

**Compassion & Choices
and Compassion & Choices Action Network**

Combined Financial Statements
Years Ended June 30, 2020 and 2019
with
Independent Auditor's Report

**Compassion & Choices
and Compassion & Choices Action Network**

Years Ended June 30, 2020 and 2019
(See Independent Auditor's Report)

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Board of Directors
Compassion & Choices,
and Compassion & Choices Action Network
Denver, Colorado

Independent Auditor's Report

Report on the Combined Financial Statements

We have audited the accompanying combined financial statements of Compassion & Choices and Compassion & Choices Action Network, which comprise the combined statements of financial position as of June 30, 2020, and the related combined statements of activities and changes in net assets, revenue and functional expenses and cash flows for the year then ended and the related notes to the combined financial statements.

Management's Responsibility for the Combined Financial Statements

Management is responsible for the preparation and fair presentation of these combined financial statements in accordance with accounting principles generally accepted in the United States; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of combined 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 2020 combined financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined 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 combined 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 combined 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 2020 combined financial statements referred to above present fairly, in all material respects, the combined financial position of Compassion & Choices and Compassion & Choices Action Network as of June 30, 2020 and the changes in its combined net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States.

Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The accompanying combined statements of financial position and activities and change in net assets as of June 30, 2020 and for the year then ended are presented for purposes of additional analysis and are not a required part of the combined 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 combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the information is fairly stated in all material respects in relation to the combined financial statements as a whole.

Prior Period Combined Financial Statements

The combined financial statements of Compassion & Choices and Compassion & Choices Action Network as of June 30, 2019, were audited by Stratagem PC, who merged with Wipfli LLP as of January 1, 2020, and whose report dated October 22, 2019, expressed an unmodified opinion on those combined financial statements.

Wipfli LLP

Lakewood, Colorado

October 16, 2020

**Compassion & Choices
and Compassion & Choices Action Network**

Combined Statements of Financial Position
June 30, 2020 and 2019
(See Independent Auditor's Report)

Assets	2020	2019
Current assets:		
Cash and cash equivalents	\$ 1,030,279	\$ 938,539
Unconditional promises to give	348,640	361,000
Investments:		
Cash and money market funds	4,729,839	4,913,072
Marketable securities	13,897,148	10,704,327
Prepaid expenses and other	313,902	197,386
Beneficial interest in charitable remainder trusts	81,980	76,072
Other current assets	852	735
Total current assets	20,402,640	17,191,131
Property, equipment and improvements, at cost:		
Furniture, fixtures and equipment	356,540	356,540
Leasehold improvements	11,695	11,695
	368,235	368,235
Less accumulated depreciation and amortization	356,076	350,073
Net property, equipment and improvements	12,159	18,162
Other assets:		
Unconditional promises to give, net of current portion	35,000	70,000
Intangible assets, net	9,514	10,764
Investment, partnership interest	238,841	-
Deposits	20,039	20,039
Total other assets	303,394	100,803
Total assets	\$ 20,718,193	\$ 17,310,096

(See Notes to Combined Financial Statements)

**Compassion & Choices
and Compassion & Choices Action Network**

Combined Statements of Financial Position
June 30, 2020 and 2019
(See Independent Auditor's Report)

Liabilities and Net Assets

	2020	2019
Current liabilities:		
Accounts payable	\$ 339,611	\$ 258,910
Accrued expenses	783,316	622,932
Total current liabilities	1,122,927	881,842
Long-term liabilities:		
Gift annuity payments due	392,403	388,244
Total liabilities	1,515,330	1,270,086
Net assets:		
Without donor restrictions:		
Operating	18,844,491	15,951,848
Net investment in property, equipment and improvements	12,159	18,162
Total net assets without donor restrictions	18,856,650	15,970,010
With donor restrictions	346,213	70,000
Total net assets	19,202,863	16,040,010
Total liabilities and net assets	\$ 20,718,193	\$ 17,310,096

(See Notes to Combined Financial Statements)

**Compassion & Choices
and Compassion & Choices Action Network**

Combined Statement of Activities and Changes in Net Assets
Year Ended June 30, 2020
(See Independent Auditor's Report)

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenue and other support:			
Contributions	\$ 18,477,297	\$ 970,200	\$ 19,447,497
Investment income, net of expenses	369,903	-	369,903
Realized and unrealized loss on investments	(26,060)	-	(26,060)
Gain on sale of property and equipment	2,050	-	2,050
Other income	49,113	-	49,113
Net assets released from restrictions:			
Satisfaction of:			
Program restrictions	406,987	(406,987)	-
Time restrictions	287,000	(287,000)	-
	<u>19,566,290</u>	<u>276,213</u>	<u>19,842,503</u>
Total revenue and other support			
Expenses:			
Programs	13,633,238	-	13,633,238
General and administrative	1,685,763	-	1,685,763
Fundraising	1,360,649	-	1,360,649
	<u>16,679,650</u>	<u>-</u>	<u>16,679,650</u>
Total expenses			
Increase in net assets	2,886,640	276,213	3,162,853
Net assets, beginning	<u>15,970,010</u>	<u>70,000</u>	<u>16,040,010</u>
Net assets, ending	<u>\$ 18,856,650</u>	<u>\$ 346,213</u>	<u>\$ 19,202,863</u>

(See Notes to Combined Financial Statements)

**Compassion & Choices
and Compassion & Choices Action Network**

Combined Statement of Activities and Changes in Net Assets
Year Ended June 30, 2019
(See Independent Auditor's Report)

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and other support:			
Contributions	\$ 12,772,102	\$ 1,552,000	\$ 14,324,102
Investment income, net of expenses	274,180	-	274,180
Realized and unrealized gain on investments	338,248	-	338,248
Loss on sale of property and equipment	(26,742)	-	(26,742)
Other income	523,435	-	523,435
Net assets released from restrictions:			
Satisfaction of:			
Program restrictions	313,492	(313,492)	-
Time restrictions	1,717,000	(1,717,000)	-
Total revenue and other support	15,911,715	(478,492)	15,433,223
Expenses:			
Programs	12,197,670	-	12,197,670
General and administrative	1,636,406	-	1,636,406
Fundraising	1,204,940	-	1,204,940
Total expenses	15,039,016	-	15,039,016
Increase (decrease) in net assets	872,699	(478,492)	394,207
Net assets, beginning	15,097,311	548,492	15,645,803
Net assets, ending	\$ 15,970,010	\$ 70,000	\$ 16,040,010

(See Notes to Combined Financial Statements)

**Compassion & Choices
and Compassion & Choices Action Network**

Combined Statement of Revenue and Functional Expenses
Year Ended June 30, 2020
(See Independent Auditor's Report)

	<u>Direct Lobbying</u>	<u>Grassroots Lobbying</u>	<u>Policy & Litigation</u>	<u>Public Education</u>
Revenue and other support:				
Contributions	\$ -	\$ -	\$ 617,670	\$ -
Investment income, net of expenses	-	-	-	-
Realized and unrealized loss on investments	-	-	-	-
Gain on sale of property and equipment	-	-	-	-
Other income	-	-	-	49,113
	<u>-</u>	<u>-</u>	<u>617,670</u>	<u>49,113</u>
Total revenue and other support	<u>-</u>	<u>-</u>	<u>617,670</u>	<u>49,113</u>
Expenses:				
Advertising	-	-	-	281,361
Bank and merchant fees	-	-	-	64,594
Conference/booth fees	2,048	550	-	533
Depreciation and amortization	-	-	491	2,477
Development costs	-	-	-	842,142
Donations	-	-	5,000	50
Facilities	-	-	40,079	93,995
Graphics	-	-	-	7,610
Insurance	-	-	9,096	31,055
Interest and taxes	-	-	-	30
Magazine	-	-	-	112,675
Meetings	-	-	1,195	4,069
Memberships - organizations	-	-	1,904	5,180
Operational expenses	1,672	494	8,374	72,625
Outside services	378,691	31,826	627,554	423,443
Payroll expense	93,197	147,533	652,420	1,799,299
Printing	5,556	1,312	10	86,248
Publications and subscriptions	-	-	85,275	51,878
Registration fees	-	-	500	8,553
Sponsorships	-	-	11,000	-
Staff costs - development dept.	-	-	-	749,363
Staff development	-	-	5,692	99
Technology/data management	-	-	28,519	338,855
Travel and entertainment	15,236	5,264	40,897	133,004
	<u>496,400</u>	<u>186,979</u>	<u>1,518,006</u>	<u>5,109,138</u>
Total expenses	<u>496,400</u>	<u>186,979</u>	<u>1,518,006</u>	<u>5,109,138</u>
Increase (decrease) in net assets	<u>\$ (496,400)</u>	<u>\$ (186,979)</u>	<u>\$ (900,336)</u>	<u>\$ (5,060,025)</u>

(continued)
(See Notes to Combined Financial Statements)

**Compassion & Choices
and Compassion & Choices Action Network**

Combined Statement of Revenue and Functional Expenses (continued)
Year Ended June 30, 2020
(See Independent Auditor's Report)

	<u>Advocacy</u>	<u>Consistency</u>	<u>Integrated Programs</u>	<u>Total Programs</u>
Revenue and other support:				
Contributions	\$ -	\$ -	\$ 871	\$ 618,541
Investment income, net of expenses	-	-	-	-
Realized and unrealized loss on investments	-	-	-	-
Gain on sale of property and equipment	-	-	-	-
Other income	-	-	-	49,113
	<u>-</u>	<u>-</u>	<u>871</u>	<u>667,654</u>
Total revenue and other support	<u>-</u>	<u>-</u>	<u>871</u>	<u>667,654</u>
Expenses:				
Advertising	116,693	49,960	3,517	451,531
Bank and merchant fees	-	355	-	64,949
Conference/booth fees	15,241	100,724	12,912	132,008
Depreciation and amortization	1,854	494	732	6,048
Development costs	-	20,134	-	862,276
Donations	528	-	-	5,578
Facilities	48,189	313	9,899	192,475
Graphics	14,546	74,164	47,698	144,018
Insurance	23,262	6,193	33,096	102,702
Interest and taxes	-	-	-	30
Magazine	48	-	-	112,723
Meetings	8,659	1,554	771	16,248
Memberships - organizations	1,286	26,388	835	35,593
Operational expenses	99,301	14,467	11,685	208,618
Outside services	1,079,848	174,776	123,295	2,839,433
Payroll expense	2,038,696	569,639	946,122	6,246,906
Printing	18,978	1,964	4,185	118,253
Publications and subscriptions	3,723	1,322	1,674	143,872
Registration fees	1,483	2,701	943	14,180
Sponsorships	31,943	11,173	3,583	57,699
Staff costs - development dept.	-	-	-	749,363
Staff development	98	199	1,180	7,268
Technology/data management	105,474	28,064	41,577	542,489
Travel and entertainment	182,397	129,266	72,914	578,978
	<u>3,792,247</u>	<u>1,213,850</u>	<u>1,316,618</u>	<u>13,633,238</u>
Total expenses	<u>3,792,247</u>	<u>1,213,850</u>	<u>1,316,618</u>	<u>13,633,238</u>
Increase (decrease) in net assets	<u>\$ (3,792,247)</u>	<u>\$ (1,213,850)</u>	<u>\$ (1,315,747)</u>	<u>\$ (12,965,584)</u>

(continued)
(See Notes to Combined Financial Statements)

**Compassion & Choices
and Compassion & Choices Action Network**

Combined Statement of Revenue and Functional Expenses (continued)
Year Ended June 30, 2020
(See Independent Auditor's Report)

	Total Programs	General and administrative	Fundraising	Total
Revenue and other support:				
Contributions	\$ 618,541	\$ 3,470	\$ 18,825,486	\$ 19,447,497
Investment income, net of expenses	-	369,903	-	369,903
Realized and unrealized loss on investments	-	(26,060)	-	(26,060)
Gain on sale of property and equipment	-	2,050	-	2,050
Other income	49,113	-	-	49,113
	<u>667,654</u>	<u>349,363</u>	<u>18,825,486</u>	<u>19,842,503</u>
Total revenue and other support				
Expenses:				
Advertising	451,531	1,764	-	453,295
Bank and merchant fees	64,949	100	-	65,049
Conference/booth fees	132,008	240	-	132,248
Depreciation and amortization	6,048	1,205	-	7,253
Development costs	862,276	-	582,969	1,445,245
Donations	5,578	-	-	5,578
Facilities	192,475	14,672	41,960	249,107
Graphics	144,018	500	-	144,518
Insurance	102,702	15,102	-	117,804
Interest and taxes	30	583	-	613
Magazine	112,723	-	-	112,723
Meetings	16,248	24,368	-	40,616
Memberships - organizations	35,593	3,733	-	39,326
Operational expenses	208,618	20,344	-	228,962
Outside services	2,839,433	130,030	-	2,969,463
Payroll expense	6,246,906	1,318,100	-	7,565,006
Printing	118,253	25	-	118,278
Publications and subscriptions	143,872	2,469	-	146,341
Registration fees	14,180	1,739	-	15,919
Sponsorships	57,699	-	-	57,699
Staff costs - development dept.	749,363	-	685,481	1,434,844
Staff development	7,268	16,332	-	23,600
Technology/data management	542,489	83,202	-	625,691
Travel and entertainment	578,978	51,255	50,239	680,472
	<u>13,633,238</u>	<u>1,685,763</u>	<u>1,360,649</u>	<u>16,679,650</u>
Total expenses				
Increase (decrease) in net assets	<u>\$ (12,965,584)</u>	<u>\$ (1,336,400)</u>	<u>\$ 17,464,837</u>	<u>\$ 3,162,853</u>

(See Notes to Combined Financial Statements)

**Compassion & Choices
and Compassion & Choices Action Network**

Combined Statement of Revenue and Functional Expenses
Year Ended June 30, 2019
(See Independent Auditor's Report)

	<u>Direct Lobbying</u>	<u>Grassroots Lobbying</u>	<u>Policy & Litigation</u>	<u>Public Education</u>
Revenue and other support:				
Contributions	\$ -	\$ -	\$ 1,424,246	\$ 28,650
Investment income, net of expenses	-	-	-	566
Realized and unrealized gain on investments	-	-	-	-
Loss on sale of property and equipment	-	-	(1,633)	(9,478)
Other income	-	-	-	1,620
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenue and other support	-	-	1,422,613	21,358
	<hr/>	<hr/>	<hr/>	<hr/>
Expenses:				
Advertising	33,224	301	500	123,249
Bank and merchant fees	-	-	-	40,547
Conference/booth fees	1,515	329	2,070	-
Depreciation and amortization	-	-	501	2,909
Development costs	-	-	-	703,974
Donations	-	-	1,895	200
Facilities	-	-	29,809	46,663
Graphics	700	-	42	28,040
Insurance	-	-	7,558	31,312
Interest and taxes	-	-	17	133
Magazine	-	-	-	76,943
Meetings	-	-	1,235	13,866
Memberships - organizations	-	-	2,586	13,725
Operational expenses	3,181	4,514	13,496	83,760
Outside services	325,911	19,325	1,454,486	308,697
Payroll expense	95,782	99,625	412,172	1,850,720
Printing	2,196	985	-	109,205
Publications and subscriptions	-	-	51,653	31,780
Registration fees	-	-	-	26,957
Sponsorships	-	-	10,000	-
Staff costs - development dept.	-	-	-	625,448
Staff development	-	-	1,145	786
Technology/data management	-	-	29,700	357,388
Travel and entertainment	41,488	24,591	50,598	133,224
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenses	503,997	149,670	2,069,463	4,609,526
	<hr/>	<hr/>	<hr/>	<hr/>
Increase (decrease) in net assets	<u>\$ (503,997)</u>	<u>\$ (149,670)</u>	<u>\$ (646,850)</u>	<u>\$ (4,588,168)</u>

(continued)
(See Notes to Combined Financial Statements)

**Compassion & Choices
and Compassion & Choices Action Network**

Combined Statement of Revenue and Functional Expenses (continued)
Year Ended June 30, 2019
(See Independent Auditor's Report)

	<u>Advocacy</u>	<u>Integrated Programs</u>	<u>Total Programs</u>
Revenue and other support:			
Contributions	\$ 1,000	\$ 990	\$ 1,454,886
Investment income, net of expenses	-	-	566
Realized and unrealized gain on investments	-	-	-
Loss on sale of property and equipment	(6,577)	(3,126)	(20,814)
Other income	34,413	-	36,033
	<u>28,836</u>	<u>(2,136)</u>	<u>1,470,671</u>
Total revenue and other support			
Expenses:			
Advertising	104,760	19,990	282,024
Bank and merchant fees	-	-	40,547
Conference/booth fees	36,640	101,131	141,685
Depreciation and amortization	2,018	959	6,387
Development costs	90	-	704,064
Donations	200	9,200	11,495
Facilities	26,991	20,923	124,386
Graphics	6,137	9,159	44,078
Insurance	21,728	34,034	94,632
Interest and taxes	1,765	563	2,478
Magazine	28	-	76,971
Meetings	8,763	7,348	31,212
Memberships - organizations	1,399	3,766	21,476
Operational expenses	102,933	27,731	235,615
Outside services	858,296	235,155	3,201,870
Payroll expense	1,981,768	773,980	5,214,047
Printing	11,927	2,232	126,545
Publications and subscriptions	2,706	2,109	88,248
Registration fees	4,113	550	31,620
Sponsorships	2,531	6,750	19,281
Staff costs - development dept.	-	-	625,448
Staff development	675	4,408	7,014
Technology/data management	121,928	55,853	564,869
Travel and entertainment	142,290	109,487	501,678
	<u>3,439,686</u>	<u>1,425,328</u>	<u>12,197,670</u>
Total expenses			
Increase (decrease) in net assets	<u>\$ (3,410,850)</u>	<u>\$ (1,427,464)</u>	<u>\$ (10,726,999)</u>

(continued)
(See Notes to Combined Financial Statements)

**Compassion & Choices
and Compassion & Choices Action Network**

Combined Statement of Revenue and Functional Expenses (continued)
Year Ended June 30, 2019
(See Independent Auditor's Report)

	Total Programs	General and administrative	Fundraising	Total
Revenue and other support:				
Contributions	\$ 1,454,886	\$ 6,600	\$ 12,862,616	\$ 14,324,102
Investment income, net of expenses	566	273,614	-	274,180
Realized and unrealized gain on investments	-	338,249	-	338,249
Loss on sale of property and equipment	(20,814)	(5,928)	-	(26,742)
Other income	36,033	15,981	471,421	523,435
	<u>1,470,671</u>	<u>628,516</u>	<u>13,334,037</u>	<u>15,433,223</u>
Total revenue and other support				
Expenses:				
Advertising	282,024	1,867	-	283,891
Bank and merchant fees	40,547	-	-	40,547
Conference/booth fees	141,685	3,698	-	145,383
Depreciation and amortization	6,387	1,227	-	7,614
Development costs	704,064	38	501,589	1,205,691
Donations	11,495	40	-	11,535
Facilities	124,386	15,942	19,957	160,285
Graphics	44,078	150	-	44,228
Insurance	94,632	12,557	-	107,189
Interest and taxes	2,478	347	-	2,825
Magazine	76,971	-	-	76,971
Meetings	31,212	39,598	-	70,810
Memberships - organizations	21,476	341	-	21,817
Operational expenses	235,615	26,841	-	262,456
Outside services	3,201,870	126,689	-	3,328,559
Payroll expense	5,214,047	1,270,064	-	6,484,111
Printing	126,545	3,018	-	129,563
Publications and subscriptions	88,248	5,831	-	94,079
Registration fees	31,620	142	-	31,762
Sponsorships	19,281	-	-	19,281
Staff costs - development dept.	625,448	-	625,448	1,250,896
Staff development	7,014	3,937	-	10,951
Technology/data management	564,869	68,833	-	633,702
Travel and entertainment	501,678	55,246	57,946	614,870
	<u>12,197,670</u>	<u>1,636,406</u>	<u>1,204,940</u>	<u>15,039,016</u>
Total expenses				
Increase (decrease) in net assets	<u>\$ (10,726,999)</u>	<u>\$ (1,007,890)</u>	<u>\$ 12,129,097</u>	<u>\$ 394,207</u>

(See Notes to Combined Financial Statements)

**Compassion & Choices
and Compassion & Choices Action Network**

Combined Statements of Cash Flows
Years Ended June 30, 2020 and 2019
(See Independent Auditor's Report)

	2020	2019
Cash flows from operating activities:		
Cash received from contributions and donations	\$ 19,299,104	\$ 16,428,302
Cash paid to employees and vendors	(16,547,828)	(15,019,309)
Interest received	369,903	274,180
Net cash provided by operating activities	3,121,179	1,683,173
Cash flows from investing activities:		
Proceeds from sale of investments	9,534,287	4,469,411
Proceeds from sale of property, equipment and improvements	2,050	219
Purchases of investments	(12,569,935)	(6,639,187)
Receipt of deposit	-	11,758
Net cash used by investing activities	(3,033,598)	(2,157,799)
Cash flows from financing activities:		
Paycheck Protection Program Funds:		
Proceeds	1,449,400	-
Repayments	(1,449,400)	-
Gift annuities:		
Proceeds	65,616	33,006
Repayments	(61,457)	(60,706)
Net cash provided (used) by financing activities	4,159	(27,700)
Net increase (decrease) in cash and cash equivalents	91,740	(502,326)
Cash and cash equivalents, beginning	938,539	1,440,865
Cash and cash equivalents, ending	\$ 1,030,279	\$ 938,539
Noncash investing activities:		
Investment, partnership interest	238,841	-
Contributed investment, partnership interest	(238,841)	-
Total noncash investing activities	\$ -	\$ -

(continued)
(See Notes to Combined Financial Statements)

**Compassion & Choices
and Compassion & Choices Action Network**

Combined Statements of Cash Flows (continued)
Years Ended June 30, 2020 and 2019
(See Independent Auditor's Report)

	2020	2019
Cash flows from operating activities:		
Change in net assets	\$ 3,162,853	\$ 394,207
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation and amortization	7,253	7,614
Decrease in allowance for doubtful accounts	-	(7,500)
Unrealized (gain) loss on investments	26,060	(338,248)
(Gain) loss on sale of property and equipment	(2,050)	26,742
Contributed investment, partnership interest	(238,841)	-
(Increase) decrease in:		
Unconditional promises to give	47,360	1,591,500
Prepaid expenses and other	(116,516)	(3,407)
Beneficial interest in charitable remainder trusts	(5,908)	(2,499)
Other current assets	(117)	(735)
Increase (decrease) in:		
Accounts payable	80,701	(46,166)
Accrued expenses	160,384	61,665
	\$ 3,121,179	\$ 1,683,173

(See Notes to Combined Financial Statements)

**Compassion & Choices
and Compassion & Choices Action Network**

Notes to Combined Financial Statements
Years Ended June 30, 2020 and 2019
(See Independent Auditor's Report)

1. Nature of Operations and Summary of Significant Accounting Policies

Nature of operations

Compassion & Choices, which has been granted not-for-profit status under Internal Revenue Code Section 501(c)(3), works to advance patients' rights through laws that allow mentally competent, terminally ill adults the legal choice of physician aid-in-dying. Compassion & Choices seeks to achieve this goal by advocating patients' rights, educating the public about the issues surrounding physician aid-in-dying, and empowering patients so they can make informed choices.

Compassion & Choices Action Network is a not-for-profit organization with a 501(c)(4) status under the Internal Revenue Code Section, whose mission is to advance education on end-of-life choices through promoting memberships and periodicals. Compassion & Choices Action Network's mission is also to engage in programs to advance legislation which will permit terminally ill individuals of sound mind to receive physician aid-in-dying. Compassion & Choices Action Network has independently governed chapters which are located throughout the United States.

The two Organizations are considered to be under common control as defined by accounting principles generally accepted in the United States ("U.S. GAAP") based on financial control and/or joint operating agreements. As such, the financial operations of the two Organizations are presented as combined financial statements for the years ended June 30, 2020 and 2019.

Funding is received through donations from individuals, businesses and organizations.

Basis of presentation

The combined financial statements are prepared using the accrual method of accounting under U.S. GAAP whereby income is reported as earned and expenses reported as incurred.

The combined financial statements have been prepared in accordance with U.S. GAAP, which requires the Organizations to report information regarding its combined financial position and activities according to the following net asset classifications:

- Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organizations in accordance with the limitations of the charter and bylaws. These net assets may be used at the discretion of the Organizations' management and the Board of Directors. Decreases in net assets without donor restrictions generally result from expenses incurred for program and supporting services conducted by the Organizations.

**Compassion & Choices
and Compassion & Choices Action Network**

Notes to Combined Financial Statements
Years Ended June 30, 2020 and 2019
(See Independent Auditor's Report)

1. Nature of Operations and Summary of Significant Accounting Policies (continued)

Basis of presentation (continued)

- Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organizations or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. The Organizations have no funds held in perpetuity as of June 30, 2020 and 2019.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the combined statements of activities and changes in net assets.

Use of estimates in the preparation of combined financial statements

The preparation of combined financial statements in the conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of combined assets and liabilities and disclosure of contingent assets and liabilities at the date of the combined financial statements and the reported amounts of combined revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and cash equivalents

The Organizations consider all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. The Organizations maintain cash in bank deposit accounts at various financial institutions in which the deposits are guaranteed by the Federal Deposit Insurance Corporation ("FDIC").

The operating accounts of the Organizations are held at institutions that provide insurance up to \$250,000 per FDIC-insured depository institution. Under Financial Accounting Standards Board Accounting Standards Codification ("FASB ASC") Topic 825, *Financial Instruments*, identifies such accounts as a concentration of credit risk requiring disclosure regardless of the degree of risk. Risk related to deposits held outside of institutions participating in the above program is managed by maintaining deposits with high quality financial institutions. As of June 30, 2020 and 2019, the cash accounts maintained exceeded federally insured limits by approximately \$268,700 and \$471,900, respectively. The Organizations have not experienced any losses in these accounts and do not believe they are exposed to any significant credit risk on cash and cash equivalents.

**Compassion & Choices
and Compassion & Choices Action Network**

Notes to Combined Financial Statements
Years Ended June 30, 2020 and 2019
(See Independent Auditor's Report)

1. Nature of Operations and Summary of Significant Accounting Policies (continued)

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are stated at their fair values in the combined statements of financial position. Realized and unrealized gains and losses are included in the combined statements of activities and changes in net assets. Donated investments are reflected as contributions at their market values at date of receipt.

Property, equipment and improvements

Property, equipment and improvements are recorded at acquisition cost with donated property and equipment recorded at estimated fair market value. When items are disposed, the cost and related depreciation and amortization are removed from the accounts, with gains or losses on disposal recorded. Depreciation and amortization is computed by the straight-line method over the estimated useful lives of the assets ranging from three to thirty-nine years, and the shorter of the estimated useful life or the related lease term for leasehold improvements. Maintenance and repairs are included as expenses when incurred.

Total depreciation and amortization expense was approximately \$7,300 and \$7,600 for the years ended June 30, 2020 and 2019, respectively.

Intangible assets

The Organizations account for intangible assets using Subtopic 350-30 of the FASB ASC *Intangibles – Goodwill and Other*. Effective January 1, 2014, the Organizations have adopted the guidance of FASB Accounting Standards Update 2014-02 “Intangibles – Goodwill and Other”. Prior to the adoption of this guidance, intangible assets with infinite lives were not amortized, but rather tested for impairment annually or more frequently if circumstances indicate that impairment may exist. Intangible assets with finite useful lives were amortized either on a straight-line basis over the asset's estimated useful life or on a basis that reflects the pattern in which the economic benefits of the intangible assets are realized. Upon adoption of the above guidance from FASB ASU 2014-02, intangible assets identified as goodwill are amortized on a straight-line basis over ten years or less based on the appropriate useful life. Goodwill is tested for impairment if circumstances change that indicate the fair value of the acquired entity may be below its carrying value. Intangible assets specifically identified with finite useful lives are accounted for as before.

As of June 30, 2020 and 2019, intangible assets are comprised of domain names purchased during 2014 and prior years at a total cost of \$20,000. They are being amortized on a straight-line basis over fifteen years and reflect accumulated amortization of \$10,486 and \$9,236 as of June 30, 2020 and 2019, respectively.

**Compassion & Choices
and Compassion & Choices Action Network**

Notes to Combined Financial Statements
Years Ended June 30, 2020 and 2019
(See Independent Auditor's Report)

1. Nature of Operations and Summary of Significant Accounting Policies (continued)

Intangible assets (continued)

Future annual amortization amounts to be recognized for the intangible assets based on the applicable useful lives are as follows for years ended after June 30, 2020:

Year Ended June 30,	Amount
2021	\$ 1,097
2022	1,000
2023	1,000
2024	1,000
2025	1,000
Thereafter	<u>4,417</u>
	<u>\$ 9,514</u>

Donations

The Organizations report gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support.

Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organizations report expirations of donor restrictions when the donated or acquired long-lived assets are placed in service. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the combined statements of activities and changes in net assets as net assets released from restrictions.

All donations are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the combined statements of activities and changes in net assets as net assets released from restrictions.

**Compassion & Choices
and Compassion & Choices Action Network**

Notes to Combined Financial Statements
Years Ended June 30, 2020 and 2019
(See Independent Auditor's Report)

1. Nature of Operations and Summary of Significant Accounting Policies (continued)

Contributions

Contributions are recorded when made, which may be when cash is received or unconditionally promised, or when ownership of donated assets is transferred to the Organizations. Contributions received are recorded as net assets with donor restrictions or without donor restrictions depending on the existence or nature of any donor restrictions. Donated assets are recorded as contributions at their estimated fair value on the date of donation. All contributions are considered available for unrestricted use unless specifically restricted by the donor.

Promises to give

Unconditional promises to give are recognized as revenues in the period received and as assets, decreases of liabilities or expenses depending on the form of the benefits received. Promises to give are recorded at net realizable value if expected to be collected in one year and at fair value if expected to be collected in more than one year. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

The Organizations use the allowance method to record uncollectible accounts. The allowance is based on past experience and on specific analysis of the collectability of individual account balances. Management determined there was no allowance for uncollectible accounts as of June 30, 2020 and 2019, respectively.

Advertising costs

Advertising costs are charged to operations when incurred.

Income taxes

No provision for taxes on earnings has been made in the combined financial statements as Compassion & Choices has qualified as a not-for-profit organization under Section 501(c)(3) of the Internal Revenue Code. Compassion & Choices Action Network qualifies as a not-for-profit organization under Section 501(c)(4) of the Internal Revenue Code. Both entities are only subject to taxes on unrelated business income; however, neither entity had any unrelated business income during the years ended June 30, 2020 and 2019.

**Compassion & Choices
and Compassion & Choices Action Network**

Notes to Combined Financial Statements
Years Ended June 30, 2020 and 2019
(See Independent Auditor's Report)

1. Nature of Operations and Summary of Significant Accounting Policies (continued)

Functional allocation of expenses

The costs of providing various programs and supporting services have been summarized on a functional basis in the combined statements of activities and changes in net assets. Accordingly, certain costs have been allocated among program and supporting services benefitted. The combined statements of functional expenses provide a detail of the natural classifications of those functional expenses and are determined by management on an equitable and rational basis. The combined financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and benefits, outside services, development costs, travel and entertainment, technology/data management, and other expenses that are allocated on the basis of use and time for the expenses, as well as personnel costs that are allocated on the basis of estimates of time and effort.

Fair value measurements

The Organizations record its investments at fair value. Fair value represents the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Organizations utilize valuation techniques to maximize the use of observable inputs and minimize the use of unobservable inputs. Inputs are broadly defined as assumptions market participants would use in pricing an asset or liability. Assets and liabilities recorded at fair value are categorized within the fair value hierarchy based on the level of judgment associated with the inputs used to measure their value. The hierarchy for measuring fair value prioritizes the inputs to valuation techniques used to measure fair value and gives the highest priority to unadjusted quoted prices for securities traded in active markets (level 1) and the lowest priority to unobservable inputs (level 3). The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The three levels of the fair value hierarchy are as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organizations have the ability to access.

Level 2 – Inputs to the valuation methodology include a) quoted prices for similar assets or liabilities in active markets; b) quoted prices for identical or similar assets or liabilities in inactive markets; c) inputs other than quoted prices that are observable for the asset or liability; and d) inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

**Compassion & Choices
and Compassion & Choices Action Network**

Notes to Combined Financial Statements
Years Ended June 30, 2020 and 2019
(See Independent Auditor's Report)

1. Nature of Operations and Summary of Significant Accounting Policies (continued)

Fair value measurements (continued)

As required by FASB ASC Topic 820, the Organizations' managed investments were classified as follows, based on the lowest level of input that is significant to the fair value measurement on a recurring basis as of June 30, 2020:

Description	Level 1	Level 2	Level 3	Totals
Cash and money market funds	\$ 4,729,839	\$ -	\$ -	\$ 4,729,839
Marketable securities:				
Fixed income investments	4,992,326	-	-	4,992,326
Equities	2,189,259			2,189,259
Mutual funds:				
Equity funds	2,731,190	-	-	2,731,190
Bond funds	2,631,872	-	-	2,631,872
Exchange-traded funds	1,352,501	-	-	1,352,501
 Total marketable securities	 13,897,148	 -	 -	 13,897,148
	<u>\$ 18,626,987</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,626,987</u>

As required by FASB ASC Topic 820, the Organizations' managed investments were classified as follows, based on the lowest level of input that is significant to the fair value measurement on a recurring basis as of June 30, 2019:

Description	Level 1	Level 2	Level 3	Totals
Cash and money market funds	\$ 4,913,072	\$ -	\$ -	\$ 4,913,072
Marketable securities:				
Fixed income investments	5,919,197	-	-	5,919,197
Equities:				
Mutual funds	3,667,240	-	-	3,667,240
Alternative investments	1,117,890	-	-	1,117,890
 Total marketable securities	 10,704,327	 -	 -	 10,704,327
	<u>\$ 15,617,399</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,617,399</u>

Valuation techniques used to measure assets at fair value include closing prices reported on the active markets in which securities held by the Organizations are traded. There were no changes to the valuation techniques utilized during the year.

**Compassion & Choices
and Compassion & Choices Action Network**

Notes to Combined Financial Statements
Years Ended June 30, 2020 and 2019
(See Independent Auditor's Report)

1. Nature of Operations and Summary of Significant Accounting Policies (continued)

Change in accounting principle

In June 2018, FASB issued ASU 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The amendments in this update will assist entities in evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) or as exchange (reciprocal) transactions and determining whether a transaction is conditional. The Organizations adopted this guidance as of July 1, 2019, with no effect on its recognition of contributions received.

New accounting pronouncement

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*. When this standard is adopted, the primary accounting change will require lessees to recognize right of use assets and lease obligations for most operating leases, as well as finance leases. This new standard based on a proposed extension, is effective for financial statements issued for annual periods beginning after December 15, 2020. The Organization is evaluating what impact this new standard will have on its combined financial statements.

Subsequent Events

Subsequent events have been evaluated by management as of the date of these combined financial statements. This date represents the date the combined financial statements were available to be issued.

**Compassion & Choices
and Compassion & Choices Action Network**

Notes to Combined Financial Statements
Years Ended June 30, 2020 and 2019
(See Independent Auditor's Report)

2. Availability and Liquidity

The following represents the Organizations' combined financial assets at June 30, 2020 and 2019:

	2020	2019
Combined financial assets at year end:		
Cash and cash equivalents	\$ 1,030,279	\$ 938,539
Unconditional promises to give	348,640	361,000
Investments:		
Cash and money market funds	4,729,839	4,913,072
Marketable securities	13,897,148	10,704,327
Beneficial interest in charitable remainder trusts	81,980	76,072
Other current assets	852	735
Total combined financial assets	20,088,738	16,993,745
Less donor restricted amounts	346,213	70,000
Combined financial assets available to meet general expenditures over the next twelve months	\$ 19,742,525	\$ 16,923,745

The Organizations' goal is generally to maintain combined financial assets to meet six months of operating expenses (or approximately \$6,000,000). As part of its liquidity plan, excess cash is invested in short-term investments, including cash and money market accounts.

3. Conditional Grant Awards

During the year ended June 30, 2020, the Organizations received a refundable advance of \$1,449,400. This amount resulted from the issuance of a Paycheck Protection Program award as a result of legislation passed to assist businesses in navigation the Coronavirus pandemic. Subsequent to the receipt of funds, the Organizations decided to return the funds in full, including principal and accrued interest. As of June 30, 2020, there was no balance outstanding.

4. In-Kind Contributions

Certain professional fees for legal, consulting and valuation services to program activities were provided without charge to the Organizations and are treated as, and included in, "Contributions". The services were valued by their providers as of the dates of which the services were performed. A corresponding amount is included in the appropriate category of "Program expenses". On these bases, approximately \$617,700 and \$1,427,000 is included in each of the accounts mentioned during the years ended June 30, 2020 and 2019, respectively.

**Compassion & Choices
and Compassion & Choices Action Network**

Notes to Combined Financial Statements
Years Ended June 30, 2020 and 2019
(See Independent Auditor's Report)

5. Promises to Give

Unconditional promises to give

Unconditional promises to give for years ending after June 30, 2020 and 2019 are reflected as either current or non-current assets based on the terms of the commitment by the individual donors.

The following is a summary of unconditional promises to give at June 30, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Amounts due in:		
Less than one year	\$ 348,640	\$ 361,000
One to five years	<u>35,000</u>	<u>70,000</u>
Net promises to give	<u>\$ 383,640</u>	<u>\$ 431,000</u>

6. Other Asset - Investment, Partnership Interest

In October 2019, the Organizations received a contribution consisting of a limited partnership interest in four partnerships as a beneficiary of an estate. The partnerships are valued on a monthly basis based on the underlying investments determined by the investment advisor using the financial information applicable to the identified assets using Net Asset Value per Share. In accordance with ASU No. 2015-07 and FASB Codification Subtopic 820-10, certain investments that are measured at fair value using the NAV practical expedient are not classified in the fair value hierarchy and, as such, are excluded from the fair value hierarchy disclosures in Note 1. As described in Note 1, donated assets are recorded as contributions at their estimated fair value on the date of donation. The fair value of the investment was approximately \$238,000 as of June 30, 2020.

7. Retirement Plan

The Organizations sponsor a 401(k) profit sharing plan (the "Plan") covering substantially all employees who meet specified service requirements as defined in the plan document. The Plan allows for employee contributions up to the maximum allowable by the Internal Revenue Code. Contributions by employees are matched 100% by the Organizations up to 5% of gross eligible salary and totaled approximately \$225,200 and \$193,200 for the years ended June 30, 2020 and 2019, respectively.

**Compassion & Choices
and Compassion & Choices Action Network**

Notes to Combined Financial Statements
Years Ended June 30, 2020 and 2019
(See Independent Auditor's Report)

8. Commitments

The Organizations lease office space under operating leases expiring at various dates between December 2023 and October 2025. Monthly payments range from \$7,500 up to \$13,900 in the final year of certain leases.

The following is a summary of the minimum annual commitments under the terms of the leases for years ending after June 30, 2020:

Year Ended June 30	Portland Office	Washington D.C. Office	Total
2021	\$ 95,046	\$ 150,609	\$ 245,655
2022	97,897	154,374	252,271
2023	100,834	158,234	259,068
2024	51,676	162,190	213,866
2025	-	55,415	55,415
	<u>\$ 345,453</u>	<u>\$ 680,822</u>	<u>\$ 1,026,275</u>

Rent expense for the years ended June 30, 2020 and 2019 was approximately \$249,000 and \$160,000, respectively.

9. Income Taxes

FASB ASC Topic 740, *Income Taxes*, clarifies the accounting for uncertainty in income tax positions and defines the threshold for recognizing the tax benefits of tax return filing positions in the financial statements as “more likely than not” to be sustained upon examination, based on the technical merits of the positions. A tax position that meets the more-likely-than-not recognition threshold is initially and subsequently measured as the largest amount of tax benefit that has a greater than 50 percent likelihood of being realized. Tax positions which previously would have failed to meet the more-likely-than-not recognition threshold should be recognized in the first subsequent financial reporting period in which the threshold is met. Conversely, previously recognized tax positions which no longer meet the more-likely-than-not recognition threshold should be derecognized in the first subsequent financial reporting period in which the threshold is no longer met.

As the Organizations are qualified as a nonprofit under the Internal Revenue Code, any income tax position would be primarily related to unrelated business activities outside the core mission of the Organizations. Based on prior examinations of contractual arrangements of the Organization and correspondence received from the Internal Revenue Service, management believes there to be no potential income tax positions that would result in related tax liability for the Organization. Management will continue to evaluate any future contractual arrangements with respect to potential income tax positions under this guidance.

**Compassion & Choices
and Compassion & Choices Action Network**

Notes to Combined Financial Statements
Years Ended June 30, 2020 and 2019
(See Independent Auditor's Report)

10. Split Interest Agreements

The Organizations administer the following gift annuities. A gift annuity provides for the payment of distributions to the grantor or other designated beneficiaries over the annuity's term (usually the designated beneficiary's lifetime). At the end of the annuity's term the remaining assets are available for the Organizations' use. The portion of the annuity attributable to the present value of the future benefits to be received by the Organizations is recorded in the combined statement of activities and changes in net assets as an unrestricted contribution in the period the annuity is established. Such contributions totaled \$43,816 and \$40,895 for the years ended June 30, 2020 and 2019, respectively. Assets held in the annuity reserve fund totaled \$710,520 at June 30, 2020 and are reported at fair market value and included in Investments in the Organizations' combined statement of financial position.

	Fiscal Year of Gift	Description of Asset Donated	FMV of Asset	Value of Gift	Amount of Liability	Gift Donor Life Expectancy (years)	Nominal/Discount Rate	Required Quarterly Payment	Annuity Rate	Balance as of Gift Annuity Payments Due June 30, 2020	Annuity Reserve Fund June 30, 2020
Annuity 5	June 30, 2001	Cash	\$ 10,000	\$ 3,749	\$ 6,251	18.3	9.42%	\$ 180	7.20%	\$ -	\$ 3,518
Annuity 14	June 30, 2001	Cash	\$ 10,000	\$ 4,163	\$ 5,837	11.1	9.32%	\$ 212	8.50%	\$ -	\$ 2,748
Annuity 20	June 30, 2002	Cash	\$ 10,000	\$ 4,105	\$ 5,895	13.1	8.80%	\$ 193	7.70%	\$ -	\$ 2,892
Annuity 24	June 30, 2003	Cash	\$ 50,000	\$ 13,091	\$ 36,909	18.9	5.51%	\$ 788	6.30%	\$ 5,221	\$ 20,725
Annuity 26	June 30, 2003	Stock	\$ 25,544	\$ 4,941	\$ 20,603	21.4	4.93%	\$ 390	6.10%	\$ 6,254	\$ 9,343
Annuity 27	June 30, 2004	Cash	\$ 10,000	\$ 4,642	\$ 5,358	7.8	7.91%	\$ 228	9.10%	\$ -	\$ 2,476
Annuity 32	June 30, 2004	Cash	\$ 45,671	\$ 9,250	\$ 36,422	27.6	5.47%	\$ 639	5.60%	\$ 21,730	\$ 25,819
Annuity 38	June 30, 2005	Cash	\$ 10,000	\$ 4,606	\$ 5,394	15.9	6.73%	\$ 250	10.00%	\$ 6,846	\$ 8,561
Annuity 39	June 30, 2005	Cash	\$ 20,000	\$ 9,717	\$ 10,283	9.9	8.62%	\$ 390	7.80%	\$ -	\$ 5,844
Annuity 42	June 30, 2006	Cash	\$ 5,000	\$ 2,097	\$ 2,903	14.9	1.94%	\$ 81	6.50%	\$ -	\$ 1,416
Annuity 45	June 30, 2007	Cash	\$ 8,000	\$ 4,667	\$ 3,333	4.9	12.23%	\$ 226	11.30%	\$ -	\$ 1,817
Annuity 46	June 30, 2008	Cash	\$ 20,000	\$ 10,366	\$ 9,634	8.8	9.85%	\$ 414	8.30%	\$ -	\$ 6,170
Annuity 47	June 30, 2008	Cash	\$ 7,717	\$ 3,308	\$ 4,409	17.5	8.44%	\$ 122	6.30%	\$ 1,805	\$ 3,618
Annuity 49	June 30, 2008	Cash	\$ 5,000	\$ 2,293	\$ 2,707	9.4	7.02%	\$ 100	8.00%	\$ -	\$ 1,696
Annuity 50	June 30, 2009	Cash	\$ 10,000	\$ 5,613	\$ 4,387	6.1	7.86%	\$ 238	9.50%	\$ -	\$ 2,784
Annuity 52	June 30, 2010	Cash	\$ 5,000	\$ 2,623	\$ 2,377	7.8	6.81%	\$ 100	8.00%	\$ -	\$ 1,464
Annuity 53	June 30, 2010	Cash	\$ 40,000	\$ 11,412	\$ 28,588	22.4	4.53%	\$ 510	5.10%	\$ 18,505	\$ 18,653
Annuity 54	June 30, 2010	Cash	\$ 100,000	\$ 51,354	\$ 48,646	8.8	5.97%	\$ 1,825	7.30%	\$ -	\$ 30,415
Annuity 55	June 30, 2010	Cash	\$ 25,000	\$ 12,839	\$ 12,161	8.8	6.43%	\$ 456	7.30%	\$ -	\$ 7,604
Annuity 56	June 30, 2011	Cash	\$ 30,000	\$ 8,154	\$ 21,846	22.4	4.78%	\$ 398	5.30%	\$ 14,898	\$ 15,334
Annuity 57	June 30, 2011	Cash	\$ 10,000	\$ 4,195	\$ 5,805	13.8	5.62%	\$ 153	6.10%	\$ 2,050	\$ 4,190
Annuity 59	June 30, 2012	Cash	\$ 30,000	\$ 8,316	\$ 21,684	21.5	4.13%	\$ 383	5.10%	\$ 14,881	\$ 15,028
Annuity 62	June 30, 2012	Cash	\$ 10,000	\$ 3,909	\$ 6,091	11.1	3.86%	\$ 170	6.80%	\$ 1,613	\$ 4,276
Annuity 64	June 30, 2013	Cash	\$ 20,000	\$ 7,456	\$ 12,544	14	1.93%	\$ 270	5.40%	\$ 5,101	\$ 9,823
Annuity 65	June 30, 2013	Cash	\$ 10,000	\$ 5,618	\$ 4,452	6.4	4.15%	\$ 201	8.00%	\$ -	\$ 3,386
Annuity 66	June 30, 2013	Cash	\$ 10,071	\$ 4,413	\$ 5,587	10.5	3.56%	\$ 160	6.40%	\$ 1,813	\$ 4,176
Subtotal			\$ 537,003	\$ 206,897	\$ 330,106			\$ 9,077		\$ 100,716	\$ 213,778

**Compassion & Choices
and Compassion & Choices Action Network**

Notes to Combined Financial Statements
Years Ended June 30, 2020 and 2019
(See Independent Auditor's Report)

10. Split Interest Agreements (continued)

	Fiscal Year of Gift	Description of Asset Donated	FMV of Asset	Value of Gift	Amount of Liability	Gift Donor Life Expectancy (years)	Nominal/Discount Rate	Required Quarterly Payment	Annuity Rate	Balance as of Gift Annuity Payments Due June 30, 2020	Annuity Reserve Fund June 30, 2020
Subtotal			\$ 537,003	\$ 206,897	\$ 330,106			\$ 9,077		\$ 100,716	\$ 213,778
Annuity 67	June 30, 2013	Cash	\$ 10,000	\$ 4,102	\$ 5,898	12.4	3.16%	\$ 145	5.80%	\$ 2,549	\$ 4,203
Annuity 70	June 30, 2013	Cash	\$ 10,000	\$ 5,579	\$ 4,421	6.4	4.76%	\$ 200	8.00%	\$ -	\$ 6,785
Annuity 71	June 30, 2013	Cash	\$ 20,000	\$ 10,613	\$ 9,387	7.3	4.35%	\$ 380	7.60%	\$ -	\$ 7,188
Annuity 72	June 30, 2013	Cash	\$ 10,000	\$ 1,931	\$ 8,069	25.8	2.35%	\$ 105	4.30%	\$ 6,289	\$ 5,516
Annuity 73	June 30, 2013	Cash	\$ 10,000	\$ 5,419	\$ 4,581	6.8	3.19%	\$ 195	7.80%	\$ -	\$ 3,492
Annuity 74	June 30, 2014	Cash	\$ 20,000	\$ 12,326	\$ 7,674	4.9	6.30%	\$ 450	9.00%	\$ -	\$ 6,162
Annuity 75	June 30, 2014	Cash	\$ 20,000	\$ 10,212	\$ 9,788	7.8	3.87%	\$ 370	7.40%	\$ 1,089	\$ 7,825
Annuity 76	June 30, 2014	Cash	\$ 10,000	\$ 2,538	\$ 7,462	24.9	2.98%	\$ 108	4.30%	\$ 5,911	\$ 5,648
Annuity 77	June 30, 2014	Cash	\$ 200,000	\$ 90,878	\$ 109,122	11.4	4.49%	\$ 3,050	6.10%	\$ 54,362	\$ 88,679
Annuity 78	June 30, 2014	Cash	\$ 5,000	\$ 2,086	\$ 2,914	15.2	4.46%	\$ 69	5.50%	\$ 2,120	\$ 2,516
Annuity 80	June 30, 2014	Cash	\$ 10,000	\$ 4,912	\$ 5,088	9.9	5.05%	\$ 165	6.60%	\$ 1,967	\$ 4,361
Annuity 82	June 30, 2014	Cash	\$ 40,000	\$ 17,920	\$ 22,080	11.4	4.25%	\$ 610	6.10%	\$ 10,939	\$ 17,034
Annuity 83	June 30, 2014	Cash	\$ 10,000	\$ 5,136	\$ 4,864	8.8	5.04%	\$ 175	7.00%	\$ 1,448	\$ 3,831
Annuity 86	June 30, 2015	Cash	\$ 10,000	\$ 4,574	\$ 5,426	11.8	4.37%	\$ 150	6.00%	\$ 3,036	\$ 4,507
Annuity 87	June 30, 2015	Cash	\$ 10,000	\$ 5,911	\$ 4,089	6	6.10%	\$ 205	8.20%	\$ 202	\$ 3,604
Annuity 88	June 30, 2015	Cash	\$ 10,555	\$ 6,394	\$ 4,161	5.6	4.89%	\$ 222	8.40%	\$ -	\$ 3,694
Annuity 89	June 30, 2015	Cash	\$ 10,000	\$ 5,102	\$ 4,898	11.8	4.95%	\$ 89	7.10%	\$ 6,096	\$ 6,387
Annuity 90	June 30, 2015	Cash	\$ 17,143	\$ 8,717	\$ 8,426	8.8	4.74%	\$ 300	7.00%	\$ 3,337	\$ 6,110
Annuity 91	June 30, 2015	Cash	\$ 10,000	\$ 4,908	\$ 5,092	9.4	5.11%	\$ 170	6.80%	\$ 2,446	\$ 4,382
Annuity 92	June 30, 2015	Cash	\$ 10,000	\$ 4,965	\$ 5,035	9.4	5.30%	\$ 170	6.80%	\$ 2,436	\$ 4,951
Annuity 93	June 30, 2015	Cash	\$ 30,000	\$ 15,083	\$ 14,917	7.5	4.69%	\$ 593	7.90%	\$ 5,033	\$ 10,565
Annuity 94	June 30, 2015	Cash	\$ 25,000	\$ 11,719	\$ 13,281	9.8	3.68%	\$ 413	6.60%	\$ 6,786	\$ 12,365
Annuity 95	June 30, 2015	Cash	\$ 25,000	\$ 11,719	\$ 13,281	9.8	3.83%	\$ 413	6.60%	\$ 6,762	\$ 11,540
Annuity 96	June 30, 2015	Cash	\$ 10,000	\$ 6,693	\$ 3,307	4.3	4.78%	\$ 225	9.00%	\$ -	\$ 3,024
Annuity 97	June 30, 2015	Stock	\$ 10,805	\$ 6,513	\$ 4,292	5.6	5.58%	\$ 227	8.40%	\$ 444	\$ 4,046
Annuity 98	June 30, 2015	Cash	\$ 5,000	\$ 2,655	\$ 2,345	7.7	4.43%	\$ 93	7.40%	\$ 701	\$ 1,869
Annuity 99	June 30, 2016	Cash	\$ 100,000	\$ 56,216	\$ 43,784	6.8	4.92%	\$ 1,950	7.80%	\$ 14,772	\$ 34,013
Annuity 100	June 30, 2016	Cash	\$ 10,000	\$ 4,633	\$ 5,367	10.1	3.93%	\$ 163	6.50%	\$ 3,201	\$ 3,976
Annuity 101	June 30, 2017	Cash	\$ 40,000	\$ 18,412	\$ 21,588	9.9	3.93%	\$ 660	6.60%	\$ 14,050	\$ 20,613
Annuity 102	June 30, 2017	Cash	\$ 10,000	\$ 5,112	\$ 4,888	8.3	4.46%	\$ 180	7.20%	\$ 2,774	\$ 5,226
Annuity 103	June 30, 2017	Cash	\$ 100,000	\$ 54,610	\$ 45,390	6.8	3.81%	\$ 1,950	7.80%	\$ 20,273	\$ 44,933
Annuity 104	June 30, 2017	Cash	\$ 10,000	\$ 3,052	\$ 1,948	5.2	6.30%	\$ 109	8.70%	\$ 618	\$ 1,939
Annuity 105	June 30, 2017	Cash	\$ 5,000	\$ 3,108	\$ 1,892	4.9	5.67%	\$ 113	8.70%	\$ 539	\$ 2,001
Subtotal			\$ 1,370,506	\$ 620,645	\$ 744,861			\$ 23,494		\$ 280,894	\$ 566,763

**Compassion & Choices
and Compassion & Choices Action Network**

Notes to Combined Financial Statements
Years Ended June 30, 2020 and 2019
(See Independent Auditor's Report)

10. Split Interest Agreements (continued)

	Fiscal Year of Gift	Description of Asset Donated	FMV of Asset	Value of Gift	Amount of Liability	Gift Donor Life Expectancy (years)	Nominal/Discount Rate	Required Quarterly Payment	Annuity Rate	Balance as of Gift Annuity Payments Due June 30, 2020	Annuity Reserve Fund June 30, 2020
Subtotal			\$ 1,370,506	\$ 620,645	\$ 744,861			\$ 23,494		\$ 280,894	\$ 566,763
Annuity 106	June 30, 2017	Cash	\$ 10,000	\$ 2,927	\$ 7,073	19.7	2.86%	\$ 118	4.70%	\$ 6,091	\$ 6,511
Annuity 107	June 30, 2017	Cash	\$ 10,000	\$ 6,543	\$ 3,457	4.6	6.68%	\$ 225	9.00%	\$ 1,071	\$ 3,772
Annuity 108	June 30, 2018	Cash	\$ 10,000	\$ 3,363	\$ 6,637	19.9	3.64%	\$ 118	4.70%	\$ 6,000	\$ 7,106
Annuity 109	June 30, 2018	Stock	\$ 10,329	\$ 6,735	\$ 3,594	4.6	5.73%	\$ 232	9.00%	\$ 1,538	\$ 4,172
Annuity 110	June 30, 2018	Cash	\$ 10,000	\$ 6,295	\$ 3,705	4.9	6.56%	\$ 225	9.00%	\$ 1,868	\$ 4,321
Annuity 111	June 30, 2019	Cash	\$ 10,000	\$ 5,439	\$ 4,561	7.3	6.72%	\$ 203	8.10%	\$ 3,559	\$ 5,960
Annuity 112	June 30, 2019	Cash	\$ 10,000	\$ 7,404	\$ 2,596	3.3	10.86%	\$ 238	9.50%	\$ 1,299	\$ 3,210
Annuity 113	June 30, 2019	Cash	\$ 26,000	\$ 12,700	\$ 13,300	9.9	6.69%	\$ 462	7.10%	\$ 11,632	\$ 16,894
Annuity 114	June 30, 2019	Cash	\$ 10,000	\$ 5,479	\$ 4,521	7.3	7.17%	\$ 203	8.10%	\$ 3,789	\$ 5,897
Annuity 115	June 30, 2019	Cash	\$ 20,000	\$ 9,873	\$ 10,127	9.4	6.51%	\$ 365	7.30%	\$ 9,047	\$ 13,147
Annuity 116	June 30, 2020	Cash	\$ 10,000	\$ 4,826	\$ 5,174	8.3	5.09%	\$ 193	7.70%	\$ 4,907	\$ 6,012
Annuity 117	June 30, 2020	Cash	\$ 5,000	\$ 1,729	\$ 3,271	15.2	3.89%	\$ 71	5.70%	\$ 3,188	\$ 3,568
Annuity 118	June 30, 2020	Cash	\$ 10,000	\$ 2,655	\$ 7,345	19.9	3.44%	\$ 128	5.10%	\$ 7,226	\$ 7,558
Annuity 119	June 30, 2020	Cash	\$ 10,000	\$ 4,657	\$ 5,343	11.1	4.57%	\$ 155	6.20%	\$ 5,244	\$ 6,209
Annuity 120	June 30, 2020	Cash	\$ 20,000	\$ 5,842	\$ 14,158	19.1	2.63%	\$ 255	5.10%	\$ 14,158	\$ 14,132
Annuity 121	June 30, 2020	Cash	\$ 10,000	\$ 5,243	\$ 4,757	27.2	3.08%	\$ 203	8.10%	\$ 4,757	\$ 5,897
Annuity 122	June 30, 2020	Cash	\$ 25,000	\$ 11,698	\$ 13,302	9.4	4.17%	\$ 463	7.40%	\$ 13,302	\$ 15,289
Annuity 123	June 30, 2020	Cash	\$ 20,000	\$ 7,166	\$ 12,834	15.2	2.94%	\$ 290	5.80%	\$ 12,834	\$ 14,101
Totals			\$ 1,606,835	\$ 731,218	\$ 870,617			\$ 27,639		\$ 392,403	\$ 710,520

11. Net Assets with Donor Restrictions

Net assets with donor restrictions as of June 30, 2020 and 2019 reflect donations restricted by donors and consist of the following:

	2020	2019
Unconditional promises to give that are due in more than one year:		
- Time restriction only	\$ 205,000	\$ 70,000
- Time and purpose restriction:		
Our Care, Our Choice Act in Hawaii	91,213	-
Realizing Dignity at Life's End for People in Illinois	50,000	-
	<u>\$ 346,213</u>	<u>\$ 70,000</u>

**Compassion & Choices
and Compassion & Choices Action Network**

Notes to Combined Financial Statements
Years Ended June 30, 2020 and 2019
(See Independent Auditor's Report)

12. Contingencies

From time to time, the Organizations are a party to various disputes, claims and legal actions which are incidental to its mission. Provisions for costs and losses relating to these matters are made as management deems them appropriate. As of June 30, 2020, management has determined that there are no matters for which any provision is required.

13. Reclassification

Certain reclassifications have been made to the 2019 amounts to conform with the 2020 presentation.

14. Business Conditions

On March 11, 2020, the World Health Organization declared the outbreak of a respiratory disease caused by a new coronavirus as a "pandemic". First identified in late 2019 and known now as COVID-19, the outbreak has impacted thousands of individuals worldwide and the full outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the Organizations' condition, liquidity, and future results of operations. As of the date of issuance of the combined financial statements, the Organizations' financial operations have not been significantly negatively impacted, however, the Organizations continue to monitor the situation. No impairments were recorded as of the combined statement of financial position date as no triggering events or changes in circumstances had occurred as of year-end; however, due to significant uncertainty surrounding the situation, management's judgment regarding this could change in the future. In addition, while the Organizations' results of combined operations, cash flows and financial condition could be negatively impacted, the extent of the impact cannot be reasonably estimated at this time.

**Compassion & Choices
and Compassion & Choices Action Network**

Combining Statements of Financial Position

June 30, 2020

(See Independent Auditor's Report)

	Assets		
	Compassion & Choices	Compassion & Choices Action Network	Combined
Current assets:			
Cash and cash equivalents	\$ 616,136	\$ 414,143	\$ 1,030,279
Unconditional promises to give	348,640	-	348,640
Investments:			
Cash and money market funds	3,819,554	910,285	4,729,839
Marketable securities	8,848,030	5,049,118	13,897,148
Prepaid expenses and other	313,902	-	313,902
Beneficial interest in charitable remainder trusts	81,980	-	81,980
Other current assets	852	-	852
	14,029,094	6,373,546	20,402,640
Property, equipment and improvements:			
Furniture, fixtures and equipment	356,540	-	356,540
Leasehold improvements	11,695	-	11,695
	368,235	-	368,235
Accumulated depreciation and amortization	356,076	-	356,076
	12,159	-	12,159
Net property, equipment and improvements	12,159	-	12,159
Other assets:			
Unconditional promises to give, net of current portion	35,000	-	35,000
Intangible assets	9,514	-	9,514
Investment, partnership interest	238,841	-	238,841
Deposits	20,039	-	20,039
Due (to) from related entity	(118,451)	118,451	-
	184,943	118,451	303,394
Total other assets	184,943	118,451	303,394
Total assets	\$ 14,226,196	\$ 6,491,997	\$ 20,718,193

**Compassion & Choices
and Compassion & Choices Action Network**

Combining Statements of Financial Position

June 30, 2020

(See Independent Auditor's Report)

	Liabilities and Net Assets		
	Compassion & Choices	Compassion & Choices Action Network	Combined
Current liabilities:			
Accounts payable	\$ 338,918	\$ 693	\$ 339,611
Accrued expenses	783,316	-	783,316
Total current liabilities	1,122,234	693	1,122,927
Long-term liabilities:			
Gift annuity payments due	392,403	-	392,403
Total liabilities	1,514,637	693	1,515,330
Net assets:			
Without donor restrictions:			
Operating	12,353,187	6,491,304	18,844,491
Net investment in property, equipment and improvements	12,159	-	12,159
Total without donor restrictions	12,365,346	6,491,304	18,856,650
With donor restrictions	346,213	-	346,213
Total net assets	12,711,559	6,491,304	19,202,863
Total liabilities and net assets	\$ 14,226,196	\$ 6,491,997	\$ 20,718,193

**Compassion & Choices
and Compassion & Choices Action Network**

Combining Statements of Activities
Year Ended June 30, 2020
(See Independent Auditor's Report)

	<u>Compassion & Choices</u>	<u>Compassion & Choices Action Network</u>	<u>Combined</u>
Revenue and other support:			
Contributions	\$ 19,378,965	\$ 68,532	\$ 19,447,497
Investment income, net of expenses	224,589	145,314	369,903
Realized and unrealized gain (loss) on investments	14,767	(40,827)	(26,060)
Gain on sale of property and equipment	2,050	-	2,050
Other Income	49,113	-	49,113
	<u>19,669,484</u>	<u>173,019</u>	<u>19,842,503</u>
Expenses:			
Programs	13,590,418	42,820	13,633,238
General and administrative	1,651,567	34,196	1,685,763
Fundraising	1,360,649	-	1,360,649
	<u>16,602,634</u>	<u>77,016</u>	<u>16,679,650</u>
Increase in net assets	3,066,850	96,003	3,162,853
Net assets, beginning	<u>9,644,709</u>	<u>6,395,301</u>	<u>16,040,010</u>
Net assets, ending	<u>\$ 12,711,559</u>	<u>\$ 6,491,304</u>	<u>\$ 19,202,863</u>

**Compassion & Choices
and Compassion & Choices Action Network**

Compassion & Choices
Combining Statements of Revenue and Functional Expenses
Year Ended June 30, 2020
(See Independent Auditor's Report)

	Total for Compassion & Choices	Total for Compassion & Choices Action Network	Combined Total
	<u> </u>	<u> </u>	<u> </u>
Revenue and other support:			
Contributions	\$ 19,378,965	\$ 68,532	\$ 19,447,497
Investment income, net of expenses	224,589	145,314	369,903
Realized and unrealized gain (loss) on investments	14,767	(40,827)	(26,060)
Gain on sale of property and equipment	2,050	-	2,050
Other income	49,113	-	49,113
	<u>19,669,484</u>	<u>173,019</u>	<u>19,842,503</u>
 Total revenue and other support			
	<u>19,669,484</u>	<u>173,019</u>	<u>19,842,503</u>
 Expenses:			
Advertising	453,295	-	453,295
Bank and merchant fees	63,257	1,792	65,049
Conference/booth fees	132,248	-	132,248
Depreciation and amortization	7,240	13	7,253
Development costs	1,431,950	13,295	1,445,245
Donations	5,578	-	5,578
Facilities	245,479	3,628	249,107
Graphics	144,518	-	144,518
Insurance	117,635	169	117,804
Interest and taxes	437	176	613
Magazine	112,723	-	112,723
Meetings	40,616	-	40,616
Memberships - organizations	39,324	2	39,326
Operational expenses	228,776	186	228,962
Outside services	2,957,775	11,688	2,969,463
Payroll expense	7,526,185	38,821	7,565,006
Printing	116,918	1,360	118,278
Publications and subscriptions	146,316	25	146,341
Registration fees	13,671	2,248	15,919
Sponsorships	57,699	-	57,699
Staff costs - development dept.	1,434,844	-	1,434,844
Staff development	23,600	-	23,600
Technology/data management	624,473	1,218	625,691
Travel and entertainment	678,077	2,395	680,472
	<u>16,602,634</u>	<u>77,016</u>	<u>16,679,650</u>
 Total expenses			
	<u>16,602,634</u>	<u>77,016</u>	<u>16,679,650</u>
 Increase in net assets	<u>\$ 3,066,850</u>	<u>\$ 96,003</u>	<u>\$ 3,162,853</u>

**Compassion & Choices
and Compassion & Choices Action Network**

Compassion & Choices
Statement of Revenue and Functional Expenses
Year Ended June 30, 2020
(See Independent Auditor's Report)

	<u>Direct Lobbying</u>	<u>Grassroots Lobbying</u>	<u>Policy & Litigation</u>	<u>Public Education</u>
Revenue and other support:				
Contributions	\$ -	\$ -	\$ 617,670	\$ -
Investment income, net of expenses	-	-	-	-
Realized and unrealized gain (loss) on investments	-	-	-	-
Gain on sale of property and equipment	-	-	-	-
Other income	-	-	-	49,113
	<u>-</u>	<u>-</u>	<u>-</u>	<u>49,113</u>
Total revenue and other support	<u>-</u>	<u>-</u>	<u>617,670</u>	<u>49,113</u>
Expenses:				
Advertising	-	-	-	281,361
Bank and merchant fees	-	-	-	62,802
Conference/booth fees	2,048	550	-	533
Depreciation and amortization	-	-	491	2,477
Development costs	-	-	-	828,847
Donations	-	-	5,000	50
Facilities	-	-	40,079	91,762
Graphics	-	-	-	7,610
Insurance	-	-	9,096	31,055
Interest and taxes	-	-	-	-
Magazine	-	-	-	112,675
Meetings	-	-	1,195	4,069
Memberships - organizations	-	-	1,904	5,180
Operational expenses	1,672	494	8,374	72,625
Outside services	378,691	31,826	627,554	414,669
Payroll expense	83,646	147,533	652,420	1,799,299
Printing	5,556	1,312	10	84,888
Publications and subscriptions	-	-	85,275	51,878
Registration fees	-	-	500	6,355
Sponsorships	-	-	11,000	-
Staff costs - development dept.	-	-	-	749,363
Staff development	-	-	5,692	99
Technology/data management	-	-	28,519	338,855
Travel and entertainment	15,236	5,264	40,897	132,965
	<u>486,849</u>	<u>186,979</u>	<u>1,518,006</u>	<u>5,079,417</u>
Total expenses	<u>486,849</u>	<u>186,979</u>	<u>1,518,006</u>	<u>5,079,417</u>
Increase (decrease) in net assets	<u>\$ (486,849)</u>	<u>\$ (186,979)</u>	<u>\$ (900,336)</u>	<u>\$ (5,030,304)</u>

(continued)

**Compassion & Choices
and Compassion & Choices Action Network**

Compassion & Choices
Statement of Revenue and Functional Expenses (continued)
Year Ended June 30, 2020
(See Independent Auditor's Report)

	<u>Advocacy</u>	<u>Constituency</u>	<u>Integrated Programs</u>	<u>Total Programs</u>
Revenue and other support:				
Contributions	\$ -	\$ -	\$ 871	\$ 618,541
Investment income, net of expenses	-	-	-	-
Realized and unrealized gain (loss) on investments	-	-	-	-
Gain on sale of property and equipment	-	-	-	-
Other income	-	-	-	49,113
	<u>-</u>	<u>-</u>	<u>-</u>	<u>49,113</u>
 Total revenue and other support	 <u>-</u>	 <u>-</u>	 <u>871</u>	 <u>667,654</u>
Expenses:				
Advertising	116,693	49,960	3,517	451,531
Bank and merchant fees	-	355	-	63,157
Conference/booth fees	15,241	100,724	12,912	132,008
Depreciation and amortization	1,847	494	732	6,041
Development costs	-	20,134	-	848,981
Donations	528	-	-	5,578
Facilities	48,189	313	9,899	190,242
Graphics	14,546	74,164	47,698	144,018
Insurance	23,165	6,193	33,096	102,605
Interest and taxes	-	-	-	-
Magazine	48	-	-	112,723
Meetings	8,659	1,554	771	16,248
Memberships - organizations	1,285	26,388	835	35,592
Operational expenses	99,194	14,467	11,685	208,511
Outside services	1,079,283	174,776	123,295	2,830,094
Payroll expense	2,038,587	569,639	946,122	6,237,246
Printing	18,978	1,964	4,185	116,893
Publications and subscriptions	3,717	1,322	1,674	143,866
Registration fees	1,483	2,701	943	11,982
Sponsorships	31,943	11,173	3,583	57,699
Staff costs - development dept.	-	-	-	749,363
Staff development	98	199	1,180	7,268
Technology/data management	105,037	28,064	41,577	542,052
Travel and entertainment	180,178	129,266	72,914	576,720
	<u>3,788,699</u>	<u>1,213,850</u>	<u>1,316,618</u>	<u>13,590,418</u>
 Total expenses	 <u>3,788,699</u>	 <u>1,213,850</u>	 <u>1,316,618</u>	 <u>13,590,418</u>
 Increase (decrease) in net assets	 <u>\$ (3,788,699)</u>	 <u>\$ (1,213,850)</u>	 <u>\$ (1,315,747)</u>	 <u>\$ (12,922,764)</u>

(continued)

**Compassion & Choices
and Compassion & Choices Action Network**

Compassion & Choices
Statement of Revenue and Functional Expenses (continued)
Year Ended June 30, 2020
(See Independent Auditor's Report)

	Total Programs	General and administrative	Fundraising	Total for Compassion & Choices
Revenue and other support:				
Contributions	\$ 618,541	\$ 3,470	\$ 18,756,954	\$ 19,378,965
Investment income, net of expenses	-	224,589	-	224,589
Realized and unrealized gain (loss) on investments	-	14,767	-	14,767
Gain on sale of property and equipment	-	2,050	-	2,050
Other income	49,113	-	-	49,113
	<u>667,654</u>	<u>244,876</u>	<u>18,756,954</u>	<u>19,669,484</u>
Total revenue and other support				
Expenses:				
Advertising	451,531	1,764	-	453,295
Bank and merchant fees	63,157	100	-	63,257
Conference/booth fees	132,008	240	-	132,248
Depreciation and amortization	6,041	1,199	-	7,240
Development costs	848,981	-	582,969	1,431,950
Donations	5,578	-	-	5,578
Facilities	190,242	13,277	41,960	245,479
Graphics	144,018	500	-	144,518
Insurance	102,605	15,030	-	117,635
Interest and taxes	-	437	-	437
Magazine	112,723	-	-	112,723
Meetings	16,248	24,368	-	40,616
Memberships - organizations	35,592	3,732	-	39,324
Operational expenses	208,511	20,265	-	228,776
Outside services	2,830,094	127,681	-	2,957,775
Payroll expense	6,237,246	1,288,939	-	7,526,185
Printing	116,893	25	-	116,918
Publications and subscriptions	143,866	2,450	-	146,316
Registration fees	11,982	1,689	-	13,671
Sponsorships	57,699	-	-	57,699
Staff costs - development dept.	749,363	-	685,481	1,434,844
Staff development	7,268	16,332	-	23,600
Technology/data management	542,052	82,421	-	624,473
Travel and entertainment	576,720	51,118	50,239	678,077
	<u>13,590,418</u>	<u>1,651,567</u>	<u>1,360,649</u>	<u>16,602,634</u>
Total expenses				
Increase (decrease) in net assets	<u>\$ (12,922,764)</u>	<u>\$ (1,406,691)</u>	<u>\$ 17,396,305</u>	<u>\$ 3,066,850</u>

**Compassion & Choices
and Compassion & Choices Action Network**

Compassion & Choices Action Network
Statement of Revenue and Functional Expenses
Year Ended June 30, 2020
(See Independent Auditor's Report)

	<u>Direct Lobbying</u>	<u>Policy & Litigation</u>	<u>Advocacy</u>	<u>Public Education</u>	<u>Total Programs</u>
Revenue and other support:					
Contributions	\$ -	\$ -	\$ -	\$ -	\$ -
Investment income, net of expenses	-	-	-	-	-
Realized and unrealized loss on investments	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total revenue and other support	-	-	-	-	-
Expenses:					
Advertising	-	-	-	-	-
Bank and merchant fees	-	-	-	1,792	1,792
Conference/booth fees	-	-	-	-	-
Depreciation and amortization	-	-	7	-	7
Development costs	-	-	-	13,295	13,295
Donations	-	-	-	-	-
Facilities	-	-	-	2,233	2,233
Graphics	-	-	-	-	-
Insurance	-	-	97	-	97
Interest and taxes	-	-	-	30	30
Magazine	-	-	-	-	-
Meetings	-	-	-	-	-
Memberships - organizations	-	-	1	-	1
Operational expenses	-	-	107	-	107
Outside services	-	-	565	8,774	9,339
Payroll expense	9,551	-	109	-	9,660
Printing	-	-	-	1,360	1,360
Publications and subscriptions	-	-	6	-	6
Registration fees	-	-	-	2,198	2,198
Sponsorships	-	-	-	-	-
Staff costs - development dept.	-	-	-	-	-
Staff development	-	-	-	-	-
Technology/data management	-	-	437	-	437
Travel and entertainment	-	-	2,219	39	2,258
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total expenses	9,551	-	3,548	29,721	42,820
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Increase (decrease) in net assets	\$ (9,551)	\$ -	\$ (3,548)	\$ (29,721)	\$ (42,820)

(continued)

**Compassion & Choices
and Compassion & Choices Action Network**

Compassion & Choices Action Network
Statement of Revenue and Functional Expenses (continued)
Year Ended June 30, 2020
(See Independent Auditor's Report)

	<u>Total Programs</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Total for Compassion & Choices Action Network</u>
Revenue and other support:				
Contributions	\$ -	\$ -	\$ 68,532	\$ 68,532
Investment income, net of expenses	-	145,314	-	145,314
Realized and unrealized loss on investments	-	(40,827)	-	(40,827)
	<u>-</u>	<u>(40,827)</u>	<u>-</u>	<u>(40,827)</u>
Total revenue and other support	<u>-</u>	<u>104,487</u>	<u>68,532</u>	<u>173,019</u>
Expenses:				
Advertising	-	-	-	-
Bank and merchant fees	1,792	-	-	1,792
Conference/booth fees	-	-	-	-
Depreciation and amortization	7	6	-	13
Development costs	13,295	-	-	13,295
Donations	-	-	-	-
Facilities	2,233	1,395	-	3,628
Graphics	-	-	-	-
Insurance	97	72	-	169
Interest and taxes	30	146	-	176
Magazine	-	-	-	-
Meetings	-	-	-	-
Memberships - organizations	1	1	-	2
Operational expenses	107	79	-	186
Outside services	9,339	2,349	-	11,688
Payroll expense	9,660	29,161	-	38,821
Printing	1,360	-	-	1,360
Publications and subscriptions	6	19	-	25
Registration fees	2,198	50	-	2,248
Sponsorships	-	-	-	-
Staff costs - development dept.	-	-	-	-
Staff development	-	-	-	-
Technology/data management	437	781	-	1,218
Travel and entertainment	2,258	137	-	2,395
	<u>42,820</u>	<u>34,196</u>	<u>-</u>	<u>77,016</u>
Total expenses	<u>42,820</u>	<u>34,196</u>	<u>-</u>	<u>77,016</u>
Increase (decrease) in net assets	<u>\$ (42,820)</u>	<u>\$ 70,291</u>	<u>\$ 68,532</u>	<u>\$ 96,003</u>