HUNTINGTON'S DISEASE SOCIETY OF AMERICA, INC.

CONSOLIDATED FINANCIAL STATEMENTS

SEPTEMBER 30, 2011 and 2010

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INDEPENDENT AUDITORS' REPORT

Board of Trustees
Huntington's Disease Society of America, Inc.
New York, New York

We have audited the accompanying consolidated statement of financial position of the Huntington's Disease Society of America, Inc. (the "Society") as of September 30, 2011 and 2010, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended. These financial statements are the responsibility of the Society's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements enumerated above present fairly, in all material respects, the financial position of the Huntington's Disease Society of America, Inc. as of September 30, 2011 and 2010, and the related statements of activities, functional expenses, and cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

EisnerAmper LLP

New York, New York
April 13, 2012

HUNTINGTON'S DISEASE SOCIETY OF AMERICA, INC.

Consolidated Statements of Financial Position

	September 30, 2011	September 30, 2010
ASSETS		
Cash and cash equivalents	**$ 2,635,987**	$ 2,683,194
Investments, at fair value	**611,868**	717,976
Contributions receivable, net	**492,196**	1,375,452
Pledges receivable, net	**29,616**	33,691
Prepaid expenses and deposits	**134,265**	172,751
Cash surrender value of life insurance	**120,756**	116,018
Property and equipment, net	**68,435**	27,098
	$ 4,093,123	$ 5,126,180
LIABILITIES		
Accounts payable and accrued expenses	**$ 396,402**	$ 363,024
Accrued compensation	**204,922**	216,709
Grants payable	**800,600**	1,905,000
Deferred rent	**107,933**	114,890
Obligation under capital lease	**26,911**	
Deferred revenue	**104,972**	224,559
Total liabilities	**1,641,740**	2,824,182
Commitments (Note I)		
NET ASSETS:		
Unrestricted:		
Undesignated	**445,071**	815,339
Board-designated	**443,603**	443,603
	888,674	1,258,942
Temporarily restricted	**1,312,709**	793,056
Permanently restricted	**250,000**	250,000
Total net assets	**2,451,383**	2,301,998
	$ 4,093,123	$ 5,126,180

See notes to consolidated financial statements

HUNTINGTON'S DISEASE SOCIETY OF AMERICA, INC.

Consolidated Statement of Activities
Year Ended September 30, 2011
(with summarized financial information for 2010)

	Unrestricted	Temporarily Restricted	Permanently Restricted	Year Ended September 30, 2011	2010
Support and revenue:					
Public donations	$ 1,872,281	$ 480,885		$ 2,353,166	$ 2,383,654
Foundation grants and corporate contributions	474,443	702,369		1,176,812	2,731,885
Federal campaign	286,983			286,983	233,299
Investment income	8,795	2,508		11,303	16,555
Sales of materials	17,289			17,289	23,418
Donated services	138,714			138,714	191,407
Other	40,486			40,486	2,532
Total support and revenue before restrictions	2,838,991	1,185,762		4,024,753	5,582,750
Net assets released from restrictions	666,109	(666,109)		0	
Total support and revenue	3,505,100	519,653		4,024,753	5,582,750
Expenses:					
Program services:					
Research	557,768			557,768	569,877
Family services	2,056,082			2,056,082	2,142,322
Education	1,495,440			1,495,440	1,343,630
Chapter development	1,192,137			1,192,137	1,629,341
	5,301,427			5,301,427	5,685,170
Supporting services:					
Management and general	835,282			835,282	828,483
Fund-raising	1,468,176			1,468,176	1,604,126
	2,303,458			2,303,458	2,432,609
Total expenses	7,604,885			7,604,885	8,117,779
Change in net assets before non-operating income	(4,099,785)	519,653		(3,580,132)	(2,535,029)
Non-operating income:					
Special events:					
Gross receipts	4,451,866			4,451,866	3,754,438
Less: direct costs	(722,349)			(722,349)	(686,952)
Net income from special events	3,729,517			3,729,517	3,067,486
Change in net assets	(370,268)	519,653		149,385	532,457
Net assets - beginning of year	1,258,942	793,056	$ 250,000	2,301,998	1,769,541
Net assets - end of year	$ 888,674	$ 1,312,709	$ 250,000	$ 2,451,383	$ 2,301,998

HUNTINGTON'S DISEASE SOCIETY OF AMERICA, INC.

Consolidated Statement of Activities
Year Ended September 30, 2010

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Support and revenue:				
Public donations	$ 1,923,928	$ 459,726		$ 2,383,654
Foundation grants and corporate contributions	2,441,485	290,400		2,731,885
Federal campaign	233,299			233,299
Investment income	3,282	13,273		16,555
Sales of materials	23,418			23,418
Donated services	191,407			191,407
Other	2,532			2,532
Total support and revenue before restrictions	4,819,351	763,399		5,582,750
Net assets released from restrictions	1,005,279	(1,005,279)		0
Total support and revenue	5,824,630	(241,880)		5,582,750
Expenses:				
Program services:				
Research	569,877			569,877
Family services	2,142,322			2,142,322
Education	1,343,630			1,343,630
Chapter development	1,629,341			1,629,341
	5,685,170			5,685,170
Supporting services				
Management and general	828,483			828,483
Fund-raising	1,604,126			1,604,126
	2,432,609			2,432,609
Total expenses	8,117,779			8,117,779
Change in net assets before non-operating income	(2,293,149)	(241,880)		(2,535,029)
Non-operating income:				
Special events:				
Gross receipts	3,754,438			3,754,438
Less: direct costs	(686,952)			(686,952)
Net income from special events	3,067,486			3,067,486
Change in net assets	774,337	(241,880)		532,457
Net assets - beginning of year	484,605	1,034,936	$ 250,000	1,769,541
Net assets - End of year	$ 1,258,942	$ 793,056	$ 250,000	$ 2,301,998

See notes to consolidated financial statements

HUNTINGTON'S DISEASE SOCIETY OF AMERICA, INC.

Consolidated Statement of Functional Expenses
Year Ended September 30, 2011
(with summarized financial information for 2010)

	Program Services					Supporting Services			Total Expenses	
	Research	Family Services	Education	Chapter Development	Total Program Services	Management and General	Fund-Raising	Total Supporting Services	2011	2010
Salaries and related expenses:										
Salaries	$ 133,082	$ 366,780	$ 383,911	$ 544,543	$ 1,428,316	$ 248,309	$ 394,446	$ 642,755	$ 2,071,071	$ 2,250,959
Payroll taxes and employee benefit	37,901	104,456	109,335	155,082	406,774	70,717	112,335	183,052	589,826	561,933
Total salaries and related expenses	170,983	471,236	493,246	699,625	1,835,090	319,026	506,781	825,807	2,660,897	2,812,892
Other expenses:										
Office supplies	3,919	8,378	7,783	25,111	45,191	52,642	12,681	65,323	110,514	133,252
Telephone	7,874	12,152	12,226	52,810	85,062	31,212	10,158	41,370	126,432	148,871
Postage and shipping	68	10,571	61,911	29,483	102,033	39,298	38,983	78,281	180,314	172,200
Rent and occupancy charges	28,371	28,371	28,371	86,601	171,714	34,713	28,371	63,084	234,798	236,261
Printing and publications	253	8,907	171,574	49,615	230,349	25,786	129,103	154,889	385,238	368,704
Conferences, meetings and travel	40,006	44,605	239,203	31,363	355,177	55,721	64,383	120,104	475,281	534,837
Insurance	2,485	6,849	7,169	10,168	26,671	4,637	7,366	12,003	38,674	36,167
Prizes, gifts and products sold	6,939	21,187	213,185	8,076	249,387	5,697	462,355	468,052	717,439	840,471
Professional services	24,016	405,461	218,682	102,676	750,835	31,712	77,443	109,155	859,990	951,944
Research grants and other awards		1,010,600		5,000	1,015,600				1,015,600	1,278,800
Equipment rental	6,414	6,414	6,549	9,642	29,019	12,710	7,825	20,535	49,554	74,508
Donated services and materials	254,364	1,440	1,800	38,625	296,229	75,824		75,824	372,053	191,407
Bad debt expense	2,570	7,084	7,415	10,517	27,586	4,796	7,618	12,414	40,000	126,201
Other	9,506	12,827	26,326	32,273	80,932	127,205	115,109	242,314	323,246	199,336
Total expenses before depreciation and amortization	557,768	2,056,082	1,495,440	1,191,585	5,300,875	820,979	1,468,176	2,289,155	7,590,030	8,105,851
Depreciation and amortization				552	552	14,303	0	14,303	14,855	11,928
	$ 557,768	$ 2,056,082	$ 1,495,440	$ 1,192,137	$ 5,301,427	$ 835,282	$ 1,468,176	$ 2,303,458	$ 7,604,885	$ 8,117,779

HUNTINGTON'S DISEASE SOCIETY OF AMERICA, INC.

Consolidated Statement of Functional Expenses
Year Ended September 30, 2010

	Program Services					Supporting Services			
	Research	Family Services	Education	Chapter Development	Total Program Services	Management and General	Fund-Raising	Total Supporting Services	Total Expenses
Salaries and related expenses:									
Salaries	$ 87,814	$ 315,589	$ 402,702	$ 723,334	$ 1,529,439	$ 346,538	$ 374,982	$ 721,520	$ 2,250,959
Payroll taxes and employee benefit	21,923	78,784	100,531	180,574	381,812	86,510	93,611	180,121	561,933
Total salaries and related expenses	109,737	394,373	503,233	903,908	1,911,251	433,048	468,593	901,641	2,812,892
Other expenses:									
Office supplies	5,447	9,790	21,346	42,350	78,933	43,224	11,095	54,319	133,252
Telephone	8,533	14,872	13,521	85,887	122,813	14,723	11,335	26,058	148,871
Postage and shipping	69	3,094	37,954	39,574	80,691	51,436	40,073	91,509	172,200
Rent and occupancy charges	27,929	29,528	27,928	91,333	176,718	31,615	27,928	59,543	236,261
Printing and publications		9,127	114,082	55,437	178,646	36,625	153,433	190,058	368,704
Conferences, meetings and travel	17,956	63,207	255,984	83,870	421,017	44,901	68,919	113,820	534,837
Insurance	1,361	5,080	6,239	11,725	24,405	5,369	6,393	11,762	36,167
Prizes, gifts and products sold		29,460	122,344	37,534	189,338	48,242	602,891	651,133	840,471
Professional services	48,227	446,551	170,900	161,428	827,106	42,408	82,430	124,838	951,944
Research grants and other awards	188,800	1,090,000			1,278,800				1,278,800
Equipment rental	6,937	6,822	30,088	12,562	56,409	10,306	7,793	18,099	74,508
Donated services and materials	149,925			24,100	174,025	17,382		17,382	191,407
Bad debt expense	4,923	17,694	22,578	40,554	85,749	19,428	21,024	40,452	126,201
Other	33	22,724	17,433	37,639	77,829	19,288	102,219	121,507	199,336
Total expenses before depreciation and amortization	569,877	2,142,322	1,343,630	1,627,901	5,683,730	817,995	1,604,126	2,422,121	8,105,851
Depreciation and amortization				1,440	1,440	10,488		10,488	11,928
	$ 569,877	$ 2,142,322	$ 1,343,630	$ 1,629,341	$ 5,685,170	$ 828,483	$ 1,604,126	$ 2,432,609	$ 8,117,779

HUNTINGTON'S DISEASE SOCIETY OF AMERICA, INC.

Consolidated Statements of Cash Flows

	Year Ended September 30, 2011	2010
Cash flows from operating activities:		
Change in net assets	**$ 149,385**	$ 532,457
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation and amortization	**14,855**	11,928
Provisions for bad debts	**40,000**	126,201
Realized losses (gains) on investments	**674**	(3,243)
Unrealized losses on investments	**159**	10,456
Donated investments	**(22,506)**	(258,407)
Changes in:		
Contributions receivable, net	**843,256**	(302,570)
Pledges receivable, net	**4,075**	6,428
Prepaid expenses and deposits	**38,486**	(24,552)
Cash surrender value of life insurance	**(4,738)**	(5,180)
Accounts payable and accrued expenses	**33,378**	(181,925)
Accrued compensation	**(11,787)**	(58,080)
Grants payable	**(1,104,400)**	(602,500)
Deferred rent	**(6,957)**	1,576
Deferred revenue	**(119,587)**	109,081
Net cash used in operating activities	**(145,707)**	(638,330)
Cash flows from investing activities:		
Purchases of property and equipment	**(56,192)**	(20,949)
Purchases of investments	**(335,116)**	626,029
Proceeds from sales of investments	**462,897**	(285,832)
Net cash provided by investing activities	**71,589**	319,248
Cash flows from financing activities:		
Obligation under capital lease	**26,911**	
Net decrease in cash and cash equivalents	**(47,207)**	(319,082)
Cash and cash equivalents - beginning of year	**2,683,194**	3,002,276
Cash and cash equivalents - end of year	**$ 2,635,987**	$ 2,683,194
Supplemental disclosure of cash flow information:		
Donated goods and services	**$ 323,389**	$ 191,407
Interest expense incurred under obligation of capital lease	**$ 1,370**	

See notes to consolidated financial statements

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

[1] The Society:

Huntington's Disease Society of America, Inc. ("HDSA") was incorporated in New York in 1986. HDSA is a national, voluntary health organization dedicated to improving the lives of people with Huntington's Disease ("HD") and their families. Currently, HDSA has 31 chapters throughout the United States. Each chapter, staffed entirely by volunteers, (i) holds educational events, coordinates social workers, and runs support groups for local families with HD; (ii) raises funds through events (walk-a-thons, dinners, golf tournaments, and other activities) that are used to support HDSA's programs of research, care and education; and (iii) strives to build greater awareness of HD in the general public through outreach to local press and civic groups.

HDSA has two wholly-owned supporting organizations, HDSA Research Initiatives, Inc. ("HDSA Research") and HDSA Care Centers Initiatives, Inc. ("HDSA Care Centers"), both incorporated in New York in 2004. Accordingly, the accompanying consolidated financial statements include the financial position, results of operations and cash flows of HDSA, HDSA Research, and HDSA Care Centers (collectively, the "Society"). All inter-entity transactions and balances have been eliminated in the consolidation process.

The Society organizations are exempt from federal income taxes pursuant to Section 501(c)(3) of the U.S. Internal Revenue Code and from state and local taxes under comparable laws.

[2] Basis of accounting:

The accompanying consolidated financial statements of the Society have been prepared using the accrual basis of accounting and conform to accounting principles generally accepted in the United States of America, as applicable to not-for-profit entities.

[3] Applicability of NYPMIFA:

In September 2010, New York State enacted the New York Prudent Management of Institutional Funds Act ("NYPMIFA"), the terms of which are applicable to the Society. NYPMIFA principally addresses (i) the management and investment of all of a not-for-profit entity's "institutional funds" (which are mainly the financial assets of the entity and which exclude programmatic assets such as buildings or operating facilities), and (ii) the appropriations by the governing board of earnings derived from both donor-restricted and board-designated endowment funds. In essence, NYPMIFA requires all of the financial resources of the entity to be used in a "prudent" fashion, with the express approval and action of the governing board.

[4] Use of estimates:

The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and the disclosure of contingencies. Actual results may differ from those estimates.

[5] Cash and cash equivalents:

For financial statement purposes, the Society considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents, except for those held as part of the investment portfolio.

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[6] Investments:

Investments in equity securities with readily determinable fair values are reported at their fair values in the accompanying statements of financial position, with realized and unrealized gains and losses included in the accompanying statements of activities. The Society's mutual funds are also reported at their fair values, as determined by the related investment manager or advisor. Donated securities are recorded at their fair values at the dates of donation.

Investment transactions are recorded on a trade-date basis. Realized gains or losses on investments are determined by comparison of the average cost of acquisition to proceeds at the time of disposition. The earnings from dividends and interest are recognized when earned.

[7] Property and equipment:

Property and equipment are recorded at their original costs and are depreciated over their estimated useful lives, which range from three to ten years, using the straight-line method utilizing a half-year convention. Leasehold improvements are amortized using the straight-line method over the terms of the underlying leases, which may be less than the estimated useful lives of the improvements.

[8] Accrued vacation obligation:

Accrued vacation is included as a liability in the accompanying financial statements as part of accrued compensation costs and represents the Society's obligation for the cost of unused employee vacation time payable in the event of employee terminations; the obligation is recalculated every year. At September 30, 2011 and 2010, this accrued vacation obligation was $99,422 and $116,701, respectively.

[9] Grants payable:

Grants are recognized as an obligation at the time of approval. Grants approved but unpaid as of year-end are reported as liabilities in the accompanying consolidated statements of financial position. The grants payable obligation for fiscal-years 2011 and 2010 was $800,600 and $1,905,000, respectively, and is due to be paid in the upcoming year.

[10] Deferred rent:

Rent expense is recognized using the straight-line method over the terms of the lease. The difference between rent expense incurred and the rental amounts paid, which is attributed to scheduled rent increases, is reported as a "deferred rent" obligation in the accompanying consolidated statements of financial position.

[11] Deferred revenue:

Special event revenues applicable to a current year are recognized as revenue in the year the special event takes place. Special event revenue received for a future year's event is deferred and recognized when the special event takes place.

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[12] Net assets:

The net assets of the Society and the changes therein are classified and reported as follows:

a) Unrestricted:

Unrestricted net assets represent those resources available for current operations. The Board of Trustees has designated a portion of unrestricted net assets to be spent at the discretion of the Board.

b) Temporarily restricted:

Temporarily restricted net assets represent those resources that are subject to the requirements of NYPMIFA and the use of which has been restricted by donors to specific purposes and/or the passage of time. When a donor restriction expires, that is, when a stipulated time restriction ends, a purpose restriction is accomplished, or funds are appropriated through an action of the Board of Trustees, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the accompanying statements of activities as net assets released from restrictions.

c) Permanently restricted:

Permanently restricted net assets represent those resources the principal of which is originally restricted into perpetuity by its donors. The purposes for which the income and net capital appreciation arising from the underlying assets may be used depend on the wishes of that donor. Under the terms of NYPMIFA, those earnings are classified as temporarily restricted in the accompanying statements of activities, pending appropriation by the Board of Trustees.

[13] Measure of operations:

The Society includes in its definition of operations all revenues and expenses that are an integral part of its programs and supporting activities. Special event revenue and expenses are recognized as a part of non-operating activities.

[14] Contributions and grants:

Contributions and grants, including unconditional promises to give to the Society, are recognized as revenue in the period received. Conditional contributions are recognized as revenue when the conditions on which they depend have been substantially met. Contributions are considered to be available for unrestricted use unless specifically restricted by the donor.

[15] Donated goods and services:

For recognition of donated services in the Society's consolidated financial statements, such services must (a) create or enhance non-financial assets or (b) require specialized skills and be performed by individuals possessing those skills and which would otherwise be purchased by the Society. Donated goods and services are recorded as support at their estimated fair value at the dates of donation and are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Donated goods and services are reported as both contributions and offsetting expenses in the accompanying consolidated statements of activities.

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[16] Functional allocation of expenses:

The costs of providing the various programs and supporting services have been summarized on a functional basis in the accompanying consolidated statements of activities. Accordingly, certain costs have been allocated by management, using appropriate measurement methodologies, among the program, management and fund-raising areas.

[17] Income taxes:

The Society is subject to the provisions of the Financial Accounting Standards Board's Accounting Standards Codification ("ASC") 740-10-05 relating to the accounting and reporting for uncertainty in income taxes. Because of the Society's general tax-exempt status, the adoption of ASC 740-10-05 has not had, and is not expected to have, a material impact on the Society's consolidated financial statements.

[18] Endowment funds:

The Society reports all applicable disclosures of its funds treated as endowment.

[19] Fair-value measurements:

As further described in Note B, the Society reports a fair-value measurement of all applicable financial assets and liabilities, including investments, receivables, and short-term payables.

[20] Subsequent events:

The Society considers all accounting treatments, and the related disclosures in the current fiscal-year's consolidated financial statements, that may be required as the result of all events or transactions that occur after the fiscal year-end through the date of the independent auditors' report.

NOTE B - INVESTMENTS

At each fiscal year-end, the costs and fair values of investments were as follows:

	September 30,			
	2011		2010	
	Fair Value	Cost	Fair Value	Cost
Certificates of deposit	**$ 605,115**	**$ 607,000**	$ 709,593	$ 710,998
Common stock	**524**	**532**	2,385	2,455
Mutual funds	**6,229**	**5,878**	5,998	5,906
	$ 611,868	**$ 613,410**	$ 717,976	$ 719,359

NOTE B - INVESTMENTS (CONTINUED)

For each fiscal year, net investment income consisted of the following:

	Year Ended September 30, 2011	Year Ended September 30, 2010
Interest and dividends	**$ 12,136**	$ 23,768
Realized gains (losses)	**(674)**	3,243
Unrealized losses	**(159)**	(10,456)
Total investment income	**$ 11,303**	$ 16,555

ASC 820-10-05 establishes a three-level valuation hierarchy of fair-value measurements. These valuation techniques are based upon observable and unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect market assumptions. These two types of inputs create the following fair-value hierarchy:

Level 1 Valuations are based on observable inputs that reflect quoted market prices in active markets for identical assets and liabilities at the reporting date. The types of investments and other assets included in Level 1 are exchange-traded equity and debt securities, short-term money-market funds, and actively traded obligations issued by the U.S. government and government agencies.

Level 2 Valuations are based on (i) quoted prices for similar assets or liabilities in active markets, or (ii) quoted prices for identical or similar assets or liabilities in markets that are not active, or (iii) pricing inputs other than quoted prices that are directly or indirectly observable at the reporting date. Level 2 assets include other U.S. government and agency securities and corporate equity and debt securities that are redeemable at or near the balance sheet date and for which a model was derived for valuation.

Level 3 Fair value is determined based on pricing inputs that are unobservable and includes situations where there is little, if any, market activity for the asset or liability. Level 3 assets include securities in privately held companies, secured notes, private corporate bonds, and limited partnerships, the underlying investments of which cannot be independently valued, or cannot be immediately redeemed at or near the fiscal year-end.

The following table summarizes the fair values of the Society's assets at each fiscal year-end:

	September 30, 2011			September 30, 2010		
	Level 1	**Level 2**	**Total**	**Level 1**	**Level 2**	**Total**
Certificates of deposit		**$ 605,115**	**$ 605,115**		$ 709,593	$ 709,593
Common stock	**$ 524**		**524**	$ 2,385		2,385
Mutual funds	**6,229**		**6,229**	5,998		5,998
Total	**$ 6,753**	**$ 605,115**	**$ 611,868**	$ 8,383	$ 709,593	$ 717,976

NOTE C - PLEDGES AND CONTRIBUTIONS RECEIVABLE

The Society has recorded as pledges receivable those amounts that have been promised to the Society as of September 30, but that have not yet been collected as of that date. At each fiscal year-end, the pledges receivable were estimated to be due as follows:

	September 30,	
	2011	**2010**
Less than one year	**$ 25,000**	$ 20,000
One to five years	**5,000**	15,000
	30,000	35,000
Less present value adjustment, at a discount rate of 4%	**(384)**	(1,309)
	$ 29,616	$ 33,691

As of September 30, 2011 and 2010, the Society's contribution receivables are reported as $492,196 and $1,375,452, respectively. Based on prior experience with donors, management expects $40,000 and $126,201 to be uncollectible, and has provided an allowance for those doubtful collections for 2011 and 2010, respectively.

NOTE D - PROPERTY AND EQUIPMENT

At each fiscal year-end, property and equipment consisted of the following:

	September 30,	
	2011	**2010**
Computers and equipment	**$ 206,705**	$ 206,529
Furniture and fixtures	**17,085**	17,085
Chapter property and equipment	**52,667**	52,667
Leasehold improvements	**30,489**	30,489
	306,946	306,770
Less accumulated depreciation and amortization	**(238,511)**	(279,672)
	$ 68,435	$ 27,098

In fiscal-years 2011 and 2010, depreciation and amortization expense was $14,854 and $11,928, respectively.

During fiscal-year 2011, the Society wrote off $56,016 of fully depreciated property and equipment.

NOTE E - EMPLOYEE-BENEFIT PLAN

The Society maintains a 403(b) defined-contribution employee-benefit plan for all eligible employees. The Society contributes a portion of an eligible employee's salary to the plan. The Society's contribution for fiscal-years 2011 and 2010 was $85,019 and $69,724, respectively.

In previous years, the Society did not remit the required contribution to certain otherwise eligible employees. Accordingly, the Society owes those participants contributions of $16,314 and $19,947 for each fiscal year-end 2011 and 2010, respectively.

NOTE F - TEMPORARILY RESTRICTED NET ASSETS

For fiscal-years 2011 and 2010, temporarily restricted net assets consisted of $1,316,709 and $793,056, respectively, and were restricted to fund research and education programs. During each fiscal year, net assets released from restrictions resulted from satisfying donor restrictions to fund research and education of $666,109 and $1,005,279, respectively.

NOTE G - ENDOWMENT

[1] The endowment:

At September 30, 2011 and 2010, the Society's endowment consisted of one donor restricted fund in the amount of $250,000, established by the donor for the purpose of funding medical research in the field of Huntington's disease.

[2] Interpretation of relevant law:

As discussed in Note A[3], NYPMIFA is applicable to all of the Society's institutional funds, including its donor-restricted endowment fund. The Board of Trustees will continue to adhere to NYPMIFA's requirements.

[3] Changes in endowment net assets for each fiscal-year:

	Year Ended September 30, 2011		
	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning of year	**$ 21,932**	**$ 250,000**	**$ 271,932**
Investment income	**1,368**		**1,368**
Endowment net assets, end of year	**$ 23,300**	**$ 250,000**	**$ 273,300**

	Year Ended September 30, 2010		
	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning of year	$ 17,570	$ 250,000	$ 267,570
Investment income	4,362		4,362
Endowment net assets, end of year	$ 21,932	$ 250,000	$ 271,932

[4] Funds with deficiencies:

Due to unfavorable market fluctuations, from time to time, the fair value of assets associated with individual donor-restricted endowment funds may decline below the historical dollar value of the donor's original permanently restricted contribution. Under the terms of NYPMIFA, the Society has no responsibility to restore such a decrease in value. There were no such deficiencies as of September 30, 2011 and 2010.

NOTE G - ENDOWMENT (CONTINUED)

[5] Return objectives and risk parameters:

The Society has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding for programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets and assuming a moderate level of investment risk.

[6] Strategies employed for achieving objectives:

The Society considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- the duration and preservation of the funds;
- the purposes of the Society and the donor-restricted endowment funds;
- general economic conditions;
- the possible effect of inflation and deflation;
- the expected total return from income and the appreciation/depreciation of investments;
- other resources of the Society; and
- the investment policy of the Society.

[6] Spending policy and relation to the spending policy:

The Society evaluates its funding requirements on an annual basis and, accordingly, draws from its endowment appreciation on an as-needed basis. This is consistent with the Society's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term, as well as to provide additional real growth through new gifts and investment return.

NOTE H - CONCENTRATIONS OF CREDIT RISK

The Society maintains its cash in non-interest-bearing accounts on which there is currently no limit on federal insurance. The Society's investments are held at major financial institutions, and management believes that there is no significant risk of loss by reason of the institutions' failures.

NOTE I - COMMITMENTS

The Society leases a portion of its equipment under a capital lease expiring April 2016. The equipment was recorded at cost and is being depreciated over its estimated useful life. Depreciation expense associated with the assets is included in depreciation expense in the accompanying statements of functional expenses. At September 30, 2011, capitalized leased equipment amounted to $28,925 with accumulated depreciation of $4,132. Depreciation expense related to the capitalized leased equipment amounted to $4,132 for fiscal-year 2011.

In addition, the Society leases office space for its various offices under operating lease agreements expiring through June 30, 2015.

NOTE I - COMMITMENTS (CONTINUED)

The future minimum annual rental on the leases is as follows:

Year Ending September 30,	Leases Capitalized	Leases Operating
2012	$ 8,122	$ 193,472
2013	8,122	203,829
2014	8,122	203,179
2015	8,122	148,412
2016	4,738	
	37,226	$ 748,892
Less amount representing interest on lease payments	10,315	
Present value of minimum lease payments	$ 26,911	

Rent expense for fiscal-years 2011 and 2010 was approximately $235,000 and $236,000, respectively. There are no lease commitments for chapter offices, since these leases are on a month-to-month basis.

NOTE J - DONATED SERVICES AND MATERIALS

The fair value of contributed goods and services, which included legal services, rent expense and donated merchandise was $323,389 and $191,407 for fiscal-years 2011 and 2010, respectively.

NOTE K - LIFE INSURANCE

The Society is the beneficiary of a life insurance policy on a donor. The cash surrender value was $120,756 and $116,016 for fiscal-years 2011 and 2010.