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***Audubon Nature Institute,
Inc. and Audubon Nature
Institute Foundation***

***Consolidated Financial Statements as of
and for the Year Ended December 31, 2005,
Additional Information as of and for the
Year Ended December 31, 2005, and
Independent Auditors' Report***

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 8-9-06

AUDUBON NATURE INSTITUTE, INC. AND AUDUBON NATURE INSTITUTE FOUNDATION

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Audubon Nature Institute, Inc.:

We have audited the accompanying consolidated statement of financial position of Audubon Nature Institute, Inc. and Audubon Nature Institute Foundation (the "Institute"), as of December 31, 2005, and the related consolidated statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Institute's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from the Institute's December 31, 2004, consolidated financial statements and, in our report dated April 25, 2005, we expressed an unqualified opinion on those consolidated financial statements.

We conducted our audit 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 consideration of internal control over financial reporting as a basis for designing procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Institute's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements and assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides 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 Institute as of December 31, 2005, and the changes in its net assets and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Deloitte & Touche LLP

June 8, 2006

**AUDUBON NATURE INSTITUTE, INC. AND AUDUBON NATURE
INSTITUTE FOUNDATION**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2005**

	2005	2004
ASSETS		
CASH AND CASH EQUIVALENTS	\$ 967,856	\$ 132,241
ACCOUNTS AND GRANTS RECEIVABLE	1,469,481	298,358
INVESTMENTS	25,964,960	24,497,005
ACCRUED INTEREST RECEIVABLE	1,945	1,945
PLEDGES RECEIVABLE	4,454,081	4,726,097
DUE FROM AUDUBON COMMISSION	8,133,020	10,450,556
PREPAIDS AND OTHER ASSETS	39,232	94,682
EQUIPMENT LESS ACCUMULATED DEPRECIATION OF \$175,832 AND \$157,399 IN 2005 AND 2004, RESPECTIVELY	24,378	41,053
RESTRICTED ASSETS—LPFA bonds	<u>134,532</u>	<u>120,879</u>
TOTAL	<u>\$41,189,485</u>	<u>\$40,362,816</u>
LIABILITIES		
ACCOUNTS PAYABLE AND ACCRUED EXPENSES	\$ 48,599	\$ 53,129
ACCRUED COMPENSATION	231,565	23,080
LINES OF CREDIT	2,700,000	2,500,000
TERM LOAN	1,888,049	2,457,092
LPFA BONDS	<u>2,245,000</u>	<u>2,450,000</u>
Total liabilities	<u>7,113,213</u>	<u>7,483,301</u>
NET ASSETS:		
Unrestricted, including Board designated	10,038,282	8,853,989
Temporarily restricted	7,133,655	7,155,074
Permanently restricted	<u>16,904,335</u>	<u>16,870,452</u>
Total net assets	<u>34,076,272</u>	<u>32,879,515</u>
TOTAL	<u>\$41,189,485</u>	<u>\$40,362,816</u>

See notes to consolidated financial statements.

AUDUBON NATURE INSTITUTE, INC. AND AUDUBON NATURE INSTITUTE FOUNDATION

CONSOLIDATED STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2005, WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2004

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
				<u>2005</u>
REVENUE AND OTHER SUPPORT:				<u>2004</u>
Government grants	\$ 375,787	\$ 79,004	\$ -	\$ 454,791
Gifts, exhibit/program sponsorships	745,240	3,807,800		4,553,040
Investment income	1,227,671		594,685	1,822,356
Imputed interest on pledges		(42,769)		(42,769)
Fundraising activities	815,033			815,033
Net assets released from restrictions:				
Specific grants to the Audubon Commission for operations, support, education programs, and capital projects	3,775,202	(3,775,202)		
Endowment income transferred to Audubon Commission funds	<u>(193,407)</u>		<u>(560,634)</u>	<u>(754,041)</u>
Total revenue and other support	<u>6,745,526</u>	<u>68,833</u>	<u>34,051</u>	<u>6,848,410</u>
EXPENSES:				
Grant expense to the Audubon Commission	4,234,514			4,234,514
Development and fundraising activities	1,182,683			1,182,683
Termite education grant		80,938		80,938
Interest	89,389			89,389
Investment expenses	52,484		168	52,652
Other expenses	<u>2,163</u>	<u>9,314</u>		<u>11,477</u>
Total expenses	<u>5,561,233</u>	<u>90,252</u>	<u>168</u>	<u>5,651,653</u>
CHANGE IN NET ASSETS				
NET ASSETS—Beginning of year	1,184,293	(21,419)	33,883	1,196,757
NET ASSETS—End of year	<u>8,853,989</u>	<u>7,155,074</u>	<u>16,870,452</u>	<u>28,695,476</u>
NET ASSETS—End of year	<u>\$ 10,038,282</u>	<u>\$ 7,133,655</u>	<u>\$ 16,904,335</u>	<u>\$ 34,076,272</u>

See notes to consolidated financial statements.

AUDUBON NATURE INSTITUTE, INC. AND AUDUBON NATURE INSTITUTE FOUNDATION

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2005, WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2004

	2005	2004
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets for the year	\$ 1,196,757	\$ 4,184,039
Adjustments to reconcile change in net assets to cash provided by (used in) operations:		
Realized losses (gains) on investments	1,235	(2,292)
Unrealized gains on investments	(1,582,281)	(2,072,702)
Receipt of stock gifts	(43,015)	(206,256)
Imputed interest on pledges	42,769	(4,580)
New pledges recorded	(1,450,000)	(3,119,456)
Depreciation	18,233	18,234
Pledge payments	1,679,247	1,399,975
Accounts and grants receivable, due from Audubon Commission, and other assets	1,201,863	(1,817,528)
Accounts payable and other liabilities	<u>203,955</u>	<u>(145,818)</u>
Net cash provided by (used in) operating activities	<u>1,268,763</u>	<u>(1,766,384)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sales or maturities of investments	814,215	17,246,018
Purchases of investments	(658,110)	(16,622,672)
Property additions	(1,558)	(21,368)
Restricted assets—net	<u>(13,653)</u>	<u>(764)</u>
Net cash provided by investing activities	<u>140,894</u>	<u>601,214</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Borrowings under lines of credit	3,800,000	4,500,000
Repayments under lines of credit	(3,600,000)	(2,500,000)
Repayments under term loan	(569,043)	(542,908)
Repayment of bonds	<u>(205,000)</u>	<u>(205,000)</u>
Net cash (used in) provided by financing activities	<u>(574,043)</u>	<u>1,252,092</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	835,615	86,922
CASH AND CASH EQUIVALENTS—Beginning of year	<u>132,241</u>	<u>45,319</u>
CASH AND CASH EQUIVALENTS—End of year	<u>\$ 967,856</u>	<u>\$ 132,241</u>

See notes to consolidated financial statements.

AUDUBON NATURE INSTITUTE, INC. AND AUDUBON NATURE INSTITUTE FOUNDATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2005

1. DESCRIPTION OF THE ORGANIZATION

Audubon Nature Institute, Inc. is a nonprofit organization incorporated October 31, 1975. The Audubon Nature Institute, Inc. is exempt from income tax under Section 501(c)(3) of the United States Internal Revenue Code. The Audubon Nature Institute, Inc. manages and operates the Audubon Commission (the "Commission") facilities located at the Audubon Zoo and Park, the Aquarium and Riverfront Park, the Species Survival Center, the Louisiana Nature Center, and the Audubon Insectarium currently under construction (the "Facilities") under a contractual management agreement. Facility revenues and expenses (including salary expense) are recorded by each facility in accordance with this management agreement. The Facilities had combined operating revenues of approximately \$28,703,000 for the year ended December 31, 2005, and combined total assets of approximately \$161,771,000 at December 31, 2005.

Audubon Nature Institute Foundation (the "Foundation"), is a separate nonprofit organization exempt from income tax under Section 501(c)(3) of the United States Internal Revenue Code and was incorporated February 8, 1991. Its mission is to raise funds to support the education programs and other activities managed by the Audubon Nature Institute, Inc. but the Foundation remains a separate legal entity. Since the Audubon Nature Institute, Inc. and the Foundation (collectively referred to herein as the Institute) are related through common mission, board representation and common management, the accompanying consolidated financial statements include the accounts of the Audubon Nature Institute, Inc. and Foundation.

The Institute obtains donations, gifts and grants, and conducts fundraising activities in furtherance of its exempt purpose. The revenues and net assets reflected in these financial statements are the result of these activities. Specific grants to the Audubon Commission consist of donations received and grants obtained by the Audubon Nature Institute, Inc. for operating support and capital improvements of the Facilities discussed above.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation—The fiscal 2005 financial statements presentation follows the requirements of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards ("SFAS") No. 117, *Financial Statements for Not-for-Profit Organizations*. Under SFAS No. 117, the Institute reports information regarding its financial position and activities according to three classes of net assets:

Unrestricted—Net assets which are free of donor-imposed restrictions; all revenues, expenses, gains, and losses that are not changes in permanently or temporarily restricted net assets.

Temporarily Restricted—Net assets whose use by the Institute is limited by donor-imposed stipulations that either expire by passage of time or that can be fulfilled or removed by actions of the Institute pursuant to those stipulations such as completion of construction projects. In most cases, such actions require the expenditure of personnel effort or other costs before such assets can be released.

Permanently Restricted—Net assets whose use by the Institute is limited by donor-imposed stipulations that neither expire with the passage of time nor can be fulfilled or otherwise removed by actions of the Institute.

The Institute reports gifts of cash and other assets as restricted support if they are received with donor imposed restrictions or requirements that limit the use of the donation. A donor restriction ends when a time restriction is met or a purpose restriction is accomplished. As restrictions are met, assets are reclassified to unrestricted net assets or permanently restricted net assets. The permanently restricted classification is also referred to as an endowment fund. Earnings from these assets are periodically transferred to the Commission's operating fund.

The financial information shown for fiscal 2004 in the accompanying financial statements is included to provide a basis for comparison with fiscal 2005 and presents summarized totals only.

Use of Estimates—The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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. Actual results could differ from those estimates.

Investments—Investments are carried at fair value which was determined by reference to market information and published sources. At December 31, 2005 and 2004, investments consist of the following:

Audubon Nature Institute Investments:	2005	2004
Fixed income securities	\$ 40,197	\$ 15,956
Mutual funds	<u>223,756</u>	<u> </u>
Total investments	<u>\$ 263,953</u>	<u>\$ 15,956</u>
Foundation Investments:	2005	2004
Marketable equity securities	\$21,094,158	\$19,964,534
Fixed income securities	4,570,554	4,478,166
Money market accounts and investment cash	<u>36,295</u>	<u>38,349</u>
Total investments	<u>\$25,701,007</u>	<u>\$24,497,005</u>

Investment income of the Institute is comprised of the following:

	2005	2004
Dividend and interest income	\$ 241,310	\$ 273,460
Realized and unrealized gains on securities—net	<u>1,581,046</u>	<u>2,074,994</u>
	<u>\$1,822,356</u>	<u>\$2,348,454</u>

Board designated assets are unrestricted funds that are invested on a pooled basis with permanently restricted assets in accordance with Board approved plans. These funds are collectively invested as the

Foundation's endowment fund. Board designated net assets totaled approximately \$9,805,000 and \$8,852,000 as of December 31, 2005 and 2004, respectively.

Pledges Receivable and Contributions Received—The Institute recognizes contributions received as revenue in the period received and as assets, decreases in liabilities or expenses depending on the form of benefits received. Pledges receivable are recorded net of an allowance for uncollectible pledges and at net present value. A discount factor of 4.4% is applied to scheduled future pledge payments.

Equipment—Equipment is capitalized at cost and depreciated using the straight-line method over a period of five to ten years.

Statement of Cash Flows—For purposes of reporting cash flows, the Institute considers all investments and other short-term instruments with an original maturity of ninety days or less to be cash equivalents.

Reclassifications—Certain reclassifications of prior year amounts have been made to conform to the December 31, 2005, presentation.

3. IMPACT OF HURRICANE

On August 29, 2005, Hurricane Katrina reached landfall in the Gulf region of the United States, with significant damage to eastern Louisiana and Mississippi. On a local level, the storm caused significant wind and flood damage to the Greater New Orleans area with the eventual breach of several levees inundating the city with water for several weeks. As a result, all of the Commission's facilities closed through at least Thanksgiving with damage ranging from trees uprooted to total destruction of equipment and furniture in some facilities while the Institute relocated its operations to the Baton Rouge area. Most significant damage occurred at the Commission sites and the Institute has relatively little damage. All insured losses are covered by the Commission's insurance policies, no claims will be made by the Institute. The Institute received several large donations from other national zoos and aquariums after Hurricane Katrina for the benefit of the Commission.

4. PLEDGES RECEIVABLE

Unconditional promises of donors to make contributions to the Institute are included in the financial statements as pledges receivable and revenue of the temporarily restricted net asset class. Pledges are recorded after discounting future cash flows to the present value. Pledges receivable for the years ended December 31, 2005 and 2004, are expected to be realized as follows:

	2005	2004
In one year or less	\$2,009,114	\$1,866,105
Between one and five years	2,733,045	3,192,234
More than five years	<u>7,500</u>	<u>7,500</u>
	4,749,659	5,065,839
Less discount and allowance for uncollectible pledges	<u>(295,578)</u>	<u>(339,742)</u>
Pledges receivable	<u>\$4,454,081</u>	<u>\$4,726,097</u>

Pledges receivable for the years ended December 31, 2005 and 2004, have restrictions as follows:

	2005	2004
Specific capital projects	\$ 1,873,742	\$ 1,573,363
Education programs	5,000	35,000
Other—general capital and operating support	<u>2,575,339</u>	<u>3,117,734</u>
	<u>\$ 4,454,081</u>	<u>\$ 4,726,097</u>

5. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets as of December 31, 2005 and 2004, are available for purposes or periods as follows:

	2005	2004
Pledges receivable for periods after year-end	\$ 4,438,624	\$ 4,277,179
Capital projects at Audubon Zoo, Park, Insectarium, and Aquarium of the Americas	871,183	1,187,472
Education programs at the Zoo, Aquarium, and Nature Center	149,523	740,294
Operating support for the Nature Center		77,750
Operating support for the Zoo	961,478	136,616
Operating support for Survival Center and Audubon Center for Research of Endangered Species	<u>712,847</u>	<u>735,763</u>
Total temporarily restricted net assets	<u>\$ 7,133,655</u>	<u>\$ 7,155,074</u>

6. PERMANENTLY RESTRICTED NET ASSETS

Permanently restricted net assets as of December 31, 2005 and 2004, must be invested in perpetuity, but the income from these investments is available to support the following:

	<u>Permanently Restricted Net Assets</u>		<u>Income Transferred to</u>	
	2005	2004	2005	2004
Aquarium of the Americas and Riverfront Park	\$ 5,305,598	\$ 5,305,598	\$ 176,853	\$ 207,102
Survival Center/Research Center	8,411,081	8,411,081	280,369	300,000
Audubon Zoo and Park	2,045,718	2,045,884	74,237	77,621
Louisiana Nature Center	<u>1,141,938</u>	<u>1,107,889</u>	<u>29,175</u>	<u>43,077</u>
Total	<u>\$ 16,904,335</u>	<u>\$ 16,870,452</u>	<u>\$ 560,634</u>	<u>\$ 627,800</u>

7. RELATED-PARTY TRANSACTIONS

The Audubon Nature Institute, Inc. and the Commission are related through interaction of their Boards of Directors and the contractual management agreement under which the Institute manages and operates Commission facilities. As a result, these entities often engage in operations through one organization that benefits the other organization to achieve economies of scale. One example of this is the use of common or central bank accounts. At December 31, 2005 and 2004, the Institute's receivables from and payables to the Commission are summarized as follows:

	2005	2004
Due from Audubon Commission	<u>\$ 8,133,020</u>	<u>\$ 10,450,556</u>

Specific gifts and grants provided by the Audubon Nature Institute, Inc. to Commission facilities to pay operating expenses and fund certain capital projects for the years ended December 31, 2005 and 2004, are summarized as follows:

	2005	2004
Audubon Zoo and Park	\$ 772,290	\$ 1,215,545
Aquarium of the Americas and Riverfront Park	322,647	189,282
Survival Center/Research Center	1,415,537	1,650,938
Golf Course	21,992	
Louisiana Nature Center	33,103	197,310
Insectarium	<u>1,668,945</u>	<u>826,933</u>
Total	<u>\$ 4,234,514</u>	<u>\$ 4,080,008</u>

8. EMPLOYEE BENEFIT PLAN

The Audubon Nature Institute, Inc. has established a tax-deferred annuity plan for the benefit of all full-time employees. The plan provides for the purchase of annuities which qualify for tax deferral. Employees may participate on an optional basis by contributing between 2% and 15% of their salary, not to exceed \$14,000. The Audubon Nature Institute, Inc. matches employee contributions at a rate of 33%, up to 8% of base salary. Contributions are not subject to Federal income taxes and accumulate on a tax-deferred basis until withdrawn. The Audubon Nature Institute, Inc.'s contributions amounted to approximately \$9,100 and \$9,600 for 2005 and 2004, respectively.

In 2005, the Audubon Nature Institute, Inc. implemented a discretionary 457(f) Executive Retirement Plan for three of its officers. The plan provides additional compensation based on years of service and estimated pay at retirement. The plan was implemented to be retroactive to January 2004 with the first contribution in May 2005. Total contributions for 2005 amounted to approximately \$224,000.

9. BANK LINES OF CREDIT

The Audubon Nature Institute, Inc. has unsecured revolving lines of credit with three commercial banks for \$1,000,000 each and standby letters of credit totaling \$3,166,639. Borrowings bear interest at the 30 day LIBOR plus 150 basis points (5.89% at December 31, 2005). The revolving credit notes expire in 2006 at which time renewal of the lines will be sought. The Institute does not believe there are any conditions that would change its ability to renew the notes. The letters of credit expire in 2006. The Institute had \$2,700,000 and \$2,500,000 outstanding under these revolving lines at December 31, 2005 and 2004, respectively.

10. TERM LOAN AND LPFA BONDS

The Audubon Nature Institute, Inc. borrowed \$3,060,000 under an Equipment and Capital Facilities Pooled Loan Program in connection with Revenue Bonds Series 2001B issued by the Louisiana Public Facilities Authority ("LPFA"). Under this arrangement, proceeds from the note were deposited into a separate project capital fund maintained on behalf of the Institute by a trustee (reflected as restricted assets in the accompanying statement of financial position). The restricted funds are released to cover the cost of certain defined capital projects as such project costs are incurred. As of December 31, 2005, approximately \$3,060,000 of such funds had been disbursed to cover the cost of certain capital projects in process and no amounts remained available for expenditure. Monthly principal payments of \$17,000 plus interest (at a floating weekly rate, 1.95% at December 31, 2005) are paid into a debt service fund under the arrangement based on a 15-year amortization; however, bond and interest payments are made to bondholders semi-annually. Amounts held in the escrow fund for payment by the trustee are included in restricted assets at December 31, 2005.

In December 2003, the Audubon Nature Institute, Inc. entered into a term loan with a commercial bank for \$3,000,000. The loan bears interest at 4.8% and is payable in monthly installments of \$56,339 of principal and interest beginning in January 2004. The loan is due on December 26, 2008, and is unsecured.

Future debt payments due under the above borrowings are as follows:

Years Ending December 31	
2006	\$ 801,413
2007	831,145
2008	867,491
2009	204,000
2010	204,000
Thereafter	<u>1,225,000</u>
Total	<u>\$4,133,049</u>

11. OTHER TRUSTS

The Audubon Nature Institute, Inc. and the University of New Orleans (the "University") have established four funded trusts to support four endowed chairs at the University. Under an affiliation agreement with the University, the chairholders will conduct research at Audubon Center for Research of Endangered Species and discharge academic responsibilities at the University. These trusts were funded by private donations totaling \$2,400,000 and combined with \$1,600,000 in matching funds from the Louisiana Trust Fund for Eminent Scholars. This funding set up four \$1,000,000 chairs. The trust assets are not included as Audubon Nature Institute assets. Audubon and the University jointly benefit from trust distributions that fund the chairholders' research and academic responsibilities. At December 31, 2005, senior scientists occupied four chairs of the Audubon Center for Research of Endangered Species.

12. CONTINGENCIES

Certain claims and suits have been filed against the Institute. The majority of these claims are covered by insurance and, based on all available information and consultation with the Institute's legal counsel, management does not believe the ultimate resolution of these matters will have a significant effect on the Institute's financial position, results of operations, or cash flows.

* * * * *

ADDITIONAL CONSOLIDATING INFORMATION

INDEPENDENT AUDITORS' REPORT ON ADDITIONAL CONSOLIDATING INFORMATION

To the Board of Directors of
Audubon Nature Institute, Inc.:

Our audit was conducted for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The additional consolidating information for 2005 is presented for the purpose of additional analysis of the basic consolidating financial statements rather than to present the financial position and results of operations of the individual companies, and is not a required part of the basic consolidated financial statements. The additional consolidating information is the responsibility of the Institute's management. Such information has been subjected to the auditing procedures applied in our audit of the basic 2005 consolidated financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the basic 2005 consolidated financial statements taken as a whole.

Deloitte & Touche LLP

June 8, 2006

**AUDUBON NATURE INSTITUTE, INC. AND AUDUBON NATURE
INSTITUTE FOUNDATION**

**CONSOLIDATING SCHEDULE—STATEMENT OF FINANCIAL POSITION INFORMATION
AS OF DECEMBER 31, 2005**

	Audubon Nature Institute	Audubon Nature Institute Foundation	Total
ASSETS			
CASH AND CASH EQUIVALENTS	\$ 967,856	\$ -	\$ 967,856
ACCOUNTS AND GRANTS RECEIVABLE	1,469,481		1,469,481
INVESTMENTS	263,953	25,701,007	25,964,960
ACCRUED INTEREST RECEIVABLE		1,945	1,945
PLEDGES RECEIVABLE	3,431,821	1,022,260	4,454,081
DUE FROM AUDUBON COMMISSION	8,148,867	(15,847)	8,133,020
PREPAIDS AND OTHER ASSETS	39,232		39,232
EQUIPMENT LESS ACCUMULATED DEPRECIATION OF \$175,832 IN 2005	24,378		24,378
RESTRICTED ASSETS—LPFA bonds	<u>134,532</u>		<u>134,532</u>
TOTAL	<u>\$ 14,480,120</u>	<u>\$ 26,709,365</u>	<u>\$ 41,189,485</u>
LIABILITIES			
ACCOUNTS PAYABLE AND ACCRUED EXPENSES	\$ 48,470	\$ 129	48,599
ACCRUED COMPENSATION	231,565		231,565
LINES OF CREDIT	2,700,000		2,700,000
TERM LOAN	1,888,049		1,888,049
LPFA BONDS	<u>2,245,000</u>		<u>2,245,000</u>
Total liabilities	<u>7,113,084</u>	<u>129</u>	<u>7,113,213</u>
NET ASSETS:			
Unrestricted—including Board designated	233,381	9,804,901	10,038,282
Temporarily restricted	7,133,655		7,133,655
Permanently restricted		<u>16,904,335</u>	<u>16,904,335</u>
Total net assets	<u>7,367,036</u>	<u>26,709,236</u>	<u>34,076,272</u>
TOTAL	<u>\$ 14,480,120</u>	<u>\$ 26,709,365</u>	<u>\$ 41,189,485</u>

AUDUBON NATURE INSTITUTE, INC. AND AUDUBON NATURE INSTITUTE FOUNDATION

CONSOLIDATING SCHEDULE—STATEMENT OF ACTIVITIES INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2005

	Audubon Nature Institute	Audubon Nature Institute Foundation	Total
REVENUE AND OTHER SUPPORT:			
Government grants	\$ 454,791	\$ -	\$ 454,791
Gifts, exhibit/program sponsorships	4,553,040		4,553,040
Investment income	29,079	1,793,277	1,822,356
Imputed interest on pledges	(42,769)		(42,769)
Fundraising activities	815,033		815,033
Net assets released from restrictions— Endowment income transferred to Audubon Commission funds		(754,041)	(754,041)
Total revenue and other support	<u>5,809,174</u>	<u>1,039,236</u>	<u>6,848,410</u>
EXPENSES:			
Grant expense to the Audubon Commission	4,234,514		4,234,514
Development and fundraising activities	1,182,683		1,182,683
Termite education grant	80,938		80,938
Interest	89,389		89,389
Investment expenses		52,652	52,652
Other expenses	11,477		11,477
Total expenses	<u>5,599,001</u>	<u>52,652</u>	<u>5,651,653</u>
CHANGE IN NET ASSETS	210,173	986,584	1,196,757
NET ASSETS—Beginning of year	<u>7,156,863</u>	<u>25,722,652</u>	<u>32,879,515</u>
NET ASSETS—End of year	<u>\$7,367,036</u>	<u>\$26,709,236</u>	<u>\$34,076,272</u>