

NORTH AMERICAN THROMBOSIS FORUM, INC.

FINANCIAL STATEMENTS

DECEMBER 2011 AND 2010

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
North American Thrombosis Forum, Inc.

We have audited the accompanying statement of assets, liabilities, and net assets-modified cash basis of North American Thrombosis Forum, Inc. (a non-profit organization) as of December 31, 2011, and the related statements of support, revenues and expenses, cash flows (all modified cash basis) for the year then ended. These financial statements are the responsibility of the Organization'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 North American Thrombosis Forum, Inc.'s 2010 financial statements and in our report dated August 9, 2011 we expressed an unqualified opinion on these 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 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 our audit provides a reasonable basis for

As described in note 1, these financial statements were prepared on the modified cash basis of accounting which is a comprehensive basis of accounting other than generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of functional expenses on page 5 and 6 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

In our opinion, the financial statements referred to above present fairly in all material respects the assets, liabilities and net assets - modified cash basis of North American Thrombosis Forum, Inc. As of December 31, 2011, and its support revenues and expenses, and cash flows (both modified cash basis) for the year then ended on the basis of accounting described in note 1.

MCCAFFERTY & COMPANY, P.C.
Certified Public Accountants
October 23, 2012

North American Thrombosis Forum, Inc.
Statement of Assets, Liabilities, and Net assets-Modified Cash Basis
December 31, 2011 and 2010

<u>ASSETS</u>	2011	2010
Cash and Equivalents	\$ 127,857	\$ 1,010,318
Grants Receivable	150,000	-
Furniture and Equipment-net	26,725	3,382
Prepaid Expenses	5,442	-
Investments	2,032,675	1,354,136
TOTAL ASSETS	\$ 2,342,699	\$ 2,367,836
<u>LIABILITIES AND NET ASSETS</u>		
TOTAL LIABILITIES	\$ -	\$ -
NET ASSETS		
Unrestricted	2,192,699	2,367,836
Temporarily Restricted	150,000	-
TOTAL NET ASSETS	2,342,699	2,367,836
TOTAL LIABILITIES AND NET ASSETS	\$ 2,342,699	\$ 2,367,836

North American Thrombosis Forum, Inc.
Statement of Support, Revenue, and Expenses-Modified Cash Basis
For the Year Ended December 31, 2011
(With Summarized Financial Information for the Year Ended December 31, 2010)

CHANGES IN UNRESTRICTED NET ASSETS

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>	<u>2010</u>
REVENUES & GAINS				
Donated Services	\$ 19,900	\$ -	\$ 19,900	\$ 54,658
Program Fees	15,549	-	15,549	14,270
Industrial Support	407,365	-	407,365	406,185
Grants		225,000	225,000	500,000
Contributions	64,840	-	64,840	75,164
Events	28,033	-	28,033	241,561
Interest and Dividends	45,878	-	45,878	34,486
Unrealized Investment Gains/(Losses)	(328,262)	-	(328,262)	138,525
Realized Investment Gains/(Losses)	268,313	-	268,313	40,987
Other	6	-	6	12,350
	<u>521,622</u>	<u>225,000</u>	<u>746,622</u>	<u>1,518,186</u>
Net Assets Released From Restrictions	75,000	(75,000)	-	-
TOTAL REVENUES & GAINS	<u>596,622</u>	<u>150,000</u>	<u>746,622</u>	<u>1,518,186</u>
EXPENSES				
Program Services	257,973	-	257,973	389,718
Management & General	487,827	-	487,827	261,584
Fund Raising	25,959	-	25,959	119,562
	<u>771,759</u>	<u>-</u>	<u>771,759</u>	<u>770,864</u>
CHANGE IN NET ASSETS	<u>\$ (175,137)</u>	<u>\$ 150,000</u>	<u>\$ (25,137)</u>	<u>\$ 747,322</u>

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North American Thrombosis Forum, Inc.
Statement of Support Revenue, and Expenses-Modified Cash Basis
For the Year Ended December 31, 2011
(With Summarized Information for the Year Ended December 31, 2010)

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	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>	<u>2010</u>
CHANGE IN NET ASSETS	(175,137)	150,000	(25,137)	747,322
NET ASSETS AT THE BEGINNING OF THE YEAR	<u>2,367,836</u>		<u>2,367,836</u>	<u>1,620,514</u>
NET ASSETS AT END OF YEAR	<u>\$ 2,192,699</u>	<u>\$ 150,000</u>	<u>\$ 2,342,699</u>	<u>\$ 2,367,836</u>

North American Thrombosis Forum, Inc.
Statement of Functional Expenses-Modified Cash Basis
For the Year Ended December 31, 2011

	<u>Program Services</u>	<u>Management & General</u>	<u>Fund Raising</u>	<u>Total Expenses</u>
Salaries and Related Expenses				
Payroll Taxes	\$ -	\$ 30,003	\$ -	\$ 30,003
Salaries	-	91,580	-	91,580
Severance	-	162,624	-	162,624
	<u>-</u>	<u>284,207</u>	<u>-</u>	<u>284,207</u>
 Total Salaries & Related Expenses	 <u>-</u>	 <u>284,207</u>	 <u>-</u>	 <u>284,207</u>
 Accreditation	20,475	-	-	20,475
Bank Fees	415	889	26	1,330
Business Expenses	-	2,847	-	2,847
Computer Support	-	1,398	-	1,398
Conferences/Meetings/Events	122,594	2,385	5,169	130,148
Depreciation	-	3,408	-	3,408
Development	-	-	19,275	19,275
Honorarium	4,000	-	-	4,000
Insurance	-	16,187	-	16,187
Investment Fees	-	18,095	-	18,095
Marketing	15,208	5,475	802	21,485
Miscellaneous	363	3,018	381	3,762
Office Supplies	-	5,055	-	5,055
Payroll Expense	-	3,125	-	3,125
Postage	8,439	776	-	9,215
Printing/Publications	53,170	-	-	53,170
Professional Fees	-	104,717	-	104,717
Rent and Related Costs	-	29,458	-	29,458
Telephone	-	4,620	-	4,620
Travel/Entertainment/Lodging	33,309	2,167	306	35,782
	<u>33,309</u>	<u>2,167</u>	<u>306</u>	<u>35,782</u>
 Totals	 <u>\$ 257,973</u>	 <u>\$ 487,827</u>	 <u>\$ 25,959</u>	 <u>\$ 771,759</u>

North American Thrombosis Forum, Inc.
Statement of Cash Flow-Modified Cash Basis
For the Years Ended December 31, 2011 and 2010

CASH FLOWS FROM OPERATING ACTIVITIES	2011	2010
Change in Net Assets	\$ (25,137)	\$ 747,322
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities		
Depreciation	3,408	1,779
Unrealized Gain/Loss on securities	328,262	(138,525)
Assets & Liabilities		
Deferred Revenue	-	(500,000)
Grants Receivable	(150,000)	-
Prepaid Expenses	(5,442)	-
NET CASH PROVIDED BY OPERATING ACTIVITIES	151,091	110,576
CASH FLOWS FROM INVESTING ACTIVITIES		
Equipment Purchases	(28,390)	-
Purchase of Investments	(2,202,273)	(1,272,042)
Sale of Investments	1,197,111	840,507
NET CASH PROVIDED/(USED) BY INVESTING ACTIVITIES	(1,033,552)	(431,535)
NET CHANGE IN CASH	(882,461)	(320,959)
CASH AT BEGINNING OF YEAR	1,010,318	1,331,277
CASH AT END OF YEAR	\$ 127,857	\$ 1,010,318

North American Thrombosis Forum, Inc.
Notes to Financial Statements
December 31, 2011 and 2010

NOTE A - ORGANIZATION

The North American Thrombosis Forum, Inc. (Forum) was formed as a tax-exempt organization under Section 501 (c)(3) of the Internal Revenue Code and is a volunteer organization formed to provide a framework within which to complement existing organizations related to thrombosis and cardiovascular diseases. Funds and support are received from various sources including corporate and individual contributions, grants, fundraising events. The Forum was organized under the laws of the Commonwealth of Massachusetts on May 11, 2006 and began operations in Massachusetts in 2006 and received it's nonprofit status June 27, 2007.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Forum maintains its accounts in accordance with the principles and practices of fund accounting in accordance with the provisions of Statement of Accounting Standards (SFAS) No. 117. Under SFAS 117 the procedures by which net assets, revenues, expenses, gains and losses are classified in accordance with activities or objectives specified by donors or by management as permanently restricted, temporarily restricted or unrestricted.

These financial statements, which are presented on the modified cash basis of accounting, have been prepared to present operations of the Forum as a whole, and to present balances and transactions according to the existence or absence of donor-imposed restrictions. When imposed by donors, restricted funds are reflected in changes to the appropriate fund balances.

Under the modified cash basis of accounting, revenues and expenses are recognized when cash is received and disbursed rather than when the obligation is earned or incurred. This policy is modified to reflect certain significant items representing income or expenses prepaid at the end of its year. Items of this nature are reflected in the statement of financial position until they are applied to activities in the appropriate year.

Classifications of transactions are reported as follows:

Unrestricted Funds

Net assets which represent funds received with no donor imposed restrictions.

Temporarily Restricted Funds

Net assets received subject to Donor imposed restrictions, that will or may be met with either the passage of time or satisfaction of required action by the Forum.

Permanently Restricted Funds

Net assets which are subject to Donor imposed restrictions that they be maintained permanently by the Forum.

North American Thrombosis Forum, Inc.
Notes to Financial Statements
December 31, 2011 and 2010

North American Thrombosis Forum, Inc.
Notes to Financial Statements
December 31, 2011 and 2010

NOTE B - CONTINUED

CASH AND CASH EQUIVALENTS

For the purposes of the Statement of Cash Flows, the Forum considers all investments with a maturity of three months or less to be cash equivalents.

FUNCTIONAL ALLOCATION OF EXPENSES

The cost of providing program services and other activities have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated between the program and supporting services benefited.

USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles includes the use of estimates that affect the financial statements. Accordingly, actual results could differ from those estimates.

FURNITURE, FIXTURES AND IMPROVEMENTS

Furniture, fixtures and improvements are stated primarily at cost less accumulated depreciation. Depreciation is calculated using the straight line method over the estimated useful life of each asset, ranging from five to seven years. Assets no longer in use by the Forum are disposed of periodically.

Detail of asset balances are as follows:

	<u>2011</u>	<u>2010</u>
Furniture and Equipment	\$ 32,588	\$ 7,926
Less: Accumulated Depreciation	<u>(5,863)</u>	<u>(4,544)</u>
	<u>\$ 26,725</u>	<u>\$ 3,382</u>

Grants Received

The Forum was awarded a \$225,000 grant from Tyco Health Care Group, LP on March 7, 2011 covering a three year period beginning in 2011. These funds have been directed towards pre-determined initiatives to be determined annually. Funds received in the current year have been reflected in unrestricted revenues and the balance of \$150,000, to be received in subsequent years, is reflected as temporarily restricted funds until received and available for use.

North American Thrombosis Forum, Inc.
Notes to Financial Statements
December 31, 2011 and 2010

NOTE B - CONTINUED

DONATED SERVICES AND FACILITIES

Donated services and materials are not recorded as contributions at their estimated fair market value and recorded as expenses as required by the provisions of Statement of Financial Accounting Standard No. 116. Management has determined that the value of services donated consist of the following:

	<u>2011</u>	<u>2010</u>
Facility Rent	\$ -	\$ 15,000
Auction Items	-	20,658
Program Speakers	19,900	19,000
	<u>\$ 19,900</u>	<u>\$ 54,658</u>

CONTRIBUTIONS

Contributions, including unconditional promises to give, are recognized as revenues in the period received. Conditional promises to give are not recognized until they become unconditional, that is at the time when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value.

INVESTMENTS

Investments totaling \$2,032,675 and \$1,354,136 are reported at current market values as of December 31, 2011 and 2010, representing fair values as defined by GAAP. The framework that provides for developing fair values under GAAP specifies three separate levels to be used in the measure of value. The investments owned by the Forum are all publicly traded securities, and as such meet the criteria of Level 1 reporting under GAAP since value inputs are derived from unadjusted quoted prices in active markets that the Forum has the ability to access. Unrealized gains/losses are reflected in the changes in net assets based on current market values. Realized gains/loses are also reflected based upon actual disposition of investments.

At December 31, 2011 investments were composed of approximately 25% in common stock and 75% in mutual funds.

INCOME TAXES

The Forum is a not-for-profit organization that is exempt from income taxes under Section 501 (c)(3) of the Internal Revenue Code and is not subject to income taxes.

North American Thrombosis Forum, Inc.
Notes To Financial Statements
December 31, 2011 and 2010

NOTE C - FACILITY RENT

The Forum relocated its offices in 2011 and has entered into a two year lease ending on January 31, 2013 with an option to extend an additional five years. Minimum annual rental payments during the lease period total \$19,200 per year on a triple net basis.

NOTE D - CONCENTRATION OF RISK

Support Revenue

Concentration of support from contributions and grants varies from year to year depending on sources and individual contributors. With significant concentrations in support, significant reductions in levels of revenue can potentially occur, producing a negative effect on the Forum's programs.

NOTE E - DATE OF MANAGEMENT REVIEW

Management has evaluated subsequent events through October 23, 2012, the date on which the financial statements were available to be issued.