

# ARIN TREASURER'S PRESENTATION

LEE HOWARD,  
TREASURER



# OVERVIEW

- **ARIN'S 2005 Audited Financial Statements**
- **FinCom Committee Work, 2006**

# STATEMENTS OF FINANCIAL POSITION

December 31,	2005	2004
<b>Assets</b>		
<b>Current assets</b>		
Cash and Cash Equivalents	\$ 606,872	813,427
Investments	19,194,476	15,371,039
Nontrade receivables	17,668	147,387
Prepaid Expenses	217,029	202,969
Total current assets	<u>20,036,045</u>	<u>16,534,822</u>
Property and equipment – net	911,626	1,131,902
Escrow – deposit	571,948	351,338
	<u>21,519,619</u>	<u>18,018,062</u>

# STATEMENTS OF FINANCIAL POSITION

December 31,	2005	2004
	<b>Liabilities and Net Assets</b>	
<b>Current liabilities</b>		
Accounts payable and accrued expenses	\$ 527,409	602,672
Due to ICANN	617,064	455,447
Deferred rent	93,780	82,043
Deferred revenue	<u>3,252,995</u>	<u>2,790,330</u>
<b>Total current liabilities</b>	<b>4,491,248</b>	<b>3,930,492</b>
<b>Unrestricted net assets</b>	<u>17,028,371</u>	<u>14,087,570</u>
	<u>21,519,619</u>	<u>18,018,062</u>

# STATEMENT OF ACTIVITIES

Years Ended December 31,	2005	2004
<b>Revenue and Support</b>		
Registrations	\$8,561,979	7,258,541
IP end-user registrations	288,500	442,750
Maintenance Fees	756,584	475,508
Contributions	7,500	33,747
Other Revenue	7,846	14,146
Membership dues	<u>36,542</u>	<u>10,000</u>
<b>Total revenue and support</b>	<b>9,658,951</b>	<b>8,234,692</b>

# STATEMENT OF ACTIVITIES

Years Ended December 31,	2005	2004
<b>Operating expenses</b>		
<b>Program Services:</b>		
Engineering	2,777,298	2,434,796
Registration services group	1,707,905	1,630,978
Member services	1,649,719	1,289,080
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<b>Total Program Services</b>	<b>6,134,922</b>	<b>5,354,854</b>
<b>Support services –</b>		
General and administrative	1,455,958	1,528,404
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<b>Total operating expenses</b>	<b>7,590,880</b>	<b>6,883,258</b>

# STATEMENT OF ACTIVITIES

Years Ended December 31,	2005	2004
Change in net assets before investment activities	2,068,071	1,351,434
Interest and Dividends	366,597	229,301
Realized and unrealized gains On investments	<u>506,133</u>	<u>747,692</u>
Change in net assets	2,940,801	2,328,427
Unrestricted net assets – Beginning of year	<u>14,087,570</u>	<u>11,759,143</u>
Unrestricted net assets – End of year	17,028,371	14,087,570

# FinCom Committee Members

**Lee Howard, Chair**

**Scott Bradner**

**Bill Manning**



# FinCom Activities in 2006

- Reviewed 2006 Reserves Performance
- Reviewed investments distribution
- Follow up controls audit (like Sarbanes-Oxley) in 2007
- Analysis of revenues and expenses
- Adoption of IPv6 assignment fee schedule
- Partial waiver of IPv6 assignment fees
- Lift the waiver on transfer fees January 1, 2006
- Change billing date to uniform day of each month for renewals
- Review of contracting process
- Reviewed 2007 budget, recommended adoption by Board

# Summary of Waivers

- **Transfer fees.**

- ➔ fees for the transfer of AS numbers and IP addresses through 31 December 2006.

- **IPv6**

- ➔ all IPv6 fees to all members in good standing through 31 December 2007. This waiver is not extended to any overdue IPv6 related fees.
- ➔ all but \$500 of the IPv6 Initial Assignment fee through 31 December 2007.

**Thank you**