EXHIBIT INDEX ‡
ITEM 15(b)

Exhibit No.	Description of Exhibit
2.1	Agreement and Plan of Reorganization, dated July 6, 2005, by and among GoAmerica, Inc., HOVRS Acquisition Corporation, HOSLS Acquisition, Hands On Video Relay Services, Inc., Hands On Sign Language Services, Inc., Ronald E. Obray, as Hands On shareholders' agent, and Denise E. Obray (incorporated by reference to GoAmerica's Current Report on Form 8-K filed with the Securities and Exchange Commission on July 6, 2005) (File No. 000-29359), as amended by Waiver and Supplemental Agreement, dated as of October 28, 2005, among Hands On Video Relay Services, Inc., Hands On Sign Language Services, Inc. Denise and Ronald Obray, and GoAmerica, Inc. (incorporated by reference to GoAmerica's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on November 14, 2005) (File No. 000-29359)
3.1	Restated Certificate of Incorporation, as filed with the Secretary of State of the State of Delaware on August 18, 2005 (Incorporated by reference to GoAmerica's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on November 14, 2005) (File No. 000-29359)
3.2	By-laws (Incorporated by reference to GoAmerica's Registration Statement on Form S-1 [which became effective on April 6, 2000]). (File No. 333-94801)
4.1	Warrant Certificate, dated as of November 14, 2003, issued to Stellar Continental LLC (Incorporated by reference to GoAmerica's Current Report on Form 8-K filed with the Securities and Exchange Commission on November 24, 2003) (File No. 000-29359)
4.2	Warrant to Purchase Common Stock of GoAmerica, Inc., issued to Derek Caldwell as nominee for Sunrise Securities Corp. (Incorporated by reference to GoAmerica's Current Report on Form 8-K filed with the Securities and Exchange Commission on December 24, 2003) (File No. 000-29359)
4.3	Warrant to Purchase Common Stock of GoAmerica, Inc., issued to Amnon Mandelbaum as nominee for Sunrise Securities Corp. (Incorporated by reference to GoAmerica's Current Report on Form 8-K filed with the Securities and Exchange Commission on December 24, 2003) (File No. 000-29359)
10.1	Form of Invention Assignment and Non-Disclosure Agreement by and between GoAmerica and its employees (Incorporated by reference to GoAmerica's Registration Statement on Form S-1 [which became effective on April 6, 2000]) (File No. 333-94801)
10.2	Form of Indemnification Agreement by and between GoAmerica and each of its directors and executive officers (Incorporated by reference to GoAmerica's Registration Statement on Form S-1 [which became effective on April 6, 2000]) (File No. 333-94801)
10.3	Amended and Restated Employment Agreement by and between GoAmerica, Inc. and Daniel R. Luis, dated as of November 8, 2005 (Incorporated by reference to GoAmerica's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on November 14, 2005) (File No. 000-29359)
10.4	Employment Agreement by and between GoAmerica and Aaron Dobrinsky, dated as of May 6, 2002 (Incorporated by reference to GoAmerica's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on August 2, 2002) (File No. 000-29359), as amended by Amendment No. 1, dated as of March 10, 2004 (Incorporated by reference to GoAmerica's Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 10, 2004) (File No. 000-29359)

Exhibit No.	Description of Exhibit
10.5	Amended and Restated Employment Agreement by and between GoAmerica and Jesse Odom, dated as of November 8, 2005 (Incorporated by reference to GoAmerica's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on November 14, 2005) (File No. 000-29359)
10.6	Amended and Restated Employment Agreement by and between GoAmerica and Donald G. Barnhart, dated as of November 8, 2005 (Incorporated by reference to GoAmerica's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on November 14, 2005) (File No. 000-29359)
10.7	Employment Agreement by and between GoAmerica and Wayne D. Smith, dated as of November 8, 2005 (Incorporated by reference to GoAmerica's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on November 14, 2005) (File No. 000-29359)
10.8	Services Agreement by and between GoAmerica and David Lyons, dated as of March 1, 2005 (Incorporated by reference to GoAmerica's Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 31, 2005) (File No. 000-29359)
10.9	GoAmerica Communications Corp. 1999 Stock Option Plan (Incorporated by reference to GoAmerica's Registration Statement on Form S-1 [which became effective on April 6, 2000]) (File No. 333-94801)
10.10	GoAmerica, Inc. 1999 Stock Plan (Incorporated by reference to GoAmerica's Registration Statement on Form S-1 [which became effective on April 6, 2000]) (File No. 333-94801)
10.11	GoAmerica, Inc. Employee Stock Purchase Plan (Incorporated by reference to GoAmerica's Registration Statement on Form S-1 [which became effective on April 6, 2000]) (File No. 333-94801)
10.12	GoAmerica, Inc. 2005 Equity Compensation Plan (Incorporated by reference to Annex B of GoAmerica, Inc.'s Proxy Statement dated November 15, 2005) (File No. 333-94801)
10.13	Lease Agreement dated as of August 1, 2004, by and between GoAmerica Communications Corp. and Stellar Continental LLC (Incorporated by reference to GoAmerica's Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 31, 2005) (File No. 000-29359), as amended by Amendment No. 1, dated as of August 1, 2004 (Incorporated by reference to GoAmerica's Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 31, 2005) (File No. 000-29359).
10.14	Purchase Agreement, dated as of December 19, 2003, by and between GoAmerica, Inc. and the Investors set forth therein (Incorporated by reference to GoAmerica's Current Report on Form 8-K filed with the Securities and Exchange Commission on December 24, 2003) (File No. 000-29359)
10.15	Registration Rights Agreement, dated as of December 19, 2003, by and between GoAmerica, Inc. and the Investors set forth therein (Incorporated by reference to GoAmerica's Current Report on Form 8-K filed with the Securities and Exchange Commission on December 24, 2003) (File No. 000-29359)
10.16	Short Term Loan Agreement between Hands On Video Relay Services, Inc. and Hands On Sign Language Services, Inc., and GoAmerica, Inc., entered into on May 2, 2005 (Incorporated by reference to GoAmerica's Quarterly Report on Form 10-Q filed on May 12, 2005) (File No. 000-29359)
21.1	List of subsidiaries of GoAmerica, Inc. (filed herewith)
23.1	Consent of WithumSmith+Brown, P.C. (filed herewith)
31.1	Certification pursuant to Rule 13a-14(a) or 15d-14(a) (filed herewith)

Exhibit No.	Description of Exhibit
31.2	Certification pursuant to Rule 13a-14(a) or 15d-14(a) (filed herewith)
32.1	Certification pursuant to 18 U.S.C. Section 1350 (filed herewith)
32.2	Certification pursuant to 18 U.S.C. Section 1350 (filed herewith)

‡ Certain schedules and exhibits to the documents listed in this index are not being filed herewith or have not been previously filed because we believe that the information contained therein is not material. Upon request therefor, we agree to furnish supplementally a copy of any schedule or exhibit to the Securities and Exchange Commission.

GOAMERICA, INC.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

AND FINANCIAL STATEMENT SCHEDULE

All other schedules have been omitted because the required information is not present or is not present in amounts sufficient to require submission of the schedule, or because the information required is included in the Consolidated Financial Statements or Notes thereto.

Report of Independent Registered Public Accounting Firm

The Board of Directors,
GoAmerica, Inc.

We have audited the accompanying consolidated balance sheets of GoAmerica, Inc. as of December 31, 2005 and 2004, and the related consolidated statements of operations, stockholders' equity and cash flows for the years ended December 31, 2005, 2004 and 2003. Our audits also included the consolidated financial statement schedule for the years ended December 31, 2005, 2004 and 2003 as listed in the index at Item 15(a). These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). 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 financial statements referred to above present fairly, in all material respects, the consolidated financial position of GoAmerica, Inc. as of December 31, 2005 and 2004, and the consolidated results of their operations and their cash flows for the years ended December 31, 2005, 2004 and 2003 in conformity with accounting principles generally accepted in the United States of America. Also, in our opinion, such consolidated financial statement schedule referred to above, when considered in relation to the basic financial statements taken as a whole, presents fairly, in all material respects, the information set forth therein.

/s/ WithumSmith + Brown, P.C.

New Brunswick, New Jersey
March 20, 2006

GOAMERICA, INC.
CONSOLIDATED BALANCE SHEETS

(In thousands, except share and per share data)

	December 31, 2005	December 31, 2004
Assets		
Current assets:		
Cash and cash equivalents	$ 4,804	$ 7,098
Accounts receivable, less allowance for doubtful accounts of $278 in 2005 and $603 in 2004	1,154	1,530
Other receivables	--	732
Merchandise inventories, net	161	123
Prepaid expenses and other current assets	135	219
Total current assets	6,254	9,702
Restricted cash	300	604
Property, equipment and leasehold improvements, net	677	940
Trade names, net of accumulated amortization of $4,572 in 2005 and $4,388 in 2004	--	184
Other intangible assets, net of accumulated amortization of $7,210 in 2005 and $6,755 in 2004	--	455
Goodwill, net	6,000	6,000
Other assets	844	101
Total assets	$ 14,075	$ 17,986
Liabilities and Stockholders' Equity		
Current liabilities :		
Accounts payable	$ 765	$ 348
Accrued expenses	676	538
Deferred revenue	92	285
Other current liabilities	19	1
Total current liabilities	1,552	1,172
Other long term liabilities	25	--
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, $.01 par value; authorized: 4,351,943 in 2005 and 2004; issued and outstanding: none in 2005 and 2004	--	--
Common stock, $.01 par value; authorized: 200,000,000 in 2005 and 2004; issued : 2,362,514 in 2005 and 2,117,339 in 2004, respectively	24	21
Additional paid-in capital	287,137	285,854
Deferred employee compensation	(1,230)	--
Accumulated deficit	(273,247)	(268,875)
Treasury stock, at cost, 24,063 shares in 2005 and 2004	(186)	(186)
Total stockholders' equity	12,498	16,814
Total liabilities and stockholders' equity	$ 14,075	$ 17,986

See accompanying notes.

GOAMERICA, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands, except share and per share data)

	Years ended December 31, 2005	2004	2003
Revenues:			
Subscriber	$ 2,348	$ 5,588	$ 10,108
Prepaid services	3,147	193	--
Relay services	1,261	--	--
Commissions	755	--	--
Equipment	442	181	1,042
Other	125	260	728
	8,078	6,222	11,878
Costs and expenses:			
Cost of subscriber revenue	967	2,539	2,669
Cost of equipment revenue	585	260	1,152
Cost of network operations	231	733	1,828
Cost of prepaid services	3,617	201	--
Sales and marketing	1,167	597	1,072
General and administrative	5,320	5,625	9,617
Research and development	363	507	1,209
Depreciation and amortization of fixed assets	485	804	1,912
Amortization of other intangibles	639	682	1,081
Impairment of goodwill	--	--	193
Impairment of other long-lived assets	--	--	1,202
	13,374	11,948	21,935
Loss from operations	(5,296)	(5,726)	(10,057)
Other income (expense):			
Gain on sale of subscribers	--	--	1,756
Settlement gains, net	--	1,494	85
Interest (expense) income, net	160	(944)	(275)
	160	550	1,566
Net loss before benefit from income taxes	(5,136)	(5,176)	(8,491)
Income tax benefit	764	732	284
Net loss	$ (4,372)	$ (4,444)	$ (8,207)
Basic net loss per share	$ (2.05)	$ (2.49)	$ (12.10)
Diluted net loss per share	$ (2.05)	$ (2.49)	$ (12.10)
Weighted average shares used in computation of basic net loss per share	2,128,977	1,785,403	678,240
Weighted average shares used in computation of diluted net loss per share	2,128,977	1,785,403	678,240

See accompanying notes.

GOAMERICA, INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

(In thousands, except share data)

	Common Stock					Treasury Stock		
	Number of shares	Amoun t	Additional paid-in capital	Deferred employee compensation	Accumulated deficit	Numbe r of shares	Amoun t	Total stock-holders' equity
Balance at January 1, 2003	675,207	$ 7	$ 269,548	$ (314)	$ (256,224)	--	$ --	$ 13,01
Issuance of common stock pursuant to:								
exercise of employee stock options	8,931	--	258	--	--	--	--	25
employee stock purchase plan	601	--	13	--	--	--	--	1
Issuance of warrant to settle lease commitment	--	--	440	--	--	--	--	44
Issuance of warrant to placement agent to secure bridge note financing	--	--	292	--	--	--	--	29
Fair value of warrants issued to investors as part of bridge note financing	--	--	487	--	--	--	--	48
Value of beneficial conversion feature of convertible bridge note financing	--	--	528	--	--	--	--	52
Amortization of deferred employee compensation	--	--	--	314		--	--	31
Net loss	--	--	--	--	(8,207)	--	--	(8,20
Balance at December 31, 2003	684,739	7	271,566	--	(264,431)	--	--	7,14
Issuance of common stock pursuant to:								
exercise of employee stock options	6,776	--	173	--	--	--	--	17
exercise of warrants	50,652	--	13	--	--	--	--	1
equity financing, net of expenses	1,224,304	12	12,197	--	--	--	--	12,20
conversion of bridge note	86,509	1	1,014					1,01

payable acquisition of intangible assets	54,671	1	441	--	--	--	--	44
Issuance of common stock pursuant to settlement agreements	9,688	--	450	--	--	--	--	45
Purchase of treasury stock	--	--	--	--	--	24,063	(186)	(18
Net loss	--	--	--	--	(4,444)	--	--	(4,44
Balance at December 31, 2004	2,117,339	21	285,854	--	(268,875)	24,063	(186)	16,81
Issuance of common stock pursuant to exercise of warrants	175	--	2	--	--	--	--	
Issuance of restricted stock pursuant to employment contracts	245,000	3	1,281	(1,284)	--	--	--	-
Amortization of deferred employee compensation	--	--	--	54	--	--	--	5
Net loss	--	--	--	--	(4,372)	--	--	(4,37
Balance at December 31, 2005	2,362,514	$ 24	$ 287,137	$ (1,230)	$ (273,247)	24,063	$ (186)	$ 12,49

See accompanying notes.

GOAMERICA, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands)

	Years ended December 31,		
	2005	2004	2003
Operating activities			
Net loss	$ (4,372)	$ (4,444)	$ (8,207)
Adjustments to reconcile net loss to net cash used in operating activities:			
Depreciation and amortization	1,124	1,486	2,993
Amortization of debt discount and deferred financing costs	--	1,014	248
Impairment of goodwill	--	--	193
Impairment of other long-lived assets	--	--	1,202
Provision for losses on accounts receivable	318	239	534
Common stock issued for interest expense	--	19	--
Settlement gains, net	--	(1,494)	--
Accrued loss on sublease	--	--	509
Gain on sale of subscribers	--	--	(1,756)
Non-cash employee compensation	54	--	314
Non-cash warrant expense	--	--	440
Other non-cash charges	--	--	7
Changes in operating assets and liabilities:			
(Increase) decrease in accounts receivable	58	(32)	3,509
(Increase) decrease in other receivables	732	(198)	(534)
(Increase) decrease in inventory	(38)	90	833
(Increase) decrease in prepaid expenses and other current assets	84	(104)	405
Increase (decrease) in accounts payable	417	(1,124)	(3,374)
Increase (decrease) in accrued expenses	137	(564)	(3,496)
Decrease in deferred revenue	(193)	(388)	(1,733)
Net cash used in operating activities	(1,679)	(5,500)	(7,913)
Investing activities			
Purchase of property, equipment and leasehold improvements	(114)	(138)	(35)
Proceeds from the sale of subscribers	--	--	1,756
Acquisition of subscribers	--	--	(368)
Acquisition of intangible assets	--	(75)	--
Change in other assets and restricted cash	(439)	(408)	1,232
Net cash provided by (used in) investing activities	(553)	(621)	2,585
Financing activities			
Issuance of common stock, net of related expenses	2	12,981	271
Issuance of note payable and warrant, net of financing costs	--	--	800
Payments made for deferred financing costs	--	(139)	(112)
Purchase of treasury stock	--	(186)	--
Payments made on capital lease obligations	(64)	(5)	(45)
Net cash provided by (used in) financing activities	(62)	12,651	914
Increase (decrease) in cash and cash equivalents	(2,294)	6,530	(4,414)
Cash and cash equivalents at beginning of year	7,098	568	4,982
Cash and cash equivalents at end of year	$ 4,804	$ 7,098	$ 568

See accompanying notes .

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(In thousands, except share and per share data)

1. Description of Business and Basis of Presentation

GoAmerica® is a communications service provider, offering wireless data solutions primarily for consumers who are deaf, hard of hearing and/or speech-impaired and telecommunication services in the form of prepaid calling cards. We currently develop, market and support most wireless data solutions through Wynd Communications Corporation, a wholly owned subsidiary of GoAmerica. Wynd Communications offers enhanced services known as WyndTell® and WyndPower ™ , which assist our deaf or hard of hearing customers in communicating from most major metropolitan areas in the continental United States and parts of Canada. WyndTell and WyndPower allow customers to send and receive email messages to and from any email service, provide for delivery and acknowledgements of sent messages that are read, send and receive TTY/TDD (text telephone or teletypewriter) messages, faxes, and text-to-speech messages, and access the Internet using such wireless computing devices as Research in Motion, or RIM, wireless handheld devices, certain Motorola paging devices and the T-Mobile Sidekick, Fido hiptop, and SunCom hiptop devices running on Danger Inc.'s hiptop platform. In addition to WyndTell, in the later part of March 2005, the Company began deriving relay service revenues from a wireless Internet Relay service marketed in conjunction with Sprint Corporation and our i711.com ™ branded Internet service as a standard feature across all of the WyndTell service offerings that operate on certain RIM handheld devices and the T-Mobile Sidekick. Our i711.com wireless relay service permits deaf consumers to contact a Telecommunications Relay Service, or "TRS", operator to place a "live" telephone call to a hearing party by using certain wireless handheld devices. Additionally, GoAmerica continues to support customers who use our proprietary software technology called Go.Web ™ . The Wynd Communications and Go.Web services transmit over most major wireless data networks in North America. The Company also records revenues from commissions received through the acquisition of subscribers on behalf of various network providers with which the Company does not have reseller agreements.

The Company's prepaid segment offers prepaid calling card services to distributors and resellers for nationwide distribution.

The Company operates in a highly competitive environment subject to rapid technological change and the emergence of new technology. Although management believes its services are transferable to emerging technologies, rapid changes in technology could have an adverse financial impact on the Company. The Company is highly dependent on third parties for wireless communication devices and wireless netwok connectivity.

The Company has incurred significant operating losses since its inception and, as of December 31, 2005, had an accumulated deficit of $273,247. During 2005, the Company incurred a net loss of $4,372 and used $1,679 of cash to fund operating activities. As of December 31, 2005 the Company had $4,804 in cash and cash equivalents.

2. Significant Accounting Policies

Basis of Consolidation

The consolidated financial statements include the accounts of GoAmerica, Inc. and its wholly-owned subsidiaries. All significant intercompany balances and transactions have been eliminated in consolidation.

Cash Equivalents

Cash equivalents consist of highly liquid investments with an original maturity of three months or less when purchased.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of certain revenues and expenses during the reporting periods. Actual results could differ from those estimates. Significant estimates that affect the financial statements include, but are not limited to: collectibility of accounts receivable, amortization periods and recoverability of long-lived assets.

Receivables and Credit Policies

Accounts receivable are uncollateralized customer obligations due under normal trade terms requiring payment within 30 days from the invoice date. Accounts receivable are stated at the amount billed to the customer. Interest is not billed or accrued. Accounts receivable in excess of 90 days old are considered delinquent. Payments of accounts receivable are allocated to the specific invoices identified on the customer's remittance advice or, if unspecified, are applied to the oldest unpaid invoices.

The carrying amount of accounts receivable is reduced by a valuation allowance that reflects the Company's best estimate of the amounts that may not be collected. This estimate is based on reviews of all balances in excess of 90 days from the invoice date and based on an assessment of current creditworthiness, estimating the portion, if any, of the balance that will not be collected. The Company reviews its valuation allowance on a quarterly basis.

Merchandise Inventories

Merchandise inventories, principally wireless devices, are stated at the lower of cost (first-in, first-out) basis or market. Inventories are recorded net of a reserve for excess and obsolete merchandise.

Property, Equipment and Leasehold Improvements

Property, equipment and leasehold improvements are stated at cost. Depreciation is provided on the straight-line method over the estimated useful lives of the related assets ranging from two to seven years. Leasehold improvements are depreciated over the lesser of their useful lives or term of the lease. Expenditures for maintenance and repairs are charged to expense as incurred.

Computer Software Developed or Obtained For Internal Use

All direct internal and external costs incurred in connection with the development stage of software for internal use are capitalized. All other costs associated with internal use software are expensed when incurred. Amounts capitalized are included in property, equipment and leasehold improvements and are amortized on a straight-line basis over three years beginning when such assets are placed in service.

Goodwill and Intangible Assets

Goodwill and intangible assets result primarily from acquisitions accounted for under the purchase method. In accordance with Statement of Financial Accounting Standards ("SFAS") No. 142, "Goodwill and Other Intangible Assets" ("SFAS No. 142"), goodwill and intangible assets with indefinite lives are not amortized but are subject to impairment by applying a fair value based test. Intangible assets with finite useful lives related to developed technology, customer lists, trade names and other intangibles are being amortized on a straight-line basis over the estimated useful life of the related asset, generally one to five years.

Recoverability of Intangible and Other Long Lived Assets

In accordance with SFAS No.142, the Company reviews the carrying value of goodwill and intangible assets with indefinite lives annually or in certain circumstances as required. The Company measures impairment losses by comparing carrying value to fair value. Fair value is determined using discounted cash flow methodology.

In accordance with SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets," long-lived assets used in operations are reviewed for impairment whenever events or changes in circumstances indicate that carrying amounts may not be recoverable. For long-lived assets to be held and used, the Company recognizes an impairment loss only if its carrying amount is not recoverable through its undiscounted cash flows and measures the impairment loss based on the difference between the carrying amount and fair value.

Revenue Recognition

The Company derives subscriber revenue from the provision of wireless communication services. Subscriber revenue consists of monthly charges for access and usage and is recognized as the service is provided. Equipment revenue is recognized upon shipment and transfer of title to the end user. Revenue from relay services is recognized as revenue when services are provided or earned, primarily from a third party administrator. Revenue from commissions is recognized upon activation of subscribers on behalf of third party wireless network providers. Revenue from sale of prepaid calling cards is deferred upon sale of the cards. These deferred revenues are recognized as earned when usage of the cards occurs and/or administrative fees are imposed.

Cost of Revenues

Cost of subscriber revenue consists principally of airtime costs charged by carriers. Cost of equipment revenue consists of the cost of equipment sold. Cost of prepaid services consists principally of usage costs charged by carriers.

Income Taxes

Deferred income taxes are determined using the asset and liability method. Under this method, deferred tax assets and liabilities are determined based on differences between financial reporting and tax bases of assets and liabilities and are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse. A valuation allowance is recorded when the expected recognition of a deferred tax asset is considered to be unlikely.

Advertising Costs

Advertising costs are expensed as incurred. During 2005, 2004 and 2003, advertising expense was approximately $110, $17 and $23, respectively.

Research and Development Costs

Research and development costs are expensed as incurred.

(In thousands, except share and per share data)

Stock-Based Employee Compensation

The Company accounts for employee stock-based compensation in accordance with Accounting Principles Board (APB) Opinion No. 25, "Accounting for Stock Issued to Employees", using an intrinsic value approach to measure compensation expense, if any. Under this method, compensation expense is recorded on the date of the grant only if the current market price of the underlying stock exceeds the exercise price. Options issued to non-employees are accounted for in accordance with SFAS 123, "Accounting for Stock-Based Compensation", and Emerging Issues Task Force ("EITF") Issue No. 96-18, "Accounting for Equity Instruments That Are Issued to Other Than Employees for Acquiring, or in Conjunction with Selling, Goods and Services", using a fair value approach.

SFAS No. 123 established accounting and disclosure requirements using a fair value-basis method of accounting for stock-based employee compensation plans. As allowed by SFAS No. 123, the Company has elected to continue to apply the intrinsic value-based method of accounting described above, and has adopted the disclosure requirements of SFAS No. 123. Had the Company elected to recognize compensation cost based on fair value of the stock options at the date of grant under SFAS 123, such costs would have been recognized ratably over the vesting period of the underlying instruments and the Company's net loss and net loss per common share would have increased to the pro forma amounts indicated in the table below.

	Year ended December 31,		
	2005	2004	2003
Net loss	$ (4,372)	$ (4,444)	$ (8,207)
Deduct: Stock-based employee compensation expense included in reported net loss	54	--	314
Add: Total stock-based employee compensation expense determined under fair value based method for all awards	(569)	(3,048)	(3,968)
Pro forma net loss	$ (4,887)	$ (7,492)	$ (11,861)
Loss per share - basic, as reported	$ (2.05)	$ (2.49)	$ (12.10)
Loss per share - diluted, as reported	$ (2.05)	$ (2.49)	$ (12.10)
Pro forma loss per share - basic	$ (2.30)	$ (4.20)	$ (17.49)
Pro forma loss per share - diluted	$ (2.30)	$ (4.20)	$ (17.49)

The pro forma results above are not intended to be indicative of or a projection of future results. Refer to Note 15 for assumptions used in computing the fair value amounts above.

Earnings (Loss) Per share

The Company computes net loss per share under the provisions of SFAS No. 128, "Earnings per Share" (SFAS 128), and SEC Staff Accounting Bulletin No. 98 (SAB 98).

Under the provisions of SFAS 128 and SAB 98, basic loss per share is computed by dividing the Company's net loss for the period by the weighted-average number of shares of common stock outstanding during the period. Diluted net loss per share excludes potential common shares if the effect is antidilutive. Diluted loss per share is determined in the same manner as basic loss per share except that the number of shares is increased assuming exercise of dilutive stock options and warrants using the treasury stock method. As the Company had a net loss, the impact of the assumed exercise of the stock options and warrants is anti-dilutive and as such, these amounts have been excluded from the calculation of diluted loss per share. For the years ended December 31, 2005, 2004 and 2003, a total of 181,428, 174,725 and 123,615 of common stock equivalent shares were excluded from the computation of diluted net loss per share.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to a concentration of credit risk consist of cash and cash equivalents and accounts receivable. The Company maintains a significant portion of its cash and cash equivalents with two financial institutions. At times these balances exceed the FDIC insured limit.

As of December 31, 2005 and 2004, the Company had 8% and 16%, respectively, of its accounts receivable with Earthlink. For the years ended December 31, 2005 and 2004, the Company generated 6% and 14% of its total revenue from Earthlink. As of December 31, 2005, the Company had 18% of its accounts receivable with T-Mobile. For the years ended December 31, 2005, the Company generated 9% of its total revenue with T-Mobile. There is no such T-Mobile concentration in 2004. The Company performs periodic credit evaluations of its customers but generally does not require collateral.

Fair Value of Financial Instruments

The carrying amounts of the Company's financial instruments, which include cash and cash equivalents, accounts receivable, accounts payable and accrued expenses approximate their fair values due to the short maturity of these items.

Reclassifications

The Company has reclassified certain prior year information to conform with current year presentation. Such reclassifications had no effect on the prior year's net loss.

Recent Accounting Pronouncements

In November 2004, the Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standards 151, "Inventory Costs - An Amendment of ARB No. 43, Chapter 4" ("SFAS 151"). SFAS 151 amends the guidance in ARB No. 43, Chapter 4 to clarify the accounting for abnormal amounts of idle facility expense, freight, handling costs, and wasted material (spoilage). The provisions of SFAS 151 are effective for inventory costs incurred during fiscal years beginning after June 15, 2005. The adoption of SFAS 151 is not expected to have a material effect on the Company's financial condition or results of operations.

In December 2004, the FASB issued SFAS 153, "Exchanges of Nonmonetary Assets - an amendment of APB Opinion No. 29" ("SFAS 153"). SFAS 153 amends APB Opinion 29 to eliminate the similar productive asset exception and establishes that exchanges of productive assets should be accounted for at fair value, rather than at carryover basis unless (1) neither the asset received nor the asset surrendered has a fair value that is determinable within reasonable limits, (2) the transaction is an exchange transaction to facilitate sales to customers, or (3) the transaction lacks commercial substance. A nonmonetary exchange has commercial substance if the future cash flows of the entity are expected to change significantly as a result of the exchange. The provisions of SFAS 153 are effective for nonmonetary exchanges occurring in fiscal periods beginning after June 15, 2005. The adoption of SFAS 153 is not expected to have a material effect on the Company's financial condition or results of operations.

In December 2004, the FASB issued SFAS 123R, "Share-Based Payment". SFAS 123R establishes that employee services received in exchange for share-based payment result in a cost that should be recognized in the income statement as an expense when the services are consumed by the enterprise. It further establishes that those expenses be measured at fair value determined as of the grant date. The provisions of SFAS 123R become effective as of the beginning of the first annual reporting period that begins after June 15, 2005. Furthermore, the Office of the Chief Accountant (OCA) of the Securities and Exchange Commission issued Staff Accounting Bulletin 107 to provide clarification of the OCA's interpretation SFAS 123R as it applies to share based compensation arrangements for both employees and non employees. The Company has evaluated the effect of the adoption of SFAS 123R and has concluded that its adoption will not have a material affect on the Company's financial condition and results of operations.

In March 2005, the FASB issued Interpretation No. 47, Accounting for Conditional Asset Retirement Obligations ("FIN 47"). FIN 47 clarifies that conditional obligations meet the definition of an asset retirement obligation in Statement of Financial Accounting Standards 143, Accounting for Asset Retirement Obligations ("SFAS 143"), and therefore should be recognized if their fair value is reasonably estimable. The adoption of FIN 47 did not have a material effect on the Company's financial condition or results of operations.

In February 2006, the FASB issued FASB 155, "Accounting for Certain Hybrid Financial Instruments" - an amendment of FASB Statements No. 133 and 140, to simplify and make more consistent the accounting for certain financial instruments. Specifically, SFAS No. 155 amends SFAS No. 133, Accounting for Derivative Instruments and Hedging Activities, to permit fair value re-measurement for any hybrid financial instrument with an embedded derivative that otherwise would require bifurcation, provided that the whole instrument is accounted for an a fair value basis. SFAS No. 155 amends SFAS No. 140, Accounting for the Impairment or Disposal of Long-Lived Assets, to allow a qualifying special-purpose entity (SPE) to hold a derivative financial instrument that pertains to a beneficial interest other than another derivative financial instrument. SFAS No. 155 applies to all financial instruments acquired or issued after the beginning of an entity's first fiscal year that begins after September 15, 2006, with earlier application allowed. The adoption of FASB 155 is not expected to have a material effect on the Company's financial condition or results of operations.

The FASB has issued SFAS No. 156, "Accounting for Servicing of Financial Assets", to simplify accounting for separately recognized servicing assets and servicing liabilities. SFAS No. 156 amends SFAS No. 140, "Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities. Additionally, SFAS No. 156 permits, but does not require, an entity to choose either the amortization method or the fair value measurement method for measuring each class of separately recognized servicing assets and servicing liabilities. SFAS No. 156 applies to all separately recognized servicing assets and servicing liabilities acquired of issued after the beginning of an entity's fiscal year that begins after September 15, 2006, although early adoption is permitted. The Company believes that this SFAS will have no effect on the Company's financial condition or results of operations.

3. Lease Settlement

On January 10, 2003, the Company entered into a sublease agreement to partially offset the cost of unused office space at 401 Hackensack Avenue. The sublease agreement was set to expire in April 2007. As a result of this agreement, the Company recorded a loss on sublease of $610 in 2003.

The Company entered into two agreements, each dated as of November 14, 2003, with Stellar Continental LLC ("Stellar"), the lessor of the Company's corporate headquarters at 433 Hackensack Avenue and its office at 401 Hackensack Avenue, both located in Hackensack, New Jersey (collectively, the "Hackensack Offices"). The agreements consist of a Surrender Agreement and a new Lease Agreement as well as a Warrant Certificate (collectively, the "Long Term Lease Settlement").

The Long Term Lease Settlement enabled the Company to cure all prior defaults under the previous lease (the "Original Lease", as described below) and terminated all parties' rights and obligations under the Original Lease, in exchange for (i) Stellar's right to retain $556 previously drawn on the Company's letter of credit that secured the Original Lease, (ii) the Company's issuance of a warrant to Stellar that allows Stellar to acquire up to 12,500 shares of the Company's Common Stock at an exercise price of $36.80 per share at any time prior to November 14, 2008 and (iii) the execution of a new short term lease between the Company and Stellar for office space at 433 Hackensack Avenue (see note 11). The Long Term Lease Settlement also requires the Company to rent from Stellar any new office space in the Hackensack, New Jersey area that it may require over the term of the new lease, on terms no less favorable than the New Lease. The sublease agreement described above was effectively cancelled by these settlements. Therefore, the Company reversed the remaining $509 of unamortized loss on sublease as of December 31, 2003.

The warrant to purchase 12,500 shares of the Company's common stock at a price of $36.80 per share was immediately exercisable at the date of grant and expires five years thereafter. The warrant had an estimated fair market value at the date of grant of approximately $440, as determined by using the Black-Scholes method and was recognized by the Company during the fourth quarter of 2003 as an offset to the reversal of the loss on sublease described above. Both items are included in settlement gains, net in the accompanying 2003 statement of operations. Such warrant remains outstanding as of December 31, 2005.

4. Settlement Gains and Changes in Estimates

Settlement Gains, net

In December 2003, the Company entered into an agreement with a creditor to settle an obligation for less than the recorded amount by making a final cash payment to this vendor prior to December 31, 2003. The Company recorded a gain on settlement of approximately $64 relating to this transaction and has included this item in settlement gains, net in the accompanying 2003 statement of operations.

In December 2003, the Company executed a series of settlement agreements with various vendors that provided, upon their consummation, for the reduction of amounts owed by the Company to these vendors. Generally, the terms of the settlement agreements called for the Company to make fixed cash payments or issue shares of the Company's common stock. The consummation of the settlement agreements was contingent upon the Company's complying with all of the terms of the individual agreements, certain of which are as follows:

- Cash payments of approximately $300 to vendors with which the Company had established settlement agreements.

- Establishment of a standby letter of credit in favor of Cingular, which resulted in restricted cash in the original amount of $600.

All such terms and conditions were satisfied in 2004 and, as a result, the Company recorded approximately $1,621 in additional settlement gains during the year ended December 31, 2004. In addition, approximately $450 of vendor liabilities were satisfied through the issuance of 9,688 shares of the Company's common stock.

On December 23, 2003, the Company executed a settlement agreement with Eastern Computer Exchange, Inc. ("Eastern Computer") with respect to certain payment obligations pursuant to two equipment leases (the "Leases") by agreeing to pay Eastern Computer $350 upon closing the financing discussed in Note 5 in exchange for a full release of the Company and its affiliates of the claim filed by Eastern Computer. Previously, Eastern Computer had taken back the equipment covered under the Leases. This settlement enabled the Company to cure all prior defaults under the Leases. The Company recorded a loss on this settlement of $7, which is included in settlement gains, net in the accompanying 2003 statement of operations.

Changes in Estimates

During the year ended December 31, 2003, the Company reviewed certain liability provisions and accrued expenses based on recent discussions with vendors and recorded the following adjustments:

- A $347 reduction of general and administrative expenses relating to the elimination of an accrued liability for deferred rent on the Company's lease obligations at 401 and 433 Hackensack Avenue (see note 3).

- A $1,513 reduction of accruals for certain subscriber related costs based upon a finalization of amounts owed to vendors.

- A $372 reduction of accruals for certain sales and marketing costs recorded in prior periods.

The above amounts were recorded as changes in estimates and reductions of the related expenses in the accompanying 2003 statement of operations.

5. Bridge Note Payable and Equity Financing

On December 19, 2003, the Company entered into definitive agreements with multiple investors providing for the investors to purchase approximately 1.3 million shares of the Company's Common Stock, par value $.01 (the "Common Stock"), for an aggregate purchase price of $14,500 in a private placement offering (the "Financing"). As part of this Financing, on December 19, 2003, the Company received net proceeds of approximately $800 from the issuance of 10% Senior Secured Convertible Promissory Notes (the "Notes") and certain warrants. The Notes were purchased by the investors at their par value in proportional amounts to their aggregate investment commitments in the Financing. Upon stockholder approval and closing of the Financing, the Notes and all accrued interest automatically converted into Common Stock at a price of $12.00 per share, subject to certain adjustments.

The notes contained a beneficial conversion feature, which had been calculated in the amount of approximately $528. This amount was amortized as interest expense through March 2004 when it was converted to equity.

In addition to the Notes, the Company granted to the investors warrants to purchase 16,916 shares of the Company's common stock at a price of $12.00 per share. These warrants were immediately exercisable at the date of grant and expire in five years. The warrants had an estimated fair market value at the date of grant of approximately $487, as determined using the Black-Scholes method, which discount was amortized as interest expense over the life of the debt. The Note Payable is shown on the Balance Sheet at December 31, 2003 net of unamortized discount in the amount of $390. As of December 31, 2005, 14,101 of these warrants remain outstanding.

On March 10, 2004, the Company's stockholders at a special meeting of the stockholders approved the following:

- Approved the issuance of 1,224,304 shares of the Company's common stock in exchange for cash consideration of $12,209, net of expenses.
- Authorized the Board of Directors to amend the Company's restated certificate of incorporation to effect a reverse stock split at one of five different ratios.
- Authorized the Board of Directors to amend the Company's restated certificate of incorporation to increase the number of shares of common stock the Company is authorized to issue from 200,000,000 to 350,000,000 shares, resulting in an increase in the total number of authorized shares of capital stock from 204,351,943 to 354,351,943. The Board of Directors did not act on this approval to increase the Company's authorized shares.

As a result, the Company issued a total of 1,310,813 shares of its common stock, comprised of the 1,224,304 shares referred to above and 86,509 shares upon the mandatory conversion of the Bridge Notes Payable and related accrued interest. The Company received net proceeds of approximately $12,000 after deducting the $714 cash payment made to the offering placement agent and deferred offering expenses such as professional fees.

6. Segment Information.

The Company has two reportable business segments: Wireless Data Solutions and Prepaid Services. The operating results of these business segments are distinguishable and regularly reviewed by the Company's executive officers. The Company evaluates the performance of its business segments based primarily on operating income (loss). All overhead is allocated to the business segments, except for certain specific corporate costs, such as corporate management compensation, corporate legal, accounting and governance costs and certain insurance and facilities costs. Operating results presented for the business segments of the Company are as follows (in thousands):

Segment information for the years ended December 31:

	2005	2004	2003
Revenues:			
Wireless services	$ 4,931	$ 6,029	$ 11,878
Prepaid services	3,147	193	--
Corporate	--	--	--
	8,078	6,222	11,878
Depreciation and amortization:			
Wireless services	1,124	1,486	2,993
Prepaid services	--	--	--
Corporate	--	--	--
	1,124	1,486	2,993
Operating loss:			
Wireless services	(1,757)	(2,688)	(3,998)
Prepaid services	(1,014)	(222)	--
Corporate	(2,525)	(2,816)	(6,059)
	(5,296)	(5,726)	(10,057)
Gain on sale of subscribers	--	--	1,756
Settlement gains, net	--	1,494	85
Interest (expense) income, net	160	(944)	(275)
	160	550	1,566
Net loss before benefit from income taxes	(5,136)	(5,176)	(8,491)
Income tax benefit	764	732	284
Net loss	$ (4,372)	$ (4,444)	$ (8,207)

(In thousands, except share and per share data)

Segment balance sheet information as of December 31:

		2005		2004
Assets:				
Wireless services	$	7,975	$	9,937
Prepaid services		378		360
Corporate		5,722		7,689
	$	14,075	$	17,986
Capital expenditures:				
Wireless services	$	188	$	138
Prepaid services		34		--
Corporate		--		--
	$	222	$	138

7. Relationship with EarthLink, Inc.

On September 25, 2002, the Company formed a comprehensive relationship with EarthLink by entering into a series of agreements pursuant to which, among other things, EarthLink purchased certain of the Company's subscribers (collectively, the "transferred subscribers).

As a result of this relationship and the transfer of subscribers, the Company received and recorded approximately $1,756 of gains on sales of subscribers during 2003 and had remaining $50 of deferred revenue as of December 31, 2004.

8. Acquisition of Intangible Assets

On December 1, 2004, the Company acquired certain assets from Global Interactive, a provider of wireless products, services, and accessories. The total purchase price of approximately $442 included the issuance of 30,000 shares of the Company's common stock valued at $12.23 per share. The total purchase price was recorded as an intangible asset and has been amortized over 12 months.

On September 1, 2004, the Company purchased certain assets relating to prepaid telephone calling cards. The total purchase price of approximately $75 was satisfied through the issuance of 24,671 shares of the Company's common stock. The total purchase price was recorded as an intangible asset and has been amortized over 12 months.

(In thousands, except share and per share data)

9. Goodwill and Other Intangible Assets

Impairment Charge Recorded Under SFAS No. 142

During the first half of 2003, the Company identified indicators of impairment, including changes in the Company's operating and cash flow forecasts, and changes in its strategic plans for certain of its acquired businesses, which required that the Company evaluate the appropriateness of the carrying value of its long-lived assets, principally goodwill recorded upon the acquisitions of Outback. A write-down of goodwill totaling $193 was recorded in 2003.

The Company's annual impairment test indicated that no impairment had occurred during 2005, 2004 and 2003 relative to Wynd.

The following table summarizes the activity in goodwill for the periods indicated:

	Years Ended December 31, 2005	2004	2003
Beginning balance, net	$ 6,000	$ 6,000	$ 6,193
Impairment charge	--	--	(193)
Ending balance, net	$ 6,000	$ 6,000	$ 6,000

The following table summarizes other intangible assets subject to amortization at the dates indicated:

	December 31, 2005 Gross Carrying Amount	Accumulated Amortization	Net	December 31, 2004 Gross Carrying Amount	Accumulated Amortization	Net
Trade Names	$ 4,572	$ (4,572)	$ --	$ 4,572	$ (4,388)	$ 184
Technology	3,017	(3,017)	--	3,017	(3,017)	--
Customer Lists	2,258	(2,258)	--	2,258	(2,258)	--
Patents	1,000	(1,000)	--	1,000	(1,000)	--
Other	935	(935)	--	935	(480)	455
	$ 11,782	$ (11,782)	$ --	$ 11,782	$ (11,143)	$ 639

(In thousands, except share and per share data)

10. Impairment of Other Long-lived Assets

During the year ended December 31, 2003, the Company identified indicators of possible impairment of its other long-lived assets. Such indicators included the continued deterioration in the business climate for wireless Internet service providers, significant declines in the market values of the Company's competitors in the wireless Internet services industry, recent changes in the Company's operating and cash flow forecasts, and changes in our strategic plans. Based on these factors, the Company initiated significant reductions in its workforce resulting in impairment to its property and equipment, principally software and furniture and fixtures. The impairment charge was calculated assuming no salvage value to be obtained from the assets. As a result, the Company recorded an impairment charge of $1,202 during the year ended December 31, 2003 for assets no longer in use. Included in the charge for 2003 is $445, relating to equipment given back to Eastern Computer upon the Company's default on related lease obligations (see note 4).

11. Supplemental Balance Sheet Information

Merchandise inventories:

During 2005 and 2004, the Company recorded write-downs of approximately $12 and $84, respectively, in order to reflect inventory at the lower of cost or market. The write-down primarily relates to a lower of cost to market adjustment for wireless PDA models which remained unsold.

Additionally, during 2003, the Company recorded reserves for excess inventory quantities of approximately $47. As of December 31, 2005, the Company had applied all reserves for excess inventory quantities to the related merchandise inventory.

Property, equipment and leasehold improvements:

Property, equipment and leasehold improvements consisted of the following:

	December 31, 2005	December 31, 2004
Furniture, fixtures and equipment	$ 754	$ 754
Computer equipment and software	7,125	6,903
Leasehold improvements	265	265
	8,144	7,922
Less: accumulated depreciation and amortization	(7,467)	(6,982)
	$ 677	$ 940

(In thousands, except share and per share data)

Accrued expenses:

Accrued expenses consisted of the following:

	December 31, 2005	December 31, 2004
Franchise taxes	$ 190	$ --
Professional fees	181	169
Carrier services	122	109
Employee compensation	95	128
Dealer commissions	73	7
Consideration for acquired intangibles	--	45
Acquired subscriber withheld consideration	--	44
Inventory purchases	--	22
Marketing expenses	--	3
Other	15	11
	$ 676	$ 538

12. Commitments and Contingencies

On February 15, 2002, Eagle Truck Lines Inc. (a/k/a Air Eagle, Inc.) filed suit against GoAmerica, Inc. in the Superior Court of the State of California for the County of Los Angeles seeking payment of $590, plus other damages, expenses, interest and costs of suit. This action was removed to the United States District Court for the Central District of California and subsequently, pursuant to a motion brought by GoAmerica, transferred to the District of New Jersey where GoAmerica moved to have it consolidated with the action described in the next paragraph. Air Eagle alleged that GoAmerica, as successor in interest to Flash, failed to perform its obligations under a consulting contract dated July 2, 1999 (the "Contract"), by and between Flash and Air Eagle. Air Eagle alleged that GoAmerica assumed the rights and liabilities under this Contract as a result of its purchase of substantially all of the assets of Flash in November 2000. On September 19, 2003, Air Eagle filed for Chapter 11 bankruptcy protection in the United States Bankruptcy Court for the Central District of California. In December 2004, the parties agreed and received court approval to settle this litigation in consideration of GoAmerica's paying Air Eagle $140 and Air Eagle principals' agreeing to assist GoAmerica in the Company's litigation against the Flash Defendants. The charge to settle this matter was included in settlement gains, net.