

**CHILDREN'S MEDICAL FUND OF NEW YORK
AND AFFILIATE**

**CONSOLIDATED FINANCIAL STATEMENTS
AND CONSOLIDATING SUPPLEMENTARY
INFORMATION**

YEARS ENDED DECEMBER 31, 2017 AND 2016

**CHILDREN'S MEDICAL FUND OF NEW YORK AND AFFILIATE
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Children's Medical Fund of New York

We have audited the accompanying consolidated financial statements of Children's Medical Fund of New York (collectively, referred to as the "Organization"), which comprise the consolidated statements of financial position as of December 31, 2017 and 2016, and the related consolidated statements of activities, functional expenses 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 consolidated 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 consolidated 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 consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of Children's Medical Fund of New York and Affiliate as of December 31, 2017 and 2016, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.



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Accountants and Advisors

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information contained on pages 22 - 25 is presented for purposes of additional analysis and is not a required part of the consolidated 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 consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.


CERTIFIED PUBLIC ACCOUNTANTS

New York, New York
September 14, 2018

CHILDREN'S MEDICAL FUND OF NEW YORK AND AFFILIATE
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
<u>ASSETS</u>		
Cash and cash equivalents	\$ 881,452	\$ 1,135,255
Pledges receivable, net	400,996	383,476
Events receivable	151,051	28,680
Investments	346,451	257,501
Prepaid expenses and other current assets	2,032	2,390
Property and equipment, less accumulated depreciation and amortization of \$78,699 and \$78,120 in 2017 and 2016, respectively	<u>1,229</u>	<u>1,808</u>
TOTAL ASSETS	<u>\$ 1,783,211</u>	<u>\$ 1,809,110</u>
<u>LIABILITIES AND NET DEFICIENCY</u>		
Liabilities:		
Accounts payable and accrued expenses	\$ 18,536	\$ 18,215
Grants payable	<u>2,451,558</u>	<u>2,833,545</u>
Total liabilities	<u>2,470,094</u>	<u>2,851,760</u>
Commitments (Note 7)		
Net assets (deficiency):		
Unrestricted	(2,905,545)	(3,408,755)
Temporarily restricted	1,868,662	2,016,105
Permanently restricted	<u>350,000</u>	<u>350,000</u>
Total net deficiency	<u>(686,883)</u>	<u>(1,042,650)</u>
TOTAL LIABILITIES AND NET DEFICIENCY	<u>\$ 1,783,211</u>	<u>\$ 1,809,110</u>

See accompanying notes to consolidated financial statements.

CHILDREN'S MEDICAL FUND OF NEW YORK AND AFFILIATE
CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Public support, contributions and other revenues:				
Public support:				
Special events revenue	\$ 684,287	\$ -	\$ -	\$ 684,287
Less: direct costs	<u>155,833</u>	<u>-</u>	<u>-</u>	<u>155,833</u>
Special events, net	<u>528,454</u>	<u>-</u>	<u>-</u>	<u>528,454</u>
Contributions:				
Contributions	9,687	-	-	9,687
CMF Central Board	<u>64,857</u>	<u>113,468</u>	<u>-</u>	<u>178,325</u>
Total contributions	<u>74,544</u>	<u>113,468</u>	<u>-</u>	<u>188,012</u>
Other revenues:				
In-kind donations - rent	48,000	-	-	48,000
Interest and dividends	3,920	2,696	-	6,616
Realized gain on sale of investments	4,710	-	-	4,710
Unrealized gain (loss) on investments	(4,986)	22,443	-	17,457
Other income	<u>2,910</u>	<u>-</u>	<u>-</u>	<u>2,910</u>
Other revenues, net	<u>54,554</u>	<u>25,139</u>	<u>-</u>	<u>79,693</u>
Net assets released from restrictions	<u>286,050</u>	<u>(286,050)</u>	<u>-</u>	<u>-</u>
Total public support, contributions and other revenues	<u>943,602</u>	<u>(147,443)</u>	<u>-</u>	<u>796,159</u>
Program and supporting services expenses:				
Program services	<u>304,111</u>	<u>-</u>	<u>-</u>	<u>304,111</u>
Supporting services:				
Management and general	68,056	-	-	68,056
Fundraising	<u>68,225</u>	<u>-</u>	<u>-</u>	<u>68,225</u>
Total supporting services	<u>136,281</u>	<u>-</u>	<u>-</u>	<u>136,281</u>
Total program and supporting services expenses	<u>440,392</u>	<u>-</u>	<u>-</u>	<u>440,392</u>
Change in net assets	503,210	(147,443)	-	355,767
Net assets (deficiency) - beginning	<u>(3,408,755)</u>	<u>2,016,105</u>	<u>350,000</u>	<u>(1,042,650)</u>
NET ASSETS (DEFICIENCY) - ENDING	<u><u>\$ (2,905,545)</u></u>	<u><u>\$ 1,868,662</u></u>	<u><u>\$ 350,000</u></u>	<u><u>\$ (686,883)</u></u>

See accompanying notes to consolidated financial statements.

**CHILDREN'S MEDICAL FUND OF NEW YORK AND AFFILIATE
CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2016**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Public support, contributions and other revenues:				
Public support:				
Special events revenue	\$ 620,256	\$ -	\$ -	\$ 620,256
Less: direct costs	<u>214,141</u>	<u>-</u>	<u>-</u>	<u>214,141</u>
Special events, net	<u>406,115</u>	<u>-</u>	<u>-</u>	<u>406,115</u>
Contributions:				
Contributions	4,486	-	100,000	104,486
CMF Central Board	<u>19,259</u>	<u>144,497</u>	<u>-</u>	<u>163,756</u>
Total contributions	<u>23,745</u>	<u>144,497</u>	<u>100,000</u>	<u>268,242</u>
Other revenues:				
In-kind donations - rent	42,000	-	-	42,000
Interest and dividends	6,805	1,431	-	8,236
Net realized gain on sale of investments	3,695	-	-	3,695
Net unrealized gain (loss) on investments	(4,061)	1,616	-	(2,445)
Recovery of prior grant	405,000	-	-	405,000
Other income	<u>1,408</u>	<u>-</u>	<u>-</u>	<u>1,408</u>
Other revenues, net	<u>454,847</u>	<u>3,047</u>	<u>-</u>	<u>457,894</u>
Net assets released from restrictions	<u>115,000</u>	<u>(115,000)</u>	<u>-</u>	<u>-</u>
Total public support, contributions and other revenues	<u>999,707</u>	<u>32,544</u>	<u>100,000</u>	<u>1,132,251</u>
Program and supporting services expenses:				
Program services	<u>284,452</u>	<u>-</u>	<u>-</u>	<u>284,452</u>
Supporting services:				
Management and general	61,501	-	-	61,501
Fundraising	<u>63,941</u>	<u>-</u>	<u>-</u>	<u>63,941</u>
Total supporting services	<u>125,442</u>	<u>-</u>	<u>-</u>	<u>125,442</u>
Total program and supporting services expenses	<u>409,894</u>	<u>-</u>	<u>-</u>	<u>409,894</u>
Change in net assets	589,813	32,544	100,000	722,357
Net assets (deficiency) - beginning	<u>(3,998,568)</u>	<u>1,983,561</u>	<u>250,000</u>	<u>(1,765,007)</u>
NET ASSETS (DEFICIENCY) - ENDING	<u>\$ (3,408,755)</u>	<u>\$ 2,016,105</u>	<u>\$ 350,000</u>	<u>\$ (1,042,650)</u>

See accompanying notes to consolidated financial statements.

**CHILDREN'S MEDICAL FUND OF NEW YORK AND AFFILIATE
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Program Services	Supporting Services			Total Expenses
		Management and General	Fundraising	Total Supporting Services	
Salaries and other payroll costs:					
Salaries	\$ 130,444	\$ 22,023	\$ 16,941	\$ 38,964	\$ 169,408
Payroll taxes and employee benefits	<u>25,364</u>	<u>5,534</u>	<u>3,433</u>	<u>8,967</u>	<u>34,331</u>
Total salaries and other payroll costs	155,808	27,557	20,374	47,931	203,739
Professional fees and contracted services					
Grants	1,387	18,087	372	18,459	19,846
Occupancy	<u>115,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>115,000</u>
Design, typography and printing	4,800	12,000	31,200	43,200	48,000
Telecommunications	380	951	2,473	3,424	3,804
Postage and shipping	145	363	942	1,305	1,450
Insurance	153	382	991	1,373	1,526
Internet and website	5,773	138	107	245	6,018
Other expenses	-	-	1,027	1,027	1,027
Depreciation and amortization	2,652	7,999	10,739	18,738	21,390
	<u>18,013</u>	<u>579</u>	<u>-</u>	<u>579</u>	<u>18,592</u>
TOTAL EXPENSES	<u>\$ 304,111</u>	<u>\$ 68,056</u>	<u>\$ 68,225</u>	<u>\$ 136,281</u>	<u>\$ 440,392</u>

See accompanying notes to consolidated financial statements.

CHILDREN'S MEDICAL FUND OF NEW YORK AND AFFILIATE
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2016

	Program Services	Supporting Services			Total Expenses
		Management and General	Fundraising	Total Supporting Services	
Salaries and other payroll costs:					
Salaries	\$ 120,705	\$ 20,954	\$ 15,300	\$ 36,254	\$ 156,959
Payroll taxes and employee benefits	23,997	5,443	3,271	8,714	32,711
Total salaries and other payroll costs	144,702	26,397	18,571	44,968	189,670
Professional fees and contracted services					
Grants	1,120	16,955	172	17,127	18,247
Occupancy	115,000	-	-	-	115,000
Design, typography and printing	4,200	10,500	27,300	37,800	42,000
Telecommunications	266	664	1,725	2,389	2,655
Postage and shipping	177	442	1,149	1,591	1,768
Insurance	416	1,039	2,702	3,741	4,157
Internet and website	7,825	530	410	940	8,765
Other expenses	-	-	2,281	2,281	2,281
Depreciation and amortization	10,746	4,395	9,631	14,026	24,772
	-	579	-	579	579
TOTAL EXPENSES	\$ 284,452	\$ 61,501	\$ 63,941	\$ 125,442	\$ 409,894

See accompanying notes to consolidated financial statements.

**CHILDREN'S MEDICAL FUND OF NEW YORK AND AFFILIATE
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

	<u>2017</u>	<u>2016</u>
Cash flows from operating activities:		
Change in net assets	\$ 355,767	\$ 722,357
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation and amortization	579	579
Amortization of interest on grants payable	18,013	-
Amortization of discount on pledges receivable	2,128	4,721
Net unrealized (gain) loss on investments	(17,457)	2,445
Net realized gain on sale of securities	(4,710)	(3,695)
Contribution of stock	(3,966)	(9,490)
Recovery of prior grants	-	(405,000)
Changes in operating assets and liabilities:		
Pledges receivable	(19,648)	(44,312)
Events receivable	(122,371)	(1,752)
Prepaid expenses	358	21,547
Accounts payable and accrued expenses	321	(13,054)
Grants payable	<u>(400,000)</u>	<u>(1,000,000)</u>
Net cash used in operating activities	<u>(190,986)</u>	<u>(725,654)</u>
Cash flows from investing activities:		
Net proceeds from sales of investments	12,183	7,363
Purchase of investments	<u>(75,000)</u>	<u>(250,000)</u>
Net cash used in investing activities	<u>(62,817)</u>	<u>(242,637)</u>
Net decrease in cash and cash equivalents	(253,803)	(968,291)
Cash and cash equivalents - beginning	<u>1,135,255</u>	<u>2,103,546</u>
CASH AND CASH EQUIVALENTS - ENDING	<u>\$ 881,452</u>	<u>\$ 1,135,255</u>

See accompanying notes to consolidated financial statements.

**CHILDREN'S MEDICAL FUND OF NEW YORK AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016**

NOTE 1. ORGANIZATION AND NATURE OF ACTIVITIES

Children's Medical Fund of New York ("CMFNY") was created for and is dedicated to the planning, education and public relations for the establishment and support of a health facility at the Northwell Health Hospital (the "Center"), which opened in 1983, and is especially devoted to the total care of children and the provision of comprehensive children's medical services. CMFNY is the sole funder of The Children's Medical Fund Center for Pediatric Diagnostic Studies and The Children's Medical Fund Center for Pediatric Diagnostic Imaging Center.

CMFNY is the only continuing supporter of the Child Life Program of Cohen's Children's Hospital (the "Child Life Program") at the Center. The Child Life Program gives patients and their families access to specialists in a multi-disciplinary health care program to help them learn about and cope with the stress of a hospital stay. The Child Life Program provides entertainment, books and videos, crafts, holiday parties, CMFNY scrapbooks and gifts to patients, and also provides therapeutic play, all funded in full or in part by CMFNY.

CMFNY is supported primarily through contributions received from fundraising activities held by various divisions and chapters of CMFNY. The contributions are received principally from individuals and organizations located in the Long Island and New York City areas. CMFNY consists of the following divisions: CMF Central Board, Men's Division and Women's Division. The Women's Division is comprised of the Garden City Chapter of CMFNY.

The Children's Medical Fund Child Life Endowment Corp. (the "Affiliate" or "CMFCLE") was incorporated and formed in 2015 under the not-for-profit corporation laws of the state of New York. The purpose of CMFCLE is to undertake fundraising on behalf of the Child Life Program of the Center for the purpose of building and maintaining an endowment fund for the Child Life Program to ensure its continuing existence.

CMFCLE received its initial funding of \$250,000 from CMFNY and will raise donations from the general public.

CMFNY and CMFCLE are collectively referred to as the "Organization."

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of the Organization, which are related through commonality of board of trustees and management, and the shared use of personnel and facilities. All significant intercompany accounts and transactions have been eliminated in consolidation.

CHILDREN'S MEDICAL FUND OF NEW YORK AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes (Continued)

The Organization recognizes and measures its unrecognized tax benefits in accordance with Financial Accounting Standards Board Accounting Standards Codification ("FASB ASC") 740, *Income Taxes*. Under that guidance, the Organization assesses the likelihood, based on their technical merit, that tax positions will be sustained upon examination based on the facts, circumstances and information available at the end of each period. The measurement of unrecognized tax benefits is adjusted when new information is available or when an event occurs that requires a change. Management has evaluated the Organization's tax positions and has concluded that the Organization has taken no uncertain tax positions that require adjustment to the consolidated financial statements.

Cash and Cash Equivalents

The Organization considers all highly liquid investments with an original maturity of three months or less to be cash equivalents, except any cash and cash equivalents held by the investment trustees, which are deemed to be held for long-term purposes.

Pledges Receivable and Allowance for Doubtful Accounts

Pledges receivable are recorded at net realizable value if expected to be collected in one year and, if material, multi-year receivables are recorded at the present value of their estimated future cash flows. Amortization of the discount is included in contribution revenue. The Organization estimates its doubtful accounts based on historical bad debts, factors related to specific donors' ability to pay and current economic trends. The Organization writes off pledges receivable against the allowance when a balance is determined to be uncollectible.

Events Receivables

Events receivables are stated at the amount management expects to collect from outstanding balances. Management evaluates such receivables and establishes an allowance for doubtful accounts based on a history of write-offs and collections and current credit conditions. As of December 31, 2017 and 2016, no allowances for doubtful accounts were deemed necessary.

Investments

Investments are reported at fair value. Fair value is 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. See Note 5 for a discussion of fair value measurements.

Investment transactions are recorded on a trade-date basis. Unrealized gains and losses represent the net change in the carrying value of securities owned as of the date of the consolidated statement of financial position. Realized gains and losses on investments are determined using the specific-identification method. Earnings from interest and dividends are recognized when earned.

CHILDREN'S MEDICAL FUND OF NEW YORK AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In-Kind Donations

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets, or (b) require specialized skills and are performed by people whose services would otherwise be purchased by the Organization.

The Organization received free use of office space from a company owned by the chairman of the board of trustees. The free rent is valued at \$48,000 and \$42,000 for 2017 and 2016, respectively, and has been recognized as in-kind donations rent in the accompanying consolidated statements of activities and occupancy expense in the accompanying consolidated statements of functional expenses.

Certain individuals volunteer their time and perform a variety of tasks that assist the Organization with its programs, campaign solicitations and various other assignments. The value of their contributed time is not reflected in the consolidated financial statements in as much as those services would not typically be purchased had they not been provided by donation.

Fair Value Measurements

FASB ASC 820, *Fair Value Measurement*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The fair value hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements), and the lowest priority to unobservable inputs (Level 3 measurements). Categorization within the valuation hierarchy is based on the lowest level of input that is significant to the fair value measurement. Fair value is defined as the exit price, or the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants as of the measurement date.

The three levels of fair value hierarchy under FASB ASC 820 are described as follows:

Level I: Inputs that reflect unadjusted quoted market prices in active markets for identical assets or liabilities that the Organization has the ability to access at the measurement date.

Level II: Inputs to the valuation methodology include: quoted prices for similar assets or liabilities in active markets; quoted prices for identical assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; and, 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 II input must be observable for substantially the full term of the asset or liability

Level III: Inputs that are unobservable for the asset or liability and that include situations where there is little, if any, market activity for the asset or liability.

CHILDREN'S MEDICAL FUND OF NEW YORK AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment

Property and equipment are recorded at cost, or at fair value, if donated. Assets with a useful life of greater than two years and a cost of \$2,500 or more are capitalized. Repairs and maintenance are expensed as incurred.

Leasehold improvements are amortized over the lesser of their useful lives or the term of the related lease. Depreciation and amortization are computed using the straight-line and various accelerated methods over the estimated useful lives of the assets, which are as follows:

Computers	5 years
Furniture and fixtures	7 years
Machinery and equipment	7 years
Leasehold improvements	5 years

Revenue Recognition

Pledges are recognized in contribution income when a donor makes a pledge that is, in substance, unconditional. Pledges to be received over periods longer than a single year are discounted at an interest rate commensurate with the risk involved.

Contributions, including unconditional promises to give, are recognized in the consolidated statements of activities in the period in which they are received. This revenue is recorded net of any resulting direct donor benefit. Contributions received with donor stipulations that limit their use or are designated as support for future periods are considered temporarily restricted. When a donor restriction expires, that is, when a stipulated time restriction ends or the purpose restriction is met, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statements of activities as "Net assets released from restrictions." Contributions received for endowments to be held in perpetuity are reported as permanently restricted support. Contributions of assets other than cash are recorded at fair value.

Reclassifications

Certain amounts in the prior year consolidated financial statements have been reclassified to conform to the current year presentation. These reclassification adjustments had no effect on the Organization's previously reported change in net assets.

Functional Expenses

Expenses are classified according to the categories for which they are incurred and are summarized on a functional basis in the accompanying consolidated statements of functional expenses.

The direct costs of special events include expenses for the benefit of the donor. For example, meals, facilities and rentals are considered direct costs of special events.

CHILDREN'S MEDICAL FUND OF NEW YORK AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Future Adoption of Accounting Standards

Effective for the year ending December 31, 2018, the Organization will be required to adopt FASB Accounting Standards Update ("ASU") No. 2016-14, *Presentation of Financial Statements for Not-for-Profit Entities*, which changes the presentation of not-for-profit financial statements. The new guidance reduces the number of net asset classes from three to two and increases disclosures about financial measures, liquidity risks, among other changes. The effect of adopting this new guidance on the Organization's consolidated financial statements and related disclosures has not yet been determined.

FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers* ("ASU 2014-09"), which requires an entity to recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This ASU will replace most existing revenue recognition guidance in U.S. GAAP, including industry-specific guidance, when it becomes effective. This guidance is effective for years beginning after December 15, 2018. The Organization is evaluating the effect that ASU 2014-09 will have on its consolidated financial statements and related disclosures.

Subsequent Events

In accordance with FASB ASC 855, *Subsequent Events*, the Organization has evaluated subsequent events through September 14, 2018, the date on which these consolidated financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosure in these consolidated financial statements.

NOTE 3. PLEDGES RECEIVABLE

At December 31, 2017 and 2016, pledges are expected to be collected as follows:

	<u>2017</u>	<u>2016</u>
Less than one year	\$ 80,550	\$ 211,500
Due in less than one year	93,071	96,570
Due between one and five years	<u>294,214</u>	<u>296,118</u>
	467,835	604,188
Less: allowance for doubtful pledges	54,000	210,000
Less: discount to present value	<u>12,839</u>	<u>10,712</u>
	<u>\$ 400,996</u>	<u>\$ 383,476</u>

Pledges to be received after one year are reflected at the net present value of estimated future cash flows using discount rates ranging from 2.04% - 2.61% and 1.40% - 2.45% at December 31, 2017 and 2016, respectively.

**CHILDREN'S MEDICAL FUND OF NEW YORK AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016**

NOTE 4. CONCENTRATIONS

Concentration of Credit Risk

The Organization places its cash and cash equivalents with high credit quality financial institutions. Bank balances may at times exceed the Federal Deposit Insurance Corporation insurance limit. The Organization has not experienced any losses in such accounts.

Concentration of Income Sources

For the years ended December 31, 2017 and 2016, the Organization received approximately 64% and 36% of its total public support and revenue from fundraising events. During 2017, one event (Golf & Tennis Outing) accounted for approximately 51% of total revenue. During 2016, two events (Golf & Tennis Outing and Fashion Show) accounted for approximately 33% of total revenue.

Concentration of Pledges Receivable

Pledges receivable due from two donors accounted for approximately 30% and 40% as of December 31, 2017 and 2016, respectively.

NOTE 5. FAIR VALUE MEASUREMENTS

Assets and liabilities measured at fair value are based on one or more of three valuation techniques identified in the table below. The valuation techniques are as follows:

- (a) *Market approach*: Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities;
- (b) *Cost approach*: Amount that would be required to replace the service capacity of an asset (replacement cost); and
- (c) *Income approach*: Techniques to convert future amounts to a single present amount based on market expectations (including present value techniques, option-pricing and excess earnings models.)

CHILDREN'S MEDICAL FUND OF NEW YORK AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016

NOTE 5. FAIR VALUE MEASUREMENTS (CONTINUED)

The following tables set forth by level, within the fair value hierarchy, the Organization's assets at fair value, as of December 31, 2017 and 2016:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total at December 31, 2017</u>	<u>Valuation Technique</u>
Domestic fixed income - mutual funds:					
Short Duration Fund	\$ 75,149	\$ -	\$ -	\$ 75,149	(a)
NY Municipal Bond	76,270	-	-	76,270	(a)
Tax-Advantaged Income Fund	<u>34,623</u>	<u>-</u>	<u>-</u>	<u>34,623</u>	(a)
Total domestic fixed income - mutual funds	<u>186,042</u>	<u>-</u>	<u>-</u>	<u>186,042</u>	
International fixed income - mutual funds	<u>10,892</u>	<u>-</u>	<u>-</u>	<u>10,892</u>	(a)
Domestic equities - mutual funds:					
Tax-Managed Volume Fund	59,227	-	-	59,227	(a)
Tax-Managed Large Cap Fund	26,899	-	-	26,899	(a)
Tax-Managed Small/Mid Cap Fund	<u>11,166</u>	<u>-</u>	<u>-</u>	<u>11,166</u>	(a)
Total domestic equities - mutual funds	<u>97,292</u>	<u>-</u>	<u>-</u>	<u>97,292</u>	
International equities - mutual funds:					
Tax-Managed International Market Volume Fund	40,201	-	-	40,201	(a)
International Equity Fund	<u>12,024</u>	<u>-</u>	<u>-</u>	<u>12,024</u>	(a)
Total international equities - mutual funds	<u>52,225</u>	<u>-</u>	<u>-</u>	<u>52,225</u>	
Total investments	<u>\$ 346,451</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 346,451</u>	

CHILDREN'S MEDICAL FUND OF NEW YORK AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 5. FAIR VALUE MEASUREMENTS (CONTINUED)

	Level 1	Level 2	Level 3	Total at December 31, 2016	Valuation Technique
Domestic fixed income - mutual funds:					
Short Duration Fund	\$ 66,538	\$ -	\$ -	\$ 66,538	(a)
NY Municipal Bond	48,241	-	-	48,241	(a)
Tax-Advantaged Income Fund	<u>28,612</u>	<u>-</u>	<u>-</u>	<u>28,612</u>	(a)
Total domestic fixed income - mutual funds	<u>143,391</u>	<u>-</u>	<u>-</u>	<u>143,391</u>	
Domestic equities - mutual funds:					
Tax-Managed Volume Fund	63,775	-	-	63,775	(a)
Tax-Managed Large Cap Fund	<u>27,019</u>	<u>-</u>	<u>-</u>	<u>27,019</u>	(a)
Total domestic equities - mutual funds	<u>90,794</u>	<u>-</u>	<u>-</u>	<u>90,794</u>	(a)
Common stock	<u>9,270</u>	<u>-</u>	<u>-</u>	<u>9,270</u>	(a)
International Equity - mutual fund	<u>12,799</u>	<u>-</u>	<u>-</u>	<u>12,799</u>	(a)
Cash and cash equivalents - money market fund	<u>1,247</u>	<u>-</u>	<u>-</u>	<u>1,247</u>	(a)
Total investments	<u>\$ 257,501</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 257,501</u>	

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2017 and 2016.

Mutual funds are valued on the quoted market prices, which represent the net asset value of the securities held in such funds.

Equity securities are valued based on the closing price reported in the active market in which the individual security is traded.

Money market fund is recorded at fair value based on the closing price as reported by the carrying broker-dealer.

NOTE 6. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at December 31, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Computers	\$ 33,638	\$ 33,638
Furniture and fixtures	22,576	22,576
Machinery and equipment	18,217	18,217
Leasehold improvements	<u>5,497</u>	<u>5,497</u>
	79,928	79,928
Less: accumulated depreciation and amortization	<u>78,699</u>	<u>78,120</u>
Property and equipment, net	<u>\$ 1,229</u>	<u>\$ 1,808</u>

CHILDREN'S MEDICAL FUND OF NEW YORK AND AFFILIATE
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DECEMBER 31, 2017 AND 2016

NOTE 7. GRANTS PAYABLE

Grants authorized by the board of trustees, but unpaid at year end, are reported as liabilities. The following summarizes the change in grants payable for 2017 (all to the Center):

	January 1, 2017	Interest Expense	Present Value Adjustment	Grants Paid	December 31, 2017
North Shore-Long Island Jewish Health System Foundation	\$ 2,833,545	\$ 35,419	\$ (17,406)	\$ (400,000)	\$ 2,451,558
	<u>\$ 2,833,545</u>	<u>\$ 35,419</u>	<u>\$ (17,406)</u>	<u>\$ (400,000)</u>	<u>\$ 2,451,558</u>

At December 31, 2017 and 2016, grants are expected to be paid as follows:

	2017	2016
Due in less than one year	\$ 1,100,000	\$ 1,000,000
Due between one and five years	<u>1,500,000</u>	<u>2,000,000</u>
	2,600,000	3,000,000
	<u>148,442</u>	<u>166,455</u>
Less: present value discount		
	<u>\$ 2,451,558</u>	<u>\$ 2,833,545</u>

Grants to be paid after one year are reflected at the net present value of estimated future cash flows using discount rates ranging from 1.11% - 1.81% at December 31, 2017 and 2016.

During the year ended December 31, 2016, management conducted a detailed analysis of their grants payable balance. During their review, management discovered there to be invalid payables due to the Center. Accordingly, management adjusted its grants payable balance and wrote off these payables in the amount of \$405,000 to properly reflect the grants payable at the amount that management expects to pay.

NOTE 8. TEMPORARILY RESTRICTED NET ASSETS

The following summarizes the changes in temporarily restricted net assets (restricted for the Center) in 2017 and 2016, respectively:

Program	January 1, 2017	Contributions	Released from Restrictions	December 31, 2017
Pediatric Emergency Room	\$ 1,834,147	\$ 64,124	\$ (286,050)	\$ 1,612,221
Pediatric Hematology & Oncology Department	5,000	-	-	5,000
MRI Suite	69,497	49,344	-	118,841
Neonatal Resuscitation	1,404	-	-	1,404
Accumulated endowment fund investment income	3,047	25,139	-	28,186
Time Restricted	<u>103,010</u>	<u>-</u>	<u>-</u>	<u>103,010</u>
	<u>\$ 2,016,105</u>	<u>\$ 138,607</u>	<u>\$ (286,050)</u>	<u>\$ 1,868,662</u>

CHILDREN'S MEDICAL FUND OF NEW YORK AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 8. TEMPORARILY RESTRICTED NET ASSETS (CONTINUED)

Program	January 1, 2016	Contributions	Released from Restrictions	December 31, 2016
Pediatric Emergency Room	\$ 1,949,147	\$ -	\$ (115,000)	\$ 1,834,147
Pediatric Hematology & Oncology Department	5,000	-	-	5,000
MRI Suite	-	69,497	-	69,497
Neonatal Resuscitation	1,404	-	-	1,404
Accumulated endowment fund investment income	-	3,047	-	3,047
Time Restricted	<u>28,010</u>	<u>75,000</u>	<u>-</u>	<u>103,010</u>
	<u>\$ 1,983,561</u>	<u>\$ 147,544</u>	<u>\$ (115,000)</u>	<u>\$ 2,016,105</u>

NOTE 9. ACCOUNTING AND REPORTING FOR ENDOWMENTS

The Endowments

CMFCLE was established to undertake fundraising on behalf of the Child Life Program for the purpose of building and maintaining an endowment fund (the "Fund") for the Child Life Program. This is consistent with the mission and consists of funds which have been designated by the board of trustees to function as an endowment.

On September 17, 2010, New York State enacted the New York Prudent Management of Institutional Funds Act ("NYPMIFA"). CMFCLE and its board of trustees have interpreted NYPMIFA as requiring the preservation in perpetuity of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by CMFCLE in a manner consistent with the standard of prudence prescribed by NYPMIFA.

Investment Return Objectives and Risk Parameters

The investment objective of the Fund is to generate, net of the spending rate and ordinary, necessary and reasonable fees, a long-term return in excess of the rate of inflation as measured by the Consumer Price Index ("CPI").

The three long-term investment goals, which are to be achieved while conforming to the asset allocation and risk constraints adopted by the board of trustees shall be:

- 1) to protect the principal of the Fund
- 2) to obtain a stable investment return that provides sufficient cash flow to meet the Fund's needs; and
- 3) to obtain growth of investments to mitigate the effects of inflation on the Fund assets.

CHILDREN'S MEDICAL FUND OF NEW YORK AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016

NOTE 9.

ACCOUNTING AND REPORTING FOR ENDOWMENTS (CONTINUED)

Spending Policy

To manage the Fund and to expend for the use, benefit and purpose of the Child Life Program, CMFCLE, in any calendar year, will distribute an amount not to exceed the investment return actually earned or received by the endowment fund in the immediately preceding calendar year, from whatever source derived and capped at an amount equal to a 4% investment return, unless the board of trustees reasonably determines that a greater expenditure is required. The funds received and earned are solely for the purpose of Child Life programming, and cannot be withdrawn for any other purpose or support of the Center's programs.

Investment Guidelines

The overall risk of the portfolio shall be managed with the goal of minimizing potential losses consistent with investment return objectives above. The following investment principles should be prioritized:

- 1) setting reasonable investment goals that avoid excessive risks or volatility;
- 2) balancing the need for safety and growth;
- 3) monitoring the performance of investments; and
- 4) adjusting the investment strategy in response to performance results, changing market conditions, and changing institutional needs.

CHILDREN'S MEDICAL FUND OF NEW YORK AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 9. ACCOUNTING AND REPORTING FOR ENDOWMENTS (CONTINUED)

Endowment Net Asset Composition by Fund

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total at December 31, 2017</u>
Donor-designated	<u>\$ -</u>	<u>\$ 28,186</u>	<u>\$ 350,000</u>	<u>\$ 378,186</u>

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total at December 31, 2016</u>
Donor-designated	<u>\$ -</u>	<u>\$ 3,047</u>	<u>\$ 350,000</u>	<u>\$ 353,047</u>

Changes in Endowment Net Assets for the Years Ended December 31, 2017 and 2016

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Net assets - January 1, 2016	<u>\$ (5,639)</u>	<u>\$ -</u>	<u>\$ 250,000</u>	<u>\$ 244,361</u>
Contributions	<u>87,187</u>	<u>-</u>	<u>100,000</u>	<u>187,187</u>
Other income	<u>1,408</u>	<u>-</u>	<u>-</u>	<u>1,408</u>
Program and supporting service expenses	<u>2,239</u>	<u>-</u>	<u>-</u>	<u>2,239</u>
Change in net assets	<u>(831)</u>	<u>-</u>	<u>-</u>	<u>(831)</u>
Investment return:				
Interest and dividends	<u>-</u>	<u>1,431</u>	<u>-</u>	<u>1,431</u>
Unrealized gains	<u>-</u>	<u>1,616</u>	<u>-</u>	<u>1,616</u>
Total investment return	<u>-</u>	<u>3,047</u>	<u>-</u>	<u>3,047</u>
Net assets - December 31, 2016	<u>80,717</u>	<u>3,047</u>	<u>350,000</u>	<u>433,764</u>
Other income	<u>2,910</u>	<u>-</u>	<u>-</u>	<u>2,910</u>
Program and supporting service expenses	<u>3,305</u>	<u>-</u>	<u>-</u>	<u>3,305</u>
Change in net assets	<u>(395)</u>	<u>-</u>	<u>-</u>	<u>(395)</u>
Investment return:				
Interest and dividends	<u>-</u>	<u>2,696</u>	<u>-</u>	<u>2,696</u>
Unrealized gains	<u>-</u>	<u>22,443</u>	<u>-</u>	<u>22,443</u>
Total investment return	<u>-</u>	<u>25,139</u>	<u>-</u>	<u>25,139</u>
Net assets - December 31, 2017	<u>\$ 80,322</u>	<u>\$ 28,186</u>	<u>\$ 350,000</u>	<u>\$ 458,508</u>

SUPPLEMENTARY INFORMATION

**CHILDREN'S MEDICAL FUND OF NEW YORK AND AFFILIATE
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2017**

	Children's Medical Fund of New York	Children's Medical Fund Child Life Endowment Corp.	Eliminations	Consolidated
	<u>ASSETS</u>			
Cash and cash equivalents	\$ 854,395	\$ 27,057	\$ -	\$ 881,452
Pledges receivable, net	315,996	85,000	-	400,996
Events receivable	151,051	-	-	151,051
Investments	-	346,451	-	346,451
Prepaid expenses and other current assets	2,032	-	-	2,032
Property and equipment, less accumulated depreciation and amortization of \$78,699	1,229	-	-	1,229
TOTAL ASSETS	<u>\$ 1,324,703</u>	<u>\$ 458,508</u>	<u>\$ -</u>	<u>\$ 1,783,211</u>
	<u>LIABILITIES AND NET ASSETS (DEFICIENCY)</u>			
Liabilities:				
Accounts payable and accrued expenses	\$ 18,536	\$ -	\$ -	\$ 18,536
Grants payable	2,451,558	-	-	2,451,558
Total liabilities	<u>2,470,094</u>	<u>-</u>	<u>-</u>	<u>2,470,094</u>
Net assets (deficiency):				
Unrestricted	(2,985,867)	80,322	-	(2,905,545)
Temporarily restricted	1,840,476	28,186	-	1,868,662
Permanently restricted	-	350,000	-	350,000
Total net assets (deficiency)	<u>(1,145,391)</u>	<u>458,508</u>	<u>-</u>	<u>(686,883)</u>
TOTAL LIABILITIES AND NET ASSETS (DEFICIENCY)	<u>\$ 1,324,703</u>	<u>\$ 458,508</u>	<u>\$ -</u>	<u>\$ 1,783,211</u>

See independent auditor's report.

CHILDREN'S MEDICAL FUND OF NEW YORK AND AFFILIATE
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2016

	Children's Medical Fund of New York	Children's Medical Fund Child Life Endowment Corp.	Eliminations	Consolidated
	<u>ASSETS</u>			
Cash and cash equivalents	\$ 1,034,722	\$ 100,533	\$ -	\$ 1,135,255
Pledges receivable, net	298,476	85,000	-	383,476
Events receivable	28,680	-	-	28,680
Investments	9,270	248,231	-	257,501
Prepaid expenses and other current assets	2,390	-	-	2,390
Property and equipment, less accumulated depreciation and amortization of \$78,120	1,808	-	-	1,808
TOTAL ASSETS	<u>\$ 1,375,346</u>	<u>\$ 433,764</u>	<u>\$ -</u>	<u>\$ 1,809,110</u>
	<u>LIABILITIES AND NET ASSETS (DEFICIENCY)</u>			
Liabilities:				
Accounts payable and accrued expenses	\$ 18,215	\$ -	\$ -	\$ 18,215
Grants payable	2,833,545	-	-	2,833,545
Total liabilities	<u>2,851,760</u>	<u>-</u>	<u>-</u>	<u>2,851,760</u>
Net assets (deficiency):				
Unrestricted	(3,489,472)	80,717	-	(3,408,755)
Temporarily restricted	2,013,058	3,047	-	2,016,105
Permanently restricted	-	350,000	-	350,000
Total net assets (deficiency)	<u>(1,476,414)</u>	<u>433,764</u>	<u>-</u>	<u>(1,042,650)</u>
TOTAL LIABILITIES AND NET ASSETS (DEFICIENCY)	<u>\$ 1,375,346</u>	<u>\$ 433,764</u>	<u>\$ -</u>	<u>\$ 1,809,110</u>

See independent auditor's report.

**CHILDREN'S MEDICAL FUND OF NEW YORK AND AFFILIATE
CONSOLIDATING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Children's Medical Fund of New York						Children's Medical Fund Child Life Endowment Corp.					
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Eliminations	Consolidated		
Public support, contributions and other revenues:												
Public support:												
Special events revenue	\$ 684,287	\$ -	\$ -	\$ 684,287	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 684,287		
Less: direct special event expense	155,833	-	-	155,833	-	-	-	-	-	155,833		
Special events, net	528,454	-	-	528,454	-	-	-	-	-	528,454		
Contributions:												
Contributions	9,687	-	-	9,687	-	-	-	-	-	9,687		
CMF Central Board	64,857	113,468	-	178,325	-	-	-	-	-	178,325		
Total contributions	74,544	113,468	-	188,012	-	-	-	-	-	188,012		
Other revenues:												
Donated rent	48,000	-	-	48,000	-	-	-	-	-	48,000		
Interest and dividends	3,920	-	-	3,920	-	2,696	-	2,696	-	6,616		
Realized gain on investments	4,710	-	-	4,710	-	-	-	-	-	4,710		
Unrealized gain (loss) on investments	(4,986)	-	-	(4,986)	-	22,443	-	22,443	-	17,457		
Other income	-	-	-	-	2,910	-	-	2,910	-	2,910		
Other revenues, net	51,644	-	-	51,644	2,910	25,139	-	28,049	-	79,693		
Net assets released from restrictions	286,050	(286,050)	-	-	-	-	-	-	-	-		
Total public support, contributions and other revenues	940,692	(172,582)	-	768,110	2,910	25,139	-	28,049	-	796,159		
Program and supporting services expenses:												
Program services	303,111	-	-	303,111	1,000	-	-	1,000	-	304,111		
Supporting services:												
Management and general	65,751	-	-	65,751	2,305	-	-	2,305	-	68,056		
Fundraising	68,225	-	-	68,225	-	-	-	-	-	68,225		
Total supporting services	133,976	-	-	133,976	2,305	-	-	2,305	-	136,281		
Total program and supporting services expenses	437,087	-	-	437,087	3,305	-	-	3,305	-	440,392		
Change in net assets	503,605	(172,582)	-	331,023	(395)	25,139	-	24,744	-	355,767		
Net assets (deficiency) - beginning	(3,489,472)	2,013,058	-	(1,476,414)	80,717	3,047	350,000	433,764	-	(1,042,650)		
NET ASSETS (DEFICIENCY) - ENDING	\$ (2,985,867)	\$ 1,840,476	\$ -	\$ (1,145,391)	\$ 80,322	\$ 28,186	\$ 350,000	\$ 458,508	\$ -	\$ (686,883)		

See independent auditor's report.

CHILDREN'S MEDICAL FUND OF NEW YORK AND AFFILIATE
CONSOLIDATING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2016

	Children's Medical Fund of New York					Children's Medical Fund Child Life Endowment Corp.				
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Eliminations	Consolidated
Public support, contributions and other revenues:										
Public support:										
Special events revenue	\$ 620,256	\$ -	\$ -	\$ 620,256	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 620,256
Less: direct special event expense	214,141	-	-	214,141	-	-	-	-	-	214,141
	<u>406,115</u>	<u>-</u>	<u>-</u>	<u>406,115</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>406,115</u>
Special events, net										
Contributions:										
Contributions	4,486	-	-	4,486	87,187	-	100,000	187,187	(87,187)	104,486
CMF Central Board	19,259	144,497	-	163,756	-	-	-	-	-	163,756
	<u>23,745</u>	<u>144,497</u>	<u>-</u>	<u>168,242</u>	<u>87,187</u>	<u>-</u>	<u>100,000</u>	<u>187,187</u>	<u>(87,187)</u>	<u>268,242</u>
Total contributions										
Other revenues:										
Donated rent	42,000	-	-	42,000	-	-	-	-	-	42,000
Interest and dividends	6,805	-	-	6,805	-	1,431	-	1,431	-	8,236
Realized gain on sale of investments	3,695	-	-	3,695	-	-	-	-	-	3,695
Unrealized gain (loss) on investments	(4,061)	-	-	(4,061)	-	1,616	-	1,616	-	(2,445)
Recovery of prior grants	405,000	-	-	405,000	-	-	-	-	-	405,000
Other income	-	-	-	-	1,408	-	-	1,408	-	1,408
	<u>453,439</u>	<u>-</u>	<u>-</u>	<u>453,439</u>	<u>1,408</u>	<u>3,047</u>	<u>-</u>	<u>4,455</u>	<u>-</u>	<u>457,894</u>
Other revenues, net										
Net assets released from restrictions	115,000	(115,000)	-	-	-	-	-	-	-	-
Total public support, contributions and other revenues	998,299	29,497	-	1,027,796	88,595	3,047	100,000	191,642	(87,187)	1,132,251
Program and supporting services expenses:										
Program services	370,639	-	-	370,639	1,000	-	-	1,000	(87,187)	284,452
Supporting services:										
Management and general	60,262	-	-	60,262	1,239	-	-	1,239	-	61,501
Fundraising	63,941	-	-	63,941	-	-	-	-	-	63,941
	<u>124,203</u>	<u>-</u>	<u>-</u>	<u>124,203</u>	<u>1,239</u>	<u>-</u>	<u>-</u>	<u>1,239</u>	<u>-</u>	<u>125,442</u>
Total supporting services										
Total program and supporting services expenses	494,842	-	-	494,842	2,239	-	-	2,239	(87,187)	409,894
Change in net assets	503,457	29,497	-	532,954	86,356	3,047	100,000	189,403	-	722,357
Net assets (deficiency) - beginning	(3,992,929)	1,983,561	-	(2,009,368)	(5,639)	-	250,000	244,361	-	(1,765,007)
NET ASSETS (DEFICIENCY) - ENDING	\$ (3,489,472)	\$ 2,013,058	\$ -	\$ (1,476,414)	\$ 80,717	\$ 3,047	\$ 350,000	\$ 433,764	\$ -	\$ (1,042,650)

See independent auditor's report.