

**Concord Coalition, Corp.**

**Financial Statements**

**Years Ended December 31, 2017 and 2016**

## TABLE OF CONTENTS

Independent Auditor's Report	1
FINANCIAL STATEMENTS	
Statements of Financial Position	2
Statements of Activities	3
Statements of Functional Expenses	4
Statements of Cash Flows	5
Notes to Financial Statements	6 – 8

# RICHARD A. PITTERLE

CERTIFIED PUBLIC ACCOUNTANT

601 TENNESSEE AVENUE

ALEXANDRIA, VA 22305

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
Concord Coalition, Corp.

I have audited the accompanying statements of financial position of Concord Coalition, Corp. (a nonprofit organization) as of December 31, 2017 and 2016, and the related statements of activities, functional expenses and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Concord Coalition, Corp. as of December 31, 2017 and 2016, and the results of its operations and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.



Richard A. Pitterle  
Certified Public Accountant

Alexandria, Virginia  
November 9, 2018

**CONCORD COALITION, CORP.**  
**STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2017 AND 2016**

**ASSETS**

	<u>2017</u>	<u>2016</u>
<b>CURRENT ASSETS</b>		
CASH AND CASH EQUIVALENTS	\$ 559,210	\$ 565,927
ACCOUNTS RECEIVABLE	-	-
PREPAID EXPENSES	30,548	26,464
	589,758	592,391
<b>TOTAL CURRENT ASSETS</b>		
<b>PROPERTY AND EQUIPMENT</b>		
FURNITURE AND EQUIPMENT	96,991	96,991
DISPLAY EQUIPMENT	24,215	24,215
	121,206	121,206
LESS ACCUMULATED DEPRECIATION	(121,206)	(121,206)
	-	-
<b>TOTAL PROPERTY AND EQUIPMENT</b>		
<b>OTHER ASSETS</b>		
DEPOSIT -- OFFICE RENTAL	7,050	27,340
	-	-
<b>TOTAL ASSETS</b>		
	\$ 596,808	\$ 619,731

**LIABILITIES AND NET ASSETS**

<b>CURRENT LIABILITIES</b>		
ACCOUNTS PAYABLE AND ACCRUED EXPENSES	\$ 30,069	\$ 41,552
<b>COMMITMENTS (NOTE 1)</b>		
<b>NET ASSETS</b>		
UNRESTRICTED	566,739	578,179
TEMPORARILY RESTRICTED	-	-
	566,739	578,179
<b>TOTAL NET ASSETS</b>		
	\$ 596,808	\$ 619,731

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

**CONCORD COALITION, CORP.**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

	<u>2017</u>	<u>2016</u>
<b>UNRESTRICTED NET ASSETS</b>		
SUPPORT		
GRANTS, CONTRIBUTIONS AND GIFTS	\$ 1,345,045	\$ 1,172,485
PUBLICATIONS AND EVENTS	50,577	286,125
INTEREST INCOME	1,354	1,126
	1,396,976	1,459,736
NET ASSETS RELEASED FROM RESTRICTIONS	-	-
	1,396,976	1,459,736
EXPENSES		
PROGRAM SERVICES	1,031,871	1,079,026
MANAGEMENT AND GENERAL	260,412	383,072
FUND RAISING	116,133	153,300
	1,408,416	1,615,398
<b>INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS</b>	<b>(11,440)</b>	<b>(155,662)</b>
<b>TEMPORARILY RESTRICTED NET ASSETS</b>		
SUPPORT FOR RESTRICTED ACTIVITIES	-	-
NET ASSETS RELEASED FROM RESTRICTIONS		
RESTRICTIONS SATISFIED BY PAYMENT	-	-
<b>INCREASE (DECREASE) IN TEMPORARILY RESTRICTED NET ASSETS</b>	<b>-</b>	<b>-</b>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<b>(11,440)</b>	<b>(155,662)</b>
<b>NET ASSETS AT BEGINNING OF YEAR</b>	<b>578,179</b>	<b>733,841</b>
<b>NET ASSETS AT END OF YEAR</b>	<b>\$ 566,739</b>	<b>\$ 578,179</b>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

**CONCORD COALITION, CORP.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

	<b>2017</b>				<b>2016</b>			
	PROGRAM SERVICES	MANAGEMENT & GENERAL	FUNDRAISING	TOTAL	PROGRAM SERVICES	MANAGEMENT & GENERAL	FUNDRAISING	TOTAL
SALARIES AND WAGES	\$ 662,056	\$ 75,598	\$ 87,433	\$ 825,087	\$ 669,463	\$ 114,850	\$ 49,187	\$ 833,500
OTHER EMPLOYEE BENEFITS	37,111	2,617	3,093	42,821	52,883	12,578	5,852	71,313
PAYROLL TAXES	48,461	5,434	6,322	60,217	48,964	8,216	3,285	60,465
GRANTS AND ALLOCATIONS	-	-	-	-	-	-	-	-
SUPPLIES	4,241	4,220	-	8,460	1,177	12,734	-	13,911
TELEPHONE	501	5,390	-	5,891	752	25,498	-	26,250
POSTAGE AND SHIPPING	-	2,413	4,076	6,489	-	2,371	4,689	7,060
RENT (OCCUPANCY)	-	80,623	-	80,623	-	115,609	-	115,609
EQUIPMENT RENTAL AND MAINTENANCE	-	6,135	-	6,135	-	7,473	-	7,473
PRINTING AND PUBLICATIONS	63,558	-	2,041	65,599	74,515	-	2,348	76,863
TRAVEL	23,303	5,679	6,396	35,378	21,277	16,868	5,094	43,239
PRESENTATIONS, CONFERENCES AND MEETINGS	49,722	7,234	-	56,956	16,494	27,467	-	43,961
CONSULTING AND PROFESSIONAL FEES	129,636	31,003	-	160,639	174,627	16,500	-	191,127
ADMINISTRATIVE	13,282	34,066	6,772	54,121	18,874	22,340	6,093	47,307
OTHER	-	-	-	-	-	568	147	715
FUNDRAISING EVENTS	-	-	-	-	-	-	76,605	76,605
	<b>\$1,031,871</b>	<b>\$ 260,412</b>	<b>\$ 116,133</b>	<b>\$1,408,416</b>	<b>\$1,079,026</b>	<b>\$ 383,072</b>	<b>\$ 153,300</b>	<b>\$1,615,398</b>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

**CONCORD COALITION, CORP.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

	<u>2017</u>	<u>2016</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
INCREASE (DECREASE) IN NET ASSETS	\$ (11,440)	\$ (155,662)
ADJUSTMENTS TO RECONCILE CHANGE IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
DEPRECIATION EXPENSES	-	-
CHANGE IN OPERATING ASSETS AND LIABILITIES		
ACCOUNTS RECEIVABLE	-	-
PREPAID EXPENSES	(4,084)	(14,163)
DEPOSITS	20,290	(7,050)
ACCOUNTS PAYABLE AND ACCRUED EXPENSES	(11,483)	10,693
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<u>(6,717)</u>	<u>(166,182)</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	(6,717)	(166,182)
<b>CASH, BEGINNING OF YEAR</b>	<u>565,927</u>	<u>732,109</u>
<b>CASH, END OF YEAR</b>	<u>\$ 559,210</u>	<u>\$ 565,927</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

**Concord Coalition, Corp.**  
**Notes to the Financial Statements**  
**December 31, 2017 and 2016**

**Summary of Significant Accounting Policies**

**Nature of Organization**

The Concord Coalition is a nationwide grassroots organization dedicated to educating the public about the causes and consequences of federal budget deficits and the challenges facing America's unsustainable entitlement programs. A bipartisan, public interest organization, The Concord Coalition works to eliminate federal budget deficits, and seeks generationally equitable reform for Medicare and Social Security, through fiscally responsible policies; thus building a sound economy for future generations.

**Basis of Accounting**

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

**Basis of Presentation**

The Organization reports its financial statements in accordance with Statement of Financial Accounting Standards (SFAS) No. 117, "*Financial Statements of Not-for-Profit Organizations*." Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

**Cash and Cash Equivalents**

For purposes of the Statement of Cash Flows, the Organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

**Donated Services**

Many people have contributed significant amounts of time to the activities of the Organization without compensation. The financial statements do not reflect the value of those contributed services because, although clearly substantial, they do not meet the criteria for recognition under SFAS No. 116.

**Expense Allocation**

The costs of providing various programs and other activities have been summarized on a functional basis in the Statements of Activities and Statements of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.



**Concord Coalition, Corp.**  
**Notes to the Financial Statements**  
**December 31, 2017 and 2016**

**Income Tax Status**

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2).

**Restricted and Unrestricted Revenue and Support**

Contributions are recorded in the year received as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

All donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a 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 reported in the Statement of Activities as net assets released from restrictions.

**Property and Equipment**

Property and equipment is stated at cost. Depreciation is computed by the straight-line method over the following useful lives:

Furniture and equipment	5 years
Display equipment ("The Debt Clock")	7 years

Maintenance and repairs of property and equipment are charged to operations and major improvements are capitalized. Upon retirement, sale or other disposition of property and equipment, the cost and accumulated depreciation are eliminated from the accounts and gain or loss is included in operations.

**Concord Coalition, Corp.**  
**Notes to Financial Statements**  
**December 31, 2017 and 2016**

**Note 1. Commitments**

The Organization currently leases approximately 1,792 square feet of office space on Wilson Boulevard in Arlington, Virginia. This lease commenced on August 15, 2016, and will terminate on September 30, 2019, a period of eighty-four months. The rent expense incurred in 2017 and 2016, was \$80,623 and \$115,609, respectively.

Future annual lease price escalations under this lease are as follows:

Initial monthly rental amount:	\$ 6,645.33
Annual escalation factor:	1.03
Future minimum lease commitments,	

Year ending Dec. 31, 2018:	82,958
Year ending Dec. 31, 2019:	56,400

**Note 2. Concentrations of Credit Risk**

The Organization maintains cash balances at several financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2017 and 2016, the Organization's uninsured cash balances totaled \$ 154,587 and \$ 229,217 respectively. In the opinion of management, these funds are held in stable financial institutions and therefore any uninsured portion does not represent a serious risk to the Organization.

**Note 3. Operating Leases**

The Organization leases office equipment under two operating leases expiring in 2019 and 2021. As of December 31, 2016 future minimum rental payments are:

Year ending December 31, 2018	4,832
Year ending December 31, 2019	3,512
Year ending December 31, 2020	3,072
Year ending December 31, 2021	1,536