

Board of Directors
Artist-Blacksmith's Association of North America, Inc.

We have compiled the accompanying statement of assets, liabilities and net assets - modified cash basis of Artist-Blacksmith's Association of North America, Inc. (a non-profit corporation) as of March 31, 2011 and the related statement of revenues, expenses and other changes in net assets with comparison to annual budget - modified cash basis, for the three months then ended. The financial statements have been prepared on the modified cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures ordinarily included in the financial statements prepared on the modified cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the organization's assets, liabilities, net assets, revenues and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

The organization has been contacted by the University of Washington Conference Services with a claim that an additional \$59,474.01 is owed to them related to the July 2006 ABANA conference. The organization contests these charges and is currently working with counsel to resolve this issue. Accordingly, no provision for any estimated liability is reflected in the accompanying financial statements.

Premier Accounting & Tax, Inc.

May 2, 2011

ABANA
Statement of Assets, Liabilities & Equity
As of March 31, 2011

| | Mar 31, 11 |
|--|-------------------|
| ASSETS | |
| Current Assets | |
| Checking/Savings | |
| 1004 · Suntrust Bank | |
| 1004.1 · General | 19,245.11 |
| 1004.3 · Library | 35.00 |
| 1004.4 · Scholarships | 15.00 |
| Total 1004 · Suntrust Bank | 19,295.11 |
| 1005 · Wells Fargo | |
| 1005.1 · General | 10,070.64 |
| 1005.2 · Conference | 82.58 |
| 1005.3 · Library | 4,306.04 |
| 1005.4 · Scholarships | 5,382.00 |
| 1005.5 · Calgary Fund | 767.00 |
| 1005.6 · Iron in the Hat Scholarships | 10,797.34 |
| Total 1005 · Wells Fargo | 31,405.60 |
| 1006 · Bank of America | |
| 1006.1 · General | 33,574.12 |
| 1006.2 · Equipment Upgrade | 10,000.00 |
| 1006.3 · 2012 Conference | 35,023.00 |
| Total 1006 · Bank of America | 78,597.12 |
| Total Checking/Savings | 129,297.83 |
| Other Current Assets | |
| 1041 · Wells Fargo Educ. Endow. Trust | 169,752.22 |
| 1150 · Inventory for Resale | 5,020.67 |
| Total Other Current Assets | 174,772.89 |
| Total Current Assets | 304,070.72 |
| Fixed Assets | |
| 1294 · Equip-Teaching Trlr/Conf Equip | 38,655.00 |
| 1300 · Equip-Office | 2,189.79 |
| 1310 · Less Accum Depreciation | -13,305.07 |
| Total Fixed Assets | 27,539.72 |
| TOTAL ASSETS | 331,610.44 |
| LIABILITIES & EQUITY | |
| Liabilities | |
| Current Liabilities | |
| Other Current Liabilities | |
| 2050 · Dues Paid in Advance | 8,162.50 |
| 2070 · Due to Metal Musuem | 25.00 |
| 2090 · Due to Exhibition Fund | 2,822.00 |
| Total Other Current Liabilities | 11,009.50 |

ABANA
Statement of Assets, Liabilities & Equity
As of March 31, 2011

| | <u>Mar 31, 11</u> |
|---------------------------------------|--------------------------|
| Total Current Liabilities | <u>11,009.50</u> |
| Total Liabilities | 11,009.50 |
| Equity | |
| 3000 · General Operations | 128,432.76 |
| 3100 · Natl End - Temp Restr | 8,832.31 |
| 3110 · Natl Endow - Restricted | 159,756.91 |
| Net Income | <u>23,578.96</u> |
| Total Equity | <u>320,600.94</u> |
| TOTAL LIABILITIES & EQUITY | <u>331,610.44</u> |

ABANA
Statement of Revenue & Disbursements
January through March 2011

| | <u>Jan - Mar 11</u> | <u>Budget</u> | <u>\$ Over Budget</u> |
|-------------------------------------|-------------------------|---------------------|-------------------------|
| Ordinary Income/Expense | | | |
| Income | | | |
| 5000 · Membership Dues | 79,960.00 | 198,713.00 | -118,753.00 |
| 5025 · Library Income | 81.00 | 250.00 | -169.00 |
| 5030 · Advertising Income | 15,936.71 | 58,800.00 | -42,863.29 |
| 5050 · Investment Return | 1.03 | 100.00 | -98.97 |
| 5075 · Contributions | 703.55 | 2,000.00 | -1,296.45 |
| 5100 · Retail Sales | 2,626.85 | 2,000.00 | 626.85 |
| Total Income | <u>99,309.14</u> | <u>261,863.00</u> | <u>-162,553.86</u> |
| Gross Profit | 99,309.14 | 261,863.00 | -162,553.86 |
| Expense | | | |
| 6015 · Ad Commissions | 10,709.28 | 13,524.00 | -2,814.72 |
| 6064 · Publications | 44,886.71 | 172,520.00 | -127,633.29 |
| 7000 · Accounting | 1,550.00 | 7,090.00 | -5,540.00 |
| 7030 · Administrative | 896.53 | 5,000.00 | -4,103.47 |
| 7031 · Bank Service Charges | 0.83 | | |
| 7032 · Credit Card Fees & Charges | 1,379.49 | 5,083.00 | -3,703.51 |
| 7055 · Election Committee | 0.00 | 500.00 | -500.00 |
| 7150 · Educational Programs | 0.00 | 1,000.00 | -1,000.00 |
| 7200 · Internet Site/Web Hosting | 307.00 | 750.00 | -443.00 |
| 7225 · Insurance and Bonding | 3,125.00 | 3,812.00 | -687.00 |
| 7240 · Webmaster | 0.00 | 500.00 | -500.00 |
| 7320 · Bealer Award | 1,100.00 | 550.00 | 550.00 |
| 7400 · Postage | 1,913.53 | 6,500.00 | -4,586.47 |
| 7530 · Central Office | 9,166.45 | 45,000.00 | -35,833.55 |
| 7535 · Travel/Board Meeting | 306.19 | | |
| Total Expense | <u>75,341.01</u> | <u>261,829.00</u> | <u>-186,487.99</u> |
| Net Ordinary Income | 23,968.13 | 34.00 | 23,934.13 |
| Other Income/Expense | | | |
| Other Income | | | |
| 8000 · Investment Return-Restr | 1,263.12 | | |
| 8002 · Unrealized Gain/Loss-Restr | -99.29 | | |
| 8005 · Contributions Recvd-Restr | 326.00 | | |
| 9000 · Conference Receipts | 159.00 | | |
| 9851 · 2012 Conference Income | 0.00 | | |
| Total Other Income | <u>1,648.83</u> | | |
| Other Expense | | | |
| 9800 · 2010 Conference expenditures | 38.00 | | |
| 9900 · 2012 Conference Expenditures | 2,000.00 | | |
| Total Other Expense | <u>2,038.00</u> | | |
| Net Other Income | <u>-389.17</u> | | |
| Net Income | <u><u>23,578.96</u></u> | <u><u>34.00</u></u> | <u><u>23,544.96</u></u> |

ABANA
Comparative Statement of Revenue & Disbursements
January through March 2011

| | <u>Jan - Mar 11</u> | <u>Jan - Mar 10</u> | <u>\$ Change</u> |
|-------------------------------------|---------------------|---------------------|-------------------|
| Ordinary Income/Expense | | | |
| Income | | | |
| 5000 · Membership Dues | 79,960.00 | 85,044.70 | -5,084.70 |
| 5025 · Library Income | 81.00 | 10.00 | 71.00 |
| 5030 · Advertising Income | 15,936.71 | 23,163.21 | -7,226.50 |
| 5050 · Investment Return | 1.03 | 6.12 | -5.09 |
| 5075 · Contributions | 703.55 | 205.00 | 498.55 |
| 5100 · Retail Sales | 2,626.85 | 1,615.60 | 1,011.25 |
| Total Income | <u>99,309.14</u> | <u>110,044.63</u> | <u>-10,735.49</u> |
| Cost of Goods Sold | | | |
| 5500 · Merchandise Cost | 0.00 | 490.05 | -490.05 |
| Total COGS | <u>0.00</u> | <u>490.05</u> | <u>-490.05</u> |
| Gross Profit | 99,309.14 | 109,554.58 | -10,245.44 |
| Expense | | | |
| 6015 · Ad Commissions | 10,709.28 | 6,495.70 | 4,213.58 |
| 6064 · Publications | 44,886.71 | 42,789.00 | 2,097.71 |
| 7000 · Accounting | 1,550.00 | 1,500.00 | 50.00 |
| 7030 · Administrative | 896.53 | 1,143.78 | -247.25 |
| 7031 · Bank Service Charges | 0.83 | 57.00 | -56.17 |
| 7032 · Credit Card Fees & Charges | 1,379.49 | 2,187.62 | -808.13 |
| 7200 · Internet Site/Web Hosting | 307.00 | 98.00 | 209.00 |
| 7225 · Insurance and Bonding | 3,125.00 | 3,096.00 | 29.00 |
| 7320 · Bealer Award | 1,100.00 | 0.00 | 1,100.00 |
| 7350 · Membership Services | 0.00 | 628.44 | -628.44 |
| 7400 · Postage | 1,913.53 | 1,257.23 | 656.30 |
| 7530 · Central Office | 9,166.45 | 13,125.00 | -3,958.55 |
| 7535 · Travel/Board Meeting | 306.19 | 2,848.33 | -2,542.14 |
| Total Expense | <u>75,341.01</u> | <u>75,226.10</u> | <u>114.91</u> |
| Net Ordinary Income | 23,968.13 | 34,328.48 | -10,360.35 |
| Other Income/Expense | | | |
| Other Income | | | |
| 8000 · Investment Return-Restr | 1,263.12 | 813.02 | 450.10 |
| 8002 · Unrealized Gain/Loss-Restr | -99.29 | -139.89 | 40.60 |
| 8005 · Contributions Recvd-Restr | 326.00 | 85.00 | 241.00 |
| 9000 · Conference Receipts | 159.00 | 37,753.46 | -37,594.46 |
| 9851 · 2012 Conference Income | 0.00 | 0.00 | 0.00 |
| Total Other Income | <u>1,648.83</u> | <u>38,511.59</u> | <u>-36,862.76</u> |
| Other Expense | | | |
| 9800 · 2010 Conference expenditures | 38.00 | 10,867.89 | -10,829.89 |
| 9900 · 2012 Conference Expenditures | 2,000.00 | 0.00 | 2,000.00 |
| Total Other Expense | <u>2,038.00</u> | <u>10,867.89</u> | <u>-8,829.89</u> |
| Net Other Income | <u>-389.17</u> | <u>27,643.70</u> | <u>-28,032.87</u> |

ABANA
Comparative Statement of Revenue & Disbursements
January through March 2011

| | <u>Jan - Mar 11</u> | <u>Jan - Mar 10</u> | <u>\$ Change</u> |
|------------|---------------------|---------------------|-------------------|
| Net Income | <u>23,578.96</u> | <u>61,972.18</u> | <u>-38,393.22</u> |