

**THE FUND FOR A HEALTHIER COLORADO**

**FINANCIAL STATEMENTS**

**December 31, 2017 and 2016**

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## JOHN CUTLER & ASSOCIATES

Board of Directors  
The Fund for a Healthier Colorado  
Denver, Colorado

### Independent Auditors' Report

#### Report on the Financial Statements

We have audited the accompanying financial statements of The Fund for a Healthier Colorado, which comprise the statement of financial position as of December 31, 2017 and 2016, and the related statements of activities, and cash flows for the years 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 the 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 audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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 Fund for a Healthier Colorado as of December 31, 2017, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

*John Cutler & Associates, LLC*

April 11, 2018

THE FUND FOR A HEALTHIER COLORADO

STATEMENT OF FINANCIAL POSITION

December 31, 2017 and 2016

<b>ASSETS</b>	<u>2017</u>	<u>2016</u>
<b>Current Assets</b>		
Restricted Cash and Cash Equivalents	\$ 37,404	\$ 60,336
Accounts Receivable	<u>17,490</u>	<u>500</u>
 <b>TOTAL ASSETS</b>	 <u><u>\$ 54,894</u></u>	 <u><u>\$ 60,836</u></u>
 <b>LIABILITIES AND NET ASSETS</b>		
<b>Current Liabilities</b>		
Accounts Payable	\$ 93,870	\$ 50,279
Note Payable	<u>20,000</u>	<u>20,000</u>
 <b>TOTAL LIABILITIES</b>	 <u>113,870</u>	 <u>70,279</u>
 <b>NET ASSETS</b>		
Unrestricted	(89,509)	(9,443)
Temporarily Restricted	<u>30,533</u>	<u>-</u>
Total Net Assets	<u>(58,976)</u>	<u>(9,443)</u>
 <b>TOTAL LIABILITIES AND NET ASSETS</b>	 <u><u>\$ 54,894</u></u>	 <u><u>\$ 60,836</u></u>

The accompanying notes are an integral part of the financial statements.

THE FUND FOR A HEALTHIER COLORADO

STATEMENT OF ACTIVITIES

Year Ended December 31, 2017

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>REVENUES, GAINS AND OTHER SUPPORT</b>			
Public Support			
Grants and Contributions	\$ 116,919	\$ 46,900	\$ 163,819
Net Assets Released from Restriction	16,367	(16,367)	-
	<u>133,286</u>	<u>30,533</u>	<u>\$ 163,819</u>
<b>TOTAL REVENUES, GAINS AND OTHER SUPPORT</b>			
	<u>133,286</u>	<u>30,533</u>	<u>\$ 163,819</u>
<b>EXPENSES</b>			
Program Services			
Policy, Advocacy and Strategic Engagement	136,625	-	136,625
	<u>136,625</u>	<u>-</u>	<u>136,625</u>
Total Program Services	136,625	-	136,625
	<u>136,625</u>	<u>-</u>	<u>136,625</u>
<b>Supporting Services</b>			
Management and General	64,518	-	64,518
Fund Raising	12,209	-	12,209
	<u>76,727</u>	<u>-</u>	<u>76,727</u>
Total Supporting Services	76,727	-	76,727
	<u>76,727</u>	<u>-</u>	<u>76,727</u>
<b>TOTAL EXPENSES</b>	<u>213,352</u>	<u>-</u>	<u>213,352</u>
<b>CHANGE IN NET ASSETS</b>	(80,066)	30,533	(49,533)
<b>NET ASSETS, Beginning</b>	<u>(9,443)</u>	<u>-</u>	<u>(9,443)</u>
<b>NET ASSETS, Ending</b>	<u>\$ (89,509)</u>	<u>\$ 30,533</u>	<u>\$ (58,976)</u>

The accompanying notes are an integral part of the financial statements.

THE FUND FOR A HEALTHIER COLORADO

STATEMENT OF ACTIVITIES

Year Ended December 31, 2016

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>REVENUES, GAINS AND OTHER SUPPORT</b>			
Public Support			
Grants and Contributions	\$ 33,610	\$ -	\$ 33,610
Net Assets Released from Restriction	135,000	(135,000)	-
	<u>168,610</u>	<u>(135,000)</u>	<u>\$ 33,610</u>
<b>TOTAL REVENUES, GAINS AND OTHER SUPPORT</b>			
	<u>168,610</u>	<u>(135,000)</u>	<u>\$ 33,610</u>
<b>EXPENSES</b>			
Program Services			
Policy, Advocacy and Strategic Engagement	65,997	-	65,997
	<u>65,997</u>	<u>-</u>	<u>65,997</u>
Total Program Services	<u>65,997</u>	<u>-</u>	<u>65,997</u>
<b>Supporting Services</b>			
Management and General	46,844	-	46,844
Fund Raising	30,714	-	30,714
	<u>77,558</u>	<u>-</u>	<u>77,558</u>
Total Supporting Services	<u>77,558</u>	<u>-</u>	<u>77,558</u>
<b>TOTAL EXPENSES</b>	<u>143,555</u>	<u>-</u>	<u>143,555</u>
<b>CHANGE IN NET ASSETS</b>	25,055	(135,000)	(109,945)
<b>NET ASSETS, Beginning</b>	<u>(34,498)</u>	<u>135,000</u>	<u>100,502</u>
<b>NET ASSETS, Ending</b>	<u>\$ (9,443)</u>	<u>\$ -</u>	<u>\$ (9,443)</u>

The accompanying notes are an integral part of the financial statements.

THE FUND FOR A HEALTHIER COLORADO

STATEMENT OF CASH FLOWS  
Year Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ (49,533)	\$ (109,945)
Adjustments to Reconcile Changes in Net Assets to Net Cash Used by Operating Activities		
Changes in Assets and Liabilities		
Accounts Receivable	(16,990)	174,180
Accounts Payable	<u>43,591</u>	<u>(9,299)</u>
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>(22,932)</u>	<u>54,936</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	(22,932)	54,936
<b>CASH, Beginning</b>	<u>60,336</u>	<u>5,400</u>
<b>CASH, Ending</b>	<u>\$ 37,404</u>	<u>\$ 60,336</u>

The accompanying notes are an integral part of the financial statements.

# THE FUND FOR A HEALTHIER COLORADO

## NOTES TO THE FINANCIAL STATEMENTS

December 31, 2017

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization –The Fund for a Healthier Colorado is a non-profit, non-partisan 501(c)(3) organization that seeks to advance policy that improves the health of our state’s residents. We believe that every Coloradan should have a fair chance at living a healthy life. We engage Coloradans to create a path forward to this goal and educate our state’s decision makers about action needed to improve our health. The organization is affiliated with Healthier Colorado, a 501(c)(4) non-partisan, nonprofit organization.

Basis of Reporting –The Fund for a Healthier Colorado’s financial statements have been prepared using the accrual basis of accounting.

Financial Statement Presentation – The Fund for a Healthier Colorado reports its financial position and activities in three classes of net assets; unrestricted, temporarily restricted, and permanently restricted.

Concentration of Credit Risk – The Fund for a Healthier Colorado maintains several bank accounts at one institution. A portion of the Organization’s cash balances are insured by the Federal Deposit Insurance Corporation (FDIC), up to \$250,000. Although at times the balance in these accounts may exceed the federally insured limit, The Fund for a Healthier Colorado has never experienced any losses.

Cash and Cash Equivalents – For the financial statement purposes, The Fund for a Healthier Colorado considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Contributions – Contributions received as well as collectible unconditional promises to give are recognized in the period received. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support. Support that is restricted by the donor is reported as unrestricted net assets if the restriction expires in the reporting period in which the support is recognized.

Temporary restricted net assets are reclassified to unrestricted net assets when the donor restriction is satisfied. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

THE FUND FOR A HEALTHIER COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2017

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

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

Income Tax Status – The Fund for a Healthier Colorado is recognized as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. Accordingly, the accompanying financial statements contain no provision for income taxes.

Estimates – Preparation of The Fund for a Healthier Colorado's financial statements in conformity with generally accepted accounting principles requires the use of management's estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**NOTE 2: NOTE PAYABLE**

As of December 31, 2017, the Organization owed Healthier Colorado \$20,000. This entity is a related party.

**NOTE 3: TEMPORARILY RESTRICTED NET ASSETS**

Net assets of \$30,533 were unspent grant proceeds that are expected to be spend in 2018. These amounts were classified as temporarily restricted.

**NOTE 4: NET ASSETS RELEASED FROM RESTRICTIONS**

During the year ended December 31, 2017, temporarily restricted net assets of \$16,367 were released from restriction because of the satisfaction of the donor requirements. During the year ended December 31, 2016, temporarily restricted net assets of \$135,000 were released from restriction because of the satisfaction of the donor requirements.

**NOTE 5: SUBSEQUENT EVENTS**

Potential subsequent events were considered through April 11, 2018. It was determined that no events were required to be disclosed through this date.

THE FUND FOR A HEALTHIER COLORADO

NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2017

**NOTE 6:**     *FISCAL AGENCY FUNDS*

The Fund for a Healthier Colorado acts as a fiscal agent for the Chronic Care Collaborative organization. The organization places funds with the Fund for a Healthier Colorado and directs them to disburse funds from time to time on the organizations' behalf.