

for People with ITP

FINANCIAL STATEMENTS

DECEMBER 31, 2016 AND 2015

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INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS
PLATELET DISORDER SUPPORT ASSOCIATION

7555 Fredle Dr. Suite 110

Concord, OH 44077

Phone: 440-951-2997 Fax: 866-359-4674 We have audited the accompanying financial statements of the Platelet Disorder Support Association (a nonprofit PDSA), which comprise the statement of financial position as of December 31, 2016, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. 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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Platelet Disorder Support Association as of December 31, 2016 and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

The financial statements of the Platelet Disorder Support Association as of December 31, 2015 were audited by other auditors whose report dated July 24, 2016 expressed an unmodified opinion on those statements. These previously issued financial statements have been restated for the correction of a material misstatement as described in Note 7.

Report on Summarized Comparative Information

The prior-year summarized comparative information has been derived from Platelet Disorder Support Association's 2015 financial statements and, as described above, other auditors expressed an unmodified opinion on those financial statements.

Cleveland, Ohio April 5, 2017





STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2016 AND 2015

	LINIDI	CTRICTER		1PORARILY		2016		2015
ASSETS	UNKI	ESTRICTED	KE.	STRICTED		2016		2015
CURRENT ASSETS								
Cash & Cash Equivalents	\$	367,389	\$	236,748	\$	604,137	\$	532,292
Investments		247,162		-		247,162		246,715
Grant Receivable		-		10,000		10,000		20,100
Accounts Receivable		31,202		-		31,202		28,465
Prepaid Expenses		300				300		10,957
		646,053		246,748		892,801		838,529
FIXED ASSETS								
Furniture		28,371		-		28,371		28,371
Software		25,227		-		25,227		25,227
Computer Equipment		8,879		_		8,879		8,879
		62,477		_		62,477		62,477
Less Accumulated Depreciation		(43,585)		-		(43,585)		(35,446)
		18,892		-		18,892		27,031
OTHER ASSETS								
Investments		270,000		_		270,000		270,000
Deposits		21,742		_		21,742		16,742
		291,742	-			291,742	-	286,742
			-					
	\$	956,687	\$	246,748	\$	1,203,435	\$	1,152,302
LIABILITIES AND NET ASSETS								
CURRENT LIABILITIES								
Accounts Payable and Accrued Expenses	\$	11,469	\$	_	\$	11,469	\$	10,033
Deferred Revenue	т	2,520	т.	-	7	2,520	т.	19,600
Accrued Compensation		44,630		_		44,630		28,841
p		58,619				58,619		58,474
NET ASSETS		,				,		,
Unrestricted - Board-Designated Research		34,036		-		34,036		18,253
- Board-Designated Contingency		270,000		_		270,000		270,000
- Operating		594,032		_		594,032		546,683
		898,068	-	-		898,068		834,936
Temporarily Restricted		, -		246,748		246,748		258,892
Total Net Assets		898,068		246,748		1,144,816		1,093,828
Total Liabilities & Net Assets	\$	956,687	\$	246,748	\$	1,203,435	\$	1,152,302

STATEMENT OF ACTIVITIES

	UNRI	ESTRICTED	 IPORARILY STRICTED	 TOTAL
PUBLIC SUPPORT & REVENUE				
Foundation Grants	\$	169,819	\$ 158,400	\$ 328,219
Conference		213,526	-	213,526
Contributions - Membership		120,235	-	120,235
Contributions - General		98,275	17,990	116,265
Corporate Sponsorship		53,520	-	53,520
Other Revenue		17,233	-	17,233
Merchandise Sales		10,976	-	10,976
Investment Income		4,018	-	4,018
Net Assets Released from Restrictions		188,534	 (188,534)	-
TOTAL PUBLIC SUPPORT AND REVENUE		876,136	(12,144)	863,992
EXPENSES				
Programs		681,109	-	681,109
General and Administrative		83,096	-	83,096
Fundraising		48,799	 	 48,799
TOTAL EXPENSES		813,004	 	 813,004
CHANGE IN NET ASSETS		63,132	(12,144)	50,988
NET ASSETS - Beginning of Year		834,936	 258,892	1,093,828
NET ASSETS - End of Year	\$	898,068	\$ 246,748	\$ 1,144,816

STATEMENT OF ACTIVITIES

	UNRE	ESTRICTED	TEMPORARILY D RESTRICTED			TOTAL
PUBLIC SUPPORT & REVENUE		_				_
Foundation Grants	\$	86,406	\$	176,400	\$	262,806
Contributions - General		138,649		28,858		167,507
Conference		155,671		-		155,671
Contributions - Membership		122,363		-		122,363
Corporate Sponsorship		104,230		-		104,230
Merchandise Sales		11,319		-		11,319
Investment Income		3,206		-		3,206
Other Revenue		2,735		-		2,735
Net Assets Released from Restrictions		178,021		(178,021)		
TOTAL PUBLIC SUPPORT AND REVENUE		802,600		27,237		829,837
EXPENSES						
Programs		590,509		-		590,509
General and Administrative		95,198		-		95,198
Fundraising		43,882		_		43,882
TOTAL EXPENSES		729,589				729,589
CHANGE IN NET ASSETS		73,011		27,237		100,248
NET ASSETS - Beginning of Year		761,925		231,655		993,580
NET ASSETS - End of Year	\$	834,936	\$	258,892	\$	1,093,828

STATEMENT OF FUNCTIONAL EXPENSES

	PROGRAMS		GENERAL & PROGRAMS ADMINISTRATIVE F		FUNDRAISING_			TOTAL
Carrana	_	406.260	_	61 100	_	24.740	_	402 201
Compensation	\$	406,360	\$	61,183	\$	24,748	\$	492,291
Conference		117,838		-		-		117,838
Professional Fees		36,306		8,890		-		45,196
Travel		31,230		-		875		32,105
Printing		16,489		868		7,067		24,424
Office Rent		19,166		1,030		413		20,609
Software		8,149		-		2,716		10,865
Event Costs		-		4,437		4,436		8,873
Depreciation		8,139		-		-		8,139
Postage and Delivery		6,989		368		388		7,745
Bank and Finance Charges		744		146		6,290		7,180
Office Supplies and Maintenance		4,314		650		266		5,230
Cost of Merchandise Sold		5,007		-		-		5,007
Exhibit Expenses		4,967		-		-		4,967
Telephone		3,778		568		234		4,580
Equipment Rental		2,509		377		155		3,041
Internet and IT		2,398		360		149		2,907
State Registration Fees		925		925		925		2,775
Utilities		2,217		333		137		2,687
Insurance		1,188		1,388		-		2,576
Payroll Processing		-		1,573		-		1,573
Scholarship		1,200		-		-		1,200
Dues and Subscriptions		509		-		-		509
Miscellaneous		387		-		-		387
Advocacy		300		-				300
Total Expenses	\$	681,109	\$	83,096	\$	48,799	\$	813,004

STATEMENT OF FUNCTIONAL EXPENSES

	PROGRAMS		GENERAL & ADMINISTRATIVE		FUNDRAISING		TOTAL
		10 0.00	<u> </u>				
Compensation	\$	344,372	\$	64,570	\$	21,523	\$ 430,465
Conference		94,766		-		-	94,766
Professional Fees		34,469		16,000		-	50,469
Printing		18,330		965		5,551	24,846
Occupancy		18,530		996		399	19,925
Office Rent		12,997		-		-	12,997
Postage and Delivery		8,151		429		3,340	11,920
Travel		10,982		-		215	11,197
Software		5,545		-		5,496	11,041
Office Supplies and Maintenance		8,382		1,572		524	10,478
Bank and Finance Charges		1,064		2,655		2,613	6,332
Telephone		4,802		900		301	6,003
Depreciation		5,660		-		-	5,660
Insurance		3,289		1,583		-	4,872
Loss on Disposal of Fixed Assets		1,401		1,400		1,400	4,201
Internet and IT		3,321		623		207	4,151
Exhibit Expenses		4,048		-		-	4,048
Equipment Rental		2,855		535		178	3,568
Utilities		3,106		167		67	3,340
State Registration Fees		1,018		1,018		1,018	3,054
Event Costs		1,050		-		1,050	2,100
Payroll Processing		-		1,785		-	1,785
Miscellaneous		1,155		-		-	1,155
Dues and Subscriptions		902		-		-	902
Training and Meetings		314				-	 314
Total Expenses	\$	590,509	\$	95,198	\$	43,882	\$ 729,589

STATEMENTS OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2016 AND 2015

	 2016	2015		
CASH FLOWS FROM OPERATING ACTIVITIES: Change in Net Assets	\$ 50,988	\$	100,248	
Adjustments to Reconcile Change in Net Assets				
to Cash Provided by Operating Activities:				
Depreciation	8,139		5,660	
Loss on Disposal of Fixed Assets	-		4,201	
Changes in Operating Assets and Liabilities				
which Provided (Used) Cash:				
Receivables	7,363		(12,620)	
Inventory	-		7,642	
Prepaid Expenses	10,657		(9,649)	
Deposits	(5,000)		-	
Accounts Payable and Accrued Expenses	1,436		(11,631)	
Deferred Revenue	(17,080)		11,600	
Accrued Compensation	15,789		13,804	
Total Adjustments	21,304		9,007	
Cash Provided by Operating Activities	72,292		109,255	
CASH FLOWS FROM INVESTING ACTIVITIES:				
Sale(Purchase) of Investments	(447)		483	
Purchase of Fixed Assets	 		(27,455)	
Cash Used by Investing Activities	 (447)		(26,972)	
NET CHANGE IN CASH AND CASH EQUIVALENTS	71,845		82,283	
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	 532,292		450,009	
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 604,137	\$	532,292	

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2016 AND 2015

NOTES:

1. NATURE OF OPERATIONS AND MISSION STATEMENT

Platelet Disorder Support Association (PDSA) is a non-profit organization incorporated in the State of New Jersey in 1998 and is located in Cleveland, Ohio. The primary purpose of PDSA is to disseminate timely and accurate information about Immune Thrombocytopenic Purpura (ITP) and other platelet disorders, to encourage and foster pertinent research, and to provide means for patients and their relatives to share experiences, support and improve their medical care.

PDSA's mission is to enhance the lives of people with immune thrombocytopenia (ITP) and other platelet disorders through education, advocacy, research and support.

PDSA's web site address is www.pdsa.org.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements of PDSA have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

BASIS OF PRESENTATION

PDSA is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted.

RECLASSIFICATIONS

Certain amounts for the year ended December 31, 2015 have been reclassified to reflect comparability with the December 31, 2016 presentation.

FAIR VALUE

PDSA records its financial instruments at fair value using a fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). For the organization, financial assets reported at fair value are based upon quoted prices for identical assets in an active market that the organization has the ability to access (Level 1).

The estimated fair value amounts for specific groups of financial instruments are presented within the notes applicable to such items. Cash and cash equivalents, accounts receivable, and accounts payable are stated at cost, which approximates fair value, due to their short term maturity.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist primarily of demand deposits and money market accounts in federally insured and privately insured accounts. At December 31, 2016, PDSA's cash balances exceeded federally insured limits by approximately \$101,000. PDSA maintains its cash with high quality financial institutions which it believes limit these risks.

PDSA considers all highly liquid investments with maturities of three months or less, when purchased, to be cash equivalents.

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2016 AND 2015

NOTES (CONTINUED):

ACCOUNTS RECEIVABLE

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable collectible amounts through a provision for bad debt expense based on its assessment of the current status of individual receivables. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the allowance for doubtful accounts. The allowance for doubtful accounts at December 31, 2016 and 2015 was \$-0-.

PROPERTY AND EQUIPMENT

Property and equipment are stated at cost or at their estimated fair value at date of donation. Depreciation is provided using the straight-line method over the estimated useful lives of the assets.

Additions and betterments of \$1,000 or more are capitalized, while maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

TEMPORARILY RESTRICTED CONTRIBUTIONS AND NET ASSETS

When a donor restriction expires, that is when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and are reported in the Statement of Activities as assets released from restriction. Although restricted contributions typically are reported as support that increases restricted net assets, they may be reported as unrestricted support if the restrictions are met in the same reporting period, the policy is followed consistently, and it is disclosed.

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 disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

CONCENTRATION

For the years ending December 31, 2016 and 2015, one donor accounted for 22% and 30% of PDSA's total revenue, respectively.

RECOGNITION OF CONTRIBUTION REVENUE

Contributions received are recorded as unrestricted, temporarily restricted and permanently restricted support depending on the existence and/or nature of any donor restrictions. Temporarily restricted net assets are reclassified to unrestricted net assets upon satisfaction of time or purpose restrictions. Permanently restricted net assets represent endowment funds which are subject to donor restrictions that the contributed principal be invested in perpetuity and only the income be utilized.

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2016 AND 2015

NOTES (CONTINUED):

PDSA considers all contributions to be unrestricted unless specifically restricted by the donor.

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the net present value of their estimated future cash flows. The discounts on those amounts are computed using the risk-free interest rates applicable for the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met.

Contributions of cash or other assets restricted to the acquisition of long-lived assets are recorded as temporarily restricted contributions. If there are no donor restrictions on the long-lived asset's use, the donor restrictions are considered met once the long-lived assets are acquired and the temporarily restricted net assets are reclassified to the unrestricted net asset class.

DONATED SERVICES

Donated services that are recognized in the financial statements either (a) create or enhance non-financial asset or (b) be specialized skills, provided by entities or persons possessing those skills that would be purchased if not donated. PDSA receives donated services from volunteers who assist in programs, administration/governance and special projects. No amounts have been recognized for donated services described above since they did not meet the criteria for recognition.

ADVERTISING

Advertising costs are expensed when incurred. Advertising expense amounted to \$-0- in 2016 and 2015.

INCOME TAX STATUS

PDSA is incorporated as a not-for-profit that is exempt from federal income taxes under Internal Revenue Code Section 501(c)(3) and is not considered a private foundation under Section 509(a)(1). PDSA currently has no unrelated business income. Accordingly, no provision for income taxes has been recorded.

PDSA's policy is to record a liability for any tax position taken that is beneficial to the PDSA, including penalties and interest, when it is more likely than not the position taken will be overturned by a taxing authority upon examination. Management believes there are no such positions as of December 31, 2016 and, accordingly, no liability has been accrued.

FUNCTIONAL EXPENSES

PDSA's costs of providing its various services have been classified on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated between program, administrative and fundraising functions. Expenses are charged directly to these functional areas where possible. Remaining expenses are allocated using the best available method.

SUBSEQUENT EVENTS

PDSA has evaluated its subsequent events for potential recognition and/or disclosure in the December 31, 2016 financial statements through April 5, 2017, the date that the financial statements were available to be issued.

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2016 AND 2015

NOTES (CONTINUED):

3. TEMPORARILY RESTRICTED NET ASSETS

At December 31 net assets were temporarily restricted for the following purposes:

	2016							
					NE	T ASSETS		
	BE	GINNING			RELE	ASED FROM	1	ENDING
	NE	Γ ASSETS	CONT	RIBUTIONS	RES	STRICTION	NE	T ASSETS
ITP Booklet	\$	16,400	\$	26,400	\$	(16,400)	\$	26,400
ITP Hotline		28,800		30,000		(28,800)		30,000
Peer Communications		3,334		60,000		(58,334)		5,000
Research		127,858		17,990		-		145,848
Educational Materials Translation		-		12,000		-		12,000
Web, Video and Newsletter		82,500		30,000		(85,000)		27,500
		_		_		_		
	\$	258,892	\$	176,390	\$	(188,534)	\$	246,748
		_		_		_		
				20	15			
					NE	T ASSETS		
	BE	GINNING			RELE	ASED FROM	I	ENDING
	NE	Γ ASSETS	CONT	RIBUTIONS	RES	STRICTION	NE	T ASSETS
ITP Booklet	\$	-	\$	16,400	\$	-	\$	16,400
ITP Hotline		-		30,000		(1,200)		28,800
Peer Communications		-		40,000		(36,666)		3,334
Research		99,155		28,703		-		127,858
Web, Video and Newsletter		132,500		90,000		(140,000)		82,500
	\$	231,655	\$	205,103	\$	(177,866)	\$	258,892

4. BOARD-DESIGNATED NET ASSETS

At its discretion, the Board redirects operating net assets to the "Research Fund" to support initiatives that lead to better outcomes for those affected by ITP. In 2016 and 2015, the Board approved a contribution to the Fund in the amount of \$15,783 and \$18,253, respectively. PDSA's research fund will provide grants to fund research that furthers the understanding of the pathogenesis, diagnosis and management of primary ITP.

In January 2008, the Board approved a "Contingency Fund" to create asset balances to allow for shortfalls from economic fluctuations, single or multi-year project opportunities, or capital expenditures. All withdrawals from the account require Board approval. Interest, gains and earnings from investments accrue to operations. All investment fees/expenses and fund-related investment losses, to the extent of cumulative board-designations, are borne by operating assets. There were no contributions by the Board to the Contingency Fund in 2016 and 2015.

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2016 AND 2015

NOTES (CONTINUED):

5. COMMITMENTS

PDSA operates at its office in Cleveland, Ohio. Lease terms call for monthly rent of \$1,675 through March 31, 2018. PDSA also leases certain office equipment through March 2020. Rent expense amounted to \$23,000 for 2016 and 2015. Minimum annual lease payments are as follows:

2017	\$ 23,888
2018	8,359
2019	3,184
2020	1,229
2021	-
	\$ 36,660

6. DESCRIPTION OF PROGRAM SERVICES

PDSA's major programs and services are as follows:

Patient Education

We provide on-line and printed information that enhances the knowledge of the disease, treatments, and wellness practices. We investigate and report the most recent research findings and treatment recommendations via our website, three print publications, monthly e-newsletter, social media channels, and 29 educational booklets printed in multiple languages.

Support Services

Our services promote patient-to-patient, patient-to-physician, and patient-to-medical provider communication. We encourage patient involvement in treatment and life-style decisions. PDSA has 43 local support groups including the US, Canada, and New Zealand, and 2 groups via video conference, an annual patient/caregiver meeting, ITP Poke-R-Club for children with ITP, college scholarship program for teens and young adults with ITP, and a patient hotline.

Public Education

Through contacts with the media and the publication of educational materials, we strive to increase the amount of information presented and available about ITP and other platelet disorders. Our annual national walk/run unites patients and communities and raises public awareness. PDSA received the designation for National ITP Awareness MonthSM in 2010. Each September, we celebrate with activities throughout the month, with the last Friday of September as Sport Purple for Platelets DaySM, and the last week of September as Global ITP Awareness WeekSM. In 2016, PDSA formed the ITP International Alliance and created the website globalitp.org, with 28 countries represented.

Platelet Disorder Research and Advocacy

We assist and encourage research in the treatment of ITP and other platelet disorders through surveys and collaboration with patients, industry, physicians, and researchers. We attend medical conferences and health care-related meetings and report any significant research and news that pertains to diagnosis and treatment of ITP to our members. The *PDSA Research Program* funds, assists and encourages promising research with the potential to further understand the pathogenesis and management of primary ITP, raise the quality of life for patients, lead to new therapies, and find a cure. In 2016, we established the *ITP Natural History Study Registry, an* international patient-consented registry of individuals with ITP designed to gather data on the natural progression of ITP, diagnosis and treatment, management of care, quality of life, and clinician reporting. PDSA staff participate in numerous advocacy meetings in Washington, D.C., including Rare Disease Day and organizing the NIH/ASH Hill Day on Capitol Hill.