements. Accordingly, certain costs have been allocated among the program and supporting services benefited.

Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is December 15, 2015.

3. Concentrations

Financial instruments that potentially subject the Society to concentrations of credit risk consist principally of cash and money market accounts in financial institutions, which may exceed the federal depository insurance coverage limit, brokerage accounts which may exceed insurance coverage limits, and investments in marketable securities and investment partnerships. The Society's cash management policy is to mitigate the Society's credit risks by investing in or through major financial institutions. Additionally, the Society has retained an investment advisor to assist with periodic reviews of the Society's investment portfolio in order to minimize risk.

The Society receives its contributions primarily from its members, Trustees, and other foundations interested in its programs. There is no assurance that the funding will continue at its present levels in the future.

4. Pledges Receivable

Pledges receivable consist of pledges for the Hudson Square renovation.

The pledges receivable were originally restricted for the development of the Exhibition Hall at the William Street location. With the sale of the William Street building, the donors have modified their pledges so that the funds are now restricted for improvements to be made at the Hudson Square facility. For the year ended September 30, 2015, all of the pledges receivable were expected to be collected within the next two fiscal years.

5. Fair Value Measurements

The following are the major categories of assets measured at estimated fair value categorized by the fair value hierarchy as of September 30:

	2015	
	Level 1	Total
Equity Securities		
Consumer discretionary	$ 2,301,555	$ 2,301,555
Energy	481,950	481,950
Health care	1,152,079	1,152,079
Industrials	253,922	253,922
Information technology	1,102,928	1,102,928
Other	455,507	455,507
Mutual Funds		
Fixed income	7,097,452	7,097,452
International	8,362,625	8,362,625
Other	6,284,332	6,284,332
Total Level I Investments	$ 27,492,350	27,492,350
Hedge Funds (1)		
Hedged equity		3,324,330
Multi-strategy/credit		5,513,763
Total Assets Measured at Fair Value		36,330,443
Cash and money market funds		213,121
Total Investments		$ 36,543,564

5. Fair Value Measurements *(continued)*

	2014	
	Level 1	Total
Equity Securities		
Consumer discretionary	$ 2,055,813	$ 2,055,813
Energy	501,532	501,532
Health care	1,351,170	1,351,170
Industrials	358,777	358,777
Information technology	1,766,167	1,766,167
Other	845,430	845,430
Mutual Funds		
Fixed income	6,294,121	6,294,121
International	9,947,264	9,947,264
Other	5,422,599	5,422,599
Total Level I Investments	$ 28,542,873	28,542,873
Hedge Funds (1)		
Hedged equity		2,838,693
Inflation protection		1,365,961
Multi-strategy/credit		5,030,902
Total Assets Measured at Fair Value		37,778,429
Cash and money market funds		1,229,958
Total Investments		$ 39,008,387

(1) As discussed in Note 2, investments that are measured using the practical expedient are not classified within the fair value hierarchy. The fair value amounts presented in the total column of these tables are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of financial position.

Information regarding alternative investments valued at NAV using the practical expedient at September 30, 2015 is as follows:

	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Hedge Funds				
Hedged equity (see "a" below)	$ 3,324,330	$ -	Quarterly	45 days
Multi-strategy/credit (see "b" below)	5,513,763	-	Quarterly	60-90 days
Total	$ 8,838,093	$ -		

a. Hedged equity is defined as long/short investing across geographies and market capitalization. The manager may possess a niche strategy focused on small/mid cap stocks or may pursue a broader global mandate. The role of this allocation is to capture equity-like returns, but do so with approximately one-half of the volatility of the equity markets.

b. Multi-strategy investments are diversifying strategies within a portfolio context and they evolve as opportunities arise. This allocation may include bonds and currencies of countries, in strong socio-fiscal condition, senior secured bank debt, as well as high yield bonds and mortgages. Multi-strategies generally have a low correlation to each other as well as equity and credit strategies employed within the portfolio.

6. Investment Return

Investment return for the years ended September 30 is summarized as follows:

	2015	2014
Interest and dividend income	$ 469,263	$ 722,488
Realized gain	1,316,523	1,750,012
Unrealized (loss) gain	(2,468,303)	572,473
Investment-related expenses	(151,725)	(149,722)
	$ (834,242)	$ 2,895,251

7. Endowment Funds

The Society's endowment consists of various individual gifts established primarily to support the mission of the Society. Its endowment consists of donor-restricted endowment funds. 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.

Interpretation of Relevant Law

The Trustees of the Society have interpreted New York Prudent Management of Institutional Funds Act (NYPMIFA) as requiring the preservation of the value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary, or in those cases where the law allows appropriation for spending of the original gift amounts. As a result of this interpretation, the Trustees classify as permanently restricted net assets (a) the original value of the gifts donated to the permanent endowment and (b) the original value of subsequent gifts to the permanent endowment. The remaining portion of the donor-restricted endowment fund that is not classified as permanently restricted net assets is classified as temporarily restricted net assets, until those amounts are appropriated for expenditure by the Trustees in a manner consistent with the standard of prudence prescribed by NYPMIFA.

Annual investment returns are allocated to unrestricted and restricted net assets based on the respective percentage share in the pooled funds at the beginning of each quarter in which income and realized and unrealized gains or losses are earned.

Return Objective and Risk Parameters

The Society utilizes a total return investment approach with its asset allocation diversified over multiple asset classes. Target allocation percentages are established for various asset classes and are modified over time. Performance is measured against composite benchmark of investment indices reflecting the target asset allocation.

7. Endowment Funds *(continued)*

Return Objective and Risk Parameters (continued)

Endowment assets include both those assets of donor-restricted funds that the Society must hold in perpetuity as well as their accumulated earnings. Under this policy, as approved by the Trustees, the endowment assets are invested in a number of different asset classes and investment strategies to diversify the investments to provide a balance that will enhance the long-term total return of the overall investment portfolio while avoiding undue risk or concentration in any single asset class or investment category.

Under the Society's current spending policy, up to 5% of the average market value of the Society's net assets of the previous three year period is available for appropriation. For 2015, this amount totaled $1,928,484. In the year when annual investment returns are in excess of annual expenditures, there is no spending down of net assets, only an increase to the total net assets.

The following is a reconciliation of the investment activity in donor restricted funds for the years ended September 30, 2015 and 2014:

	Board Designated	Temporarily Restricted	Permanently Restricted	Total
Balance, October 1, 2013	$ -	$ 410,998	$ 6,406,155	$ 6,817,153
Contributions	-	-	141,367	141,367
Other income	-	-	699	699
Interest and dividends	-	114,881	-	114,881
Realized gains	-	278,266	-	278,266
Unrealized gains	-	91,028	-	91,028
Investment fees	-	(23,807)	-	(23,807)
Appropriation for expenditures	-	(178,279)	-	(178,279)
Transfer to Designated North American Chair	75,306	-	(75,306)	-
Balance, September 30, 2014	75,306	693,087	6,472,915	7,241,308
Contributions	-	-	514,050	514,050
Interest and dividends	-	77,801	-	77,801
Realized gains	-	(409,232)	-	(409,232)
Unrealized gains	-	218,273	-	218,273
Investment fees	-	(25,155)	-	(25,155)
Appropriation for expenditures	-	(167,090)	-	(167,090)
Balance, September 30, 2015	$ 75,306	$ 387,684	$ 6,986,965	$ 7,449,955

As a result of market declines, the fair value of certain donor-restricted endowments was less than the level required by donor stipulations or law. These investment losses have been recorded as reductions in unrestricted net assets.

8. Society Collections

Various coins were lent to the Society by several organizations. The number of coins on loan to the Society as of September 30, 2015 and 2014 is as follows:

New Jersey Historical Society	271
Private parties	29,444
Total Number of Coins on Loan to the Society	29,715

9. Loan Receivable

In connection with the purchase of the Society's former headquarters at 140 William Street NY, NY, 140 William, LLC issued the Society a $2 million note, representing a portion of the purchase price. That note carried an 8% per annum interest rate and matured on November 27, 2010 and is now in default. The note, however, had been guaranteed by Kent Swig, an officer of 140 William, LLC. Mr. Swig subsequently sought and received protection under federal bankruptcy law.

On April 18, 2011, the Clerk of the Court, New York County, entered a judgment in favor of the Society against Mr. Swig, the guarantor and awarded the Society an additional $469,638 in costs, legal fees and interest through the judgment day. As of September 30, 2015, the guarantor's bankrupt estate has paid the Society a total of $415,446.

As of September 30, 2015, the Society recorded an allowance of $1,469,638 against this loan.

10. Deferred Leasing Costs

Deferred leasing costs at September 30 consist of the following:

	2015	2014
Cost	$ 104,773	$ 104,773
Accumulated amortization	(37,987)	(32,748)
	$ 66,786	$ 72,025

Amortization expense for each of the 5 years after September 30, 2015 is expected to approximate $5,200.

11. Property and Equipment

Property and equipment are summarized as follows:

	2015	2014
Furniture and office equipment	$ 1,378,380	$ 1,375,626
Leasehold improvements	4,200,416	4,200,416
	5,578,796	5,576,042
Accumulated depreciation	(2,473,661)	(2,178,191)
	$ 3,105,135	$ 3,397,851

Depreciation expense amounted to $295,470 and $302,812 for the years ended September 30, 2015 and 2014.

12. Temporarily Restricted Net Assets

The Society has a total of 34 temporarily restricted funds as of September 30, 2015, of which 24 represent balances from permanently restricted net assets that are available for release to fund specific programs or purposes.

As of September 30, temporarily restricted net assets are available for the following purposes:

	2015	2014
Coin and medal purchases	$ 6,825,648	$ 7,501,509
Library purchases	292,306	311,034
Education	1,063,141	1,160,659
Department support	2,248,507	2,730,462
	$ 10,429,602	$ 11,703,664

Net assets released from restrictions consist of the following for the years ended September 30:

	2015	2014
Coin and medal purchases	$ 529,100	$ 484,681
Library purchases	11,216	26,106
Education	52,692	83,021
Department support	414,804	383,304
Other designations	-	131,706
	$ 1,007,812	$ 1,108,818

13. Permanently Restricted Net Assets

The Society has a total of 25 permanently restricted funds as of September 30, 2015. The investment income earned on the balances is recorded as temporarily restricted net assets until appropriated to fund specific programs and purposes.

As of September 30, 2015 and 2014, permanently restricted net assets are available for the following purposes:

	2015	2014
Program Activities		
Coin and medal purchases	$ 143,925	$ 143,925
Library purchases	101,286	101,286
Education	881,428	881,428
Department support	5,645,163	5,131,113
Museum operations	2,624,020	2,789,835
	$ 9,395,822	$ 9,047,587

14. Special Events

Special events are presented net in the statement of activities and are summarized as follows:

	2015	2014
Revenue from Events		
Annual dinner	$ 133,475	$ 205,969
Other events	72,423	55,232
Total Revenue from Events	205,898	261,201
Cost of Events		
Annual dinner	97,999	108,789
Other events	56,687	33,364
Total Expenses from Events	154,686	142,153
Net Revenue	$ 51,212	$ 119,048

15. Retirement Plan

The Society maintains a retirement benefits plan that covers all eligible employees through defined contributions by the Society for the purchase of individual annuity contracts with Teachers Insurance and Annuity Association/College Retirement Equities Fund. The plan is funded as accrued, and all full-time employees are eligible to participate. Society contributions to the plan amounted to $70,403 and $112,866 for the years ended September 30, 2015 and 2014.

16. Rental Commitments

Hudson Street Facility

The Society leases space in a building known as One Hudson Square. The lease commenced on March 1, 2008 and expires on November 30, 2028. The lease provides for the tenant to pay escalations in real estate taxes over the base year and fixed escalations as provided in the lease for increases in the landlord's operating costs. In addition, the lease provides that the tenant shall purchase its utilities from the landlord. The lease provides for a five-year renewal term with the lease payment to be the greater of the rent payable for the last year of the lease or the annual fair value of the rent determined in accordance with the lease. Under the terms of this lease, the Society provided the landlord an irrevocable standby letter of credit in the amount of approximately $400,000 as a security deposit. During the 2011 fiscal year, the Society entered into an additional lease agreement to rent space in the basement of One Hudson Square. This lease covers a term of 17 years and 5 months following the commencement date of the lease, May 1, 2011. The lease requires the Society's to make a monthly payment of $373 the first of every month. Rent expense for the years ended September 30, 2015 and 2014 totaled $1,170,284 and $1,170,116 which included $148,219 and $172,794 of amortized deferred rent, respectively.

Future minimum annual rent commitments for years ending September 30, under the leases (including fixed common area maintenance charges) is as follows:

Year Ending September 30	Amount
2016	$ 1,047,255
2017	1,073,075
2018	1,099,540
2019	1,204,703
2020	1,234,458
2021 and thereafter	11,450,344
	$ 17,109,375

17. Interfund Transfers

A meeting held by the Executive Committee on February 5, 2015 resolved that all proceeds, past and future, from the sale of duplicate Gobrecht Dollars, contributed by the Estate of Julius Korein in 2008, be Board Designated to the North American Chair. All such duplicate-sale proceeds received since 2008 are to be categorized as Board Designated funds and be retroactively removed from the permanently restricted endowment category. In addition, all investment income, past and future, generated from the proceeds of the these coin sales will also be categorized as Board Designated funds, and that a portion of such Board Designated funds will be used to defray the annual ongoing expenses associated with the North American Chair.

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The American Numismatic Society

Supplementary Information

September 30, 2015 and 2014

The American Numismatic Society

Schedule of Changes in Unrestricted, Temporarily Restricted,
and Permanently Restricted Net Assets
Year Ended September 30, 2015

	Contributions and Grants	Investment Loss	Other Income	Expenses	Transfers	Net Change	Net Assets Beginning of Year	Net Assets End of Year
Unrestricted Net Assets								
Undesignated	$ 727,376	$ (421,052)	$ 268,617	$ (2,822,929)	$ -	$ (2,247,988)	$ 20,565,385	$ 18,317,397
Board Designated North American Chair	-	(4,176)	161,400	(4,235)	-	152,989	166,394	319,383
Designated	-	-	-	(295,470)	(4,235)	(299,705)	3,397,266	3,097,561
Total Unrestricted Net Assets	727,376	(425,228)	430,017	(3,122,634)	(4,235)	(2,394,704)	24,129,045	21,734,341
Temporarily Restricted Net Assets								
Designated for Coin and Medal Purchases								
A.S. Sullivan Medal Fund	-	(132)	-	-	-	(132)	2,832	2,700
Avery Coin Purchase Fund	-	(1,923)	-	(1,000)	-	(2,923)	84,962	82,039
Edward P. Groh Memorial Fund	-	(560)	-	-	-	(560)	24,697	24,137
Fecht Coin Purchase Fund	-	(4,417)	-	(10,000)	-	(14,417)	196,697	182,280
George H. Clapp Coin Purchase Fund	-	(1,525)	-	-	-	(1,525)	62,226	60,701
Gale Coin Purchase Fund	-	(3,009)	-	-	-	(3,009)	110,923	107,914
General Coin Purchase Fund including E.T. Newell Coin Purchase Fund	-	(155,742)	22,072	(518,100)	-	(651,770)	6,953,146	6,301,376
John and Mary Lhotka Memorial Purchase Fund	-	(526)	-	-	-	(526)	21,983	21,457
Memorial Decorations Fund	-	(780)	-	-	-	(780)	34,386	33,606
Revolving Coin Purchase Fund	-	(219)	-	-	-	(219)	9,657	9,438
Total Designated for Coin and Medal Purchases	-	(168,833)	22,072	(529,100)	-	(675,861)	7,501,509	6,825,648
Designated for Library Purchases								
Bass Library Fund	1,605	(5,433)	124	(11,216)	-	(14,920)	143,391	128,471
W. Gedney Beatty Library Fund	-	(1,789)	-	-	-	(1,789)	78,873	77,084
Merritt Library Fund	-	(1,580)	-	-	-	(1,580)	69,671	68,091
Michael Louis Backowske Memorial Purchase Fund	-	(439)	-	-	-	(439)	19,099	18,660
Total Designated for Library Purchases	1,605	(9,241)	124	(11,216)	-	(18,728)	311,034	292,306
Designated for Education								
J. Sanford Saltus Medal Fund	-	(984)	-	-	-	(984)	38,397	37,413
Clain-Stefanelli Lecture Fund	-	(2,618)	-	-	-	(2,618)	15,383	12,765
Donald Groves Fund	-	(1,219)	-	(1,100)	-	(2,319)	53,946	51,627
EPN - Education Fund	1,000	(25,977)	-	(45,704)	-	(70,681)	633,144	562,463
Frances M. Schwartz Memorial Fund	-	(4,388)	-	-	-	(4,388)	150,421	146,033
Harry W. Fowler Memorial Lecture Fund	-	(2,449)	-	(85)	-	(2,534)	56,086	53,552
Stack Family Fund	-	(1,846)	-	(3,984)	-	(5,830)	23,734	17,904
Krause/Mishler Fund	-	(1,326)	-	-	-	(1,326)	43,381	42,055
Mark Salton Memorial Lecture Fund	-	(640)	-	-	-	(640)	2,289	1,649
Scher Lecture Fund	-	(1,473)	-	-	-	(1,473)	14,926	13,453
Silvia Hurter Memorial	-	(2,906)	-	(1,819)	-	(4,725)	128,952	124,227
Total Designated for Education	1,000	(45,826)	-	(52,692)	-	(97,518)	1,160,659	1,063,141

See independent auditors' report

The American Numismatic Society

Schedule of Changes in Unrestricted, Temporarily Restricted, and Permanently Restricted Net Assets
(continued)
Year Ended September 30, 2015

	Contributions and Grants	Investment Loss	Other Income	Expenses	Transfers	Net Change	Net Assets Beginning of Year	Net Assets End of Year
Temporarily Restricted Net Assets (continued)								
Departmental Support Funds								
Eidlitz Building Maintenance Fund	$ -	$ (1,690)	$ -	$ (3,750)	$ -	$ (5,440)	$ 76,770	$ 71,330
General Publications including								
E.T. Newell Publications Fund	29,000	(21,614)	84,728	(136,842)	-	(44,728)	843,393	798,665
Henry Bass Endowment for Computers Fund	-	(28,092)	-	(64,012)	-	(92,104)	437,391	345,287
European Chair Fund	-	(3,990)	-	-	-	(3,990)	5,401	1,411
Margaret Thompson Curator of Greek Coins Fund	-	(44,754)	-	(100,265)	-	(145,019)	1,060,746	915,727
Francis Campbell Library Fund	-	(33,012)	-	(61,310)	-	(94,322)	161,219	66,897
James H. Schwartz Fund	-	(2,783)	-	(2,475)	-	(5,258)	13,991	8,733
North American Chair Fund	-	(34,142)	-	(38,858)	4,235	(68,765)	101,082	32,317
Executive Director Chair Fund		(11,828)		(569)		(12,397)	-	(12,397)
Islamic Chair Fund	-	(3,209)	-	(6,723)	-	(9,932)	30,469	20,537
Total Departmental Support Funds	29,000	(185,114)	84,728	(414,804)	4,235	(481,955)	2,730,462	2,248,507
Total Temporarily Restricted Net Assets	31,605	(409,014)	106,924	(1,007,812)	4,235	(1,274,062)	11,703,664	10,429,602
Permanently Restricted Net Assets								
Museum Operations								
Operations	-	-	-	-	-	-	215,162	215,162
Perpetual trusts	-	-	(165,815)	-	-	(165,815)	2,574,673	2,408,858
Total Museum Operations	-	-	(165,815)	-	-	(165,815)	2,789,835	2,624,020
Designated for Coin and Medal Purchases								
A.S. Sullivan Medal Fund	-	-	-	-	-	-	3,001	3,001
Gale Coin Purchase Fund	-	-	-	-	-	-	21,701	21,701
George H. Clapp Coin Purchase Fund	-	-	-	-	-	-	5,000	5,000
General Coin Purchases including								
E.T. Newell Coin Purchase Fund	-	-	-	-	-	-	111,655	111,655
John and Mary Lhohtka Memorial Purchase Fund	-	-	-	-	-	-	2,568	2,568
Total Designated for Coin and Medal Purchases	-	-	-	-	-	-	143,925	143,925
Designated for Library Purchases								
Bass Library Fund	-	-	-	-	-	-	100,186	100,186
Michael Louis Backowske								
Memorial Purchase Fund	-	-	-	-	-	-	1,100	1,100
Total Designated for Library Purchases	-	-	-	-	-	-	101,286	101,286

See independent auditors' report

The American Numismatic Society

Schedule of Changes in Unrestricted, Temporarily Restricted,
and Permanently Restricted Net Assets
(continued)
Year Ended September 30, 2015

	Contributions and Grants	Investment Loss	Other Income	Expenses	Transfers	Net Change	Net Assets Beginning of Year	Net Assets End of Year
Permanently Restricted Net Assets (continued)								
Designated for Education								
EPN - Education Fund	$ -	$ -	$ -	$ -	$ -	$ -	$ 530,023	$ 530,023
Frances M. Schwartz Memorial Fund	-	-	-	-	-	-	43,000	43,000
Harry W. Fowler Memorial Lecture Fund	-	-	-	-	-	-	51,900	51,900
Krause/Mishler Fund	-	-	-	-	-	-	15,060	15,060
J. Sanford Saltus Medal Fund	-	-	-	-	-	-	5,000	5,000
Clain-Stefanelli Lecture Fund	-	-	-	-	-	-	100,000	100,000
Mark Salton Memorial Lecture Fund	-	-	-	-	-	-	25,900	25,900
Stack Family Fund	-	-	-	-	-	-	60,545	60,545
Scher Lecture Fund	-	-	-	-	-	-	50,000	50,000
Total Designated for Education	-	-	-	-	-	-	881,428	881,428
Departmental Support Funds								
General Publications including								
E.T. Newell Publications Fund	-	-	-	-	-	-	119,364	119,364
Harry Bass Endowment Fund	-	-	-	-	-	-	833,500	833,500
James H. Schwartz Fund	-	-	-	-	-	-	110,453	110,453
European Chair Fund	59,450	-	-	-	-	59,450	140,766	200,216
Margaret Thompson Curator of Greek Coins	-	-	-	-	-	-	962,168	962,168
Francis Campbell Library Fund	900	-	-	-	-	900	1,323,840	1,324,740
North American Chair Fund	-	-	-	-	-	-	1,526,825	1,526,825
Executive Director Chair Fund	453,700					453,700	-	453,700
Islamic Chair Fund	-	-	-	-	-	-	114,197	114,197
Total Departmental Support Funds	514,050	-	-	-	-	514,050	5,131,113	5,645,163
Total Permanently Restricted Net Assets	514,050	-	(165,815)	-	-	348,235	9,047,587	9,395,822
Total	$ 1,273,031	$ (834,242)	$ 371,126	$ (4,130,446)	$ -	$ (3,320,531)	$ 44,880,296	$ 41,559,765

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The American Numismatic Society

Schedule of Functional Expenses
Year Ended September 30, 2015

	Program Services	Management and General	Fund-raising	Total
Salaries, benefits and payroll taxes	$ 924,334	$ 424,580	$ 5,734	$ 1,354,648
Professional and consulting fees	28,176	197,725	111,824	337,725
Supplies	32,172	2,828	354	35,354
Telephone	25,897	2,943	586	29,426
Postage and shipping	3,688	678	4,111	8,477
Occupancy	1,286,169	113,070	14,134	1,413,373
Insurance	47,840	4,206	526	52,572
Printing and publications	167,657	-	7,447	175,104
Conferences, conventions, meeting and travel	17,426	57,374	-	74,800
Membership dues	5,613	-	-	5,613
Awards and grants	32,732	-	-	32,732
Rental and maintenance of equipment	21,907	1,926	241	24,074
Depreciation and amortization	300,709	-	-	300,709
Exhibition and lecture	1,837	-	-	1,837
Bad debt expense	4,919	-	-	4,919
Other service fees	28,075	17,685	177	45,937
	$ 2,929,151	$ 823,015	$ 145,134	$ 3,897,300

See independent auditors' report

The American Numismatic Society

Schedule of Functional Expenses
Year Ended September 30, 2104

	Program Services	Management and General	Fund-raising	Total
Salaries, benefits and payroll taxes	$ 1,040,693	$ 455,466	$ 19,537	$ 1,515,696
Professional and consulting fees	143,345	109,569	63,194	316,108
Supplies	34,655	3,047	381	38,083
Telephone	18,524	2,105	421	21,050
Postage and shipping	6,523	27	5,317	11,867
Occupancy	1,282,946	112,787	14,098	1,409,831
Insurance	46,846	4,118	515	51,479
Printing and publications	139,887	-	7,757	147,644
Conferences, conventions, meeting and travel	4,372	66,380	-	70,752
Membership dues	6,384	-	-	6,384
Awards and grants	32,083	-	-	32,083
Rental and maintenance of equipment	22,634	1,990	249	24,873
Depreciation and amortization	308,050	-	-	308,050
Exhibition and lecture	20,937	-	-	20,937
Bad debt expense	4,653	-	-	4,653
Other service fees	21,021	8,188	24	29,233
	$ 3,133,553	$ 763,677	$ 111,493	$ 4,008,723

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