



American Registry for Internet Numbers



# Financial Statements

## AMERICAN REGISTRY FOR INTERNET NUMBERS, LTD.

### Statements of Cash Flows

	Year Ended June 30,	
	2000	1999
<b>Cash Flows From Operating Activities</b>		
Change in net assets	\$ 2,214,725	\$ 521,310
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	258,600	243,249
Changes in assets and liabilities:		
Accounts receivable	10,214	6,590
Prepaid expenses	(15,035)	2,099
Deposits - ICANN	(150,255)	-
Accounts payable and accrued expense	(66,327)	72,010
Funds held for ICANN	150,255	-
Deferred revenue	1,036,729	891,429
Total adjustments	1,224,181	1,215,377
Net cash provided by operating activities	3,438,906	1,736,687
<b>Cash Flows From Investing Activities</b>		
Purchases of investments, net	(30,175)	(322,189)
Purchases of furniture and equipment	(86,620)	(22,492)
Net cash used in investing activities	(116,795)	(344,681)
<b>Cash flows From Financing Activities</b>		
Principal payments on capital lease obligation	(60,582)	(60,582)
<b>Net increase in cash and cash equivalents</b>	3,261,529	1,331,424
Cash and cash equivalents, beginning of year	1,717,954	386,530
<b>Cash and cash equivalents, end of year</b>	\$ 4,979,483	\$ 1,717,954



# Financial Statements

<b>AMERICAN REGISTRY FOR INTERNET NUMBERS, LTD.</b>			
<b>Statements of Financial Position</b>			
		<b>June 30,</b>	
		<b>2000</b>	<b>1999</b>
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents		\$ 4,979,483	\$ 1,717,954
Accounts receivable		12,746	32,775
Prepaid expenses		17,866	2,831
Deposits - ICANN - Note E		150,255	-
Total current assets		<u>5,160,350</u>	<u>1,753,560</u>
Investments - Note B		606,884	576,709
<b>Fixed assets</b>			
Furniture and equipment		647,325	560,706
Leased equipment - Note C		186,795	186,795
		<u>834,120</u>	<u>747,501</u>
Less accumulated depreciation and amortization		(630,074)	(371,474)
		<u>204,046</u>	<u>376,027</u>
Total assets		<u>\$ 5,971,280</u>	<u>\$ 2,706,296</u>
<b>Liabilities and Net Assets</b>			
<b>Current liabilities</b>			
Accounts payable and accrued expenses		\$ 90,443	\$ 166,585
Funds held for ICANN		150,255	-
Deferred revenue		2,748,313	1,711,584
Capital lease obligation, current portion - Note C		35,339	70,221
Total current liabilities		<u>3,024,350</u>	<u>1,948,390</u>
Capital lease obligation, less current portion - Note C		-	25,701
Total liabilities		<u>3,024,350</u>	<u>1,974,091</u>
Commitments and contingencies - Note C		-	-
Net assets - unrestricted		<u>2,946,930</u>	<u>732,205</u>
Total liabilities and net assets		<u>\$ 5,971,280</u>	<u>\$ 2,706,296</u>



# Financial Statements

<b>AMERICAN REGISTRY FOR INTERNET NUMBERS, LTD.</b>			
<b>Statements of Activities</b>			
		<b>Year Ended June 30,</b>	
		<b>2000</b>	<b>1999</b>
<b>Revenue</b>			
Registrations		\$ 4,737,655	\$ 2,561,119
Dividends and interest		170,513	45,848
Other revenue		78,618	36,130
Membership dues		26,000	112,500
Contributions		8,776	5,420
Total revenue		<b>5,021,562</b>	2,761,017
<b>Expense</b>			
Program services:			
Engineering		1,083,947	894,501
Registration services group		763,584	740,617
Member services		207,548	135,810
Total program services		<b>2,055,079</b>	1,770,928
Administration		751,758	468,779
Total expenses		<b>2,806,837</b>	2,239,707
Change in unrestricted net assets		<b>2,214,725</b>	521,310
Net assets, beginning of year		<b>732,205</b>	210,895
<b>Net assets, end of year</b>		<b>\$ 2,946,930</b>	\$ 732,205



# Registration Revenue By Category

IP End Users	9.23%	Recognized as received - not deferred
New Registrations	21.79%	Recognized in a deferred revenue schedule
Upgrades	5.41%	Discontinued this category
ASNs	20.69%	Recognized in a deferred revenue schedule
Renewals	42.89%	Recognized in a deferred revenue schedule



# Expenses By Percent

BUDGETED LINE ITEM	ACTUAL PERCENT (%)	OF TOTAL	EXPLANATION
SALARIES AND EMPLOYEE BENEFITS	58.1		21% under budget
HIRING EXPENSES	2.9		Advertisements and agency fees - under budget
TRAVEL AND CONFERENCE	5.4		39% under budget
COMMUNICATIONS	2.8		Telephone, printing, and internet connections - under budget
COMPUTER EQUIPMENT AND DEPRECIATION	12.2		42% under budget
RENT AND OCCUPANCY	5.8		Lease up in October 2001
GENERAL OFFICE	1.5		General Administrative - under budget
PROFESSIONAL FEES	2.5		Consulting - under budget
LEGAL DEFENSE FUND	0.0		Under budget
LEGAL FEES	3.3		Underestimated due to ICANN contract negotiation expense
ICANN SUPPORT	5.4		Underestimated ICANN support
TOTAL			\$2,806,837.00

