

1 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 December 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 twelve 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.

February 1, 2012

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

Dec 31, 11

ASSETS

Current Assets

Checking/Savings

1004 · Suntrust Bank	
1004.1 · General	42,782.46
1004.2 · Conference	283.82
1004.3 · Library	146.00
1004.4 · Scholarships	175.00
1004.7 · Prepaid Dues	<u>31,707.50</u>
Total 1004 · Suntrust Bank	75,094.78

1005 · Wells Fargo	
1005.1 · General	-25,233.92
1005.2 · Conference	33,406.58
1005.3 · Library	4,345.04
1005.4 · Scholarships	3,250.50
1005.6 · Iron in the Hat Scholarships	10,797.34
1005.7 · Prepaid Dues	2,337.50
1005.8 · Conference Equip Upgrade	<u>9,550.00</u>
Total 1005 · Wells Fargo	<u>38,453.04</u>

Total Checking/Savings 113,547.82

Other Current Assets

1041 · Wells Fargo Educ. Endow. Trust	170,327.55
1150 · Inventory for Resale	<u>5,020.67</u>
Total Other Current Assets	<u>175,348.22</u>

Total Current Assets 288,896.04

Fixed Assets

1294 · Equip-Teaching Trlr/Conf Equip	38,655.00
1300 · Equip-Office	2,639.79
1310 · Less Accum Depreciation	<u>-13,305.07</u>
Total Fixed Assets	<u>27,989.72</u>

TOTAL ASSETS **316,885.76**

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Other Current Liabilities

2050 · Dues Paid in Advance	34,045.00
2070 · Due to Metal Musuem	50.00
2090 · Due to Exhibition Fund	<u>3,134.00</u>
Total Other Current Liabilities	37,229.00

ABANA
Statement of Assets, Liabilities & Equity

As of December 31, 2011

Dec 31, 11

Total Current Liabilities	<u>37,229.00</u>
Total Liabilities	37,229.00
Equity	
3000 · General Operations	127,892.76
3100 · Natl End - Temp Restr	8,832.31
3110 · Natl Endow - Restricted	159,756.91
Net Income	<u>-16,825.22</u>
Total Equity	<u>279,656.76</u>
TOTAL LIABILITIES & EQUITY	<u><u>316,885.76</u></u>

ABANA
Statement of Revenue & Disbursements w/Budget vs. Actual
 January through December 2011

	<u>Jan - Dec 11</u>	<u>Budget</u>
Ordinary Income/Expense		
Income		
5000 · Membership Dues	191,191.42	198,713.00
5025 · Library Income	291.00	250.00
5030 · Advertising Income	53,508.21	58,800.00
5050 · Investment Return	56.25	100.00
5075 · Contributions	1,437.05	2,000.00
5100 · Retail Sales	6,397.85	2,000.00
5150 · Other Income	71.52	
Total Income	<u>252,953.30</u>	<u>261,863.00</u>
Cost of Goods Sold		
5500 · Merchandise Cost	64.56	
5550 · Reprinting Costs	402.04	
Total COGS	<u>466.60</u>	
Gross Profit	252,486.70	261,863.00
Expense		
6015 · Ad Commissions	11,509.91	13,524.00
6064 · Publications	177,368.96	172,520.00
7000 · Accounting	7,065.00	7,090.00
7030 · Administrative		
7030.1 · Equipment Lease	844.67	
7030.2 · Equipment Maintenance	246.41	
7030.3 · Monthly Office Supplies	683.95	
7030.4 · Miscellaneous Office Supplies	143.54	
7030.5 · Renewal Mailings	4,262.14	
7030.9 · Miscellaneous Expense	114.02	
7030 · Administrative - Other	25.00	5,000.00
Total 7030 · Administrative	<u>6,319.73</u>	<u>5,000.00</u>
7031 · Bank Service Charges	203.52	
7032 · Credit Card Fees & Charges		
7032.1 · Authnet/Global Pay Charges	4,006.15	
7032.2 · Visa/MC/Disc credit card fees	195.93	
7032.3 · Amex credit card fees	320.89	
7032 · Credit Card Fees & Charges - Other	241.63	5,083.00
Total 7032 · Credit Card Fees & Charges	<u>4,764.60</u>	<u>5,083.00</u>
7055 · Election Committee	0.00	500.00
7150 · Educational Programs	0.00	1,000.00
7200 · Internet Site/Web Hosting	1,371.00	750.00
7225 · Insurance and Bonding	3,169.00	3,812.00
7240 · Webmaster	0.00	500.00
7320 · Bealer Award	1,100.00	550.00

ABANA
Statement of Revenue & Disbursements w/Budget vs. Actual
 January through December 2011

	Jan - Dec 11	Budget
7350 · Membership Services	33.00	
7400 · Postage	3,625.40	6,500.00
7530 · Central Office		
7530.1 · Professional Management Fees	42,500.00	45,000.00
7530.2 · Central Office-Addtn'l Services	544.09	
Total 7530 · Central Office	43,044.09	45,000.00
7535 · Travel/Board Meeting	4,297.91	
Total Expense	263,872.12	261,829.00
Net Ordinary Income	-11,385.42	34.00
Other Income/Expense		
Other Income		
8000 · Investment Return-Restr	3,648.50	
8002 · Unrealized Gain/Loss-Restr	-1,784.34	
8005 · Contributions Recvd-Restr	624.50	
9000 · 2012 Conference Receipts		
9001 · Registration	1,700.00	121,250.00
9002 · Vendors	0.00	4,625.00
9004 · Advertising	1,327.00	7,000.00
9005 · Merchandis Sales	0.00	12,000.00
9006 · Auction	0.00	28,000.00
9007 · Miscellaneous	0.00	12,000.00
9009 · Capitol Improv Funds	0.00	10,000.00
9852 · Contributions-2012 Conference	660.15	
Total 9000 · 2012 Conference Receipts	3,687.15	194,875.00
9851 · 2010 Confer Receipts-Auction	23.00	
Total Other Income	6,198.81	194,875.00
Other Expense		
8051 · Scholarships & Grants	2,300.00	
8052 · Investment Expense-Restr	125.00	
9800 · 2012 Conference Expenditures		
9801 · Accounting	500.00	2,000.00
9804 · Office & Admin Expenses	64.60	9,100.00
9805 · Auction	302.73	4,730.00
9806 · Capitol Improvements	0.00	10,000.00
9807 · Comped Demonstrators	0.00	32,603.00
9808 · Comped Workers	0.00	16,295.00
9809 · Communications	0.00	6,690.00
9810 · Conference Office	0.00	10,792.00
9811 · Conference Sales	0.00	4,275.00
9812 · Gallery Exhibitions	0.00	2,850.00
9813 · Insurance	0.00	4,100.00

ABANA
Statement of Revenue & Disbursements w/Budget vs. Actual
 January through December 2011

	<u>Jan - Dec 11</u>	<u>Budget</u>
9814 · Registration	0.00	850.00
9815 · Site Rental	1,000.00	10,100.00
9816 · Site Services	5,000.00	5,300.00
9817 · Site Set-up & Operation	2,000.00	34,450.00
9818 · Miscellaneous	0.00	16,600.00
9821 · Catering	0.00	9,750.00
Total 9800 · 2012 Conference Expenditures	<u>8,867.33</u>	<u>180,485.00</u>
9900 · 2014 Conference Expenditures		
9904 · Office & Admin Expenses	<u>346.28</u>	
Total 9900 · 2014 Conference Expenditures	<u>346.28</u>	
Total Other Expense	<u>11,638.61</u>	<u>180,485.00</u>
Net Other Income	<u>-5,439.80</u>	<u>14,390.00</u>
Net Income	<u><u>-16,825.22</u></u>	<u><u>14,424.00</u></u>

ABANA
Statement of Revenue & Disbursements w/Budget vs. Actual
 January through December 2011

	\$ Over Budget
Ordinary Income/Expense	
Income	
5000 · Membership Dues	-7,521.58
5025 · Library Income	41.00
5030 · Advertising Income	-5,291.79
5050 · Investment Return	-43.75
5075 · Contributions	-562.95
5100 · Retail Sales	4,397.85
5150 · Other Income	
Total Income	-8,909.70
Cost of Goods Sold	
5500 · Merchandise Cost	
5550 · Reprinting Costs	
Total COGS	
Gross Profit	-9,376.30
Expense	
6015 · Ad Commissions	-2,014.09
6064 · Publications	4,848.96
7000 · Accounting	-25.00
7030 · Administrative	
7030.1 · Equipment Lease	
7030.2 · Equipment Maintenance	
7030.3 · Monthly Office Supplies	
7030.4 · Miscellaneous Office Supplies	
7030.5 · Renewal Mailings	
7030.9 · Miscellaneous Expense	
7030 · Administrative - Other	-4,975.00
Total 7030 · Administrative	1,319.73
7031 · Bank Service Charges	
7032 · Credit Card Fees & Charges	
7032.1 · Authnet/Global Pay Charges	
7032.2 · Visa/MC/Disc credit card fees	
7032.3 · Amex credit card fees	
7032 · Credit Card Fees & Charges - Other	-4,841.37
Total 7032 · Credit Card Fees & Charges	-318.40
7055 · Election Committee	-500.00
7150 · Educational Programs	-1,000.00
7200 · Internet Site/Web Hosting	621.00
7225 · Insurance and Bonding	-643.00
7240 · Webmaster	-500.00
7320 · Bealer Award	550.00

ABANA
Statement of Revenue & Disbursements w/Budget vs. Actual
 January through December 2011

	\$ Over Budget
7350 · Membership Services	
7400 · Postage	-2,874.60
7530 · Central Office	
7530.1 · Professional Management Fees	-2,500.00
7530.2 · Central Office-Addtn'l Services	
Total 7530 · Central Office	-1,955.91
7535 · Travel/Board Meeting	
Total Expense	2,043.12
Net Ordinary Income	-11,419.42
Other Income/Expense	
Other Income	
8000 · Investment Return-Restr	
8002 · Unrealized Gain/Loss-Restr	
8005 · Contributions Recvd-Restr	
9000 · 2012 Conference Receipts	
9001 · Registration	-119,550.00
9002 · Vendors	-4,625.00
9004 · Advertising	-5,673.00
9005 · Merchandis Sales	-12,000.00
9006 · Auction	-28,000.00
9007 · Miscellaneous	-12,000.00
9009 · Capitol Improv Funds	-10,000.00
9852 · Contributions-2012 Conference	
Total 9000 · 2012 Conference Receipts	-191,187.85
9851 · 2010 Confer Receipts-Auction	
Total Other Income	-188,676.19
Other Expense	
8051 · Scholarships & Grants	
8052 · Investment Expense-Restr	
9800 · 2012 Conference Expenditures	
9801 · Accounting	-1,500.00
9804 · Office & Admin Expenses	-9,035.40
9805 · Auction	-4,427.27
9806 · Capitol Improvements	-10,000.00
9807 · Comped Demonstrators	-32,603.00
9808 · Comped Workers	-16,295.00
9809 · Communications	-6,690.00
9810 · Conference Office	-10,792.00
9811 · Conference Sales	-4,275.00
9812 · Gallery Exhibitions	-2,850.00
9813 · Insurance	-4,100.00

ABANA
Statement of Revenue & Disbursements w/Budget vs. Actual
 January through December 2011

	\$ Over Budget
9814 · Registration	-850.00
9815 · Site Rental	-9,100.00
9816 · Site Services	-300.00
9817 · Site Set-up & Operation	-32,450.00
9818 · Miscellaneous	-16,600.00
9821 · Catering	-9,750.00
Total 9800 · 2012 Conference Expenditures	-171,617.67
9900 · 2014 Conference Expenditures	
9904 · Office & Admin Expenses	
Total 9900 · 2014 Conference Expenditures	
Total Other Expense	-168,846.39
Net Other Income	-19,829.80
Net Income	-31,249.22

ABANA
Comparative Statement of Revenue & Disbursements
 January through December 2011

	Jan - Dec 11	Jan - Dec 10
Ordinary Income/Expense		
Income		
5000 · Membership Dues	191,191.42	194,311.02
5025 · Library Income	291.00	370.00
5030 · Advertising Income	53,508.21	63,713.98
5050 · Investment Return	56.25	15.59
5075 · Contributions	1,437.05	1,329.00
5075.10 · Contributions Conference	0.00	2,445.00
5100 · Retail Sales	6,397.85	9,148.97
5150 · Other Income	71.52	0.00
Total Income	252,953.30	271,333.56
 Cost of Goods Sold		
5500 · Merchandise Cost	64.56	2,458.43
5550 · Reprinting Costs	402.04	582.41
5551 · Merchandise Sales Commission	0.00	666.10
Total COGS	466.60	3,706.94
 Gross Profit	 252,486.70	 267,626.62
 Expense		
6015 · Ad Commissions	11,509.91	14,542.00
6064 · Publications	177,368.96	170,010.00
6730 · Library Expenses	0.00	35.05
7000 · Accounting	7,065.00	6,290.00
7030 · Administrative	6,319.73	4,834.57
7031 · Bank Service Charges	203.52	132.12
7032 · Credit Card Fees & Charges	4,764.60	6,084.77
7035 · Contributions/Donations	0.00	115.00
7200 · Internet Site/Web Hosting	1,371.00	1,788.00
7225 · Insurance and Bonding	3,169.00	3,812.00
7240 · Webmaster	0.00	150.00
7303 · Contribution to Metal Museum	0.00	1,000.00
7320 · Bealer Award	1,100.00	0.00
7325 · Heritage Award	0.00	101.00
7350 · Membership Services	33.00	628.44
7400 · Postage	3,625.40	7,122.88
7530 · Central Office	43,044.09	52,500.00
7535 · Travel/Board Meeting	4,297.91	10,154.70
7550 · Treasurer's Office	0.00	46.00
Total Expense	263,872.12	279,346.53
 Net Ordinary Income	 -11,385.42	 -11,719.91
 Other Income/Expense		
Other Income		

ABANA
Comparative Statement of Revenue & Disbursements
 January through December 2011

	<u>Jan - Dec 11</u>	<u>Jan - Dec 10</u>
8000 · Investment Return-Restr	3,648.50	2,603.37
8002 · Unrealized Gain/Loss-Restr	-1,784.34	446.40
8005 · Contributions Recvd-Restr	624.50	1,035.00
9000 · 2012 Conference Receipts	3,687.15	178,577.44
9851 · 2010 Confer Receipts-Auction	23.00	0.00
Total Other Income	<u>6,198.81</u>	<u>182,662.21</u>
Other Expense		
8051 · Scholarships & Grants	2,300.00	0.00
8052 · Investment Expense-Restr	125.00	0.00
9800 · 2012 Conference Expenditures	8,867.33	126,970.28
9900 · 2014 Conference Expenditures	346.28	6,329.78
Total Other Expense	<u>11,638.61</u>	<u>133,300.06</u>
Net Other Income	<u>-5,439.80</u>	<u>49,362.15</u>
Net Income	<u><u>-16,825.22</u></u>	<u><u>37,642.24</u></u>

ABANA
Comparative Statement of Revenue & Disbursements
 January through December 2011

	\$ Change
Ordinary Income/Expense	
Income	
5000 · Membership Dues	-3,119.60
5025 · Library Income	-79.00
5030 · Advertising Income	-10,205.77
5050 · Investment Return	40.66
5075 · Contributions	108.05
5075.10 · Contributions Conference	-2,445.00
5100 · Retail Sales	-2,751.12
5150 · Other Income	71.52
Total Income	-18,380.26
Cost of Goods Sold	
5500 · Merchandise Cost	-2,393.87
5550 · Reprinting Costs	-180.37
5551 · Merchandise Sales Commission	-666.10
Total COGS	-3,240.34
Gross Profit	-15,139.92
Expense	
6015 · Ad Commissions	-3,032.09
6064 · Publications	7,358.96
6730 · Library Expenses	-35.05
7000 · Accounting	775.00
7030 · Administrative	1,485.16
7031 · Bank Service Charges	71.40
7032 · Credit Card Fees & Charges	-1,320.17
7035 · Contributions/Donations	-115.00
7200 · Internet Site/Web Hosting	-417.00
7225 · Insurance and Bonding	-643.00
7240 · Webmaster	-150.00
7303 · Contribution to Metal Museum	-1,000.00
7320 · Bealer Award	1,100.00
7325 · Heritage Award	-101.00
7350 · Membership Services	-595.44
7400 · Postage	-3,497.48
7530 · Central Office	-9,455.91
7535 · Travel/Board Meeting	-5,856.79
7550 · Treasurer's Office	-46.00
Total Expense	-15,474.41
Net Ordinary Income	334.49
Other Income/Expense	
Other Income	

ABANA
Comparative Statement of Revenue & Disbursements
 January through December 2011

	\$ Change
8000 · Investment Return-Restr	1,045.13
8002 · Unrealized Gain/Loss-Restr	-2,230.74
8005 · Contributions Recvd-Restr	-410.50
9000 · 2012 Conference Receipts	-174,890.29
9851 · 2010 Confer Receipts-Auction	23.00
Total Other Income	-176,463.40
Other Expense	
8051 · Scholarships & Grants	2,300.00
8052 · Investment Expense-Restr	125.00
9800 · 2012 Conference Expenditures	-118,102.95
9900 · 2014 Conference Expenditures	-5,983.50
Total Other Expense	-121,661.45
Net Other Income	-54,801.95
Net Income	-54,467.46